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Authority NND 969046  
By SG NARA Date 12/2/03

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



DEPARTMENT OF STATE  
ACTION MEMORANDUM

S/20

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10/3/73 (4)  
OCT 3 1973

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COPY TO:  
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To: The Secretary  
From: EUR - Walter J. Stoessel Jr.

Pressure Points on Yugoslavia

The following are possible actions which we might consider undertaking to induce the Yugoslavs to be more mindful of our interests when they are contemplating taking "non-aligned" positions in non-European areas.

<u>Area</u>	<u>Action</u>
A. Political	1. Refute Yugoslavs in public forum, e.g. UN
	2. Make representations at Ambassador level in Washington and Belgrade
	3. Make representation at Cabinet level (Secretary Shultz in Belgrade)
	4. Cease taking part in Yugoslav trade fairs
	5. Delay opening USIS Information Center in Sarajevo

File WS - Yugoslavia

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Drafted: EUR:JAArmitage/EUR/EE:RGJohnson/HGilmore/EESegall  
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6. Oppose Yugoslav candidates in international organizations
7. Postpone Bijedic visit
8. Recall Ambassador for extended consultations

B. Military

1. Curtail access to US military schools
2. Postpone high-level visits
3. Restrict military sales policy

C. Economic

1. End OPIC guarantees for US investments
2. End CCC credits
3. Discourage private credits and investment
4. Tighten export controls to level of Hungary and Poland
5. Curtail Government credits and guarantees
6. Revoke or suspend MFN tariff treatment

Criteria guiding our selection of the appropriate alternative should include:

- a) convey seriousness of our objection, i.e. our willingness to alter current or contemplated

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actions if our interests are ignored;

b) avoid calling into question our support for Yugoslav non-alignment in Europe, i.e. Yugoslav independence from the USSR, especially in the risky post-Tito period;

c) maintain US influence in and with Yugoslavia and, conversely, not afford the Soviets opportunities to expand their influence;

d) act commensurately with the Yugoslav offense.

We believe that representations to the Yugoslavs relating their activities in the UN and other multilateral forums (Korea, possibly Cambodia, Puerto Rico), the build-up of Tho, and their allegations regarding US responsibility for the Chilean coup to the fact you did not meet with Minic would carry much weight. The Yugoslavs set great store on establishing contact with you early in your tenure as Secretary. As this course could be carried out without publicity, it would be easier for the Yugoslavs to take accommodating steps. It does not necessarily open the way for Soviet counter gains as would most of the possible actions in the military or economic area. Nor does it risk possible unhelpful domestic debate or loss of US exports as most of the economic moves might. We believe State/Embassy officials would be more appropriate for the task than the Shultz/Dent/Casey delegation.

Recommendation:

1. That Ambassador Toon make a representation in Belgrade expressing US concern at Yugoslavia's failure to take US interests into due consideration, and link this concern to your decision not to see Foreign Minister Minic.

OCT 8 1973

Approve HK

Disapprove \_\_\_\_\_

But isn't it better for Stoessel

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to check with the Ambassador

here? I am open-minded - what

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2. That I call in Yugoslavian Ambassador Granfil and make the same point to him.

Approve \_\_\_\_\_ Disapprove \_\_\_\_\_

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