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FEDERAL REPUBLIC OF YUGOSLAVIA

SUPREME DEFENCE COUNCIL

Number: 11-1

11.08.1995

BELGRADE

DEFENCE
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Pursuant to Article 135 of the Constitution of the Federal Republic of Yugoslavia, I hereby convene the 41st session of the Supreme Defence Council for Tuesday, 14 August 1995 at 1100 hrs, with the following

Agenda:

1. SMO /Federal Minister of Defence/ Information on the condition of the State Defence Plan
2. Discussion on the conclusions and the assessments of the situation and the proposal of measures made by the General Staff of the Yugoslav Army
3. Financing of the Yugoslav Army
4. Other business

Federal Prime Minister, Dr Radoje KONTIĆ; Federal Minister of Defence, Pavle BULATOVIĆ and Chief of the General Staff of the Yugoslav Army, Colonel General Momčilo PERIŠIĆ will attend the session upon an invitation.

The session will take place in Botičeva Street.

CHAIRMAN
Zoran LILIĆ
/signed/

SUPREME DEFENCE COUNCIL

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SHORTHAND NOTES

From the 41st enlarged session of
THE SUPREME DEFENCE COUNCIL
held on 14 August 1995

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The session was attended by: Zoran LILIĆ, President of the Federal Republic of Yugoslavia and Chairman of the Supreme Defence Council; Slobodan MILOŠEVIĆ, President of Serbia and Momir BULATOVIĆ, President 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; Colonel General Blagoje KOVAČEVIĆ, Deputy Chief of the GŠ VJ /General Staff of the Yugoslav Army/; Lieutenant-General Dragoljub OJDANIĆ, Commander of the 1st Army; Lieutenant-General Božidar BABIĆ, Commander of the 2nd Army; Lieutenant-General Dušan SAMARDŽIĆ, Commander of the 3rd Army; Lieutenant-General Ljubiša VELIČKOVIĆ, Commander of the RV and the PVO /Air Force and Anti-Aircraft Defence/; Rear Admiral Milan ZEC, Commander of the RM /Navy/; Lieutenant-General Nedeljko ČOPIĆ, Assistant Chief of the GŠ VJ for KoV /ground forces/; Major-General Mihajlo VUČINIĆ, Assistant Chief of the GŠ VJ for RV and PVO; Rear Admiral Vlade NONKOVIĆ, Assistant Chief of the GŠ VJ for RM; Lieutenant-General Ratimir MILOVANOVIĆ, Assistant Chief of the GŠ for logistics; Lieutenant-General Risto MATOVIĆ, Assistant Chief of the GŠ for reinforcement, mobilisation and system issues; Lieutenant-General Aleksandar DIMITRIJEVIĆ, Chief of the Security Administration in the GŠ VJ; Colonel Branko KRGA, Chief of the 2nd Administration GŠ VJ; Major-General Slavko KRIVOŠIJA, Chief of the Administration for Public Relations and PPD / political and propaganda activities/; Major-General Mihajlo ŽUGIĆ, Chief of the VOJ / air surveillance and warning/ Department; Major-General Dr Slavoljub ŠUŠIĆ, Chief of the Military Staff of the President of the SRJ /Federal Republic of Yugoslavia/.

Zoran LILIĆ, President of the Federal Republic of Yugoslavia and Chairman of the Supreme Defence Council chaired the session.

Zoran LILIĆ:

I propose to commence our work.

We proposed several items of the Agenda to be discussed at today's session. However, since we have many commitments, I propose to discuss only one item:

Discussion on the conclusions and the assessments of the military and political situation and the proposal of measures made by the General Staff of the Yugoslav Army.

I give the floor to Chief of the General Staff of the Yugoslav Army, Colonel General Momčilo PERIŠIĆ.

Momčilo PERIŠIĆ:

Messrs Presidents,

Mr. Minister,

I am pleased that you have accepted to have an enlarged auditorium, including the Commanders of the Armies and the Commanders of the service branches, at this session of the Supreme Defence Council.

2.

At today's session we should discuss the problems related to the current situation and the direct or indirect threat level to the security of the Federal Republic of Yugoslavia, as well as our views of the possibility of further threats, which would require certain measures. These measures would be aimed at the maximum support to the state leadership in their peace efforts as well as the prevention of any threat to the security of SR /Federal Republic/ Yugoslavia.

According to our plan, the Chief of the 2nd Administration will present the current conclusions and the intentions of our enemy and the Chief of the Security Administration will present the internal situation. General ČOPIĆ will tell us about the situation in the Yugoslav Army and the undertaken measures and my deputy, General KOVAČEVIĆ will present the proposal of measures aimed at the further increase of the combat readiness and other measures. Afterwards, we would like to hear you opinions and standpoints and we will continue working in accordance with the decisions that you make.

By this, we want to ensure that, in accordance with its constitutional obligation, the Army can undertake all measures and avoid being caught by any surprise anywhere.

Thank you !

Zoran LILIĆ:

Branko KRGA has the floor.

Branko KRGA:

Messrs Presidents, I would like to present the conclusions on the current situation.

From the point of view of the influence of the external factor on the security in the SRJ, at this moment it is necessary to take into consideration the following:

The first, the causes and the consequences of the Croatian aggression against the Republic of Serbian Krajina and,

The second, possible developments in the coming period.

The causes and the consequences of the Croatian aggression against the Republic of Serbian Krajina. The main external condition of the Croatian aggression against the Republic of Serbian Krajina is reflected in the realisation of the geopolitical, economical , religious and other reasons of the USA and Germany. By that Croatia has, at the very beginning, gained certain advantage over the Republic of Serbian Krajina.

3.

The reason for the quick defeat of the Republic of Serbian Krajina Army lies in the fact that the political leadership of the Republic of Serbian Krajina was, for a long period of time, burdened with the struggle for power and quick-buck schemes. Due to that they did not pay enough attention to the preparation of the country and the people for defence. They made a poor assessment of the situation and took an unreasonable approach to some peace initiatives, listening to the leadership from Pale and some foreign advisors.

The political and the economic system have never become a reality in the Republic of Serbian Krajina, in the proper sense of the word. That had a very adverse effect on the Army, who had considerable resources but expressed numerous weak spots in organisation and implementation of the defence.

Such situation was very favourable for Croatia and its sponsors who, prior to the aggression against the Republic of Serbian Krajina were intensively active in terms of propaganda and subversion, which had grievous consequences for the morale of the Serbian soldiers and the people.

It is not to be excluded that the *psihotronska* /?psychotropic/ weapons were used against the Serbs, which caused the soldiers not to resist. That, of course, is not a result of the Croatian intellect, but rather of the American and German ones.

As a result of the weakness of the Serbian Krajina and the thorough preparations of the other side, the Croatian Army operation "Oluja" /Storm/ was carried out exactly as it was planned.

The consequences of the quick defeat of the Krajina Army are the change of the balance of forces at the expense of the Serbs, the loss of the Serbian ethnical space, the increased aggressiveness of the Croatian Army and a new and much more difficult position of the Republika Srpska as well as the Federal Republic of Yugoslavia.

The main force of the Serbian Krajina Army consisting of about 30,000 people was crushed and the balance of forces between the Croatian Army and the Army of the RSK /Republic of Serbian Krajina/, which used to be 1:2.5 until 4 August, is currently 1:6 to the disadvantage of the Serbs.

Besides 508 square kilometres in the West Slavonia, the Republic of Serbian Krajina lost the major part of the territory, with the surface of approximately 14, 000 square kilometres. By that, the Serbs from that area lost enormous material goods. Approximately 250, 000 people left their homes and the Serbian ethnical space was pushed back for 50 to 70 kilometres towards the east. That way, the Serbian people suffered the unprecedented exodus that will have huge repercussions in political, economical, and cultural as well as military and strategic terms.

4.

The new aspect of the military and political situation is the increased aggressiveness of the so-called Croatian Army.

Bearing in mind the character of the Croatian regime, which is extremely hostile towards the SRJ and the Serbian people in general, we must seriously consider this fact in the coming period.

By the occupation of the RSK, the Republika Srpska border with Croatia was extended for approximately 150 kilometres, which creates major defence problems.

Besides previous threats to the Republika Srpska from the north and the south, Croatian Army can now also make a pressure from the west, as it is currently the case, thus causing the risk that the Republika Srpska could also start losing western parts of its territory.

The Croatian Army has, crushing the Serbian Krajina Army, released significant forces. They are currently deploying those forces against the Republika Srpska and they could soon do the same in the East Slavonia, Baranja and the West Srem as well as in the area of Dubrovnik towards Prevlaka. This could have a direct adverse effect to the security of the SRJ.

Other than that, Croatia is likely to place its territory, especially the occupied parts of the Republic of Serbian Krajina, at the disposal of the foreign forces, first of all the NATO.

In this respect, the key political target of the SRJ, which is peace, that is to say avoiding being involved into war, will have to be realised in significantly more complex military and strategic conditions, especially if peace is not restored shortly.

The second issue concerns the possible developments in the coming period. Essentially, when it comes to the future developments, there are two possible variants: the first one is the continuation of the war and the second one is the restoring of the peace.

The continuation of the war is still a very realistic variant, especially since the Croatian forces have been expressing aggressive intentions, in particular towards the East Slavonia, Baranja and the West Srem. The Croatian Army grouped approximately 35, 000 people in that area and practically, they could attack at any moment now. We also have the indications that Hungary has put a part of their armed forces on alert. Croatia did not attack yet, probably due to the preventive measures that the Yugoslav Army has undertaken and certain ongoing diplomatic initiatives.

5.

The Croatian aggression against this area could lead to a direct threat to the security of the SRJ. Therefore, the most important interest of the SRJ should be to ensure that the aforementioned area remains under control of the Serbs and the United Nations.

A possible occupation of Prevlaka by strong Croatian Army forces would endanger Boka and our Navy.

For the time being, there is no proof that Croatia and its foreign mentors would be satisfied by reaching the AVNOJ-set /Anti-Fascist Council of National Liberation of Yugoslavia/ borders. Several facts imply that some of the power centres in the West want to use Croatia to provoke the involvement of the SRJ into the war, in order to discredit it as a peace factor. All such provocations must be avoided.

The activity of the Croatian Army in other areas, such as the West and Southwest Bosnia, would not directly endanger the security of the SRJ although it would certainly have an adverse repercussions on our interests.

The Muslims continued the combat operations in several directions. From the point of view of our interests, the worst scenario would be if the Muslim Army shifted the focus of the operations towards Goražde.

However, the latest American diplomatic initiatives are not favourable for the Muslims since they, practically, imply the possibility of the partition of Bosnia and Herzegovina. That information could cause the change of the behaviour of the Muslims since they will probably realise that they were tricked and served the interests of the Croats.

The restoring of the peace has become more feasible following the latest Russian and US initiatives. Although there are many unknowns in those approaches, it is certain that they should be accepted and it would be especially important that the Republika Srpska does so.

From the point of view of the possible influence of the foreign factor that would be unfavourable for us, there is no dilemma that the peaceful option would be significantly more favourable for the interest of the SRJ than any war option. The current style of crisis solving, which involves the alternations of the proposals of the ineffective peace initiatives and intensification of the combat operations, does not serve the purpose of the SRJ either. That adverse trend should be stopped as soon as possible and the best way to do so, is to restore a lasting and just peace.

6.

Conclusions:

First, the military and the political situation in the area of former Yugoslavia is very explosive, and involves the prospects of intensification of the large scale combat operations nearby our borders, which implies series of problems.

Second, the latest events show that the armed force remains a very important political instrument. In that respect, it is important to note that many foreign factors

consider the Yugoslav Army to be a respectful power that has recently successfully performed a role of deterrence in the East Slavonia and thus directly contributed to the peace.

Our determination to defend the border is also being appreciated. We believe that the world would also consider logical all possible additional combat readiness measures undertaken to deter from the aggression and serve the purpose of a defence.

Third, the latest developments in our surroundings are the consisting parts of the restructuring on a global and a regional level, imposed on us by world power-welders. We believe that the relations that we establish now would have long-term influence on SRJ and the interests of the Serbian and Montenegrin people in general.

Thank you!

Zoran LILIĆ:

Thank you!

General DIMITRIJEVIĆ has the floor.

Aleksandar DIMITRIJEVIĆ:

Mr President, the West has almost finalised the crisis solution plan for the area of former Yugoslavia.

The West is trying to find new “arguments” that would prove the direct involvement of the SRJ in the events in the area of former Bosnia and Herzegovina and Croatia, since the previous ones lacked conviction. Their efforts are notably facilitated by the behaviour of the Republika Srpska and RSK leaderships.

7.

Their failure to accept political negotiations combined with the indicative loss of territories, first of all the loss of the West Slavonia preceded by the loss of Kupres and then loss of Grahovo and Glamoč, which facilitated the crushing of the defence of Knin, and finally the loss of almost the entire territory of the West Krajina, could be interpreted as obvious attempts to involve the SRJ into the war!

In that respect, we are especially worried about certain activities of the Republika Srpska leadership, that encourages the population from certain areas to leave their homes, which directly affects the situation in the Republika Srpska Army and implicates new losses of the territory and other irrational consequences, harmful for the overall interest of the Serbian people.

In reference to this, we must point out the disparity between the ideological standpoints of the West and the Republika Srpska, some extremely oriented parties and individuals in the SRJ and the hard-line fraction of the Serbian Orthodox Church, directed against the current authorities. They see the current situation as their chance to unseat them by force, if that is what it takes, and bring to the power the puppet-authorities that would serve the purpose of their interests.

The realisation of such a plan involves two possible scenarios: the direct involvement of the SRJ in the war and the attempt to destabilise the country from within.

The possible involvement of the SRJ in the war outside of its territory would, undoubtedly, present a great risk, for several reasons. First of all, the warlords would confirm their theses on allegedly dishonest peaceful politics of the SRJ. The NATO “hawks” would easily secure the mass use of aviation against the targets in the SRJ. The foreign instigators of *Šiptar* /derogatory for Albanian/ and Muslim secessionists would demand them to start the armed conflict.

Finally, the Croatian-Muslim coalition would be strongly encouraged to initiate the strategic offensive against the Republika Srpska and the Serbian Krajina and a possible success could even encourage them to attack the SRJ.

Looking at the big picture, the threat level for the SRJ would be at its peak and it would probably result in the breakdown of the Serbian national being and the destruction of the SRJ.

Beside the above, the security of the SRJ could also be significantly affected by the big number of refugees, certain number of whom are, or could become, in ideological terms, an easy prey of the extremists and join them, accusing the SRJ and the Yugoslav Army of betrayal.

8.

In this respect, I particularly point out the problem concerning the conscripts of the Serbian Krajina Army.

The second, the obstructive and sabotage activities of Croatian and Hungarian extremists in the territory of Vojvodina are a possible answer to the activities of the Serbian Radical Party extremists.

The third, the opposition extremists are manipulating the refugees and the social situation in the country, with the aim of causing general dissatisfaction.

The fourth, the overall activity of the opposition parties and the war profiteering and extremely nationalistic lobby, that operates together with the foreign factor as well as the leadership of the Republika Srpska.

In reference to the attempts to involve the SRJ in the war and destabilise the situation in the country, we can realistically expect that the extremists are going to organise demonstrations and various kinds of protests in order to check the climate of opinion. Such gatherings and demonstrations, under the cover of the alleged concern for the refugees and the Serbian people, on one side, and the alleged exodus of the non-Serbian population in the area of Vojvodina, which threatens to cause a chain reaction, on the other side, are aimed at the destabilisation of the situation in the country and its forceful involvement in the war. This requires a rapid and effective reaction of all entities, in order to most energetically prevent such occurrences and incidents at the very beginning.

In this respect, we cannot exclude the possibility of armed incidents aimed against the Army, such as attacks on warehouses and military facilities, calls for disobedience and so on. We already have the information concerning the activities of the local committees of the Radical Party on gathering and mobilisation of their paramilitary troops, while they expect a reaction of the Yugoslav Army in reference to the overall situation.

A possible crushing defeat of the Republika Srpska Army and loss of territories could, besides laying the blame on the Republika Srpska Army and leadership as a whole, result in the reappearance of the party-related standpoints from the Republika Srpska in the SRJ, which would intensify them.

A low morale of the soldiers in the Slavonija-Baranja Corps and the population in its area of responsibility at this moment presents the most serious danger of the involvement of the SRJ in the war outside its borders.

9.

The reason for this is that, in case that Croatia attacks this area, either as a result of their decision or as an excuse for the inducement from our side they, could shell the bridges on the Danube River, with the pretext of preventing the arrival of support to the Krajina Army from the SRJ. The situation in the East Herzegovina and in the area around the Montenegrin border is similar to that.

By that, the SRJ would be lead into temptation: if we reply, we would be humiliated, which would be an argument for the extremist forces and if we do not reply, that would mean our involvement in the war

In that respect, we find it necessary and urgent that all state and civilian structures in the area of the East Slavonia, Baranja and the West Srem do everything in their power to stop divisions, prevent abandonment of the area and increase the morale of the population and the soldiers and that persons of military and ethic authority are appointed to the most responsible posts.

The current security situation in the Yugoslav Army is satisfactory. The potential supporters of the adverse occurrences are under control. The number of the individual verbal demonstrations and advocacy of the involvement of the Yugoslav Army in the war in the area of former Croatia is increased and various rumours and misinformation are also being circulated by certain individuals, which could have an effect on the morale. The commands and the services are undertaking measures in that respect.

Units within the Novi Sad Corps have received an increased number of discharge requests from non-Serbian conscripts who want, as they claim, "to protect their families". Together with the generally poor response of conscripts, this additionally affects the combat readiness in the VJ /Yugoslav Army/ units in which they serve.

The compelling need for the Yugoslav Army to serve as the stabilising factor in the society, implies the need for a totally uniform standpoints and actions as well as the irreproachable functioning of the command at all levels and in all aspects of the combat readiness.

And finally, bearing in mind the overall security situation in the country and its surroundings, on one side, and the climate of opinion, weak economy, inability to import strategic resources and the condition of the reserve supplies of the VJ, on the other side, the possible direct involvement in the war outside our borders would, in current situation, when there is no indication of a radical change of the opinion of the international community to our advantage, mean the choice of the harder solution with a slim, if any, chance of success.

Mr President, I am done!

10.

Zoran LILIĆ:

Thank you!

General ČOPIĆ has the floor.

Nedeljko ČOPIĆ:

Messrs Presidents, the Croatian aggression and the loss of the Republic of Serbian Krajina territories has created a new, significantly more complex military and political situation that has a direct effect on the security of our country.

The situation is made even more complex by the Croatian determination to solve the problems in the area of former Yugoslavia by the use of force and the increasing material, technical, human and operational abilities of the Croatian Army to implement such politics, together with the Muslim Government and with the support of the USA and Germany.

Croatia benefits from the unexpectedly smooth and quick victory against the Serbian Krajina Army that is in a very difficult situation. Following the retreat of the main force to the area of Bosanska Krajina, the commanding personnel were disbanded until 18th of this month, when they are supposed to get together in the reception centres in Banja Luka, Prijedor and other places in the West Bosnia.

Bearing in mind the overall difficult situation caused by the exodus of the Serbian people from the Republic of Serbian Krajina, it will be very difficult for the Serbian Krajina Army to gather, organise and recover for the new battles.

You are aware of the location of the 11th Corps of the Serbian Krajina Army in the East Slavonia, Baranja and the West Srem. The area of the front line is between Vinkovci and Vukovar, with a shallow defence and, practically, without the second combat echelon and reserve for an intervention on endangered lines. The Corps consists of eight brigades, three of which belong to the Baranja Division. The numerical strength of the Corps is approximately 20, 000 soldiers. As for the major combat materiel, they have 124 tanks, 18 armoured personnel carriers and approximately 195 pieces of artillery for their support.

11.

The Corps can operate successfully, in terms of the balance of powers and the basic combat equipment.

The basic problems that the Corps is facing are the poor augmentation following the fall and the loss of the territory of the Republic of Serbian Krajina, doubt of their own abilities and the deep-rooted belief that they can successfully

defend themselves only with the active support and the participation of the Yugoslav Army.

There is also an unsolved issue of the single command and the existence of various paramilitaries outside of the single defence system.

The fact that the compactness of the people has been broken from within, on different basis, has an increasing effect on the Army. The occurrence of the profiteering, privileges and the illegal acquisition of the enormous wealth by certain class of people as well as series of other problems have very adverse repercussions to the combat morale of the units and the overall defence-related situation in that territory.

Taking this situation as the starting point, in terms of the protection of the people as well as in terms of the security of our country, the Yugoslav Army, as well as the entire state is providing the most necessary material, professional and personnel assistance within the limits of its abilities.

However, bearing in mind the accumulated problems, we believe that the Corps cannot successfully defend itself in case of the Croatian Army aggression. It would, probably, get crushed within one or two days although, as I mentioned, the human and the material resources are such that this territory could be successfully protected for a long period of time, given the adequate defence.

The Yugoslav Army follows the military and political situation in the area and assesses the threat and security level for our country and, in accordance with the decisions of the Supreme Defence Council, continuously undertakes the most necessary combat readiness measures meant to serve the purpose of deterrence of the aggression against the SRJ.

12.

The combat readiness measures are being implemented under maximum retrenchment and rationalisation conditions and they are on the edge of the operational requirements and needs.

I am going to remind you of the most significant combat readiness measures that have been undertaken recently, with the approval of the Supreme Defence Council, although you are aware of them.

The first, a part of the artillery and rocket units that includes 13 batteries and 90 pieces of anti-aircraft artillery have been positioned at the emplacements that would enable the defence of the bridges at the Danube, Sava and Drina Rivers.

We have organised defence in Bačka and Srem, at the Danube River in the area of responsibility of the 1st Army, by deployment of a part of the self-supporting Army troops and the support units. Five peacetime-force brigades and two support brigades have been deployed in this area. Two brigades from the Special Units Corps have been deployed in the area of Sombor. The Forward Command Post of the Army has been deployed in Fruška Gora.

In the area of responsibility of the 2nd Army, we have deployed two combat groups, one of which has been subordinated to the Navy Command in the Boka sector and the other has been deployed to secure the border between Cetinje and Nikšić. Besides, three combat groups have been formed to secure the border towards the Muslim enclave of Goražde. These troops are currently located in a garrison.

The third Army has mostly been deployed to secure the area of Kosovo and Metohija and one part of its self-supporting troops consisting of two brigades has reinforced the 1st Army along the Srem line.

The RV and PVO are ready to support the 1st Army and the Navy self-supporting troops. In case of a conflict with the Croatian and Muslim airforce, we can expect the airspace supremacy while we would be inferior and suffer major losses in a conflict with the NATO troops.

We have also deployed the Navy units, with approximately 1, 600 people, 6 vessels, 10 tanks and other equipment, to serve the defence purposes in the area of Prevlaka.

Three brigades that are being augmented to the full formation are located at the garrisons where they serve as the General Staff reserve forces.

The Yugoslav Army has deployed the total number of 12, 000 people, 172 tanks, 95 armoured personnel carriers and other materiel throughout the defence sectors along the western borders.

In one or two days we can deploy approximately four thousand additional self-supporting troops from the garrisons, together with the peacetime forces consisting of approximately 6, 700 people.

The level of training, the motivation and the overall condition of the units in the field are adequate for the execution of the required tasks. The commands and the units have received the precise tasks and they are currently engaged on the defining of the defence sectors, interference and the air system.

The complete force has been specifically instructed to beware of any kind of provocation by the Croatian Army and not to return the fire unless ordered so by

Chief of the General Staff or unless they are directly subjected to an attack and their lives are threatened.

You are familiar with the problems concerning the combat readiness of the Yugoslav Army. I would just point out some of the most essential ones.

The first problem is the inadequate peacetime augmentation. At the moment it amounts to 74%. The augmentation with the soldiers amounts to 67% and the augmentation with the contractual soldiers to 35%.

The second serious problem is the drain of young and qualified personnel from the Yugoslav Army. Doctors, engineers, lawyers, pilots etc are leaving and that causes the decrease of the augmentation by young persons down to approximately 65%.

Furthermore, we are facing the danger of running late with the increase of the combat readiness of the Army under current conditions, since the imminent threat of war has not been declared and we therefore cannot carry out the mobilisation and Croatia could decide to continue with the aggression and thus threaten the security of our country.

This problem has been made even more complex for two reasons:

The first one is the expiry of the compulsory military term for the September class of draftees. If we would discharge them, the augmentation by trained soldiers who can serve the purpose of the combat readiness, that is to say soldiers who could be used, would be decreased for 10, 500 soldiers.

14.

We are supposed to recruit 7, 000 draftees in September but they cannot replace them in at least two months.

The second reason is the inadequate response of the conscripts for the augmentation of the units, the current level of which is 30%.

The third reason is the increasing consumption of already inadequate war reserve supplies that have already been on the bottom limit for a long period of time.

The fourth reason is that the Airforce and the Navy have at their disposal an old generation of materiel that have low resistance to the electronic interference. Due to the lack of spares, repair facilities and funds, the proper operation of the materiel has been decreased down to 50 or 70%.

We have enough fuel to last us for five to six days of war. We lack the required combat materiel and the materiel with the increased combat power.

The fifth reason is that we are facing a problem as to how to regulate the service status of more than 2, 000 persons who are on the payroll of the Serbian Krajina Army. They came back and most of them demand their status to be regulated in the service of the Yugoslav Army.

The sixth reason is the lack of funds required to ensure the combat readiness of the Army as well as its increase, which would ensure the defence of the country in case of an aggression.

Messrs Presidents, the undertaken combat readiness measures serve exclusively to deter the Croatian Army from an aggression, prevent surprises, increase the combat readiness of the Serbian Krajina Army 11th Corps and create the conditions for mobilisation of the Yugoslav Army in case we are forced to carry it out.

However, if the aggression against the SRJ escalated, the undertaken combat readiness measures would not suffice and we would have to increase them. However, since we have no available self-supporting troops, we can ensure that only by declaring the imminent threat of war and mobilising a part of the Yugoslav Army.

Zoran LILIĆ:

Thank you!

General KOVAČEVIĆ has the floor.

15.

Blagoje KOVAČEVIĆ:

Mr Chairperson,

Messrs Presidents, in this extremely important moment, we must realistically analyse the situation in the area and the situation in the country, in the Yugoslav Army, in the Republika Srpska Army and in the Republic of Serbian Krajina Army. Based on that we can draw conclusions and propose measures in accordance with the realistic time, which is currently not our ally. We can turn the time into our ally only if we preserve the peace as a precondition for the survival and the economic recovery. That would offer us a chance to increase the defence capacity of the country and the combat readiness of the Yugoslav Army as a reliable guarantee of peace.

We agreed that there were three possible directions for further development of the military and political situation in the area of former Yugoslavia.

The first one is the continuation of the war.

The second one is the state of neither war nor peace.

The third one is establishment of the peace.

It is not a dilemma that some of the leading countries within the international community want to direct the crisis in the area of former Yugoslavia in two directions, either towards the war or towards the state of neither peace nor war! That ensures the realisation of their strategic goal, which is breaking apart Serbian countries to the west from the Drina River, jeopardising of the Federal Republic of Yugoslavia and bringing it into an inferior position towards its neighbours.

The supporters of the war option are directly, deliberately or not, playing straight into the hands of our enemy. The situation in the country, in the Yugoslav Army, in the Republika Srpska and the Republic of Serbian Krajina compellingly requires a peaceful solution of the crisis because the Yugoslav Army would stand no realistic chance of victory with the current balance of forces and the warfare resources. In that case we would have to look for a solution in a long-term war with an uncertain end.

It makes absolutely no sense to enter the war that can be avoided, only to be defeated! We must wage the war only if it is imposed on us!

Therefore, we believe that the optimal direction for the crisis solution is the establishment of the peace.

16.

Because of the politics pursued by the Republika Srpska and the Republic of Serbian Krajina leaderships, we have lost the irretrievable time, strengthened the Muslim-Croatian Federation, lost people and territories and, to make everything even more tragic, we departed from our ultimate goal!

Therefore we must start from a very definite and clear strategic goal: prevent the involvement of the SRJ in the war and ensure a long lasting and just peace for all the peoples living in this area.

In order to ensure a peaceful crisis solution, we need a powerful diplomatic activity, combined with the simultaneous and increased combat readiness of the Yugoslav Army and the overall combat capacity of the society to declare the imminent threat of war, no later than at the beginning of the Croatian aggression against the border area. All that is meant to deter the aggression on the East sector, Prevlaka and SRJ as well as to create the conditions and the time to reanimate the peace process, assist the 11th Corps in order to increase the army and the population

morale, prevent surprises and create conditions for the mobilisation and the strategic development of the wartime Army, in case the war is imposed on us!

In that respect we must, with or without the declaration of the imminent threat of war, do the following:

The first, the state organs must create the general conditions and assist with the augmentation of the peacetime units, with the emphasis on the self-supporting troops, to the full peacetime formation. That can be achieved by extending the compulsory military term for the September class of the draftees for up to two months and ensuring a better response of the conscripts by the use of all available legal measures.

The second, we must carry out necessary preparations for the declaration of the imminent threat of war or the state of war, depending on the course of events, with the emphasis on the mobilisation of the combat units and the transformation of the activities of the state organs and the economy in accordance with the wartime conditions.

The third, we must start the initiative with the Security Council, to declare the East sector a peace zone or a protected zone, with the guarantees of the member states of the United Nations and the Contact Group and to demand the respect of the current status of the “yellow” and the “blue” zone in Prevlaka.

The fourth, the Republika Srpska leadership must immediately accept the Peace Plan or new initiatives that the leadership of the Federal Republic of Yugoslavia agrees to.

17.

For this purpose any military assistance is to be conditioned by accepting and implementing the policy of the SRY/ Federal Republic of Yugoslavia/ leadership.

Fifthly, through co-ordinated measures of the state organs and the Yugoslav Army, the capability of the 11th Corps and the people in the Western Srem, Eastern Slavonia and Baranja is to be increased with purpose of an independent and successful defence and infliction of unacceptable losses to the Croatian Army. It is necessary to fully implement the measures and actions in the Corps's zone of responsibility and this is a matter of urgency that follows the proclamation of the threat of war.

Sixthly, the psychological propaganda activity is to be unified and intensified with focus on the western areas of the former Yugoslavia. So, by timely and full informing of people in the FRY, Republika Srpska and Republic of Serbian Krajina the enemy's fatal propaganda activity is to be prevented.

Seventhly, the Army of the Serbian Krajina is to be reorganised focusing on the preparations and engagement in guerrilla war in the lost territories of the RSK/ Republic of Serbian Krajina/. The purpose of this activity is making the connection with the Croatian armed forces, the infliction of losses and giving of clear notice to the international community that this is the Serbian land and that the people from these areas do not accept the policy of accomplished fact. With this purpose it is necessary to bring back all the professional military personnel and Republika Srpska citizens, fit for military service, to the reception centres in the Northwest Bosnia. As for those who do not want that, a legal basis for the termination of their service is to be found.

Eighthly, in order to provide the financial means for the activities of the Yugoslav Army it is necessary to adopt the revision of the Federal budget with which the additional means in amount of a billion and 20 million dinars will be ensured.

The inflow of financial means is to be improved, so during the next month around 230 million dinars are to be ensured for the purpose of reducing the insolvency of the Yugoslav Army.

Out of the Federal foreign exchange reserves, 82 million of US dollars are to be ensured for the purchase and import of the most critical material reserves and production material.

Ninthly, for the purpose of supplying the Yugoslav Army, the Federal Government needs to make a decision with which the loan of 350 tons of lead will be ensured for the production of generators. Also, 5 thousand cubic meters of diesel fuel are to be provided.

The Federal Government should request the "Jugopetrol" /petroleum company/ to deliver 5 thousand cubic meters of fuel out of current production regardless of the outstanding debt that Yugoslav Army owes to "Jugopetrol".

Thanks!

Thanks.

I open a discussion. Go ahead!

President MILOŠEVIĆ is given the floor.

Slobodan MILOŠEVIĆ:

In his presentation someone has already defined this issue as the most important issue, but I just wanted to repeat it once again:

The purpose of this meeting is the consensus about the positions and actions of all political and military factors in the FRY. This is the condition for us to act efficiently as a state and to act in accordance with the interests of this state, and only in this way we will be able to act in accordance with the interests of the Serbian people as a whole.

I think that the conclusions of General KOVAČEVIĆ, in other words the presentation of General KOVAČEVIĆ is accurate and correct. However, I would add some small corrections and maybe leave out some unimportant practical issues, which are not so important for the command personnel in extended composition – this refers to the issue of providing fuel or to some other issues. The fuel should be provided, I do not bring that into question.

I think that the presentation of General KOVAČEVIĆ may be given to the command personnel as the view of positions with very small editorial changes. I am saying this for practical reasons.

As for the essence, this is a message that is a “light motive” – to preserve the peace as a basic goal and a basic task, in other words to work hard on solving the crisis by peaceful means.

I would like to inform you about some of our activities and the opinion of some people pertaining to these issues. Those people are the only ones we can count on beyond the area of FR Yugoslavia at this moment. As you know, I had very detailed talks with the Russian leadership and the President of Russia. They offered us a considerable support. You saw that the “sound barrier” –as VELIČKOVIĆ would say, was broken through because JELJCIN /as written/ personally appeared before the public to present the commitments we have had made during the talks. He said that Russia would unilaterally leave this sanctions regime in case the peaceful solution is not found concerning the issue of sanctions against Yugoslavia.

Two days after their Parliament made a well-known decision on lifting the sanctions. The basic question, which they also asked at all levels, was if we will persevere in pursuing the peaceful policy because that is the basic argument of Russia in its efforts to offer us any kind of assistance. This also includes certain activities related to military assistance discussed in the contacts which the Minister of Defence and the Chief of General Staff of Yugoslav Army had in Moscow and also in the contacts which KOZIRIEV had during his visit to Belgrade with the Russian Deputy Chief of Staff.

Therefore, bearing in mind their support, which is strong, evident and extremely efficient, our position is to pursue a persistent peace policy.

I have to let you know my personal impression: no matter how much JELJCIN has been criticised here, he had made a step ahead even in a situation where KOZIRIEV warned that he could not say that because of the international community. This took place during the meeting and before my eyes. The first time he had just overheard that and continued speaking, but after he had heard that for the second time he said the following: “No, we cannot do it in that way, we have to do that the way MILOŠEVIĆ has requested us to do. We have no other option!” That is a matter of the greatest importance to us!

Regardless of all these threats, America will not bring into question its relations with Russians just because of this Russian statement. Their relations with Russia are directed at achieving the far reaching strategic goals, which are much more important than the deterioration of relations over this issue, which is marginal to them anyway, and regardless of how much it was placed in the service of pr-election activities in any country. France passed through that phase – it is a factor of stability now. America needs that a lot, it needs that as much as JELJCIN.

The support of the entire Russian nation is evident. I talked with the wide circle of the Duma /Russian Parliament/ representatives headed by Prime Minister RIPKIN /as written/. Their priority is the peace policy related to the protection of our interests.

As for America, we have a reliable information that CLINTON ordered a peaceful solution. We even have the citation of his position where he said that he would not go for the first round of the mandate verification, which commences in New Hampshire, because according to him, it is a state where presidential candidates get promoted or killed but the Bosnian problem remains unresolved. He also said that the solution for the mentioned problem has to be found.”

20.

Apart from the letter that was brought to me directly from Washington, we also have the reliable data indicating that they warned Croatia not to launch any military activities against Eastern Slavonia and they did this in a categorical manner and with the sharpest words. Other areas have confirmed these data, too. In other words, the political sources confirmed that the Croatians were clearly warned about this.

In addition, the Croatians have also confirmed these messages. I think this is a firm reason why we should believe in this and it is a fact that the HDZ /Croatian Democratic Union/ has developed its pre-election program since they will start with elections in the end of October and in the beginning of November. Apart from the glorification of their successes, it is decidedly written in this HDZ program, in the program of TUDMAN's leading party, that their firm position is to resolve the issue of Eastern Slavonia by peaceful means and negotiations.

Additionally, we expect the visit of the high delegation from America on Thursday. We do not expect cardinal differences between what we discussed with FREISER and what we discussed with BILDT. The main change that they want to make is to obtain the American stamp at this peace plan, which will be eventually adopted and accepted. In other words, they want their President to appear before their public with the reference which will show that it was America that had a crucial role in resolving this problem, not that it took an equal part together with other countries from the Contact group, etc. This is a matter of prestige when it comes to their internal political relations and we are just fine with that. It is not important to us who will be given a credit for that – let them be given as much credit as they want. We will give them a great moral support in this regard provided they go for a reasonable solution!

It is correct, as it was said at the beginning, that one of the causes of the Croatian aggression is the support the USA and Germany gave them, but this is correct only tentatively. Because it is true if you “cut a piece of time” since the moment they started the aggression. We cannot interpret the political course of events out of time. Because this happened after the Republika Srpska leadership resolutely rejected the peace plans that were supported by both the USA and Germany. Accordingly, if those peace plans had been adopted at any moment, the plans that were supported by both the USA and Germany, there would have been no question

about the support of the USA and Germany for the Croatian aggression against the RSK.

In any case, I would like to remind you – I do not want to cite what I said, but a year ago I just warned publicly about

21.

the fact that this rejection will jeopardise the safety of Krajina the most. Unfortunately, all our prognosis and warnings proved to be true. We would be more than happy if the events denied what we had said. Few months ago I asked MLADIĆ: “All right, Ratko, tell me now – what is the result of the plan’s rejection”. Did you conquer the territories?” He says: “No, to the contrary, we lost the territory.” I asked – “Have you suffered any losses?” and he replied: “We suffered heavy losses!” What is the result then? The result is – negative! When I asked him – “Why do you go for negative results” he just shrugged his shoulders!

Therefore, I would like to point to the part of the conclusion in the presentation of General KOVAČEVIĆ which is a key conclusion that is related to our conduct in the future. In this part he said something like this: “any aid that should be sent to them is to be conditioned by their acceptance of the peace plan! We should not pretend to be the patriots who are warming up their unrealistic patriotic ambitions in order to have the entire nation paying this bill in the end!

Momo remembers well my conversation with MLADIĆ on the occasion of attack on Žepa and Srebrenica. On that occasion I said: “Ratko, you are now measuring the military price of that success. The military price is six persons killed, 20 wounded, one vehicle destroyed, etc. It is much cheaper. However, the political price could be million times higher because there might be a concern for the interests of 12 million people”!

Unfortunately, that was a sort of lack of synchronisation in military acts in relation to the political acts that should have been synchronised in a better way.

They have taken Žepa where a Serb foot has never walked in since the war time until these days, except for a Serb trader who may have walked in that area. This place has been a Muslim enclave for 100 years. Then, 40 thousand refugees have been expelled from that area although it was a UN protected zone – that was tolerated, but when the same thing was done to the Serbian territory, which is also a protected zone, we would say that this is against the principles!?

Unfortunately, the lack of principles and violation of basic rules on one side causes the alibi called “card blanche” on the other side due to the same behaviour. So, when it comes to the politics this is usually brought into balance.

No matter whether we like it or not, whether it is correct or not, the political perception of events is related to the material facts both in the Security Council and on other levels. We can only feel sorry for such a fact, but unfortunately we have no power to exert any influence on it.

22.

I am still of the opinion that the key is in the hands of the highest-ranking military leadership of the Republika Srpska. President LILIĆ, President BULATOVIĆ, KONTIĆ, PERIŠIĆ and I are going to talk now with a few members of the Republika Srpska military leadership. It is because it is evident that the military leadership has lost its credibility there. After KARADŽIĆ’s attempt to topple MLADIĆ, after which MLADIĆ got the support from the entire Republika Srpska military personnel, there is a possibility to go for peace option even if we don’t ask for KARADŽIĆ’s replacement or for him to be declared any kind of person.

I am sure that the international community would accept his signature (MLADIĆ’s signature) as a valid one at any peace document regardless of whether the leadership, whose “legs are hanging in the air”, is working on it or not!

Therefore, I kindly ask you, as colleagues of those people, to make your maximal pressure on them to get serious and to realise that it is absolutely impossible to wage war against the whole world and the complete NATO pact and that there is no chance for the military success! Whoever has such half-crazy ideas must realise that the entire people would pay for it!

Therefore, we have to make pressure and explain them that a solution could be found only through the peace plan. In this way we will resolve their historical and existential issues and also we will get rid of the war threat approaching the borders of Yugoslavia.

I will briefly tell you what the scenario is. The approach of General KOVAČEVIĆ is very good. What is the scenario? The scenario is to embroil Yugoslavia in the war by any kind of activity either by internal or external factors. By this the NATO would legalise the allegations that Yugoslavia is a factor of aggression on the Balkans. It is because the United Nations and NATO Pact say: “those are the

recognised countries, this is the aggression on the territory of other state.” By the way, we passed the Constitution in 1992 and the Federal Assembly Declaration was made public: “Federal Republic of Yugoslavia has no territorial pretensions outside its borders” and it is clearly defined which our borders are.

So, by embroiling Yugoslavia in the war, our enemies, including the numerous militant groups in those countries which I also consider our enemies, would have an alibi: “here is the legitimate proof that Yugoslavia is the aggressor”, and then the Iraqi scheme would be imposed. You know what the Iraqi scheme is – the aggressor has to be punished in the same way as Iraq was punished after entering Kuwait.

23.

Then, Yugoslavia will be torn apart! I think that VELIČKOVIĆ will confirm that our Air Defence Forces are not able to prevent the mass strikes of the NATO pact against our territory, against all strategic, communication and power supply facilities and all other hubs and agglomerations. Then, if we would take a suicidal action against the entire NATO pact, the peace conditions would be dictated to us, and they would say: “That aggressor has to be punished in political terms as well, and that means taking away of Vojvodina, Sandžak, Boka and Kosovo from it”. A marionette state would be made from this miserable part which would not be able to survive because they could hardly wait for that to happen.

Therefore, I would kindly ask you as thoughtful and responsible persons, as well as the patriots of this country performing the highest military duties to root out this phenomena immediately in your areas where you have the individuals engaged in the café politics of patriotism. We do not need to listen to those idiotic ideas about all of that.

I would not talk about a disastrous and humiliating situation – all the aid that the Republic of Serbian Krajina received, practically ended in the Croatian Army that they used to arm their forces! Can you imagine that absurd; on one side the peace plan has been rejected and on the other side the defence is rejected as well!?

You are the most professional part of our Army. As you know, there was an order for all to leave Krajina on that day without even getting in contact with the Croatian Army at major part of the front. Even if we had made a stupid thing on that day and decided to help them, the question is if anyone would have been able to reach Knin until the evening and help them!?! Well, nobody could reach that area because of their columns with which they blocked all the roads while fleeing together with the

population. There were more of them who had been killed while fleeing together with population than it would be the case if they had remained there holding the lines. That is an absurd situation!

The question is who made a decision for the Krajina leadership to leave Krajina? A decision was made which caused the exodus and it was made in a situation when they had all conditions provided for the defence. This was supposed to be the reason for Yugoslavia to rush to that area and defend those territories which they left running away as fast as they could?!

Please, 6 thousand Croats were defending Vukovar for a half-year; the entire First Army was attacking it including the Airforce. It was a miracle bearing in mind the enormous power of the JNA. And they did not defend Knin which had access from three directions only; they could not endure defending it for at least 12 hours!?

24.

They did not defend it at all. According to the reports from the police officers, citizens and other people, they ordered people to start running away as soon as the artillery preparation stopped!

Therefore, there was not any kind of resistance nor there was any combat conflict with the Croatian forces. Now, they expected us to get involved in a situation where we should pretend that this territory is more important to us than to those who had all conditions do defend that territory, but they decided /illegible/ to run away! I will not talk about the individuals that most probably offered a heroic resistance, because there are the examples of heroic acts, but unfortunately such kind of decision was made there and this ended the way it ended.

However, those are the marginal matters and we do not have to deal with them. I do not want to mask the major and essential facts...

Therefore, I say – our politics, which will mean the unified positions and actions of all political and military factors in the FRY in their efforts to preserve the peace and to resolve the crisis by peaceful means!

I know that the Croats will react in positive manner with regards to Prevlaka in case these solutions are reached. Prevlaka serves them only for “tugging of war”. When AKASHI visited me the day before yesterday he said that he had agreed with them to strengthen the presence of military observers in Prevlaka so that there are no /?lines/ there. It was also agreed to resolve the water supply issue in

Herceg Novi and this co-operation on the line Dubrovnik-Herceg Novi to function normally. However, well /word illegible/ what is the problem. There are people in the Herzegovina Corps with irresponsible attitude. What do you get from shelling Dubrovnik except from provoking the anger of the whole world, there is no use of it in military terms. The only result you may achieve is that they turn off the water supply for Herceg Novi, to raise tensions, etc. I heard that there is shelling going on there this morning and some of their installations for guidance and fire detection are located in this territory, etc. Please, tell your "hotheads" from there that it is the constitutional responsibility of the Yugoslav Army to defend the territory of the FRY/ Federal Republic of Yugoslavia/, but it does not have the constitutional right to leave its territory. Such a move will be considered as an act of undisciplined behaviour and crime.

I hope that today during the talks with the highest representatives of the Republika Srpska Army we will succeed to reach an agreement if they are able to keep that under control /sic/. We have the information, which was confirmed for thousand times

25.

- that the Americans requested from IZETBEGOVIĆ to calm down the offensive on Srbobran although he replied to them that in Srbobran, the former Donji Vakuf was 90% of the Muslim, and that he has a legitimate right to conduct military actions /?within/ the Federation territory only. He promised that he is going to reduce that offensive in order to be able to go forward with this initiative. They told him: "If you are going to destabilise our attempts by your offensives then we will have to say that we are not going to offer you the support in the future".

So, I believe that the following will be the general idea of the American initiative:

To correct the maps, to give the eastern enclaves and to widen the corridor, and they have to give parts of Sarajevo without which Sarajevo is of no use for Muslims because it is a suffocating Sarajevo now with no communications, neither with Tuzla nor with Zenica. IZETBEGOVIĆ does not need a state there if there is no road communication of Sarajevo with Tuzla and Zenica – because he cannot fly over the Serbian territories.

Therefore, they will insist on that reciprocity for the eastern enclaves and on widening of the corridor.

I think that in these circumstances there are additional reasons for accepting the Contact Group Plan. Because the idea of the Republika Srpska military leadership that the “land that a Serbian soldier acquired with his rifle – as MLADIĆ said, has to be kept” is unacceptable. It is unacceptable to the international community and also from the /illegible/ point of view.

Please, you should keep in mind that there is the Serbian population in the former Bosnia and Herzegovina; that is a /illegible/. It was offered half of the territory. Nobody is entitled to give orders to the international community to accept that two thirds of population, that Muslims and Croats make, remain at 30% of the territory. It is not the logic of a conventional war- I was telling them that– that is the logic of a civil war! There is an example of classical war in which Germans and Austrians were involved. After Germans had won the war against Austrians they returned to Germany and /illegible/ or for example the Turks – they returned to Turkey. But Muslims and Croats of Bosnia and Herzegovina can return to nowhere – they have to stay in those areas! For that reason they have to have their piece of land “under the sun”.

26.

We talked with FREISER and /illegible/ to constitute the Republika Srpska. That will be the /illegible/ union; that will be the Republika Srpska and their Federation. They will have an equal treatment so both of them will have right to /illegible/, relations with neighbouring countries, which means the right to confederation, etc. We told them about all of this. They told us last year that “it was exactly the way they wrote it”, etc.

Therefore, the conditions are to accept the /word illegible/ plan, to resolve the Bosnian knot and to realise the /illegible/ ambitions may have bad effects for the people.

The most important thing is the fact that the people do not want war! We argued about this issue with the Republika Srpska leadership last year as well. On that occasion we said: “People had enough of war.” They told us: “It is not true, the people will not give up an inch of the territory.” It turned out later on, when there was an

offensive of the Fifth Corps that this was out of question because the people /word illegible/ the war.

It has to be realised that the plan has to be accepted and that the peace has to be restored. I hope that some of the general parts of the plan will not be violated now, which we had last July.

I think that we have to act in this direction. This task should be as firm as a "stone" for you: We are not to allow Yugoslavia to be embroiled in /illegible/ by any act and this task is to be carried out no matter what the price is.

That is the thing I had to tell you and you should keep in mind this because you are the people at the most responsible posts.

Zoran LILIĆ:

Thanks!

Who wants to be given the floor?

President BULATOVIĆ is given the floor.

Momir BULATOVIĆ:

Our assessment is that there is no threat of the aggression and there is no imminent threat of war for the FR Yugoslavia regardless of all /illegible/. So, from this position, we, as the Supreme Defence Council, considered the measures that should be taken in the Yugoslav Army bearing in mind the real environment, the real potential and capabilities of the FR Yugoslavia.

As for what President MILOŠEVIĆ said, it is quite clear. The development of events in the territory of the Serbian Krajina made an army powerful. That is the Croatian Army. Not a single bullet was fired there, so to say!?

27.

We have to be aware of the fact that /?they/ celebrated this event with the champagne at Jelačić's square, but they /illegible/ know what their real strength is or what our real strength is.

Therefore, I am talking in favour of our /word illegible/ to the Federal Republic of Yugoslavia, so at this moment there is no imminent threat of aggression. That is why I stress what President MILOŠEVIĆ said: "Federal Republic of Yugoslavia must not be embroiled in the war at no price"!

We heard here what kinds of measures of combat readiness have been undertaken. According to our assessment the measures have been implemented properly and the full attention should be paid to the control system related to the /?provocations/ since some of our units are actually in the immediate contact with the warring parties.

That is why I would like to offer a proposal and I believe that the Supreme Council will accept it. In order to preserve this level of combat readiness we should think about /word illegible/ the mandate of the September class, but 15 days the most. It's because this is a crucial moment in the diplomatic activity of resolving the crisis in the area of former Yugoslavia. However, we have to do that in expectation that the new class of soldiers is coming in order to avoid dramatising things too much. The young people who are currently in the Army and who should leave the Army in September can hardly wait to go home.

Also, I share the opinion of President MILOŠEVIĆ and I support the conclusions proposed by General KOVAČEVIĆ, except for the part where he, from the military point of view, /words illegible/ raises the issue of economical requests. I think this is (illegible) reason for us to choose the peace policy.

I would like to point to what President MILOŠEVIĆ said – that we should condition the military aid to Republika Srpska by their accepting the FRY policy, in other words by accepting the peace plan.

I do not understand the leadership of Herzegovina Corps who wants to destroy Dubrovnik!? It is absolutely senseless and useless.

Our state policy is completely clear and /illegible/ the conversation that President MILOŠEVIĆ has just announced. We have to say to our comrades from Republika Srpska that we should not discuss things like who was right a year ago.

28.

They tried to convince us that the plan must not be accepted and that people want /war/ and that they do not want to leave their homes. That is not correct!

It is obvious that the President of Republic Serbia, Slobodan MILOŠEVIĆ put enormous efforts into finding a peaceful solution together with FREISER /illegible/ and JELJCIN.

I assume that President JELJCIN /illegible/ what CLINTON did. I think that we are on the right path to find our own place. I think we should not respond to a provocation.

I think that we should get in direct /illegible/ with people that we do not agree with and with whom we have to find a common language.

That is all I had to say!

Zoran LILIĆ:

Thanks!

The floor is given to President KONTIĆ.

Radoje KONTIĆ:

I do not want to repeat things that President MILOŠEVIĆ and BULATOVIĆ have already talked about because I agree with them. You know the /illegible/ Government positions.

The reason why I asked for the floor is related to the conclusion of General KOVAČEVIĆ with regards to the direct authorities of the Federal Government. Some existing /illegible/ are being changed by those conclusions. Those conclusions have some new quality and I support that.

Starting from that point of view it seems to me that it is /illegible/ to make difference between the conclusions related to the /illegible/ of the imminent threat of war and those which are in the function of defence capability.

The Federal Assembly is in charge of proclaiming the imminent threat of war, not of the Federal Government.

As for the issue of the imminent threat of war, I would /illegible/ it with the revision of the Federation budget. Because this is the question related to /illegible/ and 20 million dinars. That is more than 50% of the Federal budget and we really do not have those means. The only way we can get those means is to get them from primary emission. This would strike a blow against the entire /word illegible/.

A request to ensure 230 million /illegible/ in the next period is a request for enormous amount of means because the monthly budget of Federation is much less than this amount.

As for those 82 million dollars, this could be ensured only through the hard-currency reserves, but this have to be /illegible/ for proclaiming the imminent threat of wart. I support this and the Federal Government has to work on it.

As for the conclusions regarding the strengthening of the Yugoslav defence capability, I accept these proposals in relation to /illegible/ needs.

As for the need to issue /illegible/ reserves, it is fine. I do not know whether you were informed that the Supreme Defence Council made a decision on allocating 50 million dinars to meet the mentioned needs, as well as other needs, as for example the ammunition, etc.

Zoran LILIĆ:

Thanks!

Does anybody else want to be given the floor?

The floor is given to General PERIŠIĆ.

Momčilo PERIŠIĆ:

I am glad that you see the unity of the General Staff in its support of the policy pursued by the FRY with purpose of securing the /illegible/ borders of FRY.

We kindly ask you that you proclaim the imminent threat of at the moment of the attack on the outskirts of FRY. There are several reasons for that. First of all, the current forces /illegible/ to make the aggressor giving up, if they dare to do that and secondly, if /illegible/ jeopardise our territory we should punish them at our territory.

Secondly, I kindly ask you to help me in implementing these measures as much as it is possible, we cannot wait for the aggression to start. So, we must not allow the worst situation and to have our airforce without sufficient /illegible/.

If we fire 10 thousand men who are deployed in the range from Marjan border to the Sava River, we will not have /illegible/ soldiers. Does it give us the guarantees of the FRY safety then? No, it does not /illegible/.

Therefore, I ask you to approve the military service in duration of /illegible/, because the majority of them are the students and they do not start with their university studies /a part of sentence illegible/ and we will have a higher level of stability.

This is much cheaper than to take 10 thousand reservists.

Furthermore, when the aggression starts on some / part of sentence illegible/ to proclaim the imminent threat of war because the state and the army should get ready for the war. Croatians /illegible/ their units, they are ready, trained and we, due to /a part of sentence illegible/ FRY on 29 May 1992, did not provide that due to economical reasons. I am well aware of the current economical situation in the country, but we must stop going further into an inferior position because /illegible/ what we might expect in the future from the international sponsors.

I think it is much better for us to spend /illegible/ amount of those means to raise the combat readiness which will be in the function of / illegible/ that people in Eastern Slavonia feel like they are abandoned /sic/. It is because new 100 thousand refugees may come from Eastern Slavonia if we raise the level of the combat readiness, then we will /illegible/ from aggression and go for peaceful solution /sic/.

I repeat once again, as a Chief of General Staff, that none of these commanders will ever do anything /illegible/ the decision of this Supreme Council except for the situation of imminent threat or direct attack. Because in such a situation we would have no time to wait for anything else but to perform our role in conformity with the Constitution.

That is all.

Slobodan MILOŠEVOĆ:

That is good. We asked to see /illegible/ composition – the commanders of armies and units. This is a component /illegible/.

Zoran LILIĆ:

Thanks!

Does anybody else want to be given the floor? (Nobody).

I believe that the purpose of the Supreme Defence Council meeting, in its extended composition, was, in the first place, to reach the unified positions among the FR Yugoslavia political and military leadership with regards to the basic state interests and the basic goals of state policy.

I think that all of us agree with the discussions of President MILOŠEVIĆ and President BULATOVIĆ. There is no difference in /word illegible/ between the political and military leadership.

31.

I just want to repeat some things, /a part of sentence illegible/ to repeat all what President MILOŠEVIĆ and President BULATOVIĆ said. Let consider them as unified positions!

I would like to point out once again that you, the most responsible persons, must not allow, as it was the case so far, to be overcome by /word illegible/ the provocations of some external factors and internal enemies that are present here and in the Republika Srpska.

Our basic interest is to preserve the /illegible/ and safety of our citizens, which is our constitutional obligation. /word illegible/ to help our refugees from the RSK /Republic of Serbian Krajina/ after the unfortunate, /word illegible/ unreasonable and shameful decisions of the RSK leadership to withdraw from the RSK area practically with no resistance and no casualties.

The RSK leadership rejected the peace /word illegible/ and probably, being under the pressure of the Republika Srpska leadership, /word illegible/ the war option. They expected us to get involved in this and they tried to get us embroiled in the /word illegible/ We had manpower and equipment, but we had no time bearing in mind the method of defence in the RSK! I think that no one is entitled to /word illegible/ neither an inch of territory, nor a single human life from FRY just for the purpose of achieving someone else's goals that are extremely unreasonable.

As for the results achieved in the diplomacy, they were mainly achieved by the engagement of President MILOŠEVIĆ, as well as by the engagement of all structures from the Republika Srpska, Republic of Montenegro and Federal Republic of Yugoslavia.

We from FRY, the most responsible commanding officers of /word illegible/ Yugoslavia and the most responsible leadership from FRY – Republic of Serbia and Republic of Montenegro must have a unified position which is the basic conclusion of the Supreme Defence Council. The conclusion is the following – we must now allow that the FR Yugoslavia is embroiled in the war, the safety of our citizens is to be preserved and the conditions for the political-diplomatic solution of the entire crises are to be created.

I kindly ask you to keep this in mind when you /word illegible/ decisions from your competence.

The attempt to embroil FR Yugoslavia /word illegible/ the destabilisation and it is the way leading to the final defeat and /illegible/ of goals which are not in the interest of our citizens.

Should FRY be directly /words illegible/ we will for sure take all defensive measures and all the resources will be used in the FRY in order to achieve our goal: to preserve the integrity and the sovereignty of the FRY.

32.

I think that we can make a unified conclusion:

I think that it is possible to implement the essential part of the proposals and the conclusions presented by General KOVAČEVIĆ on behalf of the Collegiate body of the General Staff. I would like to repeat here every /word illegible/ conclusion. We will have a separate session of the Council and we will /word illegible/ it there.

A part that is related to the material-financial issue, as it was said by the Prime Minister will be /word illegible/ at the Federal Government session in accordance with economical capabilities /illegible/. I am sure that you are aware of the fact that more means in the budget of Yugoslavia could be acquired through larger material /illegible/, but this is possible only in the peacetime.

So, we can assure you that we will /word illegible/ all we can to strengthen the combat readiness of the Yugoslav Army in accordance with our capabilities.

As President MILOŠEVIĆ said, we have to use our diplomatic means to achieve peace and /word illegible/ make the basic goal possible.

However, you have to keep in mind all those who work against the well being of these people and the Yugoslav Army.

I conclude the session of the Supreme Defence Council

/Session finished at 1500 hrs/.