

Interview: Faris Nanic



What we need is help to ignite the engine of reconstruction

This interview encompasses several conversations held from June 29 to July 11, in which Bosnian representative Faris Nanic discussed with *EIR*'s Umberto Pascali the key problems that are tormenting the young Republic of Bosnia. These particularly concern the economy, the creation of a state apparatus, and of a unified army for the Bosnian Federation. The Federation is one of the two entities that form Bosnia and Hercegovina, under the provisions of the Dayton Accords. It represents 51% of the territory controlled by the Bosnian government and the Bosnian Croats. The other 49%—the so-called Republika Srpska—is under the Nazi-like regime of Radovan Karadzic and Gen. Ratko Mladic.

On July 1, Nanic was nominated chief of staff of Bosnia's President Alija Izetbegovic. He had previously served as spokesman for the Defense Ministry. Nanic, who was in Zagreb when the Serbian aggression against Croatia started, was one of the first who contributed to the formation, "from scratch," of the Croatian Army. He also set up the first Bosnian press agency, which he still leads, the TWRA Press Agency. He has led or has been part of diplomatic missions for his country, often as the personal representative of the President. Nanic co-authored the first major interview with Lyndon LaRouche to appear in the countries of post-Yugoslavia; it was published in the Bosnian magazine *Ljiljan*, and sparked a great deal of interest. Many readers were surprised to learn that LaRouche had already, in October 1988, denounced Greater Serbia's strategy of aggression.

Nanic has been a speaker at events organized by the Schiller Institute, and was one of the initiators of the International Parliamentarians Against Genocide in Bosnia (IPGB), the organization which, in October 1993, defied the UN's policy and sent a multinational delegation of 10 parliamentarians to Sarajevo. In April 1996, Nanic was the key Bosnian leader who made possible the visit of a Schiller Institute delegation in the Bosnian capital (see *EIR Feature*, May 10).

Despite the terrible situation of destruction the Bosnian leadership has to face every day, it is clear from Nanic's words, what a principled approach, a sense of historical responsibility, characterizes many of these "nation-builders." Non-professional politicians such as Nanic are motivated by an understanding of the immense task they have at hand, and

by a sense of responsibility toward future generations. And because they look constantly to the future, despite all the horrors they have seen, they maintain an optimistic attitude and a strong sense of justice and morality.

During the first conversation, Nanic's thoughts were concentrated on the negotiations on the Defense Law, which was later approved by the Bosnian Parliament. The aim of that law was the unification of the Bosnian Army and the Bosnian-Croatian military formations (HVO) in the Muslim-Croat federation. But the representatives of the so-called Herceg-Bosna insisted on keeping the two armies separated.

Finally, an agreement was reached, and the Bosnian Parliament approved a plan of integration within three years. Immediately after that, President Clinton announced the beginning of the "train and equip" program for the Bosnian Federation's Armed Forces. That result was also the work of Nanic and his direct superior at that time, Deputy Defense Minister Hasan Cengic. Besides all the—often necessary—tactics, Nanic's "bottom line" position during these tough negotiations, was that the "United States, because of their power position, must implement the principles that are at the base of the American Republic."

EIR: In a recent conversation in Washington, the bishop of Banja Luka, Franjo Komarica, was stressing to us that he is not particularly impressed by the problem represented by the war criminals Radovan Karadzic and Ratko Mladic. The problem, he essentially said, is the protection they have enjoyed. The U.S. is being blocked by the influence of the "Europeans" whom they do not want to "displease," i.e., the Entente Cordiale of Britain and France. In reality, if a political decision is taken, then the problem of the war criminals can be solved easily. What is your opinion?

Nanic: I do not really think that Mr. Karadzic and General Mladic are the problems per se. They wouldn't have so much impact, unless they had been pumped up in a certain way by the Western powers, by the international community's envoys in Bosnia. And the only problem that I see is that, if there is a political decision in Europe to remove them, and to indict and extradite them to the War Crimes Tribunal in The Hague, then *they would represent no problem at all.*

Of course, I am not able to say whether there is really direct support for them from official circles in Great Britain or France, but our impression, from the public statements by officials in France and Britain and the Organization for Security and Cooperation in Europe [OSCE], is that their attitude toward this problem is not principled. I cannot say whether there is open support, but there is some kind. . . . Karadzic and Mladic are being given much more importance than they really have.

Actually, there are a couple of problems connected to that. First of all the OCSE and the international community, especially through its representative in Bosnia, Mr. Carl Bildt, insists on the removal of Karadzic and Mladic, as war criminals, from their political posts, as being the only prerequisite for holding democratic elections in September. That is not true, because even Ambassador Robert Frowick, who is the American representative at the OSCE in charge of the elections in Bosnia, at the beginning of this month said that out of the 14 preconditions for the elections in Bosnia, only one has been fulfilled. This means that there are really no preconditions for the elections in Bosnia.

What does that mean? If we hold elections under these circumstances, then we will legalize and legitimize the final partition of Bosnia, because then the regimes of the para-state Republika Srpska will be finally legalized by the so-called democratic elections. Why? Because the Muslims and the Croats who have been expelled from their homes, still cannot go back, cannot return to their homes; there is no freedom of movement; there is no freedom of press, no freedom of public assembly, of political organizing, and therefore the only party that is represented in Republika Srpska is the Serbian party. Therefore, you risk getting a completely opposite effect from the one you expect. The risk is to pave the way for the partition of Bosnia between the two "entities" constituting Bosnia according to Dayton.

EIR: Mr. Nanic, I would like to ask you about an issue on which you have done a lot of original work, of analysis and elaboration: what is commonly known today as the Marshall Plan for Bosnia. One of the issues that has never been faced by the successor of Lord Carrington and Lord Owen, the "international mediator" Carl Bildt, is the question of economic reconstruction. This issue, together with the arrest and prosecution of the war criminals, is the key to peace and reconciliation. But Mr. Bildt never dealt with the "civilian aspects" of Dayton—that was supposed to be his primary task; while he *spoke* a lot about the problem of the war criminals, in my opinion, it was in a purposeless, demagogical, and counterproductive way. But without reconstruction, there is no peace. Every leader we—the Schiller Institute delegation—met in April in Bosnia, agreed with the need for reconstruction through a Marshall Plan, because this is also the way to have a real reconciliation based on justice.

We are launching a campaign on the Marshall Plan for

Bosnia, which is aimed not just to save Bosnia, but to save the United States from our common enemies: the International Monetary Fund, the World Bank, etc. How do you see the perspectives, possibilities for the implementation of this Marshall Plan?

Nanic: I think this a matter of *political* decision, as it had been a matter of political decision when the Marshall Plan was launched in postwar Europe. I think that if a *political* decision is taken, then there would be no problem. I think that whenever you talk about reconstruction, or about the funds and investments necessary to rebuild and to reconstruct, then you actually are talking about politics. This is not a technical-economic issue. The most important thing, is that you decide that you want to help the reconstruction of the country that has been devastated by war. Therefore, in the same way that the United States played the leading role after World War II in reconstructing Europe, so, now, the U.S. should take on the responsibility in the reconstruction efforts in Bosnia and the whole region, in *tight* coordination with the Bosnian government.

EIR: What is your assessment of the overall economic situation in Bosnia at this moment?

Nanic: First of all, in Bosnia at this moment there *is no economy*. Our industrial plants and facilities are destroyed and damaged to a great extent. We were not a self-sufficient food-producing country before the war, so we are not now. A couple of months ago, the rate of unemployment was about 70-80%. We have a destroyed transportation system and communications system. We have problems in re-starting some of the production facilities that have not been damaged, because we do not have funds. There is no conception of how the economic strategy of the country should look, because there are too many pressures from the outside. We are not able to launch a real development program, because we are not able to issue long-term credits through our National Bank.

As you know, as part of the Dayton Accords, the head of the National Bank of Bosnia, for at least one year, must be a foreigner—appointed by the World Bank—who will be in charge of monetary policy. He will take care only about balancing the budget, some kind of bookkeeping, without envisioning any development or any reconstruction. This is our fear.

Secondly, you know that former Yugoslavia had a debt of about \$16 billion. Now the debt will be divided among the republics emerging from former Yugoslavia, including Bosnia. It is some kind of paradox. We have first to reschedule our debts, as a precondition to get any help from outside, in terms of productive loans which have not yet been launched.

EIR: Speaking purely from a technical standpoint, leaving aside the political impositions: Do you think it would be difficult to arrange a program of adequate reconstruction, a Marshall Plan, that would put Bosnia on its feet like it was before,

or even better?

Nanic: Technically it would *not* be difficult, because we have tremendous resources for a small country. We have considerable human, scientific, and natural resources to re-start very advanced production of various kinds.

For example, we have two main sectors that I see as of vital importance: the military industry that we had before the war, which has been partially damaged, but could be revived very fast and converted to civilian production; and the construction sector, public works. We have quite an experience there, because our companies used to work all over the world, before the war. I think these two sectors can be utilized immediately, and I don't think that technically there is any problem at all.

Let me give you some examples. First of all Bosnia's largest construction company, called Hidrogranija, was a large contractor in Iraq before the war, for the construction of a high dam—a \$2.5 billion contract. It was also involved in huge construction works in Asia and Africa. We have a skilled labor force, we have a large number of engineers, we have international experts, i.e., we really know what an international contract is, what the terms and conditions are, how to compete and how to conduct the whole project in a proper way.

Secondly, we had a large military industry, because the military industry of former Yugoslavia was concentrated in Bosnia. And we have actually inherited all these plants, which are partially damaged, but we are able to produce interesting civilian and military programs with the plants that we have. You know that a skilled workforce and expertise are the basics, and we have them.

So, if somebody thinks that to come to help the reconstruction of Bosnia is like going into the desert or a primitive society, this is a very wrong assumption. We know how to rebuild Bosnia and we have capabilities; what we need is investment and help, to ignite the engine of our reconstruction. We are an industrialized nation: This is the most important thing to say. We know what industrial production is. Of course, it is not at the level of the United States or western Europe, but we were an industrialized nation and we had a capability to export our goods all over the world.

EIR: By the end of June, a huge number of military personnel—220,000 people between the Bosnian army and the Croatian military formations in Bosnia—have been demobilized, according to the Dayton agreement. No provisions have been contemplated for these soldiers, who fought against all odds to save the country from aggression. It also wastes a precious resource, in terms of labor, for the potential reconstruction of Bosnia. I know that you, as the main civilian authority in the Defense Ministry, have dealt with this problem. How can this situation be solved?

Nanic: Under the terms of the Dayton agreement, we were obliged to demobilize 165,000 from the Bosnian Army and

some 40,000 soldiers were to be demobilized from the Croatian Defense Council (HVO). These people were demobilized and now represent 205,000 unemployed people. And this is only on the territory of the Federation.

The majority of these are skilled workers, industrial workers, engineers, medical personnel, doctors, professionals, various kind of experts, and they can be utilized *immediately*. Besides, it is imperative to prevent possible social turmoil and instability as the result of the anger of these people, who have been fighting for their country for four years. We think these people should be given jobs as soon as possible. Therefore, I think that the reconstruction process could also serve as a possible way to use these resources and prevent a social explosion.

Unfortunately, no program has been submitted to the Bosnian government, to the Defense Ministry, or anybody else, that would take care of the demobilized soldier. Nobody in Dayton thought about the possible consequences. . . . We have also another problem, the Ministry of Defense doesn't have a penny from the budget, because under the Dayton agreement, *there is no budget for defense in the Federation of Bosnia-Herzegovina*. We have to find our way anywhere, to try to take care not only of the military that we now have, but we feel an obligation to take care of the demobilized soldiers, to help in some small way, at least with a monthly salary, like DM 50-100 [\$30-70]. We are trying to find some financial source, some donor state . . . presenting it as an humanitarian problem. . . . But our soldiers are telling us: We are not a humanitarian problem, we are workers. They have their dignity and their rights, which they have clearly demonstrated by fighting for their country.

EIR: On April 3, the plane of U.S. Commerce Secretary Ron Brown crashed in Dubrovnik, Croatia, killing the secretary and some of the most prominent U.S. business leaders. When we talk about the Marshall Plan for Bosnia, many in this country say, "Oh, you mean what Ron Brown was doing: direct, massive investment from the United States to Bosnia, without any intermediaries."

Nanic: We have always advocated that certain bilateral cooperation is crucial. Mr. Brown led a delegation of about 30 prominent businessmen, who were committed to investigate the real economic situation in Bosnia and to invest—but to invest in productive investments. I cannot say precisely what program of investments they would have started, had the plane not crashed, but if our information is correct, these people were committed to invest real money, to launch a real reconstruction of the country. That crash has been a real setback. We have the impression that the crash somehow discouraged potential investors.

It is useful to compare the situation in the Middle East and here. They are similar situations. We in Bosnia also accepted an unjust peace, in order to have reconstruction. But now, the result is the same: You have an unjust peace, and on the other

hand there is no reconstruction. So the peace will lose its stability, if reconstruction is not implemented.

In the Middle East, after the last elections in Israel, the peace process could be over; the same thing can happen to Bosnia. If the other part of the deal—reconstruction—is not fulfilled, then also the first part—the unjust peace—will be very fragile.

So, the first part of the Dayton Accord, the formal principle of the guarantee of territorial integrity and sovereignty of Bosnia, would just evaporate, if no mechanism, no mediation is found to implement that principle in reality. . . .

EIR: Lyndon LaRouche has been focussing on the question of the Middle East and Bosnia, in the sense that there is a war, not only *in loco*, but also in Washington. He has pointed a finger at what he called the “new British Empire,” as trying to establish its full control and prevent, for example, the emergence of an independent, prosperous Bosnia. As a Bosnian, what do you think people in the United States should do?

Nanic: First of all, I think that from the beginning of this century, the U.S. has been hostage of the European powers. My opinion is that somehow the U.S. was forced to jump into the European “circle of death” twice in this century, and now it seems there is someone trying to involve the U.S. in a third one. The U.S., as the most powerful country in the world, has been the leader in many fields; I think the U.S. should be more firm, more determined, not only concerning Bosnia, but all the other crisis points in the world. To take a leading role, to take initiatives, to *give ideas* and programs. And the U.S. should not pay too much attention to what the European allies and friends would say. These “allies” will comply with the American initiatives. This is the way to defeat the influence of those powers in Europe that are not committed to peace and development. I think the United States should decisively and bravely take up its traditions and fulfill its leading role in the world.

EIR: On July 8, the *Washington Post* published a front-page article alleging that a large number of mujahideen are still in Bosnia, involved in violent activities. The *Post* alleges that they are connected to the party of President Izetbegovic. This happened after the U.S. administration “certified” that Bosnia had complied with the so-called de-Iranization, i.e., that there are no organized Iranian forces *in loco*.

Nanic: Yes, after that article, the U.S. ambassador asked for an urgent meeting with the President. He met Izetbegovic and asked what that was all about. We told him that we were going to investigate the allegations. He was very satisfied when he left.

I can assure you that there is no support in Bosnia for any ideological influence from outside. There are a few, let’s say, “lone riders,” who came into Bosnia during the war, and some of them would like to get married and stay here. In particular, there was the case of the kidnapping of a young girl. Even in

war conditions, this has been an isolated case. It is totally false and absurd to blame the government of Bosnia. Concerning the article, the “facts” reported there, on the so-called complicity of the government, are completely, *completely*, wrong. The journalist does not base his article on any facts.

EIR: Why is there so much focus on this now in Washington?

Nanic: Maybe it is connected with the starting of the “train and equip” program by the U.S. It also could be an attack against the U.S. administration’s efforts to successfully implement the Dayton agreement. It is interesting that it coincides with the final approval of the defense law, which opened the way for the train and equip program, which is considered a main pillar of the military balance [with the so-called Republika Srpska]—i.e., the basis for a durable peace.

EIR: Mr. Nanic, we hope that in your new position of responsibility, you will be able to do much more—and you have done so much already—for Bosnia and for a real peace based on justice and economic growth. And we hope to interview you soon again, to have an update on these developments.

Nanic: Thank you very much for your wishes and I hope to be able to comply with all the demands that stand in front of me.



LaRouche Campaign Is On the Internet!

Lyndon LaRouche's Democratic presidential primary campaign has established a World Wide Web site on the Internet. The “home page” brings you recent policy statements by the candidate as well as a brief biographical resumé.

TO REACH the LaRouche page on the Internet:

<http://www.clark.net/larouche/welcome.html>

TO REACH the campaign by electronic mail:

larouche@clark.net

Paid for by Committee to Reverse the Accelerating Global Economic and Strategic Crisis: A LaRouche Exploratory Committee.