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February 13, 1992. Belgrade. Serbia.

### Dragoljub Micunovic/DEMOCRATIC PARTY LEADER (DM)

(a meeting at the hotel - 9:10 to 10:30)

### Re. His Call for Milosevic's Resignation

He said that since the plan which Milosevic had has failed, it was only logical that he should resign. That is why he issued a statement on Sunday (Feb 9) calling for his resignation. He also called for a new government to be formed by the opposition, with the Socialist Party (SPS) getting 45% of the posts, i.e., proportional to the percentage of popular vote they got in the December 1990 elections. When asked what his relationship with Milosevic was like, he said "quite bad." DM had not seen Milosevic "in quite a few months." He also complained about the Serbian Parliament not having been in session since December, while Milosevic keeps making all these momentous decisions all by himself.

### Re. Return of Monarchy

He thought that the people of Serbia "are not yet prepared" for the return of the monarchy. Otherwise, he saw nothing wrong with the idea. He said that he, too, had told Prince Alexander that, as a King, he would have to stay out of politics.

As for "how" to change legally from a republic to a constitutional monarchy, he said that it would be very difficult under the present constitution which gives the President enormous powers. Basically, it would take 2/3 majority vote in the Parliament to institute any change like that. Which is not likely, considering a big SPS majority. This is why he would advocate elections for the constitutional assembly, whose first job would be to adopt a new constitution. according to his proposal, the latter would be modeled after the British parliamentarian system, except for the electoral (majority) rule. In this respect, he favors the German system which takes into account the overall popular vote, not just the majority votes in individual ridings.

### Bosnia, Krajina Situation, Zimmermann/U.S.

He said that he could understand the problems which Milan Babic has with Vance's peace plan for the deployment of U.N. troops in Croatia. He had met with Babic to discuss it. Immediately thereafter, Zimmermann talked to him and criticized for having done it. "Wait a second," said DM. "Isn't this my country? Am I not the

leader of the Democratic Party and a lawfully- elected member of Parliament? Why shouldn't I be able to meet whomever I want, wherever I want, and discuss whatever subject I want?" He said that Zimmermann softened his stance after that.

### Re. Michael Djordjevich

He asked how Michael Djordjevich and his Congress were doing. I said that I was not a member and did know the details.

#### Re. Personal

He said that he was sorry my stay was so short, because he wanted to continue our conversation at another time. He said he had an exam to conduct at the university. As we were walking through the hotel lobby, I asked him what subject he was teaching. He said the history of political economy. "I see," I said with a smile. "So in politics, you're on your own turf."

### Peter Hall, British Ambassador (PH)

(A meeting at the British Embassy - from 14:45 to 15:30)

### Re. Prince Alexander

I told PH that I was bringing him greetings from Prince Alexander. I said that the Prince was "grateful for your assistance during his October visit, when you helped secure better police protection for the crowd." "Oh, that was nothing," he said. He added that Princess Katherine had also asked him to join her during a visit to a hospital, "which is something which I will be happy to do." But, when asked what he thought of the Serbian monarchy's return, he said that his personal opinion was that it would not be appropriate.

## Re. U.N. Peacekeeping Force

He said "I've just heard that the U.N. secretary has recommended deployment of the U.N. troops." I asked who worked out the military logistics of such action. He said that Goulding (a British diplomat with experience in peacekeeping forces) and a retired YU general Miroslav Jovic (who has also had such experience) did it jointly.

### Re. British Recognition of Croatia, Slovenia

I asked him why Britain decided to recognize Croatia, considering how opposed to it he was the last time we talked (in September). PH sighed. "We had no choice," he

said. I asked him if a report in the Economist were true which alleged an economic deal between Britain and Germany within the EC politics. He said that "there is no question that at Maastricht (the site of an important EC conference in early December 1991) Kohl supported Major." "So this was something which Major 'owed' Kohl?" I proclaimed more than asked. PH just nodded. "But we did do it very reluctantly," he added.

#### Re. Political Solutions

He said that the ultimate political solution ("Tudjman's end game" is how he put it, using a chess term) may be a swap of Western Hercegovina for Krajina. In other words, the Western Hercegovina (today a part of Bosnia) would go to Croatia in exchange for Krajina. Of course, it is far from certain that Bosnia would agree to it, he said.

Meanwhile, there are new land claims happening all the time. PH said that he'd just received a cable from their embassy in Sofia, which reported that a Bulgarian opposition party is laying territorial claims against Serbia. "You don't mean Macedonia?" I asked in amazement. "No," he said. "Serbia." He added that the subject territory was in the southeastern Serbia, around Nis.

#### Re. Vuk Draskovic

He said that Vuk Draskovic has now got the backing of the U.S. government. He asked me if I had seen Warren (Zimmermann). I said that I had not, but was supposed to later on in the day. "I saw him this morning," he said. "He is in fine form." I asked him if he had read Warren's interview in Zagreb's magazine DANAS. He said he had not. I said that the things Warren had said would not win him many friends in Belgrade. "I know that Warren likes to give these interviews," PH said. "I don't. That's not my style. What I have to say, I'd rather say it one-on-one."

#### Re. Babic v. Milosevic

He said that he was in to see Milosevic with Lord Carrington when the latter was here the last time. This was after Milosevic and Babic had exchanged written barbs in the second half of January. "I'll bring Babic into line in two days,' Milosevic told us," he said. "Ha! It's been more than two weeks already."

### Re. Personal, My Article in AZ REPUBLIC (Nov 15/91)

(During our telephone conversation about my article and his protesting letter Bob Rackmales, the No. 2 at the U.S. embassy, said that Peter Hall was equally upset with my alleged misinterpretation of his words. At the time, I decided to "let the sleeping dog lie," and never called Peter to verify it. I figured that, if Peter were really upset, he'd either call me, or write, as Rackmales did. Otherwise, my call may only alarm him. This meeting was a perfect opportunity for him to bring the subject up if what Rackmales had said were really true. PH never said anything. Furthermore, his attitude toward me was very friendly and jovial. He also showed a certain amount of trust which surprised me. For example, as an American citizen, I did not expect to hear what one British embassy wires to another [e.g., the Sofia message]).

### Warren Zimmermann (WZ)

(A meeting at the U.S. Embassy -- 16:00 to 17:15)

### Re. His U.S. Visit, U.N. Peacekeeping Forces

He said he'd just come back from a visit to Washington (for a State Dept. briefing) and New York (for a meeting with Vance and the U.N. staff). He had not heard of today's Boutros decision to recommend deployment of the U.N. forces before I mentioned it today. He did know, however, that Vance had recommended that move. Asked why this was recommended now when the Babic objection is still outstanding. "Everybody is getting nervous. The parties have agreed to keep things quiet," he said. "But, there is fighting going on every day."

## Re. Bulgaria, Greece

I told him what I had just learned from Peter Hall about the Bulgarian group's claims against Serbia. He said he had not heard it before. He also thought that Greece's attitude toward Macedonia was "quite unreasonable."

### Re. Milosevic, Babic

He said that he saw Milosevic on Tuesday (2/11), right after his return from the U.S. "I got the appointment on only one day's notice!?" he said with a certain amount of bewilderment. He said Milosevic promised "to take care of Babic." I said that I had noticed how everybody is trying to railroad Babic into submission. "I think that he has some very legitimate concerns," I said. But, WZ said that the Serbian people in Krajina will be well protected by the U.N. troops standing between them and the Croatian soldiers. I said that I was skeptical about that, not only because I'd rather <u>make sure myself</u>, but because the Croatian could acquire their own air force which would make the ground protection useless.

WZ replied that the reports of the Croatian pilots being trained in East Germany (which I had not heard before) were false, but he did not rule out a possibility of the above "worst-case" scenario. Yet, when I asked him later on what the most important issue would be, in his opinion, which I should bring up with Milosevic, he said "silencing Babic." But, he quickly added, "of course, I understand that you would not want to do it." "You're right," I said. "I would not."

### Re. Croatian Funding, Tudjman

I then told him that I'd also heard from the IBM people in Vienna that Croatia is using the lull in the fighting to rearm herself, and that all their funds are blocked for use for such purposes. I asked him if he knew where all their money was coming from with which to finance the war. He said probably from their emigres. Once again (as I did to Prince Alexander) I expressed my skepticism about that, because of the size of the amount.

I told him that Prince Alexander had a luncheon meeting with Lord Carrington on Tuesday, and what Carrington had said about Tudjman. WZ agreed. "Tudjman is a nice guy who is in over his head, and is trying to do the best he can," WZ summed it up.

### Re. Princess Jelisaveta, Prince Alexander, Monarchy

WZ said that he frequently meets with Princess Jelisaveta when she is in Belgrade, and that she is the main source of his information about the Royal Family. As for Prince Alexander, WZ said that he had never met him, and wanted to know what I thought of him. "Can I speak freely, but privately?" I asked. "In other words, this is to stay between us?" "Of course," he said. "He is not very smart," I said. "That would be my 'bottom line'."

I asked him if a referendum was the to decide whether or not to bring the monarchy back. "James Madison once said that referendums are a bad thing, as is all this direct democracy," WZ said. I outlined to him the idea of new elections for a Constitutional Assembly, which would then decide if it wanted the monarchy in Serbia's Constitution. I pointed out that the current Constitution dates back to the one-party Parliament. He listened carefully, as if he had forgotten that fact.

### Re. Vuk Draskovic

I told WZ that I'd heard of Vuk's visit to Washington, and his meeting with Eagleburger, among others. "I hear that he left a positive impression on Eagleburger," I said. WZ confirmed it. "But, can you see Vuk Draskovic as the head of a government?" I asked him. WZ smiled. "I know what you mean. But, the first job will be actually dismantling of government."

#### Re. DANAS Interview

I was critical of his remarks in the DANAS interview. I told him that, if one read the entire piece very carefully, his comments were fairly balanced. "But, how many people read magazines that way?" I asked. "Overall, your remarks lacked tact." I told him that I knew how important human rights were to him, but the interview made it seem as if the Croatian humans were more worthy of sympathy. I said that his praising the alleged Croatian bravery was also tactless, especially in view of the atrocities against the innocent Serbian civilians the Croatians had committed. Finally, I pointed out that in the past I had defended him from the unwarranted attacks by the Belgrade press, but that his latest comments would make that very difficult.

He was squirming in his chair the entire time I spoke. From the start of our meeting, he had been holding some papers in his hand. He handed them to me at this moment. They were a copy of the DANAS story, plus a copy of his earlier interview to VREME. "I was very critical of Milosevic in the VREME piece," he said. I thought he was trying to change the subject, so I switched back to DANAS. I asked him if all these quotes were accurate. He said that they were. He tried to explain them by saying that he was trying to butter up and chastise the Croatians at the same time. And that the conversation took place on Tuesday (1/14), one day before the recognition of Croatia by the EC was due. Finally, he said quite reluctantly, "I must admit that, if I had to do it all over again, I probably would not have done it the same way." I figured that this was as close as I would come to an apology, so I got up to leave.

#### **Patriarch Pavle**

(A private meeting at the Patriarchate, 18:00 to 19:00)

### Re. Vuk Draskovic, the Prince

I said that I'd heard that Vuk has been criticizing him, and was wondering why that was. Pavle started talking about the Prince Alexander's visit in October, and the letter he had written. He said that he never intended that letter to be made public, but that it ended up on the front page of the POLITIKA anyway. "Only four people knew about it," he said. "Myself, Prince Alexander, another person at the Patriarchate, and another person in England." He said that they had conducted an internal investigation

and found out that the leak could not have occurred within the Patriarchate. "Which leaves that person in England as the probable culprit?" I asked. "But, we can't prove it," he said.

Then, without any further prodding, he continued to talk about some other problems he had also had with Vuk Draskovic. "He also criticized me for telling our young people at Terazije to go home last March," he said. "But, I only did what the Synod had decided was best." He explained that he neither watches any TV, nor listens to the radio. He'd heard some noises and commotion from the direction of the city center, but had no idea about what was going on<sup>14</sup>.

On March 10, Milan Komnenic (an SPO official, i.e., one of Draskovic's disciples) and a couple of other people came to the Patriarch. "They begged me to go to Terazije, and tell the people to go home (so as to avoid more bloodshed). They also told me to ask for Draskovic and some other people to be released from prison," he said. The Patriarch sought counsel of the other members of the Synod, and they decided that he should do as suggested. So, he first went to see Milosevic<sup>15</sup>, who agreed to release some prisoners, but not Draskovic. "But, they even let him go the next day," he said.

Then, he went to Terazije, and gave his now infamous speech. It was greeted with jeers and whistles. "Just imagine," he said, still deeply upset over it. "The Serbian Patriarch being jeered!" He said that the people at Terazije shouted, 'why don't you go to Usce<sup>16</sup> and tell them to go home?" "And so I shall," he replied. "I will go there straight away." But, by the time they made it to Usce, he said, that demonstration had already broken up, and most of the people had gone home. And so ended the day they jeered the Serbian Patriarch!

## Re. Latest Meeting with Milosevic

He said that not too long ago, the Synod was confused about what the issues were regarding the Serbian Krajina politics. So, they asked Milosevic, Babic and Karadzic to come in and explain their positions. I asked him what Milosevic had said. He replied that the Synod promised him confidentiality when they invited him, and that he could not talk about it now.

#### Re. God v. Humans

Pavle said repeatedly that it was not up to us to judge, that that's something that God will do. "We should do our best, and he will weigh everything very precisely and fairly," Pavle said.

#### Re. Kosovo

He talked at length about his service while he was a priest on Kosovo. There was nothing there that the historians would object violently if I did not record it.

---- END OF FEBRUARY 13 ----

February 14, 1992. Belgrade. Serbia.

### Michel Chatelais, French Ambassador (MC)

(A meeting at his office, 10:20 to 11:15)

## Re. New Security, Consul

Since my last visit (Sep/91), the embassy has had a new security system installed. This one is so advanced that I did not even know how to let myself out of the building (\_) after my meeting was over.

The ambassador was allegedly at an off-site meeting, and Michelle (his secretary, who was also about 5 minutes late) asked if I would mind talking to his Consul until he returned. I replied that I would not, provided, of course, the ambassador were back in reasonable time. When the ambassador showed up about 10 minutes later, his shirt fairly disheveled, I realized that he was probably not at some outside meeting, but must have simply slept in. My suspicion was reinforced later on, when at the end of our meeting he pointed to the windows above his second story-office, and said, "this is where I live."

#### Re. Political Assessment

I asked him what his assessment of the current political situation was. "I don't know," he replied (he must have said that at least a dozen times during our conversation). He said that he was asked the same question yesterday by the French Foreign Ministry. They demanded a comprehensive report. "A comprehensive report!" he repeated sarcastically. "So, last night, I sent them a report. Do you want to know what I said?" "Yes," I replied. "The headline of my first chapter was 'One Certainty: Yugoslavia Is No More.' The headline of my second chapter was: 'Many Uncertainties.' The headline of my third chapter was: 'Other Uncertainties."

He leaned back in his chair and snickered self-contentedly at his own satire. "So now they have their 'comprehensive report' in Paris."

### Re. U.N. Peacekeeping Force, Milosevic

MC said that 2,000 French soldiers were committed as a part of the U.N. peacekeeping force. But, he had grave personal misgivings about that. "I don't want my people to die," he said.

He that he was also appalled by the atrocities committed by both sides during the war. "Mr. Milosevic may end up in jail," he said. How so? (off the record): MC said that he wanted to propose to his government that the Yugoslav leaders who caused the bloodshed be put on trial for crimes against humanity (just like the Nazi trials). But, his staffers at the embassy balked at the idea. "And I don't like to do anything without their full support," he said, as an explaination why he has not done it yet.

#### Re. Serbian Civil War, March 9

"But, what about the situation in Belgrade?" I asked. Rubbing his fingers in front of his nose, MC said "I can smell blood." He was talking about a possibility of a civil war in Serbia. When I asked him what he thought of the planned March 9 demonstrations much later in our conversation, he giggled and said. "You're quite clever, aren't you? You heard me say that I could smell blood, and now you've put it all together."

### Re. Monarchy, Draskovic

I asked him what he thought of the idea of bringing the monarchy back. "I don't know," he answered for the n-th time. I then asked him if he could imagine Vuk Draskovic as the head of state. "Anything is possible," he replied. He said he had seen people do well in governments who had absolutely no qualifications for the job. So, he would not want to prejudge anybody.

#### Re. Milosevic

I told him that I had an appointment with Milosevic later in the day. I also told him of my discussion with Milosevic in January 1990 when he said that he wanted "a real democracy" in Serbia. MC started snickering again. "What's funny?" I asked. "In January 1990, you said?" "Yes." "I saw him in November 1989. I suggested that he

should call for free elections. He replied that this was not necessary as Serbia was already democratic!!?"

He then explained that it was he who arranged separate meetings between Milosevic and Miterrand, and Tudjman and Miterrand respectively in Paris last summer. This was early on in the war with Croatia. Miterrand was trying to act as a mediator, but it was all to no avail. "It was a very frustrating experience," MC said.

### Re. Croatia's Recognition

Asked about why France recognized Croatia considering that he was opposed to that last Fall, he said that France simply did not want to be drawn into a conflict with Germany. "We had too much at stake to let that happen."

(This sounded familiar. Peter Hall said basically the same thing. In other words, it seemed as if Milosevic had miscalculated how much he could manipulate modern Europe. As a student of history, he must have thought that the Balkans could once again inflate the old European rivalries. He was wrong. Serbia was an easy prize to give up for the sake of the European unity)."

### Re. The Sword, the Cross and the Crown

As I got up to leave, I repeated how much I liked the "art deco" architecture of the French Embassy, and the interior decoration of his paneled office with a high, ornate ceiling. He seemed pleased, and invited me to also enjoy the view from his balcony. He opened the window (yes, the window!) and we literally walked through it onto the second-story balcony. From there, one could see the Kalemegdan fortress, and Sava's confluence into Danube, and the outlines of New Belgrade and Zemun.

Pointing in the direction of the Kalemegdan monument to the French General Lafayette, which could be seen to our right, he exclaimed, "the sword..." Then turning to our left, he pointed quite theatrically to the Serbian Patriarchate Building right next door, he continued, "... and the cross." I joined his act, and mimicking his motions pointed to a tall building across the river Sava which used to be Tito's Communist Central Committee Headquarters. "And..." I started to say when he interrupted me almost triumphantly, "...the crown!" "The sword, the cross, and the crown," he repeated relishing the wit and the symbolism of the moment. I nodded. "You have a great view," I said.

## Slobodan Lazarevic/Deputy Publisher, POLITIKA

(A meeting at his office, 11:30 to 11:45)

I has called him earlier this morning at home to let him know about a possibility that I may drop in between two meetings. I told him that I had an appointment with Milosevic at 12:00 (noon), and that we only had a few minutes for a quick chat. We talked about a variety of media-related issues, such as the Croatian propaganda. His TV set was on. He said that he practically no longer watched Belgrade TV, only Zagreb or Ljubljana. "That way, I get to stay on top of all the lies," he said. He said that he had just heard the Croatian minister Sheks call Brana Crncevic "a well-known Belgrade drunk."

As we talked about Serbia's poor image, I reminded him of my discussion with Milosevic in January 1990 about the importance of media relations -- an advice which obviously fell on deaf ears.

### President Slobodan Milosevic's Chief of Cabinet - Goran Milinovic (GM)

Milosevic's secretary, Mira, apologized that SM's schedule was running a little late, and asked if I would like to talk to Goran Milinovic, his chief of cabinet, while I waited. I replied that I would. I had spoken to GM before by phone, but have not met him yet face-to-face.

#### Re. Personal

GM has been Milosevic's Chief of Cabinet since October 1990. He is a bearded man in his early- to mid-thirties.

### Re. Media Campaign

GM said that they had underestimated the importance of the Western media, but are now trying to remedy that. "And the first results are already starting to show up," he said. ("How naive," I thought. "In Communism, everything happens overnight"). I told him that I found it interesting to hear that they had "underestimated" the importance of the media, considering that that's exactly what I told his President in our January 1990 meeting. I said that I had told him that Serbia must INVEST in government-to-media relations; in government-to-government relations, and in government-to-business relations. I said that "image" isn't something that just happens; that one must INVEST in it just like any other business investment.

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## President Slobodan Milosevic (SM)

(a meeting at his office 12:15 to 13:05)

#### Re. Personal

He greeted me very jovially, as had his staff (Mira and Goran before), and apologized for keeping me waiting for 15 minutes. "We are running late, like the trains," he joked. "Not all trains," I replied. I then told him the story of my telling the children a few years ago before a family vacation in Switzerland that they "could set their watches by the Swiss trains." "While we were waiting to leave the Zurich station, my girls were looking intently at the big clock outside the train window. At about 30 seconds past the scheduled departure time, they started to give me significant looks. When the train finally left one minute late, they turned to me and said -- 'see you were wrong, Dad!' And my authority as a father was gone forever," I joked. He slapped his knee and started laughing heartily. "They really took you literally, ha?"

(I was surprised by his apology and by this warm opening to our discussion. First, because in all my previous dealings with him or his office I have never seen much regard for punctuality, or concern about others. Second, because I also remembered what Zimmermann had told me last September -- that he never saw Milosevic smile. And here he was, beaming ear-to-ear and swapping jokes with me. 'It could have been Zimmermann,' I thought to myself).

I asked about his family and he said that they were all well. His son is now 17, his daughter 26. The son is in high school. The daughter is divorced, having gotten married before the age of 18 -- against her parents' wishes. She works for POLITIKA EKSPRES under the name Milosevic, which she never changed even when she got married. "She is a very good journalist," SM said, showing obvious fatherly pride.

We sat in identical chairs as two<sup>+</sup> years ago. His office looked the same, except that above his desk, there was now a wooden hand-carved crest of Serbia. The last time, a large "head and shoulder" sketch of Tito hung in its place.

At one stage of the conversation, as he was playing with something in his right hand, he said "don't worry, I am not taping this conversation." He held out a small microphone, about three inches long, and explained that this was actually a cigarette lighter which he got as a gift from a journalist. "As if the microphones couldn't be hidden, right?" he said smilingly. Nevertheless, to prove it was a lighter, he tried to light it, but nothing happened. "Let me try it," I said. I tried a few times, too, but only the sparks shot out instead of the flame. "I guess it's out of gas," he concluded.

### Re. Democracy in Serbia

I reminded him of our conversation over two years ago, when he said that he wanted to have "real democracy in Serbian, not like that in Slovenia." I noticed his face tightening up. I asked him to assess his progress to-date regarding that goal, in view of the fact that he is making significant decisions about the future of Serbia while the Parliament is not in session. He replied that any important decisions concerning Vance's plan were approved 100% by the Parliament before it recessed for two months on December 31. "And every time I would attend the Hague Peace Conference (in the Fall 1991), as soon as I came back, I would file all the papers with the Parliament."

He paused and shifted in his chair. "Besides, we have very weak opposition," he added. "For example, they accuse me of entering into an unauthorized pact with Montenegro, which is not true. That's what the "Belgrade initiative" was all about which the Parliament had approved. We are just carrying it out now." "When was that passed?" I asked. He said he could not remember exactly. "Last summer, autumn..." he replied. He added that just like in the U.S., there is a division of power in Serbia. "I am the executive branch. The Parliament is the legislative branch. I am <u>supposed</u> to make decisions, while the Parliament is supposed to pass legislation." He paused for a moment. "And then, of course, there are the courts. They are quite separate." *He has obviously done his homework with respect to the U.S. Constitution*).

### December 1990 Elections, the Opposition

He proceeded to talk about the December 1990 elections. With great pride, he recited the election results, and his personal victory in the first round of elections. "I got 65% of the vote!" he boasted, as if I did not know what happened 14 months ago. "The second round was not even needed." "And nobody objected to the fairness of the results," he added. "That's true," I said. "But they did object to the objectivity of TV reporting." "Everybody had equal time," he replied. He added that he did not even bother to campaign hard. He explained that after the lottery about the order of TV appearances had been made, it turned out that his slot coincided with a celebration of WW I veterans. "So, I donated my TV time slot to the WW I veterans," he said.

As for the charges that Belgrade TV gave him too much "free" advertising time, he said that "that's the same as the publicity which President Bush gets as the head of state. Just because elections are going on, doesn't mean that the business of running the country stops. Naturally the head of state would have an advantage over the opposition in this respect."

### War in Croatia

"That was a good beginning for democracy," I said. "So, how did we end up with this mess -- war, bloodshed etc.?" I asked. He said that it was all the fault of "the Croatian fascist government," who were getting ready for another genocide against the Serbs there. Yet, I pointed out that the prevailing view in the West is that the Army and Serbia were the aggressors; that they conducted an expansionary war. "How can one be the aggressor in his own home?" he replied. I pointed out Vukovar, Osijek, Dubrovnik as examples of devastation in Croatian, not Serbian cities. "There is nothing happening in Osijek," he said (glossing over the fact that the city had been shelled for months). "As for Vukovar, the Army garrison there was trapped. The Croatians would not allow them to retreat. And they were slaughtering the Serbian population. So, we had no choice." ("...but to level the city?" I thought)

"OK," I said, "but what about Dubrovnik?" "That had nothing to do with me," he replied. "That's not Serbia, and I don't command the Army." "So who did it?" I asked. "Some wild commander?" He said that the Army never intended to attack Dubrovnik. Only seal it off. They had received information that the Croatians had a large concentration of troops in the city, many of them mercenaries. This was in violation of the UNESCO agreements about the protection of cultural monuments. The Army wanted them out, and made an offer to deliver them to their respective embassies, who would then return them home. But the Croatians refused. And that's when the shooting started. "But, why would the Croatians concentrate these forces in the city?" I asked. "I don't know," he replied. "You should ask them." But, he proceeded to speculate that the Croatians had been making noises that Boka Kotorska was their territory. And were preparing to advance toward Prevlaka, a strip of Croatian territory at the very entrance to Boka. The Army moved first, and cut them off.

He stopped for a moment as if reflecting on what he had said. "And now, when the "blue helmets" (the U.N. peacekeeping force) arrive, the Serbian people will be safe. Isn't that a good outcome?" (I was about to say "if it is, why did you not agree to it last September, when most of the territorial gains had been made?"). But, before I could say it, he continued. "And just think, we've accomplished all that with a loss of only 1,000 lives!" "That's all?" I asked. "That's all!" he replied. "And what about the Croatian losses?" I asked. "They were much heavier. In Vukovar alone, they lost about 4,000 soldiers. But they were mostly the 'black shirt' Hercegovina Croatian -- the most cruel 'ustashi.' I am not exactly sorry for them." He added that the Croatian forces also included all sorts of mercenaries, including even some blacks.

He also said that Serbia was not at war; that his minister of defense had told him that only 3% of the eligible reservists were mobilized.

### Atrocities, Bad "PR"

I then brought up the subject of atrocities which the Serbs had committed. I said that they gave Serbia a very bad name. "Serbia has never been an expansionist, and Serbians had never committed atrocities like that," I said. I also pointed out how the Croatians were exploiting that on TV programs all over the U.S. He agreed with the expansionist comment. As for the atrocities, he said that the Serbs had done such things before. I asked him if he were referring to Vojvoda Djuic. "No, not just in Lika," he replied. He explained that in the Cacak vicinity, "the chetniks had slaughtered more Serbs than did the Germans." Then he grinned. "But, the Croatians have never slaughtered other Croatians."

As for the latest crimes, he said that it was not the Army that did it, but rather some Serbian volunteers. "The Army even arrested some people over that," he said. "That's good," I said. "Because the Serbian national dignity and honor are at stake." "I suggest to you that it would be very good for your personal image if you were to speak out against such atrocities and order that the criminals be prosecuted." He said that he had already done it. "Well, you must have whispered it then," I said. "For, I have not heard it. You should say it again and louder."

He added that he does not have jurisdiction over the crimes committed outside of Serbia, but that if it were proven that Serbian citizens did it, he would be for such prosecution. He then leaned over and wrote something down on a piece of paper. To me, it looked like a "to do" list.

### Re. Economy, IBM Debt

I brought up the subject of the debt to IBM in Serbia of \$30 million. He said that that was impossible. I said that this kind of a thing gives Serbia a bad image in the business world. "How could you attract new investments by new Western companies, if you don't even carry out the existing obligations?" I added that it would not surprise me if IBM scaled down its operations in Serbia or pulled out (*Of course, I was exaggerating a little with the last remark to get his attention to the seriousness of the problem*). "They won't pull out," he said. "Besides, they do business here through a Slovenian agent." I said that that was no longer true, that in October 1991, IBM formed a Serbian-managed subsidiary in Belgrade. (*It looks like IBM has done a poor government relations job here*).

He nodded in approval. "OK, but it's impossible that the Serbian government would owe that much," he contended. "I didn't say the 'Serbian government'," I replied.

I said "in Serbia," which includes the federal government institutions. He smiled and leaned back in his chair. "Oh well, that's a different story. Serbia is responsible for only 25% of the federal budget." He added that, since they have not yet agreed how to divide up the federal debt among the former Yugoslav republics, the whole issue is up in the air. "But, I would consider myself responsible for not just the Serbian government debt, but also that of the Serbian companies." I asked him if he would see to it that at least the money which Serbian institutions owed were paid to IBM. He said that he would, and asked for an accounts receivable list. I explained that I could ask IBM for it, but that they may consider that kind of information confidential. He raised his eyebrows in surprise. "Confidential? Don't they want to get paid? I need to know the names and the amounts." "Yes," I said, "but, I am not an IBM employee." I said I would ask them, however. "If I get the list," I'll call you and let you know." He said that he would also have one of his people check into the situation.

### Re. Serbian Debt

He said that the total Serbian foreign debt was \$4 billion. "That's just over \$400 per capita. The Hungarian per-capita debt, for example, is four times higher!" ("No wonder the debt is relatively small," I thought to myself but did not say anything. Nobody wants to lend you any money. Later on, one of my Hungarian-Serbian friends (BN) pointed out that the internal Serbian debt would make the figure much greater, due to the Serbian Loan of 1989. Just like Micunovic, he'd also heard that about \$2 billion dollars plundered from the Serbian government-owned enterprises has been stashed away at a Cyprus bank).

## Re. The Return of Monarchy

I told him that I had met with Prince Alexander in London earlier in the week, and that the Prince thinks that he should return the monarchy to Serbia. I asked him what his position vis-a-vis the return of monarchy would be. He laughed and said, "the monarchy has no perspective in Serbia at all" ('monarhija nema ama bas nikakvu perspektivu u Srbiji'). "That would be about as likely as having a king in the U.S."

He added he had no objections to Prince Alexander's visit last October. "He also sent me a FAX informing me of his wife's visit this week," he said. "I said to my people, 'by all means; make sure she is treated well." He said that "Prince Alexander seems like a nice person to me ('izgleda mi simpatican'). But, it's a different story when it comes to returning the monarchy." He said, however, that he would not be against a referendum for the Serbian people to decide on whether or not they would want the monarchy back. But his snickering smile as he was saying it revealed that, in his mind anyway, he saw Prince Alexander's obtaining such approval as highly improbable.

Grinning ear-to-ear he asked me if I'd heard of the latest claimant to the Serbian throne, some Romanoff-Dolgoruk. I said I had not. He said that this man currently lives in Spain, and says that he is the rightful heir. As I got up to leave, I added that the Prince has also had some business experiences. "That's good," he said. But, it was evident that he couldn't care less.

(Later on, I heard that it was Seselj who "broke the news" about this character. Prince Alexander also told me during a subsequent conversation that the guy was an impostor. He cited some Anglo-Saxon name as the person's real name. PA said that this guy has also made claims to other European thrones).

### Zoran Kojic/INTERCONTINENTAL GM

(A discussion in the Hotel Intercontinental bar, 13:30 - 13:45)

Just as I was getting ready to leave, Zoran Kojic, the hotel GM, met me in front of the elevators. He said he had just returned from a business trip to Vienna, and insisted we at least sit down for a brief chat. I praised the design of the new executive floor (the 7th) which they remodeled since my last visit. This was opened less than a month ago.

I also told him that I had just talked to Milosevic. He was very interested in hearing what we discussed, particularly the parts which related to economic issues. As I described to him Milosevic's positions, it was evident that he was very skeptical.

February 14, 1992. Budapest. Hungary.

## Dusan Kovacevic (DK), Bata Nenezic (BN)

later on, also Vesna Jankovic, Bata's wife, and Anja (Drulovic?), her grown-up daughter, a graduate of drama from a NY college (a dinner at BN's apartment -- 21:00 to 00:45)

### Re. Vuk Draskovic

On the way to the city from the airport, DK said that Vuk had asked him to give me his best regards. This evening at about 5 p.m., Vuk had received the annual Jakov Ignjatovic literary award. He said that during his visit to Washington, Vuk had been received by Lawrence Eagleburger as well as by some National Security Council person. Vuk told DK that he had full support of the U.S. Asked to explain why a shift in U.S. foreign policy, DK said that Vuk told him that the U.S. wants to make friends with Serbia to help counterbalance the increased German influence in Europe. I said that to me personally, that would make sense, but that it contradicted what I had heard during the visit to the State Dept. last month. But, I said that Serbia was a small

country, and that I did not see how Serbia alone could help the U.S. tackle the German problem. "Maybe only in concert with the U.S. courting of Russia," I said, "considering that both are Orthodox Christian countries." In other words, a "pro-Orthodox" U.S. foreign policy would make a lot of sense to me, since it would create a Mediterranean lever as a sphere of influence (i.e., Greece, Bulgaria, Serbia, Russia). DK said that I'd better talk to Vuk about that.

### Re. "March 9"

DK said that he'd told Vuk, "even if there is 1% chance of violence, you should call off the demonstrations." Vuk apparently agreed. I said that I agreed with that, too. DK and I both agreed that only a peaceful way to democracy and/or monarchy must be followed.

### Re. Milosevic Meeting

I told them about most of the things I discussed with SM, having first sworn them to secrecy. I said that, in my opinion, based on this and my other conversations, the return of monarchy at this stage would be premature. "Monarchy will not solve Serbia's political problems. In fact, given the volatility of the current situation, it could only make things worse. Serbia must first become a non-Communist, democratic country by peaceful means. Then, the President (Vuk?) should call for new elections for the new Constitutional Assembly. Whether or not to have a monarchy should be a part of the platform for each candidate. Thus, no referendum would be needed. The Parliament would then write a new Constitution, which, depending on the majority of MPs, may or may not include the provision for the return of the monarchy."

## Re. Patriarch Pavle's Speech at Terazije

I also told them about my conversation with Patriarch Pavle. I asked them who they thought advised him to tell the people at Terazije on March 10 that they should disperse. "The SPS," DK said. "That's well known." "Well," I said, "it may be well known, it isn't true." I explained that Pavle himself had told me that it was Milan Komnenic (SPO) that did it (fearing for Vuk Draskovic who was in jail at the time). "A traitor!" DK said with a lot of emotion.

## Re. Christian Morality

We also talked about the importance of bringing back the Christian morality, something which has all but disappeared in the last 50 years. DK said that the anarchy, the terrorism and the atrocities which the Serbs have committed are consequences of

"Communist Godlessness," i.e., the people's lack of fear of God's punishment for their Earthly actions.

#### Re. Prince Alexander, Political Solutions

DK said that he told Prince Alexander when he was in London that, "Serbia will not return to normal until the dead have made peace with the dead; the living have made peace with the dead, and finally the living have made peace with the living." He said he'd urged him "to erect a monument to the Serbian middle class eradicated by the Communists (2,500 in Zemun and 8,000 in Belgrade -- "as you've told me"/actually, the figures are higher -- see Exhibit 1)); to do the same at Oplenac for the Serbian priests killed by the Communists; and to erect a monument at the Srem Front to the Serbian youth sent to an almost certain death by the Communists." (I think that all this is something the Church ought to do).

DK and I agreed that there has been enough bloodshed in Serbia; that any change of government must come about by peaceful means. If that meant a cancellation of the planned March 9 demonstrations, so be it. "The ruling party or the Arkan/Seselj hooligans would only used the occasion as a provocation for which they would blame the opposition," I said. I told DK of a news clip I watched on BG TV on last night. The speaker for the Belgrade City Hall was already warning that, "the opposition would bear all responsibility for any violence which may occur." DK interpreted this as a warning to parents not to allow their kids to go to the rally.

DK said that the way to defeat Milosevic must be "by starving him to death" (politically). I agreed. I said that to me, he is now like a wounded animal. His popularity has sagged tremendously. He is increasingly coming under the pressure from his own "aparachiks," who are also unhappy because they think he lost the war. The Army officers are steaming, too. "A wounded animal is the most dangerous," I said. "For, it has nothing to lose but its life, which is expiring anyway." I added that the opposition should keep up the peaceful pressure on the government by calling for the new elections (for a Constitutional Assembly), so as allow the animal to die in peace. "At the very end, they will be able to topple it by just a push of a finger," I said. DK agreed. He said that that's why the timing is everything. "We must not be a day too late, nor a day too early," he said.

### Re. The YU Army Dissolution

Someone asked what to do about the Army (officers). "Buy them!" I replied. They looked at me in astonishment. "Pay them handsomely, and then retire them. That way, they won't be tempted to cause trouble, and cause more young people to die."

Everybody was nodding in agreement. "Afterward," I continued, "Serbia should form its own professional Army." Of course, this would cost money, I explained. So, it will be essential that such a Serbia have rich friends in the world. On the plus side, such an Army should be much smaller than the bulky JNA, with which Serbia is now saddled anyway.

### Re. NIN Interview

DK told me about a big NIN interview which was just published today. Among other things, he was asked to explain why there is constant in-fighting among the Serbs. His theory is that it was "because the Serbs have never really practiced democracy." Consequently, they don't know how to differ from each other in opinions, yet be friend socially. "If you don't think like me, you are my enemy" (DK meant that in a physical sense, too). He said that that was due to the Serbian tribalism. "Even city people live by the laws of a tribe," he said. "And tribes always need someone to command them. The Serbian are used to taking orders from others, not thinking for themselves."

I replied that I agreed with his comment about tribalism entirely, since I saw the same thing in America. "Whenever one of 'them' gets ahead, or shows some individualism, other Serbs try to drag him down," I said. "They can't stand someone who stands out from the rest of the tribe, as you put it. This leads me to conclude that this is not just a trait of the Serbian people who have been oppressed by the Turks or the Communists. This must be a genetic defect." DK agreed with that, too.

"So, what's a solution?" I asked rhetorically. "Who knows. Bring in American or British girls by the planeloads?" I meant it as a joke. Judging by the faces of the group, however, they were seriously contemplating my idea.

February 15, 1992. Budapest. Hungary.

#### **Vuk Draskovic**

(a press conference at the Hotel Forum 11:15 - 13:00)

## Re. New Yugoslav Proposal

Vuk said that his proposal was to give Croatia the Western Hercegovina in return for Serbian Krajina. That's roughly the same amount of territory. He would then attach Krajina to Bosnia. He argued that, contrary to prevailing opinions, the internal borders in Europe had been changed over 50 times by non-violent means. In the early 1960s, for example, the border between Ukraine and Russia was changed by Khrushchev's decree. As for Yugoslavia's external borders, he warned that they are unalterable.

Implicit in the proposal to append Krajina to Bosnia is that the Serbs would become the dominant ethnic group in the new Bosnia, replacing the Muslims in that position. Of course, none of the reporters at the press conference seemed aware of that, judging by their questions at least. Vuk said that he had traveled to Sarajevo, and that he and the Muslim leader, Izetbegovic, "agree on most things." But, when asked later on if Izetbegovic agreed to have Krajina join Bosnia, Vuk replied that he did not.

Vuk's proposal for the entire Yugoslav territory would allow all six former Yugoslav republics to claim independence. After that, their association is based on a "4+2" formula. Croatia and Slovenia, which have already gained partial recognition of their independence claims, are the "2" in this formula. The remaining four republics would form an economic association, similar to the EC common market. He is open on the question on whether each of the republics would have its own army. Slovenia and Croatia would then be invited to join the economic association. Vuk said he was off to Slovenia for a meeting with its president Kucan (*Later on, in a private conversation, he told me that the meeting was arranged on Kucan's initiative*). After that, he'll be traveling to Prague (March 12) where he'll meet with the German foreign minister, Genscher, as well as some Czech officials. He also has a scheduled trip to Rome for discussions with the Italian government officials. (*I was struck with the similarity of Vuk's new proposal, and the plan for a "Greater Bosnia" which I proposed to Zimmermann in late September 1991 -- see the Diary from that trip -- Exhibit 2)*.

## Re. "Largest Serbian Army"

Vuk said that "the largest Serbian Army has now occupied the world capitals." He was talking about some 150,000 young people who have left the country to escape being drafted into the YU Army. About 25,000 of them are in Hungary, he said.

## Communist Media Heckling

A lady reporter, who was later identified to be from TV Novi Sad, asked a rather provocative question. Noting that Vuk was in Budapest to receive the Jakov Ignjatovic literary award, she said she was wondering if he were not "too loud as a writer." In other words, she was implying that he should not mix politics with literature. She also wondering if he may not be exploiting the Serbian political scene for his literary purposes.

Vuk handled the question very well; so much so that I told him later that he ought to be grateful to that person for having given him the opportunity to demonstrate how he handles himself under fire. He first identified the reporter as working for the "Communist TV." He then said that Tolstoy had also criticized Shakespeare as being "too loud." "But Tolstoy made sure he had become Tolstoy first." As for the second charge, he said that Tolstoy had written about Napoleon's war with Russia. "Was there anything wrong with that?" he wondered out loud. His answers drew the applause from the crowd, the only time this happened during the press conference.

Meanwhile, the pro-Draskovic Serbian entourage was incensed, calling the TV NS reporter's question "a Communist provocation." I had a hard time convincing them that such a question was quite benign compared to the barrage which President Bush has to face every day from the Washington press. "Once you get into politics, you open yourself up to all sorts of verbal abuses." 'All's fair in love and politics,' goes the old saw. DK and Draskovic's supporters speculated that the TV NS report would be heavily edited to show Vuk in the worst light. "I saw them filming us, too" DK told me later on. "I wouldn't be surprised if they attacked both of us for being there, thus lending Draskovic's appearance more weight." That's because Milorad Vucelic, a strong SPS supporter and a former NIN writer, is now the editor of TV NS. "TV NS is worse than TV BG in their pro-Milosevic propaganda," explained DK.

(A private, plus a group discussion at a Hotel Forum patisserie 14:00 - 14:45)

## Re. Personal

We met in the hallway right after the press conference. I said, "you did well." Inadvertently, but obviously spontaneously, I used the familiar form of the "you" even though we had only met once before. He responded the same way. And so, we've been on a "per tu" basis ever since.

Vuk was seated right next to me at the patisserie. As soon as he sat down, he put his arm around my shoulder, and gave me a big hug. Neither of us spoke a word. Only our eyes met. He proceeded to crack a dirty joke after a dirty joke, entertaining the crowd. Being very much aware that he was the center of attention, he occasionally interrupted other people, including myself, with another wisecrack. Later on, I told DK that the sudden fame seems to have gone to his head. DK nodded in agreement. He said that he had noticed the same thing.

(A private conversation at the Hotel Forum, at about 14:45)

#### Re. Crown Council, Limos

As we were waiting for the transportation, Vuk took me under my left arm. We walked over toward a coat rack. Standing there, away from the crowd as well as away

from any unwanted microphones, he told me that Prince Alexander had formed a Crown Council which is supposed to be meeting in Athens. When he heard that I met the Prince earlier on this trip, he asked me what I thought of him. I said that I had mixed impressions -- some positive, some negative.

Vuk said that "the Prince should simply come, and move into the White Palace. Then Serbian peasants would then say 'the King is back,' and that would be that." I shook my head in disbelief, but did not want to debate the point. In the meantime, we had arranged to have a one-on-one talk tomorrow night during the dinner at Stojan's house. I thought I'd save this till then.

### U.S. Trip

Regarding his recent trip to the U.S., Vuk said that, besides Eagleburger, he was received "by a senior official from the National Security Agency who is very close to Bush." Vuk boasted that he now "has a direct line to Bush." This person will apparently ensure that the President sees personally any urgent messages. "He has a security level 33," he said.

I asked him how long he'd been working with the U.S. He replied "for quite a while. Probably since last summer. But, it was not publicly known until recently." (This did not quite jive with other angles. Michael Habib, for example, told me on January 17 that Draskovic was "even more rabid a nationalist" than the Milosevic clique. And he was dumbfounded when I asked him if he had any message for Draskovic, were I to see him soon. Yet, eight days later, Draskovic arrived in the U.S. [unbeknownst to me at the time, of course]. Is it possible that an American government official would intentionally lie and deceive another American?) I asked him how he established the contact with Eagleburger. He said that Zimmermann did it for him.

At that moment, the limos arrived, and our conversation was interrupted. Thanks to Stojan Vujicic's excellent connections here, Vuk was being treated on this visit like a head of state. He was given the Hungarian President's (Gentz) own Mercedes limos and top security arrangements. When we walked out of the hotel, there were agents all around us. "It's as if Bush were traveling," said DK. He said that he had to tell Vuk that all this was because of Stojan, not Vuk. "If it were just Vuk, they would have sent a mini-van," he said.

Looking at all these security men with their trench coats and pistol contours visible underneath them, I had a funny thought. I was trying to imagine the same scene in a 115F-degree Phoenix weather. I felt sorry for these people...

### Sentandrea (St. Andrea). Hungary.

(A once-Serbian town, about 15 miles North of Budapest -- from about 16:00 to about 22:00)

### Re. Sentandrea Visit

Sentandrea<sup>17</sup> (St. Andrea) is a charming little town on the banks of the river Danube. The place was once a village settled by the Serbs in 1690, during the Carnojevic's migration. The Serbs forced to migrate northward by the Turkish pogroms. Stojan Vujicic, for example, can trace his family roots to Sentandrea 300 years back. At one point, there used to be 15 Serbian churches there. Seven remain, although there are only about 24 Serbs left in Sentandrea. But these 24 seemed more "Serbian" than most people in Belgrade.

Right next to where DK had parked, there was an original pillar from the palace of Czar Lazar (he was the one who led the Serbs into the Battle of Kosovo in 1389). Because of its size, the pillar had to be cut in two and then reassembled. I was imagining the effort it must have taken to transport the pillar hundreds of miles from Kosovo, probably by a pair of ox-drawn carts. Anybody who does not understand what Kosovo means to the Serbs should come to Sentandrea to see the evidence of its importance over the centuries. There is also a monument to Czar Lazar, just outside one of the Serbian churches.

At one of the town squares, a young man was standing behind a souvenir stand full of things Russian -- military passports, medals, pins, etc. I bought two Red Army medals which, he said, were given for extreme bravery. I thought my daughters would think that it was a "cool" thing to have them. "This kind of memorabilia is quite popular here," DK explained. "It's what the Russians have left behind."

As DK and I were strolling down one of the twisty old streets of Sentandrea, Vuk arrived on foot with his entourage of reporters, cameramen and the security detail. He waved to us as he spotted us across a town square. It was amazing to see how efficient the Hungarian police were. While they cleared any other civilian anywhere within 100 feet of Vuk, they never asked DK and I for any IDs as we joined Vuk. Our faces were obviously known to them!

Vuk laid a wreath at the monument erected outside the home of Jakov Ignjatovic, as an all-male Serbian choir sang some church hymns. As the TV cameras were

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<sup>&</sup>lt;sup>17</sup> "Sentandrea" is how the road sign read at the entrance to the little town.

whizzing, I tried to stay out of the way. They have the zoom lenses, though, so I realized that my little effort was probably futile.

From there, we walked to a Serbian church, where Vuk laid another wreath at the monument to Czar Lazar. The sun had just set and a cold wind was blowing. I had only a shirt and a leather jacket on, and was shivering like piece of straw. My feet were also freezing. As Vuk, DK and all others friends were to comfort me, I told them that my blood had thinned out in the desert. "You'll get warmed up when we go inside the church," DK joked. The Serbian churches typically have no heating and are notorious for being cold. He was right. During the service I went to the back of the church, where I found a rug to stand on. That way at least my feet weren't getting the "radiation" from the freezing cold stone floor.

Since we had left DK's car in the parking lot, after the church service we were driven to by the Hungarian security personnel in one of the Mercedes limos to the Serbian Cultural Center, where dinner was supposed to be served. I marveled again at the efficiency of the Hungarian security, who swept all the streets ahead of us, clearing the way for the entourage to swiftly reach the target.

#### **Vuk Draskovic**

(a dinner conversation, around 18:00)

### Re. Seating, Security

DK and I were seated right across the table from Vuk and Stojan Vujicic. Otherwise, there were at least 50 other people at the dinner, seated at three long tables. DK and I had figured that the room had been bugged by the security, but did not know for sure. We were able to confirm it pretty quickly. First, when Bata Nenezic gave a speech in Serbian, in which he appealed to Vuk to cancel the March 9 demonstrations so as to save young Serbian lives, he was shortly afterward complimented by a Hungarian agent who'd heard instant translation through his ear piece. Also, figuring that the secret microphones would have to be planted under the table, I "accidentally" dropped my wallet. As I bent down to get, I saw one of the bugs planted right between Vuk and I, but closer to him. Later on, I thought that I should have taken it as a souvenir. But, I did not think of it at the time. Toward the end of the evening, as the drinking led to group singing of Serbian songs, Bata and some other local Serbs were taking "with Vuk" photos with their "Instamatics." The Hungarian agents, meanwhile, used the opportunity of taking pictures of their own of nearly everybody who attended, including yours truly.

## Re. Karadjordje v. Obrenovic

Vuk said that this was "not the time for another Karadjordje<sup>18</sup>" (i.e., aggressive politics)," he said. "This is the time for a fox like Milos Obrenovic. I wonder what he would be doing if he were in my shoes." Vuk went on to describe how Obrenovic, after seeing the entire Serbian villages massacred by the Turks, went up to the Turkish leader and offered to kiss his hand as a sign of submission. To his own troops, he said (in 1819?) "this will be on my conscience, not yours." With relative peace finally at hand after so many years of fighting, Obrenovic went about soliciting support from Russia and other world powers for Serbian independence. Eventually, Serbia became an independent kingdom (I don't know in what year, except that it was in the first half of the 19th century).

### Re. U.S. Policy

Vuk said that he had been received in Washington by Eagleburger, and in New York by Cyrus Vance, during his January 25- February 5 visit to New York, Washington and Chicago. In New York, he stayed at the NY Hilton on Sixth Avenue, and spoke to a gathering of Serbs at the Ukrainian Orthodox church.

As for his discussion with Eagleburger, he said that Borisav Jovic, a former Yugoslav President, had been also to see him only a few days before Vuk arrived. Eagleburger told Vuk that he thought Jovic was "insane." Indeed, the State Dept. later issued a press release chastising Jovic. By contrast, Vuk said that when he finished his discussion with Eagleburger, the State Dept. made a statement to the effect that the U.S. was throwing its support behind him and the SPO.

Eagleburger also said to Vuk that among all different Yugoslav nationalities, he wanted to support the Serbs the most. I meant to ask him why the Serbs, but decided to leave that discussion until tomorrow night.

#### Re. "March 9"

After Bata's impassioned plea to Vuk not to risk the lives of the Serbian youth, Ilija Radulovic, a lawyer and a vice president of Vuk's party (SPO), got up to speak. To me, he seemed quite drunk. The gist of his remarks was that, "the Communists were ready to fall like the rotten fruit, and all we need to do on March 9 is shake the tree." More than just the words, the way he said it sounded like a battle cry. I thought it was pure madness. I looked at DK. He was shaking his head. "There will be at least 1,000 dead on March 9," he said. He was quite upset. "Just as we managed to make some

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<sup>&</sup>lt;sup>18</sup>their claim to the throne. Prince Alexander is their descendent.

headway trying to cool Draskovic down, he hears a speech like that," DK lamented. Fortunately, Vuk rose up, and tried to calm his man down himself. "The guy is obviously drunk," I said to DK. "I wouldn't attach that much importance to what he had said."

### Re. YU Embassy People Crashing the Party

Two people from the Yugoslav Embassy, the ambassador and an attache (DK called them the "Communist policemen"), crashed the party. They quietly snuck into the place and joined the group. As Ilija started to speak, he talked of some bible stories. At that moment, the YU attache was talking to another SPO man from Vuk's entourage (Milenko). Ilija stopped talking and gave the man an icy cold glare. When the attache realized he was talking over a speech, Ilija snapped that "it was no wonder that the Godless Communist diplomats behave that way when the Bible is being quoted." Milenko jumped to the defense of the man, saying it was all his fault. But, the incident had already flared up. A Hungarian-Serb, who said that he was a common peasant, defended the attache. He said that the YU embassy had never paid any attention to them. But that in the last two years, this person was coming to visit with them in the villages and show concern for their problems. The air was getting quite electric. The peasant would not shut up. He'd sit down, and get up again to fire another salvo at Ilija. Finally, other Hungarian Serbs told him to sit down and stay down.

When Stojan asked the attache why he came uninvited, the man said nothing at all. But he remained, as did the ambassador, who was seated along with the Hungarian security people next to the washroom. After dinner, the ambassador asked if he could talk to Vuk. Vuk agreed. "DK and friends" thought that he was trying to kiss up to Draskovic, whom he bitterly attacked just a little while ago. They figured that now he was starting to realize he may need his job if Vuk were to become President of Serbia. "Typical Communist pigs," said DK. "They have no shame. It's impossible to insult them. Just like you can't insult a pig."

Meanwhile, Ilija and the attache were making up. They toasted each other, and kissed leaning across the table. "What a farce!" I thought to myself. "Why don't we go home," I said to DK.

### Re. Vesna Jankovic-Personal, "Bajaga"

She said that her father was a Serbian surgeon. Her mother was Jewish. She feels that she has inherited more genes from her mother than from her father. Her grandfather was a wealthy industrialist before the WW II. The Communists took nearly

everything they had. She was married to a guy by the name of Drulovic. She thinks he lives now in Belgrade.

Soon after this conversation (which is also on Hungarian agents' tape), we did leave, but not for home. DK, Bata, Vesna, Anja and I went to a little bar within the walls of the Budim fortress, which overlooks the Danube. We stayed there till about 00:30. DK said that this was Budapest's "red light" district. Along the way, Anja played a tape by "Bajaga," a Belgrade pop star, who sounds more like Yves Montagne. The song has become so popular in Belgrade since its release about three months ago, that DK said "that's the anthem of the Serbian youth."

### Re. Prince Alexander

When DK was in London, he said he had discussed with Prince Alexander his idea of building a new Serbian Royal Center for the Arts in Belgrade. He said that the Prince was receptive to the idea. But now, the whole thing hinged on whether or not he was worth supporting. "You must see him again," he said when I asked for his opinion about whether or not to take Prince Alexander up on his offer to come and meet me at my hotel tomorrow on Monday.

### Re. Beckovic, Jelisaveta

DK told me, and others seconded the fact, that Matija Beckovic "was knocking Princess Jelisaveta." DK said that, "Matija must have done it at least 45 times." "How do you know?" I asked. He said that the Hotel Moscow porters have told him that. "Besides," he added, "the whole Belgrade knows about it." "Is he married?" I asked. "Yes, he is," DK replied. Then showing a satirical sense of humor which has made him famous as a playwright, he added, "so he cries about it. But keeps on knocking her. Poor Matija."

### February 16, 1992. Budapest. Hungary.

In the morning, I went down to the pool and did a few laps. I also worked out with weights in the tiny hotel gym. Meanwhile, the sauna was full of naked women; good looking ones, too. No big deal in Europe; I knew that from past experience. But I thought of my friends at the Biltmore Club. Their eyes would probably have been as big as saucers.

Afterward, I went back to my room, made some calls, and worked on my diary until DK arrived.

#### **Prince Alexander**

(a phone call to his home at about 11:00)

I made the appointment to see him at my Heathrow hotel, at 18:00 on Monday evening. I told him that I had a dinner engagement, and only had an hour. He said that was fine; he had to meet his wife anyway, who was returning from Belgrade at about 21:00 the same evening.

He then also told me that he had just returned from Athens, where he met on Saturday "with a group of Serbian intellectuals." He said the meeting went very well.

#### Warren Zimmermann

(a phone call to his home at about 11:15)

I apologized for calling him at home on a Sunday, but I said that I'd be traveling tomorrow. I asked him if this were a "clean" line to talk. He answered that it was not. "My phone is being tapped," he said. I explained that I had met with Milosevic and Draskovic and wanted to give him some feedback which he may find useful. I asked him if there were another line or another way to do that. "I'm afraid not," he replied. "That's the way things are around here." "OK," I said. "This is important, but not terribly urgent. I'll send you a letter in the diplomatic pouch."

I told him that I was off to London next, where I would see Prince Alexander again. He said that later today, he was supposed to go to Princess Katherine's cocktail party.

#### **Dusan Kovacevic**

(a discussion at my hotel, plus a Hungarian seafood restaurant from 15:00 to 19:15)

## Re. Personal Plans, Movies, Plays

DK said that if his plans regarding Prince Alexander do not pan out, he would probably come to live in the U.S. for about a year. His friend, Djordje Marjanovic, has been trying to get him to come and make a movie in Hollywood. But, DK does not like the idea of living with his family in L.A. So, he has asked me to scout out some real estate for him in Phoenix. He may come to the U.S. in April, but the family would not make a move until the kids are out of school (in June). If March 9 demonstrations do take place in Belgrade, he would have Nada bring the kids to Budapest for a while.

We also discussed a possibility of co-producing a movie. He said, "I can see that you and I have similar talents, and that you're interested in such things. I'd organize all the funding, and you and I would work together as producers. There would not be any risk for you; only the upside if the movie made money. You and I would make the film just for the fun of it."

I then told him of my idea of having Princess Katherine raise the funds for the full production of THE PROFESSIONAL in San Francisco. "In return, we would show her and her husband as sponsors of the play." DK thought that it was an excellent idea; that we could also bring the same performance to Serbia, where he is considered "the king of theater." "To promote the tour, I'd organize a performance at the 'Sava Center' for about 6,000 people. We could then take it to Novi Sad and other cities.

We also talked about how we write respectively. He says he can "see" the scenes while writing the script. He has found that he came up with some of his best lines when he was as tired as a dog. There is an element of absurdity that happens in such state of mind, he figures. He still writes everything by hand; then types it from his notes. We agreed that it was time to upgrade to a computer. I also promised to send him some information about ICC's Money Market accounts. He has some \$100,000 which he is currently keeping in a bank account in Chicago.

### Fish Restaurant (at about 16:00)

DK took me to a late lunch to the allegedly oldest restaurant in Budapest (it was on Budim side, toward Sentandrea). Their specialty is the famous Hungarian fish soup (like the French bouillabaisse, only spicy). The meal was indeed outstanding.

### Sudden Fame for PA, VD

On the way back, I told DK that perhaps the reason that both Vuk and Prince Alexander were acting so erratically was that the fame had come suddenly to them, and in large quantity. "So it's gone to their heads," I said. By contrast, I pointed out how both he and I have had time to gradually adjust to notoriety over the years, as we became more successful. "You're right," he said. "I remember the first time NIN wrote an article about me, it was on page 17. Then it was page 15. And so on... Now it is the cover story."

(The latest issue of NIN carried an extensive interview with DK in which he was very critical of the Serbian regime. The central theme of the article was, "why did Dusan Kovacevic run away from BG?." DK bristles at the "run away" phrase. He calls his stay in Budapest "voluntary exile.")

### Re. Prince Alexander -- My Plan

Back at the hotel, I outlined my plan to DK. If I determined in my Monday's meeting with Prince Alexander that he is worthy of my support, I would ask him to give me a letter in which he would commit to three things should he become King of Serbia:

- ¶ That under no circumstances would he resort to force in resolving any contentious issues;
- ¶ That he would never get involved in political processes in Serbia, except as provided in its democratically written new Constitution.

I said that I would also want a (verbal) promise from him that he would not come to Serbia prematurely, and stir up political trouble as a result. (*Later on, I decided to also ask the Prince for a list of paying sponsors. Otherwise, how would we know who it is that we may be associating with?*)

"If he agrees to all of the above, I would then propose to form a Crown Council for North America, and run its first meeting in Phoenix in March," I said. I added that I would recommend that he (DK) similarly become the Chairman of the European Crown Council. Of course, the whole thing would also hinge on what the Prince's intent was with regard to the Crown Council members he had already appointed. If Beckovic is indeed one of them, for example, and/or if I hear of some other Milosevic ass-kissers like that, this would void my whole plan, I explained.

"So, what do you say?" I asked DK. "I think it is an excellent plan, an excellent plan," he replied. "I am 100% in agreement. My own plan was along the same lines, except that I had not thought it through in as much detail as you did," he replied. He added that if it were true that the Prince intends to cooperate with the Milosevic regime, that he (DK) could just as strongly denounce him, as he supported him when he came for a visit last October (DK was the first to welcome the Prince at the airport during a ceremony broadcast nationally by TV Belgrade).

DK and I also agreed that I would give him a coded message after my tomorrow's meeting with the Prince. A mark of "1" would mean a totally unsatisfactory rating. A mark of "5" would signal an "excellent" evaluation. If it were indeed the Prince's intent to collaborate with Milosevic and his surrogates, this would contribute to a lower rating.

### Re. Our Families

We talked about our families, and what the kids liked to do. He told me that his 16-year old boy had just gotten into his first fight at school. DK was also shaken up over that. I told him about our girls swimming; that Anne does about 50 km per week, and that Emily had quit because of an injury ("but mostly to have more time to fool around with such things as MTV," I said. "And she had more talent than Anne!" I added that, in BJ's opinion, talent is 5% of success, hard work 95%. "I happen to disagree with that," I said. "I think that the talent is much more important. But, hard work is also necessary." DK said he agreed entirely. He thought that the talent and hard work were 50/50 prerequisites of success. "One could do 150 km per week and one still would not make the Olympics unless one had talent."

### **Stojan Vujicic's Dinner Party**

(at his home, from 19:30 to 00:10)

### **Getting There**

DK and I got out of the cab about 50 yards or so sooner than we should have. As we were walking toward Stojan's home, Vuk Draskovic's entourage arrived. Two uniformed policemen were guarding the sidewalk. "Damn it," said DK. "I don't know if I have my passport with me." He thought that the policemen would figure we were just some passers-by, and would not let us through. At that very moment, he sneezed loudly. One of the policemen smiled and said "Gesundheit." Later on, DK was again marveling about how well we must be known to the Budapest police, that even traffic cops recognized us, and did not challenge us even though we were within a few yards of Vuk.

"Damn it," said Vuk when he saw us. "I've got a flu. I am running a 38.6C fever." He said he started to shiver last night, and was quite sick by the morning. Yet, he had to go through a full schedule today, including a visit to a village (Kovin?), outside Budapest.

#### **Vuk Draskovic**

(a private conversation, from about 20:00 to 20:30)

#### Re. Personal

I first asked him if he knew what I did for a living. He said that he'd heard that I was a rich businessman. I said "I am not rich, but I am influential." I then explained what I do in a few sentences. I also pointed out that in some respects he and I are playing similar roles. He is trying to topple Milosevic, the things that I have said and

done have shaken John Akers' chair, too. And like he, I am not at all interested in Akers' job, only a positive change for IBM shareholders and employees.

### Re. State Department

Continuing our discussions from yesterday, I asked him to explain why Eagleburger decided to give his the U.S. support. Vuk said that it was because of the fear of the German dominance. "And that's what Eagleburger said?" I pressed him to be precise, as this would have contradicted what Michael Habib had told me on January 17. "Not exactly," said Vuk. He explained that he told Eagleburger that, if the German discipline and engineering skills ever got together with the Russian creativity and spiritual strength, "the U.S. would soon become a third rate country." "Eagleburger's eyes were as wide as saucers at this point," Vuk said.

There was another person in the room, taking the notes fast and furiously. "Several times, he asked if I could repeat what I had said to make sure he got it accurately," Vuk explained. Meanwhile, Vuk's theory was very similar to what I have been thinking -- that the post "cold war" U.S. foreign policy must align itself with the Orthodox Christians (i.e., the Serbs, the Bulgarians, the Greeks, the Russians). The only difference was that Vuk also included Romania into the lot, a country which is not on the "most wanted" list of U.S. partners. "I see you point," said Vuk when I explained why Bulgaria instead of Romania. "I just meant it as a broad brush."

At the end of the meeting, Vuk said that Eagleburger slapped his knee and told his staffer, "Right! Issue a statement that we are throwing our support to Mr. Draskovic." Vuk then repeated the earlier story about a negative opinion which Eagleburger had formed about Jovic. He said that after the State Dept. meetings, he also made calls on a number of Senators. All this was being arranged by the SPO-paid lobbyist, David Vuich.

(It is obvious from the above that the statements which DK and Vuk had ascribed to the State Dept. were, in fact, Vuk's theories presented to Eagleburger. It seems that Vuk concluded that Eagleburger agreed with everything because he'd issued a statement supporting Draskovic).

### Re. Return of the Monarchy

I said that he should not rush trying to bring the monarchy back. Bring the Prince back suddenly, and "taking the White Palace by force, would only complicate matters further." He said that he did not mean to do it by force, and that the issue was not the

return of monarchy, but rather a return of the Karadjordjevic's property to them. He said that he'd been asking the Parliament to pass such a law.

I told him that I had also spoken with Micunovic who also thinks that this is "premature." "He is against monarchy," said DK. "That's not what he told me," I replied. "He only said that the people have not been prepared for it. Which is an opinion shared by most people I have spoken to."

I then told him about my meeting with Milosevic and what he had said about the monarchy. I suggested to Draskovic that the way to bring the Prince back democratically would be to insist on elections for a new Constitutional Assembly. "The issue of monarchy would thus be a part of each candidate's political platform," I said. I suggested that this could be a legal and democratic way of achieving both of his goals --toppling the Communist government, and reestablishing monarchy.

#### Re. Crown Council

He said that this was Prince Alexander's idea; that the group which met this weekend in Athens consisted of seven people. Two of the seven were "my people," he said -- the professors from the University of Belgrade Law School. Then, there was Branko Pesic, the architect of St. Sava Hram, along with another architect whose name Vuk could not remember (maybe the one whom Prince Alexander called 'his friend,' who went to Patriarch Pavle to try to convince him to change his mind last September about Alexander's visit to BG?); Matija Beckovic, Milorad Pavic, the writer, and Prince Tomislav. Vuk said that the Prince wanted ultimately to have about 25 people on the Council, and that Vuk's people were going to nominate a few more potential Council members, including DK.

### Re. "March 9"

I urged him to cancel the March 9 demonstrations, as that may give the Serbian authorities or the hooligans a pretext for bloodshed. I said that a single event like that may unduly raise the peoples' expectations. "You know well that changes don't happen overnight. As a politician, you want to make promises you can fulfill. If you raise that bar too high in advance of the event, people will be disappointed if you don't make it." He was listening intently and nodding his head. Then he straightened himself up. "Why don't you go to London via Belgrade, and give Milosevic a message: 'if you let Prince Alexander return to the White Palace, the March 9 is off." I shook my head in disapproval. "You should cancel it unconditionally. There is nothing magical about March 9. If the government does not fall then, there will be September 9, or January 9 of next year. But that day will come. We all know who is on the decline, and who is on

the rise. So, why risk sacrificing more Serbian lives. Haven't enough Serbian kids died already? As DK said, 'why do we always have to die for Serbia; why can't we live for Serbia?'"

I could tell that the message was sinking in. "I know what you're saying," he said. "And I agree. We'll probably cancel it. But, there is no rush. Let their knees tremble in fear a while longer."

#### Re. Final Goodbye (around 22:30)

As Vuk was getting ready to leave, he shook my hand and we kissed three times on the cheek. I told him, "Take care of the kids!" ('Cuvaj decu!'), giving each word special emphasis. His eyes widened, and he raised his eyebrows. I could tell that my emotion was passing over to him. He nodded silently. Then he walked out of the room.

### Djerdj(?) Konrad

He is the world president of the exclusive writers' club -- the PEN CLUB. We had an animated discussion in English. His wife was also there. They have two small boys, ages 3 and 5.

# Stojan Vujicic, His Wife Marieta, Bata Nenezic, Vesna Jankovic and Anja, Dusan Kovacevic

(a group discussion 22:30 to 00:10)

#### Re. Prince Alexander

After all the guests had left, we continued our discussion on various topics. Stojan, whose house this was and whose family has kept there written genealogical records going back 300 years, gave me a key chain with the Serbian Royal Crest and the crown as a gift. Bata and I made a \$10 bet. I said I would fiddle with it tomorrow in my meeting with Prince Alexander, and bet that he would not notice what it was. Bata thought the opposite. I am to let him know tomorrow that happened.

### Stojan Vujicic re. Prince Alexander

Just as we were ready to leave, Stojan took me aside for a private conversation. He said that he was getting worried about supporting Prince Alexander after hearing what I had to say in our group discussion (i.e., that the Prince was ready to do anything

to get to power, including collaborating with Milosevic). He than showed me a letter he received from Prince Alexander. It was dated December 21, 1991, and was written in cyrillic. Prince Alexander thanked Stojan for his invitation to visit Hungary and for his offer to help the Prince through with contacts with the Hungarian President (Gentz, who is a writer; they know each other quite well as Stojan is editor of some influential Hungarian-language papers). But, he said that he could not accept the invitation at the present time, and hinted that perhaps that may be possible "next year" (i.e., 1992).

I told Stojan that DK and I have already agreed that I would give him my feedback following my tomorrow's meeting with the Prince. "I'll tell DK to share that information with you," I said. I got up, thanked him for his hospitality, and we left.

February 17, 1992. Budapest. Hungary.

Bata Nenezic (a meeting at his office 10:15 to 11:00)

Bata went to the U.S. in 1987, after working for JUGOMETAL. He joined Krupp's New York office, where he traded metals for them. He formed METTALEX AG in Zurich with the \$50,000 starting capital he had saved up. He moved to Budapest to save on the expenses. For the first six months, he had not closed any business. His savings went down to \$8,000. Just as he thought he'd have to throw in the towel and return to New York, a few small deals came his way. "It was mostly scrap iron," he said. "But it was a beginning." He finished 1991 with a turnover of \$8 million, and a gross profit of \$300,000. This year, he expects to grow to \$12 million.

February 17, 1992. London, England.

#### **Prince Alexander**

(a meeting at Sheraton Heathrow Hotel 18:15 to 19:15)

Re. "Talking Turkey"

We sat down in a corner of the hotel lobby. I said to him that until now, we've been getting to know each other socially. "Now, the time has come to 'talk turkey," I said. "As a businessman, I hope you understand what that means." He was laughing heartily. I asked him if the British also used this expression. He answered that they did not, but that he got the point.

I proceeded to explain that DK, Stojan and their Budapest friends have asked me to let them know what I thought of the Prince after this evening's discussion. "I thought you should know this up-front," I said.

## Re. Crown Council

I then asked him why he had not told me anything about the Crown Council when we met last week, and what this was all about. He never answered the first part of my question (thereby answering it -- i.e., that I did not rate as one of his confidants). As for its purpose, he said that he intended it "as a think-tank of Serbian intellectuals." He added that this was quite common with some other constitutional monarchies.

I asked him who the Crown Council members were. He said that nine of them attended the Athens meeting. He only mentioned "Matja Beckovic" by name, but promised to FAX me a complete list. He said that he intended the Council to have 25 members; that four of them would be from the U.S. They would be current or retired university professors -- Moscarevic (?), Dragnich, Srdja Trifkovic, and Tomasevic (? -- from Buffalo). He said that he had asked the Patriarch to name two members, too.

Separately, he intends to organize another Council which would consist of representatives of various Serbian political parties. If I understood him correctly, the representation would be something like one Council member for each 10,000 registered party members.

# Re. Collaborating with the Belgrade Regime

I said to him that if he were to work with the Belgrade regime, or even its surrogates, like Beckovic, he would lose support of many valuable people from the opposition, like DK, for example. The Prince replied that he appreciated all that DK had done for him, but that "we must stop the in-fighting among the Serbs and have a general reconciliation." He added that he wanted "to see a democracy in Serbia. And if that meant I would lose DK, so be it." "Wait a minute," I replied. "First of all, there is no one more for democracy than DK. He's been fighting for it all his life. Secondly, peaceful political fights are the very nature of a democratic system." The Prince then said that "all these people are Communists. Draskovic was a Communist. So was Micunovic. Consequently, I must work with all of them, including Milosevic." "That's not true," I said. "DK, for example, was never a Communist." "That's true," he acknowledged.

### Re. Draskovic

As for Draskovic, the Prince seemed irritated as he said that "Draskovic keeps talking that he is going to bring the King back. He is sticking to me like 'velcro,' he said. He pointed out that this is how the New York Times put it, too, in a recent article (Feb 9).

### Re. Milosevic

I asked him if he were interested about what Milosevic had to say about the chances of monarchy returning to Serbia. He said, "very much." I then described my conversation with Milosevic. At a point when Milosevic said that he did not have anything against monarchy, the Prince replied, "Smart!" beaming from ear-to-ear in admiration of Milosevic. He added that Milosevic was "much smarter than any of them" (the Serbian opposition leaders). "And I think that Serbia needs all smart people." ("What a fool!" I thought to myself, but did not say anything. He obviously does not realize that Milosevic is also much smarter than he, and that he would eat him for breakfast any time he chose to).

### Re. Premature Return

I then asked him if he wanted to know what my "bottom line" assessment was after talking to all these people in Belgrade and Budapest. He said he would. I told him that, in my opinion, his return any time soon would be premature. I explained a process by which he could return legally, i.e., after a newly-elected Constitutional Assembly votes him back. "But, such a day is a long way away," I said. "Almost all people with whom I spoke thought that your return at this point would be premature." He did not say anything, but I could see by his body language that my words had no effect on him.

# Re. Alleged Army Support, JNA Spies

He then told me again how he had good support in the Army. "When I was in Belgrade, a JNA colonel was crying," he said. "He said that he was ready to serve the King, and that there were many other like him in the JNA." ("Oh my God," I thought to myself. "What a bloody fool this Prince is! So, those 'colonels' who were allegedly behind him [per our Feb 11 dinner conversation] was, in fact only one emotional person?").

He proceeded to tell me that "Serbia must have a well-trained professional army." He added that a certain percentage of the JNA officers had been trained by the U.S. and the U.K. Apparently, this goes all the way back to Tito's days. "What was in it for Tito?" I wondered. "Why would we want to train the Communists?" He replied that Tito wanted his people to be up-to-date technologically; and that the West wanted the

information about the readiness of Tito's army. "I get it," I said. "They actually went to spy schools." "In that case," I added, "how did we allow our spies to bungle things up so badly in the latest war with Croatia?"

### Re. Dubrovnik

I then told him what Milosevic had said about the reasons the JNA attacked Dubrovnik. He said that his sources have told him that over 500 shells had hit the city center. "There is not reason for the destruction of the outlying areas, either," he said. I agreed. He added that most of the famous hotels had been hit, too.

He said that JNA had been trying to send their Croatian and Slovenian officers back, but that the two secessionist republics' governments refused to accept them as Communists. I told him that on this trip, I noticed for the first time, that the red stars were gone from the caps of the JNA soldiers in Belgrade. Instead, there is a blue-white-red round badge with a black "YU" printed in the middle. But, he said that many soldiers in the field still wear the "red stars," as the new insignia are in short supply.

# Re. Lord Carrington

He said that Lord Carrington considered Milosevic "the toughest guy to deal with." I asked him if that did not contradict what he had told me last week. The Prince did a fast "tap dance" trying to explain himself. He said that by "the toughest" remark, Carrington meant the best negotiator. He added that "Carrington may quit the whole thing, as he is getting very frustrated." I smiled at the comment. "I guess he is finding the Balkans a little more complicated than Rhodesia," I noted wryly (Lord Carrington is credited with having arranged the agreement which led to the transformation of the former Rhodesia, to today's Zimbabwe).

# Re. Tudjman/LONDON TIMES

I asked him if he had seen today's story in the LONDON TIMES, in which Tudjman was said to have promised to prosecute the Croatians who have committed atrocities against the Serbs. He said he had. I then told him what I had suggested to Milosevic last Friday (i.e., to speak out against the same on the Serbia side, and prosecute the culprits). "Now it's already too late," I said. "He'll be now perceived as responding to Tudjman, rather than leading in the positive direction."

I speculated that the turnaround in Tudjman's position was probably a result of the pressure which Germany was putting on him. "Now that we've admitted you into 'the club,' you have to abide by the rules," I imagined the Germans telling him. "You're right," Prince Alexander said. "There have been many phone calls from Genscher to Tudjman lately."

### Re. Princess Katherine and THE PROFESSIONAL

He said that he had spoken to Princess Katherine today after she landed in Zurich, and that her visit to Belgrade went very well. She has been to six hospitals, attended the Saturday church service which Patriarch Pavle and Metropolitan Irinej had held, and another one in Novi Sad which Bishop Irinej (of Backa) had given. He also said that she met with Warren Zimmermann last night at a reception. "She was trailed everywhere by the TV BG cameras," he said.

I explained to him my idea of the Crown's sponsoring the North American production of THE PROFESSIONAL. He thought that it was a great idea, and that his wife would love to be involved in raising the funds. He said that he would talk to her about it. As we parted, I wished him "good luck!"

(Later on, when I summarized by thoughts and concluded that he is not worth supporting, I also realized how pointless THE PROFESSIONAL-part of the conversation was).

February 17, 1992. London. England.

FAXes to DK, BJ (around 23:00)

As soon as I returned to the hotel room, I sent the following FAX to DK in Budapest about my conclusions regarding Prince Alexander (see the enclosures):

FAX COVER SHEET

From: Sheraton Heathrow Hotel, London, England

Date: February 17, 1992 Time: 4:46 pm (MST)

\_\_\_\_\_\_

TO: Dusan Kovacevic c/o Batric Nenezic-CONFIDENTIAL METALLEX AG, BUDAPEST, HUNGARY

\_\_\_\_\_\_

FROM: Bob Djurdjevic, President
ANNEX RESEARCH, PHOENIX, ARIZONA, U.S.A.

*FAX:* 602/952-2058 (for personal/confidential FAXes)

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#### Dear Dusan:

- 1. Bato, Vesna i Anja: Mnogo vam hvala na svemu, a pogotovo na vasem prijateljstvu. Zaista mi je bilo lepo. Takodje se jos jednom u moje ime zahvalite Stojanu na njegovom gostoprimstvu.
- 2. Bato: Dugujes mi \$10 (ali ne zuri da isplacujes, jer nisam ponosan tom "pobedom"). Ja sam mu onaj privezak pred nosom drzao jedno 10 minuta, a on ni da trepne.
- 3. Dusko: Onaj nas student nazalost nije polozio ispit, iako se mnogo trudio i bio vrlo ljubazan. Po mome, zasluzio je "1" (jedinicu). Za tebe kaze da je zahvalan na pomoci, ali ima precih poslova (ovo zadnje je moja interpretacija). Ocigledno misli da sve moze sam; svi su ostali losi; cak odlepljuje od sebe i onoga koji mu je omogucio da uopste izadje na ispit. Kaze da mu je "saradnja sa svima vazna," ukljucujuci onog rektora koji ga je oborio na ispitu. Takodje kaze da ce da dodje u Madjarsku "iduceg meseca." Navodno je to sve sam uredio, ocigledno mimo Stojana.
- 4. Dusko: Ja sam mu sve kazao onako kako mislim. Besplatno. Sto je otprilike vrednost takvog saveta takvom coveku. Rekao sam mu i da ce takvim stavom da izgubi dosta vrednih prijatelja. Ali on nesumnjivo ima drukciju skalu vrednosti.
- 5. Dusko: Moje licno misljenje je da ja treba svom poslu da se posvetim 100%. Ti prosudjuj sam za sebe. Ako hoces da razgovaramo, pozovi me po dogovoru. Inace, postoji interes u principu za finansiranja produkcije PROFESIONALCA u Americi i u BG/NS itd. Ali s obzirom na Ad 3., to verovatno vise nije aktuelno.
- 5. Dusko: Veceras sam imao poslovnu veceru u toku koje sam zakljucio jedan dobar posao a da to nisam ni pokusavao. Prosto mi je ovaj covek dao ugovor "iz cista mira." Nisam to ni

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trazio, ni ocekivao. Izgleda da je Bog jedva cekao da potvrdi ispravnost moje odluke iz Ad. 5.

Sa srdacnim pozdravom i tebi i Nadi.

Bob Djurdjevic President

RSD/ar

P.S. This FAX is being sent to you directly from my IBM laptop without a prior hardcopy printout.

February 18, 1992. London, England.

Before I left for the airport, I also sent a similar FAX to BJ in Belgrade.

Figuring that both of the above FAXes would be read by the Hungarian and Serbian intelligence services respectively, I thought that it was important for them to know what the real score was. Otherwise, they may have gotten a wrong impression that, since I have been meeting with Prince Alexander, I am one of his backers, too.

February 18, 1992. Washington, DC.

# BN's and DK's Replies

(a FAX received via Phoenix; a partial translation from Serbian)

# BN's Reply:

"...I am enclosing DK's FAX. With a great disappointment I will 'pay of my US\$10 debt,' which I lost fairly and squarely. The problem is that entire Serbia which is worth something will also be disappointed."

"As for the this bad student who got a "1," I think that this time he will pass the grade despite of it. But, sooner or later he will be ejected from the school -- forever!."

DK's Reply:

A Black-and-Black Film

- "...I have just read your FAX, and I am deeply disappointed. We've talked a lot together; we've known everything; but we were hoping that we were wrong (which would make things a lot easier!)..."
- "...This whole 'story' has brought the two of us closer together. If nothing else, that friendship is for me very significant..."
- "...Let God give them (the Serbian Royalty) wisdom to come to their senses -there is still time -- to understand what they are doing and what the consequences
  would be. So that they don't end up inheriting only the worst of the Karadjordjevic
  family's character traits..." (greed, dictatorial style).
- "...Of course, all of my friends are my wealth which they (the Karadjordjevic) now will not have in Serbia. We have all gathered around an idea from which no one stood to have make personal gains. They (Karadjordjevic's) have chosen (to associate with) those similar to themselves, who are using something of general value to achieve their private interests. All of 'us' already have all that 'private' (wealth), so let them now have even the things we did not wish for ourselves."

---- END OF FEBRUARY 18 ---- February 19, 1992. Washington, DC.

# Laura Clerici, Deputy Director for Eastern Europe

STATE DEPARTMENT (a meeting in her office -- 10:30 to 11:05)

### Re. Personal

Right off the bat, she told me that she only had half an hour. I asked her if she knew who I was. She said that she knew that I was an American citizen of Serbian descent. "And that's it?" I asked, wondering if she were lying, or truly ignorant. "That's it," she replied. "You don't know, for example, that about a month ago I met with Michael Habib?" I asked. "Oh, yes. I've heard that. But, I don't know what you've discussed," she said.

("This is not going to be very productive," I thought to myself. "Maybe I should have refused the meeting, as I had originally instructed my staff, until Eagleburger or Habib were available. I was beginning to get the impression that these people like to do their own thing, right or wrong, and that anyone else's opinions they regard as a nuisance that they have to put up with as public servants. I thought I'd remind her that, as a paying taxpayer, I expect better communications between her and her boss. But, I did

not say anything about that. The meeting had just started, and I thought I'd give her another chance).

I asked if Habib was in Europe, as I had been told. She said not quite yet; that he was getting to leave this afternoon; and that's why he had asked her to meet with me. I asked her where he was traveling. She said to Bonn. ("A director for Eastern Europe traveling to Bonn?" I thought. That can only mean one thing -- to try to keep the Germans in check).

I told her that I wanted to talk to Habib in January "because the information you were receiving from Belgrade was either slanted or incomplete. From my own sources I knew better. And I was concerned, as I am now, that you may end up making wrong decisions again. Which can be costly. For example, you hung on to the old federal Yugoslavia like a drunk hangs on to a fence. And then the fence collapsed. You also backed the wrong horse -- Ante Markovic. Which cost you a lot of points in Belgrade."

## Re. Her Previous Foreign Posting

Like Habib, she has been in her current post for only six months. Previously, she had served in Honduras and Guatemala. When I asked her how that qualified her for being the deputy director for Eastern Europe, she said that she'd spent the last three years working on Eastern European affairs. "I had also lived there for 10 years," she added.

(The vagueness of her answers reinforced my intention to check out her diplomatic background, to see if there is any indication of a possible ethnic bias. Her name sounds as if it may be Albanian. That would be par for the course – an Albanian in charge of the Yugoslav affairs!).

I described the trip from which I had just returned, and said that I was here to talk to her about three subjects, the first being en eventual return of monarchy to Serbia. She seemed to perk up a little when she heard that. Maybe she expected to be beat up in a worse way?

## Re. Prince Alexander's Return

I outlined the relevant part of my discussions with Prince Alexander and Milosevic. I also told her that I knew that "bringing the King back" was an important part of Draskovic's platform. I asked her what the State Dept.'s position was. She said "you know that we do not take positions on matters like that. That's up to the people of each country to decide." "That's interesting," I said, "because Prince Alexander told me

that he has the support of the U.S." I also named some of the other countries which he had mentioned as also allegedly backing his return to the throne. She said that she could not imagine how he might have gotten that impression, since it is simply not true. She asked me if I knew who his source was. I said I did not.

I then talked about my particular concern, that either he or Draskovic may simply decide that it is time for him to come. I told her that that's exactly what Draskovic had told me, and that I had tried, over the weekend, to talk him out of it. I then outlined a legal, democratic way for his eventual return (if the people would have him), i.e., the new elections for the Constitutional Assembly.

She was listening very intently. Her initial aura of snobbishness and superiority seemed to be vanishing. "Of course, we would be opposed to that," she said. "We are opposed to any non-democratic change, meaning a change which does not adhere to the CECS principles." "In that case," I said, "it would be a good idea for you to let him know your position. The man is obviously mistaken. And he inadvertently could cause problems because of that." She replied that they had no means of doing it. "Would you like me to do it?" I asked. She thought about it for a moment. "That would be good," she said. But, she pointed out that I should make it clear that I was not speaking "on behalf of the State Department." I said that that made sense to me, too.

# Re. Draskovic, German Expansion, March 9

As my next subject, I told her of my conversations with Draskovic in Budapest, and of his summary of his meeting with Eagleburger. "Draskovic is very attractive to us," she said. "I don't mean that physically," she hastened to add. "His political platform is." Then she started to hedge a little as to how much of a support Vuk has. I said that to the people I talked to in Belgrade anyway, his U.S. support is unequivocal. "And that includes the diplomats, like Peter Hall, for example," I said. "You do know who he is, don't you?" I asked. By her hesitation, I could tell that maybe she did not. "The British ambassador," I added. (She promised to send me that State Dept. press release).

I told her of Vuk's discussion with Eagleburger, and what he had told him about the U.S. becoming a third-rate power, if the Germans and the Russians ever hooked up. We debated the issue of the U.S. foreign policy in view of the new German expansionism. She disagreed with the pro-Orthodox emphasis as a way of countering the Germans. She felt that Poland and Czechoslovakia are the two countries the most endangered by the new German power (because they share a border with Germany).

Regarding the March 9 demonstrations, I explained to her the reasons why I thought that this opposition rally should be canceled, and that I had told Draskovic the same thing. "Sometimes, one has to take certain political risks," she said. "I think that this decision should be up to Draskovic." (This suggested that the State Dept. people were encouraging Draskovic to do it. That's what I suspected. Of course, it's no skin off her back, is it? What does it matter to her how many Serbians die, as long as they help get rid of Milosevic? I started to wonder what sort of a name "Clerici" was: Italian? Albanian? That could perhaps explain such a cold-blooded, calculating stance. On the other hand, maybe that's not even relevant. For, this would be a stance which any logical person would take who does not give a damn about the human cost of such a "solution." I made a mental note, though, to check her bio out).

"Of course, it should be up to Draskovic," I replied. "But..." I proceeded to explain other reasons why March 9 would not be good for Vuk politically (such as the "flash in a pan" syndrome, raising the expectations too high, etc.). She was listening intently, and nodding some of the time. "Getting rid of Milosevic won't solve anything unless the new Draskovic government knows how to practice democracy," I said in conclusion. "And you'd want its first step to be provoking bloodshed and violence?" "You're right," is all she said at the end of my "dissertation." I moved on to the next subject...

## Re. Milosevic, Vukovar, Dubrovnik

The only time she showed considerable amount of emotion during our conversation was when the subject switched to my discussion with Milosevic. As I was explaining how I intervened with him in January 1990 urging him to receive our ambassador, Warren Zimmermann, and discovered in the process that they each had two different (and inaccurate) reasons for Milosevic's not wanting to do it before, she jumped in: "I am not surprised he (Milosevic) told you something different from what Warren had said. Milosevic is well known for talking out of both sides of his mouth." I said that thought that there was nothing wrong of the TV Belgrade coverage of the Dec/90 elections, that he even donated his allotted time. "Is that right?" she asked sarcastically.

I said to her that Milosevic also told me that he did well for Serbia; that after the U.N. peacekeeping forces are deployed, the Serbian population in Krajina's would be protected from the Croatian fascist genocide. "Oh yeah?" she remarked sarcastically. I continued, and told her that he said this "feat" cost "only" about 1,000 Serbian lives. "That's not true," she said, "the number is much higher." The tone of her voice indicated that her internal temperature was rising. "That's what he told me nevertheless," I replied. I added that he also said that the JNA garrison in Vukovar was attacked by the

Croatians, as well as the Serbian populations inside the city. That's is why the JNA had to attack the city, he explained.

I could tell that by now she was getting quite hot under the collar. "That's bullshit!" she said, using the language not quite lady-like or diplomatic. "That's absolute bullshit!" she repeated just in case I didn't get it the first time. She said that the JNA soldiers "could have walked out any time they wanted." She asserted that many actually did. (I did not say anything, but her reply was quite pathetic. It was also proof of the fact that they were not getting a true picture of the situation in YU. Anyone who read my diary from my the September-October visit there, could see how dangerous it was for soldiers to leave their posts, and go home to Serbia, even when they were dressed as civilians, let alone in their uniforms. Finally, last week's Helsinki Watch report on Croatian atrocities finally gave credence to the stories which until now only the Serbs were talking about).

"Not really," she said. "I suppose it would be another lie." She paused for a moment. "What did he say?" I smiled looking at her before continuing. "He said that had nothing to do with him," I replied. "Really?" she said, again with a sarcastic look on her face. "Nothing to do with him? It figures he'd say something like that." She shifted in her chair and propped her foot against the coffee table between us. When she spoke again, her voice erupted with anger. "Did you know that even the Turks spared Dubrovnik? Even the Turks did not destroy it?"

I continued talking quite calmly, ignoring the emotion in her voice. I wanted to see how high I could raise her temperature. "He also said that there were high concentrations of mercenaries in Dubrovnik; that the JNA offered to evacuate them and turn them over to their embassies, but the Croatians refused," I said. "That's a lie!" she said, still fuming. "That's a damned lie!" "I asked him why would the Croatians put up so many mercenaries in Dubrovnik?" I said. "And what did he say?" she asked. Now, she could no longer wait for the answer which she was not interested in. "He said that it was because Croatians made some territorial claims vis-a-vis Boka Kotorska," I said. She was just shaking her head in disbelief. "That's incredible. Even the Turks had not done it," she repeated like a stuck record. "They are still fighting there," she added. "Did you know that?" "No, I didn't" I said. "They are. The JNA is still shelling the city. That's madness."

## Re. Yugoslav Army=Serbian Army

I changed the subject to the JNA. Allowing the perpetuation of the myth that the Yugoslav Army was the Serbian Army was one of the biggest mistakes which our

embassy staff in Belgrade made. I said that a Serbian Army not only would have performed such nonsensical operations as those in Vukovar or Dubrovnik, but would have combed the living daylights out of the Croatian "command and control" facilities in Zagreb. "I hear that the JNA claims to be the fifth largest air force in Europe," I said. "That's true," she replied. "Well then," I said. "Leveling a city like Vukovar, while sparing Zagreb would be like General Schwartzkopf's devastating Kuwait City while leaving Baghdad intact!"

I also told her what Prince Alexander had told me Monday night (2/17), that the JNA was supposedly trying to send the Croatian and Slovenian officers back, but they won't have them back because they were Communists. She defended the State Dept. position (JNA=Serbian), however, by saying that the Army was commanded by the Serbs. (*Realizing that I was barking up the wrong tree, I got up to leave*).

As we were walking out, she repeated that I should not communicate to Prince Alexander "on behalf of the U.S. government," but on my own initiative. "Of course," I said. "It was my own initiative."

Prince Alexander

(a FAX message sent from my Washington, DC hotel, at about 21:00)

#### FAX COVER SHEET

From: Park Hyatt Hotel, Room 807, Washington, DC

Date: February 19, 1992 Time: 7:17 pm (MST)

TO: HRH Crown Prince Alexander Karadjordjevic PERSONAL

FROM: Bob Djurdjevic, President
ANNEX RESEARCH, PHOENIX, ARIZONA, U.S.A.
FAX: 602/952-2058 (for personal/confidential FAXes)

TOTAL NUMBER OF PAGES INCLUDING THIS ONE: 1

#### Dear Prince Alexander:

I am writing to you instead of calling as it is too late to call now, and I leave Washington early in the morning.

This morning I had a meeting with a senior U.S. government official at the State Department. Among other things, we discussed your claim that you have the support of the U.S. government (you said that during our dinner conversation in London on Feb 11). You don't! The U.S. position is that that's up to the people of each country. The U.S. is opposed, however, to any forced changes without a due democratic process. As you know, that's how I also felt in our meeting in London on Feb 17.

I hope, therefore, that you will take to heart my well-intentioned suggestion -- not to rush anything. Returning to Belgrade without being democratically invited by the people of Serbia could only complicate further an explosive political situation as it is.

I should point out that I am sending you this message as a private American citizen who is concerned about the welfare of the Serbian people, not as a representative or agent of the U.S. government. But, the State Dept. official with whom I met did not discourage me when I asked if they would want me to pass this message to you.

Sincerely,

Bob Djurdjevic President

RSD/ar

P.S. This FAX is being sent to you directly from my IBM laptop without a prior hardcopy printout.

I sent copies of this message (also by FAX) to DK in Budapest, and to Vuk Draskovic in Belgrade.

----- THE END -----

### **EPILOGUE**

February 22, 1992. Phoenix. Arizona.

## **Dusan Kovacevic (DK)**

(A telephone call at about 10:30)

### Re. Prince Alexander

DK said that BN took a call for him from Shukich yesterday. "Basically, they are shell-shocked after your last FAX" (with the State Dept. news), he said. "That's good. From now on they will take you seriously. Maybe this kind of 'shock therapy' would bring them to their senses." He said he was planning to talk to Shukich himself over the phone on Tuesday (2/25).

I said that I did not intend to change my game plan. "Maybe I'll write one more article on this subject," I said. "After that, I intend to spend most of my time on my own business." DK said that he was hopeful that the Prince and his staff eventually may start to listen to people with good advice. "Maybe so," I said. "But, if they want to have anything to do with me again, the initiative will have to come from them." DK agreed.

## Re. Stojan Vujicic

DK said that when Stojan heard about my message from London, that he was ready to hang himself. I started laughing. DK said that "Stojan got two chairs out and was about to climb on them, when he changed his mind and decided to sleep on it. Now he has changed his mind again" (about hanging himself). We were both laughing at this point...

## Re. His Work

He reiterated his intention to come here, and once again asked me to get him the information I promised. He said that something similar to my London experience has happened to him, too. A friend of his, from Hollywood, is coming to see him on Tuesday (2/25). This friend invited DK to come to Hollywood for about two to three years, and make movies. DK said he'd write to me after his conversations with Shukich and this person.

---- END ----