ABSTRACT

Dr. Gary R. Hess, Advisor

This historical investigation of United States-Yugoslav relations during the last two decades of Josip Broz Tito’s thirty-five-year presidency makes a contribution to understanding the formation and execution of American policy toward Yugoslavia. An examination of the Kennedy, Johnson, Nixon, Ford, and Carter Administrations dealings with a nonaligned and socialist Yugoslavia shows that the United States during the height of the Cold War could maintain good relations with a Communist state to uphold a wedge in the Soviet Bloc and to preserve regional geo-strategic balance.

The Yugoslav communists managed to deal imaginatively and successfully with the shifts in the focus of American policy from Kennedy’s “Grand Design,” Johnson’s “building bridges” appeal, Nixon’s personal diplomacy, to Carter’s focus on the human rights. Despite its domestic problems that involved political infighting and purges, experimentation with the market economy, and the resurgence of nationalism, Yugoslavia pursued a surprisingly independent foreign policy and maintained leadership of the international nonaligned movement that created a competing ideology to challenge the established spheres of influence of the two superpowers.

The study juxtaposes the importance of the role of American ambassadors in creating and maintaining bilateral relations against the importance of the high-level visits – by presidents, secretaries of state, and foreign ministers – and asserts that ambassadorial diplomacy was crucial in maintaining steady bilateral relations.

Josip Močnik
March 13, 2008
To Mirta
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I. INTRODUCTION

Yugoslavia is a difficult country to understand. Its many nations, languages, and religions generate centrifugal tendencies. At the same time there exist powerful centripetal forces: the common South Slav origin of the majority of the population is the basis for many ethnic, linguistic, and cultural similarities; and there are also many historical experiences.


The late Tito era was an era of optimism, a kind of “golden age,” in which regime ideologues could dream of plans “to build a new socialist society,” rid of all forms of exploitation, to construct a society in which the economic and political sovereignty of the working class remains the cornerstone both of internal development and foreign policy.


Post-Second World War Yugoslavia was established as a one-party Marxist-Leninist state controlled by the Communist Party of Yugoslavia (CPY) headed by Marshall Josip Broz Tito. The Yugoslav leadership was initially fiercely loyal to the Soviet centralized economic program that was put in place by Joseph Stalin in the early post-war period. After the Tito-Stalin split and its expulsion from the Communist Bloc in 1948, Yugoslavia made the most of its unique position as a Communist state outside of the Soviet sphere of influence. It maintained its independence against the Bloc’s threats while retaining a certain amount of influence in Communist affairs. It obtained large amounts of economic and military assistance from the West while continuing to criticize and oppose its benefactors on a wide range of issues. Above all, Yugoslavia used these successes to achieve a position of leadership among the nonaligned countries and to acquire international prestige disproportionate to its size and relative geo-strategic importance.

The break between Tito and Stalin in 1948 arose from the disagreements over the nature of the bilateral relationship and over the ideological tenets and policies to which Yugoslavia was to adhere. Belgrade refused to accept the terms to which Moscow insisted as precondition to
membership in the Communist Bloc. Consequently, Yugoslavia remained outside and set out to
develop a unique system of economic administration that was labeled socialist self-management.
The new system was perceived to be a more accurate implementation of the Marxist theory that
put forward the idea that the means of production should be owned and operated by the workers.
Tito and the Yugoslavs believed that their system was more dynamic and just than the Soviet
system which they considered to be static because the Soviet communist state had simply
replaced the capitalists of the West in exploiting the worker class. Having remained outside the
Bloc, and having been punished for this by being deprived of the Soviet military and economic
assistance, Tito was forced to seek and accept assistance from capitalist countries – especially
from the United States – for his ambitious programs.

This necessity of taking aid from the West during the late 1940s and throughout 1950s
was not pleasing to the Yugoslavs. It represented a price which had to be paid for the privilege of
abstaining from the Bloc membership. It also involved placing a certain restraint on public
expression of the distaste and distrust with which the Yugoslav leaders had been taught to view
the western powers who endured never-ending charges by the Bloc propagandists to the effect
that Yugoslavia had sold itself to the imperialists. Although this price was awkward, it was not
unbearable. Americans were not particularly sensitive to the tone of political utterances in
Belgrade and had little disposition to take them seriously into account in the shaping of
American aid programs. This tolerance made it possible for Yugoslavia to cover its flank vis-à-
vis the Bloc by trying to be at least as Catholic as the Pope when it came to the criticism of the
imperialists and by vying with the Bloc propagandists in the repudiation and criticism of western
policies. Thus, Belgrade found it possible to eat its cake – in the form of American aid – and yet
to have the privilege of taking an anti-western and anti-American stance on contentious world
issues and defending its respectability as a socialist and anti-imperialist power of nonaligned aspirations.

Tito’s main foreign policy goals were to retain Yugoslav independence at any cost, to stand as a model of a nonaligned socialist enterprise, and to achieve access to economic opportunities in both East and West. The pragmatism which led Tito to seek American aid after the break with the USSR in 1948, his improvisation tactics, and shrewd compromising were astonishingly successful. While the Yugoslav relations with the United States were generally friendly, there was a measure of restraint and wariness on both sides every time Tito would publicly and vocally side with the anti-Americans.

The post-Second World War Yugoslav scholarship is arbitrarily divided into two sets of studies: the one that deals with the Tito-Stalin split and its immediate aftermath and the burgeoning works on the collapse of the country and the ensuing civil wars of the 1990s.\(^1\) The former group was aptly summarized by Ivo Banac in his 1992 *American Historical Review* article, “Historiography of the Countries of Eastern Europe: Yugoslavia,” and by Wayne S. Vucinich’s edited work, *At the Brink Of War and Peace: The Tito-Stalin Split in a Historic Perspective*.\(^2\) The latter set of studies was synthesized by Norman M. Naimark’s and Holly Case’s edited work *Yugoslavia and Its Historians: Understanding the Balkan Wars of the 1990s,*

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and two books by Sabrina P. Ramet: Balkan Babel: The Disintegration of Yugoslavia From the Death of Tito To the Fall of Milošević, 4th ed., and Thinking About Yugoslavia: Scholarly Debates about the Yugoslav Breakup and the Wars of Bosnia and Kosovo. This dissertation examines the largely neglected story of US-Yugoslav relations during the 1960s and 1970s.

While this study relies predominantly on the primary documents available in the Foreign Relations of the United States (FRUS) series as well as those released by the National Archives and the respective presidential libraries under the Freedom of Information Act (FOIA), the Library of Congress, Cold War International History Project, National Security Archive (George Washington University), and the United Kingdom’s Public Record Office. In addition, the study utilizes documents released by the successive countries of the former Yugoslavia (in particular, the National Archive of Croatia, Zagreb; the National Archive of Serbia, Belgrade; and, the National Archive of Slovenia, Ljubljana). A wealth of secondary literature provides necessary background information.

Milovan Djilas’s and Richard West’s biographies of Tito, one written by a close associate and the other by a journalist, provided ample background on the personality of Yugoslavia’s “benevolent dictator.” H.W. Brands’ investigation of America’s view of the policy of nonalignment and Gabriel Kolko’s general history of the American role in the Third World


provided broader understanding of the nonalignment and the United States’ global policies.\(^5\)

Among the more general works that examine the United States diplomatic relations with the region was Bennet Kovrig’s initial comprehensive analysis of American policies toward East-Central Europe from signing of the Atlantic Charter to the aftermath of the invasion of Czechoslovakia and his more recent and broader account of American policy toward Eastern Europe.\(^6\)

In its scope, this study complements and builds on Nick S. Ceh’s doctoral dissertation, “United States-Yugoslav Relations During the Early Cold War, 1945-1957,” and Tvrtko Jakovina’s two works on the relations between the United States and Yugoslavia during the same period that were published in Croatia.\(^7\) Instead of focusing on the centerpiece of the Cold War, Ceh’s work on US-Yugoslav relations during the early Cold War examined the significance of


\(^7\) Nick S. Ceh, “United States-Yugoslav Relations During the Early Cold War, 1945-1957” (Ph.D. Dissertation, University of Illinois at Chicago, 1998), and Tvrtko Jakovina, Socijalizam Na Američkoj Pšenici, (Zagreb: Matica Hrvatska, 2002), and Američki Komunistički Saveznički Hrvati, Titova Jugoslavija i Sjedinjene Američke Države, 1948-1963, (Zagreb: Profil International, 2003). Also, David L. Larson’s poorly written book, based exclusively on secondary material, deals with the Kennedy Administration and he blames Congress for tying the hands of the new Kennedy administration in its efforts to wean Yugoslavia away from the Soviet Union: David L. Larson, United States Foreign Policy Towards Yugoslavia, 1943-1963, (Washington, D.C.: University Press of America, 1979). Moreover, John C. Campbell’s study of the post Tito-Stalin split US-Yugoslav relations is somewhat relevant since the author participated in many of the policy decisions he described: John C. Campbell, Tito’s Separate Road: America and Yugoslavia in World Politics, Policy Book Series of the Council on Foreign Relations, (New York: Harper and Row, 1967). Likewise, Lorraine M. Lees’ and Lars Nord’s work also provided some additional information for the study of bilateral relations during the early Cold War: Lorraine M. Lees, Keeping Tito Afloat: The United States, Yugoslavia, and the Cold War, (University Park: Pennsylvania State University, 1997); Lars Nord, Nonalignment and Socialism: Yugoslav Foreign Policy in Theory and Practice, Publications of the Political Science Association of Uppsala 69, (Stockholm: Distributed by Raben & Sjogren, 1974). However, it is somewhat disappointing that Lorraine Lees, who used to be a historian at the State Department, did not use more primary sources in her study of the bilateral relations during the Truman and Eisenhower administrations.
the American support of Yugoslavia and the American hope to deepen the wedge in the Soviet Bloc while Jakovina provided a plausible case in favor of the ideological motives of the American foreign policy. In its approach, the study is influenced by David Mayers’ remarkable and well-researched work on ambassadorial diplomacy, which he considered “essential to the success of international policy.” By juxtaposing the performances of American ambassadors George F. Kennan, C. Burke Elbrick, William Leonhart, Malcolm Toon, Laurence H. Silberman, and Lawrence S. Eagleburger, this study traces the development of Yugoslav-American diplomatic relations during the Kennedy, Johnson, Nixon, Ford, and Carter Administrations.

There is no contemporary work on US-Yugoslav diplomatic relations during the height of the Cold War. The primary focus on ambassadorial diplomacy underscores the significance of the six men who held that position in shaping policy and representing American interest in a unique Cold War assignment. This study concludes in 1980 because Tito’s death introduced a major change in the Yugoslav domestic situation and opened the door for the infighting and eventual collapse and disintegration of the country.


9 Unlike Mayers’ study that simultaneously examined the performance of American ambassadors in Moscow and their Soviet counterparts in Washington, this study only marginally deals with Yugoslav ambassadors to the United States. Although Marko Nikezić (1958-62), Veljko Mićunović (1962-67), Bogdan Crnобрњa (1967-71), Toma Granfil (1971-76), Dimče Belovski (1976-79), and Budimir Lončar (1979-83) as Yugoslav ambassadors played an important role in the development of the bilateral relations, their role was somewhat diminished when compared to the one of American top diplomats who were concurrently serving in Yugoslavia. Furthermore, as the Yugoslav ambassadors tended to be less prestigious, so the documentary evidence available to researchers tends to be rather sketchy.
II.

THE KENNEDY YEARS AND KENNAN’S ROLE AS AMBASSADOR

Ambassadors have no battleships at their disposal, or heavy infantry, or fortresses. Their weapons are words and opportunities.

- Demosthenes, 343 B.C.

…when George Kennan reported from Belgrade, where he was serving as ambassador… Washington agreed.


It is upon our representatives abroad—upon a trained, dedicated Foreign Service Corps, headed by a wise, experienced and observant group of chiefs of mission that we must depend for our first line of defense. They must understand the country where they represent us, with all its quirks, prejudices, and differences, its friendly and hostile views. They must report without fear of fervor.


In turning to this subject of American opinion and policy with relation to Yugoslavia I am going to place a special demand on the attention and patience of the reader by asking him to note, and to bear in mind as I pursue the account further, certain aspects of the relationship between Yugoslavia and the United States as they prevailed at the time of my service in Belgrade. I do this because without this background, the difficulties that arose for the performance of my mission there cannot be understood; yet these difficulties were so revealing and illustrative with relation to the workings of the American government and political system in the conduct of diplomacy that the examination of them in detail seems to me to be well worth the effort.


One of the most memorable elements of John F. Kennedy’s inaugural address was the part in which he talked about the need for Americans to be active citizens and to sacrifice for the common good: “pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of liberty.”

He ended his rather bellicose call to arms with the now famous petition to the Americans and citizens of the world: “ask not what your country can do for you – ask what you can do for your country… ask not what America will

do for you, but what together we can do for the freedom of man.”² Thomas G. Patterson concurred with Arthur Schlesinger who suggested that “the address contained ‘extravagant rhetoric’ that amounted to an ‘overreaction’ to [Soviet Premier Nikita] Khrushchev’s January 1961 speech that had applauded wars of national liberation.”³ Despite Kennedy’s determination to spice the Cold War initiative – most evident from the names given to the Administration’s programs such as “the ‘Grand Design’ for Europe; the ‘New Africa’ Policy; the ‘Alliance for Progress for Latin America’; and the ‘New Frontier’ at home” – addressed at the mounting tensions of the Soviet-America rivalry.⁴

To deal with the perceived communist threat in Cuba, in April 1961 Kennedy authorized a group of American-supported Cuban exiles to invade the island and to overthrow Fidel Castro. The Bay of Pigs invasion of April 1961 developed into an embarrassing debacle. Its failure intensified the heightened Cold War tensions with the Soviets and eventually set the stage for the Cuban Missile Crisis of 1962.⁵ As the Soviets were clandestinely installing nuclear missiles in Cuba, on October 14, 1962, an American U-2 spy plane photographed the construction of

² Ibid.


⁴ Ibid. 23. Thomas Paterson’s assessment of the Kennedy foreign policy was unflattering:

Despite the rhetoric of bold, new thinking, Kennedy and his advisers never fundamentally reassessed American foreign policy assumptions. Instead, they endowed them with more vigor and less patience – inviting the shortfalls and failures that dominate the diplomatic record of John F. Kennedy. Arrogance, ignorance, and impatience combined with familiar exaggerations of the Communist threat to deny Kennedy his objectives – especially the winning of the Third World. The world was not plastic, nor did Kennedy have the Midas touch. Out of such disappointment has sprung comforting myth. Out of well-researched scholarship emerges unpleasant reality and the need to reckon with a past that has not always matched the selfless and self-satisfying image Americans have of their foreign policy and of Kennedy as their young, fallen hero who never had a chance. Actually, he had his chance, and he failed.

⁵ Thomas G. Paterson, “Fixation with Cuba: The Bay of Pigs, Missile Crisis, and Covert War Against Castro,” in Paterson, ed. Kennedy’s Quest for Victory, pp. 131-7. The Bay of Pigs invasion had been planned by the Central Intelligence Agency (CIA) under the Dwight Eisenhower administration and despite his reservations about the operation, Kennedy nonetheless approved it.
missile-launching sites in Cuba. Kennedy imposed a naval quarantine on Cuba since the placement of medium (MRBM) and intermediate (IRBM) nuclear ballistic missiles only ninety miles away from America’s shores threatened to undermine the tense Cold War nuclear deterrent. After thirteen traumatic days, the Soviet Union “blinked” and agreed to remove the missiles while the United States pledged not to preemptively invade Cuba and to remove secretly its obsolete missiles from Turkey. Although Kennedy’s handling of the Cuban missile crises was considered a success, Paterson suggested that:

President Kennedy helped precipitate the missile crisis by harassing Cuba… Then he reacted to the crisis by suspending diplomacy in favor of public confrontation. In the end, he frightened himself. In order to postpone doomsday, or at least to prevent a high-casualty invasion of Cuba, he moderated the American response and compromised. Khrushchev withdrew his mistake, while gaining what Ambassador Llewellyn Thompson thought was the “important thing” for the Soviet leader: being able to say, “I saved Cuba. I stopped the invasion.”

The Kennedy era Cold War confrontation was not limited to Cuba. In South Vietnam Kennedy increased dramatically the number of U.S. military “advisors” to prop up Ngo Dinh Diem’s regime:

In order to shift ‘from the defense to offense,’ Kennedy authorized a 50,000-man increase in ARVN [Army of the Republic of Vietnam, South Vietnam], sent in more American training staff, deployed 400 Green Berets to lead 9,000 border tribesman against North Vietnam’s infiltration routes, ordered the Central Intelligence Agency to organize commando raids against North Vietnam, armed the South Vietnamese provincial Civil Guard forces with heavy weapons, and added $42 million to an aid program which was already spending $220 million per year.6

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6 Ibid. pp. 151; 155. Paterson also added that the “Cuban-American confrontation was and is a question of the Cold War, domestic American politics, and personalities. But it has been primarily a question of faltering United States hegemony in the hemisphere. Kennedy struggled to preserve that hegemony. In the end, he failed – he did not achieve his well-defined and ardently pursued goals for Cuba. His Administration bequeathed to successors [current Bush Administration included] an impressive fixation both resistant to diplomatic opportunity and attractive to political demagoguery.”

By these activities in Vietnam, Kennedy had put the United States on the slippery slope of full-scale military intervention. Lawrence Bassett and Stephen Pelz suggested that Kennedy “bequeathed to Lyndon B. Johnson a failing counter-insurgency program and deepened commitment to the war in South Vietnam.”

In Europe, Kennedy spent two days in Vienna in June 1961 discussing the Berlin issue with Khrushchev. Instead of a breakthrough that would lead to overall reduction of tensions and improvement of the Soviet-American relations, Soviets renewed their threat to sign a separate treaty with East Germany. As the crisis of Berlin was renewed, East Germany put in place barbed wire on its side of the border between East and West Berlin which soon became a double wall of concrete cutting through Berlin. As a part of the Grand Design policy, Kennedy responded to the Berlin Wall by reinforcing troops in the Federal Republic of Germany. Although the Berlin Wall ostensibly eased tensions in Central Europe, Frank Costigliola proposed that “[t]he [Berlin] Wall highlighted the futility of trying to ignore the GDR [German Democratic Republic] out of existence. It thus marked the beginning of West Germany’s slow turn toward Ostpolitik, that is, the direct ties with East Germany and Eastern Europe.”

Although Eastern Europe did not figure prominently in Kennedy’s Grand Design policy for Europe, he was quite familiar with Yugoslavia and its unique socialist and nonaligned aspirations outside of the Soviet Bloc. As a young congressman, he visited Marshall Josip Broz

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8 Ibid. p. 252.

9 Frank Costigliola, “The Pursuit of Atlantic Community: Nuclear Arms, Dollars, and Berlin,” in Paterson, ed. Kennedy’s Quest for Victory, p. 27. According to Costigliola, the Kennedy “Administration crafted a policy, labeled the ‘Grand Design,’ to bolster the American position by making Western Europe a unified, faithful helpmate. This ambitious plan included several goals: to ease Britain into the European Common Market, to increase exports by reducing trans-Atlantic tariff barriers, to persuade Europe to bear more of the burden of defense expenses, and to channel European nuclear aspirations into a Multilateral Force (MLF) under Washington’s supervision.”

10 Ibid. p. 42.
Tito in Belgrade in 1951 and by the late 1950s Kennedy had become a notable supporter of strong US-Yugoslav relations.\(^\text{11}\) The importance Kennedy attached to Yugoslavia as he assumed the presidency is seen in the appointment of George F. Kennan, the first director of the State Department’s Policy Planning Staff, former envoy to the Soviet Union, and renowned as the “architect” of the containment policy, as the new American ambassador to Yugoslavia.

Despite the fact that Kennan was associated with Adlai Stevenson in 1956 and did not belong to the Kennedy inner circle, Kennedy valued Kennan’s wealth of experience and knowledge, and offered him the choice of ambassadorship to Poland or Yugoslavia.\(^\text{12}\) Since Kennan studied the Serbo-Croatian language, had researched medieval Serbia and mastered Yugoslavia’s complicated linguistic, religious, and ethnic mix, he was naturally more inclined toward Belgrade so he put his academic career at Princeton temporarily on hold and took the post in Yugoslavia. Kennan’s appointment as Ambassador to Yugoslavia was prominently featured in Time magazine together with the appointments of Edwin O Reischauer to Japan and John K. Galbraith to India. By implication this “high profile” appointment and the placement of a small, socialist, nonaligned Balkan country on the same pedestal as Japan and India suggested that Yugoslavia mattered and that the Kennedy administration was committed to building strong relation with Yugoslavia.\(^\text{13}\)

\(^{11}\) Department of State. Foreign Relations of the United States 1961-1963, Volume IX, Foreign Economic Policy. Section 15, July 5, 2005, [http://dosfan.lib.uic.edu/ERC/frus/frus61-63ix/15_Section_15.html](http://dosfan.lib.uic.edu/ERC/frus/frus61-63ix/15_Section_15.html) [hereafter FRUS]. An indication that Kennedy continued to be mindful of the US-Yugoslav relations when he became President was the statement he made during his Annual Message to the Congress on the State of the Union of January 30, 1961: “we must never forget our hopes for the ultimate freedom and welfare of the Eastern European peoples” in order “to help reestablish historic ties of friendship.” Kennedy indicated that he would seek congressional authority to selectively expand economic relations with the Soviet satellites.


\(^{13}\) Mayers, The Ambassadors and America’s Soviet Policy, p. 213. According to Mayers, “the Kennedy schema… encouraged the use of diplomats who exhibited that brand of élan prized by the president. As Undersecretary of State Chester Bowles expressed it, the administration was determined to recruit ‘a new breed of
Time magazine profiled American Ambassadors to Japan, Yugoslavia, and India: Edwin O. Reischauer, George F. Kennan, and John K. Galbraith respectively. These distinguished appointments were fulfillment of Kennedy’s campaign promise that he would name as ambassadors “the best talent” available in the United States.

President Kennedy and McGeorge Bundy, the president’s national security adviser, had full confidence in Kennan. They took personal interest in his correspondence from Belgrade, and met with Kennan during his leaves to discuss the Yugoslav situation. In essence Kennan’s role in Yugoslavia was to help assure mutually profitable US-Yugoslav relations, fortify Yugoslavia’s position of independence against the Soviets, and increase American influence in the Balkans.  

envoy. In this connection, the distinguished historian of Japan, Edwin O. Reischauer, was sent to Tokyo. Harvard economist John Kenneth Galbraith went to New Delhi. Highly visible veteran diplomats of stature were also employed. [Charles] Bohlen was sent to Paris, Kennan to Belgrade, and David Bruce to London.”

14 “Two Cheers for Diplomacy,” Time, February 17, 1961. Time announced Kennan’s appointment with following statement:
Kennan was also a known quantity to the League of Communists of Yugoslavia (LCY) and the Yugoslav officials were glad that someone of his stature was assigned to serve in Belgrade. Kennan had earlier made Tito’s acquaintance while serving in the Soviet Union and he closely followed the Yugoslav political developments as the country was charting its unique communist course independently from the Soviet Union. Kennan’s Ivy League education, famous X-Article, Reith Lectures, and his distinguished career with the Foreign Service had been followed in Yugoslavia. In his oral interview, Kennan somewhat conceitedly stated that the Yugoslav leaders considered him “a distinguished person in the US, and they were pleased that someone whose name they had heard before was being sent to Belgrade.”

George Frost Kennan, 56-will go to Belgrade as Ambassador to Yugoslavia. Onetime Ambassador to Moscow (1952) and longtime student of Communism and Russia, Kennan singlehandedly did much to awaken the U.S. to the dangers of postwar Soviet imperialism, authored the Truman Administration's ‘containment’ policy. Careerist Kennan was shunted into exile (to the Princeton Institute for Advanced Study) by John Foster Dulles in 1953. In 1957 he flirted with ‘disengagement, i.e., neutralization of Germany’ and the disarming of NATO, as a means of reaching a settlement with the Russians. No less a person than his ex-boss, Dean Acheson, slapped him down. ‘Mr. Kennan has never, in my judgment, grasped the realities of power relationships,’ said Acheson, ‘but takes a rather mystical attitude toward them.’ But Tito's Yugoslavia should give Kennan an ideal opportunity to sense the internal rumblings of international Communism.

Memorandum of Conversation between Josip Broz Tito and George F. Kennan on World Affairs, “Visit to Brazil, and Belgrade Conference,” July 17, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library. It seems as if relations between Kennan and Tito were tense from the beginning of Kennan’s ambassadorship to Yugoslavia. During their first meeting in July 1961 Kennan started the discussion in Russian, than they switched to English eventually ending the dialogue having translated. Apparently Tito was left fairly embarrassed because of Kennan’s linguistic superiority that outmatched his own (Kennan was also fluent in Serbo-Croatian). Though Kennan did not shy from showing off his talents and knowledge, he had a fairly positive opinion of Tito:

Tito was a very human sort of a figure. He is a tough old revolutionary who has faced extraordinary trials and has survived them all with remarkable success. In many respects, he has the temperament of a born military-political leader, with all the attendant faults and virtues. When he makes a decision he has the courage to stick to it. His judgments about people are rough and ready – not always right, but usually not without shrewdness. Once he has recognized someone as an enemy, he is ruthless and consistent in combating him, though not vindictive. By the same token, he will not betray a friend; nor is he easily led to turn on anyone who has once given him loyalty and support within the movement. He can be crafty, where necessary, but he has none of Stalin’s refined hypocrisy and cruelty.

15 Memorandum of Conversation between Josip Broz Tito and George F. Kennan on World Affairs, “Visit to Brazil, and Belgrade Conference,” July 17, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library. It seems as if relations between Kennan and Tito were tense from the beginning of Kennan’s ambassadorship to Yugoslavia. During their first meeting in July 1961 Kennan started the discussion in Russian, than they switched to English eventually ending the dialogue having translated. Apparently Tito was left fairly embarrassed because of Kennan’s linguistic superiority that outmatched his own (Kennan was also fluent in Serbo-Croatian). Though Kennan did not shy from showing off his talents and knowledge, he had a fairly positive opinion of Tito:

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If Kennan was initially favored both by the Washington circles and by the Yugoslav officials, why did he effectively fail in Belgrade? Why did the relations between the United States and Yugoslavia deteriorate instead of improve during his tenure as ambassador to Yugoslavia? To what extent did Kennan’s emphasis on style impinge on his effectiveness as ambassador?17 Were Kennan’s mistakes crucial or was there a larger problem beyond his ambassadorial role that brought about a reversal of a fairly successful twelve-year US policy in place since 1948? To what extent was Kennan’s tendency to have telegraphic conflicts with the officials in Washington responsible for the change in bilateral relations?18 What “workings of the American government and political system in the conduct of diplomacy,” as Kennan stated in his memoirs, hindered his ambassadorial work?19 What role did Kennan play on some of the larger issues in Yugoslav relations with the United States such as economic development and maintaining Tito’s independence from the Soviet Union?

To answer these questions and to outline the nature of the relations between the United States and Yugoslavia during the Kennedy administration, this chapter examined the correspondence between the State Department and American Embassy in Belgrade deposited primarily in the National Archives and the Kennedy Presidential Library. These primary documents containing telegrams, action memorandums, and policy drafts as well as the consequent policies were compared with the formal guiding principles as drafted in the National

17 Style was apparently very important to Kennan who wrote in his memoir that “to us older generation of diplomats, style was of the essence, and I had no shame for this limitation.” George F. Kennan, Memoirs 1950-1963 (New York: Pantheon Books, 1972), p. 275.

18 “The Natural Americans,” Time, January 12, 1962. Kennan telegraphic skill was widely reported: “Dictating at breakneck speed without rewriting a word, Kennan turns out some of the best telegrams in the Foreign Service—and he does not necessarily stick to Yugoslav affairs. A Kennan cable is apt to begin: "While bowing to Tommy Thompson's superior knowledge since he is on the scene in Moscow, I do believe it might be useful to consider...”

Security Action Memorandum (NSAM) 123 of January 15, 1962, NSAM 212 of December 14, 1962, and NSAM 236 of 29 April 1963, that outlined certain aspects of the official American policy toward Yugoslavia. An attempt was made to examine the ambassadorial staff’s role in policy making and its implementation to determine if they reported, as John Moors Cabot eloquently put it, “without fear of fervor” or if their predisposition toward the Yugoslav situation – or their egos – exacerbated problems instead of resolving them.

Kennan Arrives

Karl L. Rankin, American ambassador to Yugoslavia from 1957 to 1961, stated in one of his last reports to the State Department that when he met with Yugoslavia’s President Tito on February 7, 1961, Tito admitted “that Yugoslavia had been more critical of US and west in general than of the Soviet Bloc [but] that criticism of the west had slackened recently and that further improvement might be expected [since] Yugoslav differences with west were specific and practical…while with Soviet Union they were ideological.” In the telegram sent a week earlier, Rankin stated that “although Yugoslavia apparently [was] not yet prepared [to] give unqualified praise [for] US foreign policy positions, it seems evident word was passed by regime leaders

20 National Security Action Memorandum, No. 123, 212, and 236. Available on the web; http://www.jfklibrary.org/NSAM.htm, NSAM 267 of October 18, 1963 was also about Yugoslavia but it does not have significant policy repercussions since it discusses disaster assistance in the aftermath of the earthquake of July 26, 1963 in Skopje that was administered by the Agency for International Development (the Department of Defense using military resources shipped and erected approximately 250 Butler-type buildings to provide temporary housing).


22 Incoming Telegram from Belgrade to Secretary of State, No. 587, February 7, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library. Ambassador Rankin understood the Yugoslav situation well since he spent a good part of his foreign office career in Yugoslavia. In 1940 he achieved the rank of consul while serving his first tour of duty to Yugoslavia. He returned briefly back to Yugoslavia from 1945-1946 and after serving as ambassador to China from 1953-1957, he was appointed Ambassador to Yugoslavia on December 13, 1957 while the official presentation of credentials took place on February 19, 1958.
prior US Inaugural [of John F. Kennedy] that treatment [of the] new US Administration should be ‘positive’ with emphasis on prospects and promise.” \textsuperscript{23} Rankin apparently believed that the new US government led by Kennedy and his team of “the best and the brightest,” would bring about an overall improvement of relations between the two countries that had substantially deteriorated since Yugoslavia’s successful defection from the Soviet Bloc in 1948. \textsuperscript{24}

The break between Tito and Stalin was over the nature of the bilateral relations between the Soviet and Yugoslav communist parties and the relevant ideological tenets and policies. In short, Belgrade simply refused to accept the terms on which Moscow insisted as precondition for membership in the Soviet Bloc so Yugoslavia has remained outside. \textsuperscript{25} Having remained outside of the Communist Bloc and having been punished by being deprived of military and economic assistance, Belgrade had been compelled to seek assistance from capitalist countries, most notably from the United States. Although taking aid from the West was not completely welcomed by the Yugoslav leaders, this was a price which Belgrade was willing to pay for the privilege of abstaining from the Bloc membership on Moscow’s terms. However, it involved placing a certain restraint on public expression of the distaste and distrust with which the Yugoslav leaders had taught themselves to view the western powers and tolerating ongoing series of jibes by the Bloc propagandists to the effect that Yugoslavia had sold herself out to the imperialists. This price was not unbearable because throughout the 1950s, Americans showed no disposition to take Belgrade’s anti-western ideological and political utterances seriously into

\textsuperscript{23} Incoming Telegram from Belgrade to Secretary of State, No. 558, January 31, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.


\textsuperscript{25} For more on the Tito-Stalin split, see, Banac, \textit{With Stalin Against Tito}. 
account in the shaping of American aid program.\textsuperscript{26} This enabled the Yugoslavs to cover their flank vis-à-vis the Bloc and, as Kennan put it, “to eat its cake, in the form of American aid, and yet to have it, too, in the privilege of taking an anti-western and anti-American stance in regard to many world problems, thus defending its respectability as a ‘socialist’ and anti-imperialist power, of Leninist aspirations.”\textsuperscript{27}

On March 21, 1961 Kennan met with the President and Secretary of State as he made his routine farewell visits in Washington. As they were discussing current problems with Yugoslavia, Kennan pointed out that the Yugoslav attitude was not satisfactory since “they [the Yugoslavs] were getting the bulk of their economic and financial aid from us [the United States] and yet they seemed to be supporting the Soviet position on almost every important issue in world affairs ulterior to their own bilateral relations with the Soviet Union.”\textsuperscript{28} He also said that this cannot be corrected since Tito and his leading associates were too deeply affected by their early Communist training to be able to get away from it entirely. Kennan suggested that the current Yugoslav leadership would always be sensitive to the charge that they were becoming tools of the imperialists and would tend to lean to the Communist side in world affairs “as a means of salving their Communist consciences.”\textsuperscript{29} However, the rest of Kennan’s statement demonstrated a certain weakness in his understanding of the Yugoslav political landscape and


\textsuperscript{27} Kennan’s Paper on Yugoslav Foreign Policy, August 15, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library

\textsuperscript{28} Memorandum of Conversation between the President and George F. Kennan, American Ambassador to Yugoslavia, March 22, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

\textsuperscript{29} Ibid.
perhaps it was a demonstration of how ill-prepared he was for the assignment in Yugoslavia. Kennan stated that “it is best for us to direct our principal hopes to the second generation of Yugoslav leaders, particularly the younger people in the echelon just under the top… these people might be more amenable to an understanding of our point of view and less fearful of appearing to have normal and intimate relations with us.”

It should have been clear to Kennedy that Kennan’s argument was just wishful thinking that had no precedent in Yugoslavia – nor to any other communist country at the time. There were no younger people in waiting to succeed Tito and his comrades. Even if there were, one wonders if they would be more open to a closer collaboration with the West on American terms, taking into account the perception of the relative geo-strategic importance of Yugoslavia, the ideological gap with the West, and the constant threat of purges and imprisonments. Could it be that from the outset Kennan did not consider the Yugoslav leadership seriously enough, believing they would be replaced soon? If so, such unwarranted expectation together with his known academic aloofness would be a recipe for a disaster even if everything else was to run smoothly. But, as it frequently happens in life, most things did not and soon after he arrived to Belgrade things started to unravel.

Kennan should have also known from his twenty-five year experience with the Foreign Service that one of the pre-requisites for a successful ambassadorship is to have excellent working relations with officials in the State Department and the local embassy and consular staff. Yet, his initial correspondence from Belgrade suggests that he was mostly concerned about impressing the Yugoslav high-ranking officials instead of building strong working relations and acquiring the trust of his colleagues in Washington. For instance, even before he presented his

\[30\] Ibid.
credentials in Belgrade, Kennan argued that the White House ought to extend an invitation to Tito to visit the United States: “Tito has accepted invitation [to] make formal state visit to Brazil this year… extending our [the United States] invitation at this time would avoid creating impression we [are] merely attempting counter effect Brazilian visit… [since] prospect of Tito visit to US would have useful effect… [and] should be generally beneficial to US-Yugoslav relations.”31 Three days later Kennan wrote that “it would be… unfortunate if Tito were to be left with initial impression that change of administration had brought no change whatsoever in what he probably regarded, rightly or wrongly, as inhospitable attitude in Washington with relation to his own person.”32 Kennan’s statement is confusing since a State Department telegram affirmed that extension of an invitation to Tito to visit the United States in 1961 would be “inopportune and undesirable.”33 Acting Secretary of State Chester Bowles expressed a belief that such a visit by President Tito would be very useful in general but he pointed out that “it is important to schedule the visit at a time when it will contribute most to our relations with Yugoslavia… the invitation [should] be extended subsequently at a time when… it would be most advantageous in terms of both the development of United States-Yugoslav relations and the general international situation.”34

31 Incoming Telegram from Belgrade to Secretary of State, No. 892, May 10, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

32 Incoming Telegram from Belgrade to Secretary of State, No. 909, May 13, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

33 Department of State Outgoing Telegram Sent To Amembassy Belgrade, No. 766, May 12, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

34 “Invitation to President Tito to Visit the United States,” Memorandum for the President From Acting Secretary Bowles, May 11, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.
Kennan knew that the question of an invitation for Tito had been a sensitive point with the Yugoslavs since 1957 when a visit was postponed because of adverse reaction by the Catholic Church and émigrés who sought the release of Cardinal Stepinac from house arrest. Since the church-state relations had improved after Stepinac died in 1960, Kennan apparently hoped to get the credit for arranging the long-awaited visit and thus leave a positive first impression on the Yugoslav ruling elite. His plan did not materialize and the decision was made not to invite Tito: “Tell Ambassador Kennan that the President would be glad to have Tito come for a state visit in 1962,” the White House wrote, “the schedule for the state visits in 1961 is full.” This did not please Kennan who said to Tito on May 16 that “when I [Kennan] had had a little time to orient myself… I earnestly hope I may be permitted to proceed with invitation to


you [President Tito] to visit US.”

Moreover, on June 2 Kennan wrote that “[t]his occasion, just as Cairo meeting [of nonaligned states] is getting underway, would clearly constitute highly favorable and perhaps uniquely favorable moment for extension this invitation.” Kennan’s sense of urgency was apparently connected with what the impression he, and not the US government, was going to leave on the Yugoslavs: “my [Kennan’s] arrival provided appropriate occasion for renewal of invitation…if invitation is to be extended at all, this must be done very soon we are to avoid giving impression of hesitation and lack of cordiality.”

The controversy over inviting Tito to US was Kennan’s first dispute with the State Department and it set the tone of his tenure in Belgrade. More importantly, despite his best effort Kennan did not prevail. Tito eventually visited the United States in October 1963, and was the second to the last foreign dignitary to visit with John F. Kennedy before he was assassinated.

Apart from few apocryphal stories that describe Kennan as an unapproachable self-opinionated intellectual, there is no evidence to verify the nature of his relations with the Belgrade embassy staff – as well as those in Zagreb and Ljubljana consulates. However, what Kennan wrote about his embassy officials in his memoirs is revealing: “These were men of different generation than my own. They had come up in a different sort of bureaucratic environment: less human, less personal, vaster, more inscrutable, less reassuring.”

Kennan also stated that though most of them were competent and talented, they were artificial and did not

37 Incoming Telegram from Belgrade to Secretary of State, No. 922, May 16, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library. In addition to not being able to secure Tito’s visit to the US, one may say Kennan’s mission to Yugoslavia was hindered from the outset because on the day of his departure to Yugoslavia the Bay of Pigs invasion began which Yugoslavia condemned.

38 Incoming Telegram from Belgrade to Secretary of State, No. 984, June 2, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

39 Ibid.

possess the qualities he deemed necessary for the Foreign Service officers. This relatively
dismissive opinion of the ambassadorial staff in Belgrade and an obvious inclination to get his
way at any cost in Washington are important factors when evaluating Kennan’s effectiveness.

The “Captive Nations Week” Controversy

By a Joint Resolution approved on July 17, 1959 (73 Stat. 212), Congress authorized the
President to issue a proclamation designating the third week in July each year as “Captive
Nations Week.” Captive Nations Week was thus first declared in 1959 by the Eisenhower
administration as a statement against the continuing communist domination of Eastern Europe,
expressing American dedication to freedom and democracy, and protest of violation of citizens’
rights. Before leaving for his post in Yugoslavia, Kennan lobbied McGeorge Bundy and
President Kennedy and managed to secure a promise that Yugoslavia would be omitted from the
“captive nations” list as a gesture to promote good relations with Tito’s regime and to help him
get adjusted as ambassador. Kennan received an out-of-the-blue telegram that named Yugoslavia
a “captive nation” just as the Captive Nations Week was to be declared. Kennan was
flabbergasted and in a letter to Bundy he expressed his disappointment:

I hope I am not out of order in addressing to you this letter, which concerns the recent
designation by the President of the week of July 16-22 as “Captive Nations Week.” From
the fact that we had been informed by the State Department, just prior to the news of the
President’s final decision, that the designation of such a week would be omitted this year,
I gather that the contrary and overriding decision must have been made in the White
House… The news of this decision is the most discouraging thing that has happened to
me since my arrival at this post [two and a half months ago]. The attached copy of a letter
which I had occasion to write earlier this year to George McGhee will explain to you my
feelings about the content of the resolution itself, which I find unsound and disgraceful.  

41 Kennan’s Letter to McGeorge Bundy, July 19, 1961, 1/61-8/61 Yugoslavia General Folder, National
Security Files, Box 209A, JFK Library.
Kennan went on criticizing the White House and the legislative branch by labeling their decision “liberationist,” thus an official anti-communist posturing faithful to the previous Republican administration and the Dulles policy of “liberation:”

But this is, of course, a responsibility of the legislative branch. What worries me particularly at this point is the lack of consistency on the executive side which seems to implicit in the declaration of a Captive Nations Week. This is, surely, a manifestation of the old “liberationist” policy in all its glory; and I can find no accordance between it and what I understand to be our present policy in Eastern Europe.\(^{42}\)

Kennan ended the letter by describing how the Yugoslavs would take the decision and what effect it would have on his overall success if his government was dedicated to destroying the regime to which he was accredited as ambassador:

This has particular relevance to my own responsibilities here in Yugoslavia. To the extent the Yugoslavs become convinced that our policy is to instigate revolution in the satellite countries and within Russia itself, and this last with a view to promoting the breakup of the traditional Russian state, it will be impossible to persuade them that we are not pressing for a new world war. They will also not be slow to conclude (and they will not be far off the mark in doing so) that a policy of “liberation” with respect to Eastern Europe and Russia is also a policy aimed at popular revolt in Yugoslavia. Such reflections will not only tend to turn them against us in the policy issues of the present day, but will dishearten them in their hopes for finding a tolerable and enduring assistance between the two worlds…I was obliged yesterday, immediately after reading the Department’s telegram about this decision, to travel to Brioni and discuss the invitation with Tito. I did this with a heavy heart, regretting that we had ever extended it [though no official invitation was sent yet]. Had I known that we are going to give such deference to the pressures of the liberationist group in Congress, I would never have recommended the step.\(^{43}\)

In his memoirs Kennan writes that he never learned “who had twisted the President’s arm… but it was clear that here, right at the start of my mission, domestic policy had triumphed

\(^{42}\) Ibid.

\(^{43}\) Ibid. In the same letter Kennan expressed his disappointment with the decision to appoint Dean Acheson as an adviser on the Berlin crisis: “I have restrained myself from proffering any advice to the Secretary or the President on the Berlin problem. I take Dean Acheson’s appointment as “referent” for this problem to represent a considered rejection of my own views, and I shall not try to press them further.”
clearly and dramatically over foreign policy.” kennan’s hyperbole notwithstanding, the captive nations resolution was indeed controversial. david mayers argued that it furthered tito’s fear of kennedy because of his roman catholicism: “catholic croatian exiles in the us had been lobbying the american catholic hierarchy against yugoslavia for years; the net effect of this might incline kennedy to embrace a stiff anti-yugoslav line.” bundy, in his reply to kennan’s letter, infers that this was “a small instance of a classic dilemma of the presidency” and that “the resolution itself is foolishness, but it might not be easy to replace it with a better one.” furthermore, bundy reassured kennan that this decision did not represent a us return to liberationism: “this is not so much a matter of liberation as it is a matter of politically rewarding concern for people whose condition is, after all, not one which we can praise.”

despite kennan’s criticism of the washington high-ranking officials over the “captive nations” decision, bundy urged kennan to write to the president, the secretary, or to him directly since “there are not too many people in the current management who can hold their own, in purely stylistic terms, with dean [rusk], and you [kennan] are surely one of them.” though the episode was damaging to kennan’s overall reputation in yugoslavia, kennan’s consolation prize from the captive nations week proclamation was establishment of a direct channel with some the most senior washington officials and kennan was determined to use it to the fullest while serving in belgrade.

46 mcgeorge bundy’s letter to george f. kennan, july 27, 1961, 1/61-8/61 yugoslavia general folder, national security files, box 209a, jfk library.
47 ibid.
48 ibid.
Belgrade Summit of the Non-Aligned Movement (NAM)

The concept of nonalignment originated in the 1950s as an effort by the less developed countries to promote their interests in what they perceived as a dangerous and exploitative bipolar world. Or, as John Lewis Gaddis aptly put, nonalignment “provided a way in which the leaders of ‘third world’ states could tilt without toppling: the idea was to commit to neither side in the Cold War, but to leave open the possibility of such commitment.”

The Bandung Conference in April 1955 brought together leaders of 29 mostly former African and Asian colonies that opposed the pressures of the major powers to participate in military alliances (Zhou Enlai was also present at the meeting showcasing Chinese support to Asian countries). During a preparatory meeting in Cairo for the first Nonaligned Movement Summit Conference in June 1961, principal aims and objectives of a policy of nonalignment were agreed upon and the criteria for membership were defined.

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50 Odd Arne Westad, *The Global Cold War: Third World Interventions and the Making of Our Times*, (Cambridge: Cambridge University Press, 2007), pp. 97-109. Westad argued that “part of the importance of the Bandung conference was its timing: coming right after the French withdrawal from Indochina and at a time when several African countries seemed headed for independence, the conference caught the moment of greatest hope and expectation in the anticolonial struggle.” Furthermore, he suggested that it “also came at the point in the Cold War when the Soviet Union – after Stalin’s death and the end of the Korean War – was engaging in a major offensive for peace and détente. The latter changes allowed China – a close ally of the Soviets at the time – to participate in the conference alongside leaders whom Mao had earlier denounced as lackeys of imperialism.” Above all, Westad argued that the “new optimism in superpower relations also set part of the agenda for the conference – as Nehru and Sukarno underlined, the countries represented at Bandung, with their population of more than 1.5 billion people, had a responsibility for making the European powers see sense in their relations among themselves.”

51 Fouad Ajami, “The Fate of Nonalignment,” *Foreign Affairs* 59:2 (Winter 1980/1), pp. 366-385. Muhammad Badiul Alam, “The Concept of Non-Alignment: A Critical Analysis,” *World Affairs* 140:2 (Fall 1977), pp. 166-185, and Leo Mates, “Nonalignment and the Great Powers,” *Foreign Affairs* 48:3 (April, 1970), pp. 525-536. A potential member of the Non-Aligned Movement should have adopted an independent policy, support the movements for national independence, and was not to be a member of a military alliance (e.g., NATO, the Warsaw Pact). The movement attempted to create an independent path in world politics that would give an option to the member states not to become pawns either of the Soviet Union or of the United States. However, in addition to trying to alleviate the Cold War tensions the movement also advocated the struggle against imperialism and neo-
Through the initiative of Tito, Jawaharlal Nehru of India, and Colonel Gamal Abdul Nasser of Egypt, the first Conference of Nonaligned Heads of States was convened in Belgrade in September 1-6, 1961. Among the main concerns of the meeting attended by 25 countries was an accelerating arms race that might result in a nuclear war between the Soviet Union and the United States. During 1961 the tensions over the status of Berlin escalated resulting in the increase of American military forces in West Germany to around one million. An attempt to improve matters in Berlin by a meeting between Kennedy and Khrushchev in Vienna in June 1961 had produced no substantial effect and on August 13 the construction of the Berlin Wall started to prevent the East Germans from fleeing to West Berlin. The Berlin crisis was especially significant for the Belgrade summit and received considerable attention from the Yugoslavs as well as from other delegates.

colonialism and promoted the right to independence. Nonaligned countries were not isolationist, they participated in international affairs, and took positions on international issues. Tito and the Yugoslav leaders understood the doctrine of nonalignment as less an ideological and more a practical concept to fill the void created following the Tito-Stalin break of 1948 and the ensuing detachment from the Soviet Bloc. Arguably, Tito’s neutralism was directed at deterring Soviet interference by seeking American assistance without military alliance with the West that could trigger the Soviet invasion. By pursuing the policy of nonalignment the League of Communists of Yugoslavia rejected Soviet hegemony over the socialist camp and claimed the right to build socialism according to Yugoslavia’s historical exigencies. Tito went even further and stated in October 1963 before the plenary meeting of the General Assembly of the United Nations in New York that “nonalignment is…transforming itself into a general movement for peace.”

Ibid. The Belgrade summit also discussed the developments since the crisis in Hungary in 1956 – where progressive students and intellectuals staged an uprising against the local communists and the Soviet Union forces – and the developments in Egypt where the newly elected government seized control over the Suez Canal. To the leaders of the nonaligned nations both conflicts represented a rightful struggle for independence and against the major powers.

Rubinstein, Yugoslavia and the Non-Aligned World, pp. 155, 214. Rubinstein argued that Khrushchev’s desire to increase the Soviet influence in Egypt facilitated rapprochement with Yugoslavia in the aftermath of communist suppression of the Hungarian Revolution. Israel had failed to become a Soviet ally in the Middle East and since Egypt defied the British and French over the Suez Canal, the Soviets were hopeful all these would open a number of doors for Soviet representatives. The Belgrade summit smoothed the way toward ending the Soviet-Yugoslav dispute by bringing Egypt closer to the communist bloc and because of Tito’s favorable reference to the recent Soviet resumption of nuclear testing. For more detailed account on the relationship between the Soviet Union and East Germany prior to the construction of the Berlin Wall, see, Hope M. Harrison, Driving the Soviets up the Wall: Soviet-East German Relations, 1953-1961, (Princeton: Princeton University Press, 2003) and William Glen Gray, Germany’s Cold War: The Global Campaign to Isolate East Germany, 1949-1969 (Chapel Hill: The University of North Carolina Press, 2003).
American officials followed the preparations for the Belgrade Summit of the nonaligned nations with great interest. Kennan reported on May 31 on preparations and the decision to have the meeting held in Belgrade: “Choice of Belgrade rather than Cairo may well be regarded by some, including Morocco, as fact which would enhance possibility [of] broad Arab world participation.”

Kennan was concerned about the Soviet reaction and suggested that “Russians would no doubt greatly welcome resolution in forthcoming Belgrade summit conference of nonaligned nations supporting Soviet position on Berlin” for which, according to Kennan, the USSR would reciprocate by improving the relations with Yugoslavia. The question whether Cuba was going to attend and how many Latin American countries would be represented had also been discussed since this meeting in Belgrade was going to be, according to Kennan, “a gathering of the most anti-western and anti-American segment of African and Asian nations outside Communist Bloc.”

Kennan further argued that the attendees of the Belgrade meeting ought to be aware they will be participating “in demonstrations of anti-colonial and anti-western emotionalism, with strong partiality to Soviet point of view” and “the Belgrade Conference will be boycotted by moderate neutrals and will thus be largely a gathering of extremists.”

54 Incoming Telegram from Belgrade to Secretary of State (hereafter Belgrade’s) No. 972, May 31, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.


56 Incoming Telegram from Belgrade to Secretary of State, No. 42, July 14, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

57 Ibid. It is interesting to note that during the meeting between Tito and Kennan on July 17 Tito apparently stated that “Yugoslavia would be happy if Cuba turned out to be the only Latin American country to be represented” at the Belgrade meeting. If this statement is correct Tito was mindful of the effect the conference might have on the US-Yugoslav relations if too many Latin American countries decide to take an active role in the nonaligned movement. Tito further stated that the conference should not “exacerbate international relations; on the contrary, he [Tito] deeply hoped that its role would be to help the great powers find solutions to their problems.”

though Kennan appeared to have made up his mind about the summit and regarded it as an anti-American gathering, these statements sent from Belgrade during July and August confirmed that Kennan was concerned enough to make sure the outcome of the gathering was acceptable to the United States.

Under Secretary Bowles and Kennan visited Tito on the Adriatic island resort of Brioni a month before the summit convened in Belgrade. Among other things Kennan concluded from the talk was that if there was no favorable solution to the Berlin crisis that Yugoslavia “will go into the conference with strongly negative and almost bitter feelings toward US, and disinclined to expend their influence to restrain the strongly anti-American tendencies which will certainly be represented among other delegations.”

Kennan and Bowles believed that not much could be done to alter the Yugoslav position since Tito’s state of mind flows “from deep and honest disagreement about wisdom of certain our policies on world arena.” Yugoslavia would in principle like to be helpful if the Berlin crisis could be surmounted: “There can be no question of their [Tito and the Yugoslav leadership] present happiness or of their desire to contribute to such development [of improving bilateral relations] if they can see their way clear to doing so.”

Bowles concurred with Kennan’s views and also added in his letter to Bundy that he was “[g]reatly impressed [with] Kennan’s operation in Yugoslavia and his perspective on many questions which inevitably concern us. For this reason [I am] delighted to hear he is joining you

59 Incoming Telegram from Belgrade to Secretary of State, No. 115, July 31, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library; and Incoming Telegram from Belgrade to Secretary of State, No. 116, August 1, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library. In addition to the Berlin problem Tito was also concerned about the influence US exerted on moderate countries against attending the Belgrade meeting and for not restraining the French and Portuguese in Africa.

60 Ibid.
in Paris and returning [to] US to discuss over-all situation with you and President.”

Apparently Bowles and Kennan believed Tito was going to take a moderate stand at the Belgrade summit. Consequently, Kennan sent reports assuring the State Department that Yugoslavia will be genuinely neutral and act as a “moderating force” on other countries. Unfortunately, Kennan ended regretting making these predictions about the summit and sharing his “prophetic” report, though well supported by the evidence at hand, with Washington.

Meanwhile back in Washington Arthur Schlesinger, Jr., a Special Assistant to the President, urged Bundy not to repeat the mistake made with the Bandung meeting in 1955 “where everything was ignored till the last minute and then we rushed in Adam Clayton Powell.”

Schlesinger suggested finding if “there are any reliable American likely to be in Europe in the first week of September who would be known favorably to the neutrals and might be encouraged

61 Incoming Telegram from Nicosia to Secretary of State, No. SECUN 16, July 31, 1961, 1/61-8/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.
to go to Belgrade.”⁶² He also praised Kennan and stated that he “would be interested in Kennan’s judgment as to whether there would be any point in sending a member of the Executive Branch able to make contact with the neutrals…even perhaps a member of the White House staff.”⁶³ Furthermore, in his memorandum to the President, Schlesinger wrote that probably no American was more admired among the neutrals than Kennan. Thus, Schlesinger argued that Kennan ought to actively participate at the conference: “Obviously he can’t buttonhole delegates in the corridor; but surely (unless he himself thinks otherwise) he ought to be available to them, attend receptions given for them in other embassies, respond if they ask him opinion about the issues of the conference, explain US policy, etc.”⁶⁴ Kennan did go to Washington in August to be briefed on this and other issues, but there is no evidence to confirm Kennan followed Schlesinger’s proposition to take an active part at the Belgrade summit.

All the collaborative American efforts did not amount to much. As conference host, Tito spoke twice, once on the peace issue in statesmanlike tones and a second time in an anti-Western, anti-capitalist, and anti-colonialist mood that dominated the summit. The most disagreeable point to Americans was the fact Tito merely expressed surprise at the timing of the Soviet resumption of atomic tests by implying that he understood the reasons for it – apparently, when the Soviet Union resumed nuclear tests, Soviet Ambassador Alexei Epishev had called on

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⁶³ Ibid.

⁶⁴ “Belgrade Conference,” Memorandum for the President From Arthur Schlesinger, Jr., August 3, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library. As one would have anticipated Kennan was not very keen to assume an active role at the conference so Schlesinger’s recommendation was never fully implemented. However, Ham Armstrong of Foreign Affairs did go to Belgrade and his conclusions somehow differed from Kennan’s about the overall effect of the gathering. Armstrong suggested that judging by the final resolutions the Conference was far less pro-Soviet and less anti-Western that the newspapers reported on the day-to-day public speeches.
Tito and convinced him Khrushchev needed his support to which Tito consented. Kennan and others had expected Tito would recommend a resolution that would condemn atomic testing and ask for a treaty barring it. Tito also attacked reactionary elements in West Germany, was critical of the rearming of West Germany in general, spoke skeptically about US sincerity in pressing for arms controls, and was openly critical of the US and the Western policies that contributed to the arms race and international tensions. Americans were also disappointed that Tito neglected to mention US-Yugoslav relations as the outstanding example of coexistence and cooperation between states with different internal systems yet he praised Yugoslavia’s relations with Greece and Italy.  

Although Tito’s views were well known before the summit, the intensity with which he pressed them surprised many. Even Nehru and Nasser were astonished by Tito’s ‘fiery’ rhetoric since on the eve of Belgrade conference Tito left an impression of intention to take moderate stance. Kennan was especially astonished at Tito’s speech since it turned out to be a stark departure from a prepared text that the Belgrade Embassy staff had already sent to Washington. As Kennan was trying to find out what had made Tito change his speech, he also tried to assure the officials in Washington that he was managing Belgrade affairs well, though it was becoming increasingly obvious that Kennan was not completely in control of the situation.

During the Belgrade summit, a battle went on between those who felt the conference documents should take strong stands on major East-West issues, stands which usually reflected

65 Ibid.

pro-Soviet or at least anti-Western views, and those who believed the conference would lose its moral force if it expressed judgments on substantive issues such as the German question. The final documents reflected the split with a victory indicated for those led by Nehru who sought flexibility and not firm positions on East-West questions. All nuclear testing was opposed, though the Soviet unilateral resumption of testing was not cited, and the great powers were urged to end the moratorium on disarmament negotiations. Attention was called to the German problem but only in the context of an appeal to avoid the use of force and in a general statement endorsing unity, self-determination, and independence of all nations. Nearly all members agreed on the need for reorganization of the United Nations. Most countries pressed for flexibility decrease of tension while a general pro-Soviet stand was supported by Cuba, Ghana, Indonesia, Iraq, and Yugoslavia. For Tito the conference was a great success, because it propelled him at the forefront of the Nonaligned Movement which was seen as facilitating a peaceful transformation of world in general: “we [Tito speaking on behalf of the leaders of the Nonaligned Movement] have not set up third Bloc, but we have set up new collective force which will operate through UN” to “avoid the biggest catastrophe of all that has ever befallen on our planet.”

Although the overall contribution of the Nonaligned Movement is debatable, it was very important for Yugoslavia’s independent international position. Mirko Tepavac, Yugoslavia’s minister of foreign affairs during the early 1960s, argued that “Yugoslavia could never have achieved the degree of liberalization it enjoyed – a liberalization surpassing by far that of the

67 There were many other Conference resolutions (e.g. against genocide, for the peaceful use of outer space…) that were far less controversial and were in general acceptable to Americans. For more on Yugoslav nonalignment, see, Nord, Nonalignment and Socialism, pp. 85-111.

68 Incoming Telegram From Belgrade to Secretary of State, No. 481, September 13, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library. Tito appears to have sought leadership of the conference extremists as a counter to Nehru, pressing for a pro-Soviet line on nuclear testing and the German issue, but in the end Tito was forced to give in to the moderates.
other Soviet Bloc countries – had it not been aggressively open to the entire world…that openness was necessarily intertwined with nonalignment.” 69 Consequently, American officials did not buy into Tito’s nonalignment rhetoric regardless of its relative importance to Yugoslavia’s status as a non-Bloc communist country.

In a message to Kennan, Secretary of State Dean Rusk articulated his criticism of Tito’s speech without much hesitation. He stated that it “is with deep sense of regret that US Government must express its feelings of disappointment and concern with regard Yugoslavia’s role at recent Belgrade Conference of non-aligned nations” and that “President Tito’s speech…has not been well received by people of US.” 70 Furthermore he stated that “US Government is disturbed by immoderate tone and partisan content of President Tito’s address, particularly his remarks on Germany, disarmament, and Soviet resumption of nuclear testing” since these views were “so patently in support of positions taken by Soviet Union as to raise doubt in US regarding validity of Yugoslavia’s status of non-alignment.” 71 Harkening back to Kennan’s concerns before the summit, Rusk stated that the tone of Tito’s speech was difficult to understand taking into account impression conveyed by ranking Yugoslav officials that “Yugoslavia’s role would be moderate, conciliatory, and balanced.” 72 Perhaps the most powerful part of Rusk’s argument was his inference to perceptions and American public opinion:

US Government has endeavored consistently to understand correctly Yugoslavia’s special position in Eastern Europe, its point of view, and its policies on issues of international importance…In present delicate and troubled state of world – when public opinion in US…tends to be extremely sensitive and is deeply troubled by conflicts and

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70 Outgoing Telegram From Department of State to Amembassy Belgrade, September 13, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

71 Ibid.

72 Ibid.
tensions of times – common interests and friendly relations between US and Yugoslavia are well served, in judgment of US Government, by continued efforts on part of each to deal objectively and responsibly with positions of other no matter how different these may be.\textsuperscript{73}

The key issue here was not that the United States could not take criticism from Yugoslavia but that Tito had crossed the fine line by being openly supportive of the Soviets while depending on the American aid. Yugoslavia’s foreign policy relied on a balance between accepting American aid, maintaining some relations with the Soviet Bloc, and establishing connections with most new states of the decolonizing Third World through the Nonaligned Movement. John Lampe succinctly summarized Yugoslavia’s balancing act in the sphere of foreign relations in the terms of economic assistances from the United States: “American assistance could thus be expected to contract when Yugoslav-Soviet relations improved and increase again when they deteriorated.”\textsuperscript{74} Consequently, to Kennan, Rusk, Ball, and others Tito’s anti-Western rhetoric signified an improvement in the Soviet-Yugoslav relations and as such they considered Yugoslavia to have failed to display comparable understanding of US positions. Dean Rusk’s note (aide-memoire) to be given to Yugoslavia’s Acting Foreign Minister was especially disparaging and contained following critique of Tito’s speech:

\begin{quote}
US Government cannot disguise its deep disappointment that in present moment [of] great international tension and danger Yugoslav Government, despite its avowed claim to non-aligned status, not only vigorously espoused Soviet positions on most vital international issues of day, including Soviet excuse for resuming nuclear test in atmosphere, but also apparently directed its efforts, notwithstanding its position as host government and as only European state represented at Conference, toward persuading other governments at Conference to join Yugoslavia in openly supporting Soviet positions. US Government is impelled in these circumstances to take a serious view of Yugoslav actions despite fact final Conference outcome reflected that Yugoslav views on major issues discussed were neither shared nor adopted by majority other governments in
\end{quote}

\begin{itemize}
\item \textsuperscript{73} Ibid.
\item \textsuperscript{74} Lampe, \textit{Yugoslavia as History}, p. 273.
\end{itemize}
attendance. US Government…must necessarily give continuing study to implications of Yugoslav role at Belgrade Conference for US-Yugoslav relations.\textsuperscript{75}

Koča Popović, Yugoslav Foreign Minister, tried to undo the damage done by Tito’s speech by pointing out that Yugoslavia “had resisted to heavy pressure by Russians to agree to sign separate peace treaty with East Germany” and he also suggested the US Government has taken a “too pessimistic a view… were despairing too soon… [and] would be proven wrong” in the long term.\textsuperscript{76} Though it removed some sting, Popović’s statement may have not been the most effective rebuttal.\textsuperscript{77} Aleš Bebler, Yugoslav Ambassador to Indonesia, also came to talk to Kennan before he left for Djakarta after the summit to soften impact of Tito’s speech. He pointed out that the Belgrade summit was a setback for Moscow since it made clear that the Nonaligned Movement was removed from the Soviet control and that Tito was preparing “letter to Khrushchev urging cessation of tests.”\textsuperscript{78} Kennan appeared to have been moderately convinced by Bebler, since he commented that “Bebler’s visit shows…that Tito, in speaking September 3, was carried away by feeling his real audience was International Communist movement and gave little serious thought to repercussions in West.”\textsuperscript{79} Kennan also held an opinion that Tito and his comrades were unaware “how offensive and unacceptable to Western ears is Communist lingo

\textsuperscript{75} Outgoing Telegram From Department of State to Amembassy Belgrade, September 13, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

\textsuperscript{76} Incoming Telegram From Belgrade to Secretary of State, No. 486, September 13, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

\textsuperscript{77} Ibid. Koča Popović was among the small group of Yugoslav officials who were unhappy about Tito’s speech and had opposed it in private discussions but there was nothing more he could have done without putting himself at risk.

\textsuperscript{78} Ibid.

\textsuperscript{79} Incoming Telegram From Belgrade to Department of State, No. 515, September 20, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.
they have learned to talk, with its endless slurs and unabashed coloration all political events.”

More importantly, he concluded that such Yugoslav rhetoric “confirms my [Kennan’s] conviction as to seriousness of differences in outlook on world affairs that divide us and of dangers involved in any continued attempt to base extensive long-term program on one-sided economic aid and collaboration on so unsatisfactory a foundation.”

The response Leo Mateš, Acting Foreign Secretary, gave to Kennan on September 18 was far less conciliatory than the ones given by Popović and Bebler. Though he acknowledged the deep sense of regret, he pointed out that Yugoslavia must express feelings of surprise and concern over the tone of Dean Rusk’s message and over “an obvious lack of understanding by US Government of [Yugoslavia’s] consistently independent policy.” Mateš pointed out that: “The GOY [Government of Yugoslavia] regrets not being able to escape impression that US A-M [aide-memoire] is objectively a form of pressure, to which GOY, being independent, feels obliged to answer.”

For the next three months, Kennan tried to soften the dispute by affirming that the US government “had had no intention of using offensive language or of putting pressure on” Yugoslavia. But it looks as if he was only partially successful if at all since the Yugoslavs resented America’s apparent attempt to define what constituted Yugoslavia’s nonalignment and independence. For Yugoslavia nonalignment and independence were synonymous while Americans thought differently. For instance, Kennan argued that “we [the US Government]

80 Ibid.
81 Ibid.
82 Incoming Telegram From Belgrade to Department of State, No. 506, September 18, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.
83 Ibid.
could easily picture an independent nation ranging itself along side one of the great powers in its foreign policy positions to a point where it could lose plausible claim to unalignment.  

Kennan was caught in a quandary since the Yugoslavs perceived American rhetoric as coercive while the United States considered Tito’s statements anti-American and pro-Soviet, though one could argue that both positions were mere diplomatic posturing. Especially Tito’s position should be considered as such since there was no dramatic improvement in the Soviet-Yugoslav relations as a consequence of the Belgrade summit.

Whereas officially Yugoslavia avoided any acknowledgment that Kennan was partially responsible for arousing negative American sentiment in the wake of Tito’s speech, they were apparently seeking to “create impression that (A) Embassy misunderstands Yugo role at conference, and consequently misinformed department; (B) Ambassador Kennan personally responsible for misunderstanding.”

Kennan was adamant in arguing that the Yugoslavs were wrong in their suspicion and wrote several telegrams to the State Department explaining his position. In one of his reports Kennan pointed out his briefing to US press was after the press had already filed their sharp resentment of the Yugoslav line: “My briefing to US press representatives here was not given until long after latter had filed their stories on Tito’s speech… If Yugoslav leaders really believe adverse reaction due my personal influence, they are simply nurturing illusions about temper US opinion in light present crisis.”

84 Incoming Telegram From Belgrade to Department of State, No. 505, September 18, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

85 Incoming Telegram From Belgrade to Department of State, No. 543, September 26, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

86 Incoming Telegram From Belgrade to Department of State, September 29, 1961, No. 569, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.
The fact that Kennan found it necessary to defend his actions suggests that his premature optimism about the Belgrade conference may have had something to do with the ensuing crisis. Furthermore, the communiqué sent on September 26, in which a suggestion was made that the Yugoslavs thought that Kennan had something to do with the crisis, was not sent by Kennan but by one of the embassy officials; this indicates that there may have been a tension brewing inside the American Embassy in Belgrade. Though there is no evidence to confirm the nature of the tension among the Embassy staff, the overall impression is that Kennan had managed by the late September 1961 to substantially alienate State Department officials over the Captive Nations resolution and when to invite Tito to visit the United States, as well as the Yugoslav officials – all of whom had been initially pleased with his appointment – over the Belgrade conference.

Although Kennan wrote in his memoirs he thought he “knew what it was that Tito was endeavoring to achieve by acting as host to this elaborate and, for the Yugoslavs themselves, expensive gathering,” it was his misfortune the Belgrade summit took place only four months after his arrival to Belgrade.87 Kennan was further unlucky that these developments necessitated urgent and comprehensive reassessment of US-Yugoslav relations and those they also attracted unfavorable attention of the American public. More importantly, in only few months Kennan changed his attitude and he now believed that instead of pursuing the status quo, a thorough reexamination of US-Yugoslav relations was needed. Kennan made a case for greater coherence between Yugoslav political attitudes and the reality of country’s economic and cultural necessities since Yugoslavs are “not used to taking political consequences of their own words

and to whom pleasure of eating cake and having it too has become so familiar as to seem a god-
given right.” 88

Kennan now wanted to force Yugoslavia to realize that there were consequences for fiery
rhetoric and anti-Western positions no matter how unpopular the measure may be for him
personally: “No US Ambassador who had task of bringing this realization home to Yugoslavs
could or should expect to be universally popular here.” 89 Kennan also stated that this is “a burden
I will cheerfully bear so long as I am supported by Secretary’s and President’s confidence; for
readjustment in question is not only inevitable but is in interests of both peoples.” 90 Among the
most important aspects of the US-Yugoslav relations that received immediate consideration was
trade and American economic and military assistance.

**Economy and Trade**

The Central Intelligence Agency released a report on September 26, 1961 on the
correlation between the stands taken at the Belgrade conference and the amount of aid provided
by the Sino-Soviet Bloc. The report concluded “there is little direct correlation between positions
taken at the Belgrade conference by the participating countries and the degree to which they have
become involved in Bloc economic or military assistance programs.” 91

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88 Incoming Telegram From Belgrade to Department of State, September 29, 1961, No. 569, 9/61-10/61
Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

89 Ibid.

90 Ibid.

91 “Sino-Soviet Bloc Aid and the Belgrade Conference,” Central Intelligence Agency Office of Research
and Reports, September 26, 1961, Personal Papers of Anthony M. Solomon, Box 10, LBJ Library.
Table 1: Comparison of Sino-Soviet Bloc and American Aid Distributed to Selected Nonaligned Countries

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>Economic</th>
<th>Military</th>
<th>Total</th>
<th>Economic</th>
<th>Military</th>
<th>Total</th>
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<td>110</td>
<td>327</td>
<td>180</td>
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<td>0</td>
<td>56</td>
<td>220</td>
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<td>Ghana</td>
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<td>some</td>
<td>108+</td>
<td>7</td>
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<td>7</td>
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<td>124</td>
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<td>181</td>
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<td>583</td>
<td>Some</td>
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</tr>
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<td>240+</td>
<td>456+</td>
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</tr>
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<td>111</td>
<td>1,587</td>
<td>694</td>
<td>2,281</td>
</tr>
</tbody>
</table>

*UAR* was the state formed by the union between the republics of Egypt and Syria in 1958 and it existed until Syria's secession in 1961, although Egypt continued to be known as the UAR until 1970.

The amount of aid received by an individual country did not correlate to the statements uttered or positions taken on East-West questions. Likewise the above table shows the impact of aid was negligible or even paradoxical. Yugoslavia received more than $2 billion in US economic and military aid, a huge amount for a country of less than 20 million people if compared to India’s size and the amount of aid, and still led the conference extremists in favoring generally pro-Soviet views:

Yugoslavia, with little bitter experience from Bloc aid and a prime recipient of US aid, adopted an extremely anti-Western, generally pro-Soviet position. On the other hand, Nehru and Nasser, the former backed by both Western and Bloc aid and the latter heavily dependent in both the economic and military spheres on continued large-scale Bloc aid, adopted moderate stands, urging the US and USSR to resolve their differences but not siding with either. The West African states receiving significant amounts of aid from the Bloc tended to be more extreme on colonialism and more pro-Soviet on East-West issues, while Asian neutrals…leaned toward moderation. It is doubtful that Bloc aid was more

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92 Ibid. Note: Bloc aid is compared only with US aid though some countries have received considerable Western aid, like countries formerly subject to the United Kingdom; US aid includes grants, loans, and credits while the Bloc aid consists almost exclusively of credits; US aid figures do not project future obligations while the Bloc aid figures represent largely obligations for future assistance; this figures do not take into account any non-governmental assistance.
than one of many factors in arriving at these positions. Indonesia’s President Sukarno, usually billed as one of the foremost spokesmen for the nonaligned, drifter far left at Belgrade – a course which was probably reinforced, if not prompted, by the extensive Bloc aid he has received, particularly the commitments for modern weapons.93

The purpose of United States assistance to Yugoslavia since 1948 was to support the country’s efforts to maintain its independence from the Soviet Bloc. Deputy national security adviser Walt W. Rostow suggested in September 1961 “that over the next five years Yugoslavia will remain dependent on a large degree upon foreign resources to maintain its current high rate of growth.”94 The report Ham Armstrong, editor of Foreign Affairs, sent from the Belgrade summit supported Rostow’s assessment: “The suggestion that the US retaliate against Tito’s speech by cutting off economic aid seems to me unwise and in any case not really warranted.”95 Armstrong based his argument on the fact the United States “extend aid to weak, underdeveloped or menaced countries in order to enable them to create a viable economy, stand on their own feet and choose their political and economic system free from any outside compulsion.” Thus, Armstrong asserted he “would hate to see its justification [for aid to Yugoslavia] destroyed because of pique at one of speech made by Tito.”96 Rostow, Armstrong, and others seem to suggest that if there were any indication Yugoslavia was joining the Soviet Bloc that would be

93 Ibid.


95 Memorandum to the President from McGeorgy Bundy with Ham Armstrong’s Letter Attached, September 28, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library. Hal Armstrong justified his suggestion with the following words: “In travels in Africa and Asia I am often challenged by the remark that our aid program exists only for our own advantage. My response is that we have given Yugoslavia very large amounts of aid and that Tito has said repeatedly that it is free from all strings. This is an effective answer, and I would hate to see its justification destroyed because of pique at one speech by Tito. If there were any indication that Yugoslavia was joining the Soviet Bloc that would be contrary to the premise on which give aid and would justify our stopping it.” McGeorge Bundy appears to have accepted Armstrong assessment: “Ham Armstrong is a very hardheaded man and his observations on Belgrade seem to have unusual weight. It is true that he has considerable natural sympathy with the Yugoslavs, whom he had studied for years, but he is not at all softhearted about neutrals as a group.”

96 Ibid.
contrary to the premise on which the US aid is given and would justify stopping it. But there was no evidence Yugoslavia was moving significantly closer to the Soviet Union, or as Armstrong put it, “I do not see any sign that this is at present in the cards.”

Even though Tito’s anti-Western speech did non indicate that Yugoslavia was moving closer to the Soviet Bloc, domestic political pressure in the United States had built up to stop further licensing of exports to Yugoslavia. Republican Senator John Tower of Texas publicly criticized the training of Yugoslav military airmen, though the training was a part of the long-standing program, and the proposed sale of aging jet fighters to Yugoslavia. To appease Congress and the public, President Kennedy ordered US trade and aid policy toward Yugoslavia to be reviewed by the National Security Council, the State Department, and other departments; the review excluded sales of agricultural products and other food aid program under the Public Law 480.

97 Ibid. While this was not a sign of an overall improvement of the Yugoslav-Soviet relations, in May 1962 Kennan reported Yugoslavia bought some military equipment from the Soviet Union: “Appearance of twenty newly acquired Soviet tanks of fairly recent vintage and one Soviet-type assault gun at May Day parade here has naturally aroused much comment among four observers, since… these are first major item of military equipment known to have been acquired here from Soviet sources since 1948… we [i.e. Kennan] think it likely that acquisition of these items dates back to tension in US-Yugoslav relations following Belgrade conference.” See, Incoming Telegram from Belgrade to Secretary of State, No. 1459, May 3, 1962, 4/1/62-5/31/62 Yugoslavia General Folder, National Security Files, Box 210, JFK Library.

98 “Military Shipments to Yugoslavia,” Memorandum for the President by Rostow, October 8, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library. The US was to sell 70 TV-2 naval jet trainers (50 already shipped) that were completely obsolete, for cash, $17,000 each; 100 F-86 D all weather fighters, phased out of the United States Air Force active inventory by August 1957 and by the Air National Guard by 1960, for cash, $10,000 each; and, spare parts, for cash. John Tower formed a “National Indignation Convention” that attracted several thousand people to it rallies and was making national headlines about the policies on military aid to Communist Yugoslavia. Rostow recommended the sale be completed since the equipment was obsolete, was being purchased by cash, and there was no reason to believe this purchase would substantially enhance Yugoslavia’s military. The sale of aircraft to Yugoslavia was made after determination by the Departments of State and Defense that such action was in the best interest of the United States. The sale was consistent with the policy the US Government of supporting the ability and determination of Yugoslavia to maintain its independence.

99 “Trouble for Tito,” Time, October 27, 1961. Time published the following excerpt: Last week, in the face of a rising outcry, both the Kennedy Administration and Dwight Eisenhower were defending their transactions with Yugoslavia. The theory behind the program is that U.S. aid helps Yugoslavia’s dissident Communist Tito from falling into the Soviet Union’s smothering embrace. Such aid,
Kennan was not pleased with these developments. On October 9, 1961, he wrote that he did not understand the “meaning of statement that export licenses are being held up” and he stated that “I [Kennan] see no reason whatsoever why normal trade between Yugoslavia and US should be in any way interrupted or restricted, and very much hope nothing [of] this sort will be done.” In his familiar style that did not shy from embellishing facts, Kennan added that “[s]uch measures would inevitably appear here as abrupt and vindictive, and would create impression I think it [is] important we avoid.” Kennan perceived this measure would deprive Yugoslavia of normal opportunities for trade with the United States and would appear as a deliberate effort to discriminate against Yugoslavia.

Kennan’s suggestions were sound since he was recommending the United States fulfill existing contracts with Yugoslavia without promising additional increases. It is important to note that Kennan did not oppose eliminating grant aid and surplus food shipments to Yugoslavia, but he thought it needed to be done gradually over the next few years. Yugoslav views on world policy expressed at the Belgrade summit that unfavorably affected US public opinion were not

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\textit{said State Secretary Dean Rusk, has unquestionably helped Yugoslavia to stay independent of the Soviet Bloc. The sale of the planes, said Ike, was "in the best interests of the United States." But despite its defense of the jet sale, the Kennedy Administration has taken the overall question of aid to Yugoslavia under close review. President Kennedy was angered by the hostility Tito displayed toward the West at the Belgrade conference of neutrals last month. Requesting a 500,000-ton shipment of surplus U.S. wheat to supplement their poor harvest, Yugoslav officials were informed last week by U.S. Ambassador George Kennan that no such commitment would be made—at least for the time being. Clearly, the choice was up to Tito: whether to be at least reasonably friendly toward the U.S. or to forgo its much-needed aid.}
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100 incoming, Telegram from Belgrade to Secretary of State, No. 592, October 9, 1961, (Section One of Two), 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

101 Ibid. Kennan recommended no further technical assistance funds be allocated but he suggested that US ought to fulfill existing contracts Yugoslavs are prepared to reciprocate. He also recommended Yugoslavs be advised they cannot depend on further surplus food contracts after the current fiscal year, but that, particularly in view of existing harrowing drought, we conclude in near future one more contract for shipment in level of 40-50 percent of outstanding Yugoslav requests in wheat, and considerably less in other commodities. I have recommended DLF [Development Loan Fund] continue to make loans for industrial developmental projects in Yugoslavia, on project-by-project basis and on dollar-repayment basis. I have urged that programs of voluntary relief agencies (notably CARE and church world service) in Yugoslavia be reexamined, and I understand agencies are themselves undertaking such reexamination.
new. So, according to Kennan, “we would be merely sowing misunderstanding if we took action which would imply Belgrade Conference had created wholly new and unprecedented situation.”  

Kennan was concerned that the Yugoslav rate of development would significantly decrease in comparison with neighboring Bloc countries as a consequence of an abrupt cut of American aid. On the one hand Kennan was disappointed with stances taken by Tito on world problems during his incumbency in Yugoslavia while on the other, Kennan was afraid that curtailment of aid would jolt Tito’s regime. In particular, Kennan was concerned about his position: “drastic and punitive measures affecting trade as well as aid, would…vindicate anti-Western extremists… [and] cut of more hopeful possibilities. So final would this be in effect on possibilities for my own usefulness here that I would hope Department would give me opportunity for personal consultation before taking steps of such gravity.”

Tito and his officials did not look favorably on the proposed review of American economic policy. Mijalko Todorović, a member of the Executive Council and one of Tito’s four senior deputies, complained to Kennan about the unfriendly tone of the American press and the ensuing hindrance to economic cooperation. He stated that the Yugoslav policy had not changed and that American attitudes were blocking the program of mutual economic cooperation and jeopardizing US-Yugoslav relations. Drago Kunc, Yugoslav Foreign Secretariat spokesman,

102 Incoming Telegram from Belgrade to Secretary of State, No. 592, October 9, 1961, (Section Two of Two), 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

103 Ibid.

104 Incoming Telegram from Belgrade to Secretary of State, No. 614, October 12, 1961, (Section One of Two), 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library. It is important to note that the growing American confrontation with Cuba was reducing the flexibility of American policy toward Communist countries and it affected relations with Yugoslavia. Another episode that added oil to the fire was an abrupt cancellation of Senator H. Humphrey’s proposed visit to Yugoslavia scheduled for 9-13 October, 1961. Apparently Kennan advised Senator Humphrey not to come after the announcement was made by the Yugoslavs that he would not be received by President Tito in retaliation for unfavorable American public opinion and the proposed withdrawal of aid.
pointed out that “Yugoslav foreign policy remains what it has been, policy freely determined by government of independent non-aligned country. The better… [Americans] understand this, the more they will contribute to favorable development [of] our mutual relations.”105 It appears as if the Yugoslav side reacted to the proposed American revisions with the same elevated sensitively as the Americans did to Tito’s speech, raising the relatively minor problem to the highest possible level. Lampe et al. argue that the “Yugoslavs mistook this review as a challenge rather than the White House effort to preempt the congressional pressure that it was and demanded a formal statement of American policy.”106 At any rate, the steady build-up of tensions precluded moderation on either side. Not only the climate in Washington changed but by October 1961, even Kennan was having second thoughts about the proposed course of the United States relations with Yugoslavia. During the first months of his incumbency, he made every effort to improve bilateral relations and worked toward increasing the level of American economic support. According to David Mayers, “Kennan hoped that the United States and its allies would not take much umbrage at Tito’s periodic outbursts against them and instead continue those polices that demonstrated fruitful collaboration was possible between communist and capitalist countries.”107 In the aftermath of the Belgrade summit, Kennan started to change his mind:

The tenor of President Tito’s speech… obliged me to recognize that these efforts and these hopes were wholly in vain… I could no longer take responsibility of asking my government to wait or to hope for any change in Yugoslavia policy… I was obliged to recognize, and to confess to my government, that there had been no response to the various efforts we had made to achieve a better understanding with the Yugoslav Government with regard to outstanding international issues; and that so far as I could see, the attitude here was one which showed no greater understanding of our position and no

105 Incoming Telegram from Belgrade to Secretary of State, No. 643, October 23, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library


107 Mayers, George Kennan and the Dilemmas, p. 212.
greater confidence in us, than had been the case before the present administration took over in Washington.\textsuperscript{108}

Tito’s outburst created confusion for some American politicians and diplomats, as well as for most of the American public, by apparently obscuring the existing differences in aims between countries of the Bloc and Yugoslavia. If nothing else, there was still a clear difference between Yugoslavia and the USSR – and its satellites – on the concept of relations between socialist states and the rest of the world. Since 1948 Tito believed in building socialism based on national independence, and later on nonalignment, without belonging to the Bloc. Yugoslavia also opened itself to the Western ideas and institutions and to introduce elements of competition and individual incentives. Yugoslavia’s economy underwent a process of decentralization and achieved a rate of economic growth greater than anywhere in the Soviet Bloc. Yugoslavia actively participated as member or observer in certain international organizations in which the Soviet Bloc did not participate, such as the GATT (General Agreement on Tariffs and Trade), the European Productivity Agency, the OEEC (Organization for European Economic Co-operation), and OECD (Organization for Economic Co-operation and Development). Within the context of the Cold War, Yugoslavia was a neutral country. For instance, in the UN Yugoslavia’s voting record corresponded closely with that of India rather than with that of the Soviet Bloc. Therefore, the US ought to have had a definite interest in maintaining Yugoslav freedom from the Soviet control.

Keeping all this in mind Kennan urged the State Department to “expedite reaction to Yugoslav PL-480 request [since] continuing uncertainty and resulting lack of function represents

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\textsuperscript{108} Incoming Telegram from Belgrade to Secretary of State, No. 615, October 13, 1961, (Section One of Two), 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.
\end{footnotesize}
considerable strain on USOM [US Operation Mission] morale.”¹⁰⁹ The issues in question included the removal of the current suspension of export licenses (in place since September 18, 1961) to enable the sale and distribution of 500,000 tons of wheat (which Kennan supported) that Yugoslavia desperately needed because of the recent drought and the modification of the American aid program.¹¹⁰ McGeorge Bundy tried to conciliate Kennan by pointing out the “matter has been delayed quite a bit because of division on specific issues in other parts of the Government.”¹¹¹ One of the divisions was (or as Kennan put it, “a lack of coordination”) “between the European Office of the State Department and others in Washington who have an interest in this subject.”¹¹² Kennan stated “that in view of the delicacy of Yugoslav-US relations as a matter of congressional and public opinion, the President ought to have knowledge of any actions taken by the Department in this respect which conflict with the recommendations made by this mission.”¹¹³ To get the issue resolved, Kennan complained directly to McGeorge Bundy, circumventing Dean Rusk, about Foy Kohler’s – Assistant Secretary of State in charge of European affairs – apparent reluctance to revise the current American policy toward Yugoslavia.¹¹⁴ It looks as if Kennan’s rather arbitrary intervention helped and the contract for

¹⁰⁹ Incoming Telegram from Belgrade to Secretary of State, No. 677, October 27, 1961, 9/61-10/61 Yugoslavia General Folder, National Security Files, Box 209A, JFK Library.

¹¹⁰ Mayers, George Kennan and the Dilemmas of US Foreign Policy, p. 213. According to David Mayers Kennan was “never a champion of financial assistance to countries outside of Western Europe and Japan… [and] had been pleased to help supervise in the liquidation of these US programs.”

¹¹¹ Letter from McGeorge Bundy to Kennan, No Date, 10/61-12/61 Yugoslavia General Folder and Undated, National Security Files, Box 209A, JFK Library. Bundy also added that “you [Kennan] can be certain that the President will make his final decision with a full knowledge and appreciation of your won sensitive and thoughtful reporting and clear recommendations.”


¹¹³ Ibid.
delivers of PL 480 wheat was approved while further developmental loans were to be reviewed on a project-by-project basis.\(^{115}\) The question remains whether Kohler, Dean Rusk, and others in the State Department were as pleased with the outcome – as well as with the process – as Kennan was.

On November 25, two days after finalizing the PL 480 deal, Kennan was invited to participate in a hunt with Tito, other Yugoslav dignitaries, and other chiefs of diplomatic missions. Kennan was surprised by the kind reception he received so he used the opportunity to “bond” with the Yugoslavs.\(^{116}\) Kennan must have been relieved since it looked as if his interventions in Washington paid off and he was back in the game after more than three months of diplomatic arm-wrestling largely because of Tito’s rhetoric at the Belgrade nonalignment summit. In terms of Kennan’s relations with Washington, this episode showed that he took full advantage of having the direct line of communication with the White House. Perhaps more

\(^{114}\) Foy Kohler’s Letter to Kennan, October 12, 1961, 10/61-12/61 Yugoslavia General Folder and Undated, National Security Files, Box 209A, JFK Library, and Kennan’s Letter to Kohler, October 27, 1961, 10/61-12/61 Yugoslavia General Folder and Undated, National Security Files, Box 209A, JFK Library. The gist of this lengthy correspondence was that Kennan wanted Yugoslavia to be punished for Tito’s anti-Western rhetoric while the State Department was apparently dragging its feet, most probably waiting until the negative public sentiment quiets down before any major revisions were made: “On September 15 I was sent down to the Yugoslav Foreign Office to deliver a very stiff aide memoire. I stated on that occasion that the US Government was compelled to take a serious view of recent Yugoslav actions…Such a statement should never have been made to the Yugoslavs if we had not intended to follow it up with some action.” Essentially Kennan appears to have been mad for being used by the State Department.

\(^{115}\) “Proposed PL 480 Sales to Yugoslavia,” Dean Rusk’s Memorandum for the President, November 21, 1961, 10/61-12/61 Yugoslavia General Folder and Undated, National Security Files, Box 209A, JFK Library. Foy Kohler was not pleased with this decision and he wrote in his reply to Kennan on December 4, 1961 that though “we do not get all we would like out of Yugoslavia’s situation,” no justification exists for discontinuing all further assistance and for the discontinuance of current American economic support of Yugoslavia.

\(^{116}\) Incoming Telegram From Amembassy Belgrade to Seestate, A-153, December 1, 1961, 10/61-12/61 Yugoslavia General Folder and Undated, National Security Files, Box 209A, JFK Library. Time provided following coverage of Kennan’s participation in Tito’s hunt and the subsequent banquet:

Ambassador Kennan shunned Yugoslav friends for nearly three months [after the Belgrade summit] until orders came from Washington to negotiate the sale of 500,000 tons of wheat, half the amount requested… At the traditional hunt dinner (which went on until 6 a.m.), Kennan was surprised to find himself the guest of honor, seated between Tito and Edvard Kardelj, the party theoretician who is Tito’s likely successor. For several hours Kennan aired his grievances before Yugoslavia’s top leadership. Shorn of his initial optimism, Kennan had reminded himself that the Titoists are genuine Communists, and had reminded them that the US cannot be used as a mere convenience.
importantly, Kennan’s disdainful style became more evident which further supports the assertion that Kennan wanted to have his way regardless of the repercussions on individuals or on the policy making process. Kennan most likely did not know at the end of November 1961 that this intermission in the US-Yugoslav tension was just temporary quiet before the storm that was to seal his ambassadorial fate.\textsuperscript{117}

**The MFN Controversy**

In early January 1962 Kennan was asked to return to Washington for a review of the United States economic policy toward Yugoslavia. In preparation for the meeting, Rusk submitted to the President an assessment of the US assistance program with detailed recommendations. Most of Rusk’s proposals were included in the document that laid out guiding principles for the Kennedy policy on Yugoslavia, the National Security Action Memorandum No. 123. For instance, Rusk’s proposal to keep “technical assistance program [for FY 1962] … under the Development Grant portion of the AID” to expose “key Yugoslav personnel to Western ideas and institutions” with a budget of “$500 to $750 thousand as opposed to… $2.8 million which had been earlier envisaged” was accepted without modifications.\textsuperscript{118} Rusk’s suggestion that Yugoslavia was to primarily seek help from established international lending agencies, such as the Export-Import Bank, rather than rely on the AID for developmental loans


was also accepted: “The US will grant developmental loan assistance of about $10 million in FY-62, and it is hoped that the Export-Import Bank will give priority attention to Yugoslav applications for addition loan funds up to $10 million.” It was further noted that though the terms for the Development Loan Funds need to be reviewed the “President does not wish an abrupt cut-off in this kind of aid at the end of FY-62” and that US will urge “other Western governments especially Italy… to increase the interest in credits to Yugoslavia.” Furthermore, the recommendation to maintain PL 480 agreements was accepted “to meet minimum Yugoslav consumption requirements.” The proposal regarding the purchase of “such military equipment and spare parts as are necessary to insure that Yugoslavia will avoid dependence on the Soviet Bloc” was modified in the wake of the public pressure and Congressional opposition. As an alternative, the decision was made to continue sales and supplies for existing Yugoslavia’s military equipment but it was stressed that it was not “desired that Yugoslav military personnel… receive training in the United States, and future Yugoslav applications for new

 119 Ibid. Dean Rusk recommended that the “Yugoslav Government should also be informed of our readiness, through our participation in… the OECD and in other international bodies, to lend sympathetic support to Yugoslav efforts to obtain loans from other lending institutions. This approach would enable us to continue our identification with Yugoslavia’s development efforts with at the same time keeping to a minimum the use of AID resources.”

 120 NSAM 123.

 121 Ibid. NSAM 123 also included the following specific request: “That the Italian, Austrian, and Greek Governments be asked for their opinions with respect to policy toward Yugoslavia. If, as we expect, these comments support the current general line of US policy, they may also be helpful in explaining our policy within the United States.” By mid-April the discussions were successfully completed and these countries were “in substantial agreement with all aspects of United States policy toward Yugoslavia.” See, Consultation with Austrian, Greek, and Italian Governments Regarding Policy Toward Yugoslavia, Memorandum from L. D. Battle [State Department Executive Secretary] for Mr. McGeorge Bundy, April 19, 1962, 4/1/62-5/31/62 Yugoslavia General Folder, National Security Files, Box 210, JFK Library.

 122 Ibid. Title I of PL 480 was to be shifted to Title IV and the United States support “should be phased out in a manner which will encourage the maintenance of certain of these activities [i.e. agriculture and other aspects of economy] in Yugoslavia on a self-sustaining basis.”

military purchases should be reviewed case by case.” Rusk’s proposal on export licenses was only slightly modified and it was decided that “Yugoslavia should be considered on the same basis as non-Soviet Bloc nations for export licenses.” It appeared that Rusk’s proposals and the subsequent decisions as laid out in NSAM 123 were in line with the overall State Department strategy of maintaining steady support of Tito’s Yugoslavia and were significantly more moderate than what much of American public and the opponents of Yugoslavia in Congress supported.

Upon his return from consultations in Washington, Kennan wrote a justification for extending American aid to Yugoslavia. This brief was largely in agreement with the tone of Rusk’s recommendations and NSAM 123. He acknowledged the existence of serious differences between Yugoslavia and the United States but Kennan stressed that “Yugoslavia’s political independence and her non-participation in active military and political alliances continue to…deserve our support… [and] we consider it desirable that Yugoslavia should be accorded normal facilities for trade and for every sort of cultural and personal exchange with the United States.”

Even though Kennan continued to disagree with the State Department on many

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124 NSAM 123.

125 Ibid. The original Rusk’s recommendation was that “Yugoslavia continues to be considered on the same basis as non-Soviet Bloc nations in evaluating Yugoslav requests for US export licenses so long as Yugoslavia’s export control practices remain generally consistent with the objectives of the multilateral trade controls imposed against the Soviet Bloc.”

126 “United States Policy on Aid to Yugoslavia,” Foreign Service Dispatch from Amembasy Belgrade to the Department of State, January 30, 1962, 1/1/62-4/15/62 Yugoslavia General Folder, National Security Files, Box 209, JFK Library. In NSAM 123 a request was made that “Ambassador Kennan should write a brief explaining the reasons for US aid to Yugoslavia. This brief should then be used as appropriate in defending the program before Congress and in public statements.”

127 Ibid.
aspects of US-Yugoslav relations, Yugoslavia’s Most Favored Nation (MFN) status, which was under consideration in Congress, was never questioned by Kennan or the State Department.128

Probably the only high level bilateral discussion of Yugoslavia’s MFN status was during Koča Popović’s – the Yugoslav Secretary of State for Foreign Affairs – visit to Washington, May 28-29, 1962. Stopping in Washington en route to Belgrade from a Latin American tour which included Brazil, Chile, Bolivia, and Mexico, Popović met with the Secretary and Under Secretary of State, and the President to discuss a wide range of issues relevant to the US-Yugoslav relations. Yet, only during the talk with Under Secretary Bowles the MFN question was raised: “Under Secretary assured Popović about our concern, and intention to work, for satisfactory solution of problem of continued MFN benefits for Yugoslavia in connection with trade legislation now under consideration in Congress.”129

Bowles was apparently referring to the developments in the House of Representatives where Wilbur Mills, the chairman of Ways and Means Committee, had added an amendment to

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128 During the first half of 1962 Kennan send quite a few telegrams stressing his disagreement and disappointment with the State Department’s views on US-Yugoslav relations. All following Kennan’s telegrams contain elements of such arguments and I believe are just a sampling of Kennan’s numerous letters: Incoming Telegram from Belgrade to the State Department No. 1035 of January 24, No. 1047 of January 26, No. 1068 of January 31, No. 1111 of February 12, No. 1310 of March 30, No. 1319 of April 2, No. 1325 of April 3. According to David Klein the gist of these differences was the question of US relations with Yugoslavia and other non-committed states: “the root question is whether it is politically advantageous for the United States to state publicly as Ambassador Kennan suggests that political strings are tied to our aid for the non-committed states.” Klein suggested that Kennan was wrong since “the only legitimate criterion for extending any assistance is whether it serves our national interest. And this… the only real yardstick we can use, rather than whether a given regime pays lip service to or takes specific points of policy.” My impression is that Kennan was again arm-wrestling with the State Department over a relatively minor issue while hardly noticing the brewing storm over the MFN status. I also found it most intriguing that Kennan would start some of his letters with “Dear Mr. X” when writing to the State Department. This practice suggests that Kennan did not have strong close relations with the State personnel but apparently considered the entire Department to be in opposition to his views. For example, see, Incoming Telegram from Belgrade to the State Department No. 1403, April 17, 1962, 4/1/62-5/31/62 Yugoslavia General Folder, National Security Files, Box 210, JFK Library.

Section 231 of the Trade Expansion Act of 1962 “which would have had the effect of denying” MFN status “to Yugoslavia as well as Poland, even though neither country was mentioned by name.”

Mills, together with Senator William Proxmire (D-Wisconsin) and Representatives Paul Findley (R-Illinois) and Charles Halleck (R-Indiana), introduced this amendment to deny trade concessions to any Communist country without taking into account Yugoslav independence from the Soviet Union. The removal of MFN treatment for Yugoslavia would double the tariff paid on two-thirds of Yugoslav exports to the United States. Obviously this was just a reaction “to the emergence of the Castro regime [in Cuba, which was] hostile to the United States but not yet fully in the Soviet camp.”

Since Kennan was in Washington to attend meetings with Koća Popović, he was fully aware of the brewing storm over the MFN status. After the bill with two amendments barring Communist countries from access to MFN passed in the House in early June, Kennan pointed out this was not an issue over aid, since the debate over NSAM 123 had already regulated it, but it was a measure designed to restrict trade. The denial of MFN treatment to Yugoslavia would “signal demonstration of ill-will towards a people whose disposition towards us has been generally and increasingly friendly” as well as it would demonstrate certain “lack of confidence in delicately balanced efforts Executive Branch [of] our Government has recently been making to influence course of Yugo official policy.”

As mentioned before, Kennan supported a thorough revision of US-Yugoslav relations, including the American aid program, but he never raised the question of the MFN treatment for Yugoslavia. David Mayers argued the “revoking of

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131 Ibid.
132 Incoming Telegram from Belgrade to Secretary of State, June 11, 1962, 6/62-7/62 Yugoslavia General Folder, National Security Files, Box 210, JFK Library.
MFN was the most gratuitous and deepest injury from a Yugoslav perspective” since “Yugoslav exports to America totaled a mere $50 million per annum; trade going the other way was valued at $400 million.” The CIA reported that the attitude of the Congress regarding Yugoslavia’s MFN question “could possibly result in a break of diplomatic relations between Yugoslavia and the US.” Though the CIA’s prediction did not materialize, Kennan wrote in his memoirs that he “spent an entire week tramping the halls of the buildings on Capitol Hill and arguing with various congressional figures” and as advised by the President he took his case to the public – by publishing articles in major newspapers and magazines – to get the two amendments overturned. In fact Kennan devoted for months all his energy to this issue but to no avail since “on October 4, the bill, containing the offensive clause, became law.”

133 Mayers, George Kennan and the Dilemmas, p. 213.


135 Kennan, Memoirs, 1950-1963, p. 299. New York Times on June 15, 1962 called the revoking of MFN “little short of tragic” while Time on July 20, 1962 provided the following account of the MFN episode: Congressmen are mad at Yugoslavia's Tito for snarling at U.S. nuclear testing during the Belgrade Conference while continuing to ask for U.S. aid….The Senators also cut off all aid to such Communist nations as Yugoslavia and Poland (relenting only to allow surplus food to be sent) and Blocked aid to any nation that seizes private U.S. property without prompt steps toward compensation… The Administration got busy to try to stop the House from whacking out the one thing that Kennedy wanted most: freedom to try to pry some nations loose from Moscow with aid. The President summoned congressional leaders of both parties to the White House. Aid Administrator Fowler Hamilton personally pleaded with some 100 Congressmen, and Ambassador George Kennan flew home from his post in Belgrade to make a pitch to the House. The Administration even got key help from Pennsylvania’s champion anti-Communist Francis Walter, who argued: "For years one of the major deterrents to World War III has been the resistance of enslaved people to their Communist masters. Help Moscow break that resistance, and you increase the potentialities of Communist aggression.

136 Kennan, Memoirs, 1950-1963, p. 305. Though President Kennedy supported Kennan, he was unwilling to risk his narrow margin in Congress over a “fuzzy, unsatisfactory issue” that had a potential of developing into a major conflict with majority of congressmen.
Kennan Gives Up

On May 31, 1962, just a few weeks before the legislation was steered through Congress, revoking Yugoslavia’s MFN status, Kennan wrote a letter to the Secretary of State about his plans to leave his ambassadorial post in Yugoslavia by June 30, 1963: “I shall by that time have served 2 ¼ years as Ambassador to Yugoslavia… in planning to leave government at the specified time I am motivated solely by what I feel to be my obligations in the academic field” [i.e. professorship at the Institute for Advanced Study at Princeton University].\(^{137}\) It is hard to reconcile this Kennan’s statement with the one below included in his memoirs where he said that he made the decision to leave his post in Belgrade on October 14, 1962:

On October 14, my diary tells me, I took a long lonely walk of many miles through the suburbs of Belgrade, trying to come finally to terms with what happened. Try as I might, I could not get over the logic of the essential facts. I was now fifty-eight years old. I had given most of an active lifetime to the Foreign Service. I had had, as I had pointed out to Mr. Mills, some thirty-five years of experience with the affairs of Eastern Europe. He, so far as I knew… had never been outside of the United States. Yet in an important matter of foreign policy, affecting most intimately not only the Eastern European post at which I was stationed, but also the attitudes of surrounding countries, the elected representatives of my country had supported his judgment over my own. They had made their choice. Mr. Mills had been given a vote of confidence. I had been disavowed. And this disavowal had been dramatically exhibited to the Yugoslav government, to which I was accredited.

It would have been useless for me to remain in Yugoslavia in these circumstances. An ambassador can have usefulness only when it is believed that he has some influence at home…

…three months later I did appraise the Department of State of my desire to resume life in Princeton at the beginning of the next academic year. But the decision had been taken, in the roads and streets of the Belgrade suburbs, on that unhappy morning.\(^{138}\)

If one is to justify the apparent discrepancy between the two accounts to Kennan’s forgetfulness when writing his memoirs, the question of what rendered Kennan ineffective in


Yugoslavia still needs to be answered? Should one believe William Bundy who implied Kennan was largely a cause of his downfall since his frequent assessments of different aspects of US-Yugoslav relations showed “typical acute diagnosis and equally typical absence of specific prescriptions” thus Kennan’s reports tended to be ignored. Or, shall one trust *Time* that suggested Kennan “suffered a deep sense of betrayal—not on Tito’s part, but on that of the folks back home.” Or perhaps one ought to rely on Kennedy and Rusk who trusted Kennan and encouraged him to stay in Belgrade after the MFN controversy since he was “better equipped than anyone else to explain the vagaries of congressional actions and reassure the Yugoslavs that they do not represent the long-run views of the US.”

Be as it may, Kennan has to be credited for his hard work in Yugoslavia despite the fact the bilateral relations deteriorated. Although Kennan’s tone was clearly more bitter in the wake of the MFN controversy, he continued lobbying with the same vigor as before for the overall improvement of the US-Yugoslav relations. For instance, on November 28, 1962, Kennan sent a

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139 It is fascinating to note that in April 1963 Kennan was willing to reconsider his decision to retire in his typical tone of putting the blame on the problematic relations in Washington: “Secretary will recall that I have been prepared to remain for longer period if it were felt that this would be helpful to removal of MFN denial and to establishment sound basis in Executive-Legislative relations for future policy toward Yugoslavia.” Incoming Telegram from Belgrade to Department of State, April 26, 1963, 4/63 Yugoslavia General Folder, National Security Files, Box 210A, JFK Library.


142 Outgoing Telegram from Department of State to Amembassy Belgrade, No. 373, October 9, 1962, 10/5/1962-10/11/1962 Yugoslavia General Folder, Kennan Exchange on MFN, National Security Files, Box 210, JFK Library. Kennan responded to this message by suggesting that only “strong statement by President at this time could have convinced Yugos that Executive Branch has not during past fortnight changed its attitude and abandoned determined effort to oppose MFN provision.” Kennan also added that it “would be an illusion to suppose that statements made to Yugos at any lower levels, including myself, will be of avail in countering this oppression, and much less press reaction.” See, Incoming Telegram from Belgrade to Secretary of State, No. 534, October 12, 1962, 10/5/1962-10/11/1962 Yugoslavia General Folder, Kennan Exchange on MFN, National Security Files, Box 210, JFK Library.
seventeen page-long assessment of current situation of US policy toward Yugoslavia which
david klein, member of the national security council staff, called “an excellent piece… [that]
makes tremendous sense… [and stated that] it would be unfortunate if this paper merely went
from the reading files into archives.” Yet, a month later klein voiced his frustration with
kennan’s rhetoric: “The ambassador is clearly on the zag course now, having completed the zig
with his airgram on how we should proceed to construct our policy with Yugoslavia.”
Could it be that kennan’s tendency to try to say too much in his elaborate well argued reports fended off
even the most steadfast supporters, as the above example suggests?

As kennan was leaving Yugoslavia, secretary dean rusk made an official visit to
Belgrade May 4-5 reciprocating for foreign minister koča popović’s visit to the united states in
1962. Although this was a short visit, it provided a public occasion for assurances to both sides
that each valued continued good relations and it confirmed kennan’s high standing among the
State Department establishment.


144 “George kennan on Yugoslavia,” David Klein’s Letter to McGB [McGeorge Bundy], January 4, 1963, 1/63 Yugoslavia General Folder, National Security Files, Box 210A, JFK Library. Klein pointed out contradictions in kennan’s argument:

I find ambassador kennan’s recommendation on handling PL 480 and MFN a little unrealistic. On the one hand, he asks for presidential instruction to tell Tito that unless we are publicly assured that Yugoslavia is not morally or politically tied to an outside force, we will cancel our PL 480 program… Yet, he goes on to urge the President to pursue the MFN issue ‘as a straight issue of principle’ and ‘not encourage the view that the suitability of such measure stands or falls with the political climate of our relationship with Yugoslavia.’ The President can do many things, but I doubt that even he could pull this kind of gambit with the US Congress in the year of our Lord 1963.

145 Outgoing Telegram from Department of State to Amembassy Belgrade, No. 938, April 30, 1962, 4/1963 Yugoslavia General Folder, National Security Files, Box 210A, JFK Library.
Keeping in mind Kennan’s enormous effort to secure the date for Tito’s visit, it was somewhat paradoxical that Tito paid his first official visit to the United States after Kennan returned from Yugoslavia and just weeks before Kennedy’s assassination. Yet, Tito’s informal visit to the United States produced little change in the bilateral relations. According to the joint communiqué, the “talks took place in a cordial and friendly atmosphere” and the “two presidents expressed the hope that relations between the two countries, now that direct assistance is no longer needed [because of overall economic improvements], could be further developed in all other fields, particularly in the expansion of normal trade, of economic contacts, and of culture and other exchanges.”

Despite harassments by hostile émigré groups and Tito’s minor illness,

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146 Joint Weeka No. 19, 11 May, 1963, 250/5/21/7, General Records of the Department of State, Bureau of European Affairs, Office of Eastern European Affairs, Record Group 59, Box 4, National Archives and Records Administration, College Park, MD, (NARA).
the visit drew some positive press coverage. For instance, David Binder described the importance of Tito’s visit in the following way:

Leaving emotions aside, the trip has a good deal of political significance for Yugoslavia and for the United States. To Tito, the handshake with Kennedy this Thursday, only 44 days after he kissed Soviet Premier Khrushchev good-by at Belgrade airport, will be a visual demonstration of the success of his polity of nonalignment.

Since Kennan had already returned to the United States, he was asked to act as Tito’s unofficial host as Tito visited the historic Williamsburg in Virginia (where the Yugoslav delegation stayed for fear of radical demonstrations), the Yosemite Park, San Francisco, New York, and Princeton. After a failed assassination attempt on Tito in New York, the White House formally apologized for the émigré harassment and the overall poor experience. It was also ironic that the MFN treatment for Yugoslavia never actually lapsed while the sale of military spare parts continued to go on for the time being. Before its automatic revocation within one


148 Biweekly Economic Review No. 22, Belgrade’s A-397, 1 November, 1963, General Records of the Department of State, Subject Name Files, Record Group 59, Box 804, NARA.


150 Apparently, and despite Binder’s claim to the contrary, there was no public handshake between Kennedy and Tito and in the Oval Office no pictures were taken. Tito was particularly upset by the émigré demonstrators dressed in the Nazi uniforms who were hurling insults at him. Senator Barry Goldwater (R-Arizona) criticized the fact Tito stayed in New York at Waldorf-Astoria on Park Avenue since Madame Ngo Dinh Nhu, the wife of Ngo Dinh Nhu who was considered the First Lady of South Vietnam since her brother-in-law – President Ngo Dinh Diem – was a bachelor, stayed there at the same time. The only pleasant part of the trip was his visit to Princeton. Nevertheless, when Kennedy was assassinated Tito was so touched that he could not speak; he personally expressed the condolences to the Acting Deputy Chief of Mission Robert G. Cleveland and read the message on the Yugoslav national radio and television. The national flag remained at half mast and in schools a special class was dedicated to President Kennedy.

151 NSAM 212 spelled out that “Following a discussion of US policy toward Yugoslavia the President: 1. Indicated that he was prepared to seek an amendment to the Trade Expansion Act to restore most-favored-nation treatment for Yugoslav goods.”

152 NSAM 236 stated “The Departments of State and Defense will notify appropriate members of Congress concerned with foreign affairs, defense, and appropriations, of the Government’s intention to permit the sale of spare parts and supplies to Yugoslavia for servicing equipment of United States origin already on hand.”
year, the State Department and President Kennedy succeeded in attaching a provision to the Foreign Assistance Act of 1963 restoring the MFN status to Yugoslavia.

**Conclusion**

Lawrence Eagleburger, American Ambassador to Yugoslavia from 1977-1981, stated that Kennan’s personality influenced his effectiveness. For Eagleburger, Kennan was a wonderful person, but a fairly ineffective diplomat who was not able to overcome his differences with Dean Acheson stemming from their disagreements when Kennan was the head of the Policy Planning staff. Kennan created his own problems in August 1961 when he went to Tito and asked him to be careful with his statements as the Soviets were about to explode a hundred megaton bomb. Most importantly, Eagleburger argued, Kennan was furious with Tito’s support of the Soviets and for months he opposed any American help to Yugoslavia. In the meantime, congressional opposition to Yugoslavia also increased in part because of Kennan’s correspondence from Belgrade. So, Eagleburger suggested that Kennan had resigned because of the problems he created and not because of Congress and the anti-Yugoslav sentiment in the American government.153

Considering that even the most exhaustive documentary evidence provides us with only caricatures of the real situations, Kennan the Ambassador to Yugoslavia comes across as an impractical idealist who failed “to put himself in the position of the other man.”154 He, like Don


Quixote, risked his reputation for dogged pursuit of ill-timed causes and had a penchant for circumventing the process thus, rubbing the people around him the wrong way. Kennan was too concerned about his position vis-à-vis Yugoslavia at the expense of his relations with the officials in Washington. I suppose a more detailed examination of the communication between the intelligence community (especially the NIEs) and the diplomatic core would further illuminate the policy making process. Though Kennan could not have predicted a strong Congressional opposition to Yugoslavia, he could have made his post more effective had he established better relations with the State Department and not squandered his credibility in first few months over issues like whether and when to invite Tito and the Captive Nations Week resolution. When the real problems arose after the Belgrade summit of the nonaligned nations, Kennan did not have enough credit to prevent the down-spiraling of the US-Yugoslav relations during the Kennedy administration.

‘the psychology, the political personality, the intentions, and the likely behavior of the adversary.’ Furthermore, Kennan stated that “a great deal of his [diplomat’s] usefulness consist precisely in his ability to put himself in the position of the other man.” In his discussion about Kennan’s realist concept of diplomacy Russell stated that Kennan viewed the task of diplomacy as essentially a menial one, consisting of hovering around the fringes of a process one is powerless to control, tidying up the messes other people have made, attempting to keep small disasters from turning into big ones, moderating the passions of governments and of opinionated individuals, and attempting to transmit to one’s own government the unwelcome image of the outside world.

155 At the before mentioned conference John Allen, a CIA and National Intelligence officer, stated that “policy making is like baking sausages since there are many ingredients that need to be considered.” He raised the question to what extent policy analysts become policy advocates or is the policy influenced more by the politicians than by the intelligence community. His assertion that the senior officers do not read intelligence estimates but have already made their minds ahead of time sparked a lively debate on the value and political influence of the intelligence and diplomatic community. Another powerful assertion was made that most intelligence estimates are based on open source information and embassy reports (which are also based on open source information) but are kept classified as if they contain real clandestine data.
III.

US-YUGOSLAV RELATIONS DURING THE JOHNSON ADMINISTRATION: “BUILDING BRIDGES OF INCREASED TRADE, OF IDEAS, OF VISITORS, AND OF HUMANITARIAN AID”

When Lyndon Baines Johnson stepped into the presidency, the European continent was in the midst of a political and economic transition. Western Europe had recovered economically from the war, and its prosperity brought with it conflicting demands: the Europeans wanted greater influence over American decisions, while the Americans wanted more “burden sharing” from the Europeans...There were also stirrings within Eastern Europe for greater independence from Soviet domination, with Romania now following Yugoslavia’s path, and the increasingly public Sino-Soviet split allowing more room for maneuvering within the communist orbit. The dividing line across Europe, now more stable because of the Berlin Wall, created opportunities for “coexistence,” but these were opportunities fraught with potential danger...With each of America’s three major Western European allies-Great Britain, France, and West Germany-President Johnson faced unique problems along with the common challenge of preserving alliance unity in the midst of a possible détente with the Soviet Union and Eastern Europe.

- Thomas Alan Schwartz, Lyndon Johnson and Europe: In the Shadow of Vietnam, 10-11.

When it comes to a great leader like Lyndon Johnson, I would have to say that heredity and humiliation combined to produce his extraordinary drive to succeed. Out of that came the civil rights program. We got the War on Poverty and the Great Society. We also got Vietnam.


The foreign economic relations of both Yugoslavia and the United States broadened significantly during the second postwar decade...from the early years of Eisenhower administration through the transition from John Kennedy’s brief presidency to the Johnson administration, this official relationship followed a cyclical pattern... Cooperation and useful relations have been punctuated by periods of conflict or misunderstanding, always stopping short of either confrontation on the early postwar pattern or the sort of Yugoslav reliance on massive American aid that the emergency conditions of the early 1950s demanded.


Throughout the Cold War the countries of Eastern Europe constituted a special concern of US policy because they were swept into the Soviet sphere and forced to become Moscow’s buffer zone toward the West. The overarching goal of the United States was to prevent further intrusion of Soviet power into the heart of Europe and to ensure European peace against the
long-term threat of instability. The Lyndon B. Johnson administration foreign policy, which reflected the unsettled times of the 1960s, continued this trend. In the absence of acute confrontation between the United States and the Soviet Union on the level of the Cuban missile crisis, the Vietnam War overshadowed the Johnson era and influenced virtually every decision the administration made. It is impossible to consider American foreign policy during the presidency of Lyndon Johnson without thinking immediately of the Vietnam War.

Having been elected vice president in 1960 on the Democratic ticket, Johnson was sworn in as president on November 22, 1963, the same day Kennedy was assassinated while riding in the Dallas motorcade. President Johnson took an advantage of the outpouring of grief immediately following the assassination to ensure congressional passage of the landmark 1964 Civil Rights Act that forbade discrimination in all public places and in hiring practices based on race, religion, sex, and national origin.\(^1\) He also pushed through Congress a series of tax cuts originally proposed by Kennedy, the 1965 Voting Rights Act, the 1965 Medicare Act, and ushered far reaching domestic reforms by declaring that the United States must build a “Great Society” that would eradicate poverty, social injustice, and reform education and health care.

Although he was hugely popular and won the presidency in the November 1964 election – defeating his Republican opponent Barry Goldwater with 61 percent of the popular vote – Johnson became overwhelmed by the course of international events so many of his Great Society programs suffered as the Vietnam War consumed enormous resources and ensnared public attention. In addition to Vietnam, the Johnson administration became embroiled in the

Dominican Republic where Johnson dispatched Marines on April 28, 1965 to protect American lives and prevent a possible communist takeover of the government. Following the Six-Day War in the Middle East, Johnson met in June 1967 with Soviet Premier Alexei Kosygin to discuss wider range of issues including Vietnam, potential for arms control, and nuclear proliferation. As public disaffection with the Vietnam War increased, large antiwar demonstrations became commonplace during the late 1960s – resulting in violence, anti-war rioting, political radicalism, and increased racial tensions – rendering once politically invincible President Johnson incapable of dealing with the mounting domestic crises.

Differences in personalities between Johnson and Kennedy played a role in deciding what aspects of foreign policy would receive what amount of attention. Unlike Kennedy who had at least some experience in international affairs, Johnson, sometimes called the accidental president, was rather similar to Harry Truman since he lacked extensive experience in foreign relations despite his substantial congressional experience. Eric F. Goldman, White House staff member and historian, argued that Johnson was uncomfortable in the international sphere since he stated that “foreigners are not like the folks I am used to” and apparently Johnson felt “foreign policy was something you had, like measles, and got over… as quickly as possible… [to] get ahead with the real needs of Americans.”² Robert Dallek suggested that “Lyndon Johnson’s foreign policy leadership is synonymous with Vietnam” implying that foreign relations with the rest of the world were largely sidetracked during the Johnson presidency.³ Waldo Heinrichs asserted that Johnson’s “appreciation of foreign nations was shallow, circumstantial, and dominated by the personalities of heads of state he had met… he was culture-bound and

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vulnerable to clichés and stereotypes about world affairs.”⁴ According to George C. Herring, “for Lyndon Johnson, the Vietnam War represented a personal as well as national tragedy” that marked the 1960s.⁵ On the other hand, some revisionists argued that Johnson was a pragmatic cold warrior who did not believe the concept of a monolithic communist threat, signifying relatively successful Johnson’s foreign policy record. Randal B. Woods argued that “[t]he great difference between Kennedy and Johnson was that the Texan believed that idealism ought to be the driving force behind U.S. foreign policy, whereas the Kennedys saw social justice and democracy as tools with which to defeat Sino-Soviet imperialism.”⁶ David Kaiser suggested that [d]espite Johnson’s own inexhaustible insecurity… he had quite definitely supplanted his predecessor in his country’s esteem, and even within his own administration many frequently questioned whether Kennedy would have been able to accomplish as much.”⁷

Thomas A. Schwartz conducted a comprehensive study of Johnson’s policy toward Europe and concluded that though “the president did not draw a strict line between foreign and domestic policies… [he devoted] greater attention to European problems after the passage of his domestic program in 1965.”⁸ John Lewis Gaddis brings the issue of the conduct of the Johnson

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foreign policy closer to the US-Yugoslav relations by stating: “Vietnam did interfere with one other American initiative toward the communist world, though: this was Johnson’s campaign, initiated in 1964, to ‘build bridges’ to the nations of Eastern Europe by increasing economic ties with them.”

To explore these economic ties that Johnson supposedly was increasing and to outline the relations between the United States and Yugoslavia during the Johnson administration, this chapter continued examining the correspondence between the State Department and American diplomatic outposts in Yugoslavia deposited primarily in the National Archives and the Lyndon Baines Johnson Presidential Library in Austin, Texas. These primary documents, containing telegrams, memorandums, and policy drafts as well as the consequent policies and other documents, will be compared with the formal guiding principles as drafted in National Security Action Memorandum (NSAM) 304 of June 3, 1964. NSAM 304 outlined the direction of American relations with Eastern Europe in the wake of President Lyndon B. Johnson’s speech at Virginia Military Institute in Lexington, Virginia, on May 23, 1964 where he stated: “We will continue to build bridges across the Gulf which has divided us from Eastern Europe. They will be bridges of increased trade, of ideas, of visitors, and of humanitarian aid.”

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9 John Lewis Gaddis, Strategies of Containment: A Critical Appraisal of American National Security Policy during the Cold War, Rev. and Exp. Ed. (Oxford: Oxford University Press, 2005), pp. 266-7. Gaddis also added: This not-so-subtle attempt to weaken Moscow’s control over its satellites foundered when Congress, angry over Soviet and East European assistance to North Vietnam, refused to relax discriminatory tariff barriers on trade with communist countries… In retrospect, it can be argued that all of these initiatives-progress toward détente with the Russians, exploitation of the Sino-Soviet split, the improvement of ties with Eastern Europe-reflected interests more vital than those at stake in Vietnam. But Washington did not see it that way at the time; the fact that the war damaged only the last of these can be chalked up to good luck, not to foresight or careful planning.

10 National Security Action Memorandum, No. 304, June 3, 1964, Box 8, NSAM File, Lyndon Baines Johnson Presidential Library, Austin, TX, (hereafter LBJ Library). The NSAM 304 also stated: “The President would like the Department of State to complete by August 1, 1964, recommendations which translate this statement into specific action programs for each of the Eastern European countries (with particular reference to substance and timing) and, at the same time, to examine the possibilities of multilateralizing these relations in Eastern and Western
documents, NSAM 324 of March 9, 1965, and NSAM 331 of April 9, 1965, were also carefully examined since they provided additional guiding principles for the American trade relations with Yugoslavia “to encourage sympathetic non-aligned nations willing to speak up against those who are blindly critical of the U.S. position in Vietnam.”\(^{11}\) Attention was paid to nonalignment, problems with Yugoslav émigré groups, the Soviet invasion of Czechoslovakia in the greater context of the role that was played by the American Ambassador and ambassadorial staff in Yugoslavia.

It must have been anything but easy to find an adequate replacement for George F. Kennan. As discussed in the previous chapter, Kennan left Yugoslavia on July 28, 1963 after a rather unsuccessful ambassadorial assignment that witnessed relative cooling in bilateral relations and the post was vacant until the beginning of 1964.\(^{12}\) C. Burke Elbrick was chosen to replace Kennan and was appointed Ambassador Extraordinary and Plenipotentiary on January 29, 1964. During this interval while there was no American Ambassador in Yugoslavia, President Tito paid a visit to President Kennedy in Washington in October 1963. Elbrick presented his credentials to Tito on March 17, 1964 and he served in Yugoslavia until April 28, 1969. Since Elbrick served more than five years, he was the longest serving American

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\(^{11}\) National Security Action Memorandum, No. 324, and 331, Box 8, NSAM File, LBJ Library. NSAM 352 uses the similar language as NSAM 304 when referring to U.S initiatives that revolved around the theme of “actively develop[ing] areas of peaceful cooperation with the nations of Eastern Europe and the Soviet Union” but it focused more on peaceful settlement of the division of Germany and nuclear arms control than on relations with Yugoslavia and other eastern European countries.

\(^{12}\) Note on the Conversation of Comrade Koča Popović with Dean Rusk in his Room [State Department], October 17, 1963, FMFA, PA, SAD, F-118, 444446 1963, Tito Presidential Archives (TPA). During the conversation between Dean Rusk, Johnson’s secretary of state, and Koča Popović, Tito’s secretary for foreign affairs, just before Tito’s visit to the United States in October 1963, Rusk indicated that the United States would like to “name a new ambassador to Belgrade after the thing with the (most favored nation’s) clause goes through Congress.” Popović response contained some sense of urgency with regard of naming the new Ambassador when he responded by stating that “it would be poor if this naming would be delayed for too long.”
Ambassador to Yugoslavia outlasting James W. Riddleberger’s, who served during the Eisenhower administration.\textsuperscript{13}

Charles Burke Elbrick was born in Louisville, Kentucky, in 1908 and after graduating from Williams College, he was commissioned in the Foreign Service in 1931. Elbrick established his expertise on European and Latin American affairs while serving in Poland and Portugal before, during, and after the Second World War. From 1949 to 1952 Elbrick was counselor of the embassies in Cuba, Britain, and France respectively. From 1953 he served as deputy assistant secretary of State for European affairs and assistant secretary for European affairs until in 1958 when he was appointed ambassador to Portugal where he stayed until 1963 and his assignment in Belgrade.\textsuperscript{14}

Like Kennan, Elbrick had considerable access to senior Washington officials. To attract favorable press coverage and to update Elbrick on the current Yugoslav situation, Secretary of State Dean Rusk indicated in a memo to President Johnson that “it would be useful for Ambassador Elbrick to have the benefit of a brief meeting with you prior to his departure for Belgrade.”\textsuperscript{15} To show to the Yugoslavs that they are important, the State Department officials made sure that every time Elbrick was in Washington, he met with the President and that their meetings received favorable publicity: “The President has agreed to see Burke Elbrick, our Ambassador to Yugoslavia… Since the external value of this session depends largely on Tito and Communists knowing that the President saw Elbrick, the Department is anxious to make the fact


\textsuperscript{14}C. Burke Elbrick attained the rank of Career Minister in the Foreign Service in 1958 and was appointed Ambassador to Portugal that same year.

of the appointment public.” The memo for the President stated that “Secretary Rusk and Nick Katzenbach [Under Secretary of State] recommend this appointment as an added way to show our interest and support to Yugoslavia” and also suggested that “it may be desirable for Ambassador Elbrick to make a statement following his meeting with you regarding United States interest in Yugoslavia’s independence, sovereignty, and continued economic development.”

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16 Note for McGeorge Bundy, February 2, 1966, Country File: Yugoslavia Vol. II, Cables: 10/66-1/69, NSF, Box 232, LBJ Library. In the second part of the note there was a request to McGeorge Bundy to call Watson to make sure that this meeting goes on the record. The following documents further confirmed that Ambassador Elbrick met with the President when on furlough: Memorandum, Benjamin H. Read to McGeorge Bundy, “The President’s Meeting with Ambassador Elbrick,” February 2, 1966; and, Memorandum, From Dean Rusk for the President, January 25, 1966, both in: Country File: Yugoslavia Vol. I, Memos: 1/64-4/66, NSF, Box 232, LBJ Library; and, Note, For the White House Press Corps From George Christian, October 14, 1968; Memorandum for the President, October 14, 1968, both in: Country File: Yugoslavia Vol. II, Cables: 10/66-1/69, NSF, Box 232, LBJ Library. The press release of the October 14, 1968 meeting was particularly encouraging for Yugoslavia: “Ambassador C. Burke Elbrick reported to the President on the course of U. S. - Yugoslavia relations. The President cited our long tradition of assistance to Yugoslavia and expressed his admiration for Yugoslavia’s people and their dedication to freedom. The President made very clear his continuing interest in that country’s independence, sovereignty, and economic development.” Furthermore, it was mentioned that “Ambassador Elbrick expects to report briefly on the attitude of Yugoslav leaders since the invasion of Czechoslovakia. Tito hopes we will give Yugoslavia some economic help, and stand up with him against the Russian threat.”

17 The same recently declassified memo also states that “Nick Katzenbach is going to Belgrade later this week for the same purpose” [i.e. to show American interest and support to Yugoslavia]. Memorandum, W. W. Rostow for the President, “Ambassador’s Elbrick Call (12:00 Noon Today),” October 14, 1968, Country File: Yugoslavia Vol. I, Memos: 1/64-4/66, NSF, Box 232, LBJ Library.

18 “Foreign Policy of Yugoslavia and Its Effect on U.S. Policy,” Belgrade’s A-1100, May 31, 1965, Yugoslavia, Vol. I: Cables, 1/64-4/66, Country File, NSF, Box 232, LBJ Library. Apparently, Josip Broz Tito did not care much for the word nonalignment and has commissioned his staff to come up with a phrase to describe more accurately the ties binding participating countries in the movement and that is how “active coexistence” was created.
trading, exchanging technical and scientific experts and, to the extend resources allowed, adding young nations in Africa and Asia to the cause. Tito considered the term nonalignment to be too narrow to describe this “organically” growing function of smaller nations in a period of changing relations between the big powers and as the struggle for peace and coexistence seemed to have assumed universal character. Because of such international involvement, Tito felt that the constructive voice of the smaller countries would be listened to more, not less, in the international affairs in the future elevating Yugoslavia into a prominent player among the growing number of nonaligned nations. The flip side of this argument is that because of this concept of nonalignment the Yugoslavs were not able to keep silent on a number of issues about which they were little involved directly. Sabrina P. Ramet, who considered the nonalignment a part of the Yugoslav socialist triad (the other two were self-management and brotherhood and unity) accurately asserted that “Yugoslavia’s membership—indeed, leadership role—in the Nonaligned Movement was to legitimate Yugoslavia’s foreign policy (specifically, its refusal to

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19 Carol Geldart and Peter Lyon, “The Group of 77: A Perspective View,” International Affairs, Vol. 57, No. 1 (Winter, 1980-1981), pp. 79-101. In addition to spearheading the nonalignment, Tito is also credited for organizing the Group of Seventy-Seven (G77), a group of developing countries which was mainly concerned with economic issues and initially ranged much wider than the nonaligned in its membership: “it was principally because of Tito’s enthusiasm and urging that Nasser agreed to convene a conference on economic development matters which met Cairo in July 1962. This meeting was attended by thirty-one countries… and was the realization of an idea which had been launched at the non-aligned summit in Belgrade the previous September.” Furthermore, “this Cairo conference, which was principally and ostensibly Afro-Asian in composition, attracted relatively little attention either at the time or subsequently in informed commentaries, but it was notable for the active participation of Raul Prebisch, the Argentinean economist who had recently been the Secretary General of ECLA [UN Economic Commission for Latin America].” Most of all, Yugoslavia – and Tito in particular – took a number of initiatives: not only as a kind of honorary Afro-Asian state (in virtue of several years of active non-alignment and of close association with India and Egypt) and as a strong advocate that more attention should be devoted to economic issues, but also to forge links with Latin American countries. Thus, not only was Yugoslavia co-sponsor of a resolution which led eventually to the launching of UNCTAID, and a member of UCTAID I’s Preparatory committee, but Tito travelled and fraternized assiduously in Latin America in 1963, visiting Brazil, Bolivia, Chile, and Mexico in turn. Curiously and uniquely, but with a certain wry appropriateness, Yugoslavia was placed within the Asian sub-group of the G77.
subordinate its foreign policy to Kremlin coordination) and to demonstrate that Yugoslav foreign policy was fundamentally progressive.”

The CIA Intelligence Information Cable, which contained recommendations of the Yugoslav Federal Executive Council on how to improve relations with the United States, confirmed to some degree the importance of the nonalignment and notion of active coexistence: “Yugoslavia’s position among the nonaligned countries is good primarily because Yugoslavia maintains good relations with both world powers.” The same intelligence document asserted that “Yugoslavia’s example of the possibility of maintaining good relations with both the United States and the Soviet Union would lose its meaning….if the nonaligned countries should come to the conclusion that Yugoslavia enjoys good relations” with only one superpower.

Yugoslavia’s position as a nonaligned leader, together with its communist ideology, led it during the Johnson administration to adopt a critical attitude toward American policies in areas such as Vietnam, the Dominican Republic, Greece, and the Near East. In the wake of the second Nonalignment Conference held in Cairo in 1964, and following the unsuccessful Vietnam peace initiative by the seventeen nonaligned nations of the early 1965, the plan to start another initiative was derailed by the Kashmir conflict that started in August 1965: “The Kashmir


21 Recommendations of the Yugoslav Federal Executive Council (FEC) Concerning Means of Improving Relations with the United States, CIA Intelligence Information Cable, July 17, 1964, Yugoslavia, Vol. I: Cables, 1/64-4/66, Country File, NSF, Box 232, LBJ Library. The same documents asserted that “Yugoslavia has taken no positive steps to improve relations with the United States since President Tito’s talks with President Kennedy in October 1943.” Thus, the recommendation was made that “State Secretary for Foreign Affairs Koča Popović should be selected to head the Yugoslav delegation to the 19th session of the UN General Assembly so that he can hold talks on this subject with Secretary of State Rusk [and] Yugoslavia should conclude the ‘Fulbright Agreement’ with the United States and invite Senator Fulbright to Yugoslavia.”

22 Ibid.
Affair… apparently threw a monkey wrench into the [Tito-Nasser] meeting, which was expected
to come up with some new nonaligned (Nasser-Shastri-Tito) initiative on Vietnam.”

The decision to give up on the idea of a new nonaligned initiatives on Vietnam was a
demonstration of the movement’s ineptitude to fulfill its mission of engaging in positive struggle
for peace: “the latest developments spells a further erosion of the circle of the old nonaligned
leadership, which once included Sukarno, Ben Bella, Bandaranaike, and Shastri.”

On the positive side, the Kashmir conflict between India and Pakistan had the effect of blurring existing
political alignments by placing the West, the Soviet Bloc, and the nonaligned movement on the
same side in their mutual interest to resolve the crisis. Because of its nonalignment leadership,
Yugoslavia succeeded in being both Socialist and nonaligned at the same time without offending
the countries on either side. Not only that the Soviets accepted that the Yugoslavs are “traveling”
on a different road to Socialism, but envy of Yugoslavia has replaced any doubts that may have
existed among the Socialist countries, especially in Eastern Europe.

The CIA Intelligence Information Cable contained following recommendation of the
Yugoslav Federal Executive Council to improve the US-Yugoslav relations: “Yugoslavia should
take immediate action to solve to the United States’ satisfaction the question of compensation of
United States citizens for their property which was nationalized by the Yugoslav government.”

Consequently, on November 5, 1964 the agreement was signed by Kiro Gligorov and
Ambassador Elbrick to settle claims made by Yugoslav-Americans that have arisen from the

23 “Tito-Nasser Talks Sidetracked by Kashmir Conflict,” Intelligence Note, September 8, 1965, Yugoslavia,

24 Ibid.

25 Recommendations of the Yugoslav Federal Executive Council (FEC) Concerning Means of Improving
Relations with the United States, CIA Intelligence Information Cable, July 17, 1964, Yugoslavia, Vol. I: Cables,
1/64-4/66,” Country File, NSF, Box 232, LBJ Library.
nationalization totaling $3.5 million. This bilateral agreement covered “claims for the nationalization of property which occurred between July 19, 1948 and the date of the new agreement.”

Although this action improved bilateral relations by removing one of the last vestiges of United States financial claims against Yugoslavia, some claimants were associated with the Serbian ultra-nationalist Četnik organization, the Croatian Fascist Ustaše, and other radical émigré groups.

Activities by certain Yugoslav émigré groups undermined US-Yugoslav political relations. The Yugoslav Embassy in Washington and the Yugoslav Consulates-General in New York, San Francisco, and Chicago were bombed in the early morning of January 29, 1967. The United States granted the Yugoslavs *ex gratia* compensation for repair or replacement of damaged property not covered by insurance, for medical expenses incurred as a result of the bombings, and for personal injuries reportedly sustained by Yugoslav employees. Nevertheless, since the culprits could not be brought to justice, the bombings remained a continuing source of irritation. Another irritant in bilateral political relations was the formal commemoration in 1968 by the Governor of California and the Mayor of Cleveland, at the request of certain Croatian-American groups, of the anniversary of the establishment of a Nazi-puppet Croatian government in Zagreb in 1941.

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27 “Yugoslavia to Pay Americans’ Claims,” *New York Times*, November 1964, 16. The most infamous of these was probably Croatian-American Andrija Artuković. He lived in southern California at the time and was a leader of an anti-Yugoslav group that successfully lobbied in Congress in anti-communist terms and found a receptive hearing among congressmen who wanted to pose tough against communism. Andrija Artuković was the interior minister of the Nazi-sponsored Croatian government of Ante Pavelić that was responsible for murder and torture of thousands of people during the Second World War. After a prolonged legal battle Artuković was extradited to Yugoslavia in February 1986 where he was eventually found guilty.

The Impact of Crises in Vietnam and Czechoslovakia

Throughout the Johnson Administration, Yugoslavia maintained strong criticism of American action in Vietnam reaching an officially orchestrated crescendo at a mass meeting in Belgrade on April 6, 1968. Tito’s regime, however, did not carry on trade with North Vietnam, and Yugoslav shipments to that country were limited to gifts of medical supplies, plasma, school supplies, and clothing transmitted by the Yugoslav Red Cross.29

In the immediate aftermath of the Gulf of Tonkin incident30 in August 1964, Central Intelligence Information Cable reported that Yugoslavia’s attitude was solidifying: “American naval attacks on North Vietnam and the pronouncements of Defense Secretary McNamara have led to change in the Yugoslav attitude…they are now hoping for a quick closing of ranks [in preparation for a world conference of communist parties] to present a united communist front…[hoping] this might discourage further American military action.”31

29 “Findley and Belcher Amendments,” Memo From Leonard C. Meeker to the Secretary of State, December 29, 1966, Personal Papers of Anthony M. Solomon, Box 10, LBJ Library. Meeker indicated that the “Findley Amendment…prohibits the use of appropriated funds ‘to formulate or administer’ Title I or Title IV (of the old act) sales to nations shipping or furnishing goods to North Vietnam.” He further added that the “Belcher Amendment to the 1966 Food for Peace Act, which revises P.L. 480, permits making agreements only with ‘friendly countries.’ The act provides that countries shipping or furnishing goods to North Vietnam or Cuba are not ‘friendly.’ (The President may waive the prohibition only as to a country furnishing agricultural type goods to Cuba).” Thus, the Findley Amendment did not apply to Yugoslavia since the decision was made that Yugoslav Red Cross’ shipments of medical supplies were not considered as trade but as humanitarian aid (the memo stated: “a private Yugoslav group has donated medical supplies” to North Vietnam).


Ambassador Elbrick’s report to the State Department was illuminating since he bridged the Yugoslav rhetoric with their requests for economic assistance and other ongoing bilateral negotiations: “I believe that we must demonstrate to Yugo regime that it cannot have things both ways; that it cannot with an eye on Moscow or the nonaligned world take positions against US without any regard for their effect on US-GOY relations.”

Elbrick’s objective was that the United States must make it clear to Yugoslavia that their articulation will produce response “now as well as in the future” and will “cause Washington to question whether Yugoslavs honestly desire improvement in bilateral relations.”

It appears as if Elbrick was more stringent on Yugoslavia than Kennan when he made a recommendation to delay trade negotiations. More importantly, Elbrick wanted to keep this secret so he suggested that the “connection between possible delay in beginning negotiations and Yugoslav attacks on the United States need never be made explicit.”

A month later Elbrick expanded his argument by vehemently criticizing the Yugoslav press statement during the pre-election period. Elbrick stated that he had been much “disturbed by press treatment…[and] he felt press comment on US policy in Southeast Asia and other areas of world was not consistent with desires for better relations as expressed by Yugoslav officials…such things as press statements are important during election period.”

In March 1965 the CIA produced a more nuanced assessment of Yugoslav position on the Vietnam conflict. By relying on the information obtained from a ranking official of the Yugoslav State Secretariat for Foreign Affairs, whose identity is still classified, the suggestion was made to


33 Ibid.

34 Ibid.

the effect that “Yugoslavia does not wish the United States to withdraw from South Vietnam and southeast Asia” and “the Yugoslavs recognize that a total victory of the Chinese communists in supporting a violent ‘war of national liberation’ via North Vietnam would set a dangerous precedent for communist behavior all over the world.” Furthermore, the cable stated that Yugoslavia fears the influence of communist China that may threaten the doctrines of “peaceful coexistence” and “independent communist national centers” which Yugoslavia considers to be of vital importance. Most importantly, the intelligence cable declared that:

President Tito mainly wished to be reassured that the United States was not trying to provoke a broad military conflict with communist China which might result somehow in ‘burning the whole world’ with nuclear war or, at least, in forcing the Soviet Union to adopt a more hostile anti-American, anti-imperialist line, which would make life more difficult in Eastern Europe, particularly for Yugoslavia and for ‘liberal communist’ elements in satellite countries.

The implication of the above intelligence assessment was that the Yugoslavs perceived the involvement of communist China in the Vietnam conflict to be the primary danger to the nonaligned world as well as to the Soviet Union and the United States. To some extent this assumption was further confirmed by Yugoslavia’s Ambassador Veljko Mičunović who presented an appeal on behalf of seventeen nonaligned countries to the Secretary of State for the President regarding the Vietnam conflict: “The signatory states...were deeply concerned by the...”

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36 “Comments of a Yugoslav Official Concerning Vietnam,” Intelligence Information Cable, March 11, 1965, Country File: Yugoslavia Vol. I, Cables: 1/64-4/66, NSF, Box 232, LBJ Library. This cable was preceded by the letter from Tito to President Johnson submitted to the American Embassy in Belgrade on March 2 in the aftermath of another bombing raid which was criticized by the Embassy staff: “GOY has once again seized an opportunity at time of international crisis to make pronouncement which it hopes will represent sentiments of nonaligned. Fact that Tito letter will be heavily publicized morning of March 3 indicates that GOY is not modest in its attempt to impress nonaligned world with its ‘peace loving’ intentions. Although Tito may be genuinely concerned re present situation, Yugo militancy in condemnation of the United States also calculated, no doubt, to impress current meeting of CP’s in Moscow.” Incoming Telegram from Belgrade to Department of State No. 1565, March 3, 1965, Country File: Yugoslavia Vol. I, Cables: 1/64-4/66, NSF, Box 232, LBJ Library.

37 Ibid.

38 Ibid. As indicated above, this cable may actually gain in credibility once the identity of the source is declassified and made available to the public.
situation in Viet-Nam... [and] were calling on all interested parties to seek a peaceful settlement by means of negotiations without prior conditions from any side.”

The Secretary of State responded by stating that the appeal would receive “serious study and consideration” but he also acknowledged American disappointment that the Geneva Conference and the Polish proposal did not bring about a peaceful resolution.

The mounting Vietnam crisis was one of the main agenda items during the visits of former Ambassador George F. Kennan and Ambassador W. Averell Harriman to Yugoslavia during late May to early June and late July 1965 respectively. During the meeting with Tito, Kennan “urged Tito to be patient regarding situation in Vietnam.” Tito responded to Kennan’s request for patience by stating that the US-Yugoslav relations are bound to “suffer because of differences of view on world developments.” Kennan further reported that Tito spoke warmly of conversations with President Kennedy in October 1963. Tito also suggested that if the United States “took more relaxed posture toward events things would work out...even suggesting a possibility that problem with Castro would resolve itself if the United States assumed less rigid attitude toward situation in Cuba.”

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39 “Appeal of Certain Nonaligned States on the Viet-Nam Situation,” Memorandum of Conversation, April 1, 1965, Country File: Yugoslavia Vol. I, Memos: 1/64-4/66, NSF, Box 232, LBJ Library; Circular 1856 and Belgrade’s 1739, April 1, 1965, Cables: 1/64-4/66, NSF, Box 232, LBJ Library. Ambassadors from Ghana, Ethiopia, and Afghanistan were also present when the note was delivered to the Secretary of State.

40 Ibid.

41 Incoming Telegram from Belgrade to Department of State No. 2280, June 3, 1965, Country File: Yugoslavia Vol. I, Cables: 1/64-4/66, NSF, Box 232, LBJ Library. According to the document, Kennan was “highly disappointed by evident absence of economic progress since he left Belgrade. He felt GOY [was] in serious economic troubles arising from internal inflation and heavy external indebtedness. Above all, Kennan [was] distressed by absolute immobility which he detected in ruling group.” Kennan asserted that is a “tight upper crust which was holding tightly on to reins of power and [were] hesitant to turn over responsible positions to younger generation.” Furthermore, Kennan believed that this “lack of mobility in political power structure in large measure caused political as well as intellectual stagnation.” Kennan concluded that regime, “which continues to be intent on maintaining its monopoly of political power, will have to face consequences sooner or later of its reluctance to pass responsibility onto younger generation.”
The *New York Times* reported that Harriman arrived for “a private visit and for talks with President Tito.”

In his report to the President, Harriman indicated that Tito wanted the United States to stop bombing North Vietnam and indicated that since “Yugoslav policy is based on preservation of peace this is its sole interest in Vietnam crisis.” Additionally, Harriman indicated that he had gathered from his talks with Tito that the nonaligned countries will once again start an initiative for ending the war in Vietnam. In his oral interview Harriman recalled that he was convinced that Yugoslavia was not giving any substantial military assistance to North Vietnam: “It was rather silly of us to put Yugoslavia on the same list as those who were helping the North Vietnamese… [Yugoslavia] only sent a few hundred thousand dollars worth of medical supplies.”

Harriman’s visit to Yugoslavia coincided with another high-level meeting between Yugoslav Ambassador Veljko Mičunović and the Secretary of State. The Ambassador was adamant in pointing out that the Vietnam conflict was the “only basic foreign policy conflict between the United States and Yugoslavia…[since] the question of world peace and international cooperation are involved.” He also expressed disappointment because of the “unsuccessful appeal of the 17 nonaligned nations” that he submitted in April 1965 and indicated that the “present military situation in Viet-Nam is driving Hanoi and Peking closer together.”

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42 Ibid.


44 Cable, From Harriman to the President and Secstate, August 1, 1965, Country File: Yugoslavia Vol. I, Cables: 1/64-4/66, NSF, Box 232, LBJ Library.

45 Transcript, W. Averell Harriman Oral History Interview, by Paige Mulhollan, AC 74-123, Oral History Collection, LBJ Library.


47 Ibid.
According to Ambassador Mičunović, Yugoslavia was convinced that the cessation of bombing for a month or two would cause Hanoi to curb its hostile activities and may provide a window of opportunity for the nonaligned countries to use their influence in favor of negotiations.

As the Vietnam conflict was escalating with the launching of the Operation Rolling Thunder and the dispatch of American combat troops, the Central Intelligence Agency noted that “the Soviets are putting great pressure on all socialist countries [including Yugoslavia], as well as India, Mali, Algeria, and Cambodia to give material assistance to North Vietnam…but have no intention of getting involved in a ‘shooting war’ with the United States over the Vietnam War.”

Furthermore, American intelligence made a correct assumption that “Yugoslavia’s relations with [North] Vietnam are not exceptionally cordial.” Despite the mutual suspicion, Yugoslavia has made its own formal and public pleas and “have spent a great deal of time in trying to persuade the North Vietnamese to explore possibilities for negotiations.”

Tito was also aware that the Chinese communists have given little material help to North Vietnam and the Soviets did not want the fighting to get to the point where they would become entangled.

In February 1966, Tito expressed disappointment over the American action in Vietnam by stating “it would be tragic if bombing of North Vietnam were extended to other countries or cities of North Vietnam itself, since it carried danger of extending war to other countries and would cause great human suffering.”

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50 Ibid.

to add he was merely thinking aloud and did not intend to imply that he believes the United States is actually contemplating such action. 52 It appears as if the Yugoslavs were afraid of direct US-Soviet or US-Sino confrontation as well as the spill-over effect that may engulf the neighboring countries in a wider conflict.

Ambassador Elbrick closely followed Yugoslavia’s criticism of the American involvement in Vietnam as expressed publicly in the press and privately through the diplomatic and other channels. He was judicious about the Yugoslav pronouncements and was not easily swayed by the self-aggrandizing rhetoric that tried to suggest that the peace initiative by the nonaligned countries was producing results. For instance, Elbrick made clear to the State Department that when Tito met with Indian prime minister Lal Bahadur Shastri they were dodging the Vietnam issue: “Most noteworthy aspect of their public comments thus far is cautious treatment of situation in Vietnam…Tito merely stated that two sides could not remain indifferent and passive to various demonstrations of policy of strength and interference in affairs of independent country.” 53 Elbrick concluded his report by stating that “Tito and Shastri at moment skirting Vietnam issue and bearing down harder (albeit indirectly) on Chicoms [i.e. Chinese Communists] than on United States in their public remarks.” 54 Both leaders were

52 Ibid.


54 Ibid; Incoming Telegram from Belgrade to Department of State No. 1006, January 11, 1966, Country File: Yugoslavia Vol. I, Cables: 1/64-4/66, NSF, Box 232, LBJ Library. In a separate memo from January 1966 Elbrick provided the following summary of the press coverage:

First comprehensive editorial comment on US peace efforts appeared in Belgrade papers this weekend. General tenor of comment is pessimistic, with rather significant variations in assessment of US motives. Borba proceeded from premise US is guilty of armed intervention in Vietnam; Rad was skeptical without criticism; Narodna Armiya was not sure one way or other whether US really sincere; and Politika thought US peace efforts give rise to hopes, noting, however, that communist Chinese seem to fear end to war in Vietnam. All comments listed certain other indications as being relevant to question whether entire operation was really designed to provide basis for new escalation. Other indications cited include (a)
disappointed by failure of the 17-nation nonaligned appeal for peace negotiations, by their own inability to carry meaningful peace negotiations, by communication problems, and disdainful treatment from the North and South Vietnamese.  

Tito’s forthright support of Czechoslovakia during 1968, both before and after the Soviet led-invasion, underlined the Yugoslav adherence to an independent course. The Yugoslavs were careful to show this independence toward the West and US, however – sometimes in small ways. In July 1968, for example, the Yugoslav Government asked the Americans to remove the US Military Attaché aircraft, which had been maintained in Yugoslavia for twenty years. In requesting its removal and reduction of American service attaché staff, Tito’s Foreign Office emphasized that they were doing so in order to be able to better resist pressures from “other” countries for similar representational privileges. Such pressures the Yugoslavs found difficult to resist, since they had to rely increasingly on the USSR for new military equipment, give their positive balances with the Soviets, as well as Western restrictions on sale of arms.

The Soviet invasion of Czechoslovakia on August 20, 1968, gave added significance to United States-Yugoslav relations. The Yugoslavs were alarmed over the possibility that this dramatic military-political move by Moscow foreshadowed further Soviet actions against Communist states seeking to pursue independent courses.  

President Johnson on August 30

continuous US military buildup in South Vietnam, (b) “Operation Scorched Earth,” (c) US peace effort conducted in way “far too noisy to be effective,” (d) alleged US failure clearly to state objectives, (f) US refusal to declare permanent cessation of bombardment of DRV.

55 Ibid.

expressed American concern over this possibility when he warned the Soviets not to “unleash the dogs of war” with the invasion of any other country.\textsuperscript{57}

Since a Soviet invasion of Yugoslavia would create an international situation of extreme gravity, the United States took steps to re-emphasize its interest in Yugoslavia’s independence. In this connection, Ambassador Elbrick, who was in Washington on consultation, was authorized – following his meeting with President Johnson on October 14 – to state the President’s interest in Yugoslavia’s independence, sovereignty, and economic development.\textsuperscript{58} Previously, on October 4, President Johnson had received Yugoslav Deputy Prime Minister Gligorov. During the meeting the President stated that the United States was “distressed at recent events in Eastern Europe” and he added he did all he could “before the invasion of Czechoslovakia—which was a tragic act, against a country which only wanted to exercise its independence.”\textsuperscript{59}

On October 17-19 Under Secretary Katzenbach visited Tito in Belgrade.\textsuperscript{60} The \textit{New York Times} reported that the “State Department announced the quickly arranged visit today, only few hours before Mr. Katzenbach took off for a brief tour of Western Europe” and it added that “he will be the highest ranking American official to go to Yugoslavia since 1963, when Secretary of

\begin{footnotes}
\item[57] Zimmerman, \textit{Open Borders}, p. 29. According to William Zimmerman the Soviet invasion of Czechoslovakia was more threatening than the crisis in Hungary in 1956:

The Yugoslavs now realized that in Eastern Europe it was Moscow who would decide whether and when socialism was in danger. For the Yugoslavs, the changes in 1968 in Czechoslovakia were truly in the direction of socialism with a human face: the Prague Spring found much of its inspiration in Yugoslav market socialism and was demonstrably supported by Tito. The Soviet action in Czechoslovakia convinced the Yugoslavs that the main danger to Yugoslav security stemmed from the Soviet Union and reconfirmed the wisdom of being a part of international system rather than a part of Eastern Europe – where the norms of socialist international relations (to wit, proletarian internationalism with its doctrinally legitimated justification for Soviet intervention) obtained.


\end{footnotes}
State Dean Rusk visited Belgrade.” Furthermore, it was indicated that “the Administration regards Yugoslavia and Romania as the only Eastern European countries where President Johnson’s bridge-building policy still has a chance to succeed.”

The Yugoslavs asked for no grant military or economic assistance, but expressed their interest in developing economic ties with the West. Tito believed that strong economic ties would signal strongly to Moscow Western interest in Yugoslavia’s independence. American officials agreed on the desirability of developing economic ties and studied the possibilities in this direction. The invasion of Czechoslovakia resulted in an increase in Yugoslavia’s defense expenditures. Additionally, it raised serious questions as to the future of trade with the Soviet Bloc and it reminded the Yugoslavs of 1948 and the Tito-Stalin split that disrupted Yugoslavia’s economy.

**Building Bridges: Political, Economic, Cultural**

Frank Costigliola suggested that “[b]ridge building was a metaphor that emerged from a series of papers by [Dean] Acheson, [Francis] Bator, [Walt] Rostow, and Zbigniew Brzezinski [that] refereed to a collage of U. S. initiatives, statements, and nuanced actions that cohered around the central theme of ‘actively developing areas of peaceful cooperation with the nations of Eastern Europe and the Soviet Union.’” Costigliola further asserted as détente was emerging

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62 Ibid.
Johnson believed “that bridge building could make the Cold War less dangerous and bolster the United States’ influence in both western and Eastern Europe.” Thomas Schwartz asserted that “[b]ridge building toward Eastern Europe was portrayed not only as a way toward peace but also as a way of weakening the Soviet Empire.” The overarching goal of Johnson’s bridge building was to lure countries with an independent streak closer to the West and to undermine communist ideology.

In response to the President’s order to provide “recommendations which translate this [bridge building] statement of policy into specific action programs for each of the Eastern European countries (with particular reference to substance and timing),” Acting Deputy Director of Central Intelligence prepared a thirteen-page memorandum entitled “Bridges to Eastern Europe.” Perhaps the most significant recommendation of this document was to “avoid dramatic and flamboyant actions which are likely to generate suspicion” and to engage in a series of programs.

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64 Ibid. Although Costigliola made a persuasive argument, I tend to disagree with him since he is basing it exclusively on NSAM 352 dated July 8, 1966: “In the spring of 1966, the Johnson administration launched a policy of ‘bridge building’ to eastern Europe and the Soviet Union,” p. 193. The bridge building metaphor was introduced by Johnson in May 1963 and at that time the focus was on all eastern European countries, including Yugoslavia. Additionally, Costigliola does not acknowledge that by 1966 the focus somehow shifted to support the policy that would later become known as Ostpolitik (“Eastern Policy,” a policy to normalize West Germany’s relations with East Germany and improve them with the Soviet Union and the rest of the Soviet Bloc).

65 Schwartz, Lyndon Johnson and Europe, p. 20.

66 Memorandum, R. J. Smith to Director of Central Intelligence, June 25, 1964, Country File: Yugoslavia Vol. I, Memos: 1/64-4/66, NSF, Box 232, LBJ Library. It is fascinating to note that this CIA memo is quoting a summary of former Ambassador Kennan’s views on American policy toward Yugoslavia written in 1962 in which he stated that American policy toward Yugoslavia “has never enjoyed a broad understanding or commitment outside the working level in the Department of State. It has had powerful enemies, moreover, in right-wing American and refugee groups, with their religious and Congressional supporters and spokesmen. In addition, the press has failed to provide adequate coverage of Yugoslavia,” as stated in: “Current Situation with Respect to US Policy Toward Yugoslavia,” A-543, November 28, 1962, 11/62-12/62 Yugoslavia General Folder, National Security Files, Box 210A, JFK Library. McGeorge Bundy agreed with Kennan’s assessment that American policy toward Yugoslavia has been basically revised not by design or intention but rather by a series of separate steps, unrelated to foreign policy consideration, in his view, the end result has been that our present stance is “contradictory, unproductive, and unsatisfactory.” Memorandum, McGeorge Bundy to the President, December 13, 1962, “Our Policy Toward Yugoslavia,” 11/62-12/62 Yugoslavia General Folder, National Security Files, Box 210A, JFK Library.
of subtle small steps that do not create “embarrassing political overtones.” Among more tangible recommendations that required some changes in existing policies were the proposals to abandon the annual Captive Nations Week resolution, to withdraw support of émigré groups, and to educate the American public and Congress so that they will become more supportive of providing aid and encouraging trade with Eastern Europe. Other recommendations that did not require any changes in existing policies included clarifications of immigration and visa policies for American residents born in Eastern Europe who have subsequently made trips behind the Iron Curtain and now fear the repercussions. A recommendation was also made to modify U.S. export licensing restrictions and Most Favored Nation (MFN) treatment. The document acknowledged that Yugoslavia was an exception since it had been treated much more liberally than other Eastern European countries. In particular, Yugoslavia received normal commercial credits, PL-480 credits, and despite oppositions it enjoyed MFN tariff status.

By August 1964 the policy toward Yugoslavia was further clarified. A memo for national security adviser McGeorge Bundy outlined developments in place and possible course of action by focusing on “(1) most-favored-nation treatment for Yugoslav goods; (2) the sale of spare parts to Yugoslavia to maintain U.S. military equipment already delivered to Yugoslavia; and (3) proposals to obtain greater public and legislative support for US policy toward Yugoslavia.”

67 Ibid.

68 Ibid. Most-favored-nation tariff treatment was normally granted by the United States to all countries. Exports from countries not granted MFN tariff treatment were subject to the high duties of the United States Tariff Act of 1930. The legislation of mid 1960s prohibited granting MFN tariff treatment to all Communist countries except Yugoslavia and Poland. This prohibition placed serious barrier in the way of expanding peaceful trade with European Communist countries because it denied them normal competitive rates in their attempts to export goods to the United States.

MFN tariff treatment for Yugoslav goods was introduced as a part of an amendment in the Foreign Assistance Act of 1963 (Section 492) with a provision that the President may extend the benefits of trade agreement concessions when he determines that such treatment would be important to the national interest. The President made this determination on March 26, 1964 under the provisions of Section 402 of the Foreign Assistance Act of 1963 (PL 88-205). Ambassador Elbrick’s report from Belgrade stated that “President’s decision re MFN privileges [to] Poland and Yugoslavia has received only brief treatment in Yugoslavian press…Short article…carried front-page Politika and on page two Borba [two major daily newspapers published in Belgrade] April 5 saying President had declared MFN treatment to continue.” Furthermore, Elbrick indicated that the Yugoslav officials received the news of American action “gratefully but without surprise” since during the previous few months, the indication was clear that MFN privileges would be restored.

Sales of defense spare parts to Yugoslavia was suspended because of a clause in the Foreign Assistance Act of 1961 which stated that “no funds authorized to be made available under this Act shall be used to furnish assistance to any country which has failed to make appropriate steps…to prevent ships…under its registry from transporting to or from Cuba any equipment, materials, or commodities.” The United States drew the attention of the Yugoslav

70 The threat of MFN tariff treatment revocation in June 1962 was one of the most important reasons for George Kennan’s bitter resignation from his ambassadorial post in Belgrade; see Part II, The MFN Controversy. In January 1964 Croatian President Ivan Krajačić stated that “Tito [was] highly pleased with Congressional restoration of MFN and there is much hope in GOY circles that US-Yugoslav political, economic, and cultural relations will see steady improvement in coming months. Statements and actions President Johnson to date, Krajačić added, give world much encouragement for 1964 and Yugoslavs hope that Johnson will be successful in November election.” Incoming Telegram from Zagreb to Department of State No. 138, January 9, 1964, Country File: Yugoslavia Vol. I, Memos: 1/64-4/66, NSF, Box 232, LBJ Library.

71 Incoming Telegram from Belgrade to Department of State No. 1559, April 7, 1964, Country File: Yugoslavia Vol. I, Memos: 1/64-4/66, NSF, Box 232, LBJ Library.

72 Ibid.
government to the legal provision calling for “appropriate steps” on January 31, 1964. Since the Yugoslavs took no action, on February 14 the State Department cancelled the remaining balance (less than $100,000 of the remaining $2 million already authorized) and informed Yugoslavia that no additional funds could be made available. Elbrick was worried about these developments and suggested that “whole matter be given thorough and urgent high-level review in Washington.” He pointed out that “for lack of good alternative Yugoslavia will increase procurement of the [military] hardware from [the] Soviet Union…Soviets offer of attractive prices, good delivery terms and absence of good alternatives seen as providing much incentive for moving toward procurement of perhaps major components from USSR.”

Few weeks later, in a tone reminiscent of Kennan’s fiery rhetoric, Elbrick repeated his concerns saying that “Country Team [i.e. entire Ambassadorial staff in Yugoslavia] holds unanimous view that favorable resolution of this problem would be significant contribution to U.S. policy objectives in this country; whereas unfavorable decision would add unnecessary handicaps to the accomplishment of our mission here.”

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73 Kovrig, Of Walls and Bridges, p. 108. Kovrig argued that “Kennedy’s disposition to liberalize trade with the East was reinforced by a report from the State Department’s Policy Planning Staff Council in July 1963, which argued that the ‘ability to use trade flexibility in Eastern Europe would add greatly to the present limited capacity of the United States to shape the course’ of events in the region.” But the mood of Congress, affected by successive Berlin crisis, the Cuban missile confrontation, and the deepening conflict in Vietnam, was anything but accommodating, and neither Kennedy nor Johnson could obtain significant discretionary powers to offer economic incentives to communist regimes.


75 Incoming Telegram from Zagreb to Department of State No. 1976, June 12, 1964, Country File: Yugoslavia Vol. I, Memos: 1/64-4/66, NSF, Box 232, LBJ Library. Elbrick also added that “under existing circumstances, we have no reason to doubt frequent Yugo statements to us that they would be happier if armed forces were equipped from variety of sources including U.S. and other Western countries.” He reiterated that “entire country team feels that in fact Yugas would welcome renewed availability of U.S. parts. The problem is essentially to keep U.S. equipment in the active Yugo military inventory; and spare parts are the key to this.” Additionally, Elbrick was concerned if NATO follows the suit as well: “we are informed by responsible French Embassy source that NATO political committee has made recommendation that would bind all NATO members to refuse Yugo requests for arms purchase…we fail to understand political or military grounds for such decision...given the
improved by October, Elbrick restated his surprise that Congress was so hostile in spite of the administration efforts and he also pointed out that he had reminded Yugoslav officials that “there is cause and effect connected with Congressional behavior,” probably referring to the Yugoslav negative press campaign and public statements about the war in Vietnam.\(^{76}\) Problems with sales of defense parts to Yugoslavia were not resolved until 1966 when Dean Rusk informed the American Embassy in Belgrade that they are “authorized to inform GOY [the Government of Yugoslavia] that it can purchase from DOD [Department of Defense] stocks for dollars, payment within 120 days, military spare parts and services necessary for service US-origin equipment.”\(^{77}\)

This decision was made after months of deliberations which ended when legal advisers for the Army, Navy, Air Force, and the Joint Chief of Staff have determined that “military sales from DOD stocks for value on normal commercial of cash payments are legally permissible…Requests for spare parts and services…may be submitted directly to the military department concerned. Request for new major items should be submitted through diplomatic channels to the Department of State.”\(^{78}\)

There were several developments regarding proposals to obtain greater public and legislative support for American policy toward Yugoslavia. President Tito’s visit to Washington in October 1963 and visits to Yugoslavia by Secretary Dean Rusk, a party of Senators and Congressmen to attend the Interparliamentary Union meeting in Belgrade, and a visit by some undiminishing Yugo desire for independence from any foreign control, systematic denial of Western sources of supply can only push Yugo into degree of dependence on Soviet Union which Yugos do not desire and which is damaging to Western interests and strategic needs…West might retain greater control of situation if Yugos continued to depend upon us for spare parts, technical advice, and tactical doctrine that if their continuing military capability was in hands of Soviet Union.”

\(^{76}\) Incoming Telegram from Belgrade to Department of State No. 657, October 1, 1964, Country File: Yugoslavia Vol. I, Memos: 1/64-4/66, NSF, Box 232, LBJ Library.


\(^{78}\) Ibid.
Congressional members of the Joint Atomic Energy Committee generated some favorable publicity both in the United States and Yugoslavia for a policy of developing mutually beneficial relations. Considerable aid ($50 million, half as a loan and half as a grant) was distributed and emergency relief was provided, including the airlifting of an army field hospital and providing medicine and supplies, after the Skopje earthquake in July 1963.\(^{79}\) The memo for McGeorge Bundy stated the “gratitude and appreciation expressed by the Yugoslav people and officials for this assistance received favorable publicity in the United States.”\(^{80}\) The document concluded on a positive but cautious note:

> The question of public and Congressional support for our policy toward Yugoslavia is not one that can be discussed, resolved and put aside. A long-term effort is needed to increase understanding among Americans of what is going on in Yugoslavia and what this means to the U.S. However, the restoration of most-favored-nation tariff treatment appears to have solved most fundamental issues in US-Yugoslav relations. Nevertheless, it is realized that a continual educational effort is required to seek and maintain effective Congressional as well as public support for U.S. policy toward Yugoslavia.\(^{81}\)

In 1966 the same “bridge building” metaphor was used again in NSAM 352 and in Johnson’s October 7 speech confirming the importance of this policy initiative to the Administration. NSAM 352 was signed by the President on July 8, 1966 and it directed the

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\(^{79}\) “Appointment with President for Mayor of Skopje to Present Charter,” Memorandum, Benjamin H. Reed to Walt W. Rostow, June 17, 1966, Country File: Yugoslavia Vol. I, Memos: 1/64-4/66, NSF, Box 232; Memorandum, Francis M. Bator to the President, June 15, 1966; Memorandum, Dean Rusk to the President, “Appointment for Mayor of Skopje, Yugoslavia to Present Memorial Charter,” June 13, 1966; “Charter in Recognition and as an Expression of Deep Gratitude for the Aid the People and the Government of the United States of America Have Extended to the City of Skopje in the Days Following the Disastrous Earthquake of July 26, 1963,” June 10, 1966; All in LBJ Library. This formal gesture of appreciation was considered late by some in Washington: “Some members of the Congress, particularly of the House Agricultural Committee, have been critical of U.S. relief and reconstruction efforts in Skopje and have referred to the failure of the Yugoslavs to show sufficient appreciation for American assistance to Skopje. Among these are Congressmen [Harold D.] Cooley [D-North Carolina] and [William R.] Poage [D-Texas], who visited Skopje after the earthquake. Secretary Freeman visited Skopje in 1963 and offered $50 million worth of US-use dinars to the city. The Yugoslavs accepted and the money has been programmed.”


\(^{81}\) Ibid.
government to “actively develop areas of peaceful cooperation with the nations of Eastern Europe and the Soviet Union.”

However, this time the emphasis was put on the German question in the context of East-West relations: “These actions [that the Government may take] will be designed to help create an environment in which peaceful settlement of the division of Germany and of Europe will become possible.”

Some scholars argue that this refocusing of the policy was a direct consequence of the Eastern European position on the Vietnam War: “the Eastern Bloc’s political and material support for North Vietnam put limits on the degree to which the administration could get bridge-building measures through Congress.”

Since it was apparent that the Congress was not inclined to differentiate among Communists at a time when Americans were fighting them in Vietnam, the Johnson Administration apparently shifted its policy from building bridges with all eastern European countries to focusing on Germany, particularly on the situation in Berlin. In case of Yugoslavia, the focus shifted on maintaining economic relations and developing new educational exchanges.

Among the recommendations for improvement of US-Yugoslav relations laid out in the CIA Intelligence Information Cable was the following specific step: “Yugoslavia should conclude the ‘Fulbright Agreement’ with the United States and invite Senator Fulbright to visit Yugoslavia.”

Although Tito did not appear to be too enthusiastic about the Fulbright agreement, a positive note in US-Yugoslav relations was struck on November 9, 1964, when a

82 National Security Action Memorandum No. 352, July 8, 1966, Box 8, NSAM File, LBJ Library.

83 Ibid.

84 Schwartz, Lyndon Johnson and Europe, p. 211.

Fulbright Agreement providing for educational exchange was signed. This was the first Fulbright Agreement with a Communist Government.

Picture 6: Signing of the Fulbright Agreement. C. Burke Elbrick, American Ambassador (left), and Vukašin Mićunović, Yugoslav Federal Council President for Education and Culture (right), sign an agreement extending the U.S.-Yugoslav educational exchange program in December 1968. Senator Fulbright traveled to Yugoslavia for the signing of the initial agreement in November 1964. LBJ Library.

David Binder reported that “though no one has said so specifically, it is the hope of the United States Government, and Senator [J. William] Fulbright personally, that the agreement

86 During the meeting between President Tito and Eric Kocher, Charge d’Affaires ad Interim of the American Embassy in Belgrade, Tito showed very limited interest in the Fulbright agreement: “I [Kocher] wondered if he [Tito] was aware that US and GOY had been negotiating for four years on a Fulbright agreement. Tito looked utterly blank at this point and his Secretary General, Crnobrnja, shook his head to indicate Tito had knowledge of these negotiations. I summarized general provisions of a Fulbright agreement for Yugoslavia and said this type of program seemed to be within context of joint communiqué issued in Washington at conclusion of his visit which had specified desirability of increasing cultural exchanges. Tito did not disagree with this presentation, nor did he comment on it.” Furthermore, Kocher reported that “to all appearances, he [Tito] was quite ignorant of current claims negotiations as well as attempt over the years to negotiate Fulbright agreement.” Incoming Telegram from Belgrade to Department of State No. 1025, December 6, 1963, Country File: Yugoslavia Vol. I, Memos: 1/64-4/66, NSF, Box 232, LBJ Library.
with Yugoslavia will be the forerunner of similar agreements with other Communist countries in Eastern Europe.”\(^87\)

Fulbright (D-Arkansas), the co-author of the educational exchange program that still bears his name, indicated that he was “optimistic” about this initiative to build bridges with Eastern Europe. In his report as chairman to the Senate Foreign Relations the following year, Fulbright shared his positive impressions of Yugoslavia calling it “more responsible and reliable in its attitude toward the United States than certain non-Communist Governments with whom the United States maintains normal and correct relations.”\(^88\) Unfortunately, Fulbright also demonstrated how little he understood the Yugoslav situation when he stated that “Yugoslavia is demonstrating to the great powers in a most practical way that the ideas and ideals that divide them are perhaps less profound than they seem, perhaps even irrelevant.”\(^89\) Nevertheless, by 1968 under the Fulbright scholars exchange program there were thirty Yugoslav students and twenty-five Yugoslav professors, researchers, and educational administrators in the United States. In Yugoslavia, there were ten American students and ten faculty members under United States Government auspices, and ten more American students under other sponsorships.

National Security Action Memorandum (NSAM) 324 affirmed Johnson’s commitment to build economic bridges with Yugoslavia. The president appointed a Special Committee on U.S. Trade Relations with East European Countries and the Soviet Union “to examine U.S. trade relations with the countries of Eastern Europe and the Soviet Union… to explore all aspects of the question of expanding peaceful trade in support of President’s policy of widening our


\(^{89}\) Ibid.
relations with these countries.” The committee was composed of representatives from business, labor, and academia under the Chairmanship of Joseph Irwin Miller, an executive at Cummins diesel engine company, business leader, social activist, and philanthropist.

The Miller committee, as it became known, released its twenty-seven-page report on April 29, 1965. The report indicated that the Soviet Union was the key player in developing trade relations with Eastern Europe although it agreed that the “ties between the East European nations and the Soviet Union are neither quite so numerous nor so strong… [since] the forces of nationalism are growing.” The Miller report acknowledged that commercial considerations have not been the determining factor in framing United States trade policies and the suggestion was made to continue modifying trade policies on a country-by-country basis as it had already been done: “We responded promptly and effectively in 1948 when Yugoslavia adopted a more independent position… when Poland, in 1956-57, gave signs of moving toward greater autonomy… and we took a modest step through trade talks in 1964 toward a more promising relations with Romania.” Perhaps the most important recommendation of the Miller Report was the affirmation that “peaceful trade in non strategic items can be an important instrument of national policy” providing political, not commercial or economic, considerations are used to determine the formulation and execution of American trade policies:

90 National Security Action Memoranda 324 and 331, NSAM File, Box 8, LBJ Library.

91 “Report to the President of the Special Committee on U.S. Trade Relations with East European Countries and the Soviet Union,” April 29, 1965, Committee File, NSF, Box 25, LBJ Library, (hereafter the Miller Report).

92 The Miller Report, p. 7. Trade between the East European countries and the United States and Western Europe grew at an average rate of nearly 10 percent a year for a decade reaching close to $3.5 billion in 1964. For Western Europe, trade with Eastern Europe has ranged between 3 and 4 percent of total trade while for the United States the proportion was barely one percent. Total imports from the west were for the Soviet Union only one half percent of its gross national product and for East European countries around two percent of their combined national product. For Western Europe the aggregate significance of this trade was even less and for the United States it was negligible. For instance, United States exports to all European Communist countries in 1965 were around $200 million, or less than the United States sold to Switzerland.
The intimate engagement of trade, over a considerable period of time, when taken with
the process of change already under way, can influence the internal development and the
external policies of European Communist societies along paths favorable to our purpose
and to world peace. Trade is one of the few channels available to us for constructive
contacts with nations with whom we find frequent hostility. In the long-term, selected
trade, intelligently negotiated and wisely administered, may turn out to have been one of
our most powerful tools of national policy.  

When Kennan visited Yugoslavia in 1965 he could not hide his disappointment with
Yugoslavia’s economic situation that had worsened over the last two years. There was no sign of
economic progress. The economic reforms of the mid 1960s engendered disappointment.
Economic growth was slowing from 9.7 percent to 6 percent (as recorded annually for the 1954-
1965 and the 1966-1970 periods respectively); the employment rate slowed down from 5.9
percent annually to 1 percent; and labor productivity was not growing as anticipated. The
economic experiment which had its long-term goal to achieve the “socialist market economy”
was experiencing severe difficulties. Yugoslavia was in serious economic troubles that were
arising from high inflation, heavy indebtedness, bureaucratic inertia with implementing the
reform, and obstructionism on all levels of the society.

Kennan’s assessment of the Yugoslav economic situation chipped away at the joint
assertion that Presidents Kennedy and Tito had made in 1963 that “no further American aid
programs seemed necessary,” thus limiting American economic assistance to Yugoslavia to
disaster relief and voluntary agency deliveries (see Table 2). While remaining fully committed to
providing strong support for normal bilateral trade relations, the Kennedy administration had
opted for “trade over possible additional aid to Yugoslavia when in 1962 it confirmed the policy”

of granting MFN status. Was Yugoslavia ready to assume normal commercial relations with the United States and other Western countries? Or, was Yugoslavia in a desperate need of additional aid to sustain experimental market socialism and “workers’ self-management?”

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95 Lampe, et al., Yugoslav-American Economic Relations, pp. 106-7. The following quote provides additional information on the Yugoslav economic situation:

By 1965 a confidential U.S. government assessment of the strategic implications of American trade policy vis-à-vis the Soviet Union and its East European allies state unequivocally that, as far as U.S. government policy was concerned, “Yugoslavia stands apart from the other Communist countries in Eastern Europe.” A country report on Yugoslavia went on to note that “Yugoslavia has generally been treated as any other Free World country in the trade field, including the administration of export controls, continued enjoyment of MFN tariff treatment, the use of full range of promotion devices, access to EXIM Bank Credit guarantees, and U.S. support in international economic bodies (IMF, IBRD, GATT, and OECD).”

96 The invention of workers’ self-management in 1950s was the Yugoslav regime answer to the schism within the Cominform that forced Tito to distinguish its political and economic policies from that of the Soviets. The economic component of self-management created a category of rather vaguely defined “social property” and assigned workers certain administrative prerogatives within their places of work. The political component was the sense that self-management was seen as an instrument for effecting a movement in the direction of the ultimate withering away of the state under the auspices of “self-managing socialist system.”
Table 2: PL 480 Sales and Grants, DLF and Other Loans, and Other Economic Grants to Yugoslavia, 1960-1968 (U.S. fiscal years, in millions of dollars)\textsuperscript{97}

<table>
<thead>
<tr>
<th></th>
<th>PL 480*</th>
<th>DLF** and Other Loans</th>
<th>Other Economic Grants</th>
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<tbody>
<tr>
<td></td>
<td>Title I</td>
<td>Titles II and III</td>
<td>Title IV</td>
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<tr>
<td>1960</td>
<td>17.3</td>
<td>14.2</td>
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<td>1961</td>
<td>26.9</td>
<td>14.1</td>
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<td>1962</td>
<td>82.4</td>
<td>15.1</td>
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<td>81.5</td>
<td>14.3</td>
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<td>1964</td>
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<td>13.4</td>
<td>44.4</td>
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<td>1965</td>
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<td>4.7</td>
<td>82.9</td>
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<td>1966</td>
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<td>4.6</td>
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<tr>
<td>1967</td>
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<td>2.3</td>
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</tr>
<tr>
<td>1968</td>
<td>-</td>
<td>0.1</td>
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</tr>
</tbody>
</table>

* Public Law (PL) 480 (also called “Food for Peace” program), originally passed in 1954 authorized food sales abroad for local currency. Officially called the Agricultural Aid and Assistance Act of 1954, PL 480 included under Title I the ‘soft’ provision for sales in local currencies, private relief shipments from voluntary agencies under Titles II and III, and grants under Title IV. In 1966 the Findlay amendment to PL 480 formally placed all sales on a strictly dollar basis.\textsuperscript{98}

** Development Loan Fund (DLF) was created in 1957 to provide loans that were appropriated for Yugoslav economic development from 1959-61 toward the long-term development of Yugoslav industry and infrastructure. DLF was different from other American aid which was used primarily for short-term relief of food shortages or provision of military supplies.

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\textsuperscript{97} Adapted from Lampe, et al. Yugoslav-American Economic Relations, p. 56. This table shows that after 1963 Yugoslavia gradually stopped seeking grant aid from the United States and turned instead to seeking development loans and supplier credits from the U.S. Export-Import Bank (Eximbank), the European Investment Bank (EIB), and the International Bank for Reconstruction and Development (IBRD, later known as the World Bank). The spike of Title IV grants in late 1965 and 1966 was a direct result of the failed economic reforms which created food shortages and American willingness to bail out Yugoslavia.

\textsuperscript{98} Ibid, pp. 59-60. According to Lampe and others, “Title I sales under PL 480 created an important new dimension in U.S. economic relations with Yugoslavia. This related to the use of so called “counterpart funds,” the dinar proceeds of Title I agricultural sales, which were available to be spent by the American government in Yugoslavia. Only 10 percent of Title I proceeds were designated for covering the cost of official U.S. representation in Yugoslavia. Another 25 percent was to be spent on economic and technical projects agreeable to both sides which promoted Yugoslav development.” Furthermore, “the use of counterpart dinars… helped greatly to remove Yugoslav reservations about the long-term U.S. loan program for development aid… In later years ‘surplus dinars’ were also directed to the Fulbright Program of scholarly exchanges, to paying U.S. Social Security pensions to Yugoslav-American citizens who had returned to Yugoslavia, to meeting U.S. expenses at the Zagreb and other Yugoslav trade fairs, and to disaster relief, as in the wake of the Skopje earthquake of 1963.”
Limitations of Economic Reform

The United States had been particularly interested in supporting Yugoslavia’s program of economic reform, begun in 1965, which was intended to transform what was essentially a centrally controlled, command-type economy into a Western-style, market-type economy. This program led to pressures on Yugoslavia’s hard currency reserves. As a result, the Yugoslavs became especially interested in actions by the United States and other countries which might alleviate some of these pressures during the next few years when demands on Yugoslavia’s hard-currency reserves were expected to be greatest. The Soviets condemned the economic reform as incompatible with socialism and have predicted the reform’s failure.

During the Johnson administration the CIA produced only one National Intelligence Estimate (NIE) that focused exclusively on Yugoslavia in addition to a series of smaller memos and special reports most of which focused on some aspect of trade, aid, and Yugoslav economic situation. The National Security Estimate NIE 15-67 “The Yugoslav Experiment” of April 13, 1967 contained sections on various matters (the nationalities problem, the structure of state and party, foreign affairs, and the succession problem), but was especially concerned with the

99 Before 1950 formal intelligence estimates were produced by the Office of Reports and Evaluations. From 1950 to 1973 intelligence estimates were produced by the Office of National Estimates (ONE), and beginning in 1973 by the National Intelligence Officer (NIO) system, an integral part of the National Intelligence Council (NIC). The documents produced fell into two categories: (1) formal documents of the national intelligence estimative process like NIEs that were coordinated with the Intelligence Community and, (2) memoranda written and disseminated unilaterally by ONE. Both the formal products and the substantive ONE memoranda were written for and disseminated to the highest levels of policymakers, including in many cases the president. In December 2006 the NIC released 34 estimative documents produced from 1948-1990 and all of them are now declassified (however, the 34 documents do not represent the totality of intelligence analysis on Yugoslavia since the “constituent members of the Intelligence Community produced their own stream of assessments and reports on Yugoslavia,” from which these 34 documents were “distilled”). For comparison purposes, during the Truman administration there were 10 documents (5 NIEs and 5 memos); during the Eisenhower administration there were 8 (7 NIEs and one memo); during the JFK administration there were 3 (2 NIEs and one memo); during the LBJ years there were 2 (one NIE and one memo); during the Nixon administration there were 5 (one NIE and 4 memos); during the Ford administrations there was only one intelligence information memo; during the Carter administration there were 3 NIEs; and there was one NIE for each of the Ronald Reagan and George H. W. Bush administrations. In the aftermath of the September 11, 2001 attacks, the NIEs represent the consensus of the nation’s 16 intelligence agencies.
economic experiment. The section on the economy started out on a relatively positive note by describing some of the most important aspects of the Yugoslav economic predicament:

Yugoslavia began its lonely journey down the path of economic revisionism some 15 years ago. Since then, government economic policy has been to allow some considerable play of market forces, though government controls have never fully relinquished and have been tightened in time of stress. The net result has been a respectable growth rate of about seven percent annually in gross national product, excessive and frequently unwise investment in industrial expansion, some growth in consumption, and a chronic deficit in the nation’s balance of payments. Over the years, Western lenders have been forthcoming, and Yugoslav indebtedness to the West now amounts to about $1.2 billion. The recent devaluation of the dinar and moves to facilitate the influx of foreign capital are likely to impress potential foreign investors favorably. At the same time, Yugoslavia has managed to keep her economy free from reliance on the Bloc, and although the USSR is Yugoslavia’s single largest trade partner, two-thirds of her foreign trade is with Western or nonaligned nations.100

As the above excerpt demonstrates, at a first glance the picture of the Yugoslav economy was not too unpleasant. In July 1965 a currency reform was enacted that created a “new dinar” with the value of 100 old dinars and an international parity of 12.5 new dinars to the U.S. dollar (previously valued at 750 dinars to the dollar). Although this move made Yugoslav exports less expensive (by around 40 percent) in foreign markets and it raised the domestic price of imported products, NIE 15-67 noted that “the Yugoslav economy was unstable and probably will remain so unless the market forces now being brought into play come to constitute a regulatory mechanism reliable enough to replace the centralized direction which in the past characterized Yugoslav economic control.”101 Yet, the same currency devaluation and the ensuing price reform that brought Yugoslav prices closer to those in world markets also resulted in an increase of the cost of living for an average Yugoslav citizen by an average of 33 percent. Worse yet, “foreign


101 Ibid, p. 313.
creditors were asked, and many consented, to defer Yugoslav debt repayments, and Yugoslavia was able to obtain new credits, including a standby credit from the International Monetary Fund (IMF), in support of its [pitiful] reform.**102

By establishing a new foreign exchange regime, companies were now allowed to retain twenty percent of their export earnings. This money was kept in special accounts in Yugoslav banks and could be used as leverage for loans and investments. Mostly Slovenian and Croatian companies benefited from these foreign exchange accounts because of the larger proportion of exports than the rest of Yugoslavia. Because of the establishment of a permanent customs tariff and a regime under which foreign exchange could be obtained to pay for imports, Yugoslavia satisfied the requirements to join the General Agreement on Tariffs Trade (GATT). As the Estimate correctly pointed out, “despite the ambiguities of Yugoslav economic policy, the trend is currently toward increased decentralization… [and] the process is probably irreversible.”**103 Nonetheless, since the goal of convertibility was never fully realized, the problems with domestic allocation of scarce foreign exchange and the adjustment of foreign exchange rates contributed to future economic problems.

In addition to the problems with foreign exchange rates there were troubles with Yugoslavia’s program to liberalize imports. In November 1967 the CIA Office of Economic Research indicated that the removal of restrictions on imports into Yugoslavia had led to an astonishing jump in imports from “hard-currency areas.” For instance, in 1967 imports from Western Europe increased by 65 percent compared with the imports in 1966. The problem was that the Yugoslav government had expected the same level of hard-currency imports for 1967 as

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in 1966, “whereas actual imports in the first half of the year were more than one-third greater than in the same period in 1966” while the imports from Communist and other countries fell sharply. As a result, instead of the small hard-currency surplus Yugoslavia ran a substantial deficit in the first half of the year. However, the memo asserted that the Yugoslav government “will not probably abandon its liberalization policy” though “it is doubtful whether the government will be able to free a much larger share of imports from control within the next few years.” The intelligence community correctly asserted that a much stiffer deflationary policy would be required to accomplish substantial progress. The question was whether Tito could maintain a firm deflationary program while he was coming under mounting attack because overall “industrial output has not grown at all in 1967 and unemployment was up sharply.”

To maintain a balance of payments and in response to growing protectionist sentiments, the memo concluded that tighter controls over imports are likely: “In the next few years, even with good luck and some Free World assistance—especially the deferment of debt payments—Yugoslavia will be doing well if it can consolidate the advance in import liberalization made in 1967.”

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104 “The Impact of Yugoslavia’s Program to Liberalize Imports,” Intelligence Memorandum, RR IM 67-74, November 1967, Country File: Yugoslavia Vol. II, Cables: 10/66-1/69, NSF, Box 232, LBJ Library. The commodities freed from direct controls represented about one-half of total imports planned for 1967 and are chiefly raw and semifinished industrial materials—primarily ferrous and nonferrous ores and rolled products, coal, crude oil, wood, and chemical raw materials and fertilizer. The Yugoslav government apparently counted on its tight domestic credit policy and the existence of sizable inventories to discourage large additional imports of industrial materials. It failed to allow, however, for the eagerness of buyers to buy Free World industrial products while they could.

105 Ibid.

106 Ibid.

107 Ibid. Although the memo correctly assessed the impact of Yugoslavia’s program to liberalize imports, its general tone was rather optimistic suggesting Yugoslavia will maintain a steady course of liberalization and strengthening of the economy, none of which happened: “A retreat from liberalization now might destroy whatever confidence exists in enterprises and in the government itself that an effective market system can be sustained over a reasonable period of time in Yugoslavia. A retreat also would be likely to stifle Yugoslavia’s big to gain acceptance in Free World financial circles.”
In August 1968, almost a year and a half after NIE 15-67 was released and around ten months after the memo on the impact of Yugoslavia’s program to liberalize imports was completed, the CIA Office of Economic Research produced a more somber intelligence memorandum on Yugoslavia’s overall economic situation. Yugoslavia was abandoning the economic liberalization policies and was retreating to the earlier centralized economic policies:

Yugoslavia is now shifting away from the economic policies of 1965-67, which eased inflationary pressures and let to reduction of controls over prices and imports. These policies resulted in a dramatic slowdown in economic growth and did little to stimulate efficiency. Stagnating industrial production and rising unemployment-and the mounting public criticism that has resulted-have forced Tito to retreat part way toward the pre-1965 policy of rapid growth under tight controls.

The return to the policy of forced economic growth and tight controls returned Yugoslavia to the vicious cycle that the reforms had tried to alleviate. Consequently, the government intervention in the economy was to remain high; the commitment to rapid growth would produce strong inflation; the needs for imports to support growth will outrun the ability to export causing balance-of-payments difficulties; and since entrepreneurial skills and incentives were lacking it was largely up to the government to push investments into profitable channels and to stimulate innovation. The only steady piece remaining was the foreign debt that continued growing.

Back in 1964 when the Yugoslav foreign debt just exceeded one billion dollars the CIA recommended that “Yugoslavia should attempt to maintain good relations with the United States because its debts… will soon fall due, and Yugoslavia will be compelled to request concessions

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108 “New Shifts in Economic Policy in Yugoslavia,” Intelligence Memorandum, ER IM 68-105, August 1968, Country File: Yugoslavia Vol. II, Cables: 10/66-1/69, NSF, Box 232, LBJ Library. Unlike NIE 15-67 that was produced by the Central Intelligence Agency in collaboration with the intelligence organizations of State, Defense, and the NSA, this document was produced solely by CIA.

109 Ibid.
during the course of the negotiations for the repayment of these debts.”\(^{110}\) As the failed reforms hastened crises, Yugoslavia was forced to make regular requests for debt rescheduling that continued until the collapse of the country.\(^{111}\)

On January 1, 1967, new legislation that took effect removed the remaining possibility for dollar sales under PL 480, because of Yugoslav ship-trade with Cuba.\(^{112}\) The voluntary agencies terminated their programs in July 1967. Following these developments, Yugoslavia approached the United States for a $30 million debt rollover. The US did not meet this request, largely because of US balance of payments considerations. However, the United States in 1967 granted Yugoslavia $40 million in credits for purchase of wheat and cotton and the Export-Import Bank began guaranteeing loans by American commercial banks to Yugoslav importers following the Presidential determination in May 1968 that provided authority for the Eximbank to extend loans directly to Yugoslav importers.\(^{113}\)


\(^{112}\) Section 103 (d) of the Agricultural Trade Development and Assistance Act of 1954 as amended (PL 480). The amendment precluding sales for dollars was contained in the Food for Peace bill, signed November 11, 1966, by President Johnson, which took effect January 1, 1967.
In his report about Kiro Gligorov’s, Vice President of the Federal Executive Council of Yugoslavia, planned trip to attend IBRD and IMF meetings scheduled the week of 30 September, 1968, Ambassador Elbrick indicated that attending these meetings “merely provides plausible cover for what GOY probably believes is much more sensitive and important political mission.”\(^{114}\) In fact, Gligorov only wanted to discuss debt rescheduling.

During the meeting with the Acting Secretary of State Nicholas Katzenbach and other officials (Under Secretary for Political Affairs Eugene Rostow, Acting Deputy Assistant Secretary Malcolm Toon, NCS Staff Member Nathaniel Davis, Special Assistant Lawrence Eagleburger, and EUR/EE/Yugoslav Affairs Assistant Orme Wilson, Jr.), Gligorov indicated that the Yugoslav position was becoming increasingly difficult. Its trade with the Warsaw Pact had declined from 42 to 29 percent of total foreign trade since 1965. The European Community (EC) placed restraints and special levies on Yugoslav agricultural products that produced another shock. Gligorov indicated that the Yugoslav Government “was ready to open negotiations for any possible use of counterpart funds” to expand bilateral trade that would “lead to capital investment and the import of advanced technology into Yugoslavia.”\(^{115}\) A possible mix of dollars and counterpart funds, which was at zero in 1968, would have given a push to American investment in Yugoslavia. Yet, the problem was that these funds would have to be appropriated by Congress, thus counterpart funds may not be available as soon as the Yugoslavs would anticipate. The most important part of Gligorov’s request was debt repayment:

\(^{113}\) Letter, From the President to the Vice President and the Speaker of the House of Representatives, May 7, 1968, Country File: Yugoslavia Vol. II, Memos: 10/66-1/69, NSF, Box 232, LBJ Library.


Mr. Gligorov, in turning to the subject of debt repayments, said he knew that the United States had its problems. He hoped, however, that the United States would be in a position to stretch out payments for food imported by Yugoslavia during recent years. This would be of great assistance, since, for the next two or three years, Yugoslavia’s debt repayment schedule was heavy. For the long run, Yugoslavia saw no difficulties in servicing its debts to the United States. Yugoslavia wanted to increase its monetary reserves but its obligations to Western countries were restricting factors. A rescheduling of certain debt payments to the United States could mean a lot. On the other hand, Yugoslavia’s approval of the release of certain counterpart funds could help the United States.\footnote{Ibid, 4.}

In short, Gligorov requested (1) “a three-year-roll-over on one half of Yugoslavia’s 1968-70 PL 480 and CCC [Commercial Credit Corporation] debts, i.e. to 1971-73 respectively;” (2) he requested American “intercession on behalf of several Yugoslav project requests pending at EXIM ($55 million);” (3) and, Gligorov “sought to promote U.S. investment by the use of U.S. dinars on a 15-20 percent of total investment basis.”\footnote{“Yugoslav Economic Proposals,” Memorandum from Robert L. Sansom Thru Nathaniel Davis for W. W. Rostow, October 25, 1968, Country File: Yugoslavia Vol. II, Memos: 10/66-1/69, NSF, Box 232, LBJ Library.} Katzenbach indicated that he could not give an immediate answer to Gligorov’s request to use counterpart funds and regarding rescheduling of dollar-debt servicing and added that a “parallel action by Italy and West Germany would probably be helpful to us [the United States] in making some accommodations.”\footnote{“US-Yugoslav Relations,” Memorandum of Conversation, September 30, 1968, Country File: Yugoslavia Vol. II, Memos: 10/66-1/69, NSF, Box 232, LBJ Library. West Germany agreed in March 1968 to defer repayment on $26 million of Hermes credits for three years. Italy agreed to revise the Yugoslav debt repayment schedule by further refinancing which would provide debt postponement in 1969. The United States also urged Yugoslavia to seek relief from UK, France, Belgium, and other Western creditors.} During October and November political and legal options for Yugoslav debt relief were discussed by the departments of State, Treasury, Agriculture, and others since it was stated that there was “no need for formal White House action on these issues at this time.”\footnote{Ibid.} Nathaniel Davis, on behalf of the National Security Council, indicated the argument for debt rescheduling was political, not economic: “the only valid economic arguments might be to
offset the economic impact of Yugoslavia’s stepped-up defense expenditure or as insurance against possible Soviet economic pressure” and he added that for “political reasons Ambassador Elbrick, EUR [Office for European Affairs at the State Department] and Katzenbach all favor a modest debt rescheduling.” Murray J. Belman, the State Department legal adviser, pointed out that the President had the legal authority to negotiate the original PL 480 agreement: “Although Section 103(d)(3) prohibits the making of PL 480 sales agreements with Yugoslavia, it would not prohibit the Executive from rescheduling the payments due under valid existing agreements.” Having cleared statutory, legal, and political hurdles, by late November 1968 the decision was made to approve partial rescheduling of the principal amounts ($15.8 million) Yugoslavia was due to pay the United States in 1968 and 1969: “Yugoslavia would get relief from $7.9 million of principal due next moth, and again in December 1969, with payment set over a five-year period.” Although this debt relief temporarily helped Yugoslavia maintain its domestic economic reforms as foreign exchange situation was tightening, it set the country on a dangerous path of “serial rescheduling under which payments would be rescheduled one period


121 “Legal Authority to Reschedule Yugoslav Principal Payments Due Under Existing PL 480 Agreements,” Memorandum From Murray J. Belman to Thomas O. Enders [Deputy Assistant Secretary for International Monetary Affairs], October 30, 1968, Country File: Yugoslavia Vol. II, Memos: 10/66-1/69, NSF, Box 232, LBJ Library.

122 “Yugoslavia’s PL 480 Debt,” Memorandum From Thomas O. Enders, Deputy Assistant Secretary for International Affairs, Department of State, For Martin A. Abel, Deputy Assistant Secretary, International Affairs Department of Agriculture, and John C. Colman, Deputy Assistant Secretary for International Affairs Department of the Treasury, November 4, 1968; and, “Debt Relief for Yugoslavia,” Memorandum for the President From Nicholas Katzenbach, November 15, 1968; both in, Country File: Yugoslavia Vol. II, Memos: 10/66-1/69, NSF, Box 232, LBJ Library. Note: this relief was only about half what Yugoslavia asked for. The National Advisory Council concurred with the decision to provide debt relief by indicating that the “proposed rescheduling would provide that the sums deferred in 1968 and 1969 would be repaid on an ascending scale in the years 1971-1974 and that interest payments (including interest on the deferred payments) would be paid as due.”
at a time, with performance of certain conditions in each period triggering the rescheduling of payments in the next.”

Conclusion

During the Johnson administration, the development of US-Yugoslav relations was generally favorable despite a number of stresses and strains. Although the attempt to liberalize economy largely failed making the country increasingly dependant on foreign creditors, Yugoslavia’s domestic politics produced some additional freedom and its Communist regime continued on its independent course. The long-standing American interest in promoting freedom for the peoples of Yugoslavia and in supporting Yugoslavia’s independence was advanced under the broader policy of “building bridges” with Eastern Europe. Although the Vietnam War dominated all aspects of foreign relations, Thomas Alan Schwartz correctly suggested that “a careful and dispassionate reading of the archival record… reveals Johnson’s greater attention to European problems after the passage of his domestic program in 1965.” Among the successes of the bilateral relations one can include the settling the Yugoslav-Americans’ claims that have arisen from the nationalization of properties, the signing of the Fulbright Agreement that provided for the exchange of scholars and professors, and negotiation of a bilateral civil air agreement.

124 Schwartz, Lyndon Johnson and Europe, pp. 6-7.
125 “Current Civil Air Negotiations with Yugoslavia,” Intelligence Memorandum, ER IM 68-138, October 1968, Country File: Yugoslavia Vol. II, Memos: 10/66-1/69, NSF, Box 232, LBJ Library. The agreement was to formalize “Pan American service to Belgrade and would give the Yugoslav State Airlines (JAT) the right to operate Belgrade-New York air service with no beyond rights from New York.”
When Ambassador Elbrick was leaving Yugoslavia in 1969, the Yugoslav Federal Executive Council (FEC) gave a luncheon in his honor. Toma Granfil, Vice-President of FEC, acting as host made a speech praising Ambassador Elbrick for his contribution to improving US-Yugoslav relations:

Mr. Ambassador…throughout these five years we have had in your person a reliable friend to our country and an advocate of good relations between Yugoslavia and the United States. You have… carried out you complex mission of co-operation aimed at furthering the traditional and friendly relations between the two countries, with great ability and tactfulness, which we have always highly valued… by your able analysis and knowledge of your own, but also of our country, you succeeded in preserving and projecting your personal firm confidence in the abiding orientation of our Governments to pledge themselves for the maintenance and continuation of the frank and friendly exchange of views, as well as of the concrete co-operation in all fields, political, economic, and in all domains of exchange of individuals, ideas, scientific knowledge, culture, education, etc… you may be satisfied knowing that on your departure… you are leaving behind the awareness that your personal contribution has been in an advanced and still more completed structure of relations and bonds between our countries.\(^{126}\)

Although Granfil’s speech in several places included acknowledgments of the value of American support for Yugoslav independence that were unusually frank for a Yugoslav official, this is not enough to assert that there was an overall improvement in the bilateral relations during Elbrick’s tenure. Moreover, there was no exchange of high-level visits indicating that the Johnson administration refrained from spending disproportionate time on Yugoslavia while there were more pressing international crises elsewhere. If nothing else, it looked as if the next Ambassador after Elbrick was going to come into the office with the relationship in a better shape than the situation Elbrick inherited from George Kennan.

Following his tenure in Yugoslavia, Elbrick became ambassador to Brazil. Shortly after his arrival to Brazil he was kidnapped in Rio de Janeiro by terrorists only to be freed 78 hours

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later after the Brazilian government released fifteen leftist prisoners in exchange for the
Ambassador’s safe return. Though he was beaten and threatened with execution, Elbrick
comments about this perilous experience were fairly nonchalant: “Being an Ambassador is not
always a bed or roses.”127 This kidnapping episode was made into 1997’s Oscar nominated
movie “Four Days in September” elevating C. Burke Elbrick into a minor celebrity.128 More
importantly, the New York Times reported that Elbrick “really liked Yugoslavia. He got along
very well with Tito and his Government.”129

Overall, Yugoslav foreign policy continued getting the best out of socialism,
nonalignment, and Western capitalism. Although the United States was a favorite whipping boy
to promote Yugoslav socialist and nonaligned interests, the United States’ ego was regularly
soothed by occasional friendly announcements, thus maintaining relatively healthy bilateral
relations.


128 The movie “Four Days in September” was a semi fictionalized account of the actual kidnapping of C. Burke Elbrick based on a memoir by one of the kidnappers, Fernando Gabeira, a member of the radical group MR-8 who later became a Brazilian lawmaker as a member of the lower house of Congress from the Rio de Janeiro state for the tiny Green Party. Gabeira wrote O Que E Isso, Companheiro? (What’s this, Comrade?) during his imprisonment and exile. The film gives an impression that Gabeira and Elbrick developed a mutual respect and it was through their conversations that Elbrick first learned about the torture that was carried out by Brazil’s military regime that rule Brazil from 1964-85. Gabeira said that Elbrick taught him how to behave with dignity when being held captive by armed men. The U.S. Embassy and the State Department denied Gabeira a visa for the premiere of the movie in 1998 doubting his sincerity when renouncing violence. Elbrick’s kidnapping was followed in 1970 by similar kidnapping of Japanese, West German, and Swiss diplomats.

129 “A Sturdy Ambassador,” New York Times, September 8, 1969, p. 2. The article also added that Elbrick was “very capable in explaining the American point of view with great clarity and firmness.” Furthermore, according to Adolf Dubs, who was Mr. Elbrick’s political counselor in Yugoslavia, “He’s a calm, thoughtful, considerate man.”
IV.

THE NIXON AND FORD YEARS: 
THE CURSE OF NATIONALISM AND THE DEMISE OF THE STATUS QUO

I found his [Nixon’s] acclaimed foreign polices less admirable than have many other observers. Nixon’s was a complex, inconsistent presidency that played itself out during one of the most turbulent and consequential periods in American history. A quarter of a century after he left Washington under the darkest cloud in presidential history, many of the ideas and policies advocated have been accepted by a majority of Americans. Few presidents have left such legacy.

[Nixon and Kissinger] had discovered they were kindred spirits. Both were incurably covert, but Kissinger was charming about it… both were inveterate manipulators: but Nixon was more transparent. They had reached an understanding: they alone would conceive, command, and control clandestine operations. Covert action and espionage could be tools fitted for their personal use. Nixon used them to build a political fortress at the White House, and Kissinger became… the acting chief of state for national security.
- Tim Weiner, Legacy of Ashes: The History of the CIA, p. 293.

The Helsinki accords, and Ford’s trip to Europe itself, were watershed events in the Soviet Union’s relationship with its satellites. On the way to Helsinki, Ford… [visited] Eastern Europe, stopping in Poland, Romania, and Yugoslavia, the most independent of the Eastern European countries.

In September 1975, I described our attitude toward Eastern Europe to Chinese Foreign Minister Qiao Guanhua at the U.N. as follows: “We are trying to weaken Soviet influence in Central Europe by presidential visits and by developing military relations with the Yugoslavs… Our strategy is to weaken the Soviet Union.” A Japanese observer described our policy as appearing to “acquiesce in the status quo in order to change the status quo.”
- Henry Kissinger, Years of Renewal, p. 865.

When Richard M. Nixon took over from Lyndon B. Johnson after the elections in 1968, he appointed as national security adviser – and later secretary of state – Henry A. Kissinger. Time magazine brand Nixon and Kissinger “an odd couple” and “an improbable partnership” by describing Nixon as “a secretive, aloof yet old-fashioned politician given to oversimplified rhetoric, who founded his career on gut-fighting anti-
Communism” and Kissinger as “a Bavarian-born Harvard professor of urbane and subtle intelligence.”¹ Mark Atwood Lawrence suggested that “the two men were visionaries and cynics at the same time”² while Jeremi Suri argued that they “were more rivals than partners… [t]he sense of crisis that brought them together also made them suspicious, resentful, and insecure.”³ Others suggested that their foreign policy was based on a unique synthesis of style and substance: Nixon supposedly provided the style while Kissinger provided the substance.

The Nixon-Kissinger foreign relations approach was to create a stable international structure of peace by continuing containment of the Soviet Union and implementing “linkage” and détente. In the case of Vietnam, for instance, the United States applied linkage by withholding favors from the Soviet Union until the Russians stopped supplying Hanoi with arms. The goal of détente was to increase national security by creating incentives and penalties (carrots, which included expansion of trade; and sticks, which included Washington’s developing relationships with China) that would persuade the Soviets to engage in constructive relations with the United States. Détente marked a major shift from confrontation to some kind of meaningful cooperation between the United States and Soviet Union – so much so that the United States in the 1970s granted the Soviet Union most favored nation (MFN) status in order to boost trade.


³ Jeremi Suri, Henry Kissinger and the American Century (Cambridge: The Belknap Press of Harvard University Press, 2007), pp. 210-1; 206-7. Jeremi Suri argued that Nixon and Kissinger “transformed the White House into more of a gangster den than a place for considered policy deliberation. They expended inordinate time and energy conspiring against enemies, including themselves. This was the imperial presidency in action.” Furthermore, Suri added that “[l]ike all gangsters, Nixon refused to respect the boundaries of his servant’s personal space… Like the gangster’s assistant, Kissinger felt pressure to display supreme competence in policy and psychology.”
Détente was also a policy of preserving international peace by maintaining the bipolar power equilibrium and relaxing tensions. It presupposed that world politics revolved around the continuous struggle for dominance between the great powers.

Among the principle achievements of the Nixon administration in foreign affairs include rapprochement with the People’s Republic of China and the February 1972 US-China Shanghai agreement that has governed Sino-American relations ever since. Détente transformed relations with the Soviet Union, leading to the Anti-Ballistic Missile (ABM) and Strategic Arms Limitation Treaties (SALT). The Paris Peace Accords were signed in 1973 that ended the Vietnam quagmire and brought the return of American prisoners of war. In the Middle East the United States reoriented its foreign policy by building relations with Egypt and some moderate Arab regimes and sending massive aid to Israel during the October 1973 Yom Kippur War. Relations with Japan were further normalized when Okinawa was returned to Japanese sovereignty in 1972. On the other hand, the debate continues whether détente was a success or not keeping in mind that the Soviet Union was already on a verge of collapse during the 1970s. The Watergate scandal permanently tarnished any other successes of the Nixon presidency.4

Gerald R. Ford, “the so-called accidental president” or the only president of the United States to gain that office without winning a national election had been a prominent Republican Congressman from Michigan from 1948 to 1973.5 From 1965 to 1973, he

was House minority leader. When Spiro T. Agnew was forced to resign as Vice President after being charged with tax evasion, Nixon appointed Ford to the office on 10 October, 1973. By that time Nixon was already embroiled in the Watergate scandal, which in turn would force his own resignation less than a year later. When Nixon resigned the presidency on 9 August, 1974, Ford succeeded him to become the thirty-eight president of the United States, beginning an 896-day presidency.6

A plainspoken and unassuming man, Ford’s immediate goal as president was to restore public confidence in the presidency, which had been badly shaken by Watergate and excesses of the Nixon era. According to Douglas Brinkley, Ford’ “decency was palpable… [and] he was a tonic to the consciousness of his times.”7 However, lacking a broad political base and with no popular mandate, Ford tried, without great success, to bolster the spirits of a nation left deeply divided and scarred by both the Vietnam War and debilitating Watergate political crisis.8 He also attempted to revive the faltering economy, which had been seriously weakened as a result of the first energy crisis that had begun in 1973. The crisis had brought about the quadrupling of oil prices in less than a year’s time. The economy was plagued by galloping inflation combined with a stubborn recession and high unemployment, phenomena dubbed stagflation.9 Without doubt,


7 Brinkley, Gerald R. Ford, p. 1.


stabilizing the nation’s economic woes was Ford’s primary domestic imperative.\textsuperscript{10} Neither the president nor Congress, which reduced the federal budget, was able to remedy the economic situation.

One of Ford’s most controversial acts was his issuance of “a full, free, and absolute pardon to Richard Nixon for all offenses against the United States… he… may have committed,” which he announced on September 8, 1974.\textsuperscript{11} Ford defended his action by arguing that he was bringing closure to the Watergate affair. Much of the public was embittered by the pardon which ironically occurred just a week before Ford granted only a partial pardon to Vietnam War resisters and military deserters.\textsuperscript{12}

In foreign affairs Ford continued to pursue the Nixon-Kissinger policy of détente with the Soviets, managing to reach a new arms limitation agreement during his short tenure in office.\textsuperscript{13} He also helped stabilize the Middle East by providing aid to both Egypt and Israel and by brokering an interim truce agreement between the two nations.\textsuperscript{14} Ford was also proactive in maintaining America’s international standing and prestige after the humiliating collapse of both the Republic of Vietnam and Cambodia.


To accomplish the goal of protecting America’s national security, Ford simultaneously strengthened alliances, maintained strong military force, and negotiated with the Soviet Union and other potential adversaries. Since “Ford was committed to continuity,” as James Cannon suggests, and “he fully supported Nixon’s policies and kept Nixon’s people,” there were no major improvements in the bilateral relations between the United States and Yugoslavia. Moreover, the relative importance of Yugoslavia continued to decline. Perhaps the most noticeable evidence of this trend was the fact that the National Security Council did not produce a single document that would outline the United States policy towards Yugoslavia. None of two hundred and six National Security Study Memoranda (NSSM) and none of two hundred and sixty four National Security Decision Memoranda (NSDM) focused on any aspect of the US-Yugoslav relations. The only exception was NSSM 129 entitled “US Policy and Post-Tito Yugoslavia” of June 15, 1971, but this document was the President’s directive to undertake a study that


16 Karl F. Inderfurth and Loch K. Johnson, Fateful Decisions: Inside the National Security Council, (New York and Oxford: Oxford University Press, 2004). The National Security Council (NSC) was established by the National Security Act of 1947 to “advise the President with respect of integration of domestic, foreign, and military policies relating to national security.” Nixon reorganized the NSC making it the “principal forum for consideration of national security policy issues requiring Presidential decisions.” According to NSDM 1 of January 20, 1969, at the direction of President Nixon, the following two memoranda series were established “to inform the Departments and Agencies of Presidential actions: National Security Decision Memoranda (NSDM)... that shall be used to report Presidential decisions (whether the result of NSC meetings or appropriate consultation with the Department head concerned),” and National Security Study Memoranda (NSSM) that “shall be used to direct that studies be undertaken (normally for NSC consideration).” Furthermore, NSDM 1 affirmed that the “National Security Action Memoranda (NSAM) series is hereby abolished. An NSDM to be issued shortly will describe the status of existing NSAMs.” NSDM 2 and NSDM 3, also of January 20, 1969, spelled out in detail the reorganization of the National Security Council while the later affirmed that “the Secretary of State [William P. Rogers] is my [President Nixon’s] principal foreign policy advisor. He is also responsible, in accordance with approved policy, for the execution of foreign policy.” All Nixon’s NSDMs are located in the National Security Council (NSC) Institutional Files, Box H-207 and NSSMs are located in the NSC Institutional Files, Box H-208, National Archives and Records Administration, College Park, MD, (NARA).
would “evaluate possible developments in Yugoslavia following President Tito’s departure” – continuing the ongoing fixation with the post-Tito era.\textsuperscript{17} By the end of the Ford presidency Tito expelled Ambassador Laurence Silberman for his apparent meddling in Yugoslavia’s internal affairs. This event marked the all time low point in the bilateral relations.

By keeping in mind the broader concept of détente and triangular diplomacy (US-USSR-China),\textsuperscript{18} this chapter explores US-Yugoslav relations by reflecting on the effects of Nixon’s state visit to Yugoslavia from September 30-October 2, 1970,\textsuperscript{19} Tito’s return visit to the United States from October 28-30, 1971, Kissinger’s brief stop in Belgrade on November 4, 1974, and Ford’s visit to Yugoslavia on August 3-4, 1975. The discussion then turns to the effects of nationalism that greatly contributed to the collapse of the country,\textsuperscript{20} and concludes with a brief examination of the military relations and the effects of the expulsion of Ambassador Silberman on the bilateral relations.

\begin{itemize}
  \item \textsuperscript{17} Some discussion of NSSM 129 will be covered in this chapter to fill the gaps that are not covered in other diplomatic correspondence. Also, NSSM 10 entitled “East-West Relations” of January 27, 1969; NSSM 163 entitled “Economic Policies for the Eastern European Countries” of October 27, 1972; and, NSDM 99 entitled “East-West Trade” of March 1, 1971 will be used in the discussion on trade and economic relations between Yugoslavia and the United States.
  \item \textsuperscript{18} For more on the currently available material on the Nixon foreign policy see, Edward C. Keefer, “Key Sources for Nixon’s Foreign Policy,” \textit{Passport: The Newsletter of the Society for Historians of American Foreign Relations}, August 2007, Vol. 38, Issue 2, pp. 27-30.
  \item \textsuperscript{19} Nixon was accompanied by Secretary of State William P. Rogers – who also officially visited Yugoslavia on his own on July 7-9, 1972.
  \item \textsuperscript{20} Although it may seem that the discussion about the problems with nationalism is extensive, it is included here because many scholars regard it as one of the main reasons for the disintegration of Yugoslavia and the ensuing bloodshed – thus, it is relevant for the discussion about the US-Yugoslav relations despite its minor effect on it. For instance, Sabrina P. Ramet argued that “the old Titoist program to defuse the nationalities problem, a problem which had been created by the illegitimate politics of the interwar kingdom and powerfully reinforced by the sanguinary fratricidal conflict of 1941-1945, and to fashion a 'subjectively legitimate' state had completely failed.” She cites three main reasons for that: (1) “The Titoist solution did not embrace moral universalism but instead appealed to a confused version of secular theocracy;” (2) “the Titoist solution did not embrace political pluralism;” (3) “the Titoist economic
Nixon, Tito State Visits – A Steady Political-Economic Relationship?

The main objectives of the United States policies toward Yugoslavia remained to (1) support its independence from Moscow, (2) to foster Yugoslavia’s relations with the West, and (3) to provide support for Yugoslavia’s economic reforms. In February 1969 Ambassador Elbrick indicated that “reiteration of US interest in Yugoslavia’s sovereignty and independence is likely in the future, as in the recent past, to encourage the Yugoslav will to resist Soviet domination.” He further added that “a continuation of the practice of frequent consultation of international issues, including exchanges of correspondence at the Presidential level and occasional VIP visits, will help sustain an atmosphere of confidence between the two governments.”

Although William Leonhart served less than two and a half years as American Ambassador to Yugoslavia from June 1969 to October 1971, it was during his tenure that President Nixon paid the first state visit by a United States head of state to Communist Yugoslavia and Tito reciprocated by visiting the United States, just as Leonhart’s was to

system, while avoiding the pitfalls of monopoly capitalism, slipped into a chaotic version of socialism, which proved to be likewise illegitimate.” Consequently, “It took the combination of system illegitimacy, dysfunctional federalism, economic deterioration, and the mobilization of Serbian nationalism by Milošević and his coterie to take the country down the road to war.” Ramet, The Three Yugoslavias, pp. 378-9. For more on the long-term problems with nationalism see, Banac, The National Question in Yugoslavia.


22 Ibid. Ambassador Elbrick also added the following: “To develop deeper understanding within the Congress of the actual situation in this maverick Communist country, senators and congressmen should be urged to include Yugoslavia on their itineraries more frequently.” He further speculated whether the preservation of Yugoslav independence was vital or important: “Should the Soviet threat to Yugoslavia intensify, or should the Yugoslavs in other circumstances turn to Washington for major military or economic assistance, we would be called upon to define more precisely whether the preservation of Yugoslav independence is ‘vital’ or ‘important’ to the security and national interest of the United States.” Elbrick concluded hoping that “in the current reviews of national security policies due attention will be given to examination of this problem.”
leave Belgrade to be the Deputy Commandant of the National War College. Before his appointment to Yugoslavia, Leonhart served as deputy Chief of Mission in Japan (1959-62), Ambassador to Tanzania (1962-65), and Special Assistant to the President, National Security Council Planning board (1966-68). At presentation of his credentials to Tito, Leonhart stated that he would “spare no efforts in seeking to maintain and widen… areas of mutual understanding and collaboration” and he also indicated that President Nixon attached “great significance to the further development of relations between our countries based on mutual friendship and understanding and full respect for the principles of freedom and independence.” As Leonhart was to return from Belgrade, there was a change of Yugoslav ambassadors in Washington. Bogdan Crnobrnja was replaced by Toma Granfil, former Vice President of the Federal Executive Council.

24 Walter Rugaber, “Nixon Nominated Four as Envoys,” New York Times, April 4, 1969, p. 19. The article stated that Leonhart became “a White House assistant in 1966 and served on the Presidential transition staff under Robert D. Murphy, one of Mr. Nixon’s close associates.” Additionally it was noted that “as a minor embassy official in Belgrade 20 years ago, Mr. Leonhart was credited with being the first American to detect the split between Marshal Tito and Stalin.” Allegedly, Leonhart was also a paranoid alcoholic who was supposedly withdrawn from Belgrade before Tito’s visit to the United States in the late 1971.

25 “Remarks for Ambassador Leonhart at Presentation of Credentials,” Outgoing Telegram, Department of State, June 12, 1969, Central Foreign Policy Files, 1967-1969, Record Group 59, Box 2842, NARA. Leonhart’s predecessor, C. Burke Elbrick, “was unable to present” his letter of recall so Leonhart presented both his letter of credence and Elbrick’s letter of recall on June 30, 1969, at Tito’s villa on the island of Brioni. Leonhart was replaced by Malcolm Toon on October 7, 1971. Ambassador Toon presented his credentials on October 23, 1971 and he remained in Yugoslavia until March 11, 1975. Before coming to Yugoslavia, Toon served as Ambassador to Czechoslovakia (1969-1971). From 1975-1976 Toon was the United States Ambassador to Israel and from 1976-1979 he served as Ambassador to the Soviet Union. He graduated from Tufts University and served the U.S. Navy during the Second World War.

26 “Your Meeting with Ambassador Crnobrnja,” NSC Memorandum, Helmut Sonnenfeldt for Mr. Kissinger, September 9, 1971, Nixon Presidential Materials Staff, National Security Council (NSC) Files, Country Files – Europe, Yugoslavia 1 Sep 71 – Vol. III, Box 734, NARA. Sonnenfeldt made the following recommendations: “The Yugoslav Ambassador today told Henry that he was also being pulled back before Tito visit. When Henry asked whether this was retaliation the Jug said no and that moreover they already had a replacement. The Jug then asked whether we could not at least designate Leonhart’s successor quickly, before the Tito visit. Henry told him that he had just approved the name of a career FSO, though he was not in a position to give the name.” Sonnenfeldt further suggested: “I gather you were going to
In this spirit of friendship President Nixon visited Yugoslavia in September 1970 and Tito visited the United States again in October/November 1971. Although Nixon’s trip to Yugoslavia from September 30-October 2, 1970 appeared to be just a routine stop-over on his European tour, during his stay with Tito Nixon also visited the Croatian capital Zagreb and Kumrovec, Tito’s birthplace. The two presidents agreed to seek ways to further expand the cooperation:

The meeting…took place in a cordial and frank atmosphere, provided an opportunity for frank talks on the most important contemporary international issues and on Yugoslav-American relations…They pointed out…that relations between the SFRY and USA were fully based on the principles of independence and mutual respect…They resolved to continue to promote extensive bilateral relations. Concrete forms of cooperation were discussed, especially in the economic, and scientific-technological fields.

According to Robert Dallek, “whenever political difficulties at home and abroad frustrated him, Nixon found comfort in foreign travel, where he could enjoy the ceremonial regard shown a visiting American president and make statesmanlike

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27 “Belgrade Asked to Clarify Aide’s Charge That Nixon Backed Croatian Dissent,” New York Times, December 14, 1976, p. 12. Tvrko Jakovina, “Što je Značio Nixonov Usklik ‘Živjela Hrvatska?’” [What did Nixon’s Exclamation “Long Live Croatia” Mean?], Drustvena Istraživanja, 8: 2-3, (1999), pp. 347-471. In 1975 the New York Times reported that Jure Bilić, a Croatian who was a secretary of the executive committee of Yugoslavia’s League of Communists, “charged that while in Zagreb, President Nixon had stressed the historic contribution of ‘the Croatian people’ while neglecting the concept of Yugoslavia and ‘the Yugoslav people… When I saw Nixon’s faux pas in Zagreb I could not rid myself of the impression he had already embarked on a policy of disintegrating Yugoslavia.” The State Department responded by asking the Yugoslavs for an official explanation “because these charges from a senior Yugoslav official involved an attack on the policy of a former president and might be construed as having implications today.” Jakovina correctly indicated that Nixon’s exclamation “Long live Croatia” (immediately followed by the exclamation “Long live Yugoslavia”) during the reception prepared by the Croatian officials in Zagreb did not indicate strong support for the Croatian endeavor – as interpreted by those who were demanding greater democratization of relations within the Yugoslav Federation and more favorable economic relationships – but was probably a simple courtesy.

pronouncements that gave him a claim on history.”

Despite its apparent insignificance, Nixon’s nine-day, five-nation European tour that included a short visit to Yugoslavia was in many ways a preparation for his groundbreaking visit to the Soviet Union the following year. As such, it was a part of the global policy of détente. Nonaligned communist Yugoslavia, which was precariously wedged between two power Blocs and desired good relations with both powers, was therefore important to the American foreign policy. Furthermore, the nonaligned status of Yugoslavia appeared to be one of its greatest assets in the eyes of some American politicians:

We [in the US] are accustomed to thinking of leaders of ‘funny little countries’ like Yugoslavia as having a strictly one-way relationship with funny big countries like the US…the relationship of client to patron…[thus] the world is in the process of being divided into two…basic client-patron systems. Tito represents a…successful alternative [because] Yugoslavia…preferred to be independent of

29 Robert Dallek, *Nixon and Kissinger: Partners in Power*, (New York: HarperCollins, 2007), p. 242. Dallek asserted that “a trip to Europe from September 27 to October 5, 1970, with stops in Italy, Yugoslavia, Spain, Ireland, and England, as well as a visit to the Sixth Fleet, was justified as a good way to demonstrate U.S. interest in southern Europe, the Mediterranean, and the Middle East.” Furthermore, Dallek argued that the “places visited, however, were of less importance than the chance to underscore Nixon’s focus on international affairs and master of national security challenges as Americans prepared to vote in the November congressional elections. The trip, Haldeman told Rogers, was ‘for political campaign purposes… Senate candidates need spotlight on foreign issues.’” As such, the trip met Nixon’s expectations since “government officials and crowds lining motorcade routes were friendly and even enthusiastic. ‘The United States has a great number of friends,’ Nixon was able to tell reporters at week’s end.”

30 James Reston, “Washington: Nixon on the Diplomatic-Campaign Trail,” *New York Times*, September 16, 1970, p. 46. The article stated: “With visits to Britain, Yugoslavia, Italy, Spain, the Pope, the Sixth Fleet and talks with the U.S. Paris peace negotiators on the side, this schedule should give him plenty of time to do his official business and still prove his theory that ‘no politics is the best politics’ for President.” Furthermore, the article added that “while Mr. Nixon’s Middle East diplomacy was good politics for him at home, it was much more dangerous strategically and politically for [Premier Golda] Meir [of Israel] at home, and there is nothing in the President’s projected trip to Europe that is likely to encourage the Israelis, particularly his trip to Yugoslavia to see Marshal Tito, who is Nasser’s most influential friend in Europe.”

31 H. R. Haldeman, *The Haldeman Diaries: Inside the White House*, (New York: Berkley Books, 1995), p. 237. Incidentally, Nasser died of the heart attack just as Nixon was to visit Yugoslavia and H. R. Haldeman, White House Chief of Staff, speculated in his diaries whether Tito was going to attend the funeral, which would disrupt Nixon’s visit. Eventually, Tito decided to host Nixon and he sent Edvard Kardelj, who was at that time considered to succeed Tito, to attend the funeral.
Russia…and actively assists other small nations to stay independent of polar systems of the great powers.  

The Yugoslav independence from the Soviets demonstrated that there was no such thing as “the communists” and that each communist country had unique idiosyncrasies thus had to be considered independently from other Bloc countries. Yugoslavia’s nonaligned policy also demonstrated that there was a place for small countries in global politics. Although the Americans gave credit to Yugoslavia for standing up to the Soviets and for the policy of nonalignment, the United States and Yugoslavia were not particularly close. For Senator J. William Fulbright, the “Yugoslav experiment” was significant as a model for other communist countries and was more responsible and constructive than “certain non-Communist countries such as Indonesia.” For Kissinger, “Tito has tried to preserve his Communist credentials, yet he has quite consciously relied on Western aid of all kinds. He knows very well that his defiance of Moscow largely rested on our holding up our end of the basic power balance… he has adapted economic, political, administrative, and cultural patterns and practices from the West.”

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34 “Your Visit to Yugoslavia, September 30-October 2, 1970,” Memorandum for the President from Henry A. Kissinger, September 21, 1970, Nixon Presidential Materials Staff, NSC Files, President’s Trip Files, Box 468, NARA. For Kissinger the key question was what happens after Tito is gone: “At 78, the time is not far off and he has taken measures to provide for an orderly succession by collectivizing the Party leadership and, most recently, announcing a similar approach to the Government.” Kissinger further added in his quintessential tone that this effort of collectivization “may not be solely related to the succession but to some vague sense on Tito’s part that the era of the single, all-powerful leader may have run its course generally. Moreover, it would not be inconsistent with his ego for him to support that no single individual could replace him, anyway.”
Although Tito gave Nixon “a blunt lecture on the futility of big-power interventionism, aiming it especially at South Vietnam and Cambodia” before he offered his first toast of welcome, Yugoslavia welcomed Nixon to promote trade and to demonstrate that Tito’s regime was outside the Soviet sphere of influence. As Max Frankel reported in the *New York Times*, “Belgrade does not want alliance with the West, but it wants investments, free travel and exchanges and other forms of conspicuous association that also imply a measure of protection.”³⁵ Yugoslavia was worried about the Soviet conventional weapons buildup in the Mediterranean as a direct consequence of “the tacit Soviet-American effort to avoid nuclear war.”³⁶


³⁶ Ibid.
The United States was also hoping to gain from Nixon’s trip beyond its original objectives of (1) emphasizing American interest in Yugoslavia’s independence, integrity, and economic development (2) clarifying that the United States is not interested in establishing spheres of influence, and (3) stressing that the United States understands the reasons for Yugoslav policies, including nonalignment.\footnote{7} The \textit{New York Times} reported that “the hinge on which the success or failure of Mr. Nixon’s trip to Europe swung was Yugoslavia.”\footnote{8} Apparently “Mr. Nixon knew that Yugoslavia gave him his last chance to salvage diplomatic and political profit for a trip that had not gone as he had hoped.” In particular, the attempt to reassert American influence in the Mediterranean, where the Soviets were enlarging their naval capabilities, was undercut because of the death of Gamal Abdel Nasser “at whom Mr. Nixon was aiming his Mediterranean show of force… from the flight deck of the carrier Saratoga.” Perhaps for the same reason Nixon’s rhetoric was not as bellicose as previously planned: “after Nasser’s death there was an uncertain and uneven quality to these speeches as if he had suddenly been confronted with a new equation and did not wish to commit himself to a firm course of action.”\footnote{9} Kissinger speculated why Tito did not go to Nasser’s funeral and suggested that Tito did not want to postpone Nixon’s visit that was “personally flattering and supports his effort to reassure himself against Soviet pressures” and because Tito disliked

\footnote{7} “Visit of Richard Nixon, President of the United States,” Briefing Book, September 21, 1970, Nixon Presidential Materials Staff, NSC Files, President’s Trip Files, Box 468, NARA. Yugoslav objectives were listed as follows: (1) “to gain our understanding of how they view their special geopolitical situation, and with it our continuing cooperation,” and (2) “to explain their view of how world peace can be attained through great-power disengagement from areas which the Yugoslavs regard as not of vital interest to the great powers such as the Middle East and Indochina.”


\footnote{9} Ibid.
funerals. Overall, it seems as if the overwhelming acclaim that Nixon received in Yugoslavia was a reflection of excellent bilateral relations and “not just as an act of defiance against the Soviet Union.”

The Nixon administration had to deal with ostensibly different set of problems as Tito was to visit the United States in October 28-30, 1971. On the international scene, Leonid Brezhnev, the Soviet Premier, visited Yugoslavia in September 1971 in what was interpreted as a sign of Yugoslav-Soviet rapprochement. Brezhnev’s visit was preceded by an official visit of Mitja Ribičić, Yugoslav Premier, to the Soviet Union on June 24-

40 “Nasser’s Death and Your Talk With Tito,” Memorandum for the President from Henry A. Kissinger, September 30, 1970, Nixon Presidential Materials Staff, NSC Files, President’s Trip Files, Box 468, NARA. Kissinger also indicated that Tito “has been critical of our Middle Eastern policy (as pro-Israel, anti-Arab and based on ‘Capitalist’ motives), and he probably is now more eager that ever to attempt to influence you [President Nixon] in this area.”

41 Alfred Friendly Jr. “Nixon-Tito Parley Is Termed Success,” New York Times, October 4, 1970, p. 18. President Nixon reaffirmed his support of treating manufactured imports from Yugoslavia on the same preferential basis as from other underdeveloped countries and to obtain an official United States guarantee for American investors who bring their capital to Yugoslavia. In particular, the Ford Motor Company and Kaiser Aluminum were involved at the time in serious negotiations on major projects in Yugoslavia.

42 “India Scores with Tito Visit,” CIA Intelligence Note, October 26, 1971, Record Group 59, General Records of the Department of State, Political and Defense, 1970-73, Box 2836, NARA. Just before coming to the United States Tito paid a four-day visit to India during October 16-20: “India won Tito’s endorsement for the Indian position on the key issues of Bangla Desh and the Indo-Soviet Treaty. This diplomatic success has enhanced India’s international position and reinforced its determination to pursue its current strategy regarding Bangla Desh and the refugees.” Furthermore, “Belgrade has provided the closest official international support to date for the Indian position… Tito’s tacit approval of the Indo-Soviet Treaty will help lay to rest the misgivings about Indian nonalignment that have been harbored by the other nonalignment countries.”

43 Eric Bourne, “Assurance from Brezhnev: ‘Hands off’ Belgrade,” The Christian Science Monitor, September 27, 1971. Although the meeting between Tito and Brezhnev was arranged at a time when bilateral relations were at a new low, the post-meeting joint communiqué indicated that they did manage to reach some accommodation regarding the long-standing differences, especially around the Yugoslav concept of ‘separate road to socialism’ as articulated by the Belgrade Declaration of 1955 in which Nikita Khrushchev acknowledged Yugoslavia’s right to its own way of socialism. According to Bourne, “the talks between the Yugoslavs and Soviet party leader Leonid I. Brezhnev ended with a joint declaration reflecting a narrow success for the local team.” By affirming the Belgrade Declaration of 1955 Brezhnev effectively disavowed the Brezhnev Doctrine of limited sovereignty.
Although these visits did not signify substantial improvement in the Yugoslav-Soviet relations, the Nixon administration had to be prepared for the American elements hostile to Yugoslavia to exploit the visit.

On the domestic scene, Nixon appealed to the American people to prevent incidents that marred a previous visit by President Tito in 1963. His message was aimed at the extreme émigré elements in the United States when he urged everybody “to show courtesy and respect to President Tito of Yugoslavia.” Nixon’s action came in the wake of several high-level Yugoslav appeals to take adequate measures of precaution. In March 1971 Dragoljub Budimovski, Yugoslav Minister of Information, came to Washington with a request that “all possible measures be taken so that the émigré press and radio would not stir up the animal instincts of the extremist émigrés and thus cause them to do things which were irrational.” Budimovski indicated that “this was not a question of suppression of free expression, which nobody expects, but a matter of taking precautions to preclude statements of slanderous and reviling nature being published or broadcasted.”

Probably because of Yugoslavia’s appeals, the United States Government

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44 “Yugoslavia-USSR: Rapprochement Continues Elusive,” Department of State Intelligence Brief, April 23, 1970, Record Group 59, General Records of the Department of State, Subject Numeric Files, 1970-73, Box 2766, NARA. According to this secret report relations between Yugoslavia and the Soviet Union were at “the lowest ebb since the falling out over the invasion of Czechoslovakia.”

45 “Yugoslavia-USSR: Another Agreement to Disagree,” CIA Intelligence Note, July 2, 1970, Record Group 59, General Records of the Department of State, Subject Numeric Files, 1970-73, Box 2836, NARA. This confidential CIA report stated that the trip “came in the wake of protracted Soviet-Yugoslav polemics and was regarded as a mutual earnest to repair, on the state-to-state level at least, ties damaged by the falling out over the Czechoslovak invasion… [but the meeting] appears to have produced few results.”


47 Ibid.
refused a permit for a planned Croatian demonstration thus decreasing the chances for an incident during Tito’s visit. Furthermore, some elements of the American-Serbian and American-Croatian communities were active in the Heritage Groups Division of the Republican National Committee and the decision was made to use the channel provided by “the Heritage Groups Division to impress on responsible émigré leaders the seriousness with which the Administration would view untoward incidents at the time of President Tito’s visit… personal vilification of President Tito in the émigré media works contrary to US policy interests, Administration objectives, and the kind of atmosphere we hope to create.”49 After implementing contingency planning for Tito’s visit that put in place extraordinary security measures,50 the only remaining issue was to announce that Malcolm Toon was to replace William Leonhart as the next Ambassador to Yugoslavia.51

48 “US-Yugoslav Relations,” Memorandum of Conversation, May 31, 1973, Record Group 59, General Records of the Department of State, Political and Defense, 1970-73, Box 2836, NARA. In 1973 Rato Dugonjic, Vice President of the Presidency of the Socialist Federal Republic of Yugoslavia, inquired of John A. Baker Jr., Director of the Office of Eastern European Affairs (EUR/EE) “whether the authority of the USG [United States Government] was declining, noting that in 1971 when he was in New York, a planned Croatian demonstration had been refused a permit but now they seemed to be demonstrating at will.”

49 “State Visit of President Tito: Measures to Forestall Incidents Embarrassing to the US as Host,” Memorandum for Mr. Henry A. Kissinger from Theodore L. Elliot, Jr. Executive Secretary, October 15, 1971; and “Contingency Planning for Tito Visit,” October 26, 1971; in, Nixon Presidential Materials Project, NSC Files, VIP Visits, Box 944, NARA.

50 Nan Robertson, “Tito In Capital: Hearty, Funny and Difficult to View, New York Times, October 31, 1971, p. 16. The New York Times reported that “extraordinary security sealed him [Tito] off from the public everywhere. At the Capitol there were policemen by the hundreds on the grounds yesterday, sternly shooing cars and sightseers away while Marshall Tito met House and Senate leaders.” Furthermore, “in the building more policemen and Secret Service agents Blocked virtually every doorway and corridor to all but members of Congress and their staff. Briefcases were yanked open and inspected by each line of guards.”

51 “Our Ambassador to Yugoslavia,” Memorandum for General Haig from Helmut Sonnenfeldt, September 10, 1971, Nixon Presidential Materials Project, NSC Files, VIP Visits, Box 944, NARA. As mentioned above, Yugoslavia pulled Bogdan Crnobrnja and appointed Toma Granfil as the new Yugoslav Ambassador to the United States just before Tito’s visit.
Both meetings between Nixon and Tito went well. On October 28 they discussed a wide range of international issues while the follow-up meeting on October 30 was more focused on the US-Yugoslav relations and the situation in Vietnam. The joint communiqué said that “Yugoslavia’s policy of nonalignment has bee a significant factor in international relations” indicating that Mr. Nixon and Marshall Tito were satisfied with the current status of bilateral relations. After Washington, Tito travelled to Houston where he visited NASA and the Texas Institute for Rehabilitation and Research that had ties with Yugoslav medical research institutions. On October 31 Tito went to Palm Springs for a day of rest, the next day he went to Los Angeles where he visited the McDonnell-Douglas Corporation, and on November 2 the official party flew to Des
Moines to change to Tito’s aircraft for the flight to Canada, and another stop in London en route to Yugoslavia.\footnote{FRUS, 1969-76, Vol. 1, p. 99.}

This series of the highest level visits between the United States and Yugoslavia was concluded by Tito’s visit to the Soviet Union on June 5-10, 1972, just a month after President Nixon’s summit there with Brezhnev on May 22-30, 1972. Although no major agreements resulted from Tito’s visit to Moscow, this was another step toward improved bilateral relations that had started in September 1971 when Brezhnev visited Yugoslavia. The Soviets lavishly hosted Tito and his entourage. Moreover, “Tito was formally awarded the Order of Lenin… and [was the first foreign leader to receive] a Red Army marshal’s sword.”\footnote{“Yugoslavia-USSR: Reflections on Tito’s Visit,” Department of State Intelligence Note, June 16, 1972, Record Group 59, General Records of the Department of State, Subject Numeric Files, 1970-73, Box 2766, NARA.} The Soviet-Yugoslav economic relations markedly improved reflected in “offers of almost $2 billion in credits to Yugoslavia.”\footnote{“USSR-Yugoslavia: Leaders Exchange Visits,” Department of State Intelligence Note, September 1, 1972, Record Group 59, General Records of the Department of State, Subject Numeric Files, 1970-73, Box 2766, NARA.} In the wake of these developments and the apparent American unwillingness to supply military equipment to Yugoslavia,\footnote{“Yugoslav Military Procurement Abroad,” Belgrade’s A-340, August 20, 1970; “Yugoslav Arms Purchases From USSR Within Framework of 1971-75 Agreement,” Belgrade’s 4300, December 14, 1970; “Supply of Defense Information and Equipment to Yugoslavia,” Memorandum of Conversation, January 16, 1970; “British Request for US Views on Supply of Defense Information and Equipment to Yugoslavia,” January 16, 1970; “Yugoslav Arms Procurement,” Stockholm’s 1345, June 9, 1970; “Yugoslav Arms Procurement,” Belgrade’s 1696, June 10, 1970; “Expansion of DOD Procurement in Yugoslavia,” May 5, 1970; Record Group 59, General Records of the Department of State, Subject Numeric Files, 1970-73, Box 1878, NARA. The list of above documents, which is not exhaustive, indicates that Ambassador Leonhart made frequent reports from Belgrade on Yugoslav military procurement activities which indicated a trend of relying on soft currency or “clearing account payments (USSR, other Warsaw Pact, India)” as opposed to paying in hard currency to the United States and other Western countries: “Soviet-Yugoslav military accounts are kept entirely separately from the trade clearing account.”} the Soviet-Yugoslav military relations also improved: “The Yugoslavs may
have concluded that they will have to continue to procure the bulk of their military hardware needs from the Soviets in view of their largely unsuccessful efforts since late 1968 to increase the proportion of military purchases from the West because of perennial hard-currency shortages.” Despite the exchanged visits, Tito must have realized that the Nixon-Kissinger team was unwilling to substantially improve the US-Yugoslav relations by providing economic support, thus pushing Tito into the Soviet’s eager hands.

Kissinger, Ford State Visits – A Diplomatic Courtesy?

As Henry Kissinger was to be sworn in as the fifty-sixth Secretary of State on September 22, 1973, in addition to his role of Assistant to the President for National Security Affairs, George Kennan dispensed to him detailed recommendations in a series of long letters. In his congratulatory letter of September 19, Kennan stressed that he and Kissinger shared the basic affinity regarding the conduct of American foreign policy: “The proper concern of this government… are the interests of this country, generously and enlightenedly conceived, not the interests of any faction, however put upon, of the

Leonhart estimated in December 1970 that “Yugoslav arms purchases form Soviets form 1971 through 1975 may range between 400 and 800 million dollars and that purchases from 1966 through 1970 may have been about $500 million, or about $100 million per year.” Most importantly, the decision not to expand military sales to Yugoslavia was contrary to the recommendations made by Martin J. Hillenbrand, Assistant Secretary of State for European and Canadian Affairs, who stated that it was in the United States “foreign policy interest in seeking to expand military purchase in Yugoslavia… we feel it essential to explore directly and in more detail with DOD the possibilities of expanding military procurement in Yugoslavia.”

Ibid. The intelligence community also speculated whether the Soviets pressed for access to the naval bases on the Adriatic Sea. In June 1967 and May 1968 Yugoslavia made the naval base at Boka Kotorska in Montenegro available to the Soviets but since then the base was put off-limits to all foreign naval units. Given that the Soviet Navy continued to use Egyptian ports Tito’s rejection of the Soviet request did not threaten bilateral relations.

Henry Kissinger stated that this joint appointment was “not a good system since too much power was vested in one person and the Assistant Secretary of State had to represent the State Department.” Kissinger’s verbal remarks at the following conference: “U.S.-Soviet Relations in the Era of Détente, 1969-1976,” Department of State, Washington, D.C., October 22-23, 2007.
citizens of any other country.” Several months earlier Kennan wrote a letter in which he reflected on Yugoslavia that William Hyland, head of the Bureau of Intelligence and Research and close Kissinger’s associate, dubbed “a letter well worth reading.” This letter, which talked about his most recent stay in Yugoslavia, resembled Kennan’s previous writing on the topic. Kennan vehemently commended the American Foreign Service appointees in Belgrade: “We have at this time, in addition to the Ambassador [Malcolm Toon], two very able men in Belgrade; the Deputy Chief of Mission, Richard Johnson, and the political officer, Allen Thompson.” Kennan added that a “personal note from someone in high position in the State Department emphasizing Yugoslavia’s importance in our government’s eyes at this time and encouraging the Ambassador there to follow things carefully, might be useful.” Kennan must have been prompted by Ambassador Toon to stress the importance of American Embassy in the policy making between the United States and Yugoslavia so their reports would not gather dust but would be taken into consideration.

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58 Kennan to Kissinger, September 19, 1973; Kissinger to Kennan (drafted by Eagleburger), October 11, 1973, NSC Country Files, Box 722, Nixon Presidential Materials Project, NARA. Kennan commented on détente and the domestic challenges to Kissinger’s conduct of Soviet-American relations and was critical of Senator Henry Jackson’s efforts to link the question of Jewish emigration from the Soviet Union to the granting of Most Favored Nation (MFN) status to the USSR via the so-called Jackson-Vanik Amendment that had been introduced in March 1973.

59 “Letter from George Kennan.” Memorandum from William G. Hyland to Kissinger, May 18, 1973, White House Central Files, Box 88, Nixon Presidential Materials Project, NARA. In addition to indicating that Kennan’s letter had some valuable information, William G. Hyland made a point of indicating that Kissinger and Kennan discussed these issues before Kissinger’s trip for Moscow: “George Kennan has written you about his stay in Yugoslavia. It is a letter well worth reading and you may have talked to him about it before your departure for Moscow.”

60 Kennan to Kissinger, April 21, 1973, White House Central Files, Box 88, Nixon Presidential Materials Project, NARA. It is important to note that the letter made no mention of Orme Wilson who served as the General Consul in Zagreb. The most plausible reason for the omission may be the fact that Toon and Wilson did not get along which resulted in strained relations between the Belgrade Embassy and Zagreb Consulate.
Kennan reiterated to Kissinger that despite the allegations that Yugoslavia is “going back to the East,” Tito and the Yugoslavs have no intention of “sacrificing Yugoslavia’s hard won independence.” For Kennan the most dangerous Yugoslav internal crisis was the problem of Tito’s succession. He stated that “Tito… 80-year old man, is no longer really running the country… he is not even fully informed what goes on… like many other aging leader, he is hard to get through to, in any complicated matter; and people who try it come away with a sense of frustration.” Kennan’s assessment was also correct as he referred to the “unworkable 23-man presidency” that was set up to take over Tito’s functions, but Tito was reluctant to relinquish the reigns of Yugoslav government:

He [Tito] still receives foreign statesmen, puts in his oar in crucial points and confuses things. And such is his prestige, and such the loyalties with which he is still surrounded, that no one is prepared to oppose him openly. In these circumstances, he becomes in part an object, rather than subject, of politics—an instrument rather than an author; and the result is, in the circles just beneath him, confusion and intrigue.

By designating Tito an object of confusion of Yugoslav politics rather than an instigator of order, Kennan wanted to inform Kissinger of Yugoslavia’s serious political trouble marked by forced resignations, problems with nationalism, and “sterility of the ideology as a political-emotional force.” Kennan was disappointed that Tito was getting rid of some of the most competent politicians. For instance, Marko Nikezić, former Ambassador in Washington and the head of the Serbian party, and Vice-President Koča

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61 Ibid. This was “déjà vu all over again” for Kennan who must have vividly remembered having his detailed reports ignored by the Washington establishment and consequently leaving his ambassadorial post in Yugoslavia bitterly disappointed.


63 Ibid.

64 Ibid.
Popović were removed from their positions and forced into obscurity for no apparent fault. Furthermore, for Kennan the resurgence of Croatian nationalism did no reflect any danger of a break-up of Yugoslavia since it “did not come from people who wanted any real Croatian independence” but it “was exacerbated by over-reaction on the part of the central authorities.” Kennan was more afraid of the Serbian nationalism and chauvinism because of the attempts “to play off the inner Serbian minorities against the Serbian party leadership.” Regarding the US-Yugoslav relations, Kennan asserted that Tito was no friend to the United States:

Tito, anxious as he is to preserve the advantages of a good bilateral relationship with the United States, is not really our friend. He wants to eat his cake and have it, too. He wants good bilateral relations with us; but he wants also to retain the privilege of commending himself to his African, Arab, and East Asian friends, not to mention the Russians, by joining in the chorus of attacks upon ‘American imperialism’ and criticism of our policies toward the Arab-Israeli conflict. Until recently, he had three tunes to sing: our ‘Cold War’ attitude towards the great Communist powers; our support for the ‘revanchiste’ Western Germany; and our various sins with relation to the Cold War. Our President’s visits to Peking, Moscow, and Belgrade, have now deprived him of the first of these pretended grievances, Willy Brandt’s Ostpolitik of the second. There is nothing left now, as an excuse for abusing us, but our policies with relation to the Middle East and Southeast Asia, and of these, the most is made.

Kennan summed up his letter with the strong recommendation that although Tito’s real powers may be limited, because Tito “does not have much more life’s road to cover” and his “past achievements,… [the United States] is obliged to continue to treat

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65 Ibid. Additionally, Kennan stated that since Tito’s powers were limited, the United States “must concentrate on the people under him. The two best candidates for the succession, not only from our standpoint but from the standpoint of the fortunes of the Yugoslav peoples themselves, are the two mentioned above—Nikezić and Popović—who are at present in the shadows.” Moreover, Kennan believed that “their present obscurity may turn out to be conducive, rather than detrimental, to their future usefulness… [so] we should not embarrass them by any attempts to enter into contact with them under present conditions. We can only wait and observe.”

66 Ibid.
him with every formal mark of respect.”

One way the United States continued to show respect to Tito was by paying Yugoslavia formal visits at the highest level. Consequently, during Ford’s short presidency the United States hosted Džemal Bijedić, the President of the Federal Executive Council of Yugoslavia, in March 1975 while both Kissinger and Ford visited Yugoslavia. Kissinger paid a short official visit to Yugoslavia and met with Tito and other Yugoslav officials on November 4, 1974 while President Ford, accompanied by Kissinger, accepted Tito’s invitation to visit Yugoslavia on August 3-4, 1975.

Yugoslavia was the ninth country on Kissinger’s eighteen-day journey during which he visited fifteen nations. Yugoslavia was added to the list at the last moment partially in response to (1) President Tito’s accusation that the CIA and NATO organized

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67 Ibid, and Tim Weiner, *Legacy of Ashes: The History of the CIA*, (New York: Doubleday, 2007), pp. 330-35. This time Tito’s accusations were incorrect since apparently the CIA was not directly involved in the overthrow of Archbishop Makarios that escalated into a bloody civil war between the Greek and Turkish Cypriots. According to Tim Weiner, the CIA’s intelligence apparatus failed to envisage the crisis although “the CIA was in bed with the military men against whom it was supposed to warn.” Furthermore, Weiner quoted Thomas Boyatt, the State Department officer responsible for Cyprus, who had made the following statement: “There we were, sitting there with the entire intelligence establishment of the United States in all of its majesty having been conned by a piss-ant Greek brigadier general [Demetrios Ioannidis].”

68 “Proposed Visit by Yugoslav Premier Bijedić,” November 27, 1974, White House Central Files, CA 7: Yugoslavia (1), Box 22, Ford Library. Stane Dolanc, Secretary of the Executive Committee of the League of Communists, and Edvard Kardelj, Vice President of the Presidency, were also to visit the United States during the Ford Presidency.

69 President Tito’s Letter to President Ford, August 21, 1974; Memorandum for Scowcroft regarding the Proposed Visit by Yugoslav Premier Bijedic, January 9, 1975, White House Central Files, CA 7: Yugoslavia (1), Box 22, Ford Library.

70 “Remarks Following a Meeting with Secretary of State Kissinger,” November 10, 1974. *The American Presidency Project*. From October 23 to November 9, Kissinger stopped in Denmark, en route to Moscow where he met with General Secretary Brezhnev and Foreign Minister [Andrei] Gromyko, and paid official visits to India, Bangladesh, Pakistan, Afghanistan, Iran, Romania, Yugoslavia, Italy, Egypt, Saudi Arabia, Jordan, Syria, Israel, and Tunisia. President Ford indicated that he was “very grateful and most appreciative of the almost superhuman efforts that the Secretary has made on this trip as well as in the past” (emphasis added).
the coup on Cyprus in July 1974 and because of (2) the Cominformist affair that complicated Yugoslav-Soviet relations.

In his speech in the Slovenian town of Jesenice on September 12, Tito stated that “the putsch in Cyprus… was organized by the CIA, the Greek military junta, and the Atlantic Pact… to kill [the Cypriot leader, Archbishop] Makarios, because Cyprus was a non-aligned country… [and] to turn Cyprus into a base for the Atlantic Pact.”\(^7\)

The transcript of conversation between Laurence S. Eagleburger, Deputy Under Secretary of State, and Vice-President of the Federal Executive Council and Federal Secretary Miloš Minić, who came to Washington to complain about American alleged involvement in Cyprus, indicated that the “Secretary’s schedule may not allow stop in Belgrade.”\(^7\)

\(^7\) “Yugoslav Facts and Views: Excerpts from President Tito’s Speech,” Published by the Yugoslav Information Center, September 1974, White House Central Files, CO 169: Yugoslavia, Box 59, Ford Library.
Although the White House dismissed Tito’s allegations, which were also submitted in a personal letter to President Ford on September 6, Max L. Friedersdorf, Deputy Assistant to the President, stated that “the President has asked Secretary Kissinger to stop in Yugoslavia in the course of his present trip to the USSR, South Asia, and Europe… [to] demonstrate our interest in maintaining a mutually beneficial relationship with Yugoslavia.” The correspondence between Toma Granfil, Yugoslavia’s Ambassador in Washington, and Congressman Marvin L. Esch further confirms that the White House was mindful of Tito’s accusations: “Our disappointment at the false allegation concerning the CIA has not affected our basic policy toward Yugoslavia which has remained constant for the past quarter century… the Secretary’s visit on November 4 will constitute tangible evidence in our interest in maintaining a strong relationship between the two countries.”

On the eve of Kissinger’s visit to Yugoslavia, Brent Scowcroft, Deputy Assistant to the President for National Security, informed Kissinger about the Cominformist plot

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72 “Secretary’s Meeting with Minić,” Department of State to Amembassy Belgrade 4776, September 27, 1974, White House Central Files, Yugoslavia-State Department Telegrams, Box 22, Ford Library.

73 Tito’s Letter to President Ford, September 6, 1974, White House Central Files, CA 7: Yugoslavia (1), Box 22, Ford Library. Tito’s letter stated that “it is my firm belief that the essence of the Cyprus problem lies in the fact that to the unresolved and neglected relations between the Greek and Turkish national communities in Cyprus constantly are added foreign interventions and conflicting interests of external factors.” Furthermore, Tito stated that “the coup in Cyprus, inspired and organized from outside with an aim of liquidating the independence and non-aligned position of the Republic of Cyprus, and overthrowing the legitimate government of President Makarios.”

74 Ibid, and Memorandum for Lieutenant General Bren Scowcroft from Executive Secretary George Springsteen, November 14, 1975, White House Central Files, CA 7: Yugoslavia (1), Box 22, Ford Library.

75 Correspondence between Toma Granfil, Yugoslav Ambassador to the United States, and Congressman Marvin L. Esch, November 4, 1974, White House Central Files, CO 169: Yugoslavia, Box 59, Ford Library.
that was considered to be a demonstration of “increasing Soviet pressure in the area.” In June 1974 Tito’s security forces uncovered a plot by a group of Yugoslav exiles who had infiltrated the country to hold an alternative party congress in the hope of establishing a base of influence and expanding it to other areas of country “to overthrow Tito and realign Yugoslavia more closely with the Soviet Union.” Although not discounting the significance of the plot, Toon commented that “while it seems nearly paranoid, Yugoslav perception and resentment of external threats is fact of Yugoslav political life.”

Initially Tito chose to preserve the apparent warm relations with the Kremlin and he protested privately to the Soviet Union regime. As a signal of Belgrade’s serious concern about the Soviet-sponsored subversive activity in Yugoslavia, Tito sent Edvard Kardelj, Vice President of the Presidency who had gone to Moscow in 1948 to stand up to Stalin, to discuss the matter with Premier Leonid Brezhnev. Enraged by Brezhnev’s virtual admission of the plot and fearing that this was only the tip of the iceberg of subversive operations, Tito made the Cominformist affair public on September 12. Since both Tito and Kardelj stated that the USSR constituted the only real threat to Yugoslavia, Scowcroft concluded that Kissinger’s “visit to Belgrade takes on added importance for the Yugoslavs in the wake of their recent difficulties with the Soviets and their


77 “Point and Counterpoint,” *Time*, October 21, 1974. The Cominformist plot episode was considered to be the largest and most efficiently organized conspiracy against Tito since his 1948 rift with the Soviet Union. However, Tito soon began retracting from the anti-Soviet rhetoric as he arrested dissident Yugoslav writer Mihajlo Mihajlov for the fourth time in ten years. Mihajlov was a well known for his anti-Soviet views, and according to *Time*, “whenever President Tito feels the need to placate the Kremlin publicly, he usually orders the arrest of Russia’s least favorite Yugoslav… In a characteristic display of the point-and-counterpoint diplomacy that keeps Yugoslavia straddled between East and West, Tito began backtracking.”

78 Belgrade’s 5334, October 25, 1974, White House Central Files, Yugoslavia-State Department Telegrams, Box 22, Ford Library.
recognition that the ‘trust’ relationship with the USSR has been shattered anew.”79 Furthermore, Soviet subversive activities confirmed Belgrade’s worst fears that “Titoism remains anathema to the USSR… and seems to have slightly inclined the Yugoslavs to probe further expansion of relations with the West on the eve of your visit.”80 As a result, Scowcroft counseled Kissinger that “during your visit-and if not then, later-the Yugoslavs may well angle for increased Western credits, investments, and perhaps some weaponry as they seek alternative to their reliance on the Soviet Union.”81

Kissinger’s visit was brief and uneventful. He arrived in Belgrade from Bucharest and after several hours of talks with Tito, Vice-President of the Federal Executive Council and Federal Secretary Miloš Minić, and others, Kissinger continued on to Rome. The joint statement confirmed that economic relations were among the topics of discussion: “Both sides assessed that bilateral cooperation between the Socialist Federal Republic of Yugoslavia and the United States of America is developing favorably, and stressed the interest and readiness for its further development and expansion, especially in the spheres of economic, financial, and scientific-technological cooperation, as well as joint investments.”82 Although special attention was devoted to crisis areas in the world, such as the Near East and Cyprus, perhaps the most important part of the discussion had


80 Ibid. Another unintended consequence of the Soviet subversive activities under the cloak of the Cominform (international organization of Communist parties) was drawing of Belgrade and Bucharest more closely together. The two countries started cooperating in such sensitive areas as exchanging intelligence and developing a jet fighter as they nourished their mutual suspicion and fear of the Soviet Union.

81 Ibid.

82 “Joint Statement At Conclusion of Secretary Kissinger’s Visit to Belgrade,” November 4, 1974, White House Central Files, CO 169: Yugoslavia, Box 59, Ford Library.
to do with economic development as “they emphasized... the agreement under which United States and Yugoslav firms are cooperating in construction of Yugoslavia’s first nuclear power plan” and the invitation for Ford’s to visit Yugoslavia.\footnote{Ibid, and Bernard Gwertzman, “Kissinger to Visit 5 Mideast Lands on Peace Mission,” \textit{New York Times}, November 4, 1974, pp. 1; 77. “Presidential Transition: Briefing of Ambassador Granfil,” Department of State to Ambassador Belgrade 4366, August 10, 1974, White House Central Files, Yugoslavia-State Department Telegrams, Box 22, Ford Library. In August 1974 Ambassador Toma Granfil reported to the Deputy Secretary Richard Armitage that the Krško Nuclear Power Project was moving forward as planned: “agreement had been reached with the Eximbank... the enrichment contract with the AEC could be signed next week. The Eurodollar loan is ‘approaching its goal’... the final ceremony could take place in late August or in early September. Both the Ambassador and the Deputy Secretary agree that this would be a convenient occasion for a high-level U.S. official visit to Yugoslavia.”}

By the time President and Mrs. Ford visited Yugoslavia on their last stop of a five-nation tour across Europe on August 3-4, 1975, Ambassador Toon left Belgrade to serve as new United States Ambassador to Israel. Laurence H. Silberman, former Undersecretary of Labor and Deputy Attorney General, was appointed to replace him on May 8, 1975.\footnote{Ibid. Gerald Ford was a member of the Congressional group that visited Yugoslavia shortly after the Skopje earthquake in July 1963.} Silberman was the only American Ambassador to serve in Yugoslavia who was a non-career appointee and was “appointed to his post partly because of his Republican Party connections.\footnote{Malcolm M. Browne, “Blunt U.S. Envoy Nettles Belgrade,” \textit{New York Times}, July 26, 1976, p. 3.} The replacement of Toon with Laurence Silberman, who had no Foreign Service experience, was significant for the bilateral relations. According to Bernard Gwertzman of the \textit{New York Times}, the “decision to nominate Mr. Toon... reflected a desire by Secretary of State Kissinger to send a well-regarded professional diplomat to Tel Aviv at a time of extremely sensitive relations between the United States and Israel.”\footnote{Bernard Gwertzman, “Malcolm Toon, A Career Diplomat, Is Chosen as Envoy to Israel,” \textit{New York Times}, May 8, 1975, p. 4.} As Kennan asserted, Toon was highly regarded in the State Department for
his outspoken and firm stance as he “always put American interests first and was not infected with localities.” Toon was chosen to assume the Israeli post despite not being a Middle East expert; as one official said that he had been chosen “because he’s the best ‘pro’ we have and you need a ‘pro’ in Israel today.” By the same token, a replacement of highly competent diplomat with an inexperienced outsider signified that Yugoslavia was losing its relative importance in the eyes of the American establishment.

Ford’s visit did not result in any major improvements of bilateral relations. To the contrary, Tito’s sharp criticism of the American Middle East policies seriously undermined Ambassador Silberman’s statement that “no matter what else the GOY does in the international fora, it is in our interest to support their independence vis-à-vis the Soviet Union by providing military equipment and strengthening bilateral economic relations.” Although the tone of the discussions was generally positive, Tito reiterated his strong support of the Arabs against Israel when he said to Ford, Kissinger, and others that to avoid a dangerous crisis in the Middle East, Israel must give up occupied Arab lands and recognize Palestinian independence: “If Israel desires to secure its own

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87 Ibid.

88 Ibid.

89 Ibid. Additional confirmation of Ambassador Toon’s high diplomatic expertise was the fact that he was informally chosen in 1973 to take over as Ambassador to Moscow, but the Nixon Administration switched at the last minute for unexplained reasons and appointed Walter J. Stoessel.

90 “The President’s Visit: Topics Tito Might Raise,” Belgrade’s 3744, July 21, 1975, White House Central Files, Yugoslavia-State Department Telegrams, Box 22, Ford Library. Regarding military sales, Ambassador Silberman stressed that the Yugoslav military has been anxious for some time to purchase sophisticated military equipment from Pentagon. The United States has promised cooperation in general terms “but procrastinated, obfuscated and agonized over the issue. This has resulted in good deal of suspicion on the Yugoslav part as to whether we are sincere about our expressions of support for their independence.” Silberman also added that “whether or not President Tito raises the issue, President Ford should be prepared to indicate a definite concrete position on the issue with some specifics. I strongly recommend... that we agree to sell the GOY any equipment which, after Vietnam, we know the Soviets have access to.”
independence and future based upon peaceful cooperation with Arab peoples and countries, it should withdraw from Arab territories as soon as possible.” Although Ford did not respond in kind to Tito’s forceful remarks, Ron Nessen, the White House Press Secretary, issued a conciliatory statement the following day blaming a translation error and not Tito:

The Yugoslav translation of the toast by Marshal Tito at a luncheon yesterday in Belgrade quoted him as having said that talks with President Ford showed their views on the Middle East were ‘quite identical’… the translator had dropped the two words ‘in that,’ thus indicating the two leaders’ views were identical not only in the seriousness of the situation but also in all the particulars.

As pointed out by James Naughton, the “remarks by President Tito… produced a flurry of interest among Mr. Ford’s aides… [yet] the unusual substantive challenge contained in the dinner toast would probably not either impair or improve the prospects for a Middle East settlement.” Tito’s indirect criticism of Kissinger’s step-by-step search for a Middle East peace placed the bilateral relations in the same limbo state where there had been for some time before the visit. The joint communiqué issued resembled the usual diplomatic rhetoric of the joint statement of 1971 after President Nixon’s visit, as well as later communiqués during the visits of Kissinger to Belgrade and Džemal Bijedić to Washington, yet none of them indicated a substantial improvement in


93 James M. Naughton, “Tito Tells Ford That Israelis Must Give Up Occupied Lands,” August 4, 1975, pp. 1; 43.
the relations between the United States and Yugoslavia; only the military relations provided some short-lived hope.

**The Challenge of Nationalism**

As Ambassador Elbrick was leaving Belgrade he indicated that the “outlook for the immediate future” of US-Yugoslav relations appeared favorable and he stressed that “both internal and international environments contain elements of instability, and we must remain prepared to cope with unpredictable ‘happenings’ which may in the future, as so often in the past, affect our relations for good or ill.”

Among the most prominent internal elements of Yugoslavia’s instability were the problems with resurgent nationalism, radical émigré groups, and some aspects of the church-state relations.

The outbreak of Croatian nationalism took place during Nixon’s administration although the initial signs of the so-called rebirth of “Croatian national renaissance” appeared in 1966 with the celebration of the 130th anniversary of the Illyrian movement. As the American Embassy in Belgrade reported, the celebration was an

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94 “US Policy Assessment-Yugoslavia,” Belgrade’s A-83, February 17, 1969, Central Foreign Policy Files, 1967-1969, Record Group 59, Box 2845, NARA. According to Elbrick, there were three major objectives of American policy towards Yugoslavia: “to encourage its independence from Moscow, further its relations with the West, and give sympathetic support for its economic reform.” He added that the “current policies and programs serving these objectives likewise seem to us to be realistic and effective, and not in need of change in any major respect.”

95 This unprecedented public remembrance of the nineteenth century Croatian national revival marks the beginning of the first post-1945 quest for the rediscovery of the national past, thus it may be considered as one of the long-term causes of the collapse of Yugoslavia. The event took place in Zagreb and it attracted some of the most prominent Croatian intellectuals living in Croatia and abroad. Both the Croatian communist leaders, who were astoundingly lenient about the event and the Catholic clergy, took part in the gathering. Although this was first celebration of a kind under the communist regime, one must not overestimate the significance of this purely cultural event. The relative communist leniency may be attributed to the fall of Aleksandar Ranković, a pro-Serbian Yugoslav official who was to replace Tito but was dismissed because he abused his powers over the federal intelligence services – he eavesdropped on Tito and other high ranking officials – in July 1966. The ensuing victory of the Party liberals over the conservatives assured Croatian intellectuals that the time had come to clarify contentious language issue.
important indication that Croatian intellectuals had been reassessing the current Yugoslav political and cultural state of affairs that run under the principle of obligatory 

“brotherhood and unity.” 96 More significant than the anniversary celebration was the “Declaration Concerning the Name and Position of the Croatian Literary Language.” 97

Over one hundred prominent Croatian intellectuals, including Miroslav Krleža who was one of the most respected literary figures in Croatia, signed the Declaration. 98


96 Belgrade’s A-182, April 25, 1967, Central Foreign Policy Files, 1967-1969, Record Group 59, Box 2842, NARA.

97 “The Symbols and Myths of Croatian Nationalism,” Zagreb’s A-104, May 12, 1971, Record Group 59, General Records of the Department of State, Political and Defense, 1970-73, Box 2837, NARA. The Consular report stated that nationalism in Croatia was rampant:

Nationalism seeks symbols and myths, resurrects them when there is something to resurrect, creates them if necessary… the symbols are the Croatian red, white, and blue tricolor and the red and white checkeredboard heraldic device of the Zrinski counts. The Zrinski family with its sometime allies, the Frankopans, governed much of Croatia for the Habsburgs during the 16th and 17th centuries. The myths are several, the arrival of the first Croats on the Adriatic coast in the early middle ages; the siege of Siget in 1562, in which Nikola Šubić Zrinski is said to have met a heroic death in battle with the Turks; and the extinction of the Zrinski and Frankopan line in 1671, under the axe of a Hapsburg executioner for plotting to create a separate Croatian state. While it is the intellectuals who resurrect and nourish these legends, it would be incorrect to conclude that their impact is confined to the intelligentsia. The widespread display of the symbols is proof that the average Croatian is very much aware of and enjoying his ‘Croatianhood.’ Recognizing and sharing in this sentiment, the political leadership of Croatia has endorsed the display and is reaping political benefits.

98 The Declaration was published under the auspices of Matica Hrvatska (the Croatian Culture Society) on March 17, 1967 in Zagreb’s cultural newspaper, Telegram. The issue at stake was a controversy over the Serbo-Croatian language. The ongoing controversy had been re-ignited by the publication of the Serbo-Croatian dictionary in Belgrade that had no entry for Hrvat (Croat), though an entry for Srbin (Serb) was included. Moreover, the Serbian variant of the language was presented as standard while the Croatian variant was presented as an alternative or as a deviation from the norm. According to the report form the American Embassy in Belgrade, the “dispute over the dictionary is a continuation of a bitter quarrel which has bedeviled Serbian-Croatian relations from Versailles.” The report continued that this “newest manifestation points up the current surge of nationalism in Croatia which has resulted in ‘rehabilitation’ of a number of party intellectuals and other leaders who were severely punished for alleged ‘extreme nationalist’ behavior only a few years ago.” Quoted from, “Croatian Writer Krleža Forced to Resign Croatian Central Committee Membership,” Zagreb’s A-178, April 25, 1967; “F. Tudjman and V. Holjevac Denounced at Croatian Party Plenum,” Zagreb’s A-181, April 25, 1967; Record Group 59, General Records of the Department of State, Political and Defense, 1967-69, Box 2842, NARA.
This linguistic downgrading of the Croatian language outraged Croats and through the Declaration, Croatian intellectuals sought to annul the Novi Sad Agreement of 1954, which officially united the Serbian and Croatian languages into one official language, the Serbo-Croatian language of all Yugoslav people. Since the Serbian claim to linguistic superiority undermined the 1954 Agreement, the Croats felt no obligation to continue supporting it.\(^9^9\) Thus, the signers of the Declaration demanded that Croatian and Serbian language be considered two distinct, official, Yugoslav languages. Furthermore, they insisted that the Croatian government should guarantee the consistent usage of the Croatian language in schools, in the press, in public and political life, on radio and television, wherever one is dealing with Croats, and that civil servants, teachers, and officials, without regard to their place of origin, use in their official functions the literary language of the area in which they are working.\(^1^0^0\)

The last demand in particular was directed at the disproportionate number of Serbian people working in Croatia who were accustomed to using the Serbian variant of the language, despite the Croats’ disapproval. The publication of the Declaration sparked an immediate Serbian response from Belgrade from the Matica Srpska (the Serbian Culture Society), which insisted that the “language of the Serbs, Croats, Montenegrins and Bosnian Muslims is a single language with negligible variations.”\(^1^0^1\) Serbs saw in the Croatian resistance a sign of Croatian separatism that threatened Yugoslavia’s unity. This


\(^1^0^1\) Ramet, *Nationalism and Federalism in Yugoslavia*, p. 109.
dispute was a centerpiece of an internal political struggle which was closely followed by Ambassador William Leonhart and other American officials.

In the meantime in 1971, publication of the new Dictionary of the Croatian language and of Hrvatski Pravopis (Croatian Orthography) attempted to reaffirm the linguistic distinctness of the Croatian language. The linguistic debate, as well as other heated political and cultural debates, received an apt facilitator in Hrvatski Književni List (HKL, the Croatian Literary Gazette). The Croatian national movement received support also from other less radical newspapers like Hrvatski Tjednik (Croatian Weekly, a weekly newspaper of Matica Hrvatska), Praxis (Marxist philosophical journal published by the Croatian Philosophical Society), and Vjesnik (the principal Croat daily newspaper) as well as from the Zagreb Television.

Alongside the linguistic debate that was furthered by HKL and other media, Croats were absorbed with the issue of the demographic decline of their nation. From 1918 to the 1960s, the proportion of Croats in Yugoslavia decreased from 28 to 22

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102 “Croatian Nationalism: The ‘Hrvatski Književni List,’” Zagreb’s A-80, August 5, 1969; “Croatian Nationalism Again Under Party Attack,” Zagreb’s A-54, June 3, 1969; “Growing Alienation Among Croatian Youth,” Zagreb’s A-48, May 18, 1969; Record Group 59, General Records of the Department of State, Political and Defense, 1967-69, Box 2842, NARA. HKL was the first totally independent pro-Croatian newspaper since the communists took power. As such, it served as a publication source for both its proponents, mostly sympathizers with the Croatian national movement, as well as to its opponents. Although HKL was focused on Croatian issues, the contributors came from all segments of the Yugoslav ideological spectrum including Orthodox, Catholic, Muslim as well as non-communist enthusiasts. HKL was initiated in 1968 but it stopped coming out by the end of 1969 because the federal Party leadership banned it. However, in this short period HKL managed to unite different fractions inside the Croatian national movement: “while accepting socialism as its ideal, [HKL] was very critical of socialism as implemented in Croatia…[thus] mainstream Croatian intellectuals and the liberal wing of the Party came closer and began to work from the same platform.”


104 Memorandum of Conversation on US-Yugoslav Relations between Ambassador Bogdan Crnobrnja and Governor Harriman, September 27, 1967, Record Group 59, General Records of the Department of State, Political and Defense, 1967-69, Box 2843, NARA.
percent. The decline was accounted for by (1) the relatively low birth rate (around 3.3 percent); (2) economic and political emigration (many people were granted Gastarbeiter-guest worker visas and went to Germany or other Western countries but would rarely return); and (3) the growing migration of the Serbs into Croatia. Although the first two issues better demonstrate the demographic decline, Croats were particularly nervous about the influx of aggressive Serbs who consistently aimed at high-ranking posts and were taking good jobs away from them. Thus, Serbs were highly visible members of the Croatian society. For instance, “although Serbs made up less than 15 percent of Croatia’s population, they held 40 percent of the Party posts, and a much higher percentage of the posts in the army, the police, the secret police, the army officer corps, and the companies.” Such sensitive issues were further exacerbated by the suspected doctoring of census results: “On June 11, the Zagreb’s Prosecutor’s Office obtained a temporary ban on a leaflet written by Zlatko Tomičić alleging in several large Croatian localities, the census was taken by Serbs with the intention of doctoring results to the detriment of the Croatian people.” There was also an ongoing controversy over the systemic discrimination against Croatian recruits in the Yugoslav Army: “numerous injustices were perpetrated against recruits from Croatian families through the arbitrary insertion of

105 Ramet, Nationalism and Federalism in Yugoslavia, p. 103.


107 “Another Croatian Nationalist Complaint: Alleged Anti-Croatian Bias in Federal Census,” Zagreb’s A-33, February 10, 1971; and, “Possible Difficulties Over Census Results,” Zagreb’s A-301, June 17, 1971, Record Group 59, General Records of the Department of State, Social, 1970-73, Box 3114, NARA. Another tampering with the census occurred in Kosovo where in a number of villages significant pressure was put on “Serbo-Croatian speakers of the Muslim faith to declare themselves as Albanians (who in Yugoslavia are mostly Muslim) rather than to declare themselves as Muslims, a recognized ethnic minority.”
unfavorable comments such as ‘from an ustaši family,’ ‘Western oriented,’ or ‘religious.’”

Although the relatively high arrival of Serb nationals outraged Croats, it did not contribute to the decline of the Croats’ share in the Yugoslav population. Yet, they suspected that Serbs were determined to rule over them in the same way as Hungarians and Austrians had ruled over them for ages. On the one hand, Serbs were attracted to Croatia (and Slovenia) by higher wages and better living conditions. On the other hand, Croats perceived this steady and selective increase of high profile Serbian immigration, which appeared to have been supported and encouraged by the League of Communists (LC), as a systematic attempt to obliterate their nation.

Economic grievances were nonetheless more acute than the cultural or demographic ones. The main Croatian economic grievances were focused on collection, distribution and investment of government funds and on federal policies on foreign currency exchange. The economic reforms of 1965 did not bring about the decentralization and self-management that Croatia had hoped for. Banks in Belgrade controlled 1/2 of total credits and 81.5 percent of all foreign credits. Belgrade also

108 “Croatian Complaints of Past Anti-Croatian Bias in the Army,” Zagreb’s A-142, June 23, 1971, Record Group 59, General Records of the Department of State, Social, 1970-73, Box 3114, NARA.

109 “Political Mood in Slovenia After 17th LCY Plenary Session (April 28-30) of the Presidium,” Belgrade’s A-290, June 10, 1971, Record Group 59, General Records of the Department of State, Political and Defense, 1970-73, Box 2839, NARA. Ambassador Leonhart summarized the four main differences between Slovenia and Croatia in the wake of the 17th LCY Presidium: (1) Although “Slovenia and Croatia share a common Austro-Catholic-Western tradition and similar historic backgrounds and have the same views on many of ‘burning’ issues of the day, there seems to be little sympathy between them;” (2) “Slovenia is a strong supporter of the ‘Yugoslav’ idea and believes firmly in the concept of a unified market; however, it welcomes decentralization and the prospect of having more to say about its own future;” (3) “the LCY has not been effective recently in carrying out its assigned tasks and will have to be reorganized and reoriented in order to correct a certain disorientation and passivity;” and (4) “with better ideological-political orientation and organization the Slovenes believe Yugoslavia in time will forge ahead under the new blueprint for more local autonomy within the federation.”
controlled 77.1 percent of foreign trade while Ljubljana controlled 19.4 percent and Zagreb only 2.4 percent, meaning the republics that exported most reaped least benefit for it. Those figures are astonishing when one considers that “Croatia brought in about 50 percent of all foreign capital but controlled…scarcely more than 15 percent of total credits.”  

Ramet further argues that, “Progress, a trade corporation from Belgrade, illegitimately reaped huge profits at Croatia’s expense throughout 1971 by the sale of ships earmarked for the Croatian merchant fleet, using as a cover fictitious companies registered in Liberia and Luxemburg.” A similar situation existed in tourism, an industry that was of vital interest to Croatia:

During the 1965-9 period, the very time when investments in the Croatian hotel and tourist industry began to climb at a fast pace, profitability slumped: the reason, charged Hrvatski tjednik, was Serbian manipulation of investment credits and terms…Serbian corporations allegedly applied political pressure in order to obtain long-term agreements of a colonial character…Generalexport, for instance, whose main offices are in Belgrade, secured ten-year agreements with Croatian hotels…through political pressure and, though putting down only 10 percent of the capital…assured itself of the legal right to lay claim to at least 50 percent of the foreign currency earnings…It also established “service committees” that exercised wide authority in the management of the hotels without being bound by explicit regulations…[moreover] Generalexport was assured a fixed dividend even if the enterprise went into the red. 

Hard currency earned in Croatia flowed disproportionately into Belgrade, so much so that Croatian tourism worked almost exclusively for the interests of center banks and their creditors. The fact that the center banks controlled the money market in

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110 Ramet, Nationalism and Federalism in Yugoslavia, p. 8104.

111 Ibid.

112 Ibid.

113 “Slovenes Like Croatians Also Seek Revision of Foreign Exchange System,” Zagreb’s A-285, December 3, 1971, Record Group 59, General Records of the Department of State, Economic, 1970-73, Box 977, NARA. Orme Wilson Jr., reported that “Slovenes also seek changes in the foreign trade and hard
Yugoslavia incited Croats to demand greater self-management, which had been ratified before, but was never fully implemented. The *Christian Science Monitor* reported that Croatia’s complaints were well-founded: “Its [Croatia’s] Dalmatian tourist coastline, its big modern industries, its emigrants working in the West—all are massive sources of foreign currency, of which Croatia retained only some 7 to 10 percent.” Furthermore, Croats complained about the distribution of foreign loans: “from 1965-70, Croatia had received only 10 percent of the loans granted by the Export-Import Bank while the republic had to carry most of the burden in the repaying of these loans.” Even though the Croatian Gross Nation Product (GNP) per capita exceeded the national average, Croatia did not necessarily reap the benefits of its development. The economic and financial relationships with the central federal agencies worsened as the time went on and the dispute became a major driving force of the Croatian national movement.

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114 Eric Bourne, “Yugoslavs Oppose Hard Line,” *Christian Science Monitor*, December 31, 1971, p. 10; Rusinow, p. 251; and, Lampe, *Yugoslavia as History*, p. 335. According to Rusinow, “the official total of Gastarbeiter [guest workers] in Western Europe was approaching 800,000 by 1969… However welcome their remittances, they represented a political embarrassment to a socialist regime, future social problems and hostages to the continuing economic prosperity and racial sentiments of their host countries.” By the early 1970s, Yugoslavia had one of Europe’s highest emigration rates since around twenty percent of the country’s labor force was employed abroad. According to Lampe, “[o]ver 1 million people in a labor force of 9 million had also gone abroad by 1972.” Initially a disproportionate number of émigré workers came from Yugoslavia’s economically developed northern and western regions, including Croatia, Slovenia, eastern Vojvodina, and northeastern Serbia. By the 1980s there was an increase of guest workers from Serbia proper, Montenegro, Bosnia-Hercegovina, and Kosovo. About one-third of all guest workers were women, a proportion that corresponded to their share in Yugoslavia’s overall domestic work force.


116 Ibid.

117 “Slovenians, Croatians Press for Special Facilities For Free Trade Zones to Attract Foreign Investment,” Zagreb’s A-35, March 3, 1970, Record Group 59, General Records of the Department of State, Economic, 1970-73, Box 977, NARA. Ambassador Leonhart reported about another “sharp” dispute between the Republics of Slovenia and Croatia and the economically less developed republics over the issue of liberalizing laws to encourage foreign investments: “proposals have been formulated in Slovenia
In the late 1960s, there was an ongoing struggle for dominance inside the League of Communists of Croatia. The “liberals” advocated greater Croatian autonomy inside Yugoslavia, and the conservatives or “unitarists” promoted greater authority of the central government in Belgrade.\footnote{Alvin Z. Rubinstein, “Whither Yugoslavia?” \textit{Current History}, 19 (May 1973), pp. 202-6.} Two key liberal figures were Savka Dabčević-Kučar, the president of the League of Communists (LC) of Croatia, and Miko Tripalo, a member of the Central Committee of LC of Croatia, while the unitarist were led by Dr. Miloš Žanko, Vice President of the Croatian Assembly and Vice President of the Federal Assembly in Belgrade.\footnote{Savka Dabčević-Kučar and Miko Tripalo were also know as the Croatian “Bonnie and Clyde” although this may be a misnomer since they can hardly be regarded as maverick politicians or opportunists.} The rival factions clashed on many issues. One of the more important international ones was the significance of the Soviet invasion of Czechoslovakia in 1968. The unitarists argued against greater decentralization and federalization of Yugoslavia for fear the Soviets might move into Yugoslavia to “save” socialism. They deliberately exaggerated the Soviet threat in order to subdue the liberals and their attempt to further decentralize. Though the liberals feared the Soviets, they believed if worse came to worse, Yugoslavia would attract greater international support, particularly from the United States, than the Czechs and would be saved. Both factions were also aware of the dangers of excessive nationalism. The unitarists “considered the alleged growth of nationalism the greatest threat to the Party and country [while] the liberals believed that, even though there had been some excesses in this area, the nationalist forces were weak and disoriented, and unitarism was a real danger.”\footnote{The}
combination of cultural and economic grievances turned the scale for the time being in favor of the Croatian liberals who became the domineering force inside the LC of Croatia until 1971.

The climax of the Croatian Spring occurred in the fall of 1971 and it overlapped with Tito’s visit to the United States. The Croatian students voted out their unitarist leadership and started protesting. The students, led by Dražen Budiša who was the president of the Zagreb Union of Students, fully supported the party leadership and demanded “a separate bank for Croatia, and what amounted to a separate army and representation in the United Nations.” Demonstrations and clashes between students and police in Zagreb lasted three days. More than 30,000 university students and faculty also went on strike over unresolved economic issues between Croatia and the Yugoslav federation: “we have stopped work at the Croatian University in order to protest the unresolved [problems regarding] foreign currency, credit, and the financial system.” However, the workers and population in general just marginally supported the student unrest. The student strike coincided with the decisive struggle inside the LC of Croatia between the liberals and unitarists. The police, intelligence services and army


121 “Yugoslav Regime’s Carrot and Stick Policies Check First Postwar Student Revolt,” Department of State Research Memorandum, July 5, 1968, Record Group 59, General Records of the Department of State, Political and Defense, 1967-69, Box 2842, NARA. Previous student revolts included the one on May 11, 1959 when about 3,000 students demonstrated in the streets of Zagreb; on May 20 Skopje University students apparently demonstrated in their dining hall because of poor food; on June 2-11, 1968 thousands of Belgrade University students protested demanding better employment opportunities, increase of student rights, and self-government.

122 Lampe, Yugoslavia as History, p. 308.

123 Čuvalo, p. 177.

124 “LCC Deals with Nationalism, Chastises Miloš Žanko For ‘Unitarism’ in Widely Publicized Tenth Plenum, Zagreb’s A-05, January 21, 1970; “Businesslike Croatian Party Plenum and Recall of Miloš
supported the unitarists who were gaining ground inside the LC of Croatia. Miko Tripalo, Savka Dabčević-Kučar and the entire LC leadership was summoned to Karadjordjevo hunting lodge in Serbia where Tito met and reprimanded them.\(^\text{125}\)

Under internal communist pressures and because of the federal pressure from the above, the entire Croatian communist leadership was purged or forced to resign during the December 12-13 televised meeting of the Central Committee of the Croatian League of Communists: “All media gave full play to the resignation statements of Croatian party leaders. Everyone knew both of their ‘self-criticism’ over failing to check the Croatian nationalist outcry and of their unequivocal repudiation that they played an antiparty or ‘chauvinist’ role.”\(^\text{126}\) Unlike the politicians who were publicly exposed and who lost their positions, hundreds of students and intellectuals were arrested and after a lengthy trial a good number of them was eventually imprisoned.\(^\text{127}\) The harsh measures Tito applied to

\(^\text{125}\) Milan Pišković, Ed. Sjeća Hrvatske u Karadjordjevu 1971: Authorizirani Zapisnik, (Zagreb: Meditor, 1994). This Croatian transcript of the Karadjordjevo meeting claims that Miko Tripalo and Savka Dabčević-Kučar were to blame for the failure of the Croatian Spring because they conceded defeat too easily: “…upravo se Savka Dabčević-Kučar i Miko Tripalo nisu znali postaviti kao branitelji Croatiae, nego su krivicu za ‘kontrarevoluciju’ prebacili na druge pokazujući spremnost da suraduju u birokratskom obraćunu s ljudima koji su se borili za hrvatske političko-gospodarske interese” (Savka Dabčević-Kučar and Miko Tripalo did not defend Croatian interests but they put the guilt for the ‘counterrevolution’ on the shoulders of the others participants of the movement who were willing to defend the Croatian political and economic interests). I am not entirely persuaded by this revisionist history that puts sole guilt for the Croatian Spring’s failure on Savka Dabčević-Kučar and Miko Tripalo partly because it was rubber-stamped by Šime Djodan, a staunch Croatian nationalist comparable to Franjo Tuđman, during the early formative years of Croatian independent state. The other reason for suspecting this argument is the fact that both Savka Dabčević-Kučar and Miko Tripalo lost their positions during the ensuing purges of Croat nationalists and thus they can hardly be labeled as a part of the unitarist clique.


\(^\text{127}\) “Arrests, Sentences: The ‘Matica Hrvatska Eleven’ and Others,” Zagreb’s A-27; “Reforms in Judiciary System in Croatia Designed to Ensure More Party Control, Tougher Stance Against ‘Chauvinism’
deal with Croatian nationalists proved that pure nationalism could be a dangerous
cpolitical ally: “President Tito’s Karadjordjevo strictures against laxity in the struggle
against ‘chauvinism’ and other political crimes included a stinging attack on the organs
of justice in Yugoslavia and especially those of Croatia.”

No foreign help that Croatian liberals had hoped for materialized: “The ultimate
aim of the action was to create the possibility of an intervention in Croatia… to separate
Croatia from the rest of Yugoslavia.” President Nixon received a letter from the United
American Croats, a radical émigré group, informing him of the “persecution of Croatians
because of their desire for independence from Yugoslavia” and requesting that Nixon
intervene with Tito. The Department of State responded by indicating that the
developments in Croatia were “related to the implementation of a new constitutional
structure which has as an objective the delegation of considerable governmental authority
in political and economic matters to the constituent Yugoslav republics and provinces.”

and Other Political Crimes,” Zagreb’s A-28; and, “The Purge in Croatia,” Zagreb’s A-29; all three dated
February 4, 1972; “Statement of Croatian Court Official on Trial Status of Matica Hrvatska Officials,”
Belgrade’s A-145, March 24, 1972; “Denouncement of ‘Karin Affair;’ One Croatian Student Demonstrator
Jailed,” Zagreb’s A-57, March 17, 1972; “Osijek PTT Affair Ends with Party Punishments for Alleged
Croatian Nationalist Plotters,” Zagreb’s A-90, May 5, 1972; “Trial of Seven Student ‘Functionaries,’”
Zagreb’s A-131, August 3, 1972; “Veselica Trial,” Zagreb’s A-160, October 20, 1972; and, “Trial of
Matica Hrvatska Figure Šime Djodan,” Zagreb’s A-0008, February 8, 1973; all in, Record Group 59,
General Records of the Department of State, Political and Defense, Box 2839, NARA. Among those tried
and convicted were Franjo Tudjman, who became the first President of independent state of Croatia, and
other prominent leaders and intellectuals such as Dražen Budiša, Šime Djodan, Marko Veselica, Stjepan
Mesić (current Croatian President), and others.

Zagreb’s A-28. The report state that between “Karadjordjevo and February 1, 1972, 38 judges,
lawyers, public prosecutors, and officers of the law have been punished in Croatia, either by expulsion from
the League of Communists, recall from their positions of employment, forced resignation, disbarment,
censure, or some combination of the above.”

David Binder, “Croatian Charges Nationalists Hoped for Foreign Intervention,” New York
Times December, 18 1971, p. 6.

“Letter Asking the President to Intervene with Tito on Behalf of Croatians,” January 4, 1972,
Record Group 59, General Records of the Department of State, Social, 1970-73, Box 3114, NARA.
It is not clear whether Kissinger or Nixon considered any other course of action than to
avoid being associated with the radical émigré elements in the United States. 132

Why did the Yugoslav federal government put an end to the Croatian national
movement in a way that was reminiscent of the Brezhnev Doctrine as implemented in
Czechoslovakia in 1968-minus military violence? Why did Tito, who was a Croat
himself, turn against his fellow nationals? More importantly, why did he abandon the
course of greater decentralization advocated by the Croat leadership, which he had
initially supported? This move was in contrast with his previous accomplishments:
“official Yugoslav accounts record July 1966 [Tito’s purges followed by the fall of
Aleksandar Ranković, country’s number-one policeman] as the triumph of ‘liberal’
reform over hard-line centralism.” 133 Ivo Banac succinctly summarizes the paradox of the
Croatian Spring’s failure:

At the Twenty-First Session of the SKJ [the League of Communists of
Yugoslavia] Central Committee, Tito disturbed the political equilibrium by
striking at the League of Communists of Croatia. He accused its leaders, Savka
Dabčević-Kučar and Miko Tripalo, previously his closest collaborators in the
struggle against centralism, as being soft on Croat nationalism—of stressing the
sovereignty of Croatia as the expense of Yugoslavia’s collective sovereignty and
state unity, moreover, to the detriment of socialist statehood, defined as a
“community of working people,” not as a national state. This seemingly abrupt
change in course inaugurated a nasty campaign against Croat nationalism,

131 Ibid.

132 Belgrade’s A-27, Feb. 4, 1972, Record Group 59, General Records of the Department of State,
Political and Defense, Box 2839, NARA. During 1972 the police and intelligence services systematically
clamped down on independent organizations, and arrested the entire student leadership, politicians and
other activists, while the military forces stood by in case there was additional upheaval. The dishonored
leaders of the Croatian Spring vanished into jail or private life or they went abroad. The Matica Hrvatska
was practically closed down and all the publishing activities in Croatia were either prohibited or tightly
censored. The federal government crushed hopes for self-management and greater Croatian economic,
cultural and political autonomy inside communist Yugoslavia.

133 Tanner 1997, 197, and Pedro Ramet, “Political Struggle and Institutional Reorganization in
attended by arrests, mass firings and expulsions from the party, denunciations, and censorship.\textsuperscript{134}

For Tito the real problem was not the heated debate on cultural and economic issues, advocated by the Croatian liberals and students, but the demand for total Croatian independence from Yugoslavia advocated by the rightist émigrés and other extremists. Allegedly, the Soviet Union was supporting Croatian émigrés in Western Europe to promote the break-up of Yugoslavia. The Yugoslav officials believed that the Soviets wanted to settle scores with Tito for his defection in 1948.\textsuperscript{135} Yet, it is debatable how substantial Soviet support was since the émigrés have traditionally been aligned with western democracies rather than with Soviet style communism. There is also no evidence that official Washington expected Soviet intervention in Yugoslavia. However, Tito did not want to risk anything. He was fully aware that if Croatia was to become independent, Yugoslavia would collapse. By publicly asserting that “he would not hesitate to use the army to crush dissidents who threaten the unity of Yugoslavia,” Tito abruptly turned away from a policy of trying to meet maximum concession demands for local autonomy to the hard-line policy of vigorously suppressing greater decentralization and self-management.\textsuperscript{136} The \textit{New York Times} editorial speculated about the future of Yugoslavia:

\begin{quote}
\textsuperscript{134} Banac, “Historiography of the Countries of Eastern Europe: Yugoslavia,” p. 1089.
\textsuperscript{135} Clissold 1979, p. 10. According to an alleged plan called “Polarka,” which was uncovered when a Czechoslovakian Major General Jan Senja defected, a military invasion was planed on Yugoslavia by Czech and Hungarian forces supported by the Soviets. It is not clear whether the plan really existed or the Soviets just wanted to utilize the Croatian émigrés to keep the internal tension high in Yugoslavia.
\textsuperscript{136} “Tito Asserts Army Can End Dissidence,” \textit{New York Times}, December 23, 1971, 2; and A. Ross Johnson, \textit{Yugoslavia: In the Twilight of Tito}, (Beverly Hills: Sage Publications, 1974), 33. President Tito said in his speech that was broadcasted over the nationwide radio: “Our army, in the first place, should defend the country from all foreign enemies, but should also defend the achievements of the revolution if necessary.” Furthermore, Tito said that “we should not be afraid of some excesses, but if worse come to worse, if it is necessary to defend internal order-there is the army.”
\end{quote}
the survival of Yugoslavia is in more serious doubt than at any time since World War II… The reason is that a series of dramatic events has just taken place in Croatia, where the past month has seen a major student strike, a purge of Croatia Communist party leaders, four nights of violent anti-Belgrade demonstration in Zagreb, the capital of Croatia, and now the ‘resignation’ of Croatia’s Premier. Behind the trauma of these developments lies a reborn sense of Croatian nationalism and separatism that endangers not only Yugoslavia’s future, but peace in the Balkans and in fact the balance of power in the Eastern Mediterranean.  

The čvrsta ruka (hard line) policies, ensuing purges, and the virtual closing of Matica Hrvatska did not eliminate Croatian extreme nationalism. The movement went underground. Instead of using political or cultural discourse to further its cause, some radical members joined the remainder of the ultra-right Ustaša movement and adopted methods of subversion and terrorism. They were particularly influential among rightist groups of Croatian émigrés in the United States and Western Europe. As Ambassador Leonhart was preparing to leave Yugoslavia, he reported that the 1970s became notorious

137 “Is Yugoslavia in Danger?” New York Times, December 23, 1971, 24. The editorial also added: “In retrospect, the surprise is not that historic Croatian nationalism has exploded again, but rather that Tito managed to keep it under relatively tight control for the past quarter of a century. One reason is that Tito himself is a Croatian; another is that Tito and his colleagues have always been well aware of the sensitive nature of nationalities issue in Yugoslavia, with its highly diverse population. Tito has therefore tried to follow a policy of making maximum concessions for local autonomy.”


139 Clissold 1979, 11. Among the most dramatic actions was the murder of the Yugoslav Ambassador to Sweden in Stockholm in 1971 by émigré Croat extremists (Miro Baresic and five others), plane hijackings, and the attack on the diplomatic mission in Bonn. Incidentally, after serving half of his eighteen-year sentence in Swedish prison, the Swedish Government deported Miro Baresic to Paraguay, where he lived from 1974-79, arguing that “Swedish law prohibits deportation that risks a death penalty.”

140 Yossi Shain, “Ethnic Diasporas and U.S. Foreign Policy,” Political Science Quarterly, Winter 1994-Winter 1995, Vol. 109, Issue 5, pp. 811-841. Shain argued that the “struggle between the Serbs and the Croats has long penetrated the American scene and has become a source of contention between members of the two overseas communities.” He also added that in “the national rivalries that have torn Yugoslavia apart are again mirrored in the respective communities in the United States. The current dispute [of the early 1990s] among American-Serbs and American-Croats is largely dominated by charges and countercharges over past and present wrongs.”
as the years when assassination, hijacking and bomb planting were some of the main methods of attracting international attention to the extremist causes.\textsuperscript{141}

The problems with the Yugoslav émigré terrorism reached such levels that required intervention from William P. Rogers, Secretary of State. Rogers asked Richard G. Kleindienst, Attorney General, for his views about controlling Yugoslav émigré activities “to ensure that the United States is not being used as a staging-ground for terrorist activities, and the vigorous enforcement of recent legislation for the protection of foreign government officers and premises.”\textsuperscript{142} This request was a follow-up to a thirty-three page memorandum submitted to the United States Government on August 21, 1972 by the Yugoslav Government that identified twenty five organizations and nearly sixty individuals “as active in hostile, terroristic, illegal, or possibly illegal activities in the United States, constituting in any case interference in Yugoslav internal affairs.”\textsuperscript{143} Secretary Rogers requested “to place a high priority on investigation and other appropriate action to assure that the United States is not being used as a base for

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\textsuperscript{141} “Extremist Émigré Activity,” Belgrade’s A-429, Aug. 28, 1971, Record Group 59, General Records of the Department of State, Political and Defense, Box 2839, NARA. Ambassador Leonhart submitted a confidential six-page report listing extremist émigré activities. The detailed report mentioned the planning of Tito’s assassination during his trip to the United States and listed names of many extremists in the United States and Western Europe. In addition to the activities by the Croatian extremists (such as the North American Council for Independent Croatia, Croatian Liberation Movement, Ujedinjeni Njemacki Hrvati, Hrvatski Narodni Odbor, and Ujedinjeni Hrvati Amerike and Kanade), the report list the activities of the Serbian extremists (the Chetniks, members of the Srpska Narodna Odbrana, Sveti Sava, Srpski Chetnicki Centar, and Srpski Nacionalni Odbor) who were closely associated with the Serbian Orthodox Church.

\textsuperscript{142} “Letter to the Attorney General on Yugoslav Émigré Terrorism,” Memo From Walter J. Stoessel Jr. to the Secretary, November 3, 1972, Record Group 59, General Records of the Department of State, Political and Defense, Box 2839, NARA.

\textsuperscript{143} Memo From William P. Rogers to Richard G. Kleindienst, November 13, 1972, Record Group 59, General Records of the Department of State, Political and Defense, Box 2839, NARA. Among the complaints was the one from 1968 when Governor Ronald Reagan played politics by succumbing to the powerful Croatian lobby by proclaiming April 10 as “Croatian Independence Day,” which was the anniversary of the establishment of the Nazi puppet state in Croatia.
\end{flushleft}
terrorism” and he added that it “would be helpful to us initially if we could inform the Yugoslav Government that the Department of Justice has the activities of Yugoslav émigré groups under investigation.”

This was done in an attempt to appease Yugoslavia as well as to counter terrorist activities inside the United States.

In addition to the increased activity of the radical émigré groups, domestic tensions increased between Serbs and Croats. American Consulate in Zagreb reported that “a new incident – the ‘Baranja Affair’ – has added itself to the unhappy series of events which has reflected the state of tensions between the Croatian and Serbian communities in various regions of Croatia.”

The other unintended consequence of the federal hard-line policies was the rise of the Croatian Catholic Church. The clerics had been relatively quiet during the Croatian Spring but Tito’s crackdown caused church-state tensions. Since then, the Church became the main champion of the national interests by acting as bulwark against pan-

144 Ibid. To stress the urgency of the request, Secretary Rogers stated that “Yugoslav émigré groups have been responsible for the assassination of the Yugoslav Ambassador in Stockholm in January 1971; for the bombing of a Yugoslav passenger aircraft on an international flight in January 1972, killing all but one of the passengers and crew; for the hijacking of a Swedish airliner to Madrid in September 1972; for the infiltration into Yugoslavia of an armed band of 19 men in June 1972 and for the ensuing deaths of 13 members of the Yugoslav police and army; and for numerous other acts of violence and killing, particularly in the Federal Republic of Germany and inside Yugoslavia.”

145 “Evidence of Serb-Croat Tensions Also in Baranja,” Zagreb’s A-219, September 30, 1971; and, “Croatian Party Attempts to End Disputateous ‘Baranja Affair’ by Dismissing Both Sets of Antagonists,” Zagreb’s A-89, May 5, 1972; Record Group 59, General Records of the Department of State, Political and Defense, Box 2839, NARA. In this case the Serbian Mayor of the town of Beli Manastir clashed with the Croatian chief executive of the Belje agricultural enterprise over the issue of liberal financial management that was not favored by the conservative party elements. In an attempt to quiet the storm the party forced both to resign.

146 “Recent Roman Catholic Church Activity in Croatia,” Zagreb’s A-75, June 24, 1970; and, “Roman Catholic Church Activity,” Zagreb’s A-147, October 13, 1970, Record Group 59, General Records of the Department of State, Social, 1970-73, Box 3114, NARA.

Serbianism and against the Yugoslav regime in general. In his Christmas message the Archbishop of Zagreb, Franjo Kuharić, stated that “everyone under the sun is entitled to his home and his homeland… to his own bread and his own language… every right with which man is born is also a right of his nation.”  

The Archbishop also observed that patriotism enjoys Christ’s blessing and recalled the “strength of our [Croatian] fathers in centuries past when it was necessary to hold on tenaciously.” Progressive priests and theologians used the pulpit to further the goals of Croatian nationalists as well as “to fight for church reforms, expand the social mission of the church, appeal broadly to the Catholic masses, and establish the dialogue with the communists.” The main advantage of Catholic clerics was that, although they were prosecuted and imprisoned, the regime did not dare to close up the church for fear of widespread protests. In a sense, the Catholic Church adopted a similar role of resistance to that of the Church in Poland during communism.

The report from the American Consulate in Zagreb confirms the assertion that the Catholic Church was not an impartial observer: “The Roman Catholic Church in Croatia continues to respond publicly to indications from party sources that believers will be allowed to teach, and to assertions by party leaders that greater emphasis is to be placed

148 “Zagreb Archbishop’s Christmas Message,” Zagreb’s A-305. December 30, 1971, Record Group 59, General Records of the Department of State, Social, 1970-73, Box 3114, NARA. Under more normal conditions the Archbishop’s Christmas message would have probably been considered moderate but in December 1971 it was interpreted as a strong reaffirmation of the Croatian people’s right to cherish their national heritage.

149 Ibid.


151 “Croatian Church Paper on Position of Roman Catholic Church in Poland,” Zagreb’s A-159. July 14, 1971, Record Group 59, General Records of the Department of State, Social, Box 3114, NARA.
on the obligatory instruction of Marxism.” The report added that “Archbishop [Franjo] Kuharić’s Lenten encyclical stressed that the Church, responsible for the spiritual welfare of its members, cannot be indifferent to their ‘inalienable rights,’ among which he lists the right to follow any vocation… and also to ensure that the faith of the parents is transmitted to their children.”

The underlying idea behind these utterances was that the Church’s support for Croatian nationalism continued to grow as well as its vocal and firm resistance to the imposition of atheistic teaching by the communist regime. Croatian Catholicism, “unofficially calling itself the Church in the Croat People (Crkva u Hrvata),” seized the opportunity to promote its influence knowing that Tito’s regime could no afford in the

152 “Zagreb Archbishop Again Publicly Challenges Right of State to Bar Believers from Certain Professions, or to Impose Instruction in Atheism,” Zagreb’s A-68, March 30, 1972, Record Group 59, General Records of the Department of State, Political and Defense, Box 2839, NARA.

153 “Church and State in Yugoslavia,” Zagreb’s A-501, November 6, 1971; “Zagreb Archbishop’s Christmas Message,” Zagreb’s A-305, December 30, 1971; and, “Croatian Commission for Religious Affairs Meets January 5, Affirms ‘No Change’ in Church-State Relations, Zagreb’s A-2, January 7, 1972; “The Roman Catholic Church in Croatia After Karadjordjevo,” Zagreb’s A-59, March 17, 1972; “Church-State Relations in Croatia,” Zagreb’s A-119, July 13, 1972; and, “Glas Koncila Controversy,” Zagreb’s A-162, November 9, 1972; all in Record Group 59, General Records of the Department of State, Political and Defense, Box 2839, NARA. A-501 report stated that the “formulation that a dialogue exists between citizens rather that between leaders of church and state is a neat one, imaginative, and seemingly attractive to those in Yugoslavia continually looking for signs of new liberalism on the part of the regime in its relations with the Church.” In fact, the regime continued to attract more people to Marxism and away from religion with the objective “to separate the clergy from the faithful and in that process alienation is synonymous with secularization.” Furthermore, the historical and cultural traditions which separate Yugoslavia’s nationalities are inextricably intertwined with religion: “No matter how the regime looks at its timetable for the campaign against religion, in its efforts to erase the influence of religion its effectiveness will be conditioned by the success it enjoys in its nationality policy. The more permissive the regime is towards expressions of nationalist particularism the more it will have to be tolerant towards religion.

154 Perica, Balkan Idols, p. 10. Perica also added that the Roman Catholic Church in Croatia “experienced an unprecedented growth and success during late communism and in post communism. Croatian Catholicism attained its largest size in history in communist Yugoslavia between the 1960s and 1980s.”
post-Karadjordjevo atmosphere to attack it effectively for the same “Croatian chauvinism and nationalism” as uttered by the politicians."^{155}

It was also significant that on August 14, 1970 Yugoslavia and the Vatican reestablished diplomatic ties that was allegedly a “component of Yugoslavia’s growing orientation toward the West, accelerated by the falling out with the Warsaw Pact ‘five’ over the invasion of Czechoslovakia.”^{156} Furthermore, Tito paid an official visit to Pope Paul VI on March 29, 1971. American Consul Orme Wilson Jr. reported that the Tito-Papal meeting did not necessarily signify improvement in the relations between the Croatian Catholic Church and the regime: “Kuharić rather bluntly stated not only that problems still exist in Church-State relations but the faithful in Yugoslavia expect the ‘Holy Father and his Bishops’ to bring these up in discussion with Tito.”^{157}

\[^{155}\text{Ibid. “Glas Koncila [major Catholic fortnightly publication] May be Weathering Storm,” Zagreb’s A-173, December 8, 1972, Record Group 59, General Records of the Department of State, Political and Defense, Box 2839, NARA. Zagreb’s A-2 report stated that some “recent activities by Roman Catholic Church leaders in Croatia may have evoked a negative reaction from the authorities. However, whatever the tone of the privy discussions… the official statement is clearly designed to counter rumors prevalent in the glum post-Kradjordjevo atmosphere now prevailing in Croatia that the Church is also slate to come under attack.” Furthermore, in December 1972 Zagreb’s A-173 report stated that “recent developments suggest that both sides-Church and Party-may be looking for de-escalation without relaxing key substantive concerns which seem to be [1] for Party: That Church and Church organs not become channel for expressing Croatian-ness, thus gaining popular influence; [2] for Church: That Party in its recent emphasis on ideology, with attendant concern that Marxism be strengthened in the schools, not restrict the Church’s ability to exert moral influence, especially on youth, and also not discriminate against professional Catholics working in the educational system.”}\]

\[^{156}\text{“Yugoslav-Vatican: Elevation of Ties to Ambassadorial Level,” Department of State Intelligence Note, August 18, 1970, Record Group 59, General Records of the Department of State, Subject Numeric Files, 1970-73, Box 2766, NARA.}\]

\[^{157}\text{“Tito Visits the Pope; Zagreb Archbishop-Metropolitan Kuharić Issues Statement Urging Papal Assistance in Further Improvement in Church Position in Yugoslavia,” Zagreb’s A-75, April 7, 1971, Record Group 59, General Records of the Department of State, Political and Defense, 1970–73, Box 2836, NARA. Kuharić’s predecessor, Cardinal Franjo Šeper, was appointed in 1968 head of the Vatican Office for the Propagation of the Doctrine of the Faith. Yugoslav authorities opposed Kuharić’s appointment until June 17, 1970 because of his record of outspoken anti-communism. In August 1969 Kuharić was appointed Coadjutator of the Archdiocese and in February 1970 he organized solid local support that resulted in a letter of petition signed by 700 priests lobbying the Holy See to fill the Zagreb vacancy “promptly.” In September 1970 he Kuharić was elected Chairman of the Yugoslav Bishops’ Conference.}\]
close association with prominent Croatian nationalist certainly did not help the Church-State relations.\textsuperscript{158}

Kuharić must have been encouraged by Tito’s visit to Rome to preside over an emotionally charged Mass on April 30, 1971, attended by some of the most prominent figures of the government and party, during which he “gave strong support to those Croatian secular authorities which were seeking to achieve the greatest degree of autonomy possible for Croatia.”\textsuperscript{159} Although he also “stressed the importance of brotherhood and unity and mutual tolerance among peoples of different nationalities and creeds,” the influence of Archbishop Kuharić and the Catholic Church continued to grow over the next couple of years despite the regime pressure.\textsuperscript{160}

Unlike the Croatian Roman Catholic Church that seized this opportunity to increase its influence by opposing the regime, the Roman Catholic Church in Slovenia openly supported Tito’s regime. Jože Pogačnik, Archbishop of Ljubljana, stated that “recent events must strengthen even more our conviction that the existence of a unified Yugoslavia is of vital importance, especially for us Slovenes.” He also added that

\textsuperscript{158} “Zagreb Archbishop-Metropolitan Kuharić Accompanied by Croat Nationalist Figure, Dr. Ivo Franges, in December 22 Audience with Pope Paul VI,” Zagreb’s A-7, January 14, 1972, Record Group 59, General Records of the Department of State, Social, 1970-73, Box 3114, NARA. The report stated that the Archbishop was accompanied by Dr. Ivo Franges, a prominent Croatian nationalist and former official of the Croatian cultural-nationalist organization “Matica Hrvatska” and member of the editorial board of the suppressed nationalist weekly \textit{Hrvatski Tjednik}, when presenting the Pope a Christmas gift (a Missal in the Glagolitic script printed in 1483).

\textsuperscript{159} “Zagreb Archbishop-Metropolitan Kuharić Sermonizes on Croatian Nationalism,” Zagreb’s A-117, My 26, 1971, Record Group 59, General Records of the Department of State, Social, 1970-73, Box 3114, NARA.

\textsuperscript{160} “Religion Under Attack,” Belgrade’s A-708, December 27, 1973, Record Group 59, General Records of the Department of State, Social, 1970-73, Box 3114, NARA. The report stated that “During the last year Yugoslav religious organizations have come under pressure from the League of Communist of Yugoslavia (LCY) to reduce their activities and accept the limitations which the churches feel the current regeneration of Party strength and the Yugoslav draft Constitution place on them.” It was also stated that the “fate of the churches has potential importance to the USG if it comes under pressure from US religious and émigré groups to make representations to the GOY on the churches’ behalf.”
“several years ago a Slovene politician said that ‘even the worst Yugoslavia is better for the Slovenes than no Yugoslavia,’ I believe this statement holds true today.”

Although Archbishop Pogačnik was considered “conservative” in his views of the church-state relations and was frequently criticized for “clericalism,” I presume this was an attempt by the Slovene Church to pile up some useful capital gains in its relations with the local government authorities. In particular, this might have been an attempt to build bridges with the Slovenian regime which officially admonished the Slovenian Catholic Church in July 1970.

The Serbian Orthodox Church reacted vigorously to the apparent Croatian Roman Catholic support for the nationalists. Vasilije, the Bishop of Žiča, made acerbic remarks that were widely published and criticized by the regime. The Bishop began his speech by praising the Serbian Orthodox hymn ‘Bože Pravde Ti Što Spase’ (O God of Justice-Thee Who Saved Us), declaring that: “I began this greeting today with the hymn, Serbian, national and religious, because I see, and read, and hear that our brothers, the Croats, are singing ‘Ljepa Naša Domovina’ (Our Motherland Is Beautiful), while the Slovenes are singing “Oj Junačka Zemljo Mila’ (Oh, Loving, Heroic Country); our hymn is much

161 “Archbishop of Ljubljana Pogačnik Reportedly Quotes and Old Slovene Saying: ‘Even the Worst Yugoslavia is Better for Slovenes Than No Yugoslavia,’” Zagreb’s A-87, May 5, 1972, Record Group 59, General Records of the Department of State, Political and Defense, Box 2839, NARA.

162 “Ambassador’s Conversation with Archbishop Kuharić of Zagreb,” Belgrade’s A-322, May 18, 1972, Record Group 59, General Records of the Department of State, Political and Defense, Box 2839, NARA. During the conversation between Ambassador Malcolm Toon, Consul General Orme Wilson, Jr., and Archbishop Franjo Kuharić there was no mention of any tensions between the Croatian and Slovenian Catholic Churches as a result of the remarks by Archbishop Pogačnik.

163 “Indications of Party Displeasure With Certain Church Activities In Slovenia,” Zagreb’s A-113, August 14, 1970, Record Group 59, General Records of the Department of State, Social, 1970-73, Box 3114, NARA. Apparently the letter was couched in general terms, had not criticized the Church for any specific activities, and had not been intended as an “attack” on the Church but rather as a “benevolent warning.”
more beautiful and great deal older.”¹⁶⁴ This attempt to add oil to the fire of nationalism did not help the Church’s cause and it brought about condemnations from all local and national political organizations. Although Bishop Vasilije was eventually sanctioned by the Serbian Orthodox Church, his statement was not too great a departure from the more moderate yet incisive pronouncements by German, Patriarch of the Serbian Orthodox Church, as reported by Ambassador Leonhart: “Serbian Church in Yugoslavia is opposing Communism at great danger to ourselves… but we are also loyal citizens of this country… disloyal citizenship is contrary to canon law.”¹⁶⁵

On the whole, the regime’s suppression of the Croatian push for greater autonomy inside Yugoslavia was counter-productive in the long-term. The “iron broom” action resulted in a merger of Croatian ethnic nationalists, ultra-radicals, and the Catholics. This merger brought about a unified nationalist alliance that was to become capable of promoting and sustaining the bloody ethnic conflict of the early 1990s. Although Tito’s officials and the American political observers became conscious of the effects of the purges and suppression of the Croatian Spring, they could have not envisaged the future developments that would eventually spiral into the bloody collapse of the country. The memorandum jointly prepared by the Office of National Estimates and Office of Current Intelligence stated the following about the nationalism crisis:

Tito’s recent actions in Croatia have, by his own account, saved Yugoslavia from civil war and possible (Soviet) intervention. Tito probably exaggerates, but there

¹⁶⁴ “Controversial Speech by Bishop Vasilije of Žiča,” Belgrade’s A-518, November 6, 1971, Record Group 59, General Records of the Department of State, Social, 1970-73, Box 3114, NARA. In addition to offending the regime in general and the Croats and Slovenes, the Bishop also attacked the educational establishment of Yugoslavia and the youth stating that “from today’s youth, you need expect nothing good.”

¹⁶⁵ “Patriarch of Serbian Orthodox Church Visits Embassy,” Belgrade’s A-87, February 26, 1970, Record Group 59, General Records of the Department of State, Social, 1970-73, Box 3114, NARA.
is little question that he was greatly alarmed by the rising tide of Croatian nationalism, by the inability or unwillingness of the Croatian Communist Party to do anything about it, and, indeed, by the prospect of Belgrade’s losing control over the Federation’s second largest republic. In any case, Tito has moved to shake up the Croatian leadership, to repress the militant students and other extremists, and in general to reassert federal authority in Zagreb. He also has spoken out strongly against the kind of “rotten liberalism” which he claims led to the Croatian crisis and has promised measures which will prevent a recurrence – in Croatia or anywhere else in Yugoslavia where national passions may run high.166

Although the memorandum made no recommendations for modifications of the American policy toward Yugoslavia, it provided a solid assessment of the developments – mostly based on the newspaper articles and other publicly available sources – and probably its greatest contribution was expressed in the following question: “can a country such as Yugoslavia – poor, backward, and Balkan – long exist as a pluralistic society within a single state?”167

In June 1972 A. Ross Johnson and Arnold L. Horelick prepared a report for the State Department on communist succession in the post-Tito period in which they asserted that domestic unity was of a paramount importance: “a discohesive Yugoslavia might stumble along in a state of permanent semi-crisis, [becoming] the ‘sick-man’ of Europe in the 1970s.”168 The report further asserted that “a catalyzing nationalist incident involving bloodshed could degenerate into chaos, even civil war and revived national genocide. The Yugoslav state might then disintegrate.”169 Most importantly, the report somewhat


167 Ibid. p. 462.


169 Ibid.
prophetically suggested guidelines for U.S. foreign policy toward post-Tito Yugoslavia that were still adhered to two decades later during the early 1990s as the country was disintegrating:

United States support for Yugoslav integrity should be no less that our support for the independence of the Yugoslav state, because the former is a prerequisite for the later. U.S. interests would not be served, even with regard to “worst cases,” by anticipating the breakup of Yugoslavia into secessionist mini-states, for a neat breakup of the country seem demographically impossible. In particular, the USG [United States Government] should not anticipate a “Northern strategy,” involving backing of supposedly “reformist” or “pro-Western” Croatia and Slovenia, with this contingency in mind. U.S. support for Yugoslav integrity should be communicated to all the interested parties – all Yugoslav forces, separatists, and the Soviets.170

Economic and Military Relations

In the short terms, economic aspects of the bilateral relations did not change much during the Nixon and Ford years. Underlying that relative stability was uncertainty about Yugoslavia’s strategic importance. There appears to be no straightforward answer to the question how important Yugoslavia was to the United States in the late 1960s and early 1970s. The Central Intelligence Agency in 1967 defined the relations between the United

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170 Ibid. p. xii. Although somewhat reminiscent of the Cold War containment rhetoric, even more prophetic was the following recommendation to “err on the side of backing excessive centralism” in case of Yugoslavia’s disintegration:

In the event that post-Tito Yugoslavia disintegrated and the federal authorities or the army itself succeeded in halting the disintegration, the USG should prefer to err on the side of backing excessive centralism… It should welcome and support any force – whether supranational, nationally hegemonic, or military-dominated – attempting to preserve an integral Yugoslav state from domestic chaos and Soviet intervention. Any faltering by the United States in maintaining preexisting relations with such a regime – because of uncertainty in Washington or the outcry of vocal Yugoslav émigrés – would give the Soviets freer hand to establish predominant influence with the new regime… In the event of Soviet intervention in a disintegrating Yugoslavia, there would be no Yugoslav actor for the United States to support. The USG would have to resign itself to limiting the political damage in Western Europe while magnifying political costs for the Soviet Union in the Third World. Interesting opportunities could be presented for Sino-American cooperation. While the loss of Yugoslavia’s independence would be unwelcome under any circumstances, it would be less costly for the West if it resulted directly from the country’s self-disintegration… In preparation for the post-Tito period, the United States and other NATO members should continue to develop regularized, low-profile military relations with Yugoslavia.
States and Yugoslavia as “generally friendly.” The same report also suggested that the relations “have been marked with a measure of restraint and weariness on both sides.” According to the CIA, the pragmatism that led Tito to seek American aid after the break-up with the Soviet Union in 1948 remained the “touchstone of the Yugoslav attitude.”

The United States believed that on most decisive and polarizing issues, Yugoslavia could hardly detach itself from pro-Soviet antecedents and would pay at least lip service to the greater communist cause. Another potential source of friction was the hostility that Yugoslav exiles in the United States held against the Belgrade government, which was periodically reflected in the US media or legislation. However, the CIA asserted that Tito and the leaders of the League of Communists recognized the usefulness of a continuing measure of US political and economic support, and they did not allow themselves to be easily provoked.

It is hard to grasp the real sense of American ambivalence about Yugoslav communism taking into account the apparent nature of the official meetings between the two countries. For instance, during Tito’s visit to the United States in the fall of 1963, among other things, a bilateral agreement was hammered out that no further American economic aid seemed necessary. Yugoslavia strived to move beyond the dependency on American economic aid.

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172 Ibid.
Yugoslavia received more than “$3.2 billion in aid between 1945 and 1974, only four other European nations have obtained more US economic assistance than Yugoslavia.” Furthermore,

the closest [US economic] relationship [among the smaller East European countries] was with Yugoslavia…Between 1962 and 1970, the United States sold more military equipment to Yugoslavia that to most nations in Latin America and Africa. Because… [Yugoslavia] was never considered a Soviet satellite, it received MFN status and more than $200 million worth of Eximbank credits…and] more than $30 million has been directly invested by American companies. Several American companies are playing a role in the nation’s industrial expansion…Westinghouse…Ball-Reid Engineers…Foster Wheeler…Armco Steel…RCA…Chase Manhattan.  

Yugoslavia was traditionally regarded as one of the most important American economic partners among the European communist states. However, despite the relatively impressive figures, West European investments far surpassed the US investment in Yugoslavia. The United States maintained its economic presence in the region without over-committing itself. However, Yugoslavia’s borrowing during the 1970s was “over-stimulated by an unfortunate combination of internal and external factors.” As the domestic restraints on borrowing abroad were relaxed, “the financial market presented a ready and tempting supply of funds in the form of petrodollar deposits available for lending.” Thus, “despite sizable income from tourism, transportation, and

174 Ibid.
175 Alfred Friendly Jr., “Liberal Investing Set in Yugoslavia,” New York Times, January 28, 1971, 47. As Yugoslavia liberalized the 1967 law on joint ventures with foreign companies freeing the foreign partners of the earlier obligation to reinvest 20 percent of profits in SFRY, “Yugoslavia managed to conclude 27 contracts with outside investors who agreed to put over $60 million into an economy that is starved for capital and ravenous for western technology.” The biggest single investment was a $32 million “by Italy’s Fiat to Crvena Zastava (Red Star) automobile factory… agreeing to help the Yugoslav manufacturer raise output from 80,000 units in 1968 to a projected 185,000 in 1973.”
remittances from Yugoslav workers overseas, the balance of payments on current account remained in deficit almost every year through the 1970s.”\textsuperscript{177} To cover these deficits Yugoslavia borrowed more money, accelerating total gross foreign debt from $2 billion in 1969 to staggering $8 billion in 1976.

In his talks with Chinese Foreign Minister Qiao Guanhua in September 1975, Kissinger described the American attitude toward Yugoslavia by stating that the United States was “trying to weaken Soviet influence in Central Europe by presidential visits and by developing military relations with the Yugoslavs… Our strategy is to weaken the Soviet Union.”\textsuperscript{178} We have already seen that presidential and other high level visits did not usher an era of substantial improvement of the relations between the United States and Yugoslavia so the question remains whether the military aspect improved the bilateral relations.

Although Kissinger might have used the example of US-Yugoslav relations as leverage against the Chinese, regrettably the military relations were not developing nearly as well as Kissinger’s statement suggested. Following Kissinger’s brief visit to Yugoslavia in November 1974, Lawrence Freund, the Voice of America correspondent, reported “that the United States might resume arms sales to Yugoslavia.”\textsuperscript{179} This assertion coincided with the visit to Yugoslavia by the Assistant Secretary of Defense Robert A. Ellsworth, summarized by the Department of State as follows: “The Yugoslavs

\textsuperscript{177} Ibid, 149.

\textsuperscript{178} Kissinger, Years of Renewal, p. 865.

\textsuperscript{179} “Muted Voice of America,” Time, December 16, 1974. The article also added that “though reporters aboard Kissinger’s plane published the information [that the United States might resume arms sales to Yugoslavia], the U.S. Embassy in Belgrade suppressed Freund’s report on the ground that an official American network should not encourage provocative ‘speculation.’”
are glad Ellsworth visited Belgrade to clear away certain clouds in the area of military cooperation… The GOY [Government of Yugoslavia] does not expect anything extraordinary from the Ellsworth visit, but hopes that it had created a practical basis for good relations between the two military establishments.”

When Ellsworth visited Belgrade, the United States was apparently committed to sell military equipment to Yugoslavia, “subject to the understanding that we [the United States] might not be able to provide everything the Yugoslavs might want, in as much as there were some items of equipment we didn’t even provide our closest allies.” Brent Scowcroft even indicated that “the President has asked that the Department of Defense… give careful attention to Yugoslav requests for U.S. military equipment… insuring that the review process for specific items of requested equipment is handled expeditiously so as to insure prompt approval of all appropriate sales.”

There must have been a communication gap among the State Department, Defense Department, and others in the military dealings with the Yugoslavs since of the seventy five items of equipment requested following Kissinger’s visit, half of which Defense determined could be released, none was actually sold and delivered by the time President Ford visited Belgrade. Helmut Sonnenfeldt, the Department of State Counselor, called the apparent resistance of the Armed forces to proceed with the Yugoslav request a

180 “Under Secretary Sisco’s December 23 Meeting with Ambassador Granfil: Memorandum of Conversation,” Department of State to Amembassy Belgrade 2065, January 6, 1975, White House Central Files, Yugoslavia-State Department Telegrams, Box 22, Ford Library.

181 “Yugoslav Requests for US Military Equipment,” Memorandum for LGen Scowcroft from Major General John A. Wickham, Jr., September 6, 1975, White House Central Files, Yugoslavia (2), Box 22, Ford Library.

182 Memorandum for John A. Wickham Jr. from Brent Scowcroft, September 22, 1975, White House Central Files, Yugoslavia (2), Box 22, Ford Library.
“log jam” while the report published in the *New York Times* in July 1975 indicated that “American hopes of selling arms to Yugoslavia and thereby establishing valuable political contacts with military leaders here have apparently been stalemated.”\(^{183}\)

Part of the interest in selling military equipment to Yugoslavia was to offset the equipment imported from the Soviet Union, which was the biggest foreign supplier of arms at the time, to resume American military aid and cooperation that effectively ended in 1962: “The only formal Yugoslav-American military contacts are the circumscribed role here of a three-member American military attaché staff, and a program in which two Yugoslav officers attend the Command and General Staff School at Fort Leavenworth, Kansas, every year.\(^{184}\) Sonnenfeldt maintained that the United States “policy must be set in a political framework… [since] the military is likely to play a crucial role in Yugoslavia after Tito.”\(^{185}\) Sonnenfeldt also supported Ambassador Silberman’s recommendations to increase American influence among the Yugoslav military and to enhance the Yugoslav military ability to resist any “Soviet encroachment which might occur during a period of post-Tito instability.”\(^{186}\) Yet, all these initiatives did not bring


\(^{184}\) Ibid. According to Malcolm W. Browne, “after the break between Yugoslavia and the Soviet Bloc in 1948, the United States moved quickly to buttress Yugoslav forces against Soviet reprisals. From 1949 to 1962, Yugoslavia received $800-million in American military aid. But thereafter Soviet-Yugoslav relations improved markedly, and American aid ended.” Browne also stressed that “the only Yugoslav institution with any independent strength and organization other than the League of Communists is the army… after the death of President Tito… the army might play a pivotal stabilizing role.” Consequently, “any goodwill toward Washington on the part of the 230,000 man Yugoslav military might help keep Yugoslavia independent of Moscow.”

\(^{185}\) “Comments on DOD Staff Paper: US Military Relations with Yugoslavia,” Memorandum for General Scowcroft from Helmut Sonnenfeldt, August 29, 1975, White House Central Files, Yugoslavia (2), Box 22, Ford Library.

\(^{186}\) “Next Steps in US-Yugoslav Military Relations,” Belgrade’s 4494, August 26, 1975, White House Central Files, Yugoslavia (2), Box 22, Ford Library. Among Ambassador Silberman’s
about any tangible results. The Department of Defense claimed that “there has been no reaction from the Yugoslavs to our specific responses… either in the area of material we have indicated as available to them, or on items we needed further clarification.” By May 1976 still “nothing has been heard from the Government of Yugoslavia with respect to its intention to acquire TOW [wire-guided antitank missiles] despite sporadic reminders to the Yugoslav attaché as to the desirability of an early decision… the Deputy Secretary states that despite US responsiveness, it now appears the Yugoslavs may not accept our offer.” To save the deal, Major General Dick Lawson went to Yugoslavia in June but as the bilateral relationships were deteriorating, chances of improving military relations virtually disappeared. Although one may be surprised with these developments considering the memorandum issued by the National Intelligence Office that “the ultimate success of Yugoslav defense strategy would eventually depend upon

recommended measures in the field of exchanges and cooperation were invitations to senior military personnel to visit the United States, to expand offers of quotas to Army and Navy schools, to send American officers to Yugoslavia, and many more. Silberman acknowledged that his list was “rather large and comprehensive… and we do not expect approval of each item, but we need an early indication of which ones we can pursue with the Yugoslavs.”

“US-Military Relations with Yugoslavia,” Memorandum for Lt McFarlane, Military Assistant to the Deputy Assistant to the President for National Security Affairs, November 1975, White House Central Files, Yugoslavia (2), Box 22, Ford Library. The report also indicated that “the initial steps… in re-establishing a viable military-to-military relationship, have been the most difficult. However, the future augurs well, having received an important boost from the Ford/Tito talks which has given visibility to the US commitment to be responsive to Yugoslavia.”

“Yugoslav Request for US Military Equipment.” Memorandum for Brent Scowcroft from Mr. Clift, May 1, 1976, White House Central Files, Yugoslavia (4), Box 22, Ford Library. The report continued with the assertion that “on March 27 Federal Secretary for National Defense [Nikola] Ljubičić expressed displeasure to Ambassador Silberman at the publicity which the US offer of TOW had attracted in Yugoslavia and indicated that TOW would probably be deleted from the Yugoslav list.”

“General Lawson’s Visit to Yugoslavia.” Memorandum for Brent Scowcroft from Richard T. Boverie, June 24, 1976, White House Central Files, Yugoslavia (4), Box 22, Ford Library.
outside support,” there was no change for the better in the US-Yugoslav economic and military relations during the Nixon and Ford Administrations.  

The End of the Status Quo

As if the unsuccessful high level visits and the failed attempts to revitalize economic and military cooperation were not enough to impair the fragile status quo that marked the US-Yugoslav relations, Ambassador Silberman was declared persona non grata by President Tito, withdrawn from Belgrade on November 17, and forced to resign from the State Department on December 26, 1976, barely eighteen months after he arrived to Belgrade.

Although Silberman never had it easy in Yugoslavia, mostly because of his lack of experience as a career diplomat, the relations started unraveling following the revelation of Helmut Sonnenfeldt’s memo which had allegedly called for American support for “an organic union” between the Soviet Union and Eastern Europe.

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191 Laurence H. Silberman, “Toward Presidential Control of the State Department,” Foreign Affairs, 1979, pp. 872-93. Flora Lewis, “Diplomatic Jitters,” December 16, 1980, New York Times, p. A23. According to Lewis, Silberman “as Ambassador to Yugoslavia… broke a lot of diplomatic china… and he left ‘with less than friendly feelings toward the Foreign Service as whole.’ Silberman wrongly concluded from his experience that so long as career officers compete for senior posts with political appointees, the Foreign Service ‘will instinctively resist Presidential direction of the substance of foreign policy.’ Automatically, he said, career status is equated with merit, and political appointments are implicitly regarded as non-meritorious.” As it frequently happens, when a powerful person makes a mess, they are being promoted instead of punished. For instance, after a successful legal career, in 2004 Silberman was appointed co-chair of the Iraq Intelligence Commission and in the wake of the resignation of Alberto Gonzalez in 2007, Silberman was mentioned as a possible successor.

Sonnenfeldt did not advocate reducing Yugoslavia’s autonomy vis-à-vis the Soviet Union. Even though Sonnenfeldt’s real point was “that the United States should strive to promote conditions that would create a less volatile situation within the Soviet Bloc,” the Yugoslavs understood it as “a revival of Yalta;” an endorsement of a Soviet sphere of influence whereby the United States “would ‘turn over’ Yugoslavia in return for quid pro quo elsewhere.”

Silberman contributed to his downfall by becoming embroiled in a campaign to free Laszlo Toth despite the strong opposition from the Embassy staff in Belgrade. Toth was a Yugoslav-born American citizen and was a member of Hungarian ethnic minority who was “comically” accused of industrial espionage. Instead of trying to get out of the conundrum, Silberman must have lost the touch with the reality of the situation when he publicly warned a group of American businessmen visiting Yugoslavia that a “danger existed of capricious arrest and long imprisonment in this country, even for American citizens,” and he recommended to the State Department to act in response to the Toth case:

Secretary [William] Simon [should] skip Yugoslavia on his proposed visit to Eastern Europe… We have on several occasions in last six months presented a series of demarches to GOY threatening impact on bilateral relations most notably vis-à-vis Soviet overflights to Angola…Yugoslav imprisonment of American

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194 Laszlo Toth’s Letter for President Ford, August 12, 1976, White House Central Files, CO 169: Yugoslavia, Box 60, Ford Library. Mr. Toth was arrested in 1975 for photographing a Yugoslavian sugar refinery where he used to work before he immigrated to the United States. He was charged with spying, convicted at a secret trial, and sentenced to seven years in jail.
citizen Toth without any ostensible justification in my view requires suitable response.\textsuperscript{195}

Although Silberman’s rhetoric resembled George Kennan’s from over a decade earlier, these were different times and as the bilateral relations were hitting rock-bottom, he was not prominent enough to get away with it. In particular, Silberman declared that he was “an ardent supported of Moynihan’s new militancy… let us beat over the head there with every legitimate device at our disposal… we must keep their feet to the fire and press ahead.”\textsuperscript{196} As the \textit{New York Times} reported, “Marshall Tito accused the Ambassador of launching a campaign against Yugoslavia and of interfering in its internal affairs.”\textsuperscript{197} While the State Department said that Silberman was not engaged in an anti-Yugoslav campaign and had the “full confidence” of the President and the Secretary of State – and as Laszlo Toth was being released partially because of Silberman's blunt intervention – Silberman was reprimanded and eventually recalled for “undiplomatic conduct.” This mishap surpassed all previous tensions. As Malcolm Browne reported, “Marshall Tito’s direct verbal attack on Ambassador Laurence H. Silberman was the first

\textsuperscript{195} “Simon Visit to Yugoslavia,” Belgrade’s 2781, 27 April, 1976, White House Central Files, Yugoslavia-State Department Telegrams, Box 22, Ford Library. Silberman added that “it is imperative that we maintain credibility by taking some action which will pinch, as I have previously reported, GOY already mistakenly believes we are engaged in pressure tactics because of Sonnenfeldt flap and garment speech. However, they regard these tactics as largely ineffectual and indeed will use them to enhance non-aligned unity, with Colombo Summit coming up a perceived lack of American will could be costly on broad range of issues.” Moreover he argued that “if we are to convince GOY that there is ‘no free ride’ we must be prepared to back up diplomatic remonstration with concrete actions which suggest that major benefit GOY gets from bilateral relations with US-financial and investment support–is not immune.”

\textsuperscript{196} “U.S. Policy toward Yugoslavia,” Belgrade’s 4979, September 20, 1975, White House Central Files, Yugoslavia-State Department Telegrams, Box 22, Ford Library.

time in memory that the Yugoslav head of state had singled out any foreign diplomat by name for such criticism.”

Conclusion

During the Nixon and Ford years most of the activity was associated with the high-level visits that paradoxically marked the declining bilateral relations. The early 1970s were also the era of good relations with the Soviet Union that were cemented by Brezhnev’s visit to Yugoslavia in September 1971 and Tito’s return visit to the Soviet Union in mid-1972. These visits reversed the deterioration of Soviet-Yugoslav relations caused by the invasion of Czechoslovakia in 1968.

It was no surprise that Americans did not directly intervene in the Yugoslav affairs during the resurgence of nationalism in the late 1960s and early 1970s. For the officials in Washington, that was an internal Yugoslav matter with which they had nothing to do. The Croatian Spring coincided with the war in Vietnam, which totally captured national headlines, leaving no room for minor international events in a relatively marginal communist country. Nixon and Kissinger were both “at home and abroad…practitioners of power politics. When the interests of the United States or their


199 “Tito in Moscow,” June 8, 1972, New York Times, p. 46. The New York Times reported that President Tito received warmer welcome in Moscow than President Nixon but it questioned whether Tito was impressed since Tito had “too stormy relationship with the Soviet Union… followed by bitter denunciations, such as were unleashed against him and Yugoslavia in 1948, 1956, and 1968.” Moreover, the article added that “Tito’s willingness to make an official visit to Moscow constitutes implicit acceptance of Moscow’s triumph in Czechoslovakia. But Tito’s statements in the Soviet Union have already made plain that he does not accept the Brezhnev Doctrine and believes aggression is aggression even when engaged in by the Soviet Union against a Socialist state.” The article concluded with a correct assertion that “Moscow’s gains from his [Tito’s] visit will be limited, and Yugoslavia will continue to be heterodox in many areas of both domestic and foreign policy.”
personal interest were at stake, no holds were barred.” Yugoslavia was the clear case where no American vital interests were at stake. Therefore, the Nixon-Kissinger focus on détente and strategic bipolarity of powers left no room to try to find a solution to the acute problem of nationalism in Yugoslavia. Additionally, no Congressional debate was held about it or about the way Tito dealt with its proponents in the aftermath of the Croatian Spring. There were some sporadic letters and newspaper articles presented by the émigrés – some associated with extreme nationalists and political reactionaries – but their attempts attracted no favorable attention from American politicians or from the general public at large. The rightist émigré groups made the hard task of altering the Nixon-Kissinger foreign policy that advocated preservation of the Yugoslav unity totally unachievable.

The resurgence of nationalism was important because it re-ignited ancient wishes for greater independence, it exemplified that nationalism was alive despite the claims to the contrary, and it raised suspicions about the long-term stability of the Yugoslav communist experiment – especially in the post-Tito era. Since the stability of the region was not brought in question and the global power equilibrium remained unchanged, there was no foreign assistance and the event was considered to be an internal Yugoslav matter. Consequently, when Tito went to the United States at the height of the Croatian

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201 These are all the mentions of the Croatian ethnic nationalism in the Congressional Record: Begich, Nick. “Report on the recent General Assembly of the Croatian Academy of America.” Statements made during the 92nd Congress (second session) on February 24, 1972; Blatnik, Mr. “America says welcome to President Tito.” Article and editorial presented during the 92nd Congress (first session) on October 27, 1971; Pucinski, Roman C. “No end of irony in the Tito visit.” Article and editorial during the 92nd Congress (first session) on December 10, 1971; Stanton, James V. “Yugoslavian unity threatened by Croatian nationalism.” Remarks in House made during the 92nd Congress (first session) on December 17, 1971; Zablocki, Clement J. “ Croatian repression.” Statement made during the 92nd Congress (second session) on April 25, 1972.
crisis, the whole event was hardly even mentioned. There were some protests against Tito’s coming to the United States but the émigrés, who had held grievances against the communist regime in general, demonstrated without solely promoting the nationalist cause.

Virtually all developments in the American relations with Yugoslavia during the Nixon and Ford presidencies were considered with one question in mind: What after Tito? The intelligence community was producing countless reports and scenarios while the Belgrade Embassy reported every minor and major Tito’s illness and made suggestions to the State Department what to do in case of Tito’s sudden death.202 With Tito’s succession in mind, in April 1976 the White House provided a following assessment of the US-Yugoslav relations:

Our major bilateral problems with Yugoslavia stem primarily form differences on third party issues and Yugoslav criticism of U.S. policies—criticism, for example, of U.S. policy toward Chile, Cyprus, the Middle East and Angola. Political relations were frozen from the Yom Kippur war until the early spring of 1974 because of Yugoslavia’s willingness to assist the Soviet military resupply of the Arabs. In mid-September 1974, Tito alleged that the CIA and NATO engineered the coup on Cyprus to convert the island into a NATO base. More recently, Tito expressed his strong support to Fidel Castro for Cuba’s role in Angola. And, in the United Nations, the Yugoslavs have sided with other nonaligned countries as if in a Bloc in voting against the United States. In his meeting with Tito… the President [Ford] expressed disapproval of this Yugoslav ‘campaign’ against the United States… US-Yugoslav relations have recently been ruffled by press stories concerning remarks made by State Department Counselor Sonnenfeldt with respect to U.S. policy in Eastern Europe. The Yugoslavs have overreacted to the stories, professing to see the publicity given Sonnenfeldt’s remarks as aimed at forcing Belgrade to modify those nonaligned polices the U.S. does not like or risk the loss of U.S. support for Yugoslav independence.203


203 Talking Points for Meeting with President of the Yugoslav Assembly Peko Dapčević, April 28, 1976, White House Central Files, CO 169: Yugoslavia, Box 60, Ford Library.
Recent revisionists attempts elevated Ford’s presidency few notches but in the terms of the US-Yugoslav relations, it is hard to disagree with John Lampe who suggested that “relations with the United States had become more contentious that at any point in thirty years.”204 The combination of unsuccessful high-level visits, failure of the military collaboration, the misrepresentations of the Sonnenfeldt Doctrine, and the incompetent performance of Ambassador Silberman – who in his defense stated that “Henry Kissinger sent me over there to do a job and I did it”205 – ushered an era of tense bilateral relations. The traditional American wisdom in dealings with Yugoslavia has been that Tito and his regime be handled with utmost deference, thereby presumably reducing any possible temptation to rejoin the Soviet Bloc. As American opposition to Yugoslavia increased, even the support for Yugoslavia’s military neutrality began wavering. Ironically, as Tito’s days were being numbered the relations with the United States deteriorated overshadowing the previous accomplishments and leaving the doors wide open for the Soviet Union to assert itself in the region.

204 Lampe, Yugoslavia as History, p. 323.

V.

THE CARTER ADMINISTRATION AND
THE END OF THE TITO ERA

The uniqueness of the Carter Administration’s foreign policy lies in the intensity and multiplicity of the issues addressed, not in the novelty of the issues themselves. Every idea, every objective, every achievement, and every failure was tied to previous American experience and international events.

- Gaddis Smith, Morality, Reason, and Power: American Diplomacy in the Carter Years, p. 4.

When Jimmy Carter assumed the presidency of the United States in January 1977, he presented a foreign policy based upon regionalism, global community, and human rights. By the time of his reelection campaign in 1980, his foreign policy had reverted to a traditional Cold War basis and emphasized globalism, competition with the Soviet Union, and American military power.


In December 1974, amid the fallout of the Watergate scandal and an economy in a deep recession, former one-term governor of Georgia and peanut farmer Jimmy Carter decided to run for the presidency. Jimmy Carter, an avowed “born-again” Christian whom Time described as “most unabashed moralist,” was according to Gaddis Smith “driven by ambition for the office itself and not by commitment to particular policies, domestic or foreign.” After winning the presidential election of November 1976, his first act as president in January 1977 was to extend a pardon to draft evaders, military deserters, and others who violated the Selective Service Act from 1964 to 1973 during

1 Garland A. Haas, Jimmy Carter and the Politics of Frustration, (Jefferson, NC: McFarland, 1992), p. 4. Haas argued that Carter “had been elected after one of the longest and most arduous campaigns for the presidency in American political history.”

2 Gaddis Smith, Morality, Reason, and Power: American Diplomacy in the Carter Years, (New York: Hill and Wang, 1986), p. 27. Gaddis Smith argued that the confusion in the Carter years resulted from three conflicting approaches to foreign policy: “the philosophy of repentance, articulated by the President; the belief in negotiation, personified by Secretary of State Cyrus Vance; and the doctrine of confrontation, advocated by National Security Adviser Zbigniew Brzezinski.”
America’s controversial Vietnam War. The psychic and political wounds from Vietnam had yet to heal, and the nation still remained deeply divided over its involvement in the war and suspicious of the government after Watergate. Carter’s move generated controversy among the public and elicited criticism from Congress, which helped contribute to a rift with Congress that only widened during his presidency. Carter was unable to inspire public confidence or to fulfill his election promise to end stagflation (rampant inflation coupled with economic recession). To solve the ongoing energy crisis, a contributory factor to economic stagnation, Carter proposed energy taxes, limits on imported oil, and greater reliance on domestic sources of energy-plans largely thwarted by Congress. The Carter administration also deregulated the nation’s airline industry, passed major environmental legislation to encourage cleanup of hazardous waste sites, revamped the civil service, and created the Department of Education.

In an interview with Dan Rather in August 1980, Jimmy Carter graded himself on his performance in foreign policy in a following way: “I would say maybe a B or a C plus

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5 For detailed examination of Carter’s leadership see, Erwin C. Hargrove, Jimmy Carter as President: Leadership and the Politics of the Public Good, (Baton Rouge: Louisiana State University Press, 1988).


on foreign policy.” Some historians argue that this may have been too generous a grade since in foreign affairs Carter criticized other nations for human rights abuses, often linking economic and military cooperation to a country’s commitment to the American ideals of freedom and equality. Also, Carter did not press human rights when dealing with governments considered strategically valuable or whose leaders impressed Carter; the conspicuous example of this “double-standard” was his failure to push human rights with Iran. Disapproval of the Soviet’s treatment of political dissidents undermined détente and delayed SALT II (Strategic Arms Limitations Treaty) negotiations, which finally resulted in a 1979 treaty never ratified by Congress because of the Soviet invasion of Afghanistan that same year. In response to the Afghan situation, the administration enunciated the Carter Doctrine, which committed the United States to protecting oil interests in the Persian Gulf. Carter also imposed a controversial and ineffective American grain embargo on the Soviets and ordered a U.S. boycott of the 1980 Olympic Games.

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8 “Mr. President,” August 10, 1980, 60 Minutes, Dan Rather, published in: Don Richardson, ed. Conversations With Carter, (London: Lynne Rienner, 1998), p. 203. The system of assigning letter grades when assessing Carter’s Administration foreign policy performance was very common and was probably introduced by Zbigniew Brzezinski in his Weekly National Security Council Reports. In July 1977, Brzezinski stated that “it might be useful if we assessed our Administration’s performance, and did so critically… in the form of a report card.” For instance, basic spirit (new spirit, human rights, new idealism) received A, US-Soviet politics received B+, China policies C+, while Eastern Europe got D since there was no policy yet. The handwritten comments – probably added by Carter – read that “[y]ou’re too generous – we must a) have clear goals and, b) be tenacious.” NSC Weekly Report #23, Zbigniew Brzezinski to the President, July 29, 1977, Four Power Meetings through Weekly Reports, Box 41, Zbigniew Brzezinski Collection, Jimmy Carter Library.

9 Donna R. Jackson, “The Carter Administration and Somalia,” Diplomatic History, Vol. 31, No. 4 (September 2007), pp. 703-721. In her examination of the Carter policy on Somalia, Donna R. Jackson asserted that “it may seem harsh to call Carter’s attempts at prioritizing human rights and regionalism a failure, it also cannot be considered a resounding success, and his perceived weakness in foreign policy, added to his seeming inability to manage the economy, resulting in the ultimate penalty for a chief executive: only one term in office.”

Games in Moscow. In January 1979, he extended full diplomatic recognition to the People’s Republic of China, effectively cutting most American ties with Taiwan.

Carter invited Egyptian President Anwar Sadat and Israeli Prime Minister Manachem Begin to Camp David in September 1978. After two weeks of intense negotiations, a deal was brokered for a peace treaty between Israel and Egypt and signed on March 26, 1979. The Camp David Accords represented a true diplomatic breakthrough, provided a framework for future Middle East peace initiatives, and helped temporarily bolster Carter’s sagging popularity. In September 1977, Carter signed the controversial Panama Canal Treaties, ceding the canal to Panama and ensuring the neutrality of the waterway. The Senate narrowly ratified the treaties in March 1978, but Carter came under additional fire from conservatives for apparently abandoning an important American strategic interest.

The 1979-80 Iranian hostage crisis ultimately doomed Carter’s presidency. In the wake of Iran’s ouster of American supported Mohammad Reza Shah Pahlavi, Iran established an Islamic regime headed by Ayatollah Ruhollah Khomeini. In November 1979, radical Iranian students seized the United States embassy in Teheran, taking seventy Americans hostage. Carter’s diplomacy was unable to diffuse the crisis, and a


failed April 1980 rescue attempt paralyzed Carter as a leader and contributed to his defeat in the November 1980 presidential election.

To ascertain the tone of the bilateral relations during the tumultuous Carter era – at the end of which Josip Broz Tito died ending his thirty-five-year rule of Yugoslavia – this chapter examines initial Carter’s attempts to stabilize relations that included high-level visits and some of the main aspects of the economic, military, and political relations juxtaposed against Tito’s nonalignment policy and Carter’s human rights agenda.\footnote{Regrettably there were fewer primary documents available on the Carter Administration than on the previous ones since most of the State Department correspondence remains highly classified. For instance, the FOIA requests placed two or more years ago still remain unprocessed and even when the documents are released they tend to have names, dates, and sometimes entire sections blacked out.}

\textbf{Carter to Improve Relations}

Burton and Scott Kaufman suggest that Carter approached foreign policy with equal zeal as his domestic initiatives: “In both cases he was determined to play a dominant role, proposed a number of bold measures, angered constituencies that had helped elect him, failed to understand at times the complexity of the initiatives he proposed, and tried to do too much too quickly.”\footnote{Kaufman and Kaufman, \textit{The Presidency of James Earl Carter Jr.}, p. 43.} An example of such dedicated and yet profoundly flawed approach was displayed during the presidential campaign when Carter – in an attempt to demonstrate solid understanding of American foreign policy toward Yugoslavia – angered Tito and the Yugoslavs by stating that a Soviet invasion of Yugoslavia would not threaten American national security and thus would not warrant the introduction of American troops on Yugoslavia’s behalf.
Carter made the following statement during the third Carter-Ford Presidential Debate – hosted by Barbara Walters on October 22, 1976 – in response to the question whether he would intervene if the Soviet Union were to attack Yugoslavia to force it back into the Soviet Bloc:  

In the last uh – two weeks, I’ve had a chance to talk uh – two men who have visited uh – the Soviet Union, Yugoslavia, and China. One is Governor – Averell Harriman, who visited the Soviet Union and Yugoslavia, and the other is James Schlesinger, whom I think you accompanied to uh – China. I got a complete report back from those countries from these two distinguished – uh – gentlemen. Mr. Harriman talked to the leaders in Yugoslavia, and I think it’s accurate to say that there is no uh – prospect in their opinion, of the Soviet Union invading uh – Yugoslavia should uh – Mr. Tito pass away. The present leadership uh – is fairly uniform in – in their purpose, and I think it’s a close-knit group, uh – and uh – I think it would be an extremely unlikely thing. I have maintained from the very beginning of my campaign, and this was a standard answer that I made in response to the Yugoslavian question, that I would never uh – go to war or become military involved, in the internal affairs of another country unless our own security was directly threatened. And uh – I don’t believe that our security would be directly threatened if the Soviet Union went uh – into Yugoslavia. I don’t believe it will happen. I certainly hope it won’t. I would take the strongest possible measure short of uh – actual military uh – action there by our own troops, but I doubt that that would be an eventuality.

17 Walter Isaacson, *Kissinger: A Biography*, (New York: Simon & Schuster, 2005), pp. 699-704. The subject of the second debate on October 6 – which according to Isaacson cost Ford the election “after an astonishingly inarticulate answer to a single question” – was foreign policy so during the third debate there was only this one question asked that dealt with foreign policy in general and the policy toward Yugoslavia in particular. Isaacson argued that although the episode was treated as a gaffe, “a serious philosophical issue was involved [since] Kissinger (and Sonnenfeldt) did tend to see the world, despite their quasi-denials, as divided into spheres of influence. This respect that the Soviets and the Americans showed for each other’s sphere helped make the world stable. This, however, was not a public thing to say. Thus, Ford was determined to deny vociferously that he was willing to concede to the Soviets any special rights or influence in Eastern Europe.”

18 “Presidential Candidates Debates: Third Carter-Ford Presidential Debate, October 22,” 1976. *The American Presidency Project*; John L. Helgerson, “CIA Briefings of Presidential Candidates, 1952-1992,” [http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB116/cia](http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB116/cia). Although Barbara Walters moderated the debate, this question was asked by Joseph Kraft who was at the time a syndicated columnist. This was the only foreign policy question raised during the ninety-minute debate. Additionally, Carter made this statement after he had received intelligence briefings from CIA Director George W. Bush in July 1976. According to Halgerson, Carter “distinguished himself in the eyes of CIA officials by becoming the first presidential hopeful to request intelligence briefings even before receiving his party’s nomination.”
Carter’s statement was puzzling and potentially detrimental to the bilateral relations. In his nuanced rebuttal President Gerald Ford was critical of Carter’s apparent naïveté in disclosing the supposed course of action in case of a Soviet attack. Ford was fully aware that such rhetoric could anger the Yugoslavs and he stated that “it’s unwise for a president to signal in advance what – options he might exercise if any – international problem arise.”\(^1^9\) The *New York Times* was also critical of Carter’s remark and wrote that Carter “seemed to treat Yugoslavia’s strategic position with much less importance than the Ford Administration and other administrations since Yugoslavia broke with the Soviet Union in 1948.”\(^2^0\) Furthermore, the article repeated the comment made by Helmut Sonnenfeldt, the State Department’s top Eastern European expert, that “any shift by Yugoslavia into the Soviet orbit would represent a major strategic setback for the West… [since] we and the Western Europeans, indeed, the Eastern Europeans, have an interest which borders on the vital for us in continuing the independence of Yugoslavia from Soviet domination.”\(^2^1\)

Henry Kissinger joined the contentious debate by making “his most political appearance in the Presidential campaign” by stating that “the Democratic candidate did not yet understand ‘the art of diplomacy’ … [since] a successful attack on either [China or Yugoslavia] would affect the calculations of other countries, and therefore could in

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\(^1^9\) Ibid. President Ford also added sternly that “we all recall with some sadness that at uh – the period of the nin- late nineteen forties, early nineteen fifties, there were some indications that the United States would not include uh – South Korea in an area of defense. There are some who allege, I can’t prove it true or untrue, that uh – such a statement uh – in effect invited the North Koreans to invade South Korea. It’s a fact they did.”


\(^2^1\) Ibid.
time affect American even if it didn’t do so immediately.”

One wonders whether there was any substance to Kissinger’s statement or if his utterance should “be considered as election-year bluster,” as Carter retorted. The examination of the Nixon-Kissinger foreign policy seems to suggest that Yugoslavia was not regarded to be nearly as valuable and important as Kissinger’s statement was suggesting. Since it was unprecedented for Kissinger to elevate American relations with Yugoslavia to the same level of importance as the one with China, perhaps the most plausible explanation for Kissinger’s apparent change of heart was the troublesome situation in Yugoslavia in the wake of the removal of Ambassador Laurence H. Silberman – as discussed in the previous chapter – and Kissinger’s “personal plea for Eagleburger’s appointment” as Ambassador to Yugoslavia.

As Jimmy Carter entered the White House, the relations with Yugoslavia were probably at the lowest point since 1948. A. Ross Johnson, a staff member of the RAND

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22 Leslie H. Gelb, “Kissinger Scores Carter’s Stand On Nonintervention in Yugoslavia,” New York Times, October 25, 1976, p. 19. Apparently Henry Kissinger said this in the framework of explaining the “two kinds of American interests in the world.” He mentioned formal obligations such as the North Atlantic Treaty Organization and areas in which “whether we have an obligation or not, we might feel our security threatened.” Leslie Gelb therefore asserted that Kissinger “came close to suggesting that American security interests were as deeply wedded to China and Yugoslavia as they were to NATO.” Kissinger also stated that “it is important that [the Soviet Union] understand that pressure on Yugoslavia would have the gravest consequences for the relationship with the United States.”


24 “The Search for Excellencies,” Time, April 04, 1977. The Time article began with Carter’s campaign quote where he had criticized American ambassadors: “When I go into an embassy and see sitting as our ambassador a fat, bloated, ignorant, rich major contributor to presidential campaign… it’s an insult to me and to the people of America and to the people of that country.” To avoid making such political favors, Carter assembled a twenty-person screening committee – made of elder statesmen such as Dean Rusk, Averell Harriman, William Scranton, academics, and others – who sifted a list of four hundred names submitted by members of Congress, the foreign policy community, and Carter’s staff. Eagleburger’s name was recommended to Secretary of State Cyrus Vance by Henry Kissinger himself.

Corporation from 1969 to 1988 who conducted and managed policy research on Eastern Europe and USSR, argued that “the waffling of the past 7 years [during the Nixon and Ford Administrations] has been the least satisfactory alternative that could have been followed.”

26 Johnson continued his criticism by adding the following:

I question how well we understand the lessons of the past 7 years and for that matter the lessons of the late 1950s in this regard. I suggest that U.S. policy toward Yugoslavia in its security-related dimensions should either proceed with a gradual development of that relationship relatively insulated from Yugoslav behavior in the Third World or else we should come to an understanding with the Yugoslavs that such a development is just in the cards, given the differing interests of both sides. One way or the other, we need to make up our mind.27

It looks as if Carter made up his mind and to remedy the situation so he decided to nominate Lawrence S. Eagleburger as Ambassador to Yugoslavia. This may have come as a surprise since Eagleburger was Kissinger’s “right hand” – having worked as his Executive Assistant from 1968 to 1969 and again from 1973 to 1975 – and had served in the Nixon administration in various capacities including as Deputy Assistant Secretary of Defense from 1971 to 1973 and as Deputy Under Secretary of State for Management from 1975 to 1977. However, Eagleburger was considered “an energetic and able” officer who had joined the Foreign Service in 1957 and had served in Yugoslavia in the

knowing the status of US-Yugoslav relations and the controversy surrounding Carter’s election debate, in February 1977 Brzezinski published an article in London’s Survey and Daily Telegraph entitled “Independence of Yugoslavia in the Interest of USA” which was praised by Belgrade’s Politika: “Brzezinski has most clearly confirmed American interest in preserving independence of Yugoslavia.” Furthermore, it was noted that “Brzezinski’s viewpoints essentially differ from those of his predecessor, Dr. Kissinger and those of his Assistant, Sonnenfeldt, who wished to see closer, ‘organic’ unification of Russia with Eastern European countries, and whose advice to Yugoslavs was to be ‘less intolerant’ towards Moscow.” Apparently, Brzezinski had written the article before his appointment by Carter and when contacted by the editor he did not want to make any changes.


27 Ibid.
economic section of the embassy in Belgrade from 1961 to 1965. In addition to working with Kennan and gaining valuable knowledge about Yugoslavia, the highlight of Eagleburger’s appointment was his work in the aftermath of the 1963 severe earthquake in Macedonia when he led the United States AID program efforts to provide medical and other assistance, earning the nickname “Lawrence of Macedonia.” Coincidentally, on April 15, 1979 there was another major earthquake in Yugoslavia and Eagleburger had yet again an opportunity to oversee the provision of American assistance.

In a fairly detailed, three-page congratulatory letter to Eagleburger, Carter stated that as Chief of the United States Diplomatic Mission to Yugoslavia he had “the strongest mandate possible… for the direction, coordination, and supervision of all United States Government officers” and Carter expected “the highest standards of professional and personal conduct.” Eagleburger was also charged to “provide positive program direction… assuring that all United States Government activities are… economically administered [since] cutting the cost of government is of particular concern to me.” In typical Carter fashion, he placed the onus on Eagleburger to cut all excessive service and

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29 “Interview with Lawrence S. Eagleburger,” August 13, 1988, The Foreign Affairs Oral History Collection of the Association for Diplomatic Studies and Training, Library of Congress, Manuscript Division; Isaacson, Kissinger: A Biography, p. 732. After his assignment in Belgrade, Eagleburger was appointed by President Reagan in 1981 to be Assistant Secretary of State for European Affairs and in 1982 he was appointed Under Secretary of State for Political Affairs, the third-ranking position in the Department. He retired from the Department of State in 1984, after serving twenty-seven years as a Foreign Service officer. In August 1992, after James Baker resigned as Secretary of State, George W. Bush gave Eagleburger a recess appointment to serve as Secretary of State for the remainder of the term. He also served as chairman of the International Commission on Holocaust-Era Insurance Claims and most recently on the Iraqi Study Group.

keep only the minimum personnel: “The size of our representation abroad must be related to a stringent appraisal of policy and program requirements, and the number of personnel of all agencies must be kept at a minimum necessary to achieve our objectives.” This attempt to limit bureaucracy was an outcome of broader discussions involving other members of the cabinet. For instance, in his memo to the national security adviser Zbigniew Brzezinski, Paul Henze – who was responsible for intelligence coordination – discussed “the danger of putting too much emphasis on policy studies while the bureaucracy goes its own way” and added that “the capacity to implement should preoccupy us at least as much as the process of formulating policy… [w]e need great ideas only occasionally; we need good performance in the foreign affairs and national security establishment every day.” Eagleburger’s role was to provide such “good performance” in Yugoslavia.

Carter’s decision to appoint Eagleburger paid off since he managed in a short period to reverse the negative aspects of the bilateral relations. For instance, even before he went to Yugoslavia, the Ambassador-designate met with the executives of the Dow Chemical to discuss Dow’s $700 joint venture in Yugoslavia to build an integrated petrochemical complex. This investment was by far the largest venture that existed under Yugoslav foreign investment law and was considered by Brzezinski “a significant role in

31 Ibid.

32 Memo, “Too Many Studies?” Paul H. Henze to Zbigniew Brzezinski, March 3, 1977, Chron File: 2/77-1/78, Box 1, National Security Affairs, Jimmy Carter Library. The initial idea to curb paperwork came from David Aaron, Brzezinski’s assistant, who suggested that “[d]uring the Kennedy Administration the Government plunged into an orgy of paper-writing… During the Johnson Administration the preoccupation with paperwork and policy studies and review intensified… The Nixon Administration, not to be outshone, carried the process even further in its early period by requiring complex formalization papers. During the Ford Administration, policy reviewing and paper-writing continued, but the pressure and excitement and sense of mission all waned.”
our growing of complex relationship with Yugoslavia.\textsuperscript{33} Eagleburger was also instrumental in arranging the exchanges between Harold Brown – the first American Defense Secretary ever to visit Yugoslavia – and his counterpart General Nikola Ljubičić that resulted in successful military sales agreement – including the TOW antitank missile system.\textsuperscript{34} Additionally, Eagleburger was involved in many other positive activities including arranging the visits to the United States for substantive bilateral discussions of Minister of Finance Janko Smole and member of the Yugoslav collective presidency Edvard Kardelj – the putative Tito’s successor – and President Tito himself.

The 85-year-old Tito paid his third visit to the United States at Carter’s invitation on March 7-9, 1978. The Yugoslav side was hopeful about this high-level visit: “President Tito’s forthcoming visit to the United States of America will, undoubtedly, be an exceptional opportunity to even further consolidate and advance this favorable development of our relations.”\textsuperscript{35} Since Carter and Tito were acquainted through their

\textsuperscript{33} Letter, Brzezinski to Zoltan Merszei, President of the Dow Chemical Company, May 24, 1977, FO 4-3, 1/20/77-1/20/81, Box FO-34, WHCF-Subject File, Jimmy Carter Library. The letter also stated that “the Yugoslavs sought the joint venture as a fundamental in the development of their petrochemical industry to an independent position. The development of the joint venture is the cornerstone to the association of Croatian chemical companies, Petrokem, which are coordinated by the Minister of Economics… the scope of the project will have great significance to the foreign trade of Yugoslavia.”

\textsuperscript{34} Memo, Warren Christopher to the President, September 26, 1978; Memo, Cyrus Vance to the President, December 19, 1978, State Department Evening Reports 8/78-9/79, Box 39, Plains File-Subject File, Jimmy Carter Library. The December report stated: “You [President Carter] asked last week about increased arms sales to Yugoslavia. We believe that arms sales can be helpful in strengthening our ties with the influential military in Yugoslavia and lessening their dependence on the Soviet Union. Last year you approved a modest expansion in arms transfers to Yugoslavia, with certain restrictions such as no sale of offensive weapons systems. Although in FY 1978 Yugoslav FMS purchases remained at the $1.4 million annual average of the previous 15 years, our recent discussions on a number of new items, mainly in the communications and air defense areas, could lead to additional Yugoslav purchases of perhaps $5 million in FY 1979. For the longer term, the Yugoslavs have inquired about an engine for a new fighter aircraft they intend to build in the mid-1980s.”

exchanges of correspondence on world issues, Carter called Tito a “true friend” and indicated that this occasion “will not only further strengthen the friendly relations between our two countries, but will also contribute to the search for peaceful and just solutions to world problems.”

Tito was in a great physical shape and travelling without his wife Jovanka since she was apparently out of favor with him and was sent off to do “penance.” He received a full honor arrival ceremony including a State dinner that was attended by many dignitaries. There were only minor demonstrations staged by various émigré ethnic and religious groups, but they did not disrupt Tito’s itinerary.

![Picture 10: Rosalynn Carter, Josip Broz Tito, and Jimmy Carter at the Arrival Ceremony for a State Visit of President of Yugoslavia, March 7, 1978, Jimmy Carter Library.](image)


37 James Reston, “At 85, Tito Still Looks to Future and Worries About the Present,” March 3, 1978, *New York Times*, p. B13. The article stated that “speaking about his wife, Jovanka, who has been the subject of rumors for many months, Marshal Tito said that their differences had nothing to do with politics. She has been charged with favoring certain political factions and restricting access to the President.”
The most significant aspect of Tito’s call was included in the statement issued jointly at the end of the visit. In addition to the usual expressions of support for human rights, East-West relations, arms control, economic relations, energy development policy, mutual understanding, and commitment to take firm measures to prosecute extreme émigrés in the United States, “President Carter reiterated the continuing support of the United States for the independence, territorial integrity, and unity of Yugoslavia.”38 The insertion of the word “unity,” according to David Binder, “carried this beyond previous American policy statements over the last 30 years” and strengthened American backing for Yugoslav national security.39 Thus, in less than two years since the election campaign Carter changed his attitude of non-intervention in case of the Soviet attack on Yugoslavia to the one of fully supporting Yugoslavia’s unity. Ambassador Eagleburger and Brzezinski must have been instrumental in changing Carter’s rhetoric. Carter must have realized that his earlier remarks excluding military intervention were ill advised so his later consideration for Yugoslavia was designed to mend fences. This change in American policy “reflected Administration concern that attempts might be made from outside to incite one ethnic group of Yugoslavs against another along the lines of the bloodshed involving Serbs against Croats and Roman Catholics against Orthodox Christians during World War II.”40


40 Ibid.
The commitment by the Carter Administration to the unity of Yugoslavia was pleasing to Tito who must have felt a sense of accomplishment that the country he had ruled for so long was going to be preserved once he was gone. This commitment to upholding unity at any cost undermined the possibility that the George H.W. Bush Administration would act more decisively against the Serbian military in the early 1990s when Yugoslavia was disintegrating following the collapse of communism and the end of the Cold War – and was trying to emulate the examples of peaceful dissolutions of the Soviet Union and Czechoslovakia which set their differences aside and disintegrated into smaller entities.41

Human Rights and Nonalignment

Carter’s human rights policy and Tito’s nonalignment had a great deal in common by attracting global attention and appealing to moral absolutes that were for the most part impossible to attain. In the same way as it was unreasonable to link American political and economic collaboration with a country’s human rights record, so it was irrational to expect that the nonaligned countries would remain totally independent from the influence of the superpowers.

41 Warren Zimmermann, “The Last Ambassador: A Memoir of the Collapse of Yugoslavia,” in James F. Hoge, Jr. and Fareed Zakaria, The American Encounter: The United States and the Making of the Modern World, (New York: Basic Books, 1997), pp. 571-2. Zimmermann stated that as the Cold War was over and the Soviet Union was breaking up, “Yugoslavia no longer enjoyed the geopolitical importance that the United States had given it during the Cold War. Then, Marshall Tito had made Yugoslavia a model for independence from the Soviet Union as well as for a brand of communism that was more open politically and less centralized economically.” Furthermore, Zimmermann added that when he arrived in Belgrade in 1989, he “was to assert the traditional mantra of U.S. support for Yugoslavia’s unity, and territorial integrity. But I would add that the United States could only support unity in the context of democracy; it would strongly oppose unity imposed or preserved by force.” Unfortunately, Zimmermann came to this realization after the fact; only after the atrocities were committed and when Yugoslavia’s fate was sealed in blood.
The Carter foreign policy was derived from a commitment to certain basic human values concerned with liberty, equality, the right to vote, protection against arbitrary governmental action, and basic standards of social and economic existence – broadly defined as “human rights.” The belief was that the commitment to human rights was morally justified and was in keeping with historical trends giving American foreign policy additional influence and presenting the United States as a society with a vital human concern. As Gaddis Smith inferred, “[i]t was easy to declare in his inaugural address that ‘our commitment to human rights was absolute.’ It was not easy to translate that commitment into specific, effective action in foreign policy.”

Although Carter frequently affirmed the American position on human rights, the lack of consistency brought about accusations that the Administration “actively collaborated in the replacement of moderate autocrats friendly to American interests with less friendly autocrats of extremist persuasion.” For instance, Tito was not enthusiastic about being lectured on human rights in Yugoslavia while he welcomed the opportunity to visit the United States and project himself in the best possible light despite the fact that he imprisoned dissidents and nibbled away any potential opposition.

42 Gaddis Smith, Morality, Reason, and Power, p. 50.

43 Jeane Kirkpatrick’s critique of Carter’s human rights record as quoted in Gaddis Smith, Morality, Reason, and Power, pp. 54-5. Gaddis Smith added that the Carter Administration found many opportunities to affirm its position on human rights: “In October 1977, President Carter signed two long-pending United Nations covenants – one on civil and political and the other on economic, social, and cultural rights. The United States also lost no opportunity of reminding the Soviet Union and Eastern European countries of their obligations under the Helsinki accords of 1975. The President sent former Supreme Court Justice Arthur Goldberg to the next conference in the Helsinki process (formally the Conference on Security and Cooperation in Europe) at Belgrade in 1978 and Attorney General Griffin Bell to the 1980 Madrid meeting, and both spoke strongly about the American position and the derelictions of others. There were innumerable speeches and other public statements. And there was quiet diplomacy – for example, Carter’s private remarks to the Shah of Iran.”
Carter sent Vice-President Walter Mondale to Yugoslavia to, among other things, lecture Tito on human rights. Mondale visited Yugoslavia on May 20-21, 1977 as a part of his European trip that also included visits to Portugal, Spain, Austria, and – after his stop in Belgrade – the United Kingdom. Although the stated purpose of the trip was “to emphasize to President Tito the importance [Carter’s] Administration places on Yugoslavia’s independence, political unity, and integrity,” Mondale’s trip had more to do with human rights and – as Brzezinski indicated – the fact the “long-promised amnesty for political prisoners in Yugoslavia now appears to be off.” Tito responded “politely but firmly that he would not be lectured” on the subject of human rights since Yugoslavia was one of the most open countries in the world and “Yugoslavs were permitted to travel freely abroad both as tourists and as workers in other European countries.” A. Ross Johnson suggested that “Vice President Mondale’s visit to Belgrade [seemed] to indicate that some of the friction in bilateral relations of the last year or so is

44 Security Assistance Program, Volume 2, Reports on Human Rights Practice: FY 1978, CO 176, Box CO-67, WHCF-Subject File, Jimmy Carter Library. This report assessed Yugoslavia’s record on human rights in the following way: “Compared with that of the Western Democracies, the Yugoslav record on human rights is weak. The Yugoslav government consistently violates certain rights, particularly those pertaining to critical respect to forceful violations of the person, and it has a good record on freedom of travel and emigration.”

45 Memo, Vice-President for the President, “Objectives During Visit to Europe for Talks with Vorster and European Leaders,” May 10, 1977, CWIHP Briefing Book. Other stated goals included the negotiation of the impasse of an “export license for the Westinghouse-supplied nuclear reactor,” prosecution of Yugoslav émigré terrorists, military cooperation, the Belgrade CSCE meeting, the Middle East, and Africa. Mondale also indicated that “the visit to Belgrade should give me the opportunity to talk to some of the government’s upcoming leaders, people we can expect to have increased dealings with in coming years.”

46 NSC Weekly Report #14, Zbigniew Brzezinski to the President, May 26, 1977, Four Power Meetings through Weekly Reports, Box 41, Zbigniew Brzezinski Collection, Jimmy Carter Library.

47 Charles Mohr, “Tito, at Talks With Mondale, Attacks U.S. on Rights,” New York Times, May 22, 1977, p. 3. Although Walter Mondale did not accomplish much in the terms of the human rights, his visit is considered remarkably successful since it helped Eagleburger to firmly establish himself as a far more competent envoy than his predecessor.
being overcome.” While Mondale’s visit did not resolve the human rights issue, he must have done something right since the visit served as a good will gesture in preparation for President Tito’s visit to the United States the following year and it helped Ambassador Eagleburger in asserting himself as he was working on improving the bilateral relations.

Tito’s leadership of the nonaligned movement (NAM) propelled him to the levels of global importance far beyond the one Yugoslavia afforded him. The constant parade of meetings dating from the July 1956 meeting with Nehru and Nasser in Brioni enhanced his domestic legitimacy and fulfilled the goal to differentiate Yugoslavia from East and West. Tito was most successful when “the interests of other major founding nations (India and Egypt, most importantly) dovetail with Yugoslavia’s.” According to William Zimmerman, Yugoslavia benefited from nonalignment because of (1) “the effort… to balance trade patterns in such a way as to encourage trade with the global south and to avoid the kinds of dependency relationships that Marxists and others have seen to flow from high trade concentration;” (2) “the Yugoslav practice of using aid and credits from the external environment for internal developmental purposes;” and (3) “the doctrine of

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48 Johnson, “Commentary on Balkan Contingency Papers.” In his criticism of Ambassador Silberman, A. Ross Johnson added the following: “it is important for the United States to be clearer than is has been about its aims in the security-related aspects of policy toward Yugoslavia and about its implementation of those goals. One may argue, as Larry Silberman has done in his Foreign Affairs article, that Yugoslav policy in the Third world is essentially hostile to the interests of the United States, that Yugoslavia will defend its interests vis-à-vis the Soviet Union regardless of the relationship with the United States, and therefore that no particular attention need be paid to the subject. I would make the contrary argument; whatever the real conflict on specific issues, Yugoslav policy in the Third World is not fundamentally hostile to U.S. interests, Yugoslavia is not the prime mover of the Third World, Yugoslavia’s independence in Europe is more important to the United States than its Third World policies that impinge on U.S. interests, the American connection is an important aspect of Yugoslav security, and therefore more care should be devoted to cultivating the security-related aspects of the bilateral relationship.”

general people’s defense, based on reliance on one’s own forces” that enabled
Yugoslavia to reduce expenditures for defense from around twenty percent of Yugoslav
national income during the height of the Cominform crisis to around six percent in
1980.\textsuperscript{50} Yet, because of a political trend during the 1970s to build stronger trade with the
East, Western stagflation, and global rise in oil prices, Yugoslavia’s trade imbalance with
the West continued to grow making the country “increasingly dependent on the Soviet
Union for oil and… concerned… that the Soviet Union would enjoy undue leverage.”\textsuperscript{51}

Nonalignment also influenced Yugoslavia’s military relations.\textsuperscript{52} In the early
1970s it appeared as if Yugoslavia was drawing closer to the Soviet Union because of
American involvement in Vietnam, renewed emphasis on centralism and purges inside
the Yugoslav League of Communists in the wake of the 1971 crises with nationalism, and
showing solidarity with the Arab cause. By the end of the decade Yugoslavia
differentiated itself from Soviet foreign policy since the Soviet Union presented itself as a
threat to communist nonaligned countries at least on two occasions. First, because of the
“Soviet-supported Vietnamese invasion of Kampuchea… [that] could serve as a
precedent for acts that might endanger the security of other countries, and warned that

\textsuperscript{50} Zimmerman, \textit{Open Borders}, pp. 32-5.

\textsuperscript{51} Ibid.

\textsuperscript{52} Memo, “NATO Political Consultation: Yugoslavia,” November 15, 1976, FCO 28/2967, Public
Record Office, Kew Gardens, Surrey, UK. One of the aspects that may benefit from exploration of
additional primary documents is the NATO consultation with Yugoslavia for establishing closer
collaboration and even membership. The correspondence between British Ambassador I. J. M. Sutherland
and Sir John Killick, British Ambassador to NATO, stated the following: “The NATO discussion on
Yugoslavia in the event took place on 8 November at an unofficial, no-record, non-meeting of the Council
rather than at the Permreps’ lunch on 26 October. Although Sir J. Killick emphasized the need for extreme
discretion and the idea of an Alliance statement on Yugoslavia suggested in previous correspondence
appears to have been effectively suppressed, I am somewhat concerned at his having agreed to circulate a
condensed version of our brief… I should like to stress again the need for confidentiality and perhaps to
suggest that further NATO discussions need not be too frequent.”
‘armed confrontations between nonaligned and socialist countries could reflect negatively on both the strength and prestige of the nonaligned movement.’”  

Second, “the Soviet action in Afghanistan [in December 1979] bespoke the real possibility that the U.S.S.R. itself might intervene in some other nonaligned socialist country, e.g., Yugoslavia.”  

Zimmerman provided the following assessment of the changes that took place in Yugoslavia’s foreign policy and military cooperation because of its nonaligned principles:

Yugoslavia had made no major arms purchases from the U.S. since 1961. In 1976, it was actually announced that major U.S. arms sales to Yugoslavia were to be resumed, a decision that was relegated to the back burner at Yugoslav request later that same year. In October 1977, U.S. Secretary of Defense Harold Brown visited Yugoslavia; the Yugoslav Defense Minister General Ljubičić came to the United States in September 1978, and in May 1979 General Bernard Rogers, at that time U.S. Army Chief of Staff, visited with Yugoslav army commanders in Belgrade. Similarly, by the end of the 1970s, there existed a virtual military alliance between Yugoslavia and Rumania, the target of which was obviously the Soviet Union. Moreover, whereas in the 1960s Yugoslavia had been cast as one of the radicals within the nonaligned movement, by the end of the 1970s, it found itself defending the nonaligned against the claims of the contemporary “radicals” within the movement, headed by Cuba, Libya, and Vietnam, that the socialist camp and the nonaligned movement were natural allies against imperialism.  

As the world was changing Yugoslavia maintained its distance from the Soviet Union even at the cost of distancing itself from the nonaligned movement. Brzezinski submitted to President Carter a memo that summarized some of the main activities preceding the summit in Havana: “As for Castro’s ambitious aim to establish a socialist definition of nonalignment, he did conjure up at least the danger of handing over the

54 Ibid.  
55 Zimmerman, Open Borders, p. 37.
nonaligned to the Soviet Union… Castro may be trying to carve out the largest possible piece of the third world as his own Bloc.”


Despite the criticism that nonalignment was forsaking its original objective and popular appeal, the Sixth Conference of Nonaligned Nations convened in Havana on

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57 David A. Andelman, “Scarcely Nonaligned, Scarcely a Movement, But They Still Count,” July 30, 1978, *New York Times*, p. E1. Writing after about the foreign ministers meeting of the nonaligned countries in Belgrade, Andelman suggested that many nonaligned members were being dragged toward the Soviet Union or the West, thus defeating the purpose of the movement’s existence. Furthermore, he suggested that there were other organizations that the nonaligned countries may benefit from should the NAM become too diluted: “The Group of 77 and the United Nations Conference on Trade and Development have become the spokesman for third-world economic interests, providing a united front for north-south negotiations with the developed world never attained in the nonaligned format.”
September 3-7, 1979. Since this was the first time the nonaligned met in a country “whose economic viability” depended largely on the Soviet Union, there were speculations prior to the meeting whether Yugoslavia would be able to prevent Cuba from aligning the movement closer to the Soviet Union.\(^{58}\) As the meeting got underway, “[t]he fireworks that were anticipated between Yugoslavia’s Tito – NAM’s elder statesman – and Cuba’s Fidel Castro over the role and definition of nonalignment, never materialized:”

Instead of arguing philosophy, Castro concentrated on substantive issues that were more of direct concern to the majority. His hardline, anti-Western attitude played to the frustrations and disappointment of the NAM over what they perceived as the West’s refusal to heed their political and economic concerns. As a result, Cuba was able to generate a radical, anti-West atmosphere at the meeting. This was reflected in the substantive parts of the summit declaration which most members consider more important that the introductory paragraphs that contain the vaguely defined philosophy of nonalignment… rhetorical agreement was reached on a broad spectrum of issues, including placing the blame for global economic and political problems on the developed countries.\(^{59}\)

Nonetheless, unbridgeable differences over ideology and the future of the nonaligned movement between Castro and Tito further deepened.\(^{60}\) Castro continued his uncompromising anti-Western stance while Tito left Cuba disappointed that

\(^{58}\) Intelligence Assessment, “The Nonaligned Movement at the Havana Summit,” August 1979, CWIHP Briefing Book.

\(^{59}\) Intelligence Assessment, “The Nonaligned Movement: Finding Its Way,” April 1980, CWIHP Briefing Book. According to this assessment “the declaration of the Havana NAM Summit was radically different from that of the 1976 summit in Colombo, Sri Lanka. Reflecting deteriorating economic conditions and general disappointment over lack of progress in North-South talks, the Havana documents was highly critical of developed countries. The Havana declaration also was more critical of Middle Eastern and southern African developments… Israel and the United States came under bitter attack… This anti-US bias has been building since the 1976 summit.”

\(^{60}\) David A. Andelman, “Yugoslavia: The Delicate Balance,” \textit{Foreign Affairs}, Spring 1980, Volume 58 Issue 4, p. 842. Tito deserved praise for his unwavering commitment to the nonalignment since, according to Andelman, “Brezhnev told Tito, when he visited Moscow last May, that the Soviet Union wanted Yugoslavia to tone down its criticism of Cuban attempts to shift the nonaligned world toward Moscow.”
nonalignment was abandoning its foundational principles of providing an option for countries that did not want to belong to either Bloc. Cuba’s vocal support of the Soviet invasion of Afghanistan – and a general pro-Soviet stance on such issues as Egyptian-Israeli relations, the Iran hostage crisis, and others – had dealt a blow to the leadership of the movement. As it related to Tito and Yugoslavia, the setback was permanent since no Yugoslav leader ever elevated itself to the same prominence as Tito while Yugoslavia’s role among the nonaligned greatly diminished. Tito’s disenchantment with the nonaligned movement was similar to Carter’s gradual abandonment of the human rights commitment as his presidency was ending.

**The Conclusion of the Tito Era**

On May 4, 1980 Tito finally died. Having had a leg amputated after bypass surgery in January, Tito’s condition deteriorated so his death came as no surprise. The question on everybody’s mind was whether Yugoslavia would survive its creator? Would stability in Eastern Europe pass with him? Would ethnic separatism and Soviet meddling threaten Yugoslav independence? How would the relations between Yugoslavia and the United States be affected?

Craig Whitney suggested that Tito “picked the wrong time to die” because of “the inevitable uncertainty about Soviet intentions.” On the other hand, the relations with the

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61 Geldart and Lyon, “The Group of 77: A Perspective View,” p. 87. A great deal of nonaligned resolutions was adopted under the rather ambiguous label of “consensus” which in effect meant decision-making by general tacit consent. It did not mean unanimity and “consensus” was deemed compatible with the recording of particular reservations: “To take decisions by consensus rather than formal vote is reminiscent of Rousseau’s distinction between the ‘general will’ and the merely aggregated ‘will of all.’”

United States were at the all time high – completely eclipsing the lows at the end of the Ford Administration – partially due to “Tito’s recent efforts to improve US-Yugoslav relations [as] the real centerpiece in his efforts to rebalance the country’s international assets before the succession.”\(^6^3\) Admittedly, Carter’s role was paramount in improving the relations with Yugoslavia:

Solid gains in improving the US-Yugoslav relationship, therefore, came only after the Carter administration took office. Since then, a web of cooperative relations has begun to emerge that includes serious discussions of advanced weaponry sales to Yugoslavia, occasional collaboration on international events of mutual concern, a softening of Yugoslavia’s previous hard line on US human rights policy, and revived Yugoslav interest in expanding economic ties. Important differences, of course, continue to surface, but they now are generally subordinated to Yugoslavia’s pragmatic interest in preparing for the post-Tito era.\(^6^4\)

Carter’s record on the Yugoslav policy would almost certainly have been unblemished had he attended Tito’s “epochal” funeral that was attended by dignitaries from 123 countries and was a reflection of Tito’s exceptional global role. During the initial planning for funeral attendance in January, it was suggested that “the President’s failure to attend the funeral would probably convey a misleading signal to the Soviets that we were not strongly supportive of Yugoslavia.”\(^6^5\) David Aaron, Brzezinski’ assistant, also added that “[w]e should avoid speculation which will give the impression that we are overly worried about Yugoslavia. This will only fuel the crisis, irritate the Yugoslavs. We should stress our confidence in the Yugoslav’s ability to handle the situation.”\(^6^6\)

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\(^6^3\) NIE 15-79, p. 614.

\(^6^4\) Ibid.

\(^6^5\) White House Decision on Attendance at Tito’s Funeral, January 17, 1980, CWIHP Briefing Book.
According to *Time*, “Ambassador Lawrence Eagleburger and other State Department officials in Belgrade strongly urged Carter to go.”\(^{67}\) The article further added that,

> With the exception of the deceased, the most talked about man at Tito’s funeral… was Jimmy Carter. The reason: perplexity over Carter’s decision to pass up an extraordinary international gathering and a chance to underscore personally the U.S. commitment to Yugoslavia’s continuing independence. Neither the Administration’s expressions of sympathy and support for the country’s new leaders nor the presence of the U.S. delegation headed by Vice President Walter Mondale [and also included the President’s mother Lillian] could erase the widespread feeling that Carter had committed yet another foreign policy blunder.\(^{68}\)

In the absence of the domestic problems that would have prevented Carter to attend Tito’s funeral, perhaps the most plausible explanation was that Carter’s absence had something to do with the situation in Iran and the failed attempt to free the hostages on April 24. At any rate, to remedy this situation that was blown out of proportion by the media while the Yugoslav side largely remained stoic, Carter added Yugoslavia to his European tour scheduled for the following month. Upon his arrival to Belgrade, Carter proclaimed that Tito was “a great man – one of the greatest of the twentieth century. He was one of a small handful of statesmen who can truly be said to have shaped the modern world – and one of an even smaller handful who had shaped it for the better… President Tito left a precious legacy – a strong, independent, and nonaligned Yugoslavia.”\(^{69}\)

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\(^{66}\) Ibid. Madeleine Albright, Brzezinski’s assistant and NSC staff member who was in charge of arrangements for the official party to represent the United States at Tito’s funeral, supported David Aaron’s recommendations.


\(^{68}\) Ibid.

\(^{69}\) Arrival Statement, Belgrade, June 24, 1980, Material from President’s Trip to the Summit, 6/19/80-6/30/80, Box 193, Staff Offices-Office of State Secretary, Jimmy Carter Library.
VI.

CONCLUSION

What experience and history teach us is this – that people and governments never have learned anything from history, or acted on principles deduced from it.


An ambassador’s purpose is threefold. First, he must strive for compromise and common ground with the government to which he is assigned. As such, his art requires steady application of tact. In the formula of Benjamin Franklin, the successful diplomat possesses “unmovable calmness… a patience that no folly, no provocation, no blunders can shake.” Second, as Sir David Kelly was wont to remind his audiences, the normal ambition of an ambassador is to cultivate “the important people and gain their cooperation by discussion and personal influence.” Finally, by virtue of his own intellect and broad culture, the ambassador must be able to interpret the significance of local personalities, events, and trends from the myriad reports and contacts available to him.

- David Mayers, The Ambassadors and America’s Soviet Policy, p. 186

Access to foreign credit played an important role in Yugoslavia’s rapid economic growth and industrial development, especially from the 1960s onward, as borrowing financed the important role of vital industrial equipment. In the 1970s oil credits and balance-of-payments loans helped ease the financial strains of oil price increases. By the early 1980s, however, the negative consequences of foreign borrowing outweighed the positive as foreign debt became Yugoslavia’s most acute economic problem.


Kennan once remarked in private correspondence to Walt Rostow in 1956 that a diplomat “is only the clerk and the recorder – a secretary of sorts – not an independent agent. For every real promise or commitment he expresses to a foreign government regarding the behavior of the U.S. on the international scene, he must have the sanction of some domestic authority which has the corresponding real power and is prepared to back him up.”


To loosely paraphrase Edmund Burke, most political decisions are a choice between the disagreeable and the intolerable.¹ In the terms of the relations between the United States and Yugoslavia from 1961 to 1980, on the one hand it was disagreeable for

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¹ Edmund Burke, Selections From Speeches and Writings of Edmund Burke. Project Gutenberg, 2002.
the United States to support Tito’s variant of nonaligned socialism while on the other it was intolerable to allow Yugoslavia to fall under the influence of the Soviet Union. For Yugoslavia it was disagreeable to accept American assistance and it was intolerable to be perceived by the other communist countries that Yugoslavia was abandoning its socialism as it was implementing some aspects of the market economy and self-management.

Yugoslavia relied on nonalignment in its foreign policy. Although the movement was lacking a strong institutional structure and membership was disparate – thus preventing it from becoming an organization that could initiate and implement far reaching programs – its loose structure made it attractive to a large number of smaller states. Nonaligned movement membership carried little political liability and it carried potential benefits. The nonaligned movement acted as a spokesperson for the developing states and its size lent weight to the political and economic demands placed on the developed countries.

The relations between the United States and Yugoslavia remained superficially unruffled over the years because of the traditional wisdom in the United States that President Tito be handled with extreme respect to reduce any possible temptation to rejoin the Soviet Bloc. Washington for the most part avoided any show of public disagreement with Belgrade hoping Yugoslavia would be supportive of the United States and maintain its independence. As Yugoslavia continued to align itself with the most vocal adversaries and declared enemies of the United States – displaying keen diplomatic skill in defeating many American objectives at the United Nations by siding with the nonaligned nations – tensions ensued. Militarily, the bilateral relations never reverted to
the active period of the 1950s when the American grant military assistance program provided most of arms supplies.²

The chief role of ambassadors was to deal with tensions and to strive for compromise. This study has demonstrated that Kennan and Silberman miserably failed, Elbrick, Leonhart, and Toon did reasonably well while Eagleburger exceeded the expectations by defusing tensions through the resumption of negotiations of military sales, supporting joint ventures, and arranging exchanges.³ In the terms of cultivating personal influence, which David Mayers defined as a second measurement,⁴ the results were largely the same as above since Eagleburger capitalized on his previous experiences and reversed the horrors done by Silberman. Even though it is inadequate to try to account for Kennan’s failures, Kennan apparently did not learn from his own mistakes:

In his memoirs, [Soviet Foreign Minister Andrei] Gromyko was… correct when he identified the reason for Kennan’s failure: “He failed to be aware – as any ambassador should – of the borderline between the permissible and

² Yugoslavia remained dependent on the Soviet Union for most of its heavy armaments and complex weapons systems, creating a dangerous situation in which Yugoslavia’s principal arms supplier was also the country’s greatest apparent external threat. Despite significant technological progress, Yugoslavia was not self-sufficient in arms supplies and it relied on purchases from the Soviet Union and other Warsaw Pact states (Czechoslovakia and Poland) and European countries (West Germany, France, Great Britain, Switzerland). According to the United States Arms Control and Disarmament Agency, between 1967 and 1976 the Soviet Union supplied 93 percent of Yugoslavia’s arms purchases, Poland and France supplied two percent each, the Federal Republic of Germany and Czechoslovakia supplied one percent each, and the United States supplied less than one percent. During that period arms made up around five to six percent of country’s total imports. During the late 1970s and early 1980s the Soviet Union’s supply role somewhat diminished as Yugoslavia started purchasing more from other countries, including the United States.

³ Although Kennan’s ambassadorship to Yugoslavia was a failure, his enduring interest in the region benefited the policymakers. He continued to write about Yugoslavia and his analysis remained finely tuned. For instance, Kennan correctly concluded that Yugoslavia’s experiment with decentralization in the economy was a failure. Kennan’s correspondence with Kissinger provided the policymakers with valuable information for further development of the bilateral relations. Thus, Kennan’s failures bear no comparison with those of Laurence H. Silberman who disregarded the State Department and the White House in an apparent attempt to create his own independent Yugoslavia policy.

⁴ Mayers, The Ambassadors and America’s Soviet Policy, p. 186.
impermissible, especially when making remarks about the country to which he was accredited.”

Although it is evident that Eagleburger benefited from his personal influence, it is disappointing to acknowledge that he won this round by making friends with the prominent Serbs, including characters like Slobodan Milošević and his associates.

Regarding the interpretation of local signs, the accolades go to Eagleburger once again while Kennan and Silberman are tied for the last place; one because of too much experience and the other because of too little experience.

Another lesson that this study has demonstrated is that the symbolism of the state visits was vital yet not all high-level exchanges carried the same weight. Some visits by the dignitaries were just plain tourist excursions or attempts to get away from the domestic situation. Nixon’s visit to Yugoslavia falls into this category as well as probably all three visits by Tito to the United States. Yet, Walter Mondale’s visit turned out to be

5 Ibid. Mayers originally indicated that “Gromyko was only superficially correct” but Kennan’s record in Yugoslavia proves Mayers wrong and leaves one wondering how a person of Kennan’s stature could repeat the same dreadful mistake twice.

6 In his keynote address at the conference on Yugoslavia in December 2006 at the Woodrow Wilson International Center for Scholars, Washington, D.C., Eagleburger publicly stated that he had completely misjudged Slobodan Milošević, as most other American officials – “whom he had met early in his industrial and banking career – seeing him as a promising young executive.” Moreover, after leaving the Department of State his close association with Kissinger continued and Eagleburger served as president of Kissinger Associates and Kent Associates – both consulting firms headed by Henry Kissinger. Coincidently, according to Walter Isaacson, “[h]aving served as ambassador to Yugoslavia, he [Eagleburger] brought in clients from that country such as the makers of the Yugo car and EnergoProjekt, a major construction firm.” The $3,900 Yugo was imported by Global Motors Inc. headed by Malcolm Bricklin. The Yugo became to be an archetype for a shoddily built and poorly designed vehicle. So much so that Time reported that “the Yugo had a rear-window defroster – reportedly to keep your hands warm while you pushed it.” Even more troubling fact was that Eagleburger served as advisor for Yugoslav affairs from 1989 to 1992 gaining a controversial reputation for being a strong Serbian supporter and even denying that the Yugoslav National Army had committed atrocities – thus stalling the foreign intervention and encouraging the Serbs to continue “building the Great Serbia.” Eagleburger’s remark was also quoted by David Binder, “Estimating Yugoslavia,” December 22, 2006. http://www.balkanalysis.com/2006/12/22/estimating-yugoslavia/.
huge success despite the fact that his goal was rather undesirable, to lecture Tito on human rights.

America’s Yugoslav policy largely depended on the effectiveness of the ambassadors. A steady, dedicated embassy staff, lead by an individual who made an effort to get to know the locals, reaped benefits by improving bilateral relations. Egotistic and obtuse ambassadors made enormous damage. As in the case of the Soviet Union and America’s Soviet policy, ambassadorial diplomacy was crucial in the development of the relations between the United States and Yugoslavia.
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