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MEMORANDUM FOR:	Director of Central Intelligence
FROM:	Chief, DCI Interagency Balkan Task Force
SUBJECT:	Principals' Committee Meeting on Bosnia 18 October 1994

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1. This Principals-Only meeting will <u>reassess US strategy toward Bosnia</u> now that the Bosnian Government has agreed to defer implementation of lifting the arms embargo for six months, thereby averting an immediate crisis for the Administration. <u>You will not be required to do a formal intelligence update</u>. Seven papers--see MEETING PAPERS TABS A through G--have been distributed for this meeting; only the sanctions paper (TAB G) directly involves intelligence equities.

At our pre-brief on Tuesday, the Balkan Task Force will supply you with <u>contingency talking points</u>--highlighting recent intelligence--on <u>Bosnian views of the upcoming "lift" resolution</u>, Bosnian Serb military intentions, the extent of <u>Serbian compliance with sanctions against</u> the Bosnian Serbs.

and the

17 October 1994

status of the ongoing weapons influx to the Muslims.

2. <u>Lake</u>, <u>Christopher</u>, and <u>Perry reached a number of fundamental conclusions</u> <u>about US Bosnia policy at a meeting on 7 October</u> (see the <u>RECENT MEETINGS</u> TAB for an NSC summary of that meeting). In short, the US will continue to seek Bosnian Serb agreement to the Contact Group plan during the next six months in order to avoid the need to implement "lift."

- Efforts to <u>pressure and isolate the Bosnian Serbs</u> will include a "bold approach" in which <u>Milosevic is offered complete sanctions relief</u> for recognizing the borders of Bosnia, Croatia, and Macedonia and endorsing the "Zagreb-Four" proposal (see below) for a Croatia settlement.
- -- Lake, Christopher, and Perry also agreed that the US would press for robust enforcement of exclusion zone decisions.
- Finally, they agreed that the <u>US would insist on strict Serbian</u> <u>compliance with closure of the FRY-Bosnian border and that we would</u> provide more intelligence on violations to the monitoring team.

3. For this meeting, you should be familiar with what the Balkan Task Force has agreed to do to support US policymakers

You will probably be asked to ensure that the Intelligence Community bends over backward to make intelligence information available to assist senior LIS officials, most particularly a management of the line of

senior US officials--most particularly Ambassador Albright--in building an international consensus around the US point of view.

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Albright complained in a recent NODIS message that the Intelligence Community had information on border violations

sanctions against Serbia. prior to the decision to lift phase one

-- If you have not already heard from him. Leon Fuerth will request that you intervene with to urge their cooperation in making intelligence available.

In discussions with Fuerth's office, <u>the Balkan Task Force has agreed to do the</u> <u>following</u>, in addition to publishing its daily Sanctions Situation Report:

-- Prepare a <u>weekly assessment</u> for senior US policymakers on the status of inter-Serbian sanctions.

Bottom line: Intelligence shows that prohibited goods continue to enter Bosnia and that Bosnian Serb officials--including military leaders--are in contact with Serbian officials and firms.

- Prepare <u>talking points at least once a month for Ambassador Albright</u> to use with the UN Security Council.

- Prepare <u>regular reports</u>--with the frequency dictated by the substance of information we receive-

We are in the

process of clearing the first such report today.

4. The immediate issue confronting Principals is the <u>need to introduce a</u> <u>resolution before the UN Security Council that supports lifting the arms embargo</u>, although deferring implementation by six months. The Contact Group is meeting in New York today (and possibly tomorrow morning) to begin what promise to be contentious deliberations on a resolution. The US and Bosnia want a resolution that automatically lifts the arms embargo in six months. The Russians and other Contact Group members are opposed to "automaticity." The US is prepared to fall off its position.

You might want to flag the intelligence in your talking points suggesting that the Bosnians will insist on "automaticity" and that they are worried that the US is backing off of commitments to them.

5. The NSC will take the lead in a discussion of what the US is committed to do under the Nunn-Mitchell Amendment. The NSC paper on this subject--located at TAB F--suggest that the only "real" constraint is that no USG funds can be used to enforce the arms embargo, even if lift is formally deferred. JCS was supposed to complete a paper--which has not vet materialized--on what this will mean in

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6. <u>There is considerable concern downtown that the Bosnian Serbs may initiate</u> <u>strong military action or move to cut-off Sarajevo</u>. The MILITARY DEVELOPMENTS TAB includes our latest assessment. Intelligence reports suggest that the Serbs are indeed contemplating increased offensive activity after having been largely on the defensive for months. They have made fairly sizable gains in the last week north of Sarajevo and are pressuring a major convoy route near Mostar. We still do not think, however, that they are capable of making significant inroads into Muslim territory in central Bosnia.

You may want to flag that the Serbs are threatening to attack government forces (about 500 troops) located in the Mt. Igman demilitarized zone if they do not withdraw by Thursday. Two weeks ago, French UNPROFOR forces forcibly removed about 500 government troops from the zone and destroyed their defenses.

7. The <u>ARMS TRANSFER TAB includes the latest intelligence on weapons</u> <u>shipments to the Bosnian Muslims</u> in violation of the current UN sanctions. <u>Bottom</u> <u>line</u>: The number of Iranian flights to Croatia has picked up recently, with three flights last week alone. The process is much smoother than before as well, as we are seeing fewer reports of tensions between the Croatians and Iranians, as well as between the Bosnians and weapons intermediaries.

8. Reference may be made at the meeting to <u>the "Zagreb Four" initiative aimed</u> <u>at bringing about a settlement for the Krajina problem</u>. The "Four" are Ambassador Galbraith, the Russian Ambassador to Croatia, and representatives of the UN and EU. According to their plan, which has not yet been formally introduced, an autonomous region would be established in Serb-majority areas of Croatia (parts of Sectors North and South). The other areas currently under Serb control would undergo a five-year internationally-supervised transition back to Serb control. Needless to say, this is an ambitious plan and faces an uphill battle.

9. The discussion probably will also address two fundamental issues:

- Whether the US Government should remain committed to lifting the arms embargo as a last resort.
- <u>Whether the US should be willing to explore options other than the</u> <u>Contact Group process to achieve a negotiated settlement</u>. (This could involve efforts to develop another map that might be more acceptable to the Serbs.)

The meeting probably will result in a conclusion similar to the last one--that the US Government might want to consider these options at some future point, but that it would be politically undesirable to do so now. The Principals, moreover, are likely to conclude that the Bosnian Serbs might come around to accept the Contact Group map if inter-Serbian sanctions prove effective. Balkan Task Force analysts still doubt that the Serbs will ever agree to the current Contact Group map.

10. <u>Principals are concerned about the security situation in Sarajevo--the airlift</u> <u>has been disrupted regularly, cease-fire violations are up, heavy weapons violations</u> <u>continue</u>. See the HUMANITARIAN UPDATE TAB for a discussion of the humanitarian situation in Sarajevo. They will consider once again how to press for stricter enforcement of exclusion zones. The US Government has not been very successful so far in winning NATO and especially UN support for this option.

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Indeed, UNPROFOR Commanders De LaPresle and Rose took a very hard line against stricter enforcement when they met earlier this week with Secretary Perry.

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paper highlighting the limitations of stricter enforcement.

11. Finally, the LOOKING AHEAD TAB includes a short paper I prepared looking at possible scenarios for Bosnia and Croatia over the next six months. The odds favor a continuation of the status quo in Bosnia, but things could heat up if the Serbs conclude the arms embargo will be lifted on a set date or the flow of weapons to the Muslims picks up.

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