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E.O. 12356: DECL:OADR

TEXT
TAGS: KPRP, MARR, AINF, AU, GE, IT, SW, SZ, YO
SUBJECT: EUROPEAN DEFENSE COOPERATION:
- YUGOSLAV PERSPECTIVE

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SOURCES METHODS EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
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1. C - ENTIRE TEXT.

2. THIS MESSAGE IS IN RESPONSE TO REF A, WITH REQUESTED
CITATION C-EU5-55417.

OVERVIEW

3. YUGOSLAVIA IS A FOUNDER OF THE NON-ALIGNED MOVEMENT
(NAM), WHICH DATES BACK TO THE BELGRADE CONFERENCE OF
1961. IT INTERPRETS NON-ALIGNMENT AS INDEPENDENCE FROM
ALL FORMAL MILITARY BLOCS, SPECIFICALLY INCLUDING NATO
AND THE WARSAW PACT. YUGOSLAVIA WOULD LIKE A STRONG AND
COHESIVE NAM WHICH WOULD CREATE A WORLD POLITICAL CLIMATE

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FAVORABLE TO ITS INTERESTS. THIS IT SEES AS AN ESSENTIAL COUNTERBALANCE TO THE EXISTING MILITARY BLOCS. YUGOSLAVIA MAINTAINS FRIENDLY RELATIONS, INCLUDING MILITARY CONTACTS, WITH ALL THE COUNTRIES CITED IN REF A --AUSTRIA, GREECE, ITALY, SWEDEN, AND SWITZERLAND. TO THE EXTENT POSSIBLE, HOWEVER, IT SEEKS TO BE AS SELF-RELIANT AS POSSIBLE IN BUILDING UP ITS OWN MILITARY FORCES, INCLUDING THE DEVELOPMENT OF INDUSTRY TO SUPPLY ITS OWN ARMS AND MILITARY EQUIPMENT AND EVEN, INCREASINGLY, TO EXPORT SUCH EQUIPMENT.

4. IN ADDITION TO MAINTAINING FRIENDLY POLITICAL RELATIONS WITH ALL THESE COUNTRIES, YUGOSLAVIA HAS A SPECIFIC INTEREST IN EXPANDING ECONOMIC RELATIONS AS A MEANS OF DEVELOPING THE YUGOSLAV ECONOMY. THE TREATMENT OF YUGOSLAV MINORITIES IN OTHER COUNTRIES--EITHER AS TEMPORARY WORKERS OR AS PERMANENT CITIZENS OF THE OTHER COUNTRY--IS AN IMPORTANT ELEMENT IN YUGOSLAV FOREIGN POLICY AND HAS A DIRECT BEARING ON RELATIONS WITH AUSTRIA, SWEDEN, AND SWITZERLAND. COMMENTS ON A COUNTRY-BY-COUNTRY BASIS FOLLOW:

AUSTRIA

5. A LARGE PART OF YUGOSLAVIA WAS ONCE PART OF THE AUSTRO-HUNGARIAN EMPIRE, AND THE CULTURAL INFLUENCE OF THAT HERITAGE IS STILL OBVIOUS IN NORTHERN YUGOSLAVIA, PARTICULARLY IN THE REPUBLICS OF SLOVENIA AND CROATIA. THE EMPIRE'S PRESENCE AND INFLUENCE WERE GENERALLY RESENTED AT THE TIME, AND, AS IS WELL KNOWN, WORLD WAR I BROKE OUT AS A DIRECT RESULT OF ARCHDUKE FRANZ FERDINAND'S ASSASSINATION BY A SERB NATIONALIST IN SARAJEVO, CAPITAL OF THE PRESENT REPUBLIC OF BOSNIA-HERZEGOVINA. THANKS TO THE EMPIRE'S DISMEMBERMENT FOLLOWING WORLD WAR I AND THE ESTABLISHMENT OF AUSTRIA AS AN OFFICIALLY NEUTRAL STATE AFTER WORLD WAR II, MUCH OF THIS RESENTMENT HAS SUBSIDED WITHIN YUGOSLAVIA. HOWEVER, MEMORIES OF AUSTRIA'S ROLE DURING WORLD WAR II WERE REKINDLED DURING **KURT WALDHEIM'S** ELECTION CAMPAIGN FOR PRESIDENT OF AUSTRIA AND THE REVELATIONS THAT HE WAS INVOLVED AT LEAST INDIRECTLY IN NAZI CAMPAIGNS TO EXTERMINATE YUGOSLAV CITIZENS ON YUGOSLAV SOIL. DURING AUSTRIAN FOREIGN MINISTER PETER JANKOWITSCH'S VISIT TO BELGRADE EARLY THIS MONTH, BOTH SIDES WERE AT PAINS TO AVOID THE TOPIC OF WALDHEIM, AND THE YUGOSLAVS HAVE REPEATEDLY DECLINED TO COMMENT OFFICIALLY ON WALDHEIM'S WARTIME RECORD. YUGOSLAVIA IN ITS DEALINGS WITH AUSTRIA CONTINUES TO EXPRESS CONCERN ABOUT THE TREATMENT OF SMALL BUT POLITICALLY ACTIVE SLOVENE AND CROAT MINORITIES IN AUSTRIA'S CARINTHIA, PARTICULARLY WITH REGARD TO EDUCATIONAL REFORM. OF OVERRIDING IMPORTANCE TO YUGOSLAVIA, HOWEVER, IS THE DEVELOPMENT OF ECONOMIC RELATIONS WITH AUSTRIA, DIRECTLY AND AS AN IMPORTANT OVERLAND LINK WITH THE REST OF EUROPE. THE KARAVANKA ROAD TUNNEL PROJECT CURRENTLY UNDER CONSTRUCTION WILL BECOME A MAJOR SYMBOL LINKING THE TWO STATES WHEN COMPLETED.

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GREECE

6. THE EMBASSY HAS COMMENTED EXTENSIVELY IN RECENT MONTHS ON YUGOSLAV-GREEK RELATIONS (SEE BELGRADE 3632 AND BELGRADE 4625). SINCE THESE TELEGRAMS, GREEK-YUGOSLAV C O N F I D E N T I A L SECTION 02 OF 03 BELGRADE 06500

E.O. 12356: DECL:OADR
TAGS: KPRP, MARR, AINF, AU, GE, IT, SW, SZ, YO
SUBJECT: EUROPEAN DEFENSE COOPERATION:

RELATIONS HAVE REMAINED QUITE SENSITIVE, AND THE YUGOSLAVS HAVE CONTINUED TO CRITICIZE THE GREEK GOVERNMENT FOR FAILING TO RECOGNIZE THE EXISTENCE OF A MACEDONIAN PEOPLE AND FOR RESTRICTIVE VISA PRACTICES. DESPITE THESE "OFFICIAL" FRICTIONS, HOWEVER, THERE REMAINS A RESERVOIR OF AFFECTION FOR GREECE AND GREEKS AMONG MANY NON-MACEDONIANS IN YUGOSLAVIA, AND, FOR THOSE WHO CAN STILL AFFORD IT, A VACATION IN GREECE, PARTICULARLY IN THE AREA AROUND KATERINI, IS CONSIDERED ATTRACTIVE.

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ITALY

7. SINCE THE IMMEDIATE POST-WORLD WAR II PERIOD WHEN TENSIONS OVER THE BOUNDARY DISPUTE IN THE TRIESTE AREA GAVE RISE TO FEARS OF RENEWED FIGHTING, YUGOSLAV-ITALIAN RELATIONS HAVE EVOLVED CONSIDERABLY. TODAY YUGOSLAV OFFICIALS TYPICALLY REMARK THAT OF THE SEVEN NEIGHBORING COUNTRIES, YUGOSLAVIA'S RELATIONS WITH ITALY ARE THE BEST. THIS IS REFLECTED BY THE HIGH LEVEL OF TRADE AND A RELATIVELY OPEN BORDER BETWEEN THE TWO COUNTRIES PERMITTING ACCESS FOR LARGE NUMBERS OF YUGOSLAV SHOPPERS IN ITALY AND ITALIAN TOURISTS IN ISTRIA ALONG THE ADRIATIC. PART OF THE SUCCESS IN THE RELATIONSHIP IS ATTRIBUTABLE TO THE OSIMO ACCORDS, A SERIES OF AGREEMENTS WHICH REGULATE ITALY'S TREATMENT OF ITS SLOVENE MINORITY. ITALY RECEIVED RECENTLY A BLACK EYE IN THE YUGOSLAV PUBLIC CONSCIOUSNESS OVER THE EC BAN ON YUGOSLAV AGRICULTURAL IMPORTS FOLLOWING CHERNOBYL--SINCE ITALY WAS SEEN HERE AS THE STRONGEST ADVOCATE OF THIS BAN. HOWEVER, IN GENERAL THE YUGOSLAVS CITE OVERALL RELATIONS WITH ITALY AS A MODEL FOR NEIGHBORING STATES.

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SWEDEN

8. YUGOSLAVIA'S RELATIONS WITH DISTANT SWEDEN ARE MOST STRONGLY AFFECTED BY THE ROUGHLY 6000 YUGOSLAV GUEST WORKERS LIVING IN SWEDEN. FOR THE MOST PART, YUGOSLAV AUTHORITIES BELIEVE THEY HAVE BEEN FAIRLY TREATED, AND, AS YUGOSLAV OFFICIALS PUT IT, THEY HAVE FORMED PART OF A "BRIDGE" THAT LINKS THE TWO COUNTRIES. OTHER ASPECTS OF THE RELATIONSHIP ARE LESS POSITIVE. SWEDISH TV HAS OCCASIONALLY INTERVIEWED YUGOSLAV EMIGRES HOSTILE TO THE

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YUGOSLAV GOVERNMENT, AND A CAMPAIGN IN SWEDEN TO PAROLE THE ASSASSIN OF A YUGOSLAV AMBASSADOR TO SWEDEN IN 1972 HAS PROVOKED A STRONG REACTION IN YUGOSLAVIA. AS A RULE, YUGOSLAVIA HAS TENDED TO ESTEEM SWEDEN FOR ITS ROLE WITHIN THE NEUTRAL AND NON-ALIGNED (NNA), AS HOST OF THE CDE, AND AS ONE OF SIX COUNTRIES BEHIND A SERIES OF NUCLEAR DISARMAMENT PROPOSALS (THE OTHER FIVE COUNTRIES BEING ARGENTINA, MEXICO, INDIA, GREECE, AND TANZANIA). SWEDEN AS A NEUTRAL SOURCE OF ADVANCED MILITARY EQUIPMENT IS ALSO IMPORTANT TO YUGOSLAVIA, AND THIS CAN BE SEEN IN THE EXCHANGE OF HIGH-LEVEL MILITARY VISITS BETWEEN SWEDEN AND YUGOSLAVIA IN RECENT MONTHS. THE ASSASSINATION EARLIER THIS YEAR OF OLAF PALME BROUGHT OUT A STRONG SURGE OF SYMPATHY FROM YUGOSLAV LEADERS, WHO CONSIDERED HIM A MAN OF GREAT STATURE WHO TRULY SYMPATHIZED WITH COUNTRIES LIKE YUGOSLAVIA.

SWITZERLAND

9. YUGOSLAVIA AND SWITZERLAND MAINTAIN BUSINESSLIKE RELATIONS, WHICH, AS WITH SWEDEN, ARE UNAFFECTED BY ANY NEGATIVE HISTORIC MEMORIES. SWITZERLAND ALSO IS HOME TO A SUBSTANTIAL NUMBER OF YUGOSLAV TEMPORARY WORKERS. ON OCCASION, ETHNIC ALBANIAN EMIGRES ORIGINALLY FROM YUGOSLAVIA HAVE COLLECTED IN BERN FOR DEMONSTRATIONS AGAINST THE YUGOSLAV GOVERNMENT, AND DESPITE YUGOSLAV PROTESTS THE SWISS HAVE CONTINUED TO ALLOW THEM TO DO SO. YUGOSLAVIA AND SWITZERLAND ARE BOTH MEMBERS OF THE NNA GROUPING AT THE CDE IN STOCKHOLM, BUT NEITHER SIDE SEEMS TO HAVE MADE ANY APPRECIABLE EFFORT AT EXPANDING RELATIONS BEYOND THE COMMERCIAL SPHERE.

COMMENT

10. THE NNA HAS DEVELOPED INTO AN INCREASINGLY
C O N F I D E N T I A L SECTION 03 OF 03 BELGRADE 06500

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IMPORTANT MECHANISM FOR THE YUGOSLAVS IN DEALING WITH EUROPE. NONETHELESS, FROM THE YUGOSLAV PERSPECTIVE THE NNA MAY NEVER EXPAND IN IMPORTANCE BEYOND THE CSCE AND CDE. FOR ONE THING, OF THE FOUR OTHER MAJOR NNA PARTNERS --AUSTRIA, FINLAND, SWEDEN AND SWITZERLAND-- ALL ARE SEEN AS HAVING DIFFERENT SOCIAL AND ECONOMIC SYSTEMS FAR CLOSER TO THE WEST THAN YUGOSLAVIA, AND ALL FOUR ARE MORE ADVANCED ECONOMICALLY AS WELL. FOR ANOTHER REASON, THE YUGOSLAVS ARE STRONGLY WEDDED TO THE CONCEPT OF A TRULY "NON-ALIGNED" NON-ALIGNED MOVEMENT, A HERITAGE FROM THE TITO ERA THAT GOVERNMENT LEADERS HAVE CONTINUED TO EMBRACE SINCE TITO'S DEATH IN 1980. SEVERAL FOREIGN POLICY EXPERTS IN YUGOSLAVIA HAVE DESCRIBED THEIR COUNTRY AS

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FIRST A BALKAN STATE, SECOND A MEDITERRANEAN STATE, AND ONLY THIRD A EUROPEAN STATE. GUIDED BY THIS LINE OF REASONING, YUGOSLAVIA'S TIES WITH THE MEDITERRANEAN STATES OF NORTH AFRICA SUCH AS EGYPT AND ALGERIA ARE FAR STRONGER AND MORE IMPORTANT TO IT THAN THOSE OF ANY OF THE MAJOR NNA STATES, WITH THE EXCEPTION OF NEIGHBORING AUSTRIA.

SCANLAN

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