

## Faris Nanic: 'Dayton accord is a first step'

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. . . The Dayton agreement has been signed under the auspices of the United States, and, if I may say, under great pressure from the United States. Now we have a certain peace agreement that has been signed, and has been accepted by all sides, but we still don't know whether this agreement can function, whether this will have any impact, nor to what extent this will have an impact on the ground.

Unfortunately, this agreement was based upon the so-called Contact Group Peace Plan which divided Bosnia into two confederal or federal units in the ratio of 51-49, respectively, in a way, the newly formed, bloody, ethnic divisions. It also respects the military demarcation line, with some exclusion. . . . What is still problematic, however, is the question of the river port of Brcko in the north, on the River Sava, which marks the border between Croatia and Bosnia, which is to be solved a year after the NATO mandate expires. This will be solved by international arbitration.

The agreement itself is rather contradictory, because it starts from the ethnic division. At the same time, it is the NATO mandate to enforce the return of all refugees and displaced persons to their homes, and, once this is achieved, to hold free and democratic elections for all Bosnia. What is contradictory is, if you return all the Bosnian Muslim refugees to eastern Bosnia, which was mainly inhabited by the Bosnian Muslims before the war, and before the genocide was committed, then you can have a Bosnian Muslim majority in the Serb Republic. Therefore, you can have a Bosnian Muslim elected as President of the Serb Republic. I don't foresee that any Serb regime in the Serb Republic will allow this to happen. So I don't know whether this will function.

Our impression, because we have not seen the whole document yet—nobody has, except the delegations and the respective parliaments—was that this agreement, since it is contradictory and very hard to implement, is only a first step toward that for which we have been fighting from the very beginning, toward the final reintegration of the country.

We have the impression that Mr. Clinton . . . was actually forced to make a certain compromise where Bosnia was concerned, after actually breaking with the geopolitical game which played the card of the Serbian gendarme in the Bal-

kans, by establishing a certain balance, at least between Zagreb and Belgrade, between Croatia and Bosnia, because he had simply turned a blind eye toward the Croatian offensive, not only in Krajina, but also in Bosnia. And now, it's just a matter of time—and we must give this time to the President, if he will win the election, I don't know—to undertake further measures in solving the Bosnian crisis after being reelected in 1996. This is my impression, as well as that of people with whom I work.

### 'We have some fears'

. . . We have some fears. First of all, NATO bases are organized only in the territory of the Federation of Bosnia, i.e., the territory controlled by the Bosnian government and the Croatian forces. But there is not one single base which will be organized in the territory of the Serbian Republic in Bosnia. This was the same with the Unprofor [U.N. Protection Forces]. . . . This means that we have the same problem with NATO.

Secondly, it seems that the providing and securing of the demarcation lines between the warring factions to the conflict is much stronger than it is for the existing internationally recognized borders of Bosnia. We don't know how the NATO forces will be deployed or will defend the existing external borders of Bosnia.

The international force under the command of NATO will include some Russians, some French, who are not members of NATO, and some forces from Islamic countries. The commander of the international forces, who will be based in Sarajevo, is British. Most of the members of the staff in Sarajevo are British, although there is a NATO general, [U.S. Gen. George] Joulwan, who will be commander of the operation. So, therefore, we do not exclude possible obstruction in the implementation of the NATO mandate.

Maybe the most important, let me give you an example of the refugees from Foca. It is a small city on the Drina River, which is the natural border between Bosnia and Serbia, where massive genocide was committed; over 7,000 Bosnian Muslims were killed there in 1992. By the Dayton agreement, Foca remains under the Serbian Republic. Foca had a majority of Muslims before the war. I wouldn't know how it would be possible for me to go back to Foca and to appeal for any kind of permit from the civil authorities there, where I know that the guy to whom I'm going to submit my application is the same one who killed my daughter and raped my wife. And there will be no enforcement, or at least we don't see who is going to enforce the right of these people to go back; and then, who is going to guard them from the same people who killed their families three years ago? That's what we don't know. Therefore, I don't see the mechanism for returning those refugees.

Even so, this has been the most decisive approach, from the military and the political standpoint, compared to anything that has been proposed so far, such as the Vance-Owen,



*Faris Nanic addressing last year's ICLC/Schiller Institute conference in Eltville.*

or Owen-Stoltenberg, or Contact Group peace plan, or whatever. It includes NATO forces and, according to the information I got yesterday from Gen. [Paul Albert] Scherer [former head of German military intelligence], this time, NATO and the Americans have to play rough.

This gives us some hope. This agreement has also some advantages, of course, since Bosnia as a whole, as an internationally recognized country, has been preserved in its existing borders. We have managed to provide one currency, because there were proposals to create two or three currencies in Bosnia; we have one central bank—we hope it will be a national bank and not a central bank; there will be a government and a parliament, though a somewhat crippled parliament, for the whole country. This should be the element of reintegration of the country.

The peace is the chance for the [Bosnian-Croatian] Federation, the territory controlled by the Bosnian government, to create a certain model which, in time, can become attractive to the partly isolated Serbs of Bosnia, and, somehow, make them change their minds, and change their political leadership, and join the Federation as a project for everybody in Bosnia. Because the controlled war that we have lived through in Bosnia, was fuel for the para-state that was organized, for the paramilitaries, for the armies, for the mercenaries, for everybody who was active in the destruction of the country. Therefore, we think the peace could be our chance.

People are reacting differently. It mainly depends on whether their town or village had remained in Federation

or under the Serb control. We have major protests, rallies, organized in Zagreb, in Croatia, by the people from the Posavina region, where the famous Serbian corridor is, on the northern side. The whole territory of this very rich portion of the country belongs to the Serbs, with the exception of two small municipalities in the far north. People are rallying against the President of Croatia, because the Bosnian delegation said there was a pre-arrangement, before the negotiations in Dayton started, between the Croatian and the Serb Presidents that the Posavina region—which was mostly inhabited by the Bosnian Croats and the Bosnian Muslims—would go to the Serbs. . . .

### **IMF wants the last drop of blood**

. . . But we are afraid of something else: the so-called international financial aid, which supposedly has to be channeled through the International Monetary Fund (IMF) and the World Bank. The Bosnian government has come out with the rough estimate of \$20 billion to be invested in the reconstruction of the country: the modernization of the infrastructure and production capabilities, at least the basic ones. The *ad hoc* IMF delegation that visited Sarajevo a couple of weeks ago and spoke to the representatives of the Bosnian government said yes, but their estimate is that \$3.7 billion would be enough for the reconstruction of Bosnia, and at the same time, the Bosnian part in the so-called Yugoslav debt has to be calculated. Therefore, Bosnia has to agree to pay about \$5 billion of the so-called Yugoslav debt, after it has been totally shattered, without any delay, with no grace period, with no moratorium whatsoever, if they want to get help from the IMF (which is offering \$3.7 billion); in a country where 90% of the people are unemployed, where the State-guaranteed monthly wage is DM 23 [about \$16]. They want us to pay the debt, even before the problem of the legal succession of former Yugoslavia is resolved in Geneva.

Now, there will be a conference in London, where they will discuss this problem of reconstruction. They are going to gather the eventual donor States and try to channel this aid, which will go through the IMF; and we don't know what the conditionalities will be, of course. At the same time, the trade sanctions against rump Yugoslavia, according to the 10-24 resolution of the U.N. Security Council, have been lifted. This gives a chance to rump Yugoslavia to use the gold and the hard currency reserves of the former Yugoslavia (which are estimated at a couple billion dollars), before the legal succession.

We don't know how to deal with the IMF's intentions. We have to find a way for there to be bilateral or multilateral cooperation in the reconstruction of Bosnia. We have our own projects, our own plans for rebuilding and modernization of infrastructure, together with Croatia—because there are some large infrastructural projects which are very interesting for both countries—and we know what we have to do. The problem is whether we will get the money.