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INTERNATIONAL
SECURITY AFFAIRS

ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

Declassified
A/ISS/IPS, Department of State
E.O. 12958, as amended
June 19, 2008

1 JUL 1974

Refer to:
1-23279/74

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with US Ambassador to Yugoslavia

Participants:

Defense

Assistant Secretary of Defense (ISA) - Mr. Robert Ellsworth
Director, European Region (ISA) - BGen H. Lobdell, Jr., USAF
Asst for Soviet Union & East Europe, (ISA) - Capt R. J. Kurth, USN

State

US Ambassador to Yugoslavia - Ambassador Malcolm Toon
Yugoslav Desk Officer - Mr. Harry Gilmore

Time: 1437-1500 hours, 25 June 1974

Location: Office of the ASD (ISA)

1. (S) US-Yugoslav Relations in General

After opening pleasantries, Mr. Ellsworth asked Ambassador Toon for the Ambassador's assessment of US-Yugoslav relations. Ambassador Toon replied that up until this morning he had been convinced that the relationship between the two countries was good and improving. However, this morning the Atomic Energy Commission had made it known that the US has insufficient capacity to produce enriched uranium to meet existing US commitments. This development affected commitments previously made to a large number of countries, including Yugoslavia. Ambassador Toon said that the AEC announcement would put him very much on the spot with the Government of Yugoslavia. He had travelled throughout Yugoslavia as a salesman for US technology and had spoken personally with President Tito on the desirability of "buying American," particularly with regard to nuclear technology. In the wake of an announcement that the US does not have sufficient enriched uranium as promised, Ambassador Toon said that his credibility in Belgrade would suffer. Particularly disturbing to him was the fact that US-Yugoslav relations have been very much on the upswing since the low of last fall.

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Ambassador Toon said that the Yugoslavs have shown a new awareness and appreciation for sensitive areas in US foreign policy. Furthermore, we in the US had learned a great deal lately about the way in which we must deal with Yugoslavia. In the first place, we understand better what it means for the GOY to be communist but also free. In addition, we have gained a better understanding of the Yugoslav position as a leader in the non-aligned movement. For example, as the movement became more radical, the Yugoslavs were required to assume some radical positions in order to maintain their role of leadership.

It is terribly important, continued Ambassador Toon, that we understand that Yugoslavia is a free and independent communist country which is nevertheless "anti-imperialistic." We should also see that our basic national interests require that Yugoslavia remain outside the Warsaw Pact and that this objective alone is reason enough for the US to maintain good relations with Yugoslavia. The keystone of our relationship should be that both sides maintain the willingness to talk while treating each other's positions with respect.

2. (C) Military-to-Military Contacts

Mr. Ellsworth asked the Ambassador's recommendation with regard to military-to-military contacts. Ambassador Toon replied that we should resume them. Mr. Ellsworth wondered how necessary they were. Are low level talks important he asked? Ambassador Toon said that low level military contacts were important but not imperative. What the Yugoslavs are really after is balance for their dealings with Marshal Grechko, the Soviet Minister of Defense. For this purpose, the Yugoslavs would like a visit by Secretary Schlesinger. If we could not accomplish this, added Ambassador Toon, then we ought to resume elsewhere, at lower levels. He recalled the success of the visit to Yugoslavia of Major General Roberts in the fall of 1972. Mr. Ellsworth noted that the sale of military equipment had appeared to be an important objective of our military-to-military contacts. However, we in DOD were not convinced that there had been progress. The Yugoslavs had seemed so vague on what equipment they wanted from us. Ambassador Toon responded that what the Yugoslavs want is a dialogue. Mr. Ellsworth said that, on the occasion of Ambassador Granfil's call on Secretary Schlesinger last August; we had offered them the opportunity for a free-wheeling dialogue by having the military attache call in ISA for discussions on any subject at any time he wanted. However, in private the attache confided to the ISA desk officer that he could never enter into such a dialogue without specific instructions in each case from Belgrade. This had drawn our attention to Ambassador Granfil's inference that a meaningful dialogue could only get started under the umbrella of a meeting between SecDef and President Tito.

3. (S) Possible Visit by Assistant Secretary Ellsworth

In the absence of a visit by Secretary Schlesinger, Ambassador Toon suggested that Mr. Ellsworth come to Yugoslavia. BGen Lobdell recalled that the US-Yugoslav military contacts program had been initiated by ASD Nutter.

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Mr. Ellsworth inquired whether or not he might profitably visit Belgrade in connection with his travel to the NATO NPG meeting in Rome next November. Ambassador Toon said that he would rather have the ASD come to Belgrade from another capital. Mr. Ellsworth thought that he might be able to stop off in Vienna prior to coming to Belgrade. Ambassador Toon thought highly of this suggestion. Mr. Ellsworth continued that he might then stop off in Geneva after Belgrade. BG Lobdell said that Mr. Ellsworth's suggestion was in line with the kind of arrangements that were previously made in planning visits for senior defense officials in Yugoslavia. Ambassador Toon thought that it would be a good idea if Mr. Ellsworth were to come to Belgrade next fall with a change of policy in hand, particularly with regard to selling arms to Yugoslavia. Ambassador Toon repeated that it is a good idea to offer the Yugoslavs an alternative to remain independent from the Soviet Union. We were well down the road to interrupting that dependence last year, added Ambassador Toon, when Yugoslav actions forced us to interrupt our program. Mr. Ellsworth said that his visit and any modification of policy would be a decision of the Secretary of Defense. Before responding to the Ambassador's invitation, Mr. Ellsworth said he would discuss the matter with Secretary Schlesinger. Mr. Ellsworth added that the Secretary had not recently been inclined to modify current DOD policy toward military contacts with Yugoslavia.

4. (S) Exercises

Ambassador Toon next turned to the subject of military exercises in the Northern Adriatic involving US forces. He recalled how the US had been caught in the middle of the Italian-Yugoslav dispute over Trieste early this year because of our participation in the NATO Exercise (DARK IMAGE 74) in the Adriatic. Ambassador Toon argued that it was necessary to consider political factors connected with such exercises and that under the circumstances he would like there to be no exercises involving US forces in the Adriatic for the foreseeable future--at least until the Yugoslavs and Italians are talking again. Ambassador Toon said that he understands military requirements for exercises but that political factors must bear on them. Mr. Ellsworth said that as a general rule, he could not accept the logic that political factors ought to inexorably cause us to abandon exercises in the North Adriatic. Ambassador Toon replied that for the time being at least we ought not to be involved in an exercise like FLINTLOCK 74 coming up in August and September. Ambassador Toon thought that the US Ambassador to Italy would very likely agree with excluding US involvement in Adriatic exercises for the time being. After discussing the nature of the exercise, Mr. Ellsworth said that he would take Ambassador Toon's viewpoint under consideration.

Memorandum of Conversation

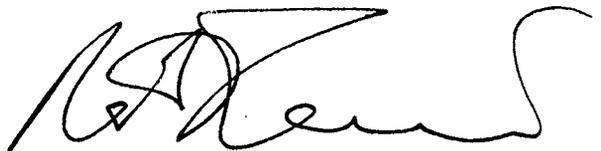
Approved by:

Prepared by:

Captain R. J. Kurth, USN
OASD (ISA) European Region

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Assistant Secretary of Defense
International Security Affairs

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