August 29, 1975

MEMORANDUM FOR GENERAL SCOWCROFT

FROM: Helmut Sonnenfeldt

SUBJECT: Comments on DOD Staff Paper, "US Military Relations with Yugoslavia"

This paper gives the false impression that we have treated Yugoslav requests for assistance and cooperation in an orderly and forthcoming manner. In fact, as Ambassador Silberman has pointed out, there has been considerable resistance to this by the Armed Services. ISA has been doing what it can to clarify Yugoslav requests and urge favorable action. However, as of now, no classified material has been approved for sale and only token amounts of unclassified material has been offered to the Yugoslavs.

Secretary Schlesinger's decision of August 22 to grant an exception to our National Disclosure Policy for Yugoslavia may represent a key breakthrough in this situation. However, the Services will still have action responsibility and it is clear that a firm political hand will be needed to ensure that the previous inertia is overcome.

Thus, the major problem is to break the log jam. In doing this, however, we must be sure not to be carried away in the opposite direction of simply giving the Yugoslavs a blank check for anything they want. Our policy must be set in a political framework. The key factor is that the military is likely to play a crucial role in Yugoslavia after Tito. Aside from the party structure, it is the only all Yugoslav organization in the country and as such constitutes a vital unifying force. Our political objectives are thus:
-- To increase our influence among the Yugoslav military and correspondingly to reduce in relative terms the preponderant Soviet influence gained as a result of being chief military supplier for the past 15 years.

-- To enhance the Yugoslav military ability to resist any Soviet encroachment which might occur during a period of post-Tito instability.

Ambassador Silberman has recently proposed a number of measures in the field of exchanges and cooperation. A positive action on these recommendations would be directly responsive to our first political objective as noted above. (See Tab A)

Responsiveness to Yugoslav request for actual hardware is designed to meet the second objective. A good example of the kind of system ideally suited to this purpose is the TOW anti-tank missile system which was included in the original Yugoslav shopping list of February 26, 1975. This is a classified system and is not available in large quantities. However, its sale in at least token quantities is under active consideration and hopefully will be approved without delay.

In addition to the political factors cited above, there are other political aspects which should be factored into the decisions on specific requests as they are made. For example, the Yugoslavs have asked for Napalm—provision of which would have obvious negative political ramifications for us domestically. We must also gauge our responses with an eye to Yugoslav political behavior toward us. For example, while the Yugoslavs were not unhelpful in the Committee of 24 on the Puerto Rican issue, Foreign Minister Minic's August 26 speech at the Lima Nonaligned Nations Conference was somewhat intemperate on matters of interest to us. While a certain tolerance of the Yugoslavs is required at times, and we must be careful to avoid knee-jerk reactions, we must continue to make clear to them that our military relations cannot take place in a political vacuum, as was shown by our standoff on military sales in October 1973 because of Yugoslavia's aid to the Soviets in resupplying the Arabs.

On the domestic political side, it should be noted that Congressmen Zablocki and Price, during a recent visit to
Belgrade, were sympathetic to the sale of military equip-
ment to Yugoslavia.

In sum, the present situation is that we have received
voluminous Yugoslav requests on which ISA is seeking greater
specificity. Despite the August 22 decision on NDP, a major
effort is needed to get DOD moving. This movement, however,
when achieved must be carefully calibrated to our political
objectives in Yugoslavia.