
Interview: Faris Nanic

Decisive U.S. initiative needed to spark Balkans reconstruction

Until October 1996, Faris Nanic was the chief of staff of Bosnian President Alija Izetbegovic. He is currently general secretary of the Croatian branch of Bosnia's ruling Party of Democratic Action, and director of TWRA Press Agency in Zagreb, Croatia. Mr. Nanic was a guest of the Schiller Institute and the FDR-PAC in Washington, D.C. in early January, and he was interviewed in Zagreb by telephone on Feb. 14 by Umberto Pascali.

EIR: Mr. Nanic, on your recent trip to the United States, you talked with officials in Washington and stressed the need to change the approach toward Bosnia and former Yugoslavia. What were your proposals, and what response did you get?

Nanic: First, I said that the Dayton Accords had stopped the hot phase of the war, but had not led to reconstruction. I told them that the Dayton Peace Accord, or any other peace accord which will be invented for Bosnia in the future, is not viable as a multilateral effort. We believe a decisive U.S. bilateral effort toward development and reconstruction of Bosnia is needed. Leaving such an effort in the multilateral area will not bear any fruit, and has not borne any fruit during this year's peace period. I wanted to see what the reaction would be from the American side to these ideas. I also addressed the FDR-PAC forum [Jan. 4 in Washington] on these same issues.

The impression I got is that it seems there is a certain level of understanding and awareness of the situation among the political circles in the United States. I don't know whether this is the case with the decision-makers, but with the second tier of politicians, there is a certain awareness that, so far, the approach to the reconstruction of Bosnia was almost a failure and that something should be done. But I think that there is not sufficient resolution, readiness, or even courage to undertake the necessary measures to launch a larger unilateral or bilateral U.S. action, or take a leading role, in the reconstruction of Bosnia.

EIR: You have stressed the concept of a "Marshall Plan for Bosnia" in your meetings and in your presentation as a guest of honor with the American-Muslim Council in Washington, D.C. You have also mentioned Bosnia in the context of the Eurasian Land-Bridge idea, and I noted that the Iranian ambassador in Sarajevo recently said that Bosnia is very important as an economic partner for the new D-8 group of develop-

ing nations.

Nanic: I think that the crucial relationship Bosnia has to develop is the relationship with the United States, which means that Bosnia should be considered as a possible long-term economic and political partner of the United States in this part of the world. This bilateral approach has been reaffirmed on several occasions by President Alija Izetbegovic and by the Bosnian leadership, and I think that there is no doubt about it in Bosnian political circles, especially among the decision-makers. There is a certain feeling in Bosnia, that America is actually the one nation that can initiate the solution to the problems—as it did with a unilateral action in 1995, when the war was over.

As far as the second part of your question is concerned, I think that Bosnia also has its place in the Eurasian Land-Bridge; Bosnia is a part of a land through which some of the main Land-Bridge corridors will develop.

EIR: Just before World War I, there was a great project, on a smaller scale, but like the Eurasian bridge—the Berlin-Baghdad railway. There was incredible opposition to this project from the British representative in Serbia, who explicitly said, "this threatens the life of our empire," and "we have to prevent this connection between the North and the South," the Christian and the Muslim, and so on, because this would mean the end of the British Empire.

Nanic: That is quite correct. I think that this idea of Eurasian Land-Bridge is much more extensive, but similar to the idea for the Baghdad-Berlin railway, which was initiated by the Germans and the Turks. Bosnia, as a bridge between the East and the West, between the Muslim and the Christian world, not only is capable of being incorporated in this huge project, but also it is vital that Bosnia be included. Bosnia has several advantages; as a European state with a Muslim majority, it is capable of communicating on an equal level with the Muslim and the Christian world, with the East and the West. Bosnia is therefore an ideal springboard for launching this project more widely into the Asian-Eurasian continent. Doing so would also help solve the problem of Bosnian development and Bosnian reconstruction.

EIR: What is the possibility for this kind of development to move forward?

Nanic: Some encouraging moments have occurred in the Middle East, especially the role of the Turkish Prime Minister Necmettin Erbakan in signing very important long-term agreements and contracts with his Iranian counterpart. Also, there is the wish of Central Asian Muslim countries to be involved in the long-term transportation infrastructure building. I think that the most important is that the United States should jump on the train before it is too late! This huge project will go forward with or without the United States, but if the United States would like to retain a presence in this part of the world, and be able to economically influence development here, it should join the effort and advocate the idea in the international fora. If the United States helps this effort, it can be implemented in a reasonably short period.

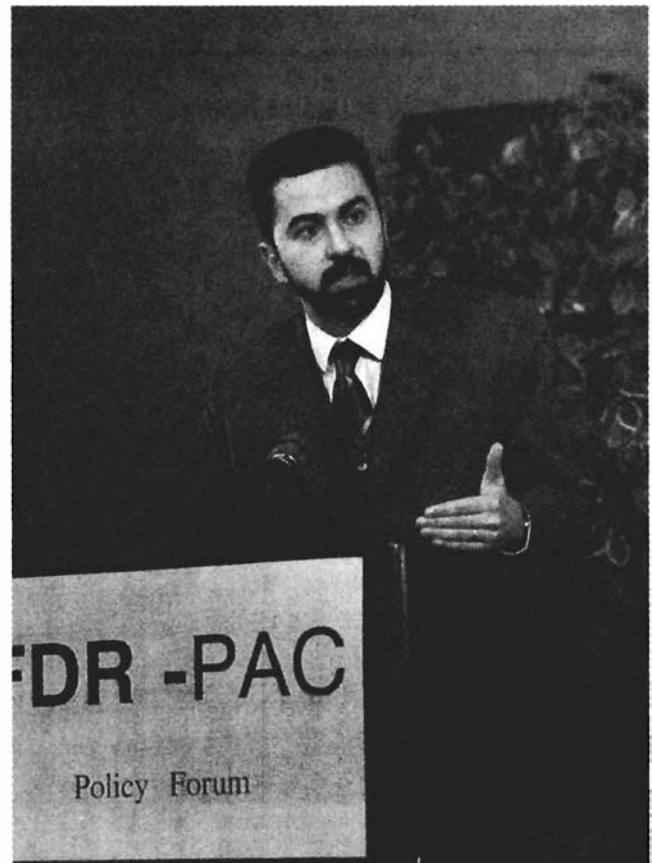
EIR: Let me go back to the subject of what the United States is doing in Bosnia now. What happened on the question of the administration of the town Brcko, which was left open by the Dayton Accords to be resolved by an Arbitration Commission? Apparently the decision is to put it under Serb control for a year and then reconsider the decision next February.

Nanic: First of all, there is a certain feeling that this “arbitration” [putting Brcko under Serbian control] was more of a political nature than of a legal one. At Dayton it was agreed by the five parties involved that Brcko’s administration would be resolved by the Arbitration Commission, led by the American Roberts Owen, with other members being one from the Federation of Bosnia-Herzegovina, Mr. Cazim Sadikovic, and one from the [Serb] Republika Srpska, Mr. Vitomir Popovic.

All the legal arguments were on the side of the Federation. The city of Brcko had been Muslim-dominated, and the area of Brcko, which is a part of the so-called Bosanska Posavina Region, had an absolute majority of Croats and Muslims, which means that if the basis for a legal decision were the population census from 1991, Brcko should have been allotted to the Bosnia Federation.

What happened in Brcko during the war, was that 7,000 Bosnian Muslims were killed, slaughtered, and tortured in the concentration camp in the Brcko harbor. It was one of the worst scenes of ethnic cleansing and genocide in Bosnia, and by all legal and moral standards, Brcko should have been allotted to the Federation.

After the genocide was committed, many Serbs were [brought in both by force or came of their own free will] to inhabit the city and the area. So the Serbs won a majority there, but this was a direct result of genocide and their aggression. Unfortunately, due to some pragmatic military and political reasons, it seems that this “arbitrage” decision was just a postponement of the final decision, because the “arbitrage” decision was very clear: The Brcko area still remains under Serb control. It will also be controlled by the so-called international supervisor, who will be in charge of supervising the



“The crucial relationship Bosnia has to develop is the relationship with the United States.” Here, Faris Nanic addresses an FDR-PAC policy forum, entitled “Bosnia: Bridge to the New World,” in Washington, D.C. on January 4.

local authorities—meaning the Serb authorities—and the supervisor’s word would be the last word, so to speak, in all decisions. The supervisor will be responsible to [European Union] mediator Carl Bildt’s office, and will probably be an American. The final resolution on the city and the area has not yet been made, because, legally speaking, the Brcko territory has not been allotted either to Republika Srpska or to the Federation. However, in actuality, the Serb authorities will be in charge there, supervised by the Americans.

The main point is that the supervisor will also be responsible for opening the communications—roads, bridges, and the Brcko port—and, at the end of this first stage, the refugees (the Muslims and the Croats) should be allowed to return to their homes and full freedom of movement should be assured. Within a one-year period of postponement, Mr. Owen as the international arbitrator, is supposed to reconsider today’s decision.

EIR: What is the guarantee that the refugees will be let back into the area?

Nanic: The preliminary decision is not clear on this. It will be up to the supervisor, but I don’t know how he will be able

FIGURE 1

The Republic of Bosnia and Hercegovina



to enforce this; it was not discussed. I think that the Arbitrage Commission was not in charge of inventing instruments for accomplishing the goals. It is left to further political consultations to define the instruments to implement the decisions taken.

EIR: So, will the enforcement mechanism be left to Bildt's office?

Nanic: It will be up to the [Stabilization Forces] SFOR units, the military units primarily in charge of the demarcation and the cease-fire, or the IPTS, the International Police Task Force, or somebody else.

EIR: But the decision on this matter of enforcement will be Bildt's office?

Nanic: Yes, unfortunately, because Bildt's office is in charge of the so-called civilian implementation of the Dayton agreement.

EIR: So, as I understand it, the Bosniacs and the Croats fear that these enforcement mechanisms have been discussed theoretically many times, but implemented only a few times, including the question of the capture of the war criminals.

Nanic: The problem is, that it seems that NATO military circles are quite restrained when it comes to the so-called "extended military engagement." They think that they have fulfilled their task only by demarcating the military units, by

establishing a durable cease-fire, and they are quite unwilling to take any other assignments from the international community, including the capture of the war criminals or their indictment.

EIR: So, I understand that there was some reaction from the victims of the genocide in Brcko.

Nanic: My news agency's correspondent from Tuzla, informed us today that the first information leak from the diplomatic sources regarding the Brcko [preliminary] resolution, before it was officially announced today, had already caused a tense situation. Some 200 expelled Bosniacs from Brcko, who are now residing in the wider area of Tuzla, yesterday blocked the Tuzla-Orasje motorway. This is the motorway leading from Tuzla, the main industrial center, to the Bosanska Posavina Region, to the northern border with Croatia—and in the vicinity of the U.S. McGovern base and the U.S. SFOR unit.

After this sign of protest against the "arbitrage" decision proposal, the Brcko municipal council held an extraordinary session and expressed its discontent with the "arbitrage" decision resolution. The council also requested withdrawal of the U.S. SFOR unit to the base. Before the announcement of the decision—it was a couple of days ago—the U.S. SFOR was moved from the base to a secure area, because it was predicted that there might be some problems. The unit was reinforced by some 800 British soldiers from the British contingent in Bosnia. As the decision was put out by the municipal secretary Adnan Pasalic, some anti-American sentiment was expressed among expelled Bosnians, which is a very dangerous [matter].

EIR: This seems to demonstrate the counterproductive effect of the pragmatism of American military leadership in Bosnia, which was probably thinking that this decision on Brcko was the way to keep things calm and sleepy; instead they got exactly the opposite, a reawakening of the mechanism of confrontation.

Nanic: Yes, that is quite right. There is a certain delusion that no military conflict can break out during the military presence of NATO forces in Bosnia, which is the case when you can at least solve problems step-by-step. But if you do not solve major problems—and Brcko is the major problem of the Dayton Peace Accord—then I would not exclude the possibility of a military conflict breaking out again, despite the military presence of the United States and NATO.

EIR: What is the background of the decision to keep Brcko under the occupation of Republika Srpska?

Nanic: It seems that it had a military background. It is reported that Owen had the idea of giving Brcko and the whole area a special status, which would be directly under the Bosnian central government rather than that of the Federation or Republika Srpska, and this seems to have been the idea from

the very beginning. But after Owen's consultation in the United States, mainly with Pentagon and some other military circles, apparently he dropped the idea. This suggests to me that anything that requires a more considerable military engagement is not acceptable for the U.S. military.

EIR: The second issue in which the United States could play either a very positive or a very negative role, is the question of Mostar. The situation there is very hot; there is even the suspicion that some foreign force is trying to repeat what was done in 1993, provoking the Croat-Muslim war in central Bosnia. What is your sense of the situation there?

Nanic: Apparently, for more than a month, there has been a series of provocations from the Croat side in the canton of Neretva-Herzegovina, and in the city of Mostar, but also in some other parts of the Bosnia Federation. When armed robberies and the mistreatment of passengers along the central motorway going from the coast to Sarajevo, via Mostar, increased all of a sudden, then there was an increase of provocations from the western part of Mostar (controlled by Croats) toward the eastern part of Mostar. Some grenades were fired, and the remaining Bosnian Muslims in the western part of the city started to be expelled from their houses and apartments.

The tensions grew and grew, and there was no way to calm it down, and then the cemetery incident happened. It seems to me that there were certain instructions from the extreme Croat circles in Zagreb to the Croat officials in Mostar to increase the tension as much as possible. But at a certain point, this got out of control. On the second day of the Muslim festival [Ramadan], a group of Mostar citizens announced their wish to go to the cemetery in the western part of the city, which is a tradition on the second day of the festival. When they went there, they found a group of armed Croat policemen who started shooting at them. They started to run away, and they were shot in the back. One person was killed and several injured. But this was only the peak of what had been going on in the last month and a half in the area.

EIR: Do you think this has anything to do with the fact that the person in charge in Mostar is Sir Martin Garrod, who has an unparalleled background in unconventional warfare?

Nanic: It is quite interesting. I do not know why we have so many of these special forces personnel from Great Britain. Of course, the best known of these was Sir Michael Rose, the military chief of Unprofor [the UN Protection Forces], who was definitely pro-Serb. You remember the crisis in Gorazde in 1994, and the crisis in western Bosnia in 1994-95. It is a very interesting point.

Anyway, Sir Garrod is the European Union official in Mostar. So far, we do not have reason to believe that he has been raising, instead of calming down, tensions between

FIGURE 2
The Balkans



the two communities. But the main problem is that nothing has been done to implement the basic provisions of the Federation agreement and the Dayton Peace Accord; that is, the creation of joint bodies. Unfortunately, this has been constantly obstructed by the Croat side, especially in this very sensitive region of Mostar and Herzegovina.

EIR: There were other provocations, particularly concerning Bosnian special forces, with the burning and destruction of houses, or the remains of the houses of Muslims on or inside the border of Republika Srpska, under the eyes of the NATO forces.

Nanic: The Russian contingent was in charge of supervising things and guaranteeing the basic conditions. The fact is, that expelled Bosniacs are not even allowed to come back to their houses in the demarcation zone—not to mention that they are not allowed, at all, to come back to Republika Srpska. Unfortunately, the burning of the houses, the maltreatment, the terrorism these people were subjected to, was actually tolerated by the Russian contingent.

EIR: Another issue on which the United States lost a precious opportunity is the question of Mr. Hasan Cengic, the former deputy minister of defense. Recently, the *Los Angeles Times* came out with a further attack on Mr. Cengic, repeating the stories already pushed by Henry Kissinger, Yossuf Bodanski, and other propagandists of the “clash of civilizations” between North and South. This story of Cengic’s alleged Iranian “connection” is being repeated without any attempt to tell the truth. The defamation campaign started during the

Presidential campaign here as another way for the Gingrichite conservatives to attack President Clinton. But such domestic dirty tricks have provoked devastating consequences in Bosnia.

Nanic: First of all, I think that the whole case of the Iranian connection is still used by the opponents of President Clinton to somehow compromise his efforts in Bosnia. This is my first impression. It is interesting that the attacks on Mr. Cengic, who is the main partner of President Izetbegovic in Bosnia, were made a couple of days after Mr. Anthony Lake was released from charges of lying in front of the Senate Committee investigating him for his nomination as director of the CIA. I think that this so-called argument will be taken up whenever the circles opposed to President Clinton, will need to attack him and his policies—and not only in Bosnia.

The United States should jump on the train before it is too late. I mean that the United States should re-establish its relations with Iran. I think the case of Bosnia is ideal to be used as a springboard to re-establish this relationship, which has been lost because of the lunacy of the past. The idea is, that Bosnia is a unique case in the world—a country that has good relations both with the United States and with Iran.

I was reading what Iranian President Rafsanjani said recently in a major speech. There was not a single word against the United States. I think that the Iranians are ready to reconsider relations with the United States.

In fact, I would say that forces that are using the word Iran as an insult, as in the case of this vendetta against Mr. Cengic, are against the fundamental interests, not only of Bosnia, but, in the long term, of the United States.

EIR: These continuing attacks against the main Bosnian Muslim leaders, what the *Washington Post's* John Pomfret labeled as the TWRA network, what do you think this is producing in Bosnia? Is it weakening respected authority in the Muslim community and creating fragmentation?

Nanic: Mr. Cengic is a very respected person. To a large extent, these attacks put him out of circulation. Of course, it means also that people who were collaborating for many years with Mr. Cengic, and also, therefore, with Mr. Izetbegovic, are also put aside. This gives space to the forces who are more corrupted, and more dangerous, to the best interests of the country.

EIR: The crucial question for cooperation between the United States and Bosnia is economic reconstruction. We've heard a lot here about how well the reconstruction is going, but when you were here, you made the point several times that this is an illusion—that the International Monetary Fund and the World Bank still run the show.

Nanic: Well, the mechanism is very simple. The American idea was "Okay, we'll take care of the military aspects and the others must take care of the civilian aspects"—the main part of that being, of course, reconstruction. Once you let

others take care of this, you provoke the only possible approach—the so-called multilateral approach. This means going to the supranational banking and finance organizations, namely the IMF and the World Bank. This means that the World Bank has been given too much authority to govern, or direct, any reconstruction effort initiative which comes from any part of the world.

This is the problem. The bilateral approach can be very fruitful, meaning full cooperation between the two governments, sovereign states. These governments would be creating conditions for the public and private sectors to invest. This is, unfortunately, not the case at the moment. This is why I think the idea of going all around the world, organizing donor conferences, collecting bits and pieces from governments or NGOs will not be efficient at all.

What we need is what I call a Marshall Plan for Bosnia—a long-term plan for the reconstruction and development of the country.

EIR: Do you see any openings—even small—in the positive direction?

Nanic: I don't know whether it will change. There are some bilateral attempts; some countries are interested in cooperation on their own. But is this feasible, or possible, while avoiding the World Bank and the multilateral approach? I don't know. Maybe in some minor projects, yes. But this means that the best that you can get is some \$20 to \$25 million in loans for some reinstallation, or rebuilding, of damaged industrial capacities in some regions, or small infrastructure projects, such as water or sewage systems in small towns and villages. Okay, this should be utilized also, but we won't get, in this way, the billions of dollars of investments needed for major infrastructure projects and modernization of industrial capacities and agriculture. This is what would create immense change, and is the only way to stabilize the country.

EIR: Can you give us an assessment of what is really going on now in Serbia, with the demonstrations against [Serb President Slobodan] Milosevic?

Nanic: This could be a democratic revolution, but led by an undemocratic force. This is the problem.

EIR: What about the fact that Zoran Djindjic and company said that they accept the Dayton Accords?

Nanic: It doesn't mean too much, because a lot of Serbian leaders have sworn to respect the Dayton agreement, and they simply do not. So, we reserve the right to be suspicious, as far as these people are concerned. Their moves, so far, in the last six to seven years of changes in this part of the world have been very dangerous, very much against Bosnia, very much against co-existence; they were very much Greater Serbians. What we fear is that the new leadership, if imposed, will look for compromise with Milosevic—as they were clearly told to do by the French foreign minister, with whom Vuk Draskovic

These countries are not looting fields. The Balkans will be stable if these nations are given a chance to develop and to take part into the development of the whole world. Otherwise, this is the powderkeg of the world which can explode any minute.

and Djindjic met.

I think that the outcome of this Serbian turmoil will be some sort of compromise between the opposition that has won only the local elections (which are not so important), and Milosevic, who will then perhaps gain a new infusion of power to go on and survive this political crisis. We reserve the right to suspect that their intentions are not honest, concerning Bosnia.

EIR: And if this compromise occurs, what is your understanding of the vote in the Serbian Parliament on Milosevic?

Nanic: Milosevic instructed his party members to vote for the law because he was pressed by the western powers.

EIR: What is this law?

Nanic: I haven't seen the law itself, but it overturns the decision of the court concerning confirmation of the local election results [in which the opponents of Milosevic won]. And it calls for the formation of commissions to check the election results.

EIR: So they will accept that the elections in all 14 cities went to the opposition?

Nanic: Yes, I think so. This must be done. Of course, speculatively, it is possible that after three months someone could have manipulated the written ballots. Especially, in Belgrade, which is a very sensitive thing for Milosevic—this is some 75% of the power in Serbia.

EIR: What do you see in the future for Serbia? If there is a compromise between Milosevic and his opponents, what does this mean for Bosnia, and especially Republika Srpska?

Nanic: Everything depends on whether the Americans and the rest of the Western world will press upon the Serbs to respect the Dayton Peace Accord. If they do, and the Serbians comply, then I think such a compromise will not have a major impact on the situation in Bosnia. But, if not, then these Greater Serbians are partners in authority, partners in the Parliament, and partners in local authority, and can restart the whole idea of Greater Serbia. So, a lot depends on the supervisors of the Dayton agreement and the stability of the Balkans as a whole.

EIR: What do you think about the other hot spots in the

area, such as Albania?

Nanic: Unfortunately, Bulgaria, Romania, Albania, as well as Serbia, are the typical results of the reinforcement of primitive capitalism in the former Eastern bloc. These nations were totally impoverished, and their economies are completely destroyed. Some estimate the the average monthly salary in Bulgaria is 20 deutschemarks [roughly \$12]. How can you live on that? It's impossible. A group of criminals have gained a lot of power and have impoverished the whole nation.

What happened in Albania, if it were not tragic, would be comical. Ordinary people in Albania actually sold their houses, their properties, whatever they had, to invest into this financial engineering, as they call it, and they lost everything they had. Now people are enraged. They have lost everything. They have worked so hard during a very harsh period—because communism in Albania was one of the most rigid—and now they have lost literally everything, because they have given their trust and credit to the so-called financial institutions.

What you have now all over the Balkans is a wave of mass strikes. You have a total mistrust of the governments, total mistrust of the political system. You have total mistrust of the West, total mistrust of the East, total mistrust of every possible human and moral value. And there is a large possibility that the Balkans will end up in fire, as it did in 1912 and 1913, which was only an introduction to World War I.

EIR: And what is the alternative to that?

Nanic: The alternative to that is a complete change of approach, a final break with the economic reforms, the blind privatizations and uncontrolled robbery of these nations. What's needed is to reimpose a real democratic system and mutual cooperation—economic, political, and cultural cooperation among the countries of the Balkans. This means greater involvement of the West, but it also means a radical change in the mind of the Westerners. These countries are not looting fields. These peoples are not slaves, who are there only to have their money and natural resources extracted. The Balkans will be stable if these nations are given a chance to develop and to take part into the development of the whole world.

Otherwise, this is the powderkeg of the world which can explode any minute.