

13 June 1994

MEMORANDUM FOR: Director of Central Intelligence

FROM: Chief, DCI Interagency Balkan Task Force

SUBJECT: Principals' Committee Meeting on Bosnia
14 June 1994

1. Tuesday's Principals' Committee meeting on Bosnia will examine options in the event the current Contact Group negotiations fail to achieve an agreement. Secretary Christopher and Ambassador Redman will lead with an update on the negotiations. They will be followed by Leon Fuerth, who will look at options for suspending sanctions against Serbia if the Bosnian Serbs accept the Contact Group proposal. Two papers--both of which follow this memorandum--will be discussed at the meeting.

-- The NSC has prepared a paper on options in the event neither party agrees to the Contact Group proposal for a 51/49 percent division of Bosnia-- the most likely scenario. These options include 1) maintaining the status quo by trying to keep negotiations alive, 2) trying to change the situation on the ground by, for example, lifting the arms embargo, or 3) disengaging entirely from Bosnia.

-- The State paper looks at options in the event one or the other party accepts the 51/49 formula. If the Serbs accept and the Muslims reject the plan-- something which State believes is unlikely--the paper proposes that we consider extending various degrees of sanctions relief depending on the extent to which the Serbs withdraw to the borders of their 49%. If the Muslims accept, the State paper examines a number of options to force Serb acquiescence, including lifting the arms embargo, "lift and strike," and various types of airstrikes against Serb targets.

Both papers are notable for their neutrality in terms of appearing to favor one option over another. It also becomes painfully clear that there are no good options. Those likely to have the greatest effect will be the most difficult to pull off in terms of winning Russian and Allied support. We have prepared some talking points for you-- located with the papers--on the options and likely reactions to them. []

2. According to the agenda, you will not be required to present an Intelligence Update. We nonetheless have

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prepared one that includes intelligence on recent military developments on the ground, diplomatic developments, and the status of Iranian weapons shipments to the Muslims. More detailed discussions of these issues can be found behind the tabs on MILITARY ACTIVITY, CONTACT GROUP, and ARMS TRANSFERS.

- In general, the level of fighting in Bosnia is down and the cease-fire is holding about as well as one could hope.
- No one, however, expects the cease-fire to last. Muslim military leaders continue to make bellicose statements in public about regaining territory.

If appropriate, you may want to pass out copies of the map showing the extent of recent Muslim military gains. []

3. The pros and cons of lifting the arms embargo are likely to surface at the meeting. The ARMS EMBARGO tab includes the recent NIC memorandum suggesting that lifting the embargo would intensify the fighting and would not lead to early termination of the conflict. Although the Muslims would receive a temporary psychological boost, we doubt that their military capabilities could be significantly enhanced given the Yugoslav Army's readiness to intervene if the Serbs start to lose and the likelihood that Western UNPROFOR forces would withdraw if the embargo is lifted. The ARMS EMBARGO tab leads with a page of talking points on this issue. []

4. We continue to be concerned about developments along the Serbian-Macedonia border. The MACEDONIA tab includes the [] disseminated last week flagging the heightened risk of a confrontation between US/UN and Serbian forces even if accidental. There already have been a number of incidents, including two cases in which Serbian MiG-21s crossed into Macedonian airspace in pursuit of US helicopters. The MACEDONIA tab also includes a set of talking points on this issue. []

5. I will accompany you to the meeting and serve as notetaker. []

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A. Norman Schindler

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