

THE WHITE HOUSE

11/02

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To Norm Schindler
NIA

John A -

A Frank Norm Schindler's

27 Oct memo on Bosnia is one of

the best things I've read and

very helpful. I'd like to pursue

the issue with him.

Jandy

Berger
THE WHITE HOUSE
WASHINGTON

The Honorable
John Deutch
Director
Central Intelligence Agency
Washington, D.C.

Bosnia Early November
[OASD 1189]

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27 October 97 → 72/Vershad

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

FROM: Chief, DCI Interagency Balkan Task Force

SUBJECT: Some Reason For Optimism About Bosnia

Very interesting.

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1. For the almost six years that I have been supervising analysis of the crisis in the former Yugoslavia, it has usually proven safe and accurate to make pessimistic forecasts. Indeed, I have frequently trotted out the phrase that "an optimist is nothing but a poorly informed pessimist." However, **I now find myself more optimistic about Bosnia than most senior policymakers.** This memorandum comments on several key issues currently confronting policymakers related to the future of Bosnia and the missions of the IFOR follow-on force. This memorandum represents my personal views and has not been coordinated.

2. **Recent close-hold interagency meetings have revealed differences of view over Bosnia's future.** These differences have emerged in discussions over whether the IFOR follow-on force--being referred to as the Stabilization Force, or SFOR--should include in its mandate support for freedom of movement and return of refugees and displaced persons. Everyone acknowledges that full enforcement of these provisions of the Dayton accord--which even IFOR has not done--would require a military force much larger than anyone in the US Government is prepared to endorse. The real debate seems to be over whether these provisions of Dayton should be abandoned.

- **Those arguing that SFOR should have a mandate to be involved in support for freedom of movement and return of refugees believe that this is essential in recreating a "multiethnic state."** In the absence of this support, they maintain that Bosnia will move toward partition and the Serbs will secede, thereby leading to renewed conflict.
- **The other view is that active support for freedom of movement and return of refugees will be difficult to achieve in practice and will actually fuel ethnic tensions, thereby undoing everything that has been accomplished to date.**

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3. **Full implementation of all Dayton provisions would lead to the creation of a multiethnic state--as it existed before the outbreak of fighting in 1992--in which Muslims, Croats, and Serbs lived side by side throughout the country. This will never happen, in my view.** More than three years of war led to the displacement of half of Bosnia's population and the creation of three relatively homogeneous ethnic areas. Serb and Croat leaders do not hide the fact that they want to keep things that way. Muslim leaders are widely viewed in the West as being the only group wanting to reconstruct a "multiethnic society." But Muslim leaders did nothing to discourage tens of thousands of Serbs from fleeing the Sarajevo suburbs earlier this year, and a quick glance at the BTF's weekly report on "Implementation of the Dayton Accords"--the most recent matrix is attached--shows that the Muslims--like the Serbs and Croats--are not complying with the freedom of movement and return of refugees provisions. I tend to agree with those who maintain that trying to force freedom of movement and return of refugees on people who do not want it would be destabilizing.

4. **It may now be possible, however, to create a lasting "multiethnic state" that features separate Serb, Croat, and Muslim entities--the latter two in a loose federation--living together within the current borders of Bosnia.** Indeed, this is what currently exists as a result of Dayton implementation. Maintaining this over time will still be an uphill struggle for the international community, involving a continuing commitment of diplomatic, security, and economic resources. It will be an uphill struggle because of mistrust between all three ethnic communities, the desire for refugees to go home, the fact that Serb and Croat leaders still want to eventually secede from Bosnia, and growing Muslim military capabilities. Success will require attitude changes which have not yet occurred. But I am more optimistic than I was a year ago that we now have more opportunity for success:

- **The split between Milosevic and the Bosnian Serb leadership provides the international community with time and the opportunity.** (Although one can never rule out Milosevic's untimely death, we assess that the prospects for significant leadership changes--on either side--that would eliminate this leadership split are low.) Bosnian Serb leaders may still think they want to eventually unite with Serbia, but the leadership split eliminates this option for the time being and increases their incentive to cooperate--albeit at least initially only to a minimal degree--with Bosnian central authorities.
- **In the absence of serious reform--which no one expects--the Serbian economy will remain a basket case and certainly no model for the more free-market-minded Bosnian Serb leadership.** By contrast, we would expect to see economic ties develop between the Republika Srpska and the vibrant Croatian economy. And Bosnian economic reconstruction assistance--

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properly targeted--can build interethnic ties and provide the Serbs with an incentive to cooperate with central institutions.

- Economic assistance can also help to defuse issues related to refugees and displaced persons. If refugees and displaced persons acquire employment and housing where they currently reside, many may eventually decide to stay where they are. Again, this takes time and the cooperation of foreign governments such as Germany who are pressing for refugee repatriation.
- **Over time, we may actually see a return to greater multiethnicity in Bosnia.** Expanded economic ties probably would generate more freedom of movement. Moreover, as the Serbs become more confident of their domination of Republika Srpska, they may be willing to allow some refugees and displaced persons--the number wishing to do so presumably would be much smaller than it is now--to return to their homes. This may be the best we can hope for in Bosnia. I believe it is achievable in the next few years if the Serb leadership split continues, the international community remains actively involved in Bosnia, and the international community remains flexible in implementing Dayton.

5. Flexibility in implementing Dayton remains key. I am struck by the pessimism of senior policymakers in assessing what has not been achieved during the last year, particularly on the civilian side of Dayton. By contrast, I think it is absolutely amazing how much has been achieved. Implementation of the military provisions of the agreement--including territorial exchanges and collection of weapons in cantonment sites--went remarkably smoothly. Those things that have not gone well--restoring full freedom of movement, return of refugees and displaced persons, turning over of indicted war criminals, compliance with Dayton's arms control provisions--arguably are all things that would cause the process to unravel and lead to renewed conflict. They still would be destabilizing if the international community attempted to enforce them in the current environment. Attempts to enforce these provisions, moreover, would require a much larger presence of Western ground forces than the currently envisioned SFOR. More importantly, attempted enforcement would detract from the international community's ability to take advantage of the Serb leadership split to build positive ties between ethnic communities.

6. Recent close-hold policy deliberations have revealed a consensus that the main mission of SFOR should be to deter the outbreak of renewed conflict. Policymakers have accepted the Intelligence Community's view that none of the parties currently wants to resume fighting and that forces on all sides have been demobilized to the point that we would have warning if one or more of the parties took a political decision to launch an offensive that would reignite

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large-scale fighting. This would suggest that a smaller--rather than larger--on the ground military presence in Bosnia may be sufficient to deter conflict.

7. There are still two important issues related to deterring conflict on which the Intelligence Community has not been able to get its message across:

- **Policymakers seem to operate from the premise that the Serbs are the most likely party to initiate military action.** The Intelligence Community, by contrast, has argued that the Muslims are the most dissatisfied with Dayton. The Serbs generally are satisfied with the territorial settlement and the division of powers between the central and entity governments, and their military forces are not looking forward to a fight. The Muslims, on the otherhand, are confident of their capabilities--and this confidence will be bolstered by the Train and Equip program. A new DIA assessment--not yet published--suggests that Train and Equip will tip the military balance against the Serbs sooner than expected.
- Policymakers also seem to assume that full implementation of the Dayton arms control provisions--which require a significant reduction in Serb inventories and prescribe a two-to-one Federation advantage over the Serbs--is essential in preventing the outbreak of conflict. **We would argue that the combination of Train and Equip and implementation of the Dayton arms control provisions would increase prospects for a resumption of war.** The only way to prevent resumption of such conflict would be to keep Western ground troops in Bosnia indefinitely.

8. Maybe I'm more "hopeful" than "optimistic" about Bosnia's future. (I'd hate to become known as an optimist after all the bad things I've said about optimists.) But we have more of an opportunity to save Bosnia than I thought was the case one year ago. As I suggested above, it will still be an uphill struggle. I'm assuming that the international community ultimately will not be doing any of the destabilizing things I outlined above (with the exception of Train and Equip) because they all require more military forces than SFOR is likely to have.

A. Norman Schindler

