

Financial Crisis Forces Search for Balkans 'Exit Strategy'

by Umberto Pascali

The United States and NATO could be forced to change their Balkan strategy radically and suddenly, including a dramatic military disengagement, "and we are not prepared. We need an exit strategy." This was the gist of a background report given, on condition of anonymity, by a top U.S. intelligence official on June 23 at the Woodrow Wilson Center in Washington. Such a dramatic situation would not be triggered by any local, Balkan factor; rather, it would be caused by "exogenous factors" such as a sudden "U.S. internal economic contraction."

These "exogenous factors" could lead to a "reassessment of U.S. priorities on a global scale, and pull us out of there immediately, right away," the U.S. intelligence analyst stressed. "Nobody should have any illusion: People will listen to us as far as we have money, as far as we look powerful. If we don't have money to give, if we lose power, if we look less powerful, if the U.S. is no longer seen as an inevitability, then there will be an immediate shift. We are not prepared for that; we need a strategy, an exit strategy."

The official also painted a picture of the Balkans quite different from that projected by Western governments and media. One year after the NATO bombings in Serbia, Kosovo, and Montenegro, nothing really has been done to stabilize the area, he said. There is no economy, and when there is no economy, "there is an economy anyway, an illegal economy." The United States apparently thought that the area could be stabilized using "democracy" and "fair elections," but "democracy" must have content, must have material bases, economic bases, otherwise it becomes a "ballot game." "The way things are now, there is no basis to assure security in the area," the official said.

The official also remarked that the gaping contradiction between the talk of "democracy" and "the imperial attitude we display in the area," provokes reactions from the leaders subjected to it: "One day, when the record will be opened, people will see how far such an attitude has gone." And what about the sanctions against Serbia? They are not really working, he said.

This official, who gave such a striking report, is a Balkans expert, with two decades of experience in the region. He was

involved in both diplomatic and peacekeeping operations, including the negotiations in Rambouillet in February 1999, the last diplomatic event before the countdown to the NATO bombings.

A New Strategic Reality

Why is one of the individuals so heavily involved in the U.S. Balkan policy, now sounding the alarm, calling for an "exit strategy" before it's too late? In fact, his statements indicate recognition of a new strategic reality: The system presently associated with Zbigniew Brzezinski; his protégé, U.S. Secretary of State Madeleine Albright; and British Prime Minister Tony Blair—the system that started with George Bush's "New World Order" bombings of Iraq ("Desert Storm"), and reached its apogee with the bombing of Yugoslavia—is finished. And it is finished because of what is now widely anticipated—which the intelligence official euphemistically labelled, a sudden "U.S. internal economic contraction," or, in more direct terms, a financial crash.

The frantic diplomatic activities being run under the headline "Balkan exit strategy," are indeed not caused by anything happening in the Balkans, but by the awareness that such a crash is inevitable, and could trigger the need for a dramatic military disengagement. But, the whole U.S. strategic position, at least officially, is wedded to the Albright-Blair doctrine: a "New NATO" offensive to enlarge that organization, imposition of Albright's "democracy," free-market "shock therapy," and, above all, a foreign policy, which do whatever it takes to reach the supreme goal: preserve the cancerously growing financial bubble!

The unsustainability of the financial bubble, and the system based on it, has apparently been a crucial consideration in devising political and military strategies in the Balkans, by the Yugoslavian leadership in particular. For example, a well-informed Western observer stationed in Belgrade for several years, reports that high-level Yugoslav officials reflected such thinking by the leadership in Belgrade. Such conversations took place just after the end of the NATO bombing, and at the time, U.S. and Western diplomats had reached a consensus that it was only matter of time before Belgrade would ask for

a compromise with NATO, and would offer up Milosevic's head to the West.

However, a segment of the Yugoslav leadership, apparently, consistently had very different ideas, something that the source characterized as a "Chinese attitude." When asked whether Belgrade was going to give up, after civilian infrastructure had been devastated and while suffering severe hardship under the economic embargo, the official unexpectedly replied, "We are not going to give up. Quite the contrary. Probably you did not realize it, but the U.S. is in bigger troubles than we are." These U.S. "troubles," the officials explained, were financial ones, and they were betting on a crash: "The U.S. and the West is a 'paper empire.' You should not worry about our future, we will make it. You should worry about the U.S. future. We have an economy, we have agricultural production. We will resist, but the dollarized countries around us, they will crash with the U.S."

The Warsaw Slap

Further confirmation that the coalition which carried out the Yugoslav bombings is now falling apart, came on June 26, in Warsaw, at a bizarre "global democracy" conference (see *International* lead article). French Foreign Minister Hubert Védrine blasted as anti-democratic, the very concept of "democracy" Albright was pushing, and refused to sign a document calling for the creation of a "community of democracies" whose standards would be decided by the likes of Albright, with related periodic tests, exclusions, and promotions. In particular, Védrine denounced the policy of sanctions against Iraq and Yugoslavia.

Increasing doubts about the appropriateness of the sanctions against Yugoslavia was also the main subject of discussion at the NATO Parliamentary Assembly in Budapest at the end of May, where, Hungarian Prime Minister Victor Orban said that his country "advocates a differentiation between those sanctions that harm the population of Yugoslavia, and those directed specifically against the authorities." Highlighting the viability of the Danube River, undermined by the NATO bombings, he insisted, "The Hungarian position is, that the clearance of the Danube and the reconstruction of bridges should be decoupled from the sanctions."

German Member of Parliament Manfred Merckel stated that the strategy of total isolation of Serbia does not make sense.

Li Peng Goes to Belgrade . . .

But the "total isolation" of Yugoslavia appears more and more to be an empty State Department slogan. On June 12, the anniversary of NATO's Kosovo takeover, Chairman of China's Parliament and former Prime Minister Li Peng was in Belgrade, where he issued a joint statement with Serbian President Slobodan Milosevic, calling for NATO to withdraw from Kosovo. The joint statement denounced what it called

the "systematic" violation of UN Security Council Resolution 1244, that mandates the presence of the NATO Kosovo Force (KFOR) mission. "Under the authority of the UN, genocide against the Serb people and other non-Albanians is being carried out. . . . [NATO troops] have not fulfilled any of their tasks and therefore should be withdrawn. . . . Policies of pressure [on Yugoslavia] must be abandoned," the statement read.

Earlier, Li Peng addressed a joint session of the Yugoslav Parliament. The anti-NATO rhetoric was not restrained: "Last year in order to preserve the sovereignty and territorial integrity of your country, you resisted with indomitable spirit, the barbaric aggression of the biggest military bloc in the world. . . . This war has not only devastated Yugoslavia, but also brought enormous suffering to people of all ethnic groups in Kosovo and beyond."

. . . and Kouchner Loses It

In the meantime, an atmosphere of chaos, internecine warfare, and increasing ineffectiveness reigns in the many bureaucratic groups and subgroups comprising the UN and NATO structures in the Balkans. According to observers, it is the impression that the various bureaucratic formations are more at war among themselves, fighting for prestige, money, and media coverage, and have less and less time and energy to devote to the local populations whom they are supposed to be caring for.

Apparently by pure coincidence, on the same day that Li Peng was issuing his joint statement with Milosevic, the head of the UN Kosovo Mission (UNMIK), France's Bernard Kouchner, exploded at a press conference in Pristina, the capital of Kosovo, against the UN Human Rights envoy in the Balkans, former Czech Foreign Minister Jiri Dienstbier, who allegedly had criticized him.

"Mr. Dienstbier is completely out of my view and my mind, I wanted not to receive this person, and I will not receive this person," Kouchner shouted. "Please Mr. Dienstbier, shut up!" Having lost control, he added: "Not only will I not receive this person, but I will not meet the Czech President, either!" Thus neatly escalating a mere outburst into a full-blown diplomatic incident.

Kouchner's ire had been sparked by a question about the well-known fact that Kosovo Liberation Army (KLA) extremists are committing crimes with impunity in Kosovo against non-Albanians.

Strangely enough, Kouchner admitted publicly that he had "interfered" to protect KLA boss (and Albright protégé) Hashim Thaci. "I never interfered, only one time, just to tell to my police don't investigate, don't go inside the building without telling us," he said, referring to an incident when UN police tried to enter Thaci's offices after a weapons search of one of his bodyguards. "It was my only interference, in one year."

The real cause of Kouchner's rage, however, was the

report Dienstbier presented to the UN on March 28, in which he accused UNMIK of objective complicity with, and reluctance to challenge, the powerful KLA organized-crime structure, which has been responsible for the continuing ethnic cleansing of non-Albanians. In the official summary, the report charges: "One year after the start of the bombing campaign related to the Kosovo conflict, it was clear that it had solved no human problem, had multiplied existing ones, and had created new ones. To change the situation, it was necessary to answer clearly the question of the status of Kosovo.

"To proclaim clearly that Kosovo would remain part of Serbia and Yugoslavia would mean armed conflict, at least with the radical factions of the KLA and the criminal structures which used the situation to steal from the properties and businesses of many. His view was that the only possible way out of the blind alley of the UN and NATO in Kosovo was to implement Security Council Resolution 1244 no matter how much it cost in money, human resources, and—if need be—to fight decisively against those who would use arms."

The KLA

To underscore how UNMIK and its police are either incapable or culpable, only few days after this diatribe, a special multinational KFOR group "discovered" a large military training camp and four underground bunkers containing "the largest cache of illegal weapons found in Kosovo since the war ended." A KFOR officer told the media: "You've got enough here to start a small war."

After some back and forth, NATO spokesmen had to admit officially (not least, because of the lists of names and document found in the bunkers) that these were, indeed, KLA weapons.

To say "discovered," however, is a bit of an exaggeration: The camp and the bunkers were located less than a half-mile from the "former" KLA headquarters, which, it happens, are now the "summer home" of the "former" military head of the KLA, Agim Ceku; Ceku, it happens, is now head of the official successor to the KLA, called the Kosovo Protection Corps, which, it happens, is NATO-trained and -sponsored!

The ethnic cleansing, the assassinations, and assaults against the non-Albanians in Kosovo, meanwhile, have escalated. The Serb civilians are pushed into ethnic enclaves, and are regularly attacked in various ways by the KLA, while UNMIK declares itself unable to do anything about it. On June 24, the UN High Commission on Refugees and other humanitarian entities suspended their activities in the last major Serbian enclave, Mitrovica, and "withdrew" to the Albanian side of town, after riots led to the destruction of five vehicles belonging to humanitarian agencies. "We can simply not be expected to operate under these conditions," a spokesman said.

Exit Milosevic?

It is thus quite understandable that those who pushed for the NATO bombings are now calling for an "exit strategy." This necessity has lately taken the form of a "deal" with Milosevic. The "secret deal" has been discussed for a long time in diplomatic circles. The idea is, that Russia should "convince" Milosevic to leave Serbia—because NATO and the International War Crimes Tribunal have failed to force, or scare him out. The difference is that now, the deal has taken the form of a "public offer," whose fringe benefits increase by the day. On May 29, UN Balkan envoy Carl Bildt boasted in an interview that "Milosevic should be gone within five days." It didn't happen, despite Bildt's confidence that the June 4-5 summit in Moscow between the U.S. and Russian Presidents would ratify such a deal.

"Talks Reported on an Exit Strategy for Milosevic," wrote the *New York Times* on June 19. Now the offer looks more substantial. "The Clinton Administration is exploring with some of its NATO allies and Russia the possibility that President Milosevic be allowed to leave office with guarantees for his safety and savings, senior American and NATO officials say." A senior Administration official told the *Times*: "If we were presented with a hard and fast offer, that would get Milosevic out of power, we'd have to think very hard before saying no." The paper explained: "Secretary of State Madeleine Albright has told her top aides she wants Mr. Milosevic out of office before she goes."

The next day, in the *Washington Post*, Milan Panic, the Serbian-American businessman who became Serbian Prime Minister in 1992-93 in the context of an attempted deal, launched an appeal: "In my native country the problem is Milosevic. Today, however, Milosevic may be the solution. This is the perverse result of having been declared an indicted war criminal. And Russia President Vladimir Putin can make it happen. In July 1992, I discussed with Milosevic the idea of a self-imposed foreign exile, with a comfortable position and income. Now there is potentially a greater inducement for him to agree to leave Serbia . . . [the] end of the threat of a lifetime [in] prison."

While rumors are circulating that the key purpose of the "deal" is to prevent Milosevic from saying what he knows about his relations with former U.S. Ambassador in Belgrade Lawrence Eagleburger and Kissinger Associates, in the context of the U.S. Presidential elections, it does not seem that Milosevic is in a hurry to take the deal.

Concerning the Russian "brokering," there was another setback, when, on June 24, both the Chinese and the Russian ambassadors walked out of a UN Security Council session on the Balkans to protest the exclusion, organized by U.S. Ambassador Richard Holbrooke, of the Yugoslav representative. One day later, ITAR-Tass announced that a delegation led by Yugoslav Air Force chief Col. Gen. Spasoje Smiljanic, was arriving in Moscow to discuss the training of Serbian officers in Russia.