Croatia may cut all ties with Serbia

By Laura Silber in Zagreb, Quentin Peel in Bonn and Judy Dempsey in London

CROATIA'S parliament will vote later this week on whether to cut off all ties with Serbia in a move aimed at starving its arch-rival economically, Mr Sime Djodan, the republic's outgoing defence minister, said yesterday in an interview.

He also said a new government would be formed this week in an attempt to harness popular support after months of ethnic clashes which have forced thousands of Croats to flee strife-torn areas. The changes, he said, would represent "a wider spectrum".

Mr Djodan, whose views represent the far right of the government, remains confident that, despite heavy casualties, the republic has not "lost the war". More than 100 people have died in clashes between Croats and ethnic Serbs in Croatia in the past six months.

"If Serbia [Yugoslavia's largest republic] wants war, then we have about 200,000 Croats abroad who have volunteered to fight. We will buy guns, anti-tank and anti-aircraft weapons from Hungary, Italy and France because there are many Croats abroad who are prepared to give a lot of money to help Croatia."

Two Yugoslav air force jets attacked the Croatian village of Kostajnica yesterday killing one person and wounding at least six, according to eyewitnesses.

Croatian national guardsmen shot dead two youths who failed to stop at a roadblock in the southern village of Zmajevci and a Serbian militiaman was shot dead in the village of Skradin, the semi-official Tanjug news agency reported.

The state president, Mr Stipe Mesic, who is a Croat, stormed out of a meeting of the presidents of the six Yugoslav republics yesterday after opposing a plan to form a special commission under vice-president Branko Kostic to supervise a ceasefire in Croatia.

Croatian radio said he opposed Mr Kostic as leader of the commission, which other media said would include the Yugoslav defence, interior and justice ministers, because he had sided with Serbia throughout the crisis. The meeting, which Croatia's president Franjo Tudjman had refused to attend, voted 6-2 to set up the commission under Mr Kostic. In Bonn yesterday, it emerged that Mr Hans-Dietrich Genscher, the German foreign minister, was unhappy about the EC's failure to invite to talks in Brussels this week representatives from Croatia. Serbia and Slovenia. Diplomats suggested he saw it as a "missed opportunity".

EC found wanting, Page 17.