
Muhamed Sacirbey

West's success depends on rebuilding Balkans

Mr. Sacirbey is the Ambassador of Bosnia-Herzegovina to the United Nations. He gave this speech at the June 15 conference on "Balkan Assistance and Reconstruction."

I thank you for the opportunity to speak to the business community about the business and economic environment in our region. I can talk about Bosnia-Herzegovina, but the insight that I will provide, I hope will be useful for the whole region. . . .

About four years ago, I was Foreign Minister of Bosnia. I found myself at Brussels at the time with several of our officials, before the European Commission, and this was done to encourage Bosnia to accept the peace plan. Well, frankly, peace came with a rather heavy cost. We were encouraged to make a deal with Mr. Milosevic. And it was very difficult to foresee how heavy a price making a deal with Mr. Milosevic would be. We were encouraged nevertheless to make this deal, and one of the incentives was the economic reconstruction of Bosnia-Herzegovina, *and* the integration in what we called the family of the Western nations. I remember specifically asking the members of the European Commission: What, in fact, will Bosnia as a country receive, once the peace deal had been concluded? We were promised economic assistance, reconstruction assistance. And, we asked, would Bosnia in fact have a special status within the European Union? There was a brief reply: "Well, we don't have such an instrument available for the EU, but there will be in fact a special relationship, and undoubtedly Bosnia will benefit from this special relationship." At the same time, there was a lot of talk that Bosnia would also be integrated into the NATO Partnership for Peace program.

Four years later, I must say that there have been more disappointments than I could have imagined.

Let me make sure that we understand each other. The Dayton Peace Agreement was made in part with Milosevic, but it is the only peace agreement that we have, and we will hold to it dearly. We believe that the way to go forward is not to change the Dayton Peace Agreement, certainly not to revert back to conflict, but in fact to take that agreement and make sure that it is seriously, comprehensively, and faithfully implemented, and to take all the advantages that it offers and the disadvantages, to look to overcome them over time.

Mr. Milosevic's staying in the region, is a problem. But

as always, there is a bright side to it.

Right now there is talk of a "new Marshall Plan," and I wonder whether or not we should believe the new talk of a "Marshall Plan," as we Bosnians believed in the talk of "special relationship" four years ago, when we went to Brussels with the members of the European Union. And I think the answer is that, this time, everyone has learned a lesson. I think that the promises of a "new Marshall Plan" are not being made as an empty gesture.

Four years ago, Mr. Milosevic was made a cornerstone of the Dayton Peace Agreement. That was a mistake. And I am sure we can start pointing fingers, but I think it is more appropriate to say that from Brussels to Washington, and certainly to London, and I believe even Paris, the lesson has been learned regarding Mr. Milosevic, and I think his days are numbered.

Number two, I think there is the realization that without economic assistance, without rebuilding, without making an effort to economically, as well as politically and militarily, integrate this part of Europe into all of Europe, that, in fact, there will be a very heavy price to pay for the western European countries and the United States, in terms of future events like Kosovo. The only answer here is to democratize, to enhance respect for human rights, but particularly to enhance economic opportunities.

About a week ago, I heard President Clinton speaking — and I am not sure where he got the line, but it sounds awfully familiar — which was, that people in the Balkans are not somehow genetically predestined to these types of wars. In fact, the whole talk of ethnic hatreds, history-old conflicts, is not accurate. More correctly, talk of age-old cooperation, tolerance, coexistence, and pluralism, is much more accurate. And on this basis, I think there is a new image of our region that is developing, one much more consistent not only with integration of this region into the Western family of nations, but also as a real zone of economic opportunity.

I don't mean to just focus on the shortcomings of others in how they have dealt with Bosnia and Herzegovina and the region as a whole. Let me identify some of the shortcomings that exist within the region, or at least particularly within Bosnia-Herzegovina. We have to be fair.

First of all, those of us who are coming from the old communist system, I think most of us have sincerely adopted a new ideology, the free-market ideology. But most of us have lived within the old communist system, and therefore the old methodology persists, in one form or another. We in Bosnia, and a few of the other countries in the region, are undergoing two transitions.

One, from war to peace. And another one, which is much more difficult and demanding, is that from communism to the free-market system.

And I think that you will have to understand that when you go to our region, you will have to address, in part, this transitional concern.

Connected to this issue is the whole process of privatization. Now, what complicates the privatization process is not only fairness and justice, and how is this done the right way? How are companies valued? It's also, particularly in a country like Bosnia, a strong sense of social responsibility. When you have a large number of people who have been left without homes, when you have a large number of people who have been left without parents, without sons and daughters, who have been left handicapped, when you have a large number of war veterans, there is a great political demand for social accountability — which does complicate the privatization process. At the same time, there is this effort to move ahead with lowering bureaucratic barriers and also decreasing taxes. So, these two goals do sometimes find themselves at odds. But at the same time, I do believe that they can provide significant opportunities.

Opportunities for the future

Now, let me talk rather briefly about the opportunities I see in the region. The first and most important one, I think, is the one that I have alluded to: We don't hear at this time, as we did three and a half years ago, "what is the exit strategy out of the Balkans, or out of Kosovo?" No one is talking about a one-year stay for American forces, or NATO forces. They're in there for the long run. . . .

To be very blunt here, I don't think NATO has yet assured itself of success; the only way it will assure itself of success in this mission is by seeing the rebuilding of not only Kosovo, but also the entire region, being completed. And the rebuilding here is not only in the sense of integration into the Western alliance, but also, of course, economic. . . .

So far, we've had \$2.7 billion spent in Bosnia. But it has been envisioned, and in fact there is a commitment, to spend \$8 billion, just in Bosnia. So we have another \$5-plus billion coming, and this certainly represents a tremendous growth opportunity. This money has been slow in being spent in the past. In part because of institutional constraints within Bosnia, but also outside. I believe many of those in fact will be remedied.

There's also another issue, which I think lurks behind many people's mind here and that is: Okay, we have a new Marshall Plan; but how similar is southeastern Europe to western Europe of 50 years ago? I think the cultural differences, the differences in the quality of the workforce and the willingness to work hard, are very minimal. If we look at the immigrant community that comes to this country, whether it be from Romania, Kosovo, or Bosnia, we find that these people are the backbone of American society. They are everything from the auto mechanics, to the teachers, to the lawyers and doctors. The difference is that we, in the old communist system, suffered from 50 years of malaise, and I think this can be very much overcome with, not only the assistance of government, but also the assistance of the business community. . . .

Interview: Miomir Zuzul

The Balkans needs a new Marshall Plan

His Excellency Miomir Zuzul is the Ambassador of Croatia to the United States. He spoke to Umberto Pascali on June 15, during the conference on Balkan Assistance and Reconstruction, in Washington.

EIR: Mr. Ambassador, we have just heard basically every single ambassador of the Balkan countries talking about the need for real reconstruction and development of the Balkans, which many called a new Marshall Plan. You just presented a very strong case for such a Marshall Plan. Is this plan now a real, concrete possibility, or could it remain on paper and be stopped, as happened after end of the war against Bosnia? Will the same factors that prevented reconstruction then, be able to do it again now?



Zuzul: I think that all signs are showing that this will be real. Of course, that doesn't depend on us. But, it is true that, now, we do see a final solution for the entire region. That is one difference compared to Dayton. Dayton was, maybe, a final solution for Bosnia, but still there is a lot of instability in the local region. Now, I think that we are coming to the final solution. That is one difference. The second difference, maybe even more important, is that, this time, the most important countries that are grouped in the G-8 are very serious, when they think that the world should take the step to do investment and some kind of (as we are calling it now very often), a new Marshall Plan.

EIR: Yes, a new Marshall Plan. *EIR* has been calling for this for a long time. I am sure you remember vividly, three months after the Dayton Agreement, in April 1996, the mission of U.S. Commerce Secretary Ron Brown to Croatia and Bosnia. He had with him with about 30 of the top businessmen of the United States. Brown had in mind a plan for large-scale investment in the real economy. He had in mind direct relations between U.S. productive industry, and postwar Bosnia and Croatia. His plane crashed while landing