

RELEASED IN FULL

CONFIDENTIAL PTQ2420

PAGE 01 SARAJE 03439 01 OF 02 131236Z
ACTION EUR-01

INFO	LOG-00	INLB-01	AID-00	ACQ-01	CIAE-00	SMEC-00	INL-01
	OASY-00	DODE-00	SRPP-00	FBIE-00	H-01	TEDE-00	INR-00
	IO-00	SAL-00	L-01	ADS-00	M-00	NSAE-00	NSCE-00
	OMB-01	PA-00	PM-00	PRS-00	P-00	CIO-00	SCT-00
	SP-00	SSO-00	SS-00	TRSE-00	USIE-00	PMB-00	DRL-09
	G-00	/016W					

-----6443F4 131236Z /38

O 131235Z SEP 96
FM AMEMBASSY SARAJEVO
TO SECSTATE WASHDC IMMEDIATE 3945
INFO IFOR COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 SARAJEVO 003439

STATE PLEASE PASS TO A/S KORNBLUM AND AMBASSADOR PARDEW
NSC FOR VERSHEW

E.O. 12958: DECL: 9/10/2006
TAGS: PREL, MARR, BK, HR
SUBJECT: THE WORLD ACCORDING TO CENGIC: DEPUTY DEFENSE
MINISTER DISCUSSES FEDERATION DEFENSE ISSUES

1. (U) CLASSIFIED BY FLETCHER BURTON, POLCOUNS, REASON 1.5 (D).
2. (C) SUMMARY: DEPUTY DEFENSE MINISTER CENGIC REPORTED CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SARAJE 03439 01 OF 02 131236Z
SUBSTANTIAL ADVANCES IN THE AREA OF MPRI SUPPORT, AND

FEDERATION MILITARY TRAINING SITE SELECTION, BUT ALMOST NO PROGRESS ON INTEGRATION OF THE MINISTRY OF DEFENSE AND THE JOINT COMMAND. ON A SEPARATE ISSUE, CENGIC PROMISED TO PUSH THE BOSNIAN GOVERNMENT TO BECOME MORE AGGRESSIVE IN DEMARCHING EUROPEAN CAPITALS ON BOSNIAN SERB VIOLATION OF ARTICLE FOUR OF THE ARMS CONTROL AGREEMENT. END SUMMARY.

3. (C) ON SEPTEMBER 10, POLMILOFF MET WITH DEPUTY DEFENSE MINISTER HASAN CENGIC TO ASCERTAIN WHETHER THE MINISTRY OF DEFENSE HAS MADE SIGNIFICANT PROGRESS ON DEFENSE LAW IMPLEMENTATION AND MPRI SUPPORT ISSUES, AS PROMISED BY CENGIC TO SPECIAL REPRESENTATIVE PARDEW DURING THEIR AUGUST 22 AND 23 DISCUSSIONS.
SUPPORT FOR MPRI

4. (C) CENGIC TOLD POLMILOFF THAT THE INDEPENDENT AGENCY TO SUPPORT MPRI HAS BEEN REGISTERED, AND IS BEING STAFFED. IT IS NOW IN THE PROCESS OF GETTING THE CORPORATE AND INDIVIDUAL TAX EXEMPTIONS PROMISED TO PARDEW (CENGIC SAID HE EXPECTED TO HAVE THESE EXEMPTIONS BY SEPTEMBER 13). (NOTE: MPRI SARAJEVO CHIEF OF STAFF ED BEVINS SUBSEQUENTLY TOLD POLMILOFF THAT MPRI IS ALREADY NEGOTIATING THE LOGISTICS OF THE HANDOVER OF THEIR LOCAL EMPLOYEES AND LEASES TO THE NEW AGENCY; BASED ON PROGRESS TO DATE, BEVINS THINKS THE BOSNIAKS WILL BE READY TO TAKE OVER THE SUPPORT FUNCTION BY NLT SEPTEMBER 16. END NOTE.)

5. (C) POLMILOFF REMINDED CENGIC THAT THE USG POSITION
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SARAJE 03439 01 OF 02 131236Z
ON THE BOSNIAN MPRI SUPPORT ENTITY REMAINS: NO TAXES, AND "FAIR MARKET VALUE" OR BETTER FOR ALL SALARIES, HOUSING COSTS, ETC. IN REPLY, CENGIC EXPLICITLY REAFFIRMED HIS EARLIER "NO TAX" COMMITMENT, BUT WOULD NOT BE DRAWN INTO A SPECIFIC COMMITMENT ON SALARY CEILINGS. POLOFF STRESSED TO CENGIC THE NEED TO AVOID A POTENTIALLY DISASTROUS CONFRONTATION ON THE SALARY ISSUE, AND WARNED HIM THAT SUCH A CONFRONTATION WILL CERTAINLY OCCUR IF HIS NEGOTIATORS' SALARY ESTIMATES ARE NOT IN KEEPING WITH WHAT IS KNOWN ABOUT CURRENT SALARY RATES. (MPRI BELIEVES

THAT THE BOSNIAKS WILL ACCEPT BALL PARK SALARIES.)

INTEGRATION OF THE DEFENSE MINISTRY AND JOINT COMMAND

6. (C) CENGIC SAID THAT THERE HAVE BEEN FURTHER DISCUSSIONS ON INTEGRATION OF THE MOD, BUT NOT MUCH PROGRESS, SINCE AMBASSADOR PARDEW DEPARTED ON AUGUST 24. ONE PRACTICAL PROBLEM, CENGIC CLAIMED, IS THAT SOLJIC IS OFTEN ABSENT FROM SARAJEVO. HOWEVER, CENGIC ARGUED THAT THE MAJOR OBSTACLE IS THAT THE "CROATS DO NOT WANT TO COMMIT THEMSELVES TO ANYTHING UNTIL AFTER THE ELECTION."

7. (C) CENGIC EXPLAINED THAT THE CROATS WILL REASSESS THEIR COMMITMENT TO THE FEDERATION IF THE BOSNIAN SERBS WALK AWAY FROM BOSNIA AFTER THE ELECTION, AND THE BOSNIAN CROATS SUCCEED IN THEIR EFFORTS TO "ELECTORALLY ENGINEER" (THROUGH ABUSE OF THE P-2 PROCESS) CONTROL OF A BAND OF CANTONS LINKING HERZEGOVINA WITH JAJCE, VITEZ, AND OTHER CROAT POCKETS IN CENTRAL BOSNIA. IF THESE EVENTUALITIES OCCUR, CENGIC PREDICTED, THE BOSNIAN CROATS (EGGED ON BY TUDJMAN) WILL CALL FOR A "THREE-ENTITY BOSNIA," EFFECTIVELY KILLING THE FEDERATION, AND EVENTUALLY
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 SARAJE 03439 01 OF 02 131236Z
LEADING TO PARTITION. AS THEY ARE WELL AWARE OF THIS POSSIBILITY, CENGIC ALLEGED, THE BOSNIAN CROATS WILL AVOID LOCKING THEMSELVES INTO ANY MORE FEDERATION STRUCTURES UNTIL AFTER THE DUST SETTLES. (COMMENT: BASED ON THE CONSISTENT NON-AVAILABILITY OF SENIOR BOSNIAN CROAT FIGURES TO MPRI SINCE EARLY SEPTEMBER, WE TEND TO SHARE CENGIC'S VIEW THAT THE CROATS MAY BE DELIBERATELY AVOIDING DECISIONS UNTIL AFTER THE SEPTEMBER 14 ELECTIONS. END COMMENT).

8. (C) CENGIC NOTED THAT THE JOINT COMMAND (AS OPPOSED TO MINISTRY OF DEFENSE) INTEGRATION IS BEING HANDLED DIRECTLY BY GENERALS DELIC AND BUDIMIR. WHILE STATING THAT DELIC AND BUDIMIR MET THREE TIMES LAST WEEK ON THIS AND OTHER ISSUES, CENGIC PROFESSED IGNORANCE AS TO THEIR ACTUAL PROGRESS TOWARD FORMAL INTEGRATION, AND COULD NOT (OR WOULD NOT) EXPLAIN THE EXISTING DIFFERENCES. (NOTE: THERE ARE INCREASING RUMORS OF A MAJOR CLASH BETWEEN

CENGIC AND DELIC OVER CONTROL OVER THE BOSNIAK ARMED FORCES. WE WILL REPORT ON THIS ISSUE IN MORE DETAIL IN SEPTEL. END NOTE.)

9. (C) CENGIC CONCLUDED BY OBSERVING THAT, DESPITE THESE

CONFIDENTIAL

NNNNPTQ2421

CONFIDENTIAL PTQ2421

PAGE 01 131236Z
ACTION EUR-01

INFO	LOG-00	INLB-01	AID-00	ACQ-01	CIAE-00	SMEC-00	INL-01
	OASY-00	DODE-00	SRPP-00	FBIE-00	H-01	TEDE-00	INR-00
	IO-00	SAL-00	L-01	ADS-00	M-00	NSAE-00	NSCE-00
	OMB-01	PA-00	PM-00	PRS-00	P-00	CIO-00	SCT-00
	SP-00	SSO-00	SS-00	TRSE-00	USIE-00	PMB-00	DRL-09
	G-00	/016W					

-----6443F7 131236Z /38

O 131235Z SEP 96
FM AMEMBASSY SARAJEVO
TO SECSTATE WASHDC IMMEDIATE 3945
INFO IFOR COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 02 SARAJEVO 003439

STATE PLEASE PASS TO A/S KORNBUM AND AMBASSADOR PARDEW

NSC FOR VERSHBOW

E.O. 12958: DECL: 9/10/2006

TAGS: PREL, MARR, BK, HR

SUBJECT: THE WORLD ACCORDING TO CENGIC: DEPUTY DEFENSE
MINISTER DISCUSSES FEDERATION DEFENSE ISSUES

1. (U) CLASSIFIED BY FLETCHER BURTON, POLCOUNS, REASON
1.5 (D).
2. (C) SUMMARY: DEPUTY DEFENSE MINISTER CENGIC REPORTED
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 131236Z

SUBSTANTIAL ADVANCES IN THE AREA OF MPRI SUPPORT, AND
FEDERATION MILITARY TRAINING SITE SELECTION, BUT ALMOST
NO PROGRESS ON INTEGRATION OF THE MINISTRY OF DEFENSE AND
THE JOINT COMMAND. ON A SEPARATE ISSUE, CENGIC PROMISED
TO PUSH THE BOSNIAN GOVERNMENT TO BECOME MORE AGGRESSIVE
IN DEMARCHING EUROPEAN CAPITALS ON BOSNIAN SERB VIOLATION
OF ARTICLE FOUR OF THE ARMS CONTROL AGREEMENT. END
SUMMARY.

3. (C) ON SEPTEMBER 10, POLMILOFF MET WITH DEPUTY
DEFENSE MINISTER HASAN CENGIC TO ASCERTAIN WHETHER THE
MINISTRY OF DEFENSE HAS MADE SIGNIFICANT PROGRESS ON
DEFENSE LAW IMPLEMENTATION AND MPRI SUPPORT ISSUES, AS
PROMISED BY CENGIC TO SPECIAL REPRESENTATIVE PARDEW
DURING THEIR AUGUST 22 AND 23 DISCUSSIONS.
SUPPORT FOR MPRI

4. (C) CENGIC TOLD POLMILOFF THAT THE INDEPENDENT
AGENCY TO SUPPORT MPRI HAS BEEN REGISTERED, AND IS BEING
STAFFED. IT IS NOW IN THE PROCESS OF GETTING THE
CORPORATE AND INDIVIDUAL TAX EXEMPTIONS PROMISED TO
PARDEW (CENGIC SAID HE EXPECTED TO HAVE THESE EXEMPTIONS
BY SEPTEMBER 13). (NOTE: MPRI SARAJEVO CHIEF OF STAFF ED
BEVINS SUBSEQUENTLY TOLD POLMILOFF THAT MPRI IS ALREADY
NEGOTIATING THE LOGISTICS OF THE HANDOVER OF THEIR LOCAL
EMPLOYEES AND LEASES TO THE NEW AGENCY; BASED ON PROGRESS
TO DATE, BEVINS THINKS THE BOSNIAKS WILL BE READY TO TAKE
OVER THE SUPPORT FUNCTION BY NLT SEPTEMBER 16. END
NOTE.)

5. (C) POLMILOFF REMINDED CENGIC THAT THE USG POSITION
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 131236Z

ON THE BOSNIAN MPRI SUPPORT ENTITY REMAINS: NO TAXES, AND "FAIR MARKET VALUE" OR BETTER FOR ALL SALARIES, HOUSING COSTS, ETC. IN REPLY, CENGIC EXPLICITLY REAFFIRMED HIS EARLIER "NO TAX" COMMITMENT, BUT WOULD NOT BE DRAWN INTO A SPECIFIC COMMITMENT ON SALARY CEILINGS. POLOFF STRESSED TO CENGIC THE NEED TO AVOID A POTENTIALLY DISASTROUS CONFRONTATION ON THE SALARY ISSUE, AND WARNED HIM THAT SUCH A CONFRONTATION WILL CERTAINLY OCCUR IF HIS NEGOTIATORS' SALARY ESTIMATES ARE NOT IN KEEPING WITH WHAT IS KNOWN ABOUT CURRENT SALARY RATES. (MPRI BELIEVES THAT THE BOSNIAKS WILL ACCEPT BALL PARK SALARIES.)

INTEGRATION OF THE DEFENSE MINISTRY AND JOINT COMMAND

6. (C) CENGIC SAID THAT THERE HAVE BEEN FURTHER DISCUSSIONS ON INTEGRATION OF THE MOD, BUT NOT MUCH PROGRESS, SINCE AMBASSADOR PARDEW DEPARTED ON AUGUST 24. ONE PRACTICAL PROBLEM, CENGIC CLAIMED, IS THAT SOLJIC IS OFTEN ABSENT FROM SARAJEVO. HOWEVER, CENGIC ARGUED THAT THE MAJOR OBSTACLE IS THAT THE "CROATS DO NOT WANT TO COMMIT THEMSELVES TO ANYTHING UNTIL AFTER THE ELECTION."

7. (C) CENGIC EXPLAINED THAT THE CROATS WILL REASSESS THEIR COMMITMENT TO THE FEDERATION IF THE BOSNIAN SERBS WALK AWAY FROM BOSNIA AFTER THE ELECTION, AND THE BOSNIAN CROATS SUCCEED IN THEIR EFFORTS TO "ELECTORALLY ENGINEER" (THROUGH ABUSE OF THE P-2 PROCESS) CONTROL OF A BAND OF CANTONS LINKING HERZEGOVINA WITH JAJCE, VITEZ, AND OTHER CROAT POCKETS IN CENTRAL BOSNIA. IF THESE EVENTUALITIES OCCUR, CENGIC PREDICTED, THE BOSNIAN CROATS (EGGED ON BY TUDJMAN) WILL CALL FOR A "THREE-ENTITY BOSNIA," EFFECTIVELY KILLING THE FEDERATION, AND EVENTUALLY

CONFIDENTIAL

CONFIDENTIAL

UNCLASSIFIED

PAGE 04 131236Z

LEADING TO PARTITION. AS THEY ARE WELL AWARE OF THIS POSSIBILITY, CENGIC ALLEGED, THE BOSNIAN CROATS WILL AVOID LOCKING THEMSELVES INTO ANY MORE FEDERATION STRUCTURES UNTIL AFTER THE DUST SETTLES. (COMMENT: BASED ON THE CONSISTENT NON-AVAILABILITY OF SENIOR BOSNIAN CROAT FIGURES TO MPRI SINCE

EARLY SEPTEMBER, WE TEND TO SHARE CENGIC'S VIEW THAT THE CROATS MAY BE DELIBERATELY AVOIDING DECISIONS UNTIL AFTER THE SEPTEMBER 14 ELECTIONS. END COMMENT).

8. (C) CENGIC NOTED THAT THE JOINT COMMAND (AS OPPOSED TO MINISTRY OF DEFENSE) INTEGRATION IS BEING HANDLED DIRECTLY BY GENERALS DELIC AND BUDIMIR. WHILE STATING THAT DELIC AND BUDIMIR MET THREE TIMES LAST WEEK ON THIS AND OTHER ISSUES, CENGIC PROFESSED IGNORANCE AS TO THEIR ACTUAL PROGRESS TOWARD FORMAL INTEGRATION, AND COULD NOT (OR WOULD NOT) EXPLAIN THE EXISTING DIFFERENCES. (NOTE: THERE ARE INCREASING RUMORS OF A MAJOR CLASH BETWEEN CENGIC AND DELIC OVER CONTROL OVER THE BOSNIAK ARMED FORCES. WE WILL REPORT ON THIS ISSUE IN MORE DETAIL IN SEPTEL. END NOTE.)

9. (C) CENGIC CONCLUDED BY OBSERVING THAT, DESPITE THESE

CONFIDENTIAL

NNNNPTQ2422

CONFIDENTIAL PTQ2422

UNCLASSIFIED

PAGE 01 SARAJE 03439 02 OF 02 131236Z
ACTION EUR-01

INFO	LOG-00	INLE-01	AID-00	ACQ-01	CIAB-00	SMEC-00	INL-01
	OASY-00	DODE-00	SRPP-00	FBIE-00	H-01	TEDE-00	INR-00
	IO-00	SAL-00	L-01	ADS-00	M-00	NSAE-00	NSCE-00
	OMB-01	PA-00	PM-00	PRS-00	P-00	CIO-00	SCT-00
	SP-00	SSO-00	SS-00	TRSE-00	USIE-00	PMB-00	DRL-09
	G-00	/016W					

-----644404 131236Z /38

O 131235Z SEP 96
FM AMEMBASSY SARAJEVO
TO SECSTATE WASHDC IMMEDIATE 3946
INFO IFOR COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 02 OF 02 SARAJEVO 003439

STATE PLEASE PASS TO A/S KORNBLUM AND AMBASSADOR PARDEW

NSC FOR VERSHBOW

E.O. 12958: DECL: 9/10/2006
TAGS: PREL, MARR, BK, HR
SUBJECT: THE WORLD ACCORDING TO CENGIC: DEPUTY DEFENSE
MINISTER DISCUSSES FEDERATION DEFENSE ISSUES

DELAYS, HE IS MORE OPTIMISTIC ABOUT THE PROCESS OF
INTEGRATION AND THE FUTURE OF THE FEDERATION THAN HE WAS
THREE MONTHS AGO. ONE REASON IS THAT HE IS MORE
CONVINCED THAT THE MAJORITY OF BOSNIAN CROAT LEADERS WANT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SARAJE 03439 02 OF 02 131236Z
THE FEDERATION TO WORK; THE PROBLEM, HE CONTENTED, IS
ZAGREB, AND SPECIFICALLY, TUDJMAN.

FEDERATION MILITARY TRAINING SITE SELECTION

10. (C) ON THE ISSUE OF SITE SELECTION FOR MPRI TRAINING
(WHICH IS BECOMING INCREASINGLY URGENT AS MPRI'S TRAINING
DEADLINES APPROACH), CENGIC SAID THAT HE HAS ACCEPTED A
COMPROMISE PROPOSAL CRAFTED BY MPRI ON LOCATION OF THE

MAJOR TRAINING SITES, AS FOLLOWS:

- THE SCHOOLHOUSE TO BE LOCATED IN BOSNIAN CROAT TERRITORY, NEAR KUPRES;
- THE LIVE-FIRE RANGE TO BE LOCATED IN BOSNIAN CROAT TERRITORY, NEAR GLAMOC;
- THE SIMULATION CENTER AND THE MANEUVER TRAINING FACILITY TO BE LOCATED IN BOSNIAN TERRITORY, NEAR HADZICI.

11. (C) CENGIC SAID THAT IT IS NOW UP TO SOLJIC AND BUDIMIR TO ACCEPT THIS SOLUTION. (NOTE: POLMILOFF SUBSEQUENTLY LEARNED THAT MPRI PROGRAM MANAGER BOICE WILL DRIVE TO MOSTAR ON SEPTEMBER 11, IN AN EFFORT TO CONVINCE BUDIMIR TO ACCEPT THE MPRI PROPOSAL. END NOTE.) CENGIC CONFIRMED THAT HE IS WILLING TO GIVE COMMAND OF MPRI TRAINING FACILITIES LOCATED IN BOSNIAN TERRITORY TO HVO OFFICERS.

OCTOBER TRAIN AND EQUIP SHIPMENT
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SARAJE 03439 02 OF 02 131236Z

12. (C) CENGIC SAID THAT HE HAS BEEN INFORMED BY THE HEAD OF THE BOSNIAN RAILWAYS THAT THE M60 TANKS AND OTHER EQUIPMENT (UP TO 60 TONS IN WEIGHT) SCHEDULED TO ARRIVE IN PLOCE IN OCTOBER CAN BE TRANSPORTED ON THE PLOCE-MOSTAR-SARAJEVO RAIL LINE; HE ADDED THAT HE HAS SPECIFICALLY VERIFIED THAT THE RAILWAY BEDS AND BRIDGES CAN HANDLE THIS WEIGHT. WHEN POLOFF ASKED CENGIC ABOUT THE CAPACITY OF THE RAILWAY CARS TO HOLD TANKS, AMMUNITION, ETC., CENGIC ADMITTED THAT THIS NEEDS TO BE CONFIRMED.

13. (C) CENGIC NOTED THAT MPRI IS ALSO LOOKING INTO THE POSSIBILITY OF COMMERCIAL TRANSPORT BY TRUCK, AND HOPES TO HAVE ESTIMATES BY THE END OF THE WEEK; THE ULTIMATE DECISION WILL DEPEND ON TECHNICAL FEASIBILITY AND COST -- PERHAPS BOTH ROAD AND RAIL WILL BE USED. HE SAID THAT HE AND SOLJIC ARE STILL DISCUSSING THE STORAGE ISSUE, ADDING

THAT IT IS POSSIBLE THAT SOME OF THE EQUIPMENT (INCLUDING SOME TANKS) MAY BE STORED IN THE CROAT ZONE. POLMILOFF SAID THAT HE DOUBTED THAT THIS APPROACH WOULD BE ACCEPTABLE TO THE UNITED STATES; WE ARE EQUIPPING ONE, NOT TWO ARMED FORCES.

ARMS CONTROL

14. (C) POLMILOFF ASKED CENGIC IF THE BOSNIAN GOVERNMENT IS MAKING ANY REPRESENTATIONS TO EUROPEAN CAPITALS ON THE BOSNIAN SERBS' FLAGRANT VIOLATIONS OF THE SPIRIT OF THE ARTICLE FOUR OF THE SUB-REGIONAL ARMS CONTROL AGREEMENT, PARTICULARLY AS THIS BEHAVIOR FLIES IN THE FACE OF
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 SARAJE 03439 02 OF 02 131236Z
LONGSTANDING EUROPEAN EMPHASIS ON REGIONAL ARMS CONTROL, AND ULTIMATELY THREATENS THE VIABILITY OF THE AGREEMENT, AND REGIONAL STABILITY. CENGIC RECALLED THAT AMBASSADOR PARDEW HAD MADE A SIMILAR POINT DURING THEIR DISCUSSION THE PREVIOUS WEEK; HE WROTE A NOTE WHICH HE CLAIMED WAS A REMINDER TO PUSH THE BOSNIAN GOVERNMENT TOWARD A MORE AGGRESSIVE AND PROACTIVE STANCE ON THIS ISSUE.

MENZIES

CONFIDENTIAL

NNNN