

Supreme Defence Council

Defence

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Shorthand Notes

from the 31st Session of
the Supreme Defence Council

- held on 18 January 1995 -

UNREVISSED

Belgrade

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Held on 18 January 1995

The session began at 1130 hrs.

It was attended by: Zoran LILIĆ, President of the SR /Federal Republic/ Yugoslavia – 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 General Staff of the Army of Yugoslavia; and Major General Slavoljub ŠUŠIĆ, Chief of the Military Cabinet of the President of the SR Yugoslavia.

(Shorthand notes made by Jordan ŽIVANOVIĆ, high debate typist – sub-editor at the Cabinet of the President of the SRJ /Federal Republic of Yugoslavia/.

The session was presided over by Zoran LILIĆ, President of the Supreme Defence Council.

Zoran LILIĆ:

I suggest we start working.

You have received the proposal of the agenda.

I suggest we first adopt the Minutes from the 30th Session of the Supreme Defence Council, when we mostly discussed the budget for 1995 and personnel issues. I went through the Minutes and I have no objections to them.

Does anyone have any objection? (No.)

Momir BULATOVIĆ:

We have full confidence!

Zoran LILIĆ:

Thank you.

I conclude that the Minutes were adopted without any objection.

We move further to the discussion of the agenda.

The first, the second, and the third items are directly related, therefore I would like to give the floor to General PERIŠIĆ to present the issue that he prepared for today. There are few things under agenda item called current issues that we will quickly finish.

Momo, go ahead!

Momčilo PERIŠIĆ:

Messrs Presidents, Mr Minister;

Since the material was timely prepared and delivered, I would not like to dwell on the analysis of this material. There are conclusions on the assessment of military and political situation given in the first part, while the conclusions on the security assessment are given in the second part. I would just like to present our general conclusion and emphasise some problems which suggest that there is a need to seek a solution for improvement of combat readiness of the Army. Based on the presented military political and security assessment, one can make the following conclusions:

Firstly, there is no direct threat of aggression against the Federal Republic of Yugoslavia at the moment.

Secondly, the safety of the SRJ can be indirectly jeopardised by aggression of Croatia against the Republic of Serbian Krajina, then by aggression of Muslim-Croatian coalition on the corridor, as well as by violent occupation of Prevlaka by the Croatian Army.

Thirdly, we can expect the foreign factor to intensify the problem of human rights of national minorities, in order to set new conditions for lifting of the sanctions, and to prejudice the political solution of issues most of all related to Kosovo and Metohija, Raška Oblast /area of Raška/ and Vojvodina.

Since the current situation that has been previously presented required certain measures of combat readiness to be undertaken, this map presents the constant measures of combat readiness of the Army, which are as follows:

Firstly, the security of the state border towards Macedonia and Albania, and the Republic of Croatia and Republika Srpska has been increased as well as certain rear security.

Secondly, facilities are being increasingly supplied with wartime strategic stockpiles.

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Third, the railway Belgrade-Bar is secured in the sector of the Goleš Tunnel.

Fourth, there are combat groups that have been put in the state of readiness for 12 hours, and they are ready to be deployed to specific sectors.

Fifth, the situation in the airspace has been constantly observed and controlled.

In this way, a total of 23,000 men are engaged, which presents 25% of total number of members of the Yugoslav Army.

Besides that, within the operations plan, we developed three annex plans of engagement of the Yugoslav Army, which serve the purpose of preventing the aggression and engaging certain formations of the Yugoslav Army in different situations in accordance with the plan. Those plans are: assistance in case of possible attack on the corridor; secondly, preventive measures in terms of prevention of occupation of Prevlaka; and thirdly, units that can be deployed to any area of the Federal Republic of Yugoslavia are in the state of readiness.

Basic problems which are jeopardising the combat readiness, due to which we actually asked for this meeting are as follows: low manpower levels reflected in the following fact: the total current rate of engagement of manpower is 74%. This problem will last until March. The extent of the problem is such that we can maintain these measures of the combat readiness, by which we can eliminate the threat to the security of the SRI. However, as of March on, this problem is getting more complex, since the engagement of manpower will decrease by 22%. So, in March, we will only have 36,000 soldiers instead of 49,000 soldiers that we should usually have. During the next year until 1998, we will only have 28,000 soldiers serving the Army. The military and political situation will not tolerate such a low level of engagement of the manpower, so we will have to take some measures.

The second problem related to the engagement of the manpower is that we should have 26,900 soldiers under the contract, but we only have 10,000 soldiers. We did not make any augmentation there, first of all, because of low salaries, and we cannot increase the salaries in order to increase the motivation for it.

Therefore, it is necessary to decide at this session of the Council how to overcome this problem. There are three possible solutions:

One solution is to summon the military conscripts in order to substitute for the missing number of soldiers, which requires funds that we don't have in our budget. We know that we cannot increase the budget in this situation.

The second solution might be to send the soldiers to serve in the Army as of the age of 19 instead of 21, which would solve more than 50% of the problem.

The third solution might be to extend the military service from 12 to 15 months.

None of these options is a good one, but we do not have any other options. Therefore, I suggest one of these solutions to be accepted. We present all three of them, because each one of them requires an additional effort. In order to summon 15,000 military conscripts, we need 117 million dinars, which we do not have. In order to change the military age regulations, we have to change the Law on Army as a matter of urgency, and it is going to have negative consequences on the public opinion. There are problems related to the extension of military service, since it is going to disturb the work of the regular education system, especially at faculties, etc.

The second problem of the Army is the low level of supply with wartime strategic stockpiles. We are not able to resupply significantly the wartime strategic stockpiles with the funds that have been approved. They will have to remain at the current level. The current level of stockpiles can cover the period of 2,5 /as written/ to 30 days of war.

The most characteristic issue related to the stockpiles is the issue of jet fuel and the fuel generally, as well as the issue of lethal weapons.

We should look for the way out of it through increase of funds for it and through collection of debts from export, if possible. That would be the best solution. However, I don't know how possible it is in this situation.

I would like to show you at a graph the things that I told you.

So, the total manpower should be 76,501 – soldiers under contract and reservists. Now we have 38,300 of them, and in the next year it will look like this (shows the figures on the graph). The difference could be eliminated, as I told you, either by recruiting the reservists or by changing the military age. It is total number of soldiers including the soldiers under the contract.

As for the soldiers who serve the military duty, the situation is as follows: there should be 49,000 of them. In 1995, there were 28,000 of them, and later on the number went down to 24,000. So, this difference should be eliminated in one of few possible ways.

There is one more important thing here that the Supreme Defence Council made a decision about; military conscripts who are participants in the war, farmers, etc., should not be summoned to augment the manpower. We have a total of 615,000 military conscripts that we can use to augment the units of the Army of Yugoslavia. There were 244,000 men who participated in the war; there were 82,000 farmers, and 29,000 students, so that the number is limited. Later on, in my final proposal, I will insist on a request to have a right to summon them in the future, if possible. We should summon those men as well.

Slobodan MILOŠEVIĆ:

Momo, it is an exaggerated interpretation when you say that "244,000 men participated in the war." It means that each man who was there in the units from Serbia and Montenegro was participant of the war. It has nothing to do with participation in the war. So, each person who was during the crisis outside of Serbia and Montenegro has a status of a war participant?

Momčilo PERIŠIĆ:

That was related to the first issue.

The second issue is related to the resupply of wartime strategic stockpiles in the Army. So, you can see how many stockpiles are to be issued – it is indicated in this first white little square (showing it on the graph). So, this is the situation in December in 1993; this is the situation in December 1994, and this is the situation in 1995, according to the available funds. So, all together, we should have enough of lethal weapons for 30 days of war. At the end of 1993, we had it for 18.5 days, and in 1994, we had it for 18.4 days. So, this slight difference occurred because some of it was spent during the training and some was given there to help them in the beginning of the year.

As for the fuel, we need it for 30 days of war. At the end of 1993, we had 8% of it, and at the end of 1994, we had 7.4%. In 1995, when using the funds, it will be reduced to 2.5%. Annually, we need 37,000 tons of fuel, but we can buy only 8,000 tons due to available funds. It means that we have to spend the strategic stockpiles and reduce it to 2.5 days of war only, which is really a cause for concern and we must not let it happen.

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We need jet fuel for 30 days. At the end of 1993, we had 1.5 /sic/ and we increased it to 2.5 in 1994. However, according to the available funds, we cannot buy it any more, while we are going to spend about 28,000 tones of fuel during the year. It means that it will get down to zero!

As for the spear parts, we had them enough for 90 days or three months of war. At the end of last year we had them for 36 days, and at the end of this year – for 30 days. As we are going to resupply the means with vital stockpiles, they are going to get down during 1995 to an amount enough for 17 days only.

As for medical supplies, at the end of 1993, we had them enough for 20 days. In 1994, it was for 18 days, but during this year, it will get reduced to 12%. Since the supply with medicines is impossible because of the funds, we are spending stockpiles.

As for the food, the situation is somewhat better. However, during 1995, we will not have a possibility to resupply the strategic stockpiles and food.

As for the clothes, the situation is similar. There are also veterinary supplies which are constant. They have not been spent since we did not engage animals for needs of the Army of Yugoslavia.

Momir BULATOVIĆ:

It means that we are going to start spending the existing stockpiles.

Momčilo PERIŠIĆ:

Yes, the existing stockpiles. We will start spending almost all significant strategic stockpiles for needs of the Army and for the purpose of war. Since we didn't get funds approved for regular training process and everything else, we will have to spend the existing stockpiles and they will get reduced, which is completely normal when you don't have funds for resupply.

During this year, we will need 128 million dinars for salaries. The first thing here represents the minimum of requirements according to the plan (shows the graph). And, these are the funds that have been approved for this plan. That is how much was approved.

Different kinds of allowances require 34 million dinars, and the pensions require 49 million dinars. Now we have weapons, equipment, etc. Minimal requirements are 87 million dinars. The funds that have been approved based on this plan are 22 million dinars, while the transitional commitments from the last year are 32 million dinars.

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For instance, in case of construction works, minimal requirements were 13 million dinars, approved funds were 5 million dinars, and the transitional commitments from the last year amount to 8 million dinars.

It takes 44 million dinars for construction of apartments, transitional commitments are 5 million dinars, while 13 million dinars have been approved. I was yesterday in Sombor. The Minister was also there. We have 22 apartments that have been 95% finished, but they do not want to accept them technically because there should be a sub-station installed. Those apartments are just standing there for more than a year, because there are no funds available to finish them.

As for wartime strategic stockpiles, minimal requirements are 20 million dinars, 3 millions have been approved, while the transitional commitments are 9 million dinars.

Then, there is training and similar things, technical security, etc.

From this information, one can conclude that the transitional commitments from the last year are 85 million dinars. There was 36 million dinars promised, but only 12.7 million dinars were given, while the rest has not been given yet.

Since the foreign factor and stability of the country are generally calculated based on the level of combat readiness, besides other things, I think that we have to have a high level of combat readiness and a strong Army regardless of our surroundings, in order to be able to repel any attack.

The proposal of a solution would be as follows:

The Federal Government should send a letter to the Security Council in order to express our discontent since the sanctions have not been lifted.

Furthermore, there should be a way to make Croatia understand that they should change their decision regarding the withdrawal of UNPROFOR, because the withdrawal of UNPROFOR would jeopardise Republika Srpska, which would then call our security in question. Please, if it is possible to do something about it in the field of diplomacy... I believe it is possible.

We should consider a possibility to establish a dialogue with a part of leadership of Republika Srpska in terms of fight for peace, and we should use that basis to prevent a division that might occur among the Serbian people.

As for the Army, the necessary augmentation of manpower should be ensured. As I said, there are three options. The best and the least painful option for us would be to move the military age from 21 to 19 years.

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Then we would have young men, stable source for reinforcement and it would cost the least. For example, a reservist costs 648 dinars more than a soldier does.

Furthermore, we should be allowed to augment the units with the conscripts who participated in the war. As for the thing that you said (talking to President MILOŠEVIĆ), you are right. We will find out which of them were really in the war instead of only presenting it like that.

Slobodan MILOŠEVIĆ:

We also have to change that qualification, and we should say "those men who participated in combat operations". "Participation in the war" means that everyone who was on the other side of the borders of the present Yugoslavia at the time of crisis is qualified as a participant of the war.

Momčilo PERIŠIĆ:

It is clear, Mister President!

Slobodan MILOŠEVIĆ:

That would be 244,000 men? There wouldn't be a war if 244,000 men participated in the war. /sic/ That is it!

Momčilo PERIŠIĆ:

Yes.

Furthermore, as for the augmentation of manpower, there have been many different secessionist parties, Albanians, reporting to the Army. It has been announced that about 4,500 of them will report to serve in the Army. It is very indicative, since they most probably want to send their men to serve in the Army, and they would weaken the Army from inside at a given moment.

Therefore, I suggest to make verification as long as the situation is as such and not to accept for enlistment either Albanians or Muslims without special verification. That is the proposal related to the first issue.

As for the second issue, in order to resupply and create better conditions for supply of wartime strategic stockpiles, the first thing would be to try to make compensation in terms of that subject that I sent to you. We should make a deal with the Russian Federation or someone else in order to get firstly the equipment needed to repel the aggression. I can tell you that the Army of Yugoslavia did not get any equipment for modernisation in the last four years, while our former brothers in the surroundings are working on it a lot.

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For instance, we have information that Croatia spends 500 million /word missing/ annually for modernisation of its Army. It has a total 80,000 full-time soldiers in its peacetime Army formations. They have less soldiers than we planned to have. We planned to have 126,000 soldiers in peacetime, while we really have 76,000 and they have 80,000 soldiers now. They got 250 tanks; they have 600,000 armed men in different wartime and peacetime units. They got 2,000 pieces of artillery and mortars; they got about 31 airplanes from some countries of Western Europe, most of all from the contingent of East Germany and some from Ukraine. Since they are getting such equipment, we should necessarily get some equipment that we would use to repel the aggression, and we should get it through the compensation procedure.

Furthermore, if possible, please, exclude the Army from payment of excises and different taxes. In that way, we could save a lot. For instance, they have already included 500,000 dinars of interest on our debt to *Jugopetrol* /a fuel company/ from

the last year, because we did not manage to pay the debt on time. And, we did not manage it because we did not have any income.

Zoran LILIĆ:

How many outstanding debts does the Army have as a creditor?

Momčilo PERIŠIĆ:

It has tremendous outstanding debts.

Furthermore, we should arrange to get the coal and petroleum products directly from the manufacturers, because right now we pay for it 20% more than we would pay if we ordered it directly from them.

Furthermore, procurement of additional medical supplies and rehabilitation of wounded men who are coming from Republika Srpska and the Republic of Serbian Krajina. /sic/

If possible, there should be a loan provided for agricultural production in Military Institution *Karadjordjevo*, as it was provided for other agricultural organisations.

Furthermore, the Federal Government should make decision that at least a part of earnings made by the units and institutions of the Army of Yugoslavia should remain with us.

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Then, the claiming of outstanding debts of the Army of Yugoslavia from abroad, in order to redirect the funds for current financing and, naturally, for those compensation agreements /sic/.

The participation of funds of the Republics and companies for special purpose production in further reorganisation of special purpose capacities for production of weapons and military equipment /sic/. We were working on it from the beginning of the last year until the end of the last year, and the Army fulfilled its obligations, but the Republics did not fulfil their obligations towards those companies, so that they are in a difficult situation.

Then, as for the adoption of the special Law on Security, if we decide to summon reserve forces, we will have to find funds to pay the reserve formations.

If possible, the Federal Government should pass the Law on Housing Issues in accordance with the offered plan for 10,000 apartments. We should start building at least some of them. Naturally, the realisation of the plan should be in accordance with our capabilities.

Briefly, that would be it.

I would kindly request you to take a stand regarding two important issues; one is related to the augmentation of manpower, and the another is related to resupply of wartime strategic stockpiles.

Zoran LILIĆ:

According to the way Momo presented it, we should adopt a new budget so that they could function well. Momo, is this a decision of the Board of the General Staff?

Momčilo PERIŠIĆ:

Yes. I apologise for not reading it all over from the beginning. I thought that you have read it.

Zoran LILIĆ:

There are really many proposals and requests here. I think that it will not be possible to discuss them today.

Slobodan MILOŠEVIĆ:

Let's put the first things first. First of all, as for the first part in which a few suggestions have been made – that there is no direct threat of aggression...

then whether it can be significantly jeopardised, how, etc. /sic/ Thirdly, human rights issue, national minorities, and other issues.

I think that those are not good conclusions because they are not complete; they are quite one-sided. In a way, everything was put in the same bag.

For now, I would completely eliminate the third issue. As for the fact that they are raising the human rights issue, they are raising it all over the world. There is no

acute crisis in the area of Sandžak, or in the area of Kosmet. We have explained to the international community that it is our internal issue and we will not let any internationalisation take place regarding it.

On the other hand, there are more and more foreign representatives who communicate with the separatist organisation of Kosovo. The last one was that German who visited them. They made it quite clear – the international community certainly has no intention of supporting any request related to any change of borders, nor to provide citizens with the right to decide that they are not part of this state. So, the issue of treatment of human rights is a long-term issue. There might be some pressure put on us because of some more important rights that might be raised as an issue, but with very weak arguments, since the rights of minorities are regulated by our Constitution and laws much better than in many other countries of Western Europe, not to mention the countries of Eastern Europe, Turkey or Bulgaria, as these countries do not even have their national minorities mentioned in their Constitutions, etc.

So, those are the issues that can be used politically for a very long time, but they cannot cause any significant problem. There might be only one problem caused: our poor presence and good organisation of military and police forces in Kosovo might cause an armed rebellion under some special circumstances. According to our estimations, it is unlikely to happen at this moment.

I would not treat the third item as a big issue at all, and I would not put it on the same equal level with the aforementioned issues that are discussed.

As for the aforementioned issues, I think that our basic conclusion, which results from all of it, is that we should use all means and lines, including political, military and all other lines to put pressure to make peace. It is quite clear that the four-month truce in former Bosnia and Herzegovina presents a valuable period of time and very good offer of the international community to make peace, to establish Republika Srpska and make people turn to the work and production instead of fighting and further killing. Then, everything else that comes afterwards - looks completely different.

Momčilo PERIŠIĆ:

Of course!

Slobodan MILOŠEVIĆ:

We did everything that was possible to help. The Army of Republika Srpska did not act as a factor which would make any internal pressure in order to find a peaceful solution. On the contrary, I think that they are behaving quite irrationally at this moment even from the military point of view. The international community offered a “fifty-fifty” solution based on the fact that the victory was won in the war. If there were not for the military victory, the international community would never come with a proposal to divide the territory of Bosnia and Herzegovina “fifty-fifty”; there was never a Serbian country existing in that territory back in history.

The unreal ambition to request that two thirds of the population that is composed of Muslims and Croats get less than half of territory in the final peace agreement, presents a great danger for the entire area. We do not support either Turks or Ustashas here, but, regardless of how subjective we might be, we cannot say that we are entitled to more than a half of territory of Bosnia and Herzegovina. Serbian people present only one third of the total population there, while half of the territory has been offered to them, with good chances even to enlarge it during further negotiations, since there is a possibility to offer some vital territorial points to Muslims in return for some large territories that are included in their map.

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Unless all forces decide to take advantage of this great chance to make peace, all results of the war will be jeopardised! Military victory will be jeopardised as well as the results of the military victory. And, the chance to form Republika Srpska will also be jeopardised too! At this table, we know very well what they have available over there and what we have available here. We have seen a part of it here a few minutes ago. All of it together cannot be a basis for a conclusion that it is acceptable to continue this war, even if we would bring it down to the military aspect only. And, it is completely crazy to think of continuing the war if we extend our views to political aspect, from which it is obvious that the offered peace presents a great achievement that we must not lose.

Therefore, our every move and decision, today and in the future, has to be directed towards that aim. I think that it should be our clear orientation. Because, if they push us into discussions on a lower level, which starts from wrong assumptions that we should start preparing a new war and its continuation now, then we will not get any far. Because, the new war will not be imposed by the will of the other side, but by complete blindness of our side.

Therefore, I think that this should be defined in a completely different way, especially since the threat of Croatian attack on the Republic of Serbian Krajina will also be significantly decreased in that case. Secondly, TUĐMAN has taken a very risky move when he decided not to extend the mandate of UNPROFOR after 31 March. It means that the mandate of UNPROFOR will be terminated three months after, actually in six months. In this way, he and Croatia are coming forward as the ones accountable for possible escalation of the war. It means that he would not enjoy that level of international understanding that has been unjustifiably widely used so far.

Therefore, this outwitting of the leadership in Pale with the Contact Group to interpret whether the peace plan is “a basis” or “a starting point”; as if there is a difference between the fact that the peace plan is “a basis” or “a starting point” for negotiations. As if it is the most important international issue! It is an extremely irresponsible attitude towards the future and destiny of the achieved result – military victory of Republika Srpska, and towards the Republic of Serbian Krajina, and after all, towards the entire nation!

That is why it is very important that we adjust some of our further actions towards that vision. That is a basis for our judgement and behaviour; everything else is just some practical matter.

If we get to the second issue now, I really have to express my doubt regarding this overview. It is not an objection to Momčilo PERIŠIĆ, but it is most probably a matter of work of some services within the General Staff. How are they doing it – intentionally or not? However, we have approved the military budget under existing circumstances of the business policy, regulations, conditions and limits that we have. The military budget is one billion and 611 million dinars! We have a total of 80,000 men in the Army now. It is over 20,000 dinars per person, so to say. Half of them are doing their compulsory military service. They do not receive salaries; they spend only

for some material expenses and food. It is the most rational way of feeding them – canteen meals. There are also available rooms to accommodate men, etc. New weapons have not been bought! It makes 20,000 dinars per person!

According to this report, it comes out that we actually have nothing and that the Army will have to rely on existing stockpiles so that in 1995 we might be even without the stockpiles! It practically means that we should count with increase of those stockpiles that are planned to be spent and add it to the military budget, because the military budget plus those stockpiles are going to be spent. So, how much is then the military budget?

I think that a solid central plan should be developed and the work of the Ministry and the General Staff should be coordinated, so that we would have a clear situation once for all. It comes out that there is no money for anything, while there is one billion and 600 million dinars there. It approximately makes 130 million dinars per month or 5 million dinars per day! And, when we look at this, it comes out that we do not have money for anything. Then the question is - what is going on? How were the funds spent? I have to express not just a doubt but also my discontent with this presentation of the initial data, which does not say what the Army can cover, based on the given budget, and what it cannot cover, and how much is that. Instead of that, they simply say: "stockpiles will be spent in 1995." Even the food stockpiles have to be eliminated because "there is no money for food either." "There is no money for armament, there is no money for new equipment, there is no money for food!" What is that money then spent for?

Momčilo PERIŠIĆ:

Mister President, last year the participation of salaries and pensions was 25% of the entire budget at the beginning, while at the end of the year, the participation was over 60%. Now 60% of the entire budget goes for salaries and pensions. That is the essence of the problem. There is 40% left for our other needs.

I explicitly showed here that as for the fuel and lethal weapons, we really couldn't buy anything. The equipment cannot be left in this kind of condition. During last year, 43% of our aircraft was unable to fly, because we couldn't repair them all.

Generally, I am not saying this in terms of preparation of the Army for the war, but for maintenance of the combat readiness to be able to repel attacks, Mister

President! My duty is to inform you about it so that we would not get tomorrow into a situation to be unable to fulfil the basic tasks.

I emphasise two important issues here: one issue is the issue of augmentation of the manpower. If we conclude that the level of threat of war is low and that we can ensure combat readiness and protect the country with the current number of soldiers, then you should decide that we do not summon the reservists and that we do not send young men earlier to serve in the Army. It is not in my competency to make a decision about it.

Furthermore, as for the strategic stockpiles, it is the same. The situation with the fuel is as I said. If we wish, we can reduce the training and we should not spend anything. We made a plan of saving; it has been adopted and we reduced the consumption to a minimum, bearing in mind the situation that the country is facing, Mister President.

I am not asking for any increase here. I am presenting the situation so that we can observe it realistically and decide whether we should keep the stockpiles as they are, including their spending, and whether we should keep the current number of soldiers, although it would, naturally, decrease the combat readiness. I have no other way to get additional 15,000 soldiers.

I kindly ask you to take our arguments into consideration.

Slobodan MILOŠEVIĆ:

How many retired persons do we have?

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Momčilo PERIŠIĆ:

Around 54,000 persons.

Slobodan MILOŠEVIĆ:

How many persons who receive salaries do we have in the Army?

Momčilo PERIŠIĆ:

Around 60,000 persons.

Slobodan MILOŠEVIĆ:

How come that 60,000 persons receive salaries, while we have a total of 80,000 persons in the Army? So, it means that we have only 20,000 of those /sic/?

Momčilo PERIŠIĆ:

At the moment, we have 93,000.

Slobodan MILOŠEVIĆ:

If there are 93,000 of them, then it is not true that there are 80,000 of them?

Momčilo PERIŠIĆ:

At the moment, there are 94,000 men, among which 60,000 of them receive their salaries.

Pavle BULATOVIĆ:

Almost 64,000 men receive their salaries!

Zoran LILIĆ:

The fact that should be more interesting is that we have one professional commanding officer per each soldier.

Pavle BULATOVIĆ:

If we look into the facts, there is more than one officer. According to the presented situation, it is not so.

Momčilo PERIŠIĆ:

The facts are that you have soldiers under contract; professionals in the Ministry and in the Army.

17.

Our projected structure is 125, 000 out of which 49, 000 soldiers are serving compulsory military service, 30, 000 are contracted soldiers and the rest of them are officers. Mr President, we do not have that structure at this moment. Current structure

is 94,000 out of which around 60,000 are persons with salaries and the rest of them are soldiers who serve compulsory military service.

Slobodan MILOŠEVIĆ:

Momo, 60, 000 and 50, 000 is 110, 000. Sixty percent of the military budget is planned for salaries and retirement allowances. This means that about 10, 000 /sic/ is per Army employee and military pensioner – that is their annual salary, that is retirement allowance.

Radoje KONTIĆ:

I think that he exaggerated, it is not 60% but about 50%. Otherwise it would be too much, they would receive high salaries; that is about “half – half”.

Zoran ILIĆ:

As far as our informatics is concerned, we obviously face the same problems as last year – asking whether it is this or that much!?

Radoje KONTIĆ:

Above all, I completely agree with what Slobo said regarding human rights and rights-of the national minorities. But I would like to add that we should use more the facts in all our talks, meaning that our two Republics and SRJ /Federation of Yugoslavia/ are civil states and that all our citizens are completely equal by both the Law and the Constitution, while any other former Yugoslav republic is not a civil state; we are the only one who have the civil state! Secondly, national minorities have additional rights according to the highest standards of the KEBS /Conference on Co-operation and Security in Europe/. I think that we have nothing to be ashamed of nor defended against. Nobody in this region has such legal and constitutional solutions.

Secondly, one political platitude has often been used here – that we are “the guarantees of the VANCE’s plan”, as the SFRJ /Socialist Federation of Yugoslavia/, SRJ, that is, signatories or co-signatories of the VANCE’s plan. I could

not determine what those guarantees were about and whether they were signed by the SFRJ. There is only one conclusion by the Presidency, once when it was discussed about.

18.

However, we are not the signatories, nor are we the guarantees in this sense. That has been used for several times in this material.

Slobodan MILOŠEVIĆ:

That means that the SFRJ and Croatia agreed about the VANCE's plan, and the Security Council has made the VANCE's plan. Nobody signed anything. There is a general agreement regarding the VANCE's plan and that is a full stop.

Radoje KONTIĆ:

Third, I have to inform you that the Federal Government has met all the material requirements proposed by the Supreme Defence Council. Last year we have achieved our 12 millions out of those 37 millions /sic/; those 7 /sic/ for the JNA /Yugoslav People's Army/ and all that without detriment to your budget but to the civil budget.

As for the conclusions, we did not write to GHAI regarding the sanctions; I don't know if it is politically appropriate to write regarding the sanctions and protest. I don't believe that it would have any effect but to stir up various comments.

We wrote regarding the second item – regarding cancellation of the further UNPROFOR mandate and we called your attention to that.

The fourth item – if we go for it then we should see who could form this co-ordination body and who would closely define the tasks.

Slobodan MILOŠEVIĆ:

You mean, this thing regarding the security?

Radoje KONTIĆ:

Yes, we should see who would form it and in what way if we go for it. As for additional means of about 117 million dinars – the budget revision is out of question! It is a big question from which means and whether it can pass at the Assembly.

Exemption of Yugoslav Army from excise, taxes, duty, etc. – unfortunately, the situation is opposite: we introduce flat overload of the complete import. The situation will be more difficult than it looks like. Not only that it cannot be eased but it will get even worse. We will see how shall we solve the issue of the Army! That is a specific problem, but let us not have illusions that it could be lessened.

General, you insist here a lot on the Federal Government making decision that incomes earned by the units and institutions of the Army are to remain with the Yugoslav Army. They stay! I have explained that many times so far: they stay for the Army of Yugoslavia; they are to be included in the budget and 85% is to be immediately transferred to the Army. If we separate this it would mean only 15% more. If 10 millions have been realised – 10 millions get into the budget and 8.5 millions immediately go to the Army. Therefore, that does not solve anything.

Momčilo PERIŠIĆ:

Budgets for that income have been spent and then nobody is motivated.

Radoje KONTIĆ:

That is another issue. I only say that this does not solve anything since it is the income of the budget. If it gets into the budget I immediately transfer 8.5 millions to the Army and the rest of it goes to the civil sector. If it goes directly to the Army it means that it is not in the budget, which further means that there is 8.5 millions less – so, the difference is 1.5 million. So, it may mean something but it does not mean anything.

Slobodan MILOŠEVIĆ:

It means motivation for working to him.

Radoje KONTIĆ:

The issue of motivation is a different issue.

Momčilo PERIŠIĆ:

Those are expenses for realisation of incomes.

Radoje KONTIĆ:

But, again, you cannot spend them— there is no item!

20.

Therefore, we are wasting our time explaining these issues – there is no item for that, and there cannot be any revision.

Momčilo PERIŠIĆ:

Then we should not do it.

Radoje KONTIĆ:

Then you have no incomes. This is so “interrelated” and there is absolutely no need for that!

Buyback of external claims – I don’t know how realistic is that at this point. You know that the reserves in the National Bank of Yugoslavia are below permanent foreign exchange reserves and that there are no more spending of the reserves; that is the big problem.

Slobodan MILOŠEVIĆ:

You did not understand it. Moma means the great debt that Russia owes to us and that on the basis of that debt we can compensate some by possible import.

Radoje KONTIĆ:

That is something different. I answered what I find as solutions to all this – that is the use of liquid debts and not the debt buyback. The debt buyback is if I take the means and buyback that debt after which I take responsibility for that debt. This is the use of our credit balance towards some countries.

Slobodan MILOŠEVIĆ:

That is, in fact, collection of payment of one part of the debt by purchasing some goods.

Radoje KONTIĆ:

Even if it is done with certain discount. For instance: here is 30 millions out of 100 millions of debt but give us then 70 millions because it means a lot to us at this moment. All our companies have already given big discount to their partners abroad in order to have some foreign currency for current reproduction.

Secondly, what I see as a possibility – but, I don't propose for it to be concluded here – the Federal State has certain commodity reserves, agricultural products etc.

21.

Just in case. We should not change the budget there, nor we should go for the revision, but we should simply buyback, for instance, 10 million dinars from the federal reserves, which the Army would spend. The Federal Government can do this within its authorisations. But, I do not propose this now.

Third, we are using every chance to improve the Army situation. I have informed the General and President IJIĆ – we had 5 million dinars from last year in civil sector. We gave that to the Army – as if the civil sector spent it last year.

That's it.

Momir BULATOVIĆ:

I agree with what Presidents MILOŠEVIĆ and KONTIĆ spoke about. Honestly, this calculation has never been clear to me. Year 1993 was the most difficult year for the Yugoslav Army and 1994 was relatively more successful.

At the same time, today we are facing with the problem of insufficient number of soldiers – which means that the number of soldiers cannot be less; bad response of soldiers who are under the contract, impossibility of drafting reservists etc. in the situation when the budget is objectively bigger. We have a situation now that our reserve are reduced to zero!?

Frankly, knowing some economy, it's hard to believe in that!

On the other hand, I think that it is bad logic that says: we have constituted our needs at this level; you gave us that amount of funds and we will spend it in three or four months after which we face the fact that it does not benefit anybody, which is: lack of fuel, food, clothes!

Really, I think that this indicates that we should at least start thinking in another direction. As for that other direction, I fully agree with this global estimation presented by President MILOŠEVIĆ. I also think that the central issue in these areas will take place independently of America. I do not like that logic: "America will skip us" – America will always be present and in this constellation of relationships it will never be on our side. But, it is present not only in Chechnya

22.

but in Kuwait, too – they have robbed those poor people; they took everything from them; their policy is exactly like that.

Unfortunately, I believe that it is not America that will harm us but our brothers from Republika Srpska!

On the basis of what we have learnt and seen so far, my estimation is that they will not know how to properly use this four months period. I think that TUDMAN will not cancel hospitality to UNPROFOR but he will use this moment to have his allies and advisers asking him to agree on some compromise that will above all be to the detriment of Serbian people in the Republic of Serbian Krajina. I am afraid that this will be calculated with obvious incapability /sic/ – and I am also afraid of lacking in desire to have this period of four months used in Republika Srpska to reach peaceful solution. It is very upsetting to have discussed again the same issues we

discussed together for thousand times in this room. I am afraid that these present acts show their incapability to recognise the real moment.

I think that KARADŽIĆ objectively goes towards peace now, but he will not get there! According to information that I received from “second and third hand” that shows that Ratko MLADIĆ continues talking the same old story: “if this point is here I would lose telecommunication centre and I would lose possibility to do something”. They started to that affirmation of logic: there is a mass felling of forest, they destroy everything that will not belong to them and they do not keep the people.

But, I am afraid that these four months will run out for them and that we are going to face extremely unfavourable situation when the one global unfavourable situation will coincide in regard to the friendship of international community towards Croatia and events in Republika Srpska, which will get them closer with each other and we will get the situation that, according to my estimation, will be more unfavourable.

If this all happens we should bear in mind both our real internal factors and estimation of time dimension.

23.

I am getting back now to what has been given in this material.

Firstly, I think that there is a real possibility that our position regarding Prevlaka is endangered in this development of events. Objectively, I think that it could be made as a “slap in our face” rather than a real wish to have war in that area. Unfortunately, we are not in a good position there. I have to tell you that I was shocked with a fact that I have recently met a third-level clerk from the Federal MIP /Ministry of Foreign Affairs/ in my office – a woman who came from Montenegro with a clear conclusion. She told me: “It was concluded in the Bureau of SMIP /?Federal Ministry of Foreign Affairs/ that SMIP did not know anything about Prevlaka!” She came to me to create a file about Prevlaka!?

It is tragic that our state has only that one disputable issue and that there is no documentation about that in our Federal Ministry.

Slobodan MILOŠEVIĆ:

It has got more documentation about Kurds than Prevlaka!

Momir BULATOVIĆ:

I ask you and insist that we sit and strengthen this diplomatic mission of ours as soon as possible. We constantly skip over those issues from the agenda. When we read dispatches that arrive, they sound as stories for small children. We have to radically do something. In this period of the crises outcome, we should use all available means, first and above all, diplomacy regardless of desirable - we all stand up for or negative- that some of us are afraid of. /sic/

Bearing in mind such development of events there is a big question on what to do with reservists and how to reinforce Yugoslav Army? Let us be realistic, change of legal solution – it is being insisted on one of these options – according to me it is less likely to happen. It would open a big political discussion in the Federal Parliament and it would make a political fuss that we are actually preparing for war now. Either, the extension of military service or setting limits lower parameters would open, a discussion in the political public, especially with our foreign enemies about how strong or weak we really are in the Yugoslav Army.

24.

On the other hand, there is a real problem regarding the drafting of reservists who participated in war in 1991 and 1992. Once I informed President LILIĆ about that over the phone. Regardless of the conclusion of the Supreme Defence Council, I objectively know that the people who were not just formally drafted but spent six months on those fronts, have been drafted again! That is the striking force and power of our Army; those are the men who have military experience. I wonder if we should call them in today or keep them in barracks for a month or two after which they could become useless soldiers! Or, we should possibly have them on standby for a day or two in order to keep that striking force for the situation “God forbid!”

I think that in this projection of development of events it is simpler and better not to change anything in regard to former decisions of the Supreme Defence Council. But, with more subtlety and better evaluation, we should request to get into a situation, that is, evaluation that there is no real danger or aggression against our country, but we should prepare in advance for that period of four to six months.

Momčilo PERIŠIĆ:

This is, in fact, in that context.

Momir BULATOVIĆ:

Difference between your and the proposal I'm about to give is that with these solutions – regardless of whether it is the first, second or the third solution – we could have a big damage in political sense. In a sense of increase of defensive preparations we do not get any effects within that deadline, because even if we pass those laws, those young men will be trained or they will increase combat readiness of our country in one year.

If from this development of global situation, we are somehow endangered we would have engaged these men who participated in war in 1991 and 1992. And, therefore we must not waste them now by drafting them to the reserve force and keeping them in the barracks.

25.

As for our reserve, I have already said something about that. I think that it is really necessary to make centralisation and registration of means at the level of Military Cabinet of the President of SRJ /Federal Republic of Yugoslavia/ and that we should remove all these confusions. And we are certainly in a situation that we observe this problem almost as laymen and with insufficiently studying. But, it is completely logical and natural that the Supreme Commander of the Yugoslav Army has got daily overview of these solutions, too.

I think that all those other solutions proposed here are unfortunately at this point only a list of nice wishes. I know that there is determination of the Federal Government to make some solutions here. I also know what pressure the General Staff is under, especially General PERIŠIĆ; but, I also know that passing the Law on providing 10000 apartments to solve housing problems, does not mean anything. That can be a sign of goodwill. But, passing the law at the Federal Parliament on this subject and bidding financial sources, possibilities etc. is something about which we should not argue.

President, I think that within our former decisions, we should not change anything significantly. Unfortunately, we are not in a situation to change anything in regard to the budget. But, on the basis of these evaluations that I tried to present I think that much more could be done to realistically consider present situation.

I specially ask President LILIĆ and President MILOŠEVIĆ along with the Prime minister KONTIĆ to sit together and see to that. I am convinced that within our diplomatic service we can do much more; I think that we allowed this work being sloppy in a situation when we simply cannot allow ourselves to have that luxury anymore. You remember that we concluded earlier how necessary it was to strengthen ĐOKIĆ there, that is to have 10 diplomats there; unfortunately, we have not done anything for one year. After you read dispatches of our ambassadors I ask myself how can anybody in the world respect us!?

Momčilo PERIŠIĆ:

We proposed this with the aim of acting preventively and having freedom of action to be ready at a given moment. And to us, that moment is introduction of the UNPROFOR mandate and possible insane decision of TUDMAN to attack the Republic of Serbian Krajina. Secondly, there is a big possibility that Serbs will not sign the peace.

26.

Then, the SRJ will be in a much more complex situation. In order to prepare us, the soldiers for that, I asked for a decision to be made at this level to reinforce the Army, to have freedom of action to prepare it from March and further on, and second, to re-supply the reserves. For example, what if TUDMAN attacks the Republic of Serbian Krajina? I know that the Republic of Serbian Krajina does not have enough material reserves – people from Republika Srpska spent it. They do not have now enough means to have organised resistance. If we make a decision here to help them in sense of material means, gentlemen Presidents, I have nothing to offer them, except that I take more from these material reserves, which I must not allow due to the security of my own country.

So, this cannot be undertaken now but in some other period in case of unfavourable situation development in regard to Croatian relations towards Republic of Serbian Krajina and in case that Republika Srpska does not reach the peace process. I'm talking about this and not some other aspect. If I do not inform you on time, I think that I would be dishonest and incorrect, rather than to tell you in a given moment - we had these and those problems and – solve them!

For example, the issue of Prevlaka – I have units and these combat groups; they are only there because of Prevlaka and only as a prevention. Last night they fired at an area near Sitnica and six shells fell in the area of Republika Srpska. Perhaps he actually wants to cause the incident.

I said all this in that sense and therefore I ask you to understand it as such.

Momir BULATOVIĆ:

Having accepted that we agree on that basic line, I tried to test the reality of the offered solutions. It is not about the decision of the Supreme Defence Council, but about starting political action to change the Law. So, in that proposal we should also bear in mind these negative solutions and implications. I asked Admiral ZEC what the line that our Navy has had to defend was. One Croatian police boat captured a man in the range of 500 metres, in our territorial waters fifteen days ago;

27.

fortunately, that man was a Slovenian, retired Colonel who had stayed there so they returned him without making any fuss. But I regularly receive petitions – I do not want to burden you with that now. I have got a petition which I will forward to President LILIĆ; there are more than 50 men who signed that people on warships systematically destroy the sea, they are fishing etc. – that was done by the officers, soldiers, sailors; they sell those fish and they cause damage to the fishermen. We create one animosity.

Bearing in mind the real dangers regarding Prevlaka, I think that we need to put more effort, first in order not to create animosity towards local inhabitants. I know that people are forced by necessity to do that and to sell it to private caterers.

I think that much more can be done in the sense of military organisation than it has been done so far.

Zoran LILIĆ:

Pavle, do you have anything to add? (No).

I would like to try to sum up what you have said.

Firstly, there is no need to repeat what President MILOŠEVIĆ and President BULATOVIĆ said except that I completely agree with all they presented; normally, and with what Prime Minister KONTIĆ said.

After all that has been said, we could make a conclusion that there is no need to discuss every proposed solution individually since we have talked about it so many times.

The second fact is – considering the economic policy that we adopted for 1995 and the overall importance of that policy for the entire existence of the SRJ – there is no place or need to talk about spending additional means for the needs of the Yugoslav Army in these circumstances. I think that this can be one of the conclusions.

Thirdly, considering the second fact, when we discussed budget, we concluded that war material capital reserves would not be significantly increased, and that the existing, proposed budget ensures the level that we had in 1994 to be maintained. I think that it is necessary for us to acknowledge the core of what was presented in the decisions of the General Staff Bureau;

28.

Is it considered to be spent in case of conflict in the territory of Republika Srpska or the Republic of Serbian Krajina upon which we would spend it in that way? This is another issue, which we should not discuss now since we made conclusions on that issue at this Council long time ago.

Thirdly, the Supreme Defence Council should stick with its previous decisions and conclusions that refer to the issue of reinforcement of the Yugoslav Army, as Momir BULATOVIĆ elaborated; normally, with all the preparations that we need to make in both, the plan on making the plans for mobilisations and plan of preparations for everything that could happen, which we believe will not happen, given the fact that there is a unique assessment that there is no war threat to Yugoslavia.

As for the re-supply of war material reserves I think that the only logical conclusion would be that the Ministry of Defence and the General Staff should

undertake measures within existing budget. And, if need be, they should ensure existing level of combat readiness using the redistribution of means. I am also convinced that it is necessary to undertake some different solutions, I mean general solutions, in the plan and planning in the Yugoslav Army, planning of the entire purchase and planning of disbursement of all means approved to the Yugoslav Army. In that context, I think that if nothing else, we decide today that Minister BULATOVIĆ, Chief of the General Staff and me, or only Minister BULATOVIĆ and me – whatever the decision is – prepare a proposal to the Supreme Defence Council in which we would go towards central planning at the level of Yugoslav Army; in which we would go towards unique information system at the level of either Ministry or Military Cabinet of the President of SRJ; but, we certainly need to have complete informatics and absolute control of disbursement of means. For, really, we have to conclude here that we do not know what happens with the money after being drawn from the central account of the Federal Treasury, that is from the treasury of the Ministry of Defence? Correct me if I am wrong! Besides, transfer accounts for some armies would stay, but we would avoid the possibility of both duplicating the purchases and spending the means on something that is not necessary.

29.

I think that only such an approach enables us not to discuss anymore, at least not in this year, all the issues we discussed last year and with which we literally started and finished every meeting of the Supreme Defence Council.

Therefore, we should bear in mind not to propose solutions that are not given within the budget because there are no items for them either within this budget.

One thing is sure, which I would especially like to emphasise – President MILOŠEVIĆ also said that in the beginning of his speech – that the only way is that we all, within our possibilities and engagement, which, I believe, we have not fully exhausted, influence all those who are in the position to decide about peace or war in the area of Bosnia and Herzegovina and Republic of Serbian Krajina. It is sure that destiny of the Serbian Krajina is not in the hands of neither President MILOŠEVIĆ, nor President BULATOVIĆ, nor this Supreme Defence Council; the same is applied to Republika Srpska. Those who did not do that simply have to do it! Whether they are going to do it, it depends on our possibilities to persuade them in that.

Therefore, I would make two or three conclusions out of all of this. I think that it is the high time to have absolute insight in what is happening with the money from the moment it is drawn from the National Bank of Yugoslavia to its final disbursement. I do not know if the Ministry of Defence has got a feedback, I do not know if General PERIŠIĆ has got a feedback, but I do not have it!

If this Supreme Council is going to decide at every session whether we will produce 100 000 bullets or we will spend it on square metres, then it loses every purpose. Simply, it has to carry out a policy and not to deal with these issues which we have discussed here.

The budget has been adopted; it enables spending as much money as it has got; and we all have to act in accordance with that budget since we have accepted that.

But, also, there is plenty of space for rationalisations in other places. It is an astonishing figure, which we have to take care of – that we have got 1.5 active officers per one soldier! Momo, I think that it is the figure that no army in the world has got!? Is that so?

30.

Momčilo PERIŠIĆ:

That is not correct.

Zoran LILIĆ:

Well, we have just got those figures!

I will feel free and with no intention to offence General PERIŠIĆ or anyone else who worked on this material to say: if this material was written only to be filed in the records of the Cabinet of President of SRJ, or to have it discussed here, then it was not done well. We talked about all these issues; I think that there was no need to work in this way. I apologise if I am wrong!

Momčilo PERIŠIĆ:

But, excuse me, I have to say . . .

Zoran LILIĆ:

Let us first agree whether we can accept these conclusions?

Slobodan MILOŠEVIĆ:

Yes, but we should not postpone this central inspection for some other time. This inspection has to be carried out in the Presidential Cabinet, that is by the Supreme Commander. It is necessary for it to be carried) out. In some way that increases responsibility of the President himself towards Supreme Council of Defence in regard to the validity of these facts that are sent for inspection to the Supreme Council of Defence that cannot decide without having real facts.

Momir BULATOVIĆ:

In essence, nothing changes there. The task of the President of Supreme Defence Council is certainly to co-ordinate activities of the General Staff and Ministry of Defence.

Zoran LILIĆ:

Or to at least to prepare accurate information! (laugh).

Momo, take the floor please!

31.

Momčilo PERIŠIĆ:

We have information that 6000 soldiers prepare for Albania, outside Albania; who have got the task to hermetically close the border towards Montenegro, that is Serbia and Federal Republic of Yugoslavia, with purpose of prevention of any import. All that is in the function of something. I am talking about something, which the General Staff is obliged to foresee in order not to happen to us.

Also, they increase sanctions from Macedonia, Bulgaria, Romania, Hungary etc. This means that they want to blockade us for some certain reason! Plus, there is a

situation in Bosnia – it is disputable how that will develop; I am talking about the worst option. Plus, there is the situation of the Republic of Serbian Krajina.

All this implicates that we have got enough soldiers for preserving the border. If you make a decision to safely close down the border everywhere, that is that nothing gets in or out, I need to have soldiers! And I do not have them. It is not because you did not envisage those means but because the birth rate determines the age group that should serve the Army – and it is as many people as it is! I need 30, 000 soldiers in total!

Slobodan MILOŠEVIĆ:

You said that we have 600, 000 men in reserve. It is BULATOVIĆ's idea to use that big reservoir according to the need! But, according to the real need!

Momčilo PERIŠIĆ:

But, Mr President, if I invite them I have no money to pay them.

Here is the conclusion of the Parliament from 1993 – when I did not even hold this position – which states: “15, 000 /sic/ should be compensated”. I'm talking about that and not about something else.

As for the way of disbursement of means, Minister BULATOVIĆ and I were in the barracks yesterday where 31 officers were accommodated. Their entire families have been accommodated in five to six square metres of space. Those are the men who contributed the most to defend Serbian people, and protect SRJ from war. Those people will live in such way until they get retirement and there is no chance that they get the apartments! How can I motivate someone to come and stay in the Army if we do not start solving that issue?

32.

Let me be honest, I do not ask anything for myself; I am ready till the end to be an ascetic! But, the issue is whether other people want to be ascetic!? Due to that, we must not have a situation that we are unable to carry out the tasks tomorrow. You can make a decision tomorrow that entire border is closed – I will tell you: I have no means to do that! Who will do that – there is no money, no young men?

Momir BULATOVIĆ:

That should not be done for now, and we will solve it when needed!

Momčilo PERIŠIĆ:

Mr President, he can sit in Prevlaka /sic/ in six hours and block the complete Boka Kotorska Gulf; I cannot mobilise a unit and bring it to Prevlaka – it will be late then!

Momir BULATOVIĆ:

If you mobilise him today and he was in the war and he sits there for two or three months – next time you call him, he will not come!

Momčilo PERIŠIĆ:

I am not asking this now. I follow all his moves. I have one unit ready and in couple of hours I could sit there earlier than he could /sic/. But, if he sits there and we are late it would not be well then /sic/.

Zoran LILIĆ:

Momo, if we understood each other well – that was the proposal of Momir BULATOVIĆ which President MILOŠEVIĆ also agreed with, that is to engage people from the reserve when it is really needed.

Let us change that expression – not “those who participated in war”, but “those who participated in military operations”.

Momčilo PERIŠIĆ:

All right, but I do not have money for them?

33.

Zoran LILIĆ:

Those are these 117 millions?

Momčilo PERIŠIĆ:

There is no need for all 117 millions.

Zoran LILIĆ:

They will be engaged at the moment when situation requires that. I think that 117 millions in comparison to one billion and 611 millions is really not a figure that should concern us if the security of border and entire engagement of the Yugoslav Army depend on that.

Slobodan MILOŠEVIĆ:

I think that we should review these expenses for drafting reservists.

Radoje KONTIĆ:

That is the biggest expense.

Slobodan MILOŠEVIĆ:

For, the biggest expense for drafting reservists is because payments for them are taken from the military budget.

Radoje KONTIĆ:

Yes, it's much cheaper to have paid soldiers than reservists.

Zoran LILIĆ:

Let his factory pays him! That is how we can solve that problem.

Slobodan MILOŠEVIĆ:

We should see to have that as an obligation of the company in which he works – salary compensation while being in the reserve.

Pavle BULATOVIĆ:

Then he should be given two salaries!

Slobodan MILOŠEVIĆ:

How can you give him two salaries?

34.

Pavle BULATOVIĆ:

They have to engage someone who will replace a reservist in his working place.

Zoran LILIĆ:

It is sure that right now and under such circumstances they do not have to. They should call back those who are on leave with pay. Momo should know who those people are.

Slobodan MILOŠEVIĆ:

Those who are on leave with pay are paid from the national treasury.

Momir BULATOVIĆ:

I am familiar with the problem, even with the individual cases. That man receives, let's say, 50 dinars salary that he objectively cannot subsist on. So, he gets involved in black-marketing, selling cigarettes and fuel in the streets, etc. At the very moment you draft him into the reserve forces he would be a plain soldier and he

would practically leave his family with 50 dinars of his salary, which he receives from the company he is employed at. Therefore he does not want to be drafted into the reserve forces by any means because he then would be deprived of his income. If he is a holder of a rank in the reserve you still cannot pay him as much as he would be paid according to his rank in the Yugoslav Army.

Slobodan MILOŠEVIĆ:

I do not know how many commanders in reserve he needs since there are so many commanders who are commissioned officers.

Momčilo PERIŠIĆ:

We do not need commanders in reserve. That costs 650 dinars. The structure is as follows: average salary is 290 dinars; reimbursement for his salary, 150 dinars for the food, travel expenses and all other. He is 650 dinars more expensive than the plain soldier. That is why I say that it is irrational. It is irrational to change the law because of this soldier.

I spoke about the needs in the most severe situation and I know that the possibilities are modest. The enemy has imposed the sanction on us simply to create disproportion between our needs and possibilities. We have to find the way out in order to protect our country. That is why I made that suggestion

35.

and not because I want us to live better than the others do.

It hurts me to hear that there is a suspicion that the Army spends the appropriations irrationally. It seems as if we want to get something in order to privatise the things and get richer.

I have to tell you that I fully trust in everything that was done until now because it was done under my control and I checked it out for hundreds of times. It is another issue that we live in rough-and-tumble reality and find it difficult. But the Army has no other source of income – apart from that what you give them. All other social structures have thousands of other sources of income.

Slobodan MILOŠEVIĆ:

Administration has no other sources of income.

Zoran LILIĆ:

Momo, for your information: President KONTIĆ receives 640 dinars salary and a colonel in the Army receives 650 dinars.

Momčilo PERIŠIĆ:

Well, all right.

Zoran LILIĆ:

Well, it is not all right. It means that it is not true that those structures have other sources of income, including me as the President of SRJ /Federal Republic of Yugoslavia/.

I think that we could find another solution for these 117 million either within the companies or by some other kind of redistribution, if the circumstances require that. We should not waste too much time on that.

Momir BULATOVIĆ:

Just, we need to be realistic.

Zoran LILIĆ:

Absolutely, we should know what do we need, how much do we need and when do we need it.

36.

Momir BULATOVIĆ:

If a man has no means to support his family during these two months then he would not go, even if you put him in jail.

Slobodan MILOŠEVIĆ:

I know, but not everyone is in that very same position.

Momir BULATOVIĆ:

This is related to technological surplus. Do you know how much a man who does not come to work earns?

If something is disputable - it is not the reason for us to get upset. I do not understand that in December 1993 when we had that terrible hyperinflation, we had enough food for 30 days of war; in December 1994 we had it enough for 17 days of war; and right now the situation with the appropriation for 1995 is equal to zero.

Momčilo PERIŠIĆ:

According to the reckoning normative, we are asking to have all the reserves for 30 days of war. That would be optimal although insufficient. In the former SFRJ /Socialist Federative Republic of Yugoslavia/ everything was organised for 90 days of war but it was spent in the meantime.

So, you see (he is pointing to the graph) at the end of 1993 we had enough for 18.5 days of war instead of 30 as we were supposed to; in 1994 the situation was the same, as well as in 1995. But the issue of food: it is envisaged to have enough for 30 days; in 1993 we had enough for 17 days; in the end of 1994 it increased to 21 days and in 1995 we do not have a chance to replenish the reserves. On the contrary we even have to spend them because we have not got enough funds in the budget specified for keeping up the reserves on certain level.

Momir BULATOVIĆ:

Then there is a mistake in the graph. This "zero" here means that there are no reserves for even one day of war and not that the reserves cannot be increased?

Momčilo PERIŠIĆ:

Yes, that is right, bearing in mind the appropriations.

37.

Slobodan MILOŠEVIĆ:

No, they are predicting that the reserves will be spent.

Momčilo PERIŠIĆ:

Yes, that the reserves will be spent.

Momir BULATOVIĆ:

To spend them all and not leave anything for even one day of war?

Momčilo PERIŠIĆ:

Yes.

Momir BULATOVIĆ:

That is impossible.

Slobodan MILOŠEVIĆ:

That is not acceptable at all.

Momir BULATOVIĆ:

Then there is no need for us to get into all details.

Radoje KONTIĆ:

We need to check these details. Let us still not forget that we are in the first quarter. We have some savings because we have frozen the salaries of the Army for the first quarter. According to that we have 30 million.

Momčilo PERIŠIĆ:

We cannot increase the reserves. We have to reduce them.

Zoran LILIĆ:

Well, Momo, I do not get it clear!? Why do we have to reduce the reserves if the budget envisages that the reserves would stay as they were until now?

Slobodan MILOŠEVIĆ:

Momo, this is why we do not understand the issue: The budget

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is one billion and 611 million. If you have said that 60% of it goes for the salaries and pensions then it would be something less than a billion of dinars, so we have 620 million left, which is 50 and something million per month.

Few moments ago you said that the monthly food supply per soldier or reservist costs 150 dinars. If we have 50 million per month left after we pay salaries and pensions and if we need 15 million for the food for 100 thousand soldiers then we have 37 or 38 million, almost 40 million, for other things. It means that you would cover the salaries with that and we have 55 millions per month left. We have 600 and something million left, which is 55 million per month. You give 15 million for the food and you have 40 million per month left for I do not know what else is needed there, for the current expenses, electricity, etc.

Pavle BULATOVIĆ:

President, we have 460 million left after we pay salaries and pensions and these allowances for separate life, etc.

Slobodan MILOŠEVIĆ:

All right. Anyhow, after we cover all the expenses related to salaries and food, we have 40 million left per month for all other needs, which are replenishment of cloths, material means that are being used, ammunition for the training, etc. We cannot spend more – I do not understand that! It is impossible that even in such conditions we have to spend all the reserves.

Radoje KONTIĆ:

We are spending 60 million per month, which is 700 million per year. That is only 50 % or even less than 50%. So please don't - unless you have some big incomes.

I would ask you to excuse me from further participation in this session because I have the meeting of the Commission for the International Conference on Yugoslavia.

Before I leave I would like to draw your attention to two issues:

Firstly, it was not the Federal Ministry that suggested this current issue regarding the Yugoslav Army, but the Commission of Profesor AVRAMOVIĆ. You can make a decision but you should know that it was not suggested by the Ministry.

39.

Secondly, do not speak on behalf of the "Presidency of the Government" as a ranking position because the Presidency of the Government does not exist. What exists is the Prime Minister of the Government.

Slavoljub ŠUŠIĆ:

That is a mistake. The term "Prime Minister" should be used.

Zoran LILIĆ:

All right. I suggest that we move to the Item 3, which is:

Information related to the officers in 30th and 40th Staff Centre.

General PERIŠIĆ asked to have this included in the agenda, bearing in mind that many relatives intercede with the General Staff and him personally because of our standpoint to pay them one average salary. We have few suggestions made here.

Momo, go ahead.

Momčilo PERIŠIĆ:

Whatever decision was made it was made. Now they are putting pressure on the General Staff to change that status. I included this in the agenda because it is within your jurisdiction to decide what we are going to do.

I would like to mention that even though the budget is in such a difficult situation, these people's situation is even worse. However, bearing in mind that they were sent there, some of them from the SFRJ and some from the SRJ, they have legal grounds to demand that we solve their status. Some of them are even preparing themselves to sue the SRJ because the SRJ does not give them this and that.

The essence of the problem and the reason that I included this in the agenda is something that President MILOŠEVIĆ knows better and that is that these people are still some kind of our mainstay and they are preventing the Republika Srpska Army from being turned into the SDS /Serbian Democratic Party/ Army or Chetniks' Army, because most of these people are connected with the SRJ and they adhere to the SRJ politics and are against the politics over there.

If we do not help them survive there then we have two options: one is that they will come here, which will be really negative. People from over there will accuse us that in that way

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we contributed to the weakening of the Army. Secondly, maybe in that way we would give a reason to lot of people from here to say that we are receiving the officers from there so that they would represent us in more complex situation - that you spoke about. Even that is possible - the support for the negative situation from there. /sic/

I think that it would be rational to make a decision, within the limits of possibilities, to pay their salaries according to their ranking, rank and the positions the same as they would be paid here, which would burden the budget for additional 30 million dinars per month. At the moment we allocate and give approximately 12 million for the social-welfare. It means that it would be an additional charge of approximately 30 million in order to provide the salaries that would be of the same amount which the commanding officers receive here.

Zoran LILIĆ:

We are speaking about 2,664 professional non-commissioned and commissioned officers, out of 4,346 who were on the payroll of the 30th Personnel Centre, and the rest are civilians. So, bearing in mind the fact that most of them have their families here I think that we could support this suggestion to increase their salaries to the level of the salary that our officers have here and to pay that exclusively to their families in Belgrade. This automatically eliminates those who decided to stay there and be on the payroll of someone else, and there are cases like that. That difference is in the amount of 28 million and 300 thousand, minus those 12 million?

Momčilo PERIŠIĆ:

Without those 12 million!

Zoran LILIĆ:

In that way we would still have a minimum of influence over there. When I say that I mean that we have to accept the fact that families who are here are finding it difficult to survive with 240 dinars. I can give you information that they were receiving more than our officers here: a colonel general there receives one thousand and 80 dinars.

Pavle BULATOVIĆ:

That is how much he would receive.

Zoran LILIĆ:

It means, to level the incomes up with the incomes of

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officers who are here. That is my opinion.

Momir BULATOVIĆ:

What has changed in relation to our previous decision?

Zoran LILIĆ:

I think that there are some officers who really accepted the fact that they have to be connected with the Yugoslav Army and General Staff and we should not let go of them bearing in mind all that is going on in the area of Republika Srpska.

On the other hand - I have to repeat that because of the letters addressed to the General Staff and me - that the people who live here cannot survive with 240 dinars.

The third issue is whether we will let everything there keep going in an elemental way or we wish to be actively involved in all the happenings over there through the people who are still correct and in some way wedded to what is going on here?

Pavle BULATOVIĆ:

First of all I ask myself whether we have reached the goal that we wanted to reach with this decision, I mean the current decision. I think that we did not reach the goal.

If we want to reach the goal completely, which means that if we want the officers, actually the professional soldiers who are there, to become some kind of a nucleus of our army within the Republika Srpska Army then we have to treat them the same way we treat the soldiers here. I do not believe that we can reach the goal by making any kind of difference and selection between them. If our goal was to get these men back to our units – and there were such attempts but we were not happy to receive them, so they stayed there - they will fulfil their rights in the Court. One

lawyer, the attorney of two professional soldiers, already contacted us, so we can expect political and other negative consequences.

Momir BULATOVIĆ:

What do you suggest?

42.

Pavle BULATOVIĆ:

If we want to keep them there then we have to pay them.

Momir BULATOVIĆ:

If we do not pay them, will they sue us in the Court?

Pavle BULATOVIĆ:

And they will win the case.

Momir BULATOVIĆ:

And they will prove that we have our officers there.

I would like to remind you that these are the people whom we want to keep there in order to control the situation and it turned out, de facto that they keep us and our situation under control.

This is a very difficult decision. It is very complex at least from my point of view. If we now go with this system, which is to pay them, then we have to pay them retroactively from August.

On the other hand I am very aware of the complexity of the problem. This, what Minister BULATOVIĆ said is a special issue. I was in a situation to speak face to face with few of them who did not agree with the politics from there. They came here and they wanted to be deployed in the Yugoslav Army. They were not even from the Republika Srpska. They were our officers whom we have sent there. They were treated as traitors in our units and were sent back.

I think that this is a very, very complex problem. If we allow that the State of Yugoslavia is put on trial for not paying the salaries to its officers fighting in the war in Republika Srpska, that act can have catastrophic consequences.

Zoran LILIĆ:

I expressed my opinion firstly because of the first reason, which is that in this way we still can keep at least some control over there. However your arguments are also strong.

43.

Momir BULATOVIĆ:

That is why I am asking - what has changed in the meanwhile? I think that at that time we made that decision bearing in mind one more than generous goal.

Zoran LILIĆ:

What has changed is that their families are at the breaking point.

Momir BULATOVIĆ:

Let us then change the decision and increase that allowance from 240 to 500 or 600 dinars and acknowledge that problem if that is the only goal. If the fact that they families cannot survive here has significantly changed then I respect that. We are not speaking about the money here. We are speaking about something more important.

Therefore I suggest that we think about making a decision and raise that amount from 240 to 500 dinars, but we should be pragmatic and savage. We are the Supreme Command. We have made a decision and we demand that all of our officers adhere to that decision. Those people over there have de facto failed to obey the Supreme Command for this or that reason - the main reasons were generosity, patriotism and our estimate that we should not create the chaos over there because it would rebound on the people over there. Right now we have not got a single reason to change that decision. Changing that means that we would have to change our politics, also.

We could do as we did then when we had found a mode to take care of the social security of the families in order to avoid turning down those people. We can correct our decision in that sense by taking into consideration really severe social problems and increase that amount.

I do not know, what does President MILOŠEVIĆ think about it.

Slobodan MILOŠEVIĆ:

As you said, it is a very complex issue. It would not be very difficult to solve, if we would take Momčilo's arguments into consideration, which are completely reasonable from the point of view of the people over there and if we would disregard all the political aspects.

44.

It is clear to me that MLADIĆ and his associates are in a difficult situation and that they are being manipulated by the leadership from Pale. He is in a humiliating position and he cannot do anything there with such a financial situation.

From that point of view, we have every reason to help them. On the other hand, these remarks of yours regarding the status are correct (he is addressing President BULATOVIĆ) bearing in mind the fact that we cannot treat them as if they were the part of our army since they are by no means attached to this Supreme Command. Instead, they are at the service of a policy which we consider as a high-risk one for the entire population over there. Thus we get into completely contradictory situation, which is that we would be assisting in the implementation of completely wrong policy.

However, I would still narrow that down to the issue of the Army. Momo, what do you think, maybe it would be good if we meet here with MLADIĆ and few of his closest associates because regardless of our best intentions to help them, there are still those political complexities. We could learn of their military point of view about the situation related to our previous conclusions – these which you have included in the very beginning of the material. Then we should assess whether we could lean on the military structure over there in implementation of a general strategy, which is achievement of our national interests, and make a decision accordingly.

It is true that this is a very complex and contradictory /?issue/. I think that the leadership in Pale wants a huge number of officers to leave the Army so that they could replace them with different shop-assistants, butchers, stewards, warehousemen and others to whom they are issuing different ranks and giving positions in the Army. That is very bad for the Army and it will sure have the negative effects to its capability.

However, the Army should not be a prisoner of a crazy policy led by that leadership over there. That is something what PERIŠIĆ tried to explain to them on several occasions, as well as all of us, but unfortunately, it was an unsuccessful attempt.

Accordingly, I would not reject this decision suggested by PERIŠIĆ but I would like all the members of the Council to hear the precise standpoint of the military leadership in the Republika Srpska and then to act upon that information.

45.

We should talk and hear their opinion and see what that policy is actually about. If the political approaches are diametrically opposed, then we can hardly speak about the possible support to such politics. If, on the basis of professionally conducted assessment of the future military situation, that military leadership is taking a line according to which we could conclude that they are for peace and for using this period of cease-fire to achieve the peace, then we could do our best to meet all their needs.

Because this could be easily solved, if there were no political implications. We are speaking about the huge number of people. If they again start with the big war operations without any reason, we absolutely cannot expect that the people will believe that the Federal Republic of Yugoslavia is not involved in it in this manner.

This kind of "connecting" of our interests to their interests and turning us into hostages of the politics led from Pale is something that we have to get rid of by all means! That is sure!

I think that Momo did not take the political side of the matters into consideration while he was explaining the things. He took the current social side into consideration and in some way also the political side related to the changes in the structure of the Army of Republika Srpska. That is true. However, the wider — or a great question is if we should act on a temporary basis since we do not know the final act. If we would go for that and they start with the war operations again we cannot

possibly expect that no one would know that we are financing it! That is out of question!

Momir BULATOVIĆ:

I accept your suggestion (he is addressing President MILOŠEVIĆ) if your suggestion is that we should meet and talk to them once again.

I just want to explain you my position regarding that. The issue is very delicate. I am of the opinion that we should help them but by making such a decision, we are directly getting involved into implementation of such politics. When I say this I do not have the international factor in mind and whether they would spy on us or not. What I have in mind is whether we should support the politics, which is, according to all of our assessments, bad for the Serbian people in general and especially for the people in Republika Srpska? I would be much happier if we could pay

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those people one or two thousands each and to de facto make them no longer the members of the Yugoslav Army, because as the things are like now, they are the part of the Yugoslav Army.

If we get the guarantee that the members of the Republika Srpska Army will engage in the plan that is in accordance with our politics, then we would have the possibility to consider it as united territory and the area as a whole. If we would not get such a guaranty then I would tend to help them to get back their dignity, to provide the social security for them and their families. On the other hand, to be honest with you, I would hardly support a decision which would mean that we are, consciously or unconsciously, but still, supporting the continuation of a war in that area.

Momčilo PERIŠIĆ:

The future problem that we could expect, which I hope will not occur, is the problem with the Army of the Republic of Serbian Krajina. Context is the same but I note that the politics is different.

Just now I have a possible negative political connotation in mind. If we now make a decision that we will not pay them, we would automatically give them the arguments for manipulation. We would be blamed for all the losses at the battlefields, which are unavoidable because the unprofessional people would be there. They would say that we sabotaged them on purpose.

On the other hand, if we unilaterally withdraw those people and tell them that we, in SRJ, will decide on their status, if we tell them to come back and if we "release" those who don't want to do so and stop paying them – then we will have a big problem again. That is a problem of manipulation by their political side and by the opposition from here, in a multiple sense. In that case they will condemn us in two manners: for bringing them here to represent the nucleus of the armed forces for some of their political intentions – the question is whether it would continue divergently or not and secondly, they will condemn us for tearing their army apart over there.

I am asking you and I think that the most acceptable decision is that you see it for yourself because my idea of that problem is that I know many of those officers who are for this politics. Anyhow, I think that the smartest thing to do would be to hear their Staff and let them tell us their standpoint and then we could count on them with more safety or we could not count on them at all.

47.

Slobodan MILOŠEVIĆ:

Momo, I would say that we have very clear attitude about that. On two or three occasions we asked the military members over there through General PERIŠIĆ to state their mind about this politics. They practically refused that. And we saw what happened. Bearing in mind that they think that they have no responsibilities towards the politics led by this Security Council and State leadership, concerning the entire situation over there, we concluded that they are no longer the members of our Army, which is completely clear. We still continued taking care of the social status of their families, of course on the level that we could discuss about. However, we did not act dishonestly in that matter because we determined it according to the average salary in Yugoslavia. Accordingly, they live in the same conditions as the rest of the citizens of Yugoslavia. As far as they are concerned we made a very human gesture with that.

Accordingly, I would not at all involve those issues of suing or putting someone on trial, etc, into this. That issue is cut. The Chief of General Staff went there to discuss it with them. They explained him that they absolutely cannot act differently than they do. We would not support such politics, and by no means we would finance it. It is out of mind that the people from here finance their own hazard and hazard of the people from that area over there and that is the decision we have already made. I think that this is clear. I think that this is even known abroad. The fact that we have been financing that entire structure due to social reasons is not disputable, but ever since the political ideas have differed, this structure has not been financed.

However, we should see whether there could be a possible foothold for some policies, which would be of benefit to these people. We need to sit down and talk to them, so we would have clear conscience regarding that, with the best of intentions to help them!

Please, I will give you an example, which is actually not much of an example, but it shows how much the things are meaningless: Momir and PERIŠIĆ were at the meeting in Dobanovci. Our suggestion, which we agreed about with them nicely, was to say that they accept the peace agreement plan made by the Contact Group as a base for the continuation of the peace implementation process after which the constitution and the final territorial division would be discussed,

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as well as the sanctions and everything else. We agreed that it would be returned to the Parliament for the final voting and that prior to that no plan should be implemented. Was it like this?

(Approval)

Right now they reached the very same thing, word by word, with KARTER /as printed/ and they are ready to accept it! In the meantime, they destroyed the relations within the negotiation process and now the Contact Group is obstinate and does not want to accept our common option which they wanted to accept before. Instead, the Contact Group is asking them to make some changes in it. In the meantime, between the decision that they rejected and the decision they accept now and which is the same as the one they rejected, 3,000 of their men got killed and, I do

not know, how many dozens of thousands people have become the refugees and what other miracles they achieved there.

Accordingly, if the Army and the military leadership are going to talk would they have enough brains to see what is going on? They cannot get to our politics – that is the difference in someone's thinking: we all here have one thinking and they have different thinking. Our thinking showed to be superior comparing to their thinking, because the superior thinking is the one that leads you to a solution without any losses and not the one that leads you to the loss and which is as follows: you realise that the wall is there after you bang your head against it.

That was literally what we suggested them in Dobanovci. Finally Mirko MARJANOVIĆ presented it before the Parliament and our suggestion of the decision was published in the papers from July. Are they now accepting it word for word? However, at that time it could have been passed smoothly while now, only with difficulties. Contact Group is trying to build a bridge with Muslims but the Muslims are trying to avoid it.

Accordingly, they caused a damage by that and in the meantime, that is from the time they refused a decision until the time when they are practically ready to accept the very same text of a decision, which has the very same meaning and sense, they wasted 3,000 lives! That was the difference in their brains. How many times they had to "bang their heads against the wall" to understand and accept such a decision, which we had proposed to them at that time! In the meantime they destroyed so many material means, reduced the combat readiness of the army, spent the ammunition reserves and everything else they had, etc. It means that they achieved all the negative effects and yet, agreed on

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what we had suggested them in July!

And now could anyone from that military leadership say that it is not true?

That is nothing but a true! Finally, MI ADIĆ was present there and Tolimir was with him.

Momir BULATOVIĆ:

And they noted everything down!

Slobodan MILOŠEVIĆ:

And we all noted it down!

Do we want to get into the very same position now? That is the basic question.

Momčilo PERIŠIĆ:

Mr. President, I am stressing this out in order to solve it so that we would know what we are dealing with.

Slobodan MILOŠEVIĆ:

Of course, we should know what we are dealing with. We should be very receptive to a solution and we should understand MLADIĆ'S problem, so that we would see what we can hope for!?

Zoran LILIĆ:

I think that after the arguments presented by President MILOŠEVIĆ and BULATOVIĆ we should no longer discuss this.

My suggestion would be not to pass any decision today.

Slobodan MILOŠEVIĆ:

Let us do it in this way. When you get in contact with them (he is addressing General PERIŠIĆ) we should organise a large-scale meeting and discuss this matter.

Zoran LILIĆ:

It means that we should talk with MLADIĆ and his associates. They should know that we are receptive to possible

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increase in the level of the social security.

Slobodan MILOŠEVIĆ:

Basically we have a positive attitude towards their problem. However, we want to see what we can count on.

Zoran LILIĆ:

But they have to change their standpoints!

Can we make such a conclusion? (Approving)

I would ask you to take another three brief issues into consideration:

1. I think that we should support the standpoint of the Federal Ministry of Defence and of the General Staff which says that in such situation there is no reason for the change of the Law on Yugoslav Army regarding the pensions and disability insurance of the military beneficiaries. It has been passed recently and we should not even discuss it.

Eventually, we only give support to your standpoints.

I think that we should do that. (Approving)

2. We have two orders regarding the security of the members of the Supreme Defence Council and which refer to the decisions previously applicable to the Presidency of the SFRJ. It means that this will be only transferred to this body.

It means that the decisions are identical. The only difference is where it is written "Presidency of the SFRJ", which will now say: "President and members of the Supreme Defence Council".

It means that you will give me your approval to sign the order. It means, whenever we are on the military premises the Army takes over the right to the military vehicles and takes over the entire responsibility regarding the security.

Momo, is there anything that I missed to mention?

Momčilo PERIŠIĆ:

No.

51.

Do you agree with it? (Approving)

3. The Decision on *plamenci* /term unknown/ on the commands' flags and on /?ranking/ flags of the Navy. That was adjusted to the new symbols.

They need a decision on it in order to start implementing it.

Do you agree? (Approving).

4. Minister BULATOVIĆ passed a letter on to me. He has eight offers for purchase of engines for MIG 29 and for the jet engines FD 33 and for the "arrows".
Slobodan MILOŠEVIĆ:

I would restrain myself from it for a while - that is very expensive!

Momir BULATOVIĆ:

I think that we should buy the needles /sic/.

Zoran LILIĆ:

That is 200 pieces. We could get the offers for the needles but their prices are from 17 /probably thousand/ to 65,000!

Maybe it would be good if we finish that deal regarding the centralised supply and make a good deal regarding it and avoid too many mediators and to negotiate regarding the needles. I think that we should not make the final conclusion regarding the needles.

It means that we have completed everything as planned.

I close the session of the Supreme Security Council.

(the session ended at 1340 hrs).