

at Bosnia for a long time, but now I have a real insight into what this means. There is an epic element in that, the fight of the engineer and the technician and others to keep this lifeline alive, and I understand now how this is a symptom: that the population, the leadership, were totally united in this resistance.

There were no politicians in the classic sense of the word, but there were normal people, engineers, and so on. How did the leading group that put together the political resistance, the economic resistance, the productive resistance—how did it shape up?

Hadrovic: Our aggressor's front line was just 50 meters from our building, and we can show you, if you like—if you don't mind—just what it looked like, what kind of destruction was imposed on this building, and what the situation was. And then you can imagine under what conditions we were working here, because every day we were working, exposed to the shelling, with the aggressors trying to cross over the bridge. And the most dangerous battle line, was about 1 kilometer from this building to the town. They were everywhere crossing here and back.

But, before we go to see this, maybe we should have another question.

Swan: I would again reinforce our desire to have a delegation from Bosnia come to America, to help us spread the word, to make the point, to get support.

Fimmen: I think especially this kind of briefing would really help: This is so concrete. It's not an ideological question; it's very clear.

You were going through what the World Bank is willing to finance, in terms of the reconstruction and getting the electricity generation system back to work. But, did I understand it right, that the biggest part which would be needed, is *not* being financed right now, is *not* in the program. Is this true?

Sadikovic: Yes, that's true. The World Bank has agreed to finance the top priority program, which is now only for survival and for basic humanitarian needs, but this is not for industrial recovery.

Vejjagic: We wish to join the European Community again, and our opinion, is either Bosnia will be Europeanized, or that Europe will be Balkanized.

IMF squeezes Bosnia for Yugoslavia debt

Avvenire, the Milan daily that acts unofficially as the mouthpiece of the Italian bishops conference, highlighted the case of Bosnia in its April 26 coverage of the annual International Monetary Fund-World Bank conference in Washington, D.C. In the first of three articles covering the two-year-old effort to obtain debt relief for the world's poorest countries, *Avvenire* wrote:

"The International Monetary Fund and the World Bank have postponed the consideration of a proposal to eliminate part of the debt of the world's poorest countries, acknowledged to be unpayable. Now there is fear that the initiative, which could have relieved the situation of 40 extremely poor countries, will fail. The international organs have even given an ultimatum to Bosnia: if it wants more loans, it must first pay 17% of the debt of former Yugoslavia."

Avvenire elaborated the new looting of Bosnia in an accompanying article:

"Bosnia must take on 17% of the debt contracted with foreign banks by the defunct Yugoslavia, and 'accept a plan to eliminate the interest arrears on these loans.' That's the condition that the World Bank, in its report to the Brus-

sels Conference on Bosnian Reconstruction (Dec. 20-21, 1995), has imposed on the government of Sarajevo as 'the most important in order to be admitted among the members of the World Bank,' without which [Bosnia] will have no access to new credits.

"Yet the same World Bank recognizes that 80% of the Bosnian economy has been destroyed (and almost half of the population killed or expelled) by the aggression of Serbia, which claims to be the political heir of Tito's Yugoslavia. But the logic of the World Bank is revealing: Bosnia, which controls 17% of the territory of the ex-Yugoslavia (what the Serbians left them) must pay 17% of the debts contracted by Yugoslavia. Financial circles do admit, *sotto voce*, that the large private western banks lent 'too much' to Yugoslavia, incautiously trusting in the 'stability of the country' created by Tito.

"It's a classical case of a failed investment, induced by ill-considered 'political' motives; and, according to the norms of the 'market,' the damage for the failed investments should fall on whoever made the investments. Instead, the investors want to load their error onto a country that has been martyred. And, via the World Bank, they suggest the 'recipes for fiscal responsibility' which, given the situation in Sarajevo, seem to be tragically ridiculous: 'The government of Bosnia must move towards the convertibility of its currency, the dinar, and rapidly take up the privatization of state firms and excessive spending on social assistance.' "