



YUGO NEWS



This Issue: US border ops, Yugoslav economy, Battle for Bihac

31 May 94

Bosnian President Izetbegovic threatened to walk out of the latest **peace talks** unless Serb troops withdraw from the Gorazde exclusion zone.

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The Bosnian parliament met to ratify a new **federal alliance** between Muslims and Croats.

On the Edge

The **American presence** in Macedonia has expanded in the past month from 300 to more than 520 troops, representing nearly half the total UN force. The soldiers are from the 1/6 Infantry and 7/1 Aviation regiments of the 3rd Infantry Division. (Another 300 US troops are attached to a field hospital in Croatia.)

Until April the US force was limited to patrolling a remote mountainous region in the eastern border sector, not far from Bulgaria. Now they have taken over the old Swedish sector, which straddles the Belgrade-Athens highway.

At least one US patrol, mounted or dismounted, is launched daily from each of the nine OP's operated by the US force along its 45-mile border sector. The **patrols are to show the flag** as much as to monitor the border for activity. To emphasize the UN presence, outposts are lit up like Christmas trees in very visible sites; patrols walk on roads and high ridges; radios have been set to the same frequency since the US arrived; and guns are not normally mounted on APC's.

The UN soldiers have **no mandate to stop border traffic**, only to monitor it. "At times it looks like a major interstate," said a US soldier. It's not soldiers

the US troops are watching, but donkeys. Macedonia, a traditional Serb trading partner, is a hotbed of smuggling activity. The soldiers count 200-400 donkeys daily; the record is 538.

US Customs officials working the border confirm that there is widespread **corruption in the Macedonian border operation**. The smuggling benefits Serbia, but Serb soldiers patrolling their side of the border still exact payments from the smugglers. Some smugglers have been shot for failing to pay. (Serb forces regularly conduct patrols that cross into Macedonia. The border is so nebulous that the UN uses two different sets of maps.)

In one incident, two Americans and three Norwegians were **detained by Serb soldiers** for 11 hours after the UN patrol entered a village UN maps showed to be within Macedonia.

In another incident, a US patrol being accompanied by a military video team was **confronted by Macedonian police**. The Macedonians first demanded a camera permit, then tried to confiscate the videotape.

In a third incident, a UN **helicopter was pursued** three miles into Macedonian airspace by a Yugoslav MiG fighter.

In the **most serious incident**, the day after the NATO's April 22 deadline for the end of Serb attacks on Gorazde, Serb soldiers began setting up a machine-gun on a ridge overlooking a US outpost. They then began establishing fighting positions. Finally, the Serbs set up an 82mm mortar within easy lobbing range of the American camp a half-mile away. Following UN 'consultation' with Belgrade, the Serbs retreated from

the ridge line after five tense days. US soldiers believe the incident was not a coincidence. "I think if we had bombed [Gorazde], they would have retaliated," said one.

Macedonia blames the border problems with Yugoslavia on the line not being internationally demarcated despite Macedonia "simply [taking] over the border lines it had during the former Yugoslavia."

Yugoslavia, for its part, blames the concentration of Yugoslav army units on the border, violations of the border and the seizure of the border post by Serbs, on Macedonian claims of "danger from the north" leading to the "engagement and increasing presence of foreign military" units along the border.

2 June 94

A UN plane that landed at Tuzla took off without unloading after being bombarded by Serb artillery.

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Bosnian government forces continued their offensive with an attack on **Donji Vakuf**.

6 June 94

UN envoy Akashi pushed to convene **peace talks** after four days of delays that nearly forced the effort to be abandoned. Sen. Biden called Akashi an impediment to peace.

✦ ✦ ✦

Bosnian president Izetbegovic met with three US senators, urging a ban on heavy weapons be extended to all of Bosnia.

7 June 94

Bosnia's warring factions argued over the length of a proposed **nationwide ceasefire**, with the Muslim-led government suggesting four weeks and militarily pressed Serbs pushing for longer.

Embargo Busting

(See the 8 May 94 article in the June'94 Yugo news)

Yugoslavia's descent into widespread criminality began two years ago with a pair of textbook **pyramid schemes**.

Note: Pyramid schemes have flourished in the economically unsophisticated ex-communist countries (e.g., Rumania).

Two banks were opened in Serbia, each promising to pay up to 15% monthly interest for foreign currency deposits. The money flowed in. It also flowed right back out. Though some was used to pay interest to depositors, most of it went to **fuel the Serbian war effort** and to finance companies outside Yugoslavia that helped flout sanctions. After a year of operation, both banks collapsed, having defrauded Serbs of at least \$2 billion in foreign currency.

The Yugoslav government denies having anything to do with the two banks. But it so happens that the politicians and paramilitary leaders who deposited currency with the banks were among the few people who got money back. When **the scams collapsed** in the spring of 1993 so did the Serbian economy.

Panic gripped the population. On paydays, Yugoslavs immediately changed their dinars into dollars or marks, severely depleting official foreign currency reserves. The governments non-stop printing of the dinar set inflation racing to its eventual high of a mind-boggling 302-million percent a month. Fearing a social explosion, Milosevic called in Dragoslav Avramovic, the Yugoslav central banker, who had worked at the World Bank in Washington for many years.

Avramovic scraped together all the foreign currency left in the **shattered banking system** and used most of it, about \$200 million, to support the introduction of the new "super dinar." The government then pegged the value of the new currency to one mark, encouraging people to begin exchanging their marks and dollars. In the first three months after the super dinar was introduced, the central bank took in nearly \$300 million in foreign currency.

The problem is, once the local population is tapped out of foreign currency, the government won't be able to find enough to buy the imports that keep factories running and the Serbs happy. Interpol says that Yugoslavia, starved for foreign currency, has become a handy **laundromat for "dirty" money** from criminals throughout Europe.

The **Yugoslav-led band of thieves** operating throughout Europe rack up foreign currency by dealing drugs, selling stolen cars and running blackmail scams, but they excel in picking pockets and forging documents to cash the checks. Serb pirates cruise the Danube River, on the Bulgarian border (once hijacking a barge loaded with 6000 tons of diesel fuel). In essence the gangs generate the cash and commodities to keep the Serb-dominated country and its war effort in Bosnia afloat.

The thievery and scams provide a constant flow of foreign currency into the country that is **vital to the government** effort to support the dinar. And the smuggling of everything from oil and weapons to cigarettes and pork chops has relieved the government of having to finance sanctions-busting imports, an activity that originally helped push inflation to dizzying heights.

All of this, up to now, has **blunted the sting** of UN sanctions and created an illusion of plenty in an otherwise impoverished land, allowing Serb president Milosevic to stave off social unrest and remain all-powerful despite deafening international condemnation.

9 June 94

The US House, echoing a Senate vote last month (*See the 13 May 94 article in the June'94 Yugo News*), voted to order Clinton to **lift the US arms embargo** against Bosnia. Because of Constitutional provisions, the vote is not binding.

Not Just Peace, But Justice, Is What Bosnia Wants

There were no **seductive UN promises** to Winston Churchill, not that it would have mattered. He defied Hitler and began preparing to defeat the evil Nazi empire.

The relevance today of those long ago events has to do with that word "justice". The Bosnians don't think the UN is interested in delivering justice. Why should they? Only real leaders deal in values. Bureaucrats just do arrangements, such as the proposal that Bosnia accept Serb control over 70% of its territory. The communities and properties Bosnians had lost to ethnic cleansing would go to Serbs. What kind of justice is that?

Yasushi Akashi, the UN's limp-wristed vicar in Bosnia, even seems willing to spare the Serbs from embargo hardships. He termed the leaky border with Bosnia an "external" matter having nothing to do with him.

Akashi, as with most bureaucrats, keeps his finger to the wind. He has no doubt noticed that the Russians are back in business, as of February, and are siding with the Serbs. The French, unabashed by the fact that they have lost three wars and caused untold hardship for their allies in this century, are applying their vaunted *realisme* to trying to stage-manage this war. Clinton, apparently, would just like to forget the whole thing.

Bosnians and Serbs agreed to yet another "ceasefire" last week. But nothing is settled. Just before last week's agreement to suspend hostilities for a month - a deal that has at least reduced

the level of violence - the war had reached a **crucial strategic juncture**. The Serbs were beginning to feel that their gains were threatened.

The focus of the war has shifted to **Brcko**, which controls the route through which supplies from Serbia move to Serb forces in Bosnia and Croatia. Should the Bosnian and Croatian forces retake Brcko - a Bosnian Muslim town before the Serbs "cleansed" it early in the war - it could swing the military advantage away from Serbia and toward the Bosnians. The UN's reaction to this possibility was to try to make Brcko a safe haven - for the Serbs who now occupy it.

What is the **US position** now? At a NATO meeting last week, Secretary of State Christopher said the US would consider lifting the sanctions against Serbia if the Bosnians didn't accept a settlement the US will soon devise. That's a rather idle threat when you consider that the UN isn't stopping much materiel from getting into Serbia now. But it was symbolic. It meant that the US has turned over **world leadership** to France.

From having branded Serbia the aggressor, the US has swung 180 degrees and is now **putting the heat on the victims**, just when the Bosnians were beginning to fight back with some effectiveness. *Realisme* indeed. No wonder the Bosnians, and much of the world, wonder whatever happened to that sense of justice that motivated the heroics of D-Day.

11 June 94

When the killing in ex-Yugoslavia raged, each side was united in its lethal common purpose. Now, as outsiders increase pressure on the belligerents - to give up land or give up hope of winning it back - **the strains within** each camp are beginning to show. The main obstacle to a longer-lasting peace is their own internal disagreements.

The splits on the **Bosnian side** are the clearest. Some fear that a prolonged truce will lead to a Cyprus-style freezing of the lines (*half of formerly-Greek*

Cyprus has been held by the Turks since they invaded the island in the early 70's). But some Bosnian military commanders think a proper breathing space is just what they need to build up and arm their army. Hence, as a compromise, the Bosnians proposal of short but renewable ceasefires. The Bosnians also fear that the longer the fighting stays quiet, the harder it will be to get men back to battle.

The Serbs are also divided. Milosevic's aim is the lifting of sanctions. All he requires is a compact territory linked to Serb-held Krajina in Croatia which, at a later date, can be smoothly united with Serbia. He cares little which bits he gives up.

Easier said than done. Most Bosnian Serb leaders accept the need to give up territory to the Muslims and Croats. On one condition, of course: that it is not **"their"** bit. Many top Serbs want one last push to widen the Brcko corridor linking Serbia with Serb-held territory in Croatia and western Bosnia. Until now the politicians have counseled restraint. If the Serbs hold back, they argue, the Muslims and Croats making small probing attacks will gradually come to be viewed by the western powers as the real enemies of peace. (*A strategy that seems to be working given the events mentioned at the end of the previous article.*)

13 June 94

Serb-held **Brcko** was shelled by Croat 128mm rockets. It was the eighth such attack in the last month.

The two year old blockade has cost Yugoslavia \$40 billion.

15 June 94

Croatian President **Tudjman** visited Sarajevo, the Bosnian capital, for the first time in the civil war. The visit was meant to lend support to the new Muslim-Croat alliance.

16 June 94

Pitched battles erupted again in the **Bihac** region of northwestern Bosnia, with forces of the Muslim-led government clashing with troops loyal to mutinous Muslim leader Abdic. The Serbs are providing artillery support to Abdic.

Note: These events began last fall; the Serbs have supported Abdic since then. See the Nov'93, Dec'93 and Jan'94 issues of Yugo News for background).

17 June 94

Krajina Serbs continued their artillery support of Muslim rebels fighting the Bosnian government in **Bihac**.

The Western "contact group" (the US, Russia, France, Britain and Germany) held another meeting to discuss how to **carve up Bosnia** as part of a settlement.

Yugoslavia accused Macedonia of denying two **Serb Orthodox** religious figures, including a bishop, admittance to the country., terming the action "a flagrant violation of ... the rights of the Serb people".

(Is this an attempt to destabilize Macedonia by provoking religious unrest among its Serb citizens?)

The Yugoslav national bank, announced that it will begin minting **gold coins**. The weight of the coins will determine their value, but in a unique move the government will guarantee a floor price of \$350/oz troy. The first batch of gold coins will be used for buying this year's wheat crop.

Note: Gold, currently hovering around \$390, has been as low as \$342 in the last twelve months. If the price were to drop below the floor, and a large number of coins were to be redeemed for dinar at the floor price, it would create a significant drain on Yugoslavia's already depleted foreign currency reserves. The result would be even more criminal activity to support the economy (see, "Embargo Busting", above). The combined factors of a price floor and higher gold prices during times of international uncertainty would thus seem to provide

disincentive for the Serbs to settle the conflict.

19 June 94

Bosnian Muslims and Serbs fought in northern and central Bosnia, violating the eight-day old ceasefire. The Serbs accused the Bosnians of using **poison gas** in an attack on Zavidovici.

Yugoslav ambassador to Libya Simeonovic and Libyan leader Gaddafi expressed their countries' mutual friendship and support.

20 June 94

After months of insisting that it would never impose a solution in Bosnia, the Clinton administration is hoping to do just that.

Late last week, negotiators for the US, Europeans and Russians agreed on a map for **carving up Bosnia** along ethnic line, with 51% of the territory going to the Muslim-Croat federation and 49% to the Bosnian Serbs (*the same ratio that has been discussed in various forms for over a year*). The big powers now face an even tougher job: trying to figure out how hard they'll press the combatants, especially the Serbs, to accept it. If they can agree on a strategy, US officials would like to unveil both the map and a menu of rewards and punishments at a meeting of big-power foreign ministers next week.

The project - **bullying both victim and aggressor alike** - is morally repugnant. But if all sides are tired enough of the fighting, it may just work.

US and French officials argue that air strikes, or the threat of them, are the only way to win Serb compliance.

For their part, there are still some Bosnians, including key members of the military, who believe they can win even more on the battlefield. And they'll continue to believe this so long as the American Congress and Clinton hold a vain (and **politically expedient**) hope of unilaterally lifting the arms embargo.

Thus Bosnia would have to be told the politically unpopular message that the West's patience is running out and that peacekeepers and aid workers won't remain in Bosnia indefinitely if it refuses to settle.

The problem presented is a classic 'Prisoner's Dilemma':

If one or the other side should sign the agreement, then the big powers must be ready to follow through on both their threats and promises. If both sides do sign, the US must be prepared to swiftly send thousands of peacekeepers - and even less appealing prospect for Clinton. The most likely outcome is that each side will count on the other's intransigence, and **both will refuse to sign**.

In truth, the combatants may be far **less exhausted than the big powers**. Given the political problems involved for all, and with the media spotlight elsewhere (*e.g., Haiti and Korea*), the allies may be tempted to let the process drag on for months.

The UN reported **48 ceasefire violations** in Sarajevo and Gorazde; Serbs and the Bosnian army exchanged artillery fire near Posavina; and gunfire was reported near Zavidovici, where the Bosnian army was seeking control of the Zavidovici-Tuzla road.

One British **peacekeeper was killed**, and two wounded, when their vehicle hit a mine in Croatia.

21 June 94

The infrastructure of the International **Criminal Tribunal** for the Former Yugoslavia is now in place. Indictments could be issued by the Fall. A few suspects are already in custody, so trials could begin by the end of the year.

The Bosnian offensive against **Bi-hac** has seized 50km² from Muslim rebel leader Abdic. Bosnian troops are now within 13km of Abdic's stronghold town of Velika Kladusa. The Serbs responded by pulling 20 tanks and artillery pieces out of UN-monitored storage in Croatia,

moving the weapons across the border into the Bihac area.

The "contact group" meeting to finalize the Bosnian **partition plan** has been delayed. U.S. envoy Charles Redman said recent meetings "did not go well" and that the five powers were "not at the stage where we are presenting plans to maps to anyone."

A British UN **patrol was ambushed** by apparently Bosnian army soldiers NW of Gorazde. The patrol was rescued by another British unit after being pinned down for 43 minutes. The attackers fled without being positively identified.

A high-level delegation from Serbia visited **Iraq** to discuss prospects for bilateral trade when international sanctions are lifted against the two pariah states. (*Serbia + Libya + Iraq = military assistance?*)

23 June 94

The UN asked for air support after a **convoy was attacked** by mortar and small-arms fire northeast of Tuzla. The second attack stopped when NATO planes dropped warning flares prior to a bombing run.

24 June 94

Talks to extend the already-on-life-support one-month **ceasefire** past July 8th have broken down.

Bosnian Muslim and Croat forces signed an accord specifying the terms of **troop withdrawals** from former battle lines.

The World Bank approved a \$120 million **loan to Croatia**, to be used for emergency infrastructure repairs and to improve Croatia's ailing agricultural sector.

26 June 94

For the first time Yugoslavia will try a Serb on **war crimes** charges. A militiaman is accused of mass murder of

civilian prisoners and rape. "This investigation was begun about six months ago, and to me it appears a fairly cut-and-dried case," said the presiding judge. The trial is *scheduled* to start in September.

Note: This stinks. First, this is the only case Yugoslavia is currently prosecuting. Second, we all know about Serb delaying tactics. That makes it possible for the Serbs to soak this case for all the good publicity they can, while risking very little (The New York Times called it "significant" and "a direct challenge to most Serbians' view of the war".) Third, there's no guarantee the case actually will go to trial. Fourth, the judge's remarks are remarkable for someone who has yet to try the case. That has 'fall guy' written all over it.

27 June 94

Bosnia's army commander called for a new campaign to defeat the Serbs and gain control of the **Zavidovici-Tuzla** road. Heavy weekend clashes between the two sides scuttled plans for a meeting.

In three separate incidents, UN peacekeepers were attacked near Gorazde and Sarajevo. At least two of the attacks were by Serbs. One peacekeeper was killed.

Ten ethnic Albanians were jailed in **Macedonia** on charges of weapons smuggling and preparing an armed rebellion. The jailed include a former deputy defense minister.

The Greek embargo and the sanctions on rump Yugoslavia have caused **Macedonia** economic losses up to \$3 billion, a production drop of 15% and unemployment of 28%. Despite the Greek embargo, trade with Greece (via front companies in Bulgaria) thrives.

28 June 94

1450 **Turkish** peacekeepers arrived in ex-Yugoslavia. The troops will be kept away from Serbs. (Serbia and Turkey are historical enemies, and Serb commanders have repeatedly warned of

real trouble if the two sides come in contact.)

The Western "contact group" is planning to set up a "**ladder**" of **punishments** if the Serbs reject a proposed partition map in Bosnia and the Muslims accept it. The first rung would be new ultimatums that the Serbs withdraw heavy weaponry from around the Muslim "safe areas" -- not just Sarajevo and Gorazde. The next step would be air strikes. Only if the Serbs still resist peace plans would be a lifting of the arms embargo be considered. The map will be unveiled next week. In deference to the Russians, the issuing of formal deadlines will be put off several weeks.

Note: There's a lot of problems with this plan.

First, it assumes the Muslims will accept it, or that if both governments accept it, local commanders of both sides will adhere to it. If the plan is meant to end the fighting, in other of those cases it would be a failure.

Second, it will not be imposed immediately. That gives both sides a chance to redeploy forces, or otherwise find ways to take advantage of the plan's provisions (as the Serbs did when they attacked Gorazde after Sarajevo was declared a "safe area").

Third, the penalties are imposed in the wrong order. The least risky option for the Western powers is the lifting of the arms embargo. Lifting the arms embargo requires no ground involvement. That means no body bags to shock the home front and lessen support for the effort. Lifting the arms embargo also takes the most time, since the time it takes for a rifle to work its way across the Balkans is much greater than that for an F-14. If the air strikes were imposed, and failed, it would be months before the lifting of the arms embargo would have an effect on the war.

UN envoy Akashi told NATO that, if the peace efforts fail, one option short of total withdrawal of UN peacekeepers could involve a new mandate for a **smaller force**, which would concentrate on protecting places like Sarajevo or Mostar which were key areas for maintaining a strategic balance. *(It's hard to see how a smaller force will succeed where a*

larger one is already stretched thin, but that's typical of UN thinking.)

Battle for Bihac

Bihac has been encircled by the Serbs two years. Cut off from Sarajevo, largely forgotten by the rest of the world, this town of 50,000 people has been shelled back into the 19th century.

Bosnia's president, Alija Izetbegovic, has not visited since the start of the Bosnian war in 1992, and his absence seems to have left many residents with the impression that there is **scant hope** or concern for them. "It will be very important for the morale of the soldiers and citizens if Izetbegovic came here," said one Muslim. "Has our president forgotten us?"

But it is not just abandonment that afflicts Bihac, the largest town in an encircled Bosnian pocket where more than 190,000 Muslims live. Since last September, the pocket has been ravaged by a fierce internecine conflict between Muslims loyal to the government and others backing a wealthy businessman named Fikret Abdic. Denouncing what he calls the destructive Muslim nationalism of the Sarajevo government, Abdic declared autonomy in the northern third of the enclave.

This mini-war within the wider Bosnian conflict already has left more than 600 people dead. About 200 have been killed since the government forces unleashed a powerful assault on Abdic two weeks ago in an attempt to recapture his stronghold of Velika Kladusa.

"It's absolutely tragic and it looks like a **fight to the finish**," said one Western diplomat who has tried unsuccessfully to mediate in this war between Muslims. "But nobody seems to give a damn."

The Bihac conflict is indeed a **many-sided and brutal** one, even by the convoluted standards of Bosnia. Its complexity suggests that an end to the 26-month-old Bosnian war is still far off. Soldiers talk of fighting their way out of

isolation by eventually securing a land link with Sarajevo -- a wishful enterprise at best. (The commander of one rebel brigade went over to Abdic after beating his head against the Serbian wall for a year. "Should I insist on fighting battles so that the number of Muslims in Bosnia just goes on diminishing?" he asked.)

For two years already, to the south and the east, the hastily formed Fifth Corps of the Bosnian army has been fighting a remarkable **rear-guard action** against the Bosnian Serbs, insuring that Bihac was not "ethnically cleansed," emptied of non-Serbs, like the town of Prijedor, or brought to its knees like Gorazde. The government forces have built their own small arms factory, supplementing that supply with captured weapons and ammo.

To the west lie the **Serb forces** occupying the devastated Krajina area of Croatia. Their whim dictates how much UN food aid reaches Bihac from Zagreb, the Croatian capital. Usually the answer is very little; in the last six weeks, none has been allowed through. (The Serb blockade has led to a food shortage. Air drops may be necessary.)

To the north there is **Abdic**, who took two brigades of the Fifth Corps with him when he defected and has since fashioned economic alliances with Croatia and the Krajina Serbs. He calls these deals models for Bosnian peace; the Muslim-led Bosnian government calls them acts of self-interest and cowardly betrayal.

"Mr. **Abdic** is a traitor who follows the policy of the Serbs, and my task is to disarm him," said Atif Dudakovic, the commander of the Fifth Corps. "The aim of our current operation is to accomplish that by liberating Velika Kladusa and this will be accomplished."

"The government sources have the numbers -- about 14,000 men in the Fifth Corps -- and probably the means to defeat **Abdic**," said the commander of a French UN battalion in Krajina. "But the crucial question is, what will the **reaction of the Serbs** be if they close in on Velika Kladusa?"

Already the Krajina Serbs have pounded the Bosnian government forces with artillery fire from positions in occupied areas of Croatia, and their economic **collusion with Abdic** suggests they would not be inclined to let him fall easily.

But beyond the outcome of the current offensive, **Abdic's** defection has posed wider questions for the people of Bihac. Although the businessman, who heads a large food and agricultural company, seems to be generally hated in the south of the pocket, his economic success has caused some inevitable **envy in Bihac**. Mirsad Veladzic, the Bosnian governor of Bihac, insists that loyalty to the government in Sarajevo remains strong, but it is clearly fraying. (Ordinary Bosnians are leaving the government portion of Bihac for the relative prosperity of **Abdic's** enclave.)

The authorities in Bihac remain utterly **determined** to fight their way out of their isolation. "We have seen how barbarous the Serbs are," said Veladzic. "Yet **Abdic** works with them. He will pay a high price, and we will eventually end this brutal siege of the Bihac area."

30 June 94

180 financial representatives from Yugoslavia, Russia, Greece, Hungary, Romania, Bulgaria, Italy, France and Poland met to discuss a future **economic strategy for Yugoslavia**. This despite the two-year-old UN economic sanctions against Yugoslavia.

The European Court of Justice ruled that Greece could continue its embargo against **Macedonia**. The European Union, which brought the case to the court's attention, said it would continue working to have the embargo lifted.

1 July 94

The **US Senate** voted 52-48 to back continuing the UN arms embargo, for now. But the measure included a proviso: It urged Clinton to join with the US allies to consider lifting the embargo if

the Serbs attack Bosnian "safe areas" or if the Serbs don't negotiate for peace.

Minority leader Dole (R-Kan.) then introduced a proposal that would have ordered Clinton to immediately abandon the arms embargo. (A similar proposal passed the House three weeks ago.) The measure failed by a 50-50 vote after heavy executive-branch lobbying.

3 July 94

Although loath to admit it, Western governments have amassed evidence that **Yugoslav army** units (including heavy artillery, engineers and military police) played a key role in the April attack against Gorazde. Milosevic used those troops more discreetly than in the initial assault on Bosnia two years ago out of fear that they would invite air strikes against Serbia itself. No government, including the US, has demanded Security Council action against Serbia. They hope that their silence will preserve the top-level mediation effort planned for this coming week.

4 July 94

Serbs attacked a British post near Gorazde four times before British reinforcements arrived.

Bodycount: 94 peacekeepers have been killed, and over 1000 wounded, since UN ops began in Yugoslavia.

Quote

"If the United Nations had been conducting US foreign policy in 1940, as it appears to be today, it would have advised England to accept Hitler's offers of peace." (George Melloan, Wall Street Journal)

Sources

Wall Street Journal, Army Times, Milwaukee Journal, The Economist, New York Times, Chicago Tribune, InterNet*, FBIS Daily Reports.

* i.e., the 'Information Superhighway' popularized by VP Gore.