

and information. They might need high-performance modems made by Microcom and U.S. Robotics.

One warning from the analysts: Software makers that aren't ready for Windows 95 when it arrives could be in for some hard times. They recommend evaluating software stocks in light of their ability to offer Windows 95 products.

"Clearly it's something that has to be thought of in the overall investment equation," advises Fred Alger's Mr. Swee. "When considering the technology stocks, you've got to think about whether the product can compete or will it just become irrelevant" in the post-Windows 95 world.

[From the Washington Times, April 21, 1995]

MICROSOFT DESERVES REVERSAL ON MERITS,
JUDGE'S GOOFINESS

There is no polite way to put this. The Sporkin-Microsoft antitrust case that goes before a U.S. Court of Appeals on Monday is just about the goofiest, weirdest, most bizarre case of its kind. Ever. Here are the basics of the case:

In the 1980s, Microsoft officials bet the ranch that they could build an operating system that would serve as a foundation, or platform, for most or all of the software applications that run on personal computers. They won—big.

Competition, naturally didn't like this much. Four years ago, they complained to the Federal Trade Commission and then the Justice Department. They said (anonymously) that SYS-DOS and Windows had been so successful that Microsoft's operating systems had become a monopoly. Which is true.

First the FTC and then Justice decided that, in fact, Microsoft did have a monopoly. Never mind that Microsoft had mostly guessed right and that thousands of independent software developers were exceedingly delighted that they had. The government decided to pursue an antitrust case against Microsoft.

Four years and millions of taxpayer dollars later, Justice decided that, well, maybe Microsoft did have a monopoly and their competitors didn't much like it. But consumers were happy—they were getting thousands of new software applications at lower prices—and there wasn't much of an antitrust case after all.

So Justice and Microsoft officials negotiated a deal, a consent decree that essentially ordered Microsoft to change the way it licensed its operating system to others. Everyone—except Apple Computer Inc., and other direct competitors—seemed to be happy.

In the end, the Justice Department conducted more than 100 interviews at about 80 companies, reviewed more than 2 million pages of documents, and devoted more than 20,000 paralegal and economist hours on the case. Kind of takes your breath away.

But this story, as bad as it seems, did not end there. Instead, Stanley Sporkin, the federal district judge assigned to review the consent decree, read a book called "Hard Drive" during his vacation and created a whole bunch of new kooky things for everyone to look at and basically threw the case out and told them to start over.

Judge Sporkin, for instance didn't like something called "vaporware," and was mad that Justice didn't pursue this. And what, exactly is vaporware? Glad you asked.

future plans to market such a new system. Mostly, it lets computer buyers, dealers, and software makers (or even consumers) know that something new may be on the horizon.

But Judge Sporkin said, no, this "vaporware" (as in, it doesn't exist yet and may never actually exist) is nothing more than a sinister plot by Microsoft to keep people from buying similar competing products before its own product emerges from the factory.

Let's take the judge's reasoning out to its conclusion. Instead of telling people (beforehand) what Windows 95 will look like when it comes out, Judge Sporkin wants Microsoft to just drop the program in people's laps one day. Sure, that makes a lot of sense.

In addition, Judge Sporkin apparently entertained some rather unusual "ex parte" communications with quite interested third parties while he was deliberating the case.

For instance, according to Microsoft's Appeals Court brief, Apple sent a letter and five affidavits accusing Microsoft of various actions unrelated to the Justice case directly to Judge Sporkin's chambers. The other side didn't find out until later.

And a software industry commentator faxed an accusatory letter directly to the judge's chambers opposing the consent decree, according to Microsoft's brief. Judge Sporkin didn't bother to tell anyone about this, which only later emerged as court documents became available.

Just think of the possibilities if all judges had faxes in their chambers to receive such ex parte communications. Have a problem with the way the O.J. Simpson case is going? Just fax in your comments to Judge Lance Ito's chambers.

Reading through the transcript of the Sporkin proceedings is a journey through fantasyland. At one point, he said he was raising issues unrelated to the case before him because "I read a book once that raised all these issues, and that's why I raised them."

At another point, he urged Microsoft legal counsel to read "Hard Drive" so everyone would be on the "same page" and constantly referred to things he'd clearly read from a stack of newspaper clips in his chambers.

And at yet another point, Judge Sporkin said he was concerned about the "schnook consumer" who might be thinking of buying "Turbo Charge." Never mind that cars are turbo-charged and that computer run a programming language called TurboBASIC.

Make no mistake about any of this, Microsoft is clearly an aggressive—maybe even ruthless—company. It offers deals that can't be refused to computer hardware manufacturers so they will install Microsoft operating system in their computers.

But none of this is illegal. Microsoft cornered the market on personal computer operating systems by offering very good products at very good prices. Simple as that.

And no amount of equivocating by anyone—including a judge who wants to be the mediator of the computer industry for perhaps the next 10 to 20 years—is going to change that fact.

Even if Microsoft CEO Bill Gates and his good friend President Clinton, did cut their own side deal on a golf course somewhere to get Justice to back down in the antitrust case, it makes no difference.

The case against Microsoft was a joke to begin with, and it only got worse with the passage of time. "Schnook consumers" are getting murdered by this entire mess.

If there is any intelligent life left in the federal judicial system around here, the U.S. Court of Appeals should review the case immediately, order another federal district judge to enter the consent decree, and let the computer industry get on with its life.

Oh, and while it's at it, the appeals court might want to tell Judge Sporkin to turn off the fax machine in his chambers and avoid bookstores on his next vacation.

CROATIAN AMBASSADOR EXPOSES YUGOSLAVIA'S MILITARY INVOLVEMENT IN SERBIAN OCCUPIED CROATIA

HON. GEORGE P. RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 1995

Mr. RADANOVICH. Mr. Chairman, a memorandum sent by Dr. Petar Sarčević, Ambassador of Croatia to the United States, exposed compelling evidence of direct military involvement by the Yugoslav Government in assisting secessionist Croat Serb forces. I have submitted this memorandum in order to make my colleagues aware of the gravity of these circumstances in hopes of continuing support of internationally imposed sanctions on Yugoslavia.

Washington, DC, June 30, 1995.

Re Belgrade regime responds to offers for suspension of sanctions by stepping up its intervention in the Croatian occupied territories.

To: Members of the U.S. Congress.

From: Dr. Petar Sarčević, Ambassador.

It is with deep concern that I write to you regarding the dangerous build-up of the Yugoslav army forces in the occupied territories of Croatia.

During the past several weeks the international community has been engaged in intensive negotiations with the Belgrade regime over suspension of sanctions in exchange for the normalization of relations with Croatia and Bosnia-Herzegovina. Concurrently, the Belgrade regime stepped up its intervention in Croatia's occupied territories. Croatia has obtained copious evidence that documents the active engagement of the Yugoslav army in Croatia by: sending equipment from Serbia and Montenegro to the occupied territories; directing the paramilitary units on the occupied territories through Belgrade-commissioned officers sent to these territories for that purpose; paying the wages of those officers and of other members of the proxy government and military; and forcibly mobilizing citizens of the "Federal Republic of Yugoslavia" (Serbia and Montenegro) and ethnic Serb citizens of Croatia and Bosnia and Herzegovina for military service in the occupied territories of Croatia.

Taken together, the above evidence (see Attachment) is tantamount to yet another breach of the internationally recognized borders that UNCRO is supposed to protect, as well as fortifying the unlawful occupation of Croatia's territories. At the same time, this evidence confirms an additional build-up in the region, and specifically, threatens the adjacent Bihać safe area in Bosnia and Herzegovina. This situation could result in a renewed attack from occupied Croatian territories on this important Bosniac enclave. My Government would then be placed in a very difficult position in light of its sincere efforts to meet and honor the obligations in bilateral agreements with Bosnia-Herzegovina.

I appeal to you to keep abreast of developments in both the occupied territories of Croatia and neighboring Bosnia-Herzegovina. Your highest consideration of this escalating situation is essential.

When a company like Microsoft is developing a new operating system, it announces its

ATTACHMENT¹

EVIDENCE OF OF FORCIBLE MOBILIZATION

The forcible mobilization is proceeding on a large scale and is expected to continue. As of June 14, 1995, over 4,500 mobilized men were transferred against their will and a further 500 volunteers have been transported to the occupied territories of Croatia. In addition, there has been a dramatic increase in the transfer of military personnel from Serbia and Montenegro through the territory of Bosnia and Herzegovina in violation of relevant Security Council resolutions. Soldiers have been transported in vehicles provided by the Yugoslav army and entering the occupied territories of Croatia. The primary objective of Belgrade authorities is to further strengthen and reinforce their hold in the area of Slunj in Croatia, and thereby secure the occupation of this region and amass considerable forces for further engagements in the strategically important region of Bihac (UN "safe area") in Bosnia and Herzegovina.

EVIDENCE OF DIRECT AND INCREASING MILITARY INVOLVEMENT IN CROATIA

The very fact that the commander of the Serb paramilitary forces in Croatia, Lt. Gen. Mile Mrksić, prior to his present assignment, served as Assistant Chief of the General Staff of the Yugoslav army, demonstrates the level of military involvement of Belgrade authorities in the occupied parts of Croatia. Mrksić was responsible for the special forces

of the Yugoslav army and the JNA officer responsible for the siege of Vukovar.

Other evidence of Serbian military involvement in Croatia include the following. On June 13, 1995 two Yugoslav army tank units totalling 26 M-84 MBTs operated by the Yugoslav army's 211th Armored Brigade, were sent from Niš, Serbia, across the border with Bosnia and Herzegovina, and deployed in Slunj, in the occupied territories of Croatia in sector Glina. In addition, on June 12, 1995 one unit of armored personnel carriers (APCs) consisting of 10 vehicles operated by the Yugoslav army Second Motorized Brigade was sent from Valjevo, Serbia, across the border with Bosnia and Herzegovina, and deployed in the same region in Croatia, at Banovina. Furthermore, on June 19, 1995 the Yugoslav army supplied equipment for two MI-8 rotary-wing aircraft located at the Udbina airport in the occupied territories, sector Knin, through the territory of Bosnia and Herzegovina.

Croatia has also brought to the attention of the United Nations evidence that throughout June 1995 the following senior officials of the Yugoslav army commissioned officers were assigned for duty in the occupied territories of Croatia:

Colonel Slobodan Tarbuk from the Yugoslav army Kragujevac corps, transferred to the 39th corps of the so-called Army of RSK in Petrinja, Croatia, on June 9, 1995.

Lt. Colonel Vučeković from the Yugoslav army, transferred to the 11th corps of the so-

called Army of RSK in Croatia, on June 23, 1995.

Colonel Uroš Despotović from the Yugoslav army, transferred to the 70th paramilitary Infantry Brigade of the so-called Army of RSK in Plaski, Croatia, in June 1995.

Colonel Milivojević from the Yugoslav army, transferred to the 70th paramilitary Infantry Brigade of the so-called Army of RSK in Plaski, Croatia, in June 1995.

Lt. Colonel Miloš Cvjetičanin from the Yugoslav army, transferred to the 2nd Armored of the so-called Army of RSK brigade in Croatia, in June 1995.

Colonel Milorad Stupar from the Yugoslav army Pančevo Special Units corps, transferred to the paramilitary Special Forces of the so-called Army of RSK corps in Croatia, in June 1995.

VIOLATION OF THE ZONE OF SEPARATION (ZOS)

As of May 1995 a total of 320 Serb paramilitary troops remain in the zone of separation (ZOS), in violation of the March 29, 1994 cease-fire agreement and UN Security Council Resolution 994 (1995). Of these, 70 are in sector "Vukovar", 50 in sector "Glina", and 200 in sector "Knin". Furthermore, on June 22, 1995 two new platoons of paramilitary personnel were deployed in the ZOS in the vicinity of Kašić, in sector "Knin", directly threatening the civilian traffic on the Zadar-Maslenica highway. On June 23, 1995 two additional platoons of paramilitary personnel were deployed in the ZOS near Osijek.

REINFORCEMENTS TO THE PARAMILITARY FORCES IN THE OCCUPIED TERRITORIES OF CROATIA FROM "ARMY OF YUGOSLAVIA", JUNE 1995

Date	Reinforcement type	Number	From	To
Equipment:				
June 13	Armored personnel carriers	10	2 motorized brig. [Valjevo]	Banovina (sector Glina).
June 13	Main battle tanks M-84	26	211 armored brigade [Niš]	Slunj (sector Glina).
June 19	Anti-armor ordinance for Mi-8 rotary-wing aircraft	2	"Army of Yugoslavia"	Udbina airport (sector Knin).
Personnel:				
June 4	Volunteers	100	Serbia	Plaski (Knin).
June 13	Volunteers	800	Serbia	Knin (Knin).
June 13	Forcibly mobilized	150	Serbia	Batnoga (Glina).
June 14	Forcibly mobilized	300 to 400	Serbia	Vukovar.
June 14	Forcibly mobilized	400 to 500	Serbia	Slunj (Glina).
June 15	Volunteers	100 to 120	Serbia	Plaski (Knin).
June 16	Forcibly mobilized	700 to 800	Novi Sad	Slunj (Glina).
June 17	Forcibly mobilized	2000 to 2300	Serbia	Slunj (Glina).
June 17	Volunteers	80	Serbia	Soskovci.
Total		4600 to 5200.		

OFFICERS

Date	Name	Rank	From	To
June 9	Slobodan Tarbuk	Colonel	Kragujevac Corps, "FRY"	39 corps.
June 26	N. Vuckovic	Lt. Colonel	"Army of Yugoslavia"	11 corps.
June	Uros Despotovic	Colonel	"Army of Yugoslavia"	70 brig. (Plaski).
June	Milivojevic	Colonel	"Army of Yugoslavia"	70 brig. (Plaski).
June	Milos Cvjeticanin	Lt. Colonel	"Army of Yugoslavia"	2 arm. brig/spec. corps.
June	Milorad Stupar	Colonel	Commando brigade Pancevo, "FRY"	Spec. Forces Corps.

Source: Letter from Mr. Hrvoje Sarinic, Head of the Croatia Government's Commission for UNCRO, to Mr. Yasushi Akashi, Special Envoy of the UN Secretary General, June 28, 1995.

MFN FOR BULGARIA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 11, 1995

Mr. HAMILTON. Mr. Speaker, I speak in favor of graduating Bulgaria from title IV trade restrictions, the Jackson-Vanik restrictions, under the Trade Act of 1974. I commend Mr. CRANE, Mr. RANGEL, and the entire Committee on Ways and Means for taking this timely action.

Since the late 1980's Bulgaria has made great strides in ameliorating its political and economic circumstances. Bulgaria's communist government has collapsed, and in its

place a democratic republic has emerged. The country's human rights record has improved dramatically. Emigration is no longer a problem; in fact, President Clinton determined in 1993 that Bulgaria is in full compliance with title IV freedom of emigration requirements. Although not yet completely resolved, the Government has made a sustained effort to strengthen its relations with Bulgaria's significant Turkish minority.

On the economic front, Bulgaria's Government has implemented sweeping reforms modeled on free-market principles, including privatization. While reforms are perhaps not proceeding as smoothly as might have been expected, the economic situation in Bulgaria has improved substantially throughout the 1990's. Granting Bulgaria permanent MFN sta-

tus would decrease the tariffs it pays and ensure that its economic reform program continues at an even faster rate.

The United States would also directly benefit from lifting title IV restrictions vis-a-vis Bulgaria. In general terms, this policy would enhance bilateral trade relations between the two countries. More specifically, the extension of MFN status to Bulgaria is needed if the United States is to take full advantage of all GATT and WTO provisions, for Bulgaria is currently in the process of acceding to the two international trade institutions.

I urge my colleagues to support this measure which will provide an important political and economic boost for Bulgaria's democratic, free-market development.

¹Source: Letter sent by The Minister of Foreign Affairs of the Republic of Croatia to the United Nations Secretary General on June 28, 1995.