

Greater Serbia's power grab heralds war in Europe

by Konstantin George

The Yugoslav civil war has made inevitable the partition of that country into at least three independent states: Slovenia, Croatia, and a "Greater Serbia." Slovenia and Croatia will naturally, for historical and cultural reasons, link up with Germany, Austria, Hungary, and Italy. The main "fronts" in the civil war, as it enters its second month at the end of July, are the Slavonia region of northeast Croatia, bordering on Serbia, and the southeastern and eastern regions of Croatia, including the Serbian-occupied Krajina, bordering on Bosnia. These are either the regions where Croatia's large (600,000), well-armed Serbian minority is concentrated, or regions with a mixed population of Serbs and Croats.

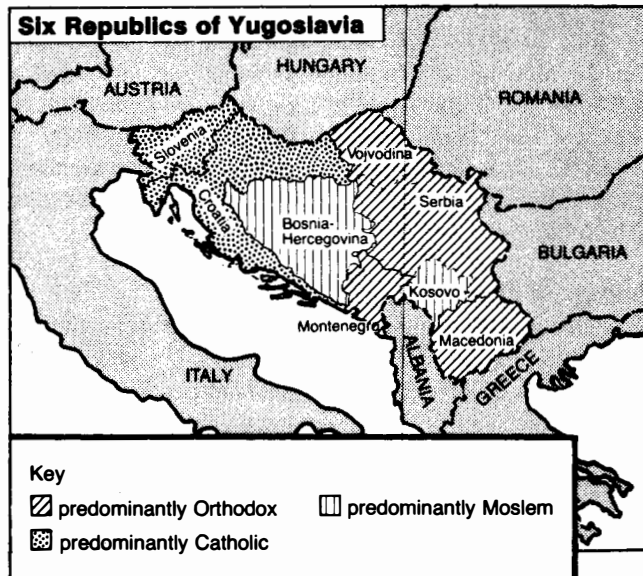
The third entity being created out of the civil war, an enlarged "Greater Serbia," is an Anglo-Soviet shared asset, with majority interest held by London. The proof for this can be observed in the daily barrage of hate propaganda in the Serbian media against Germany as a "Fourth Reich," faithfully echoing the anti-German campaign of the British media. The Serbian "pupil" has exceeded the British "master" in the realm of absurdity, going so far as to equate German Chancellor Helmut Kohl with Adolf Hitler and Croatian President Franjo Tudjman—a combat veteran of partisan warfare against the Nazi occupation and their murderous Croatian Ustashi puppet government—with wartime Ustashi leader Ante Pavelic.

The partition process is being accompanied by a Balkans-wide redrawing of the map into new spheres of influence and "control percentages" per country, as in the 1944 pre-Yalta dealings, being arranged for the Anglo-American bloc and the Russian Empire. This phenomenon was a crucial component of the hidden agenda at the London Group of Seven summit July 16-17, and directly following that meeting, President George Bush's mission to Athens and Ankara, to extend his imperial "new world order" to the Balkans-Eastern Mediterranean theater.

The first act in the partition of Yugoslavia, the achievement of de facto independence for Slovenia, was ratified by the decision, July 18, by a 6-2 vote of the



The area called the Balkans, from the Turkish word for "hilly, wooded place," today. Its history was determined by its strategic placement, between Venice, the Ottoman Empire with its capital in Istanbul, the Austro-Hungarian Empire, and Russia.



The six republics, with Serbia's two semi-autonomous provinces, Kosovo and Vojvodina, of the fast-disappearing Socialist Federated Republic of Yugoslavia.

Yugoslav State Presidium, securing the total withdrawal of the Yugoslav Army from Slovenia in three months. The withdrawal from Slovenia symbolized the Serbian policy shift to abandon claims to all Yugoslavia, in exchange for creating a Greater Serbia. The Serbian-run Yugoslav General Staff had already, prior to July 18, pulled out 8,000 of the 20,000 troops that had been in Slovenia as of June 25, and the withdrawal decision itself rubber-stamped a proposal by the General Staff.

During the next months, the partition process will produce, alongside independent Slovenia in its present borders, an independent Croatia, and an independent Greater Serbia, both in redrawn borders. This phase, as the mounting death toll in Serb-Croat fighting shows, will not be peaceful. The withdrawal from Slovenia allows Serbia to concentrate its military forces to secure its primary goal, maximizing the borders of Greater Serbia. This campaign, under way since June 25, has caused five times as many deaths as the brief fighting in Slovenia. The Army and Serbian militias hold the contiguous Serbian-inhabited regions of Krajina in Bosnia and southern Croatia, and the part of Slavonia, or northern Croatia, adjacent to the Serbian border.

The exact outcome of the Serbian-Croatian war is impossible to predict. The pattern of violence through July 23 has exhibited an increase in daily casualties, but the fighting has still not escalated to total war, and has still been confined to the regions of Croatia contested by Serbia and the mixed population zones adjacent to them.

Carving up Bosnia

The armed clashes between Serbia and Croatia are accompanied by initiatives from both sides to "settle" the conflict by partitioning Bosnia, giving one-third of it, where Croats live, to Croatia; one-third, where Serbs live, to Serbia; and leaving behind a rump Bosnian Muslim buffer state. Bosnia, which on a map looks like a thick arrow wedged deep into Croatia, has been occupied by large, reliable ethnic Serbian Army units since the onset of the crisis. Significant elements of the Army units withdrawn from Slovenia and Croatia have been redeployed into Bosnia, adding to the concentration of forces there facing Croatia.

The Army deployment in Bosnia is one of three military threats by Serbia, forming a powerful blackmail incentive for Croatia to "negotiate" a partition. The Army occupies the ethnically Croatian districts of that republic, held hostage by Belgrade. These forces could mount destructive "spoiler" operations deep inside Croatia. Threat number two is the positioning of an Army corps of Serbian reservists in Serbian-inhabited Krajina, poised, once all-out war starts, to dash the short distance to the Adriatic and seize the Zadar region of Croatia's coastline. Threat number three is the Serbian-led Yugoslav Air Force, which would play a major role in any all-out war.

Cognizant of these threats and the absence of any effective international support, Croatia, while refusing to surrender any of its territory, has been willing to redraw the map at the expense of Bosnia. This would also entail, as proposed

July 14, by Croatian President Tudjman, a population exchange, modeled explicitly on the British-sponsored 1923 Lausanne Treaty, which ended the Greek-Turkish War of 1920-22. Mass population exchanges are already under way, with Serbs and Croats living in areas expected to be part of the "other" state, fleeing to their post-partition "Fatherland." By July 22, some 40,000 Serbs had fled Croatia to the Serbian region of Vojvodina, while up to 20,000 Croats had fled the Serbian-occupied regions of Croatia.

Toward a Balkan war threshold

By the end of the third week of July, three major fronts where the Yugoslav civil war could spill over into an international conflict, had become clearly definable, each shaped by Serbia's acquisition or intended acquisition of non-Serbian or mixed population regions. The first case is a Serbian-Hungarian conflict over the future of the Vojvodina, a region of the Serbian republic bordering on Hungary, and containing a large Hungarian minority. The conflict broke into the open when, on July 14, Hungarian Prime Minister Jozsef Antall reminded Serbia that after World War I, Hungary had ceded Vojvodina to Yugoslavia, and not to Serbia.

A hot media war between Serbia and Hungary has been raging ever since; however, the danger of armed conflict is minimal. However upset Budapest is at Serbia, Hungary is too weak militarily to do anything, and for reasons of continued economic dependence on Russia, will do nothing to antagonize Moscow. The Soviet "hands off" message to Hungary was conveyed through Russia's Romanian satrap, Ion Iliescu, who denounced Antall's statement as "unfortunate and dangerous." This has ignited tensions between Hungary and Romania, but again, at least for the next months, it is unlikely to escalate beyond a war of words.

That is not the case concerning the south of Yugoslavia, the next likely theater both for the civil war's expansion. Albanian President Ramiz Alia went on record on July 15, after a first-ever meeting with Kosovo Albanian leader Ibrahim Rugova, saying that Albania would act "for the protection and rights of the Albanians in Kosovo," should fighting erupt in the Albanian-inhabited but Serbian-ruled region of Kosovo.

Alia's statement that "civil war also threatens in southern Yugoslavia," was an accurate reference that the new "southern front" in the war could embrace not only Kosovo, but the southern Yugoslav republic of Macedonia—the third area of potential expansion of the civil war. Macedonia, bordered by Serbia, Albania, Greece, and Bulgaria, was the epicenter of most of the Balkan crises and wars from 1877 to 1913. The Macedonian crisis erupted after a July 20 declaration by its President, Vasil Tupurkovski, demanding that all Yugoslav Army units leave its territory or face expulsion by force.

The dangers of the war spreading to Macedonia have become enhanced following Bush's visit to Turkey and the agreements reached with Turkish President Turgut Özal, ratifying Turkey's role as Washington's junior partner.

IMF wrecked the Yugoslav economy

by Paolo Raimondi

The economic crisis is the main cause of the present looming civil war in Yugoslavia, and a political solution can only come in the context of a program of economic development. The economies of the republics of Yugoslavia have been destroyed by a combination of the bureaucratic incompetence of a dictatorial bolshevist regime, and the more recent austerity policies of the International Monetary Fund (IMF).

Dominated by this perverse pair, Yugoslavia has been paying interest and principal on a debt of approximately \$20 billion for over a decade, and still has a hard-currency debt of approximately \$20 billion to be serviced. The final blow came at the end of 1989, when the federal government of Prime Minister Ante Markovic, a Croatian, unveiled a brutal austerity program, worked out in coordination with the IMF. As part of the package, Yugoslavia hired Harvard University austerity specialist Jeffrey Sachs as a "special adviser" on the introduction of free market mechanisms, and Markovic called in World Bank and IMF experts to "reform" Yugoslavia's banks.

The resulting budget cuts, including cuts in subsidies for industry and agriculture, produced a drastic drop in productive output, bankruptcies, mass unemployment, and a very large wave of strikes which devastated all the republics, beginning with the most backward and poor like Serbia. It is calculated that, from the time these measures were introduced, to the beginning of the eruption of military conflicts, the average living standard dropped 30-40%. Even relatively prosperous Croatia, after free elections in May 1990, blindly continued the policy of economic suicide and named Jeffrey Sachs as a special economic adviser to the Croatian government. Now, with military confrontation under way, the collapse of the economic system will be inevitable.

Federal government is bankrupt

Despite all this, federal Prime Minister Markovic has recently elaborated a new "shock therapy" program, cutting the federal budget by 63 billion dinars at one stroke, to the level of 100 billion dinars. It is expected that Markovic will announce the insolvency of the state by the end of August or the beginning of September at the latest. For several months, the federal budget has been going exclusively to finance the