

/Coat of Arms of the Federal Republic of Yugoslavia/

Federal Republic of Yugoslavia

Supreme Defence Council

Number: 10-1

Date: 19.11.1996

Belgrade

Defence

Official Secret

Strictly Confidential

Based on Article 135 of the Constitution of the Federal Republic of Yugoslavia, I call the 58th session of the Supreme Defence Council, which is to take place at 1300 hrs on Wednesday, 21 November 1996, with the following:

Agenda

- Adoption of the Minutes from the 57th Session of the Supreme Defence Council.
- 1. Information on the current military and political situation in the region.
- 2. Financing of the Yugoslav Army.
- 3. Other Items.

Dr Radoje KONTIĆ, Federal Prime Minister, Pavle BULATOVIĆ, Federal Minister of Defence, and Colonel General Momčilo PERIŠIĆ, Chief of the General Staff of the Yugoslav Army, are to attend the session, as summoned.

The session will take place at Užička 15 Street in Belgrade.

President

Zoran LILIĆ

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Supreme Defence Council,
Belgrade/

President of the Federal Republic of Yugoslavia

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Shorthand Notes
from the 58th Session of the
Supreme Defence Council

- held on 21 November 1996 -

Belgrade

Shorthand Notes

From the 58th Session of the Supreme Defence Council

Held on 21 November 1996

The session began at 1330 hrs.

It was attended by: Zoran LILIĆ, President of the Federal Republic of Yugoslavia and President of the Supreme Defence Council; Slobodan MILOŠEVIĆ, President of the Republic of Serbia, and Momir BULATOVIĆ, President of the Republic of Montenegro – members of the Supreme Defence Council; Dr Radoje KONTIĆ, Federal Prime Minister; Pavle BULATOVIĆ, Federal Minister of Defence; Colonel General Momčilo PERIŠIĆ, Chief of the General Staff of the Yugoslav Army; and Major General Slavoljub ŠUŠIĆ, Secretary of the Supreme Defence Council and Chief of the Military Cabinet of the President of the SRJ /Federal Republic of Yugoslavia/.

(Shorthand notes made by Jordan ŽIVANOVIĆ, a senior debate stenographer at the Cabinet of the President of the SR /Federal Republic/ Yugoslavia.)

The session was presided over by Zoran LILIĆ, President of the Federal Republic of Yugoslavia.

Zoran LILIĆ:

I suggest that we start working.

I open the 58th session of the Supreme Defence Council.

I suggest that we adopt the proposed agenda, which is related to the topics that we discussed.

I suggest that we first adopt the Minutes from the 57th Session of the VSO /Supreme Defence Council/ before we move further to the agenda. Let me remind you – the session was related to the budget, training of pilots and the information on work of the expert team on the model of the Yugoslav Army.

I read through the minutes.

Do you have any objection to the minutes?

Momir BULATOVIĆ:

I would say that this is a new step forward in terms of taking minutes of our sessions. I think that the minutes should also be taken in this way in the future.

Zoran LILIĆ:

Momo, I agree with you!

I conclude that the Council has adopted the Minutes from the 57th Session of the Supreme Defence Council. We shall move further to the first item of the agenda:

Information of the General Staff of the Yugoslav Army.

I kindly ask General PERIŠIĆ to briefly inform the Council about this item.

Momčilo PERIŠIĆ:

Messrs Presidents, Mr Minister; I would like to say just a few things related to the first item, and I would reduce them to Republika Srpska.

Thanks to the active role of the SR Yugoslavia, the international community was compelled to lift the sanctions although it did not accomplish its objectives in the area of the entire Yugoslavia and wider region. So, we can expect certain pressures in the future. Those pressures are firstly evident in the requests to fully implement the provisions of the Dayton Accord, which is not going to be a problem. Secondly, they will request us to cooperate with the Hague Tribunal, which will come to be a smaller problem in the course of events. Thirdly, there are some issues related to Kosovo and Metohija, and to Raška Oblast /Region/ as well, I would say.

The negative influence will be exerted in accordance with the standards and will of the international community, but I believe that owing to our diplomacy, the pressure will be easing off in many aspects in the future.

Still, there are three external hot spots that might keep influencing directly the safety of the SRJ: Firstly, it is the situation in the area of Slavonija and Baranja, which has been improved in many aspects ever since this working group was appointed. It is the group that develops the Constitution according to which the citizens should vote at the elections after the expiry of the mandate, and decide on their own destiny. However, Croatia might make a sudden turn in its politics, take advantage of it and provoke some incidents which would cause migration of the population towards the SR Yugoslavia.

The second hot spot is Prevlaka; you also know what its status is, and Croatia does not want to give up on it. There was a seminar in Venice regarding use of the entire Mediterranean Sea and all navy commanders were there, including the Navy of

the SRJ. The NATO suggested that this area should be demilitarised. Demilitarisation of that area would mean that the SRJ could base its Navy there where we really have conditions to do that, which is in the Boka-Kotor Bay.

Thirdly, the reason why I am telling all of this is the situation in Republika Srpska.

You know that, first of all, owing to the influence of the SRJ, Republika Srpska attained all conditions needed for the future development. However, due to a split within the political and military leadership, there is a real danger of destroying the Army in Republika Srpska. And, if the Army gets destroyed, there is a danger of reunion of Republika Srpska with Alija's Bosnia.

We had a meeting last night with them. President MILOŠEVIĆ, President LILIĆ and I were there. The split within the military and political leadership took some shapes of antagonism, so that they arrest each other and behave like real enemies. It benefits the most the actual enemy – the Muslims, who created all conditions to get armed. A ship carrying armament arrived to Ploče today!

With regards to this situation, there are two threats to the safety of Republika Srpska, as well as to the safety of Yugoslavia:

Firstly, the state leadership might persist in composing the General Staff of incompetent personnel. As a transitional solution, they are discharging authoritative men and appointing incompetent men who do not know anything and who seem to be morally immature. They are doing it in order to create conditions for establishment of some new army?! In my opinion, it seems that the new army should be some kind of Chetniks' army in its form and essence, which would cause a fall of Republika Srpska and it would be a threat to the SRJ.

With regards to this, today we have to decide how to help them overcome that abyss and how to help the senior officers who are holders of the progressive idea, who carried out the war, and who are not politically affiliated, to survive there and prevent creation of the new army, which is to prevent the fall of Republika Srpska.

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In order for you to make a decision, I would like to present the following information that is important for the decision-making:

Firstly, we have 56 men from Republika Srpska that are receiving training here in the Military High School. There are 146 men in the Secondary Military School; there are 293 students in military academies of all types of ground forces;

there are 109 students in Military Engineering Academy, 25 students are in General Staff School and 14 students are in the National Defence School. That is the total of 643 men.

We should make a decision whether we should continue providing the education for them or not. If they are on the same political wavelength and if they continue working in function of your plan, I suggest that we train those men because they will be holders of those views and beliefs, and the pillar of the Army over there for a long time.

Secondly, there is certain number of officers who are there. At this moment, we have 1,241 officers who have been transferred and appointed there, and 70 officers who have been sent there on a temporary basis, which makes the total of 1,311 officers. You can also see how many non-commissioned officers we have (showing it on a slide).

The total number of officers and non-commissioned officers is 2,354.

Furthermore, we have 773 officers, non-commissioned officers and others who are under the contract. We have the total of 1,719 civilians, or the total number of military personnel that the SRJ, actually the Yugoslav Army, pays from the budget is 4,846.

If the state authorities and military authorities would act in correlation with the common politics of the SRJ, I suggest that we pay and support those people since they will be an obstacle to any deviation. If we estimate that they are going into something that is against the interests of the SRJ, which is also against the interests of Republika Srpska, we should decide what to do.

Out of the given number of officers and non-commissioned officers in the 30th Personnel Centre /sic/ we have the total of 299 officers and 219 non-commissioned officers who are from the area of the SRJ. They are voluntarily there and they wish to stay, naturally, if the military leadership would be competent enough to guide them as the previous one guided them so far.

Furthermore, there are 1,384 officers and 1,295 non-commissioned officers who are from the area of the former Republic of BiH /Bosnia and Herzegovina/, actually from Republika Srpska.

There are 137 officers and non-commissioned officers who are under the contract that expires by the end of 1996, and there will be 633 of them during 1997. In 1998, there will be only five non-commissioned officers.

Out of the given number of officers and non-commissioned officers, 317 persons might finish the service. Out of the given number of officers and non-commissioned officers, 1,253 persons are from the area of Bosnia while their families are in the area of the SRJ. The total amount that we pay monthly supporting all of them is 8 million and 753 thousand dinars.

Taking into consideration the present situation, what might happen? If the state leadership would continue insisting on request that the present General Staff should remain with four men, and I will just tell you what kind of men they are, it won't be good. Pero ČOLIĆ did not receive any military education; he was born in 1937 and he is retired now. He was the main spokesperson of the SDS /Serbian Democratic Party/. He is drunk 23 hours a day. He is not a competent person for that function. He was retired as a colonel, but they promoted him into a general. He would never get the rank of colonel in a regular army, but he got it in the war. He was a participant of the war – we cannot deny it. So, it is a person whom no one accepts and who is not competent to do that job.

The second person is JOSIPOVIĆ, who was Commander of the Vogošća Brigade and both the left and the right hand of Momo KRAJIŠNIK in different machinations in the area of Vogošća. It is a man who deserted his post four times, and the man who lost Žuč. You remember it very well, and you also criticised me. Once we engaged a unit to regain Žuč. That man was on the left wing of our unit, but he never moved an inch although our men got deep inside the territory. We lost eight men, and three of them were soldiers.

Then, it is a man who is also retired and he is not a member of the RS /Republika Srpska/ Army, but he appeared to be the main security guard of Radovan KARADŽIĆ.

The third person is Vinko PANDUREVIĆ, who was Commander of the Zvornik Brigade, young and capable. But, he is with RENOVICA, the fourth man in that General Staff and a person who has never been in the Army. He used to work in different security organs and he was Commander of some Zvornik Security Centre during the war. The two of them were main organisers of the transfer of goods across the Drina.

So, all four of them are incompetent to lead the Army, they are even less competent to transform the army, and they are the least competent to successfully organise the existing military formations and to defend Republika Srpska.

If the four of them would remain as leaders, based on the conclusion of the present Main Staff of Republika Srpska, I assume that most of those officers that I mentioned will leave Republika Srpska. One group of men will get retired – those who have a right to the retirement. The bulk of honourable officers who do not agree with such politics will join the Yugoslav Army. The third group of officers have different reasons; either their families are there, or they have apartments there or they are under influence of the SDS – they will remain there. However, the army will be gone and the new one will never get established. Alija can take advantage of it and jeopardise the sovereignty of Republika Srpska. Those officers are important indicators of safety of the citizens, and if they would leave the area, everyone else, many people, will follow them. It is going to worsen the situation that is already quite complex here. The worst thing is that Republika Srpska will remain unprotected.

The second option is: If they would listen to you, and I am ready to help to make them understand that they cannot survive without the Army – not the new paramilitary organisation, but the same Army that waged the war, they would make certain changes and choose competent persons to lead the Army. Then most of those officers would probably remain there and there would not be any significant problems. I suggest that we should support them then. I suggest that you decide about it. Thank you.

Radoje KONTIĆ:

This is much worse than I thought.

Slobodan MILOŠEVIĆ:

Yesterday we talked with some serious men: MILOVANOVIĆ, GVERO and ŠKRBIĆ. They informed us about it, nicely and with cool heads. It seems that their leadership has made a decision. Before I tell you about it, let me inform you that they called very late yesterday, and therefore we could not call you, Momo, since it was late. We believed that we would see each other today, so President LILIĆ and I talked with them.

The political leaders were discussing for a long time whether they should support the continuity or discontinuity of the RS Army. And, apparently they opted for discontinuity. However, the explanation for discontinuity is weak. It is not a discontinuity but practically the disintegration of the RS Army. For they do not have any other army there. There is no “yellow”, “blue” or “green” army. Therefore, they cannot choose between one and some other army in order to have their own army.

I think that our strategic interest is that the RS Army should be capable instead of provoking possible aggression against them and putting Republika Srpska in danger due to its weaknesses. The current situation from our point of view is that they have the Main Staff which has been existing so far and has been fully covering the Army, but parallel with it, they have the newly appointed General Staff on paper, which does not have any influence.

In briefest, I think that we should help them. I also told them last night that it is in our interest to have them united. There should be no disagreements regardless of whether we do or do not like the men in the leadership of Republika Srpska. There should be no disagreements between the political and military leadership. We should help them in that part which is not under our control by talking with the political leadership in order to overcome those problems. We should continue helping them as much as we can within a domain in which we can in order to prevent Republika Srpska from reducing its combat readiness and provoking the other side to make some moves which could fully affect the safety and existence of Republika Srpska.

As for the financial aspect, it is almost neutral. If we would stop helping them with this /sic/, a large number of them would simply retire, and the difference between salaries and pensions is almost negligible. Since they served for a long time in the JNA /Yugoslav People’s Army/ and they have the right to our pensions, it would not be a big difference when looking at it from the aspect of financial support.

Therefore, I think that we should do two things:

One thing is that we should continue providing them with this support to prevent disintegration over there which might cause a mess and jeopardise these things /sic/.

The second thing is that we are trying to have a meeting with their political leadership and to suggest them – without imposing anything – that they should sort out those things.

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It cannot be possible that they are forming a new army based on those paramilitary and police forces, because every army in a system has its systems to wage a war; no police can have it. Every army in the world acts based on coordination of armoured units, artillery, infantry and other units. It has to be done by professionals, trained persons. They cannot build their own castle in the air just like that, on paper, since it will not function later on.

If the RS Army would lose its own respectability, they would simply invite the opposite side to make an intervention. Then they would have big problems.

So we should act in a way to make them reconcile. In the meantime, while trying to reconcile them, we cannot leave these people in the lurch without a chance to live and work normally.

MLADIĆ made a very moral gesture. He said that he decided to retire; he would not accept nor he asked to be the Chief of that General Staff because of the process against him in the Tribunal, etc. But, all of them in the Main Staff think that the new General Staff should have the same structure as the Main Staff has now. For, a General Staff composed of four men and made on paper cannot have practically any influence in the Army. And the complete General Staff, corps commanders, and the entire chain of command are actually the ones who lead the Army.

We should simply help them find a reconciling option on which we have no intention to make any special influence. They know it well and they confirmed it last night – we never requested them to behave in a particular way; we were simply supporting them because we regarded it our duty, but we never put any conditions before them such as: “You should do this or that”. They always did everything the way they wanted.

We still should not put conditions before them, but it would be good for them to overcome this dispute. This dispute is basically political leaders’ fear of the fact that the Army does not respect them enough. However, it is much easier to overcome this abyss through a serious talk than to disintegrate the RS Army and become exposed to very, very dangerous events that might ensue. We should think with the head of the opponents.

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If the opponents estimate that the RS Army is very weak and that it has entered a certain phase of disorganisation and disintegration, then their appetites may grow and

they may do some things that we would not be able to control and we may not be able to help.

Therefore, it is the least expensive to keep supporting them as we have done so far. Whether it is going to turn into pensions or not when they split – it will not make any difference to us if we look at it from the financial aspect. On the other hand, we should try to find a way to make them reconcile and start working together.

I think that KARADŽIĆ did it on purpose – to remove MLADIĆ, because he was his main rival in the fight for prestige in Republika Srpska. MLADIĆ enjoys a huge reputation in Republika Srpska. Now, MLADIĆ is getting out of it; he does not have any intention to stay. However, it is not good to use it as a basis for disorganisation of the Army and to put them in a dangerous position.

My suggestion is that we should support two options:

One option is as follows: Since ŠAINOVIĆ was always maintaining communication between Belgrade and Pale, we should send him to talk to them and arrange a meeting here in Dobanovci, for instance, or elsewhere. We should try to help them as brothers to overcome it. Their narrow-mindedness costs them a lot. It is not a division between Republika Srpska and Yugoslavia any more, but a division within Republika Srpska. They can become very weak and cause a lot of damage. We should help them overcome it. It is within the domain of our political conversation.

The second thing is that we should provide them with this support in the meantime so that they would not split up.

I think that this is an idea which can keep the present situation, which is getting better and better, and it can prevent them from making a step backward in terms of disintegration or their disorganisation.

They also told us that this thing that Momo PERIŠIĆ said was true – that man is completely drunk 23 hours a day! He is not a general indeed; they just honoured him. They have no contact with the Army nor they are qualified. Biljana is stubborn. Still, I think that Biljana is not the one to make any decision here. We have to discuss it with them in details in order to help them and draw their attention to it. The Army is a huge system and they must not destroy it. They have no substitute for it.

They can carry out some police actions to solve some Jusići situation and the situation with some infiltration of 40-50 Muslims into some sectors. But, in case of some military operations, the police cannot handle it. They must not take that risk. I am

afraid that they have relaxed too much. I suggest that we should check if the three of us could have a meeting with them as soon as they agree to do it. But, we should try to have their entire leadership attend the meeting.

In the meantime, we should continue providing them with this support. Otherwise, we might become a factor of complete disorganisation of the Army, which is certainly not in our interest as it is not in their interest, and it is especially not in the interest of Republika Srpska.

Secondly, I said that we would not criticise their decisions in public. Regardless of the fact that we do not have a good opinion about the leadership of Republika Srpska, we think that it is important for the interests of Republika Srpska to make the legally elected organs recognised instead of denying them, since it is against the interests of Republika Srpska. Whatever they are, we have to recognise them so that they can have their own place; that is what we also told them. We have to try to reconcile them rather than to be a factor of their further division, because it is not good for them to be divided in any way. We can disagree as much as we want, but it is important to us that the legally elected organs become recognised, because Republika Srpska becomes recognised in that way and strengthens its statehood. It seems to me that this should be our approach. There are not many dilemmas about it. It is not some profound matter. It is clear even on its surface; we know what it is about.

Zoran LILIĆ:

Momo, go ahead!

Momir BULATOVIĆ:

I agree with President MILOŠEVIĆ. There is almost nothing to be added to his speech. The thing that I think of now is that whenever we face this problem here we always conclude that our role is passive. We always treat the consequences. For instance, we sent one of our officers to the West for two months of training, and then, for the rest of our life, we have to think whether he was indoctrinated by influence of that country in which he has been.

Look, we have four thousand men here receiving training! It is the strongest force that should make the role of our country and our politics become recognised.

Momčilo PERIŠIĆ:

Their approach is such as to get rid of the “red plaque”! They would be very happy to make all of the officers leave, because they are “red plaque” for them. Excuse me for talking like this. All of you know that they would not survive without economic support. Whatever has been sent from here – they take advantage of it and say that the SDS arranged it instead of the DPS /Democratic Party of Serbia/ or the SPS /Socialist Party of Serbia/ or the SRJ; rather they say that it was solely the SDS that arranged it.

They have a principle: all mayors of municipalities are members of the SDS. They summon all brigade commanders and say: “Sign the loyalty to the SDS.” If a brigade commander is not loyal, they replace him and appoint their people. They are trying to form a party’s army by all means. That is the essence. If we do not make them understand that it is fatal, there is a great danger in that Republika Srpska may disappear. We support them as much as we can. There is no way that the Army will continue functioning properly unless something gets changed in the heads of those politicians. The Army will always be in disproportion between their and our stands and the pressure from that side, because they have been facing terrible obstructions /sic/. Can you imagine? For instance, a wife and children of a commanding officer whom Ratko invited to come to Pale were captured and kept as hostages. They released him to go to Pale, but they kept his wife and children as hostages! It is fanaticism! It is fascism!

If RS would completely get off the track, it would make counterproductive reflection on us. I presented my thesis last night, and I still believe so: there is someone other than us giving them the idea that they are the centre of Serbhood; and when they make changes there, they will make changes in the entire SRJ and they will be in charge!

Momir BULATOVIĆ:

All that is true. Just, I say that the only possible solution is the proposal presented by President MILOŠEVIĆ, which all of you reached together. But it still does not solve the problem. If we have a situation that certain brigades and corps have two command positions today...

By definition, the Army has to be loyal to the state leadership; if it is not, then it is not a legal army anymore. On the other hand, how will the Army function if it has two commanders? That is the only way.

We should actively affirm our principles through our men here and through the Army; those principles are – to employ professionals to the command posts. If we have been providing education to all of those people, then we should stick to the principle of professional military, humane and honourable effect. If we manage to “impose” /sic/ those criteria in conversation with the leadership of RS, apart from individual personnel solutions, it will be difficult. I do not know what could be worse: to hand over the duty to men such as GRUBAČ and the other one... I would hand over the duty to this person MILOŠEVIĆ. He established a command post in Lastva, while the other one did it in Trebinje. Now, someone comes from IFOR and goes there where it suits him the most. So, the army does not exist starting from the very base.

We will not solve any problem before we talk with the leadership of Republika Srpska. We are supposed to help those people, give them education, but to make them more dedicated to our politics.

Slobodan MILOŠEVIĆ:

To teach them something.

Zoran LILIĆ:

This is an excellent opportunity to use them to influence the situation over there and prepare it for the future. The number of 640 future officers is not a small number. You will probably have to organise additional classes with them in relation to it.

I think that we can conclude this item.

I think that the proposal given by President MILOŠEVIĆ is the only possible solution since our goal is to have a capable RS Army there and united military and political leadership.

There is also the second proposal – to arrange a meeting with their political leadership as soon as possible. Probably it will be attended by someone from the military leadership as well.

I do not know how it has been imagined. Still, we have to do everything to achieve the unity of military and political leadership, because of survival of Republika Srpska at first, but I would also say, because of general safety of the SRJ, which is our primary task. I would conclude it as such, if you agree. (Approval)

Second item of the agenda.

I think that President KONTIĆ helped us a lot and we do not have to discuss it and go back to the previous session, since we made conclusions then to strike a consolidated balance and adopt the budget. Both things have been done at our pleasure. The suggestion and proposal of the Supreme Defence Council have been accepted to make funds of 6 billion and 580 million /dinars/ available for the Yugoslav Army, which was also the proposal of the General Staff.

Pavle BULATOVIĆ:

It is 6.5 billion dinars.

Zoran LILIĆ:

All right, 6.5 billion dinars. I think that we should also add those 80 million dinars. It should not be a problem. Still, Raja has to decrease it a bit, but we will solve it through some other forms of financing.

Radoje KONTIĆ:

We will make it up from other sources.

Zoran LILIĆ:

As for the other two conclusions which were made at the previous session, but have not been realised, the end of the month should remain the deadline and they should be realised. The analysis and proposal of the approved non-budget funds for the Yugoslav Army should be prepared. As for the second conclusion related to the Federal Ministry, the information on the real structure of the overall commitments towards Yugoslav Army should be prepared /as written/. I think that these data have not been presented in the best way, so that the commitments are probably smaller than it was written here. Both tasks are to be completed by the end of this month.

Momčilo PERIŠIĆ:

If you allow me, I would like to say something about the current situation.

Zoran LILIĆ:

All right, but let us first conclude the second item too, and we will give you a chance to say what the current situation is.

Momčilo PERIŠIĆ:

Four billion and 215 million /dinars/ have been approved for this year, which is 7% of the projected national product. The national product was increased in August, which then makes it 5.3% of the national product. If it keeps going at this speed, and we have spent 94% of it by now, then we will have spent 83% by the end of the year.

Zoran LILIĆ:

Not counting the non-budget incomes?

Momčilo PERIŠIĆ:

Yes. The debt of 17% would remain, and it would be transferred to the next year. If the fiscal year would also include a part of January, a total of 90% of the budget would be realised, which makes 4.8% of the projected national product.

Zoran LILIĆ:

Then we should decrease this /number/ that Raja mentioned?

Radoje KONTIĆ:

It is just a reason for me to decrease this what you gave so far /as written/. I gave you 6.3%, but you said 4.2%?

Momčilo PERIŠIĆ:

No, because it has covered the basic needs of the Army, while many other things – such as modernisation, technical maintenance, investment maintenance, and apartments – have not been covered.

Next chart. In order to realise the budget, daily income should be 39 million dinars until the end, but the monthly income has been 10.9% so far; this sinusoid curve shows how much it has been per day.

Next, the extraordinary costs that we had are as follows: We spent 4 million dinars on control of weapons, 46 million dinars on flights, 120 million dinars on default interests, 7 million dinars on costs of drawing out the *NVO* /as written/ from the *SBO* /as written/, 22 million dinars on increase of combat readiness, 4 million dinars on prevention of cattle disease, etc. We spent 6 million dinars on salaries of persons from the RS Army.

Radoje KONTIĆ:

How come the default interests were 120 million dinars? It is 33 million dinars. You paid 33 million dinars. Those 120 million dinars have not been paid.

Pavle BULATOVIĆ:

Those are the interests that have been paid to companies.

Radoje KONTIĆ:

Those are not the default interests!

Momčilo PERIŠIĆ:

All right, those are 33 million dinars.

I suggest that we withdraw the decision on...

Zoran LILIĆ:

Momo, the decision has been withdrawn – I did it.

Radoje KONTIĆ:

President LILIĆ says that he did it and I believe him.

Zoran LILIĆ:

President KONTIĆ and President MARJANOVIĆ could check this out.

Radoje KONTIĆ:

Oh, please don't!

Pavle BULATOVIĆ:

But, the most incorrect thing is to treat this as a loan, for the taxes and contributions in 1997.

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Zoran LILIĆ:

But, it is not an issue for President BULATOVIĆ and President MILOŠEVIĆ. The governments and the ministries of finances should solve it.

Momčilo PERIŠIĆ:

I have one more suggestion. A "JU Garant" Bank has been established. There is no soldier from the General Staff in the Management Board.

Zoran LILIĆ:

Well, here is Pavle.

Momčilo PERIŠIĆ:

I would like to ask the President of the Assembly of that Bank to include one soldier there.

Zoran LILIĆ:

All right. We will be able to figure out everything as we get the information on non-budget expenses. We will certainly continue to work as we have worked so far and do everything to ensure that the Army has the most necessary things, taking into consideration the economy situation in the country. We concluded it at the last session.

Radoje KONTIĆ:

As for the mobile things, the Minister of Defence decides about it. The Government decides about the other. Of course, there is a fight for 400 million dollars from Russia. Part of it goes for special purposes.

Zoran LILIĆ:

We concluded it at the last session.

I have no other topic under Other Items.

If anyone has anything else, please, go ahead!

Pavle BULATOVIĆ:

I have a question. Republika Srpska requests our special purpose production to make a repair of certain small-arms ammunition.

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Slobodan MILOŠEVIĆ:

What do you mean by “repair of small-arms ammunition”?

Momčilo PERIŠIĆ:

It is true. After a while, primers and some other parts that have expired have to be replaced.

Pavle BULATOVIĆ:

It is about 8 million dinars for automatic rifle and semiautomatic rifle, then 2 million dinars for machine-guns and submachine-guns, etc. Our manufacturers say that they would pay for it.

My question is as follows: Being in the situation that we have just discussed, should we or should we not give our approval for it?

Momčilo PERIŠIĆ:

It is not the whole issue. We have our workshops in “Kosmos”, Banja Luka, “Orao”; we do some overhauls. It is all connected.

Radoje KONTIĆ:

Why would we stop it?

Momčilo PERIŠIĆ:

There is also the communication system. If you decided that we should help them, then we would do those things as well.

Radoje KONTIĆ:

This is not about helping. It is a business relationship. It is our interest. Why would we stop it?

Pavle BULATOVIĆ:

It should be politically assessed.

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Zoran LILIĆ:

I think that it can wait for the meeting with them which is going to take place very soon.

Radoje KONTIĆ:

If they would pay for it, why wouldn't we do that? Otherwise, they will buy it somewhere else. They will go to Croats or Macedonians.

Zoran LILIĆ:

I think that it should be done as usual. Are there any other questions? (No.)

I close the session of the Supreme Defence Council.

(The session was closed at 1430 hrs.)