

**SERBIA: THE MILOSEVIC REGIME ON THE
EVE OF THE SEPTEMBER ELECTIONS**

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SERBIA: THE MILOSEVIC REGIME ON THE EVE OF THE SEPTEMBER ELECTIONS¹

EXECUTIVE SUMMARY

The regime in Serbia has recovered its footing after the 1999 war with NATO and remains as hard-line as ever. Learning and gaining experience over the years has enabled the regime to “improve” its performance and become more efficient. Most analysts in Serbia agree that Milosevic will be able to stay in power indefinitely.

The process of internal consolidation after a lost war and loss of Kosovo has been mostly successful. The Serbian state security apparatus is pervasive. Its only task remains to secure the rule of federal President Slobodan Milosevic; the enemy is whatever threatens that rule. Information collected is used selectively to intimidate, blackmail or inflict political damage on opponents. The police are estimated now to be 80-100,000 strong; their consolidation was completed in June. New laws have given the police new power and the Law on Terrorism is expected to further enhance their authority and legal power.

Despite claims of victory over NATO forces last year, the whole affair was a sobering experience for the Yugoslav army. The changes at the top that followed were successful in securing control over the top layer of the military, but not of the whole structure. The regime cannot count any more on the army as a reserve in case of civil unrest and other Serbian internal problems.

Of the two ruling parties—the Serbian Socialist Party (SPS) and Yugoslav United Left (JUL)—the SPS has more members (600,000) and seems to still enjoy considerable support in rural communities due to overwhelming propaganda and skilful use of tradition. It has, however, lost urban support both to the opposition and in the past couple of years to JUL. Some of the best SPS cadres are disappointed and looking for a way out. JUL, now with 200,000 members, has been on the offensive and gaining new ground in the government, media, education and business sectors at the expense of the SPS.

The regime has strengthened the information sector, and manipulation of the media remains one of its highest priorities. The government moulds all news about events in Serbia and the world for the use of the public. Refined over the years, the system has become more sophisticated and very efficient. The independent media still exist despite all odds, but they are able to reach only a small segment of the population.

¹ This ICG report on the Milosevic regime is based on a draft prepared by a respected Serbia expert who recently spent a protracted period in Serbia.

The economic sector is organised in a way that allows total control. The economy remains socialist and centrally controlled. Official statistics claim that industrial production in the first four months of 2000 increased by 3.4 per cent compared to the same period in 1999, but last year it was 24.1 per cent lower than in 1998. The budget is financed mostly by customs duties and taxes on illegal imports of oil. Also a complex set of exchange rates is used to achieve a redistribution of profits and losses in the economy. Prices are under government control, which may explain the relatively low inflation rate and the stability of exchange rates. In the first four months of 2000, exports were \$111.8 million per month and imports \$275.4 million with a projected trade deficit for the year of nearly two billion dollars. Foreign debt is estimated currently to be above \$16 billion. Despite these problems, government experts believe that they can keep the economy running at the current level.

Milosevic seems determined to keep his firm grip on power for years to come. He steers the government apparatus and sets the rules, but does not commit himself directly on most policies, so does not suffer the consequences of continuous failures. He discards people after they have served his purpose. He has never had close associates and does not trust anyone except his wife, Mira Markovic, the leader of JUL. Their relationship is based on emotional, ideological and political closeness and mutual trust. Her participation in running the regime has been steadily increasing and she has become the driving force behind most activities. She is more ideologically rigid and the ongoing process of "Titoisation" is believed to be her brainchild.

On the foreign policy front, the regime has continued its efforts to reach out to Russia, China, India, Belarus and members of the non-aligned movement. As far as the U.S. is concerned, Belgrade is waiting for a change of administration. Officials expect George W. Bush to win the Presidency and to modify the American position, creating an opportunity for contacts. They feel encouraged by the problems the current administration has encountered with its Balkan policies in Congress and see signs of forthcoming changes.

Preparations for local and federal elections began in May with the take over or muzzling of most independent and opposition media, a crackdown on street protests and demonstrations, closing of the universities and the systematic intimidation of the student-led opposition movement Otpor's members. Independent analysts close to the government concluded in early June that the opposition, including Otpor, had been effectively neutralised in the short term. Prior to announcement of the municipal and federal elections on 24 September, most local observers agreed that it was unlikely that any meaningful resistance and action against the regime could be organised before autumn. By July, the regime had completed its preparations for the elections, with amendments to the federal Constitution enacted in a single day and allowing two more four-year terms for Milosevic.

In contrast to the internal consolidation of the regime, Milosevic's popular support has eroded steadily. This by itself will not lead to change because it has been matched by opposition losses. The opposition lacks support because it does not offer a comprehensive and appealing program, is divided – as further confirmed by the recent announcement that there would be a second opposition candidate for the presidency – and believed to be as corrupt as the regime; the latter is especially true for Vuk Draskovic's Serbian Renewal Party (SPO). The opposition, especially in Belgrade, has also long been on the defensive, reacting only to actions of the authorities.

A large number of voters remain passive because they don't see an alternative to the Milosevic regime. With a large proportion of "undecided" voters, the situation in Serbia is very unstable and may easily become volatile. The present balance, which in overall terms seems tipped in favour of the regime, may change literally overnight. Brewing dissatisfaction provides a fertile ground for any anti-regime movement. Unrest may be sparked easily and it could be precipitated by a shortage of food if drought continues or heating fails next winter. While the opposition is poorly organised to take over in such a crisis, Vojislav Seselj's Radical Party (SRS) and possibly the SPO may be the likely beneficiaries. Both parties are capable of mobilising their members quickly and organising armed units.

In spite of claims by opposition leaders that Milosevic can be removed by popular will, it remains extremely unlikely that the opposition can win the elections. Quite apart from Milosevic's practiced efforts to foul the electoral pitch, serious doubts remain about the capacity of the opposition to mount a credible campaign. Opposition leaders, whether united or not, are not held in great respect by the majority of Serbian people, nor is there a consensus behind any one figure as an agent of change and an alternative to Milosevic. Moreover, almost every candidate and party seeks to compete with Milosevic in his own nationalist arena, thus complicating their relationships with the West and adding to the Serbian people's confusion about how to reconcile national myths and policies with their desire to integrate into European political, economic and security structures.

Milosevic has regained ground in recent months by consolidating the regime's internal structures and support, and cracking down on the Serbian opposition parties, independent media and leaders of the student movement. The 24 September elections are the next step in the Yugoslav President's bid to secure his continuation in power and acquire a new veneer of democratic legitimacy for himself, his regime and the recent constitutional changes to the country's federal structure. The Serbian opposition is committed to preventing this from happening, by fighting Milosevic at the polls. The international community has so far supported the opposition's decision to take part in the elections, and has gone so far as to pressure Montenegrin President Milo Djukanovic to field candidates of his own, which he has refused to do. However, the odds remain heavily stacked against the opposition and in Milosevic's favour. In the present circumstances, the participation of the opposition and of the Montenegrins in federal elections runs the very real risk of handing Milosevic a sham election victory.

The international community should not lend further support to these flawed and illegal federal elections. The West's willingness to endorse phoney elections is an act of desperation, which rests on the hope that if Milosevic blatantly steals the elections the Serbian people will somehow rise up against him. Much as that would be good for Serbia, it is unlikely to happen. While no-one can prevent the Serbian opposition from participating in these elections, the international community could and should back the Montenegrin government in its persistent refusal to participate in a poll that seriously endangers Montenegro's emerging democracy.

RECOMMENDATION

The United States and the European Union should support the Montenegrin government's persistent refusal to participate in the 24 September federal presidential and parliamentary elections.

Belgrade/Washington/Brussels, 17 August 2000



SERBIA: THE MILOSEVIC REGIME ON THE EVE OF THE SEPTEMBER ELECTIONS

I. PRELUDE TO ELECTIONS

Like many citizens of Yugoslavia, for years the world has been expecting changes that would put Serbia on a path of democratic transition. After the end of the NATO campaign last year, many analysts were predicting the fall of Milosevic and his regime in a matter of months, if not weeks. Yet over a year later, he is still in control and seemingly stronger and determined to retain his grip on power indefinitely.

Major programs of infrastructure repair and economic reconstruction receive daily publicity intended to demonstrate the resiliency of the regime and strengthen eroding support within the structure of its power.

An ongoing diplomatic offensive is being used by the government-controlled media to project an image of a country not isolated but playing an increasingly important role, a country that is recognised and supported by most of the international community.

The regime's omnipresent propaganda machine continues to demonise "the West" and in particular the United States, forecasting the demise of its rule and the failure of its attempt to create a new world order. On the list of enemies of the nation, "so-called democratic opposition," "traitors," and "foreign mercenaries and servants" rank even higher. Otpor (Resistance), "a terrorist and fascist" organisation is in the top position, unchallenged for the time being.

Preparations for local and federal elections began in May with the takeover of the independent (Radio B2-92) and opposition (TV Studio B) media, a crackdown on street protests and demonstrations, the closing of universities and the systematic intimidation of Otpor members.

The beginning of the month was marked by a bold attempt of the opposition to hold demonstrations in "Milosevic's town," Pozarevac, and a large gathering organised by the Serbian Renewal Movement (SPO) in Ravna Gora, a place and name long identified with the nationalist Chetnik movement. The intended climax was to be a public meeting on 15 May in Belgrade where opposition leaders were expected to lay out their joint platform for an election campaign.

The midday meeting was attended by a large number of people, but far fewer than had been expected. Any observer could have noticed that the square was not overcrowded and that everyday life in Belgrade was going on almost as if nothing was happening. Obviously many Belgraders were not interested

enough to come to hear, as one commented, "the old slogans." Though one of the largest in recent months, this meeting was still a victim of prevailing apathy among the Serbian population and its loss of confidence in the ability of the opposition to bring about changes promised long ago.

Simultaneously, the regime was heating up its campaign, focused mostly on a segment of the opposition forces, "the new threat," Otpor. Only a few days earlier the prime minister of Vojvodina, Bosko Perosevic, had been assassinated at the opening of the Novi Sad Fair by a security guard and former neighbour. For the regime this assassination was a blessing in disguise: it was quickly declared an act of terrorism, and the ongoing campaign against "internal enemies" was immediately stepped up.

At a press conference this act was used as "proof" that "the aggression against Yugoslavia is being continued." Federal Information Minister Goran Matic accused Otpor and SPO and said that their goal was to destabilise the country and that the assassination had been planned and ordered from abroad. He was quite specific, saying that the instructions were given in April at a meeting in Bosnia's Republika Srpska by U.S. diplomat Robert Frowick and former British ambassador to Yugoslavia Brian Donnelly. The name of another American diplomat, Richard Butler, who previously served in Belgrade, allegedly appears in some of the assassin's notes. The European Union (EU) was also accused of the crime, since "Perovic was the third person from their list to be killed" after Minister of Defence Bulatovic and Director of Yugoslav Airlines (JAT) Petrovic.

According to Information Minister Matic, Otpor was organised the same way as the Italian Red Brigades, allegedly as an instrument of the CIA used to prevent the historic reconciliation of Christian Democrats and Communists, which would have weakened NATO. According to Matic, it is Yugoslavia's turn to be subjected to such terrorism, because it is successful in its struggle against fascism, which is being promoted abroad as a new world order.

These statements highlighting the basic elements of the regime's propaganda platform were the prelude to a carefully planned crackdown on the opposition. On 17 May, there followed a raid on TV Studio B, Radio B2-92, the daily Blic, and the printing facility of Glas. Members and sympathisers of Otpor were apprehended and interrogated all over Serbia (some 1200 by the end of May). Rumours about the imminent introduction of martial law were spreading quickly.

Spontaneous demonstrations erupted after the closing of the independent and opposition media and they were joined in the evening by large groups of fans returning from a soccer match. The response of the special police forces was brutal. Many demonstrators and people who just happened to be in the main street at the time were severely beaten, after which the police continued their action in nearby streets attacking anyone they could find. Several dozen people were injured and a few dozen arrested, tried and immediately sent to serve their terms (misdemeanour charges resulting in sentences of 30 days).

To avoid the conflicts in the streets, the students held their meetings inside their university, but this did not protect them from harassment. After such a meeting at the School of Architecture, a group of thirty people dressed in black

and wearing masks attacked the students as they were leaving the building and then entered the premises to continue the beatings. The following day check points were established at the entrances to the Schools of Architecture, Electrotechnics, Law, Philosophy and others, and only students with proper identification and able to prove that they had some business to attend in the building were allowed to enter. Some professors known for their support to the opposition were turned away. The attempts of the students to organise peaceful marches failed due to low numbers.

The opposition was taken by surprise and unable to react efficiently. It was shaken by the sudden brutal attack on all fronts and already inhibited by repeated accusations that they were trying to start a civil war. There was not even a common response to the takeover of the media. Evening meetings were organised on the lawn of the Belgrade Government building where "TV Studio B news" reports were read. The number of participants dropped from 20,000 in the beginning to a couple of hundred after a few days.

A new meeting was planned for 27 May "to respond to the state terror" with a concrete program of action. Members of the opposition parties from smaller cities were expected to participate. The tension was high and rising. On the day of the meeting there were surprisingly few police in the streets. It was held without any incidents, but was far from the expected success.

The official television, Radio Television Serbia (RTS), which usually ignores such events or describes them as vandalism by groups of hooligans if police intervene, mentioned close to the end of the evening news that a long-heralded rally of the "so-called opposition" had been held and according to Reuters news agency, some 10-15,000 people attended, though many thousands from smaller cities were provided free transportation to Belgrade.

According to some participants the number was about 20,000. The rally began late and speaker after speaker kept repeating well-known positions of their parties. There were no new ideas, no proposals for action or anything resembling a program of change. A student, a long-time activist, said "Nothing new. Disgusting. This is my last meeting." Another participant, an older man, was critical of the opposition but even more so of the people: "There are two million in Belgrade alone and less than 20,000 here. They don't deserve better [than the treatment they are receiving from the current regime]."

At the end of the month the government ordered the university closed. For a while there was an expectation that the students would react but nothing happened. An attempt at the School of Philosophy to organise a strike failed.

Independent analysts close to the government concluded in early June, prior to the announcement of September elections, that the opposition has been effectively broken apart and neutralised. Otpor also was believed to be under control for the time being. These analysts believe that the regime is corrupted and even weak on the political level, but its institutions are efficient, and there is a high degree of professionalism despite the omnipresent corruption.

According to local observers, there was readiness and determination for change among the population during the post-election demonstrations in 1996-97, but the people were betrayed and don't expect anything positive to happen

now. Only a few believe that the opposition could succeed and even fewer that this would bring about real changes.

One well-placed analyst went much further into the past to explain the present situation. He told ICG that the problem has been continuing for over 50 years. People never had a really good life. In the sixties and seventies it was just a mirage and "we were stupid to believe that we had what Italians and Austrians had." A little bit of prosperity was bought by Western money and even then people cursed. The people (he used the word "raja," which is of Turkish origin and derogative, suggesting inferiority) are accustomed to taking whatever comes from the authorities. They have never been free and are not ready to confront the authorities directly. They have been carried away by national symbols and mythology. They see only what is in front of their faces. "We are in a long tunnel and the darkness ahead of us is even thicker," he concluded.

Most local observers agreed that it was unlikely that any meaningful resistance and action against the regime could be organised before autumn.

II. THE REGIME

A. The Milosevics

Slobodan Milosevic, President of the Federal Republic of Yugoslavia (FRY), whose term expires in 2001, has not changed his style of ruling the country since he took power in Serbia more than a decade ago. He steers all important activities and sets the rules, but he does not commit himself in any direct or concrete way on many policy issues. As a result, he does not suffer the consequences of continuous failure of his strategies, or at least is able to minimise the damage by blaming and then replacing high-ranking officials.

Milosevic uses people and discards them when they have served his purpose. Sometimes he does it repeatedly with the same people. He has never had close associates or for that matter anyone he trusted. The only person who really can and does influence Milosevic's rule is his wife Mira Markovic. Their relationship is based on emotional, ideological and political closeness and mutual trust. She has assisted him from the beginning behind the scenes, "screening" those around him and in public founding the League of Communists—Movement for Yugoslavia in the early 1990s to ensure that Milosevic would not lose the support of the remaining communists and all those who believed in Yugoslavia even as the opportunistic Milosevic rode the wave of Serbian nationalism.

In the past few years Mira Markovic's participation in running the regime has steadily increased and her power has expanded. Her initial "Yugoslav Communist Movement" was transformed into the Yugoslav United Left (JUL) and has grown into a 200,000-member party competing with the Serbian Socialist Party (SPS) for influence and positions over the entire spectrum of institutions run by the regime. Milosevic's hands-off management style, combined with his mistrust of people and the absence of any close associates, created ample room for Mira Markovic effectively to take control of most government and business appointments, and put herself in charge of the higher education (Belgrade University) and health sectors, and then start

making inroads into the propaganda sector, the diplomatic service and the military.

Insiders believe that Mira Markovic has become the driving force behind most regime activities and that Milosevic has left her to handle alone everything except decisions about the most important strategic issues. She is more ideologically rigid and lacks his pragmatism, so the ongoing process of "Titoisation" is believed to be her brainchild.²

B. The Ruling Parties

The ruling parties are the Serbian Socialist Party (SPS) and the Yugoslav United Left (JUL). Whatever coalitions have been or may be brokered with these two parties, it is always made clear to their political partners that they are not equal and may have only what is given to them and do only what they are permitted to do.

In 1997, Serbian Renewal Party (SPO) leader Vuk Draskovic did not fully understand this. After replacing Democratic Party (DS) leader Zoran Djindjic in the Belgrade municipality council, and as a reward for joining the coalition government of Serbia, Draskovic asked for half the ministerial positions, a declaration on reconciliation between "Chetniks" and "Partisans," a change of national symbols and holidays, and equal control of the main government daily newspaper *Politika* and TV stations of RTS. When the government was to be inaugurated the following spring he learned from a radio broadcast that Serbian Radical Party (SRS) leader Vojislav Seselj—rather than the SPO—had been made a coalition partner of SPS and JUL.

The SPS today reportedly has 600,000 registered members and, despite heavy losses in the 1996 municipal elections, its electoral power should not be underestimated. In those elections, the opposition coalition "Zajedno" (Together) won in 34 cities with more than half of the Serbian population, but SPS carried the countryside, winning in 144 rural municipalities. The SPS still seems to enjoy considerable support in rural communities, due to the continuing and overwhelming use of effective propaganda, especially television, and the skilful use of traditional electoral structures. SPS was the first party to organise its branches there using the organisation and manpower of the former League of Communists of Yugoslavia and the Socialist Alliance.

Opposition parties have little influence outside the cities with the exception of the SPO, which has well organised branches as well as paramilitary units that can be activated within 24 hours. The SPO's strength and weakness in rural areas is its Chetnik ideology, which keeps a hard-core segment of its membership loyal to Draskovic but limits the ability of the party to widen its support. In addition, some leading local party members have little support.

Despite the economic crisis of recent years, the position of farmers has remained relatively good. Even today, the Serbian economy is based on agriculture, and impoverished urban dwellers depend on "peasants." Local

² Serbian analysts use the term "Titoisation" to describe attempts to revive the spirit of the "Golden Age" of the former Yugoslavia, including heroic resistance during World War II and the reconstruction of the country afterwards.

observers point out that the level of support for the SPS is proportional to the relative wealth of the village. The traditional state of mind, they say, has not changed, nor has widespread nationalism and xenophobia, which have only increased in response to foreign influence. "I will not let Clinton tell me who to vote for," said one villager in what appears to be a commonly held view. Also there is inertia and resistance to change, which favours the ruling SPS.

The situation in urban SPS branches is different. The party has been losing ground there both to the opposition and in the past few years to JUL as well. An ongoing process of differentiation within party ranks has occurred because many of the best-educated and skilled cadres are disappointed, dissatisfied, and looking for a way out. These are mostly managers of medium and even some larger companies, and intellectuals, but also some in the government and party leadership. This faction is weak and unorganised, but some Serbian analysts see in the process a potential for change more promising than that provided by the opposition at this point. One option may be, in these analysts' opinion, the strengthening of a liberal faction within the SPS that could take over, perhaps with the assistance of the military and/or the government's security apparatus.

When the JUL party was formed, it was underestimated and even ridiculed. At best it was considered to be one more of Milosevic's devious plots with no future. Now it reportedly has 200,000 registered voters and has been on an aggressive campaign to expand its influence in the government, media, education and business. This success can be attributed to two different sets of factors.

First, it is critical to recall that the "transition" from communism to democracy in Serbia turned into a long painful march to nowhere. A great majority of the population was better off before the crisis and disintegration of Yugoslavia. Since the impotent opposition has provided no real perspective, longing for "the good old days" has become a factor, and the political platform known as "Titoisation" and promoted by JUL has a certain appeal. For seniors, it represents a hope of revival of "their" world. For the young who grew up after Tito's time and matured under Milosevic's rule, it provides a revolutionary ideology and a promise of not only a better life, but a more dignified position for the Serb people and the country.

Second, JUL exerts a real influence in part because of the tremendous power Mira Markovic exercises in Serbia.³ Some young people see membership in JUL as a ticket to success, beginning with obtaining a university degree more easily, then securing a good job and career. In business, one simply cannot succeed without association with one of the parties in power, and right now JUL seems to be able to get things done.

JUL has also become a dominant power in the education and health sectors and is on the way to taking control of the diplomatic service, Tanjug and RTS broadcasting. It "runs" such NGOs as the Yugoslav and Serbian Red Cross

³ Mira Markovic can make or break careers and lives. One recent illustration was her recall within 24 hours of the director of the Cultural Centre in Paris because she was displeased with the centre's promotion of her book.

Societies, League for Peace and various humanitarian organisations for refugees.

The competition between JUL and SPS for dominance in government institutions is creating a new category of political activists for whom a new word has been coined: "two-party-member."

C. The State Security Service and the Police

When Milosevic took power in Serbia, he first consolidated his position in the Communist Party and then proceeded to take over the state institutions. Serbian State Security (Sluzba Drzavne Bezbednosti) was his first target. By the end of 1991, he had replaced everybody from top to bottom, including the drivers and janitors. The new cadres, most of whom were well educated and some with degrees earned abroad, were aware that not only their careers but their lives were literally tied to Milosevic's success, and they acted accordingly. From the very beginning they knew that they were not civil servants, that their only task has been to secure the regime and the rule of one man only, and therefore that the enemy was wherever the next threat came from. Generally this meant opposition of any kind, but the way different political parties have been treated depends on the moment-to-moment needs of the regime.

Surveillance has long been widely used to collect information on the opposition or potential "enemies," as well to keep an eye on everybody within the elaborate structure of the regime. A large number of agents of all ages have been used to keep public places "covered," and this force is supplemented by an even larger number of informants. Most people in Belgrade have become very careful about expressing their political views in public places such as stores, restaurants and buses. Nor are they free to talk over the phone. According to a former state security surveillance expert, the service's technical capability is very high and includes the ability to operate up to 150,000 listening devices.

Information collected by State Security is used selectively to intimidate and inflict political damage, but also to blackmail opponents or non-supporters. So-called "files" documenting criminal, immoral or only politically incorrect acts and statements—or even simply sensitive private information—are widely used to that effect, according to local observers. Even the awareness among those in public life or holding important positions within or outside the government that such files exist represents a potent weapon of the regime. Merely the threat of intimidation and coercion are often successful.

When Milosevic took over the State Security Service, he encouraged the already existing practice of using criminals not only as informers, but also in various operations. The infamous "Arkan" (Zelko Raznatovic) may be the best-known example in the early period. Manipulation of criminals and relationships developed with organised crime were further enhanced between 1992 and 1995, during the first period of sanctions against Yugoslavia. So-called black and grey segments of the economy were booming in that period, all under the tight control of the regime. The State Security Service was put in charge of the elaborate network of links between the government institutions, businesses and organised crime. One side effect of conflicts in that environment was assassination. The victims in the early nineties were criminals.

In 1997 there were three different assassinations of people belonging to regime circles: in February Vlado Kovacevic, a businessman and partner of Milosevic's son Marko; in April, Radovan Stojicic, Deputy Minister of Police; and in October, Zoran Todorovic-Kundak, Director in "Beopetrol," one of the leading activists in JUL and a close friend of Mira Markovic. From today's perspective most local analysts agree that the causes of these murders were disputes and conflicts over profits from illegal activities. They also agree that Slavko Curuvija, journalist and editor, was killed a year ago by an order coming from the very top of the regime, but there is no consensus when it comes to the assassinations of Arkan, Minister of Defence Pavle Bulatovic, and Director of JAT Zika Petrovic.

Opinions about the causes of Arkan's murder range from a dispute over profit-sharing to the theory that he was displaying more independence in his activities than the regime was ready to tolerate and was becoming a loose cannon. Among possible explanations, his alleged readiness to cooperate with the International Criminal Tribunal for the former Yugoslavia (ICTY) in The Hague seems to enjoy least credibility among Serbian analysts.

Bulatovic, according to those close to him, began advocating in early 1999 a shift in Yugoslavia's relations with NATO. He considered that once the Kosovo crisis was over, the national interest would be best served by joining the Euro-Atlantic Partnership Council (EAPC) and establishing close co-operation with NATO countries. He was never seen as part of the regime's inner circle, though he was a member of the Montenegrin party that supported Milosevic and became part of his coalition federal government. As a member of that government and as defence minister he never was very involved with defence matters, not even during the bombing. "More a poet than a politician," as a friend of his put it, Bulatovic was unable and did not want to fully identify himself with the regime. Consequently, he lost Milosevic's confidence and was assassinated.

Petrovic, in his position as Director of JAT, played a very important part in many illegal government operations, using both JAT flights and the network of its representatives and offices abroad. Well-informed Belgrade sources believe he was "punished" because in the last two operations he had kept an excessive share of the profits for himself. Some believe that his execution had to do with disagreements over how to implement a forthcoming reorganisation of JAT.

The police were reorganised in the early 1990s. Refugees from Croatia and Bosnia still constitute the core of the force, which is estimated now to be 80-100,000 strong. These young men were not given Serbian citizenship, rendering them totally dependent on the regime, but have been very well paid, protected and taken care of. Indoctrination during training courses continues after training has been completed to reinforce their loyalty. They understand that their positions may be threatened by any change in regime, which makes it easier for them to regard the opposition as the enemy. There are, it is important to note, exceptions, and the number of those who would welcome change has been growing, especially among local recruits. Some observers, for example, are convinced that the police in Vojvodina no longer support Milosevic and that they would not resist change.

As in other parts of the government, corruption is widespread in the police force, as are the links with organised crime. A good part of both is sanctioned by the regime, but there are also uncontrolled activities eroding the overall reliability of the police. Many owners of small businesses complain that they have to pay regularly for "protection" and that policemen no longer hesitate to use official vehicles when coming to collect. Membership in one of the ruling parties can provide protection from this kind of extortion, but it requires large donations.

Consolidation of the police force has been a high priority in recent months, and in June all official identification was replaced. In addition to the name, rank, number and photograph, all new IDs have a metal badge and a text authorising the bearer to request identification documents, apprehend and take into custody any person, and enter premises and conduct searches without a court order.

Prominent among the measures taken so far to strengthen the position of the police and the regime's ability to handle eventual future conflicts is the new law regulating the possession and carrying of firearms. The right of possession has been separated from the right to bear arms: permits to own weapons no longer give the owner the right to carry it with him as before. Separate permits must be obtained, with owners proving their need to be armed and with permits granted only at the discretion of the police. So far very few of these permits have been issued and none to persons not directly affiliated with the regime. For instance, SPO leader Vuk Draskovic's bodyguards were arrested at the Belgrade airport in late May when they went to pick up Draskovic upon his return from Moscow, because they had no such permits.⁴ Another provision in the law requires that all existing permits be replaced by year's end. This, however, is not simply an administrative procedure; every firearm owner must reapply to obtain his new permit, which can be denied without explanation.

The proposed Law on Terrorism, currently under revision, is expected to further enhance police authority.

D. The Yugoslav Army (VJ)

Despite official claims and celebrations last summer of a victory over NATO forces for the Yugoslav army (VJ), the whole affair was a sobering experience that shook the entire military. A large number of officers were alienated and disgusted by the actions of the paramilitary, security, police and some army units in Kosovo. Some went so far as to refuse to accept promotions and decorations, but even today they are not ready to go public and state exactly what they witnessed.

Changes at the top which followed the Kosovo "victory" were successful in securing control for the regime of the highest-ranking segment, but not of the whole structure, and the VJ remains "stratified" in its relationship with the regime:

⁴ The regime-controlled news agency *Tanjug* reported that the three bodyguards were arrested for contravention of Article 33 of the "Law of Arms and Ammunition." *Tanjug*, 31 May 2000.

The very top echelon installed by Milosevic is loyal, but though in command positions do not control the army directly.

Mid-level officers have opted after their Kosovo experience for a peaceful solution to any future crises. They do not want and would not support a new war or the use of the army in suppressing popular dissent and demonstrations. Parts of the officer corps could become involved in, or even directly carry out, a coup d'etat. In such a scenario the position and role of military units stationed in Belgrade would be of the utmost importance.

The corps of lower-ranking officers no longer supports the Radical Party and its leader, Serbian Deputy Prime Minister Vojislav Seselj, as they used to. This may be a major change, opening the way for a more positive interaction between commissioned officers and conscripts while they serve their mandatory term. They bring from universities and other schools views and ideas generally supportive of the opposition and the democratic transformation of Serbian society.

These changes in the army limit its value as a regime asset and could severely undercut any plans to keep it in reserve as an instrument of repression.

The regime keeps trying to consolidate the military, and regular indoctrination is widely supported by a range of incentives. SPS and JUL have increased their presence and activities in the VJ. Membership in these two parties is the best, if not the only, path toward promotion and better benefits. Since the government doubled army salaries last spring, a sergeant now receives better pay than an assistant minister in the federal government, a colonel three times as much. A program to build 10,000 apartments for members of the military and police was recently launched.

E. The Diplomatic Service

For a country in isolation and with limited hard currency reserves, the diplomatic service, with some 1,500 employees, remains a large agency. It is estimated that after Milosevic took control of it in 1993, roughly 500 career diplomats and staff were dismissed or left under pressure. Some were allowed to remain, but not to hold positions in the Ministry or abroad. Most of the changes occurred in the mid-nineties under Milan Milutinovic, now Serbian president. A large number of newcomers were from the Krajina region of Croatia, military forces, and the State Security Service.

The Bureau for Security in the Ministry has grown to about 120 people. In missions abroad the Bureau has additional personnel in charge of security, but has also recruited informers, usually from among staff members, whose task is to monitor the behaviour of the staff and diplomatic corps, including the chief of mission, and to report directly to the Bureau. These reports are used by the General Secretary and the Minister to gauge staff loyalty and performance.

The actions of this bureau directly influence the activities of diplomats abroad. This spring an instruction was dispatched to all missions alerting them to an increased risk of terrorist acts against Yugoslav official representatives and was accompanied by a set of rules. Diplomats and staff were advised to limit their

movement and contacts to the essentials, were required to report all contacts in advance—official and private, with no exceptions—and whenever possible not to go alone. Diplomats were advised not to respond to invitations from Western embassies and colleagues who did not attend receptions in the Yugoslav mission. If there was a contact, they were instructed to “energetically advocate the official positions.”

In recent years the key for entering the diplomatic service was membership in the SPS or JUL. Both parties now offer scholarships and fellowships leading to diplomatic service positions. Since the salary range is \$40-50 per month for the administrative staff and \$50-90 per month for diplomats, only the chance of getting a post abroad remains attractive and keeps interest high. The position, salary and transfers are under the heavy influence, and lately the direct control, of the parties. Competition and even conflicts between SPS and JUL have become common practice. SPS members still occupy more of the key positions (most appointments were made under Milan Milutinovic), but JUL is aggressively taking control of personnel decisions. A new General Secretary (rank of Undersecretary) in charge of organisation and personnel has been installed by JUL and makes appointments without even consulting Foreign Minister Zivadin Jovanovic, who is a member of the SPS Executive Board.

The third coalition partner, the Serbian Radical Party (SRS), had maintained its presence in the diplomatic service at a rather low level. Their members are mostly administrative staff, and SRS had no influence over high-ranking appointments. SRS party leader Vojislav Seselj wants that changed, and in May he blocked in Parliament the procedure of confirming ambassadorial appointments and demanded his share of ambassadorial and other high positions.

As frictions between JUL and SPS have escalated in recent months, the conflict has broken into the open. Diplomatic activities of Foreign Minister Jovanovic were criticized by Tatjana Lenard, President of JUL's Committee for International Co-operation, in an article published in *Politika* on 29 May. Advocating a more pragmatic approach in relations with other states and a different set of priorities, the article suggests that foreign policy should be focused more sharply on “getting together a multi-polar world,” rather than “shuttle diplomacy for reincarnation of the non-aligned movement.” Observers in Belgrade insist that such an attack would not have been possible without prior authorization from the top. In this particular case that had to be Mira Markovic, who is more concerned about forging alliances with Russia, Belarus and China and does not consider relations with those smaller African, Arab and Asian countries, which Jovanovic was visiting at the time, a high priority.

F. The Information Sector and the Media

The information and media sectors have always been a top regime priority. Milosevic's rise to power in the late 1980s began by usurping control of the daily *Politika* and television. Unlike propaganda aimed at foreign journalists and governments, which at the time was considered of secondary importance, the indoctrination of the Serbian population began immediately, and no efforts or funds were spared. Over time this proved an investment, which paid high dividends, enabling the continuous rule of Milosevic, despite all failures and defeats.

The regime continues to shore up the information sector as a whole and to draw in young talent. In May the SPS, in cooperation with Belgrade University's School of Law, organised for the third time a special one-year public relations program for 70 selected senior students who have already received SPS scholarships that guarantee employment.

Over the course of a decade, the system created and refined sophisticated measures more efficient than anything that could be described as simple censorship. A select few government officials shape the media coverage and all news pertaining to Serbia and the rest of the world. The finished product is released mostly at press conferences, but also in private briefings for groups or individual journalists and through daily instructions to editors.

Once most of the newspapers, Radio Television Serbia (RTS) and Tanjug were firmly in hand, purges followed and all those considered "unfit," "unreliable" or incapable of proving their loyalty, were eliminated. Many were dismissed, others left and some, mostly people close to retirement, were allowed to stay but were stripped of their responsibilities and positions, with some even forbidden to come to the office.

Today, as in the government agencies, SPS and JUL are competing for control in the media, with JUL on the rise. There is also an atmosphere of competition among journalists to prove their "value" and absolute loyalty. Recently journalists from *Politika* and RTS threatened to publish the names of colleagues from independent and opposition media and label them publicly as traitors and NATO servants who do not deserve "to be among us." One went even further with a proposal to make lists of such journalists and keep reminding the public of "their enemy activities against their own nation on a daily basis." In today's Serbia this is tantamount to a call for their assassination.⁵

One seasoned journalist insists that there is no true professionalism to be found in the media anywhere in Serbia. The situation in the opposition media is to some extent a mirror image of the government-controlled outlets, with journalists there also pressured to disregard the truth where the truth does not serve party interests. "SPO is doing the same things the same way SPS and JUL are," this same journalist proclaimed.

G. The University

Belgrade University has been paralysed since the infamous "Law on the University" was enacted two years ago. Initially only 156 faculty members refused to sign "the new contract," which would have signalled their endorsement of the new law, but since then about 10 per cent of the 4,200 faculty members have left or been dismissed. Now the regime's control of the university is unchallenged even in traditionally rebellious faculties like

⁵ The 26 July sentencing by a military court in Nis of Miroslav Filipovic, a correspondent for *Danas*, to seven years in prison on charges of spying and spreading false information in his reporting on atrocities during the Kosovo war, suggests the extent to which the entire state apparatus has been enlisted in the regime's efforts to eradicate press freedoms.

Philosophy or Law, the latter of which recently hired SRS leader and Deputy Prime Minister Vojislav Seselj as a full-time professor.

Low income has reduced faculty status to that of janitors. Ruling party members receive ample opportunities for additional income, but for the rest, life is hard. Quite a few are looking for a way out by linking up with the corruption chain. The more benign forms are privately published notes sold to students at enormously high prices or requesting that students procure "contracts" for the professors with the firms their parents work for. Some accept direct payments for passing grades, and even diplomas can be bought.

JUL has the most efficient political organisation at the University, where the new law prohibits party activity. The KUL, or Committee of the University's Left, keeps track of all activities and takes care that the faculty behaviour is "politically correct" and that students who support or belong to opposition parties find no opportunity for their political activities at the University.

KUL kept a high profile in May and successfully undermined several protest initiatives. They repeatedly threatened individual faculty members and deans for allowing "political meetings" and denounced all Otpor activities as those of traitors, fascists and NATO servants, standard regime propaganda.

A sizable proportion of the student body, especially those close to graduation, has been passive and does not support strikes, demonstrations or anything that could disrupt their desire to graduate as quickly as possible and leave the country. The regime even encourages that. The education minister said in response to a question about this problem, "Serbia has too many people with high education anyway," and indicated that they are welcome to leave.

H. The Economy

The economic sector is organised in a way that allows for total regime control of both the state-owned, so-called social sector⁶ and privately owned businesses. The relationships during the first period of sanctions, 1992-96, provided not only for a central "command" economy, but also for the integration of the black and grey segments into one economic system under regime supervision.⁷

Basically the character of the economy remains socialist and centrally controlled. Privatisation in the early 1990s (until 1994, when it was blocked) resulted in the state's large ownership share—42 per cent—in the "privatised" companies and the further "etatisation" of the economy.

A new law in 1997 was designed to revive the privatisation process but to keep government control over privatised companies. Sales (sometimes in the form

⁶ Social property is one of many institutions that remain in Serbia as a "legacy" of the former Communist Yugoslavia. It used to be part of the system of self-management, and was defined as property belonging to the entire society and managed by the workers (employees), while it was in fact effectively under state control, as it is today.

⁷ For the purposes of this paper, the term "black" is used to refer to illegal imports, "grey" to refer to officially unregistered activities.

of gifts) of 60 per cent of shares to workers and other employees who were not permitted to re-sell them for long periods of time, discouraged potential foreign and domestic investors, since it prevented their influence on managing the company. By the end of 1998 the state was in possession of one-third of privatised firms, with 40 per cent as so-called social property and 27 per cent remaining in private hands. According to available information, not much has changed since, and the new law being drafted now retains the same basic provisions, including the 60 per cent share reserved for workers which prevents investors from acquiring management control.

Most information about economic performance has been declared a "state secret," and in addition the numbers released by government institutions are unreliable, which makes accurate analysis difficult. The fact is, however, that the system keeps operating, while many Serbian economists say they don't know how and use official statistics to try to prove that this is all a mirage.

Perhaps the best example has been the reconstruction of infrastructure damaged or destroyed during last year's NATO campaign. Of the 64 bridges damaged or destroyed, in the first six months 32 were repaired or rebuilt, and last January a program was adopted to fix another 21 bridges. The government engaged 212 companies with 140,000 workers to do the job. The cost of this program was never made public, some economists believe, because that would show that not much has been done. Others consider these achievements impossible in an economy where every company is in the red, few financial transactions are conducted using real money, firms are not paid for materials used, workers are neither paid on time nor in full, and state taxes and contributions to health and pension funds are not paid. One government expert explained that for years the economy in Serbia has been operating by "eating up the substance," that is, systematically reducing its own value, but this eventually must come to an end. The most obvious effects of these short-sighted economic practices are that inventory is worn out and sharply reduced. The transport sector is illustrative: in Belgrade, the public transportation company has fewer than 400 buses left in operation from more than 1,150, while privately owned cars are in no better shape with, according to the Automobile Association of Serbia, vehicles being on average 12-13 years old.

On 29 May a large celebration was organised in Novi Sad to open the newly built bridge for vehicles and trains. The bridge was constructed in 100 days, "which nobody in the world has ever done," said President Milosevic, who added, "We won because we are better." The "miracle" is easy to explain, some VJ officers say. The whole bridge, in prefabricated parts requiring only assembly, had been stored for decades. It was built under Tito in the 1970s as a part of Yugoslav preparations for a potential attack by Russian forces from the North.

Government statistics show that industrial production in 1999 was 24.1 per cent lower than in 1998 and in the first four months of the year 2000 increased by 3.4 per cent, compared to the same period in 1999. The budget is obviously being financed from other sources. Analysts in Serbia say that customs duties and taxes on illegal imports of oil and raw materials are one such source. A very complex set of exchange rates is also used to achieve a redistribution of profits and losses in the economy. The Deutschmark (DM) is used for financial transactions, and the rate of exchange varies from the official

course of six dinars for one DM to 33 dinars, depending on the nature of the transaction:

- The official rate of six dinars is used both for customs purposes when importing raw materials and to sell hard currency to government enterprises;
- A rate of nineteen dinars is used to assess customs duties for the importation of consumer goods and automobiles;
- Twenty dinars are given for one DM to companies when they sell 10 per cent of the proceeds from imports to the National Bank of Yugoslavia (this is mandatory);
- On the "black market" the rate is 22-23 dinars;
- Companies sell Deutschmarks to each other at the rate of 25-28 dinars. If the company selling the currency makes its profits from other than legitimate imports, the rate increases to 32-33 dinars; and
- Government-owned companies are sometimes allowed to purchase Deutschmarks for six dinars, whereupon they sell them to private companies for 26-33 dinars, thus covering their losses from other activities.

Prices are under government control as well, 50 per cent directly, the rest effectively, since a new law was enacted last April that put trade and sales commissions under state control. In addition, cash circulation is under strict control of the National Bank of Yugoslavia. These factors explain the relatively low inflation rate and the stability of foreign exchange rates.

As at April 2000, the average salary was \$48.00 per month, with 27.4 per cent unemployment. The average pension was \$32.50 per month.

Foreign trade remains crucial to the Serbian economy, with close to 40 per cent of production depending on imports. Forty per cent of all Serbian exports are to EU countries. Major partners are Germany, Austria and Italy in the EU, as well as Switzerland. This trade is effected through low-level exchanges with traditional partners.

Food, chemical, textile and building industries are the most dependent. In the first four months of this year, exports were \$111.8 million per month and imports \$275.4 million, with a projected trade deficit for 2000 of two billion dollars.⁸

With such large deficits and the low volume of foreign trade, it is hard for the government to cover basic needs. Foreign debt is estimated currently to be above \$16 billion. Yet the National Bank of Yugoslavia seems to have sufficient

⁸ These are officially released data, while according to the Chamber of Commerce exports were \$126 million and imports \$306 million per month, and some government sources indicate that exports for the first four months of 2000 reached \$600 million, which may include the military industrial sector, which is not registered in official statistics.

reserves of hard currency, which it uses sparingly. Recent sources of hard currency have included:

- Reserves (money kept in foreign banks or invested abroad);
- Exports of food⁹ and military equipment;
- Loans (from China, Russia and reportedly Libya); and
- Remittances sent or brought by Yugoslavs working abroad.

In addition, factory machine tools and equipment were being used up without replacement, which reduced imports considerably but ruined the economy. The consequences will be more visible after the regime is gone and the country reopens. An even more devastating problem is the technology gap, which is enormous and keeps growing. Despite these problems, government experts believe that they can keep the economy running at the current level. However, if sanctions last much longer, the whole economy will have to be shifted once more and completely reorganised with a view toward new markets and partners such as China and selected Arab countries.

A serious threat is the current drought, which has reduced crops significantly. In June it was reported that there would be one-third less wheat this year, and that the corn crop could be affected even more severely. Most fruit crops have been cut almost in half. Coupled with a harsh winter already there were fears of this leading to a complete breakdown of the Serbian economy. However, at the end of July—coinciding with the regime's announcement of an election date—Agriculture Minister Jovan Babovic said that the wheat harvested in Serbia this year would "ensure enough food for the population and maximum strategic reserves with a certain market surplus."¹⁰

III. SOME MAJOR ISSUES

A. International Relations

Serbia's foreign policy and its relations with others have been developed gradually by the regime in the course of the disintegration of the former Yugoslavia. They reflect the international position of a regime and country isolated for a decade and constrained by international sanctions. But even more, Serbia's view of itself and its role in the international community reveals its leader's insistence on justifying all mistakes, failed strategies and defeats. The perspective of international relations and the corresponding foreign policy platform are therefore a mixture of harsh reality, propaganda positions and

⁹ For hard currency being derived from trade in grain, see ICG Balkans Report N° 93, *Serbia's Grain Trade: Milosevic's Hidden Cash Crop*, 5 June 2000.

¹⁰ *V.I.P. Daily News Report*, 27 July 2000, citing a report in *Glas Javnosti*. Babovic went on to say, "We have a surplus of wheat. With its transitional supplies, Serbia has 2,836,528 tons of wheat, and 2,065,000 tons is enough for the population and seed, which means that we have a surplus of 731,000 tons, which will give us maximum reserves."

wishful thinking that would put present-day Yugoslavia into the centre of a new international order.

In a recent analysis Vladimir Stambuk, Secretary for International Relations of the JUL party, wrote that "a system of global chaos is being created," and that the major characteristic of globalisation imposed by the United States and its European allies is their rule based on insecurity, instability, fear, violence and conflicts. This new world order should secure their global domination with as little direct military presence as possible, which is compensated by the "larger role of internal groups" and the use of technology "for political manipulation and economic exploitation."¹¹

Such a concept of conquering the world and ruling over mankind was made possible, according to Stambuk, by the "disintegration of European civilisation, destruction of European socialism, and development of communication technology." One of its most efficient tools is terrorism, to destabilise societies and open the way for foreign interference and direct intervention. Racial differences and ethnic and religious tensions are being used toward that end.

"The greatest threat" to this policy is sovereignty, which is why Yugoslavia has been the West's target and why other states are being torn apart. The answer JUL provides is a regional integration that needs to take place on four levels. First would be the unification of the former Yugoslav republics, second, that of Balkan states and nations, third, European integration and fourth, Eurasian. He concluded that the FRY can become an equal partner in European integration only by first forming a union with Russia and Belarus.¹²

JUL also advocates the formation of an international association of progressive parties, and to that effect it will host a conference in Belgrade by the end of this year.¹³ There is a parallel initiative for starting a movement of "freedom-loving" states from five continents.

The foreign policy platform formulated during the past year declares resistance to American "globalism" as priority number one. West European countries and the EU are seen and treated both as collaborators in U.S. attempts to establish absolute hegemony in the world after the Cold War, and as victims of an aggressive American global policy. Since a majority of countries are against that kind of globalisation and hegemony, their resistance is leading to creation of an alliance of "freedom-loving" countries and peoples who adhere to the

¹¹ *Politika*, 27 May 2000.

¹² Since 1999, the Federal Assembly has had observer status in the Parliamentary Assembly of Russia and Belarus and a joint committee has been formed to establish modalities for accession. At its meeting in early June, the committee suggested a summit meeting of heads of state and government to reach an agreement on a process for Yugoslavia's accession, convening a conference of parliamentary, government and other representatives to promote integration of the three states, establishment of a joint Society to promote "common values," and so forth.

¹³ While barred from participation in most international organisations, the FRY has intensified its parliamentary contacts with many countries. It also takes part in all activities of the Interparliamentary Union.

principles of international law and in particular respect for sovereignty and non-interference. This new alliance will bring together powerful and the most populous countries - Russia, China and India - as well as numerous smaller nations in Africa, Asia and Latin America, members of the non-aligned movement.

The Belgrade regime considers itself to be at the core of this struggle to create a new world. It sees the role of Yugoslavia as crucial since it has set an example by resisting subjugation, including "U.S. and NATO aggression," thus demonstrating that it is possible even for a small country to preserve its independence and prevent establishment of the U.S.-dominated world order. Once the new alliance is formed, the expectation is that Yugoslavia will enjoy a highly respectable position among these nations and in the world as a whole. Consequently all the suffering will end, and the "sacrifices" of the Serbian nation will be rewarded.

Relations with Russia have been a priority for Milosevic since the early 1990s. The regime initially saw and treated Boris Yeltsin as a "transitory" president and cooperated with his opposition. Good contacts were also established and maintained with the Russian army: the rest of the Russian government was never as understanding and close to the regime in Belgrade. Now the Milosevic regime expects things to improve.

Many Serbian officials believe that the election of Vladimir Putin encouraged the military and the top security brass in Russia. Educated and mentally moulded during the Cold War, they are viewed as having had difficulty in accepting Mikhail Gorbachev, let alone Boris Yeltsin. They never truly accepted the changes and begrudged what they saw as "the kicking" of Russia. Now they hope to revive "the old glory." The regime in Belgrade shares this hope. It expects full understanding from Putin's Russia and close co-operation leading to a formal alliance. The top three generals in Moscow are advocating this kind of relationship.

Belgrade leaders see China as a "natural" ally because of its communist political system. For this reason, and because it is a major power, it was chosen to represent the interests of Yugoslavia when it broke off diplomatic relations with the United States last year. Forms of co-operation are many, and support from China has been a very important factor in sustaining the economy, especially through loans provided this year.

As far as the United States is concerned, the government in Belgrade is waiting for a new administration. They expect George W. Bush to win the Presidency and to modify the American position, creating an opportunity for contacts. This seems to be the prevailing attitude in the Belgrade establishment as well. They feel encouraged by the problems the current administration encounters with its Balkan policies in Congress and see signs of forthcoming changes.

Belgrade maintains relatively normal communication with most West European countries, whose positions are judged in Belgrade to be less rigid than American. They sometimes even get credit for these differences in the state-controlled media when it comes to issues like sanctions. Sources in the government claim that in private conversations, European representatives tend to show understanding for Serbia and are critical of U.S. policy.

The regime still treats the former Yugoslav republics Slovenia and Croatia with a degree of animosity, and even trade that would benefit Serbia is prevented. In response to the democratic advances this year in Croatia, Milosevic has prepared an initiative for co-operation and an alliance. In Macedonia, the regime views the opposition there as a potential ally.

B. Propaganda

One of the primary pillars of the regime, and an instrument of power given almost the highest priority, propoganda - ever more relentless - is everywhere present in Serbia today. The regime directly manages the media, and its "national platform" is systematically integrated into every event and every news article or broadcast. Radio Television Serbia (RTS) covers the entire territory of Serbia with its three programs, on three channels. The daily newspaper *Politika* is still the most popular and has a circulation of 200,000. The daily newspaper *Vecernje Novosti*, also with a circulation of 200,000, is popular among the lower-middle class and workers in the countryside, and also covers all of Serbia. It makes every piece of information a part of the program to further strengthen and broaden "the national consciousness." This includes not only news, but also culture, entertainment, sports, science and even music. It advocates xenophobia and creates an expectation of imminent changes in the world which will justify recognition of Yugoslavia's (Serbia's) policy. Of course this would be accompanied by a rapid improvement of the country's status and the standard of living.

Production of TV and radio programs, and concepts for the newspapers begins inside the government, where the framework for the presentation of events in Serbia and the world is developed. For instance, insiders say that very often *Tanjug* releases are drafted in government agencies.

The intensity of this propaganda has reached new heights. Words never before used in public communication have become common. The tone has become as dramatic as it can get. The contents are so structured that they send the same message in different forms over and over again.

In a typical issue *Politika* highlights "successes" in the reconstruction effort and new programs of development, projecting economic optimism despite all of the difficulties. This is combined with coverage of international developments, which sheds the worst light on the United States and NATO and highlights support to Yugoslavia, recognition for its policies, and respect for its positions. The first parts of major articles are placed on the first page and the paper has expanded its use of three-part titles: with one above the main title and another below it, often providing an abstract of points made in the report. On the front page there is also a framed list of major articles from all sections, with a brief summary when politically opportune. *Politika* has lost some of its readers, but many more keep buying it because they are used to it, and claim to read "other sections," not the news and commentaries which they skip. The new arrangement of the front page gets the message through anyway.¹⁴

¹⁴ See Appendix A for a few randomly selected examples of titles on the front page of *Politika* from issues in May and June, which illustrate the character of the newspaper and the propaganda machine behind it.

C. Public Opinion

Many polls have been conducted in Serbia, and efforts invested to get a good picture of public opinion, but somehow it remains elusive. When one talks to people, two things become obvious. First, though a majority is aware that it has been subjected to propaganda for years, and is critical of it, they have adopted the basic "truths" advocated by it anyway. The other is related to the first: a concern, almost a fear, among people that if they challenge the accepted "truths" too vigorously, they may cross the line dividing "us" from "them", the "traitors and enemies." Average people in Serbia are poorly informed about the world today. As a doctor said, "Not only have our standards fallen, but we live mentally in the 1960s."

The gloomy picture of the world being presented by the regime's propaganda for a decade now portrays a new confrontation and a "bloc division" emerging. The U.S. policy of hegemony is at its root, with major powers like Russia and China on the other side. The EU is faced with difficulties that will lead to a collapse and to political and economic conflicts with the United States. No former communist country has been successful in transformation; on the contrary they have been "enslaved." Only Yugoslavia is resisting and stands in the way, and that is why it is under constant pressure and attacks. The problems in Serbia seem smaller in such a larger framework and failures and losses are easier to explain. A significant portion of the public expects more tension and conflicts in Europe and a rising confrontation in the world.

The kind of nationalism promoted both by the regime and the opposition, based on the portrayal of the Serbian nation as a victim, is deeply embedded in the minds of the people. The bombing last year only deepened their feeling of victimisation and rejection. So do continued sanctions, though not too many average people seem to be concerned about them.

The residue remaining after the bombing campaign is a widespread and strong resentment towards NATO countries, in particular the United States. It cuts across all internal divisions and differences. This resentment, some observers have noticed, is strongest among young children who suffered emotionally during the bombing, and older ones who have grown up in the 1990s. Despite these feelings, most people still see themselves and Serbia as part of Western Europe and want an end to isolation.

The public is very concerned about the claimed ecological consequences of the NATO campaign. There is a widespread belief, constantly fuelled by the regime's propaganda, that uranium was used in the bombs, causing cancer, birth defects and other medical problems. Russian experts are quoted as estimating that about 30 tons of such uranium remains on Serbian soil. There are also rumours that the wheat contains supposedly carcinogenic "ergata alkaloids," which was purportedly confirmed by an analysis of Serbia's Army Medical Academy, but not made public.

What the bombs did not destroy is the conviction of many, including in the intelligentsia and among those well acquainted with the West, that the United States has not changed its position of support for Milosevic. They find countless arguments to support this belief: no personal assets of Milosevic's

family were targeted¹⁵ and the opposition receives the kind of assistance that only discredits it. While Milosevic was in earlier years needed for implementation of the Dayton Accord, now he is indispensable to sustain a crisis that prevents the strengthening of the EU and provides reasons for a continued American presence. While incomprehensible to outsiders, Milosevic is, in the words of these Serbs, a tool of U.S. hegemony in Europe.

Those who have relatives abroad, and what is left of the Serbian middle class, are very concerned with travel restrictions. Used to unhindered access to European countries during the era of the former Yugoslavia, they can hardly understand the harsh requirements for getting a visa, or that a majority of requests are turned down. Several hundred of those who are on the EU "blacklist" and cannot travel, display their pride in public, but in private say that this has hit them hard.

Based on available polls, support to Milosevic has been steadily eroding. Some analysts in Belgrade believe that it has been reduced to his circle and those directly associated with the regime, and that the rank and file would readily accept a change. While this may be true, it does not translate into gains for the opposition whose support was eroding at an even faster pace in the past few months prior to the announcement of elections. The prevailing position now seems to be disillusionment with the regime and the opposition, loss of hope that anything can or will be changed, and as a result: apathy.

Another trend gaining strength lately is a longing for "order." People are fed up with criminals and corruption. A large portion of the public would accept even draconian laws if they would help get rid of these ills. An analyst said that the poorly educated masses would support the proposed anti-terrorism law, and were ready to endure a low standard of living and economic hardship if convinced that everybody would share the burden equally.

It is interesting that many businessmen, irrespective of their ideological affinity and political association, are critical of the regime and put the blame on the people. They describe the majority as primitive, xenophobic, mentally submerged in the past and obsessed with national mythology, big on words but unwilling to do anything to change their miserable position. They prefer to blame the whole world rather than examine the cause of their problems.

D. Relations with Montenegro

Serbia's relations with Montenegro, compared to its relations with the other four, now former, Yugoslav republics are by far the most complex. The long history of ties, the proximity of the two nations and their cultures, and the large number of Montenegrins living in Serbia, make the issue of political relations between Belgrade and Podgorica sensitive and volatile.

As Yugoslavia disintegrated in the early in the early 1990s, Milosevic ensured that Montenegro represented one more vote he could count on in federal institutions, and later to bolster his base of support. That changed after Milo Djukanovic won the Montenegrin presidential election in 1998 and attempts to prevent him from taking office failed.

¹⁵ NATO bombed the president's official residence, but not his private villa.

In the past two years all means available to the regime short of military intervention have been used to try to regain control over Montenegro. Local elections in two municipalities in June represented a new test, and the regime invested enormous efforts and money to make sure that the Socialist People's Party (SNP), its coalition partner in Montenegro would win.¹⁶ At the end of the campaign, a Milosevic visit to Montenegro was announced. The elections were won by Djukanovic's party in Podgorica, but Milosevic's protégés won in Herceg Novi. This result, it was believed, was to provide a pause in the confrontation, but it was a short one.

As Serbia began to escalate its confrontation with Montenegro following Belgrade's unilateral revision of the federal constitution, some Serbian analysts claimed to believe that Milosevic had been preparing for months "to push Montenegro out as he did Slovenia" unless he could regain control there. In their view, as before, he would assert that he did everything he could to preserve the Federal Republic of Yugoslavia, but claim that the conspiracy of "NATO and domestic traitors" made doing so impossible.

Belgrade analysts believe that Milosevic has been careful to keep his military options open in Montenegro, although some government sources claim that NATO warnings in the spring have been taken seriously. Constantine Papulias, Chairman of the Committee for Foreign Policy and Defence of the Greek Parliament, in his talks with President Milosevic in early June, reinforced that message. He reportedly told Milosevic that were he to cause a civil war in Montenegro, he himself would become a target, and advised him to refrain from any such action.

While opinions among analysts in Belgrade regarding Milosevic's intentions toward Montenegro may vary, the situation looks ominous on the ground in Podgorica. VJ troops in Montenegro have been increased in the past year and commanding officers replaced by Milosevic loyalists. Part of the Montenegrin political establishment is affiliated with him and dependent on his support. Analysts in Podgorica estimate that about 25 per cent of the voters currently vigorously support the union with Serbia. Milosevic now has the capability to act on short notice to try to remove President Djukanovic and key senior Montenegrin government officials, install a regime loyal to Belgrade, and present NATO with a *fait accompli* before the Alliance can begin debating a response.

The public in Serbia is overwhelmingly (83 per cent) against a military intervention if Montenegro declares independence. It favours "normal neighbourly relations" should that happen (91.5 per cent), though 71 per cent believe that Montenegro will remain part of the federation¹⁷. It is unclear to what extent these public attitudes might in any way constrain Belgrade's actions.

In early July 2000 the Milosevic-dominated parliament adopted practically overnight changes to the FRY constitution, which allow him to run for an additional

¹⁶ See ICG Background Briefing, *Montenegro's Local Elections: Testing the National Temperature*, 26 May 2000.

¹⁷ Poll conducted by the Belgrade magazine *NIN* on 3 June 2000.

two terms through a popular vote rather than election by the federal parliament. On 27 July, Milosevic signed a decree setting 24 September as the date for municipal and federal presidential and parliamentary elections. By changing the rules for election of delegates to the upper house of the federal parliament, Milosevic also tipped the balance in that body against Montenegro. Milosevic knew that this would not be accepted in Montenegro. Under prior law 20 deputies each represented Montenegro and Serbia. They were delegated by their respective republic parliaments and were responsible to them. Now the delegates will be elected by direct vote so they will represent the voters and will not be bound by the position of their respective parliaments in the republics.

From the beginning of the FRY Belgrade's position has been that Montenegro's participation, influence and representation in federal institutions should be proportionate to its size and population. This is now gradually being implemented. For Montenegro, irrespective of political divisions there, only the partnership of two equal units is acceptable. These contradictory positions provide a difficult framework for resolution.

E. Bosnia and Kosovo

The regime in Serbia is so preoccupied with its efforts to stay in power, that all other issues, including refugees and the futures of Bosnia and Kosovo, have become instruments used to achieve this main goal.

Regime-controlled media cover Bosnia to the extent it can serve to illustrate how unsuccessful and anti-Serb NATO and the EU are. The government in Belgrade has never supported the implementation of the 1995 Dayton peace agreement, in particular those passages establishing federal authority in Bosnia and mandating return of refugees to areas under the control of another ethnic group. While paying lip service to implementation between 1995 and early 1999, in reality the regime promoted disintegration at all times. Based on "the national platform," this regime policy was supported by a majority of the opposition in Serbia and was fully matched by the policy of Croatia under the late President Franjo Tudjman.

Belgrade's attitude toward Dayton became more hostile as it lost control over the government in the Bosnian Serb region, Republika Srpska (RS). Today, regime propaganda treats the RS as territory under occupation and Dodik's government accordingly as collaborators.

Bosnia and Kosovo are surprisingly unimportant to the public. The difference is that Bosnia is more or less accepted as a separate entity, while very few people are able to cope with the loss of Kosovo. Both are ever-present in the media, however. Government newspapers and TV report continuously about the "total failure" of NATO and the U.N., their cooperation with "Albanian terrorists," killing, torture and kidnapping of Serbs, and destruction of Serb homes and churches. From time to time pledges are made to return to Kosovo and the people given assurances that it will never be abandoned. The 240,000 refugees from Kosovo registered in Serbia by the International Committee of the Red Cross get little attention, and those who remained in Kosovo are accused of "co-operation with the enemy."

Many analysts say that Milosevic uses Kosovo to keep tension in Serbia high and to continue a wartime-like regime. It simply provides one more instrument of power. The government launched an international propaganda campaign on the first anniversary of U.N. Security Council Resolution 1244. A lengthy memorandum to the Security Council was widely distributed. It enumerated all crimes committed against Serbs in Kosovo during the past year and requested that the U.N. administration and the NATO forces be immediately withdrawn since they had completely failed to protect human rights and maintain law and order.

According to government sources, this action and the entire campaign abroad were organised "to keep the political temperature high." The strategy is to prevent any kind of integration of the Serbs remaining in Kosovo with the ultimate goal being partition. In the meantime, Serbia is relieved from the enormously high expenditure of controlling Kosovo, and the U.N. administration and NATO troops have opened the way for resolution through some kind of cantonisation.

The opposition has adopted a position of basically ignoring the problem of Kosovo since they cannot successfully "compete" with the government. In an atmosphere where nationalism is still the prevailing attitude, their position is that a realistic policy of co-operation with the international community would be interpreted as support of "NATO occupation" and one more piece of evidence that they are "traitors" and "foreign mercenaries."

F. Elections

Since late last summer the opposition has requested early elections and the regime firmly rejected it. Now, after consolidating his regime, Milosevic has announced a 24 September election date.

Taking control of Studio B and Radio B2-92 and a raid on the offices of *Blic* were only a first step. Demonstrations in Belgrade were suppressed by excessive use of force to intimidate the opposition and the population. Members of "Otpor" were arrested and held for "informative talks," students beaten in their schools, and the universities closed. These actions were coupled with a heated "anti-terrorist" campaign and the threatened adoption of a harsh law.

A source close to the SPS and JUL government said in early June that the regime was confident it could win an election for the federal parliament. Yet the preparations for a constitutional change, which began in the spring, were continued. The purpose was to decouple the election for the federal parliament from the FRY presidential election and allow Milosevic to be re-elected, even if SPS and JUL are unable to form a majority coalition in parliament. This move had been planned for the autumn but the situation created after the May events provided a window of opportunity; some of the intended changes to the federal constitution were thus enacted in early July. These provided for direct presidential elections, two four-year presidential terms, and direct election of delegates to the Chamber of the Republics.

The legality of the amendments is at best questionable. They were enacted by a parliament, part of which is illegal—the Chamber of the Republics. After the

1998 elections in Montenegro, the newly elected Montenegrin Parliament was denied its constitutional right to replace the twenty delegates representing it in the federal upper chamber. The Montenegrin delegation was left unchanged, with Milosevic loyalists "representing" the Montenegrin Parliament dominated by Djukanovic's coalition. The timing may also have been influenced by the result of the municipal elections in Montenegro, which demonstrated that regaining control there by any means short of a full-scale military operation would be next to impossible.

In late May the Serbian government began a creeping takeover of the Belgrade municipality by again refusing a request of the private mass transportation system in Belgrade to increase fares. The subsequent transportation strike, instigated by JUL members, led to a breakdown of the system, which is managed by the city, which is controlled by the SPO. The Serbian government reacted by taking control of the city-managed public-transportation company and replaced its CEO. A media campaign accused the city government of mismanaging vital services, corruption and disregard of the public interest. Water shutdowns followed, and the same scenario was repeated to gain control over that public company.

These events marked the beginning of the campaign for local elections. So far the regime has focused on Belgrade. Whether it can win there remains a big question, but it has sent a clear message to Draskovic that his position in the city is no longer secure. His source of power and wealth in recent years can and will be challenged. At the same time, the government managed to undermine Draskovic's visit to Moscow, where Russian authorities received him at a rather low level.¹⁸

IV. CONCLUSIONS

When he was asked recently about the political situation, the government and what he thinks should be done, a peasant in Serbia replied, "They should step down but the opposition should not take over." This very simple statement best reflects the current situation and the opinion of the majority of the population.

The regime holds firm control over every aspect of life and remains as rigid as it ever has been. Learning and gaining experience over the years has enabled the regime to "improve" its performance. It has become more efficient, with most analysts in Serbia estimating that Milosevic will be able to stay in power indefinitely.

The regime's process of internal consolidation after a lost war and the loss of Kosovo has been mostly successful. The economy is in bad shape, but the government still controls sufficient resources to sustain it at its present low level. Only two factors could combine to cause an economic breakdown:

¹⁸ This can partially be blamed on the opposition, which was focused on assistance from the West and never tried to develop contacts in Russia, says one analyst. For Russia, the regime in Belgrade provides their last "foot-hold" in Europe, which determines Moscow's policy.

continuation of the drought and a cold winter. Neither can decisively influence the September elections.

A combination of ardent nationalism and a new emphasis on continuity with the epic history of resistance during World War II, the period of reconstruction that followed, and the "golden age" of the former Yugoslavia, has provided results during the past year. This propaganda, coupled with increased repression, has strengthened the conviction of many in Serbia that whatever they do, this regime will stay in power. The fact that in Serbia no real change or transformation has ever occurred works in favour of the regime too, making "Titoisation" possible and to some even appealing. A wide range of incentives offered by the SPS and even more aggressively by JUL, has helped them recruit new members and halt the erosion of support within the ruling parties.

The erosion of Milosevic's popular support will not by itself lead to change because it has been matched by opposition losses. The opposition lacks support because it does not offer a comprehensive and appealing program, is divided and believed to be as corrupt as the regime; the latter is especially true for Vuk Draskovic's SPO. This division in the opposition ranks was further confirmed by the announcement on 6 August that the SPO would be fielding its own candidate for the presidency – Mayor of Belgrade Vojislav Mihajlovic – notwithstanding the other opposition parties backing for Democratic Party of Serbia leader Vojislav Kostunica. The opposition, especially in Belgrade, has also long been on the defensive, reacting only to initiatives of the authorities. The May events only strengthened these impressions. A large number of voters have become undecided and remain passive because they don't see a viable alternative to the Milosevic regime.

Serbian analysts say that none of the opposition parties has yet abandoned the ideology of nationalism and the idea of "Greater Serbia," with the exception of the Civic Alliance. The rest of the opposition has not changed their position towards "the others" in the former Yugoslavia. Despite formal adoption of democratic principles, the opposition has no democratic platform and does not offer a true transformation. It is only engaged in a struggle for power with the regime and within its own ranks.

The struggle for power between the two ruling sister-parties, SPS and JUL, is gaining momentum. Because vested interests of party members, especially the elites, are involved it will be hard to resolve the problem. This new phenomenon may prove helpful by contributing to wider polarisation within the regime, but it has its limits. There is no conflict at the top between party leaders Slobodan Milosevic and Mira Markovic. In the opinion of some Serbian analysts, the ongoing polarisation within the SPS may provide a new and different alternative for change. The disenchanted faction is amorphous but cuts across top management in business, and is making inroads into the higher levels of government.

Even more encouraging is that business leaders are willing and able to maintain relations and even work together despite ideological differences and party affiliation. The majority seems to favour de-politicisation of the economy and society, and re-establishment of links and co-operation with the West. They all complain that now it is impossible to do business without breaking the law, both Yugoslav and European. Corruption is just a part of that.

The opposition could use this potential to mobilise more support for a comprehensive process of transformation in the economic, social and political spheres as well as in international relations. To be successful it would have to adopt a conciliatory position toward business and professional members of the ruling parties, the SPS in particular. Importantly, it would also require a concrete platform and the unity and determination to make its plans credible.

However, in the present circumstances, it will be extremely difficult for the opposition to achieve these goals, and to defeat Milosevic. The isolation of Serbia, which may be necessary to prevent further Milosevic-inspired conflict, also benefits the regime and deepens the psychological divide between the Serbian people and the West.

With the population largely passive and "undecided" as voters, the situation in Serbia is very unstable. The present balance, which in overall terms is tipped in favour of the regime, could change overnight. Brewing dissatisfaction provides fertile ground for any anti-regime movement. Unrest may be sparked easily and could be precipitated by a shortage of food or lack of heating next winter. However, if that happens, the outcome is far from certain. While the opposition is poorly organised to take over in such a crisis, Serbian analysts believe that Vojislav Seselj's Radical Party (SRS) and possibly the SPO may be the likely beneficiaries. Both parties are capable of mobilising their members quickly and organising armed units¹⁹.

A famous long-time dissident under Tito has pointed out that Serbia is today "out of sync" with the rest of Europe, where it belongs, and isolated as never before in its history. Though there is deep darkness all around, when one least expects it, something could still happen to bring change.

In calling for elections, it is obvious that Milosevic came to the conclusion that recent developments created a good opportunity for him to secure his rule for another four years. He chose an early election date in an effort to prevent the opposition from recovering and regrouping, but his planning has certainly gone further than this, to include the unlikely scenario that he will actually lose at the polls. The notion is that this could happen if a majority of undecided voters turns out, with the higher the margin of victory for the opposition, the more difficult it being for the regime to manipulate the results. Milosevic's remaining choice in these circumstances would appear to be for him to instigate a new crisis – such as with Montenegro – and create a situation that would allow him to stay in power despite his electoral defeat.

The conclusion of this report – that the regime has withstood efforts by the West and internal opponents to undermine its hold on power and is in a stronger position today than ever – raises fundamental issues for Western policy toward Milosevic, Serbia and the Federal Republic of Yugoslavia.

In spite of claims by opposition leaders that Milosevic can be removed by popular will, it remains very unlikely that the opposition can win the elections. Quite apart from Milosevic's practiced efforts to foul the electoral pitch, serious doubts remain about the capacity of the opposition to mount a credible campaign. Opposition leaders, whether united or not, are not held in great

¹⁹ The SRS may have up to 7,000 armed members, the SPO less.

respect by the majority of Serbian people, nor is there a consensus behind any one figure as an agent of change and an alternative to Milosevic. Moreover, almost every candidate and party seeks to compete with Milosevic in his own nationalist arena, thus complicating their relationships with the West and adding to the Serbian people's confusion about how to reconcile national myths and policies with their desire to integrate into European political, economic and security structures.

Following a period of increased political vulnerability in the immediate aftermath of the Kosovo war, Milosevic has regained ground in recent months by consolidating the regime's internal structures and support, and moving on the offensive against his domestic opposition, and Montenegro's pro-Western President, Milo Djukanovic. The recent changes to the constitution and the decision to hold federal and local elections on 24 September represent an attempt by Milosevic to draw the Serbian opposition, Djukanovic and NATO governments into a legitimisation of his continuation in power, and of the new federal structure over which he intends to preside.

The Serbian opposition is committed to preventing Milosevic from winning a new mandate by fighting him at the polls. The international community has so far supported the opposition's decision to take part in the elections, and has gone so far as to pressure Montenegrin President Milo Djukanovic to field candidates of his own, which he has refused to do. However, the odds remain heavily stacked against the opposition and in Milosevic's favour. In the present circumstances, the participation of the opposition and of the Montenegrins in federal elections runs the very real risk of handing Milosevic a sham election victory. Such a result would represent a massive set back for hopes of democratic change in Serbia and would lend a veneer of democratic legitimacy to Milosevic and his regime.

The international community should not lend further support to these flawed and illegal federal elections. The West's willingness to endorse phoney elections is an act of desperation, which rests on the hope that if Milosevic blatantly steals the elections the Serbian people will somehow rise up against him. Much as that would be good for Serbia, it is unlikely to happen. While no-one can prevent the Serbian opposition from participating in these elections, the international community could and should back the Montenegrin government in its persistent refusal to participate in a poll that seriously endangers Montenegro's emerging democracy.

Belgrade/Washington/Brussels, 17 August 2000

Propaganda in *Politika*

On 8 May 2000 five reports begin on the front page:

Conference of the Fifteen Ministers of Foreign Affairs: THE EU SUPPORTS PROPOSED LIFTING OF SANCTIONS AGAINST YUGOSLAVIA, Head of Greek Diplomacy Said That His Proposal For Removal of Embargo Was Accepted by Almost All Participants at the Meeting in Azores—Press in Bruxelles Reports That Only Ministers of GB and Holland Were Against.

Anniversary of the American Bombing of Chinese Embassy: BEIJING WARNS WASHINGTON ONCE MORE, U.S. Must Provide the Government and the People of China With a “Satisfactory Explanation” of the Barbaric Act Committed on 7 May in Belgrade, pointed out Chinese Spokesman Sun Yusi, Reminding of the Anniversary of the U.S. Crime When Five American Missiles Destroyed the Chinese Embassy Killing Three Journalists.

Session in Rome of the Italian Section of the Ramsey Clark Tribunal for War Crimes Committed by NATO in Yugoslavia: JOURNALISM IN THE WESTERN COUNTRIES IS NOT A FREE PROFESSION, Continuous and Synchronised Publication of Lies—Well Conceived Strategy of Disinformation by NATO to Create the Picture of “Bad Serbs” and So Manipulate Public Opinion in the Countries of the Alliance, said F. Grimaldi From Italian “Liberazione.”

Protest of Many Thousands of Workers in Athens: IMPERIALIST ASPIRATIONS OF THE U.S. CONDEMNED, In Front of the U.S. Embassy Building in Athens American Flags Were Burned and Slogans Shouted “Let's Say No To Capitalists, Imperialists and Killers.”

Festive Ceremony in Moscow: PUTIN INAUGURATED, KASYANOV ACTING PRIME MINISTER.

First of the articles announced on the first page ('In This Issue:'): Who Are the Three Arrested For Attempted Murder In Front Of Cafe 'Passage' In Pozarevac: MEMBERS OF PRO-NATO ORGANISATION “OTPOR,” DERANGED PERSONS KNOWN FOR CRIMINAL ACTS THEY COMMITTED.

On 26 May the paper reported:

Statement of the Secretary of the JUL Committee: THIS STATE DEFEATED NATO AIRFORCE, SO IT WILL NATO TERRORISTS AND NATO MEDIA, It is Clear That Two Major Tools NATO Uses Now To Attack Yugoslavia Are Terrorism and Media Torture By Lies, Says Mr. Ivan Markovic—This People Are Heroic And Not Afraid Of Terror. (In the text of his statement, in addition to “Otpor,” “Djukanovic's criminals in police costumes,” “Dodik's kidnapping gangs” and “so-called independent media dailies” *Blic*, *Danas* and *Glas Javnosti* are mentioned as terrorist organisations.)

On 27 May on the front page:

President of the Republic Received Delegation Of Russian Duma: THE WORLD FACES POLICY OF HEGEMONISM OF THE AMERICAN ADMINISTRATION, Slobodan Milosevic And Nikolai Rishkov In A Friendly Conversation Underlined That Both Yugoslavia And Russia Attribute Special Importance To Development Of Overall Cooperation - Guests

Expressed Their Admiration Of Results Achieved In Reconstruction And Development After NATO Aggression.

On 4 June on the front page:

Lies Of Carla Del Ponte In the Security Council Of the UN: THE CRIMES OF NATO IN YUGOSLAVIA CALLED "ERRORS," Self-incriminating And Shameless Statement Of Chief Of The Hague Tribunal - Sharp Criticism From Russia And Applause Of USA And NATO.

The Verdict Of The European Tribunal In Berlin: SHAMELESS ROLE OF THE EXECUTORS OF THE WILL OF WASHINGTON MARKED, Tribunal With Participation Of Representatives Of National Courts Of 16 European Countries And Russia Declared Heads Of States-Members Of NATO, Their Ministers For Foreign Affairs And Defence As Well As The Commanding Structure Of The Alliance Guilty Of War Crimes And Crimes Against Humanity Committed During The Aggression Against The People(s) Of Yugoslavia.

China Does Not Accept Report Of Carla Del Ponte To The Security Council Of The UN: INVESTIGATION OF NATO CRIMES IN YUGOSLAVIA NECESSARY, Clearly Expressing Reserves In Regard To The Hague Tribunal Chinese Representative Chen Su Said That His Country Hopes That The Tribunal Can Apply Law In "An Objective And Just Way And Not To Become A Political Instrument."

Russia Condemned The Decision Of The Hague Tribunal's Prosecutor: NEW EVIDENCE OF LACK OF IMPARTIALITY OF THE COURT, Ministry of Foreign Affairs Of Russia Considers That Such An Attitude Does Not Contribute To Political Solutions In The Region.

Since May, the regime has conducted a new offensive against the Tribunal. The Federal Minister for Justice sent a letter in response to Chief Prosecutor Carla Del Ponte's request of 26 April that Yugoslavia cooperate with the Tribunal, including the extradition of indicted persons. He not only refused any form of cooperation, let alone extraditions, but denied the legitimacy of the Tribunal and its jurisdiction. The full text of this communication was published. It was so uncivilized and contained so many vulgarities, that even the public in Serbia, which by now has become accustomed to such language in the media, was surprised. Insiders say that neither the Minister of Foreign Affairs nor anyone in the government new about the letter until it was delivered and published, but President Milosevic himself authorized the text.

On several inside pages *Politika* reports on the political activities of the ruling parties. Statements and reports from their local conferences and meetings are an echo of what the paper has on the front page. The only difference is that the language is even harsher, and accusations of "external and internal enemies" stronger.

The whole page seven is reserved for former Yugoslav republics, none of which is yet treated as other states are. The emphasis in the reports is on problems they face and difficulties in the process of transformation and in their relations with the West (EU and NATO). The picture of Slovenia and Croatia portrays political instability, economic difficulties and above all corruption and the duplicity of their leaders and their animosity towards Yugoslavia and the Serbian nation. Reports from Macedonia underline resistance of the population to the official policy of the

APPENDIX A

country "imposed by NATO," and quote accusations of the opposition. The impression created is that Serbia and its policies enjoy popular support there but the Macedonian government and NATO prevent fulfilment of these views.