

# Bosnia's deadly fight against 'genocide by financial means'

by Umberto Pascali

On July 30, the "Bosna Ekspres" departed from Sarajevo and safely reached the Croatian city of Ploce on the Adriatic coast. The train covered a distance of only 120 miles, but hundreds of Bosnians wept for joy, especially when the "Ekspres" traversed undisturbed the divided city of Mostar. It was the first time since the beginning of the aggression against Bosnia that its capital was connected by train to a seaport, or to any other significant destination. "Today Bosnia reaches the coast and the wide world," stated President Alija Izetbegovic, who traveled on the train for the first few miles. The experiment was even more successful, because, at the last minute, Croatian authorities gave permission for the train to cross the border and go on to Ploce. There were no "check-points."

The day before, in the city of Livno, under the control of the so-called Herzeg-Bosna, bombs destroyed vehicles belonging to Muslims, including a car owned by Merhamet, the main Muslim humanitarian organization in Bosnia. These bombings were the latest in a series of attacks that targeted especially Muslim and Catholic religious buildings. The most dramatic events took place on July 25, when arson damaged the Mosque of Prozor. A few hours later, a bomb damaged the last surviving Catholic church in the city of Bugojno, in central Bosnia, where a program to return hundreds of Croat families was successfully under way. Bugojno's mayor stated that he is in possession of evidence that the bombers come "from outside." A high-level Bosnian source told *EIR*: "The same forces that provoked, in 1992-93, the 'war of the victims' between Catholics and Muslims, are at work now to try to do the same. The reason is that something is beginning to move, finally."

The source was referring to the Special Air Service (SAS), the British special forces trained in infiltration, provocation, "anti-terrorism," and irregular warfare, that were caught red-handed in setting up both Croatian and Muslim "gangs" to be unleashed against each other. In this way, an artificial confrontation between Muslims and Catholics was provoked exactly at the moment in which both groups, having overcome the first shock of the Greater Serbian aggression, were trying to organize a common resistance. "Now the situation is similar, the Greater Serbians of Radovan Karadzic have been forced into a defensive position, the same for the 'Greater Croats' of the so-called Herzeg-Bosna. And suddenly you see all these efforts to provoke a Muslim-Croat conflagration.

I can almost see the British signature," said a well-informed observer.

On Aug. 6, an agreement was reached in Mostar. The "Greater Croats" of the so-called Herzeg-Bosna decided to accept an agreement with the Muslims, after having rejected the result of the local elections that had given a slight majority to the Muslims. The agreement followed a meeting on Aug. 2 at the White House between President Clinton and Croatian President Franjo Tudjman. The official Croatia radio announced that Herzeg-Bosna was going to be dissolved as an autonomous pseudostate and become a "political community of the Croats in Bosnia," i.e., become part of the Bosnia Federation. According to the Dayton Accords, Bosnia is made of two entities, the Muslim-Croatian Federation (with 51% of the territory) and Republika Srpska (with 49%). The two entities are both under the authority of a central government.

For the moment this is only on paper. In Republika Srpska, despite the formal banning from holding office of the war criminal Karadzic, his accomplices continue to dominate and terrorize the population. The other big source of destabilization has been the existence of Herzeg-Bosna. Herzeg-Bosna was created at the beginning of the Serbian aggression by Croatian forces in Hercegovina, and has been accused of being a "mafia-like regime that oppresses both Muslims and Croats," even by Deputy International Representative Michael Steiner. Herzeg-Bosna became dominated by a small group of fanatics who apparently were mostly concerned to protect their control of black market and other shady activities that created so many *nouveaux riches* when this area was the only point of transit in which to import anything into surrounded Bosnia.

Recently, a provocation was launched on Aug. 4 by the London *Sunday Times*, when it published a long story about a plan for the arrest of Karadzic at his villa in Pale, the capital of Republika Srpska. The paper wrote that the plan had been requested personally by President Clinton. The *Times* even published sketches describing how U.S. Special Forces would have kidnapped the criminal. The gravity of this British initiative is shocking, especially the *alleged origination of the plan with Clinton personally*. While the White House denied the story as "a total fabrication," many observers pointed to the danger that this published report creates for the U.S. military and the top executive leadership. The insane, "fiercely loyal,

2,000-strong Karadzic's bodyguards," as the *Times* put it, could do anything. And the British apparently are suggesting targets!

### **The war for reconstruction**

The trip of the "Bosna Ekspres," and the terror attacks against religious buildings, summarize the great opportunities, and the dramatic risks, implicit in the Bosnian situation. Bosnia is facing what analysts used to call "a complex situation," but there is no doubt that the *battle for Bosnia* will be decided mainly on one issue: whether the economic reconstruction of Bosnia will be carried out. All the other problems—institutional, military, political, the chance to achieve reconciliation, including with a very large majority of the Serbian population in Bosnia—depend on whether the World Bank and International Monetary Fund (IMF) "genocide through financial means" will be rejected. This decision is, to a large extent, in the hands of the U.S. administration and Congress.

Lately, Bosnian officials have been communicating moderate optimism. Reportedly, they perceive a more assertive attitude from certain U.S. representatives. In particular, the attitude of the special representative of President Clinton for the Civil Implementation in Bosnia, Richard Sklar, is judged positively. Sklar, a production-oriented company executive who participated in the construction of 11 airports in the United States, is involved in a series of major infrastructure projects in Bosnia. These include the restructuring and modernization of the Sarajevo-Ploce railway, but also other railways, highways, and communications infrastructure, to the point that some in Sarajevo expect the airport to be reopened to regular commercial flights by the middle of August, and that, sooner than expected, it will be possible to travel by train from Sarajevo to Copenhagen under "optimal conditions."

### **The case of AID**

The construction, or reconstruction, of the main transportation routes is crucial in order to restore life to the Bosnian economy. But will this be part of a global process, part of what is known as a Marshall Plan for Bosnia, the application of the traditional American System? Some experts, both in the United States and Bosnia, point to a few litmus tests. One concerns the activities of the U.S. Agency for International Development (AID). Because of its progressive assimilation of atrocious malthusian, anti-development practices, and because of its collaboration (some say "complicity") with the IMF, many have forgotten that AID's roots go back to President John Kennedy's Peace Corps, and that such an agency could potentially play a tremendous role, if redirected to its original conception, i.e., to help the economic development of countries that, on the basis of mutual benefit, would create a global alliance for development.

It seems that Ron Brown, the U.S. commerce secretary killed last April 3 in a plane crash in Dubrovnik, Croatia while

leading a high-level economic mission to Bosnia, had in mind ambitious plans for collaboration among Commerce, a revitalized AID, and other agencies. AID is quite active in Bosnia at this moment but, according to informed sources, it is working as an appendage of the IMF. The original directive for the activities of AID in Bosnia, dating back to October 1995, stressed the goal of assisting the local and federal administration in order to help create a linkage between central and local institutions, above all through supporting the reconstruction of infrastructure.

However, on March 15, there was a sudden change of "orders." The men and women working for AID had to direct their efforts toward "fiscal control," through a unified budget system that is transparent. In other words, they were not to hire people concerned with the real economy, i.e., reconstruction and production, but accountants and bureaucrats that spend their time in analyzing the "compatibility" of whatever economic activity any Bosnian citizen or institution could conceive, with the IMF-World Bank targets for Bosnia. There are persistent rumors of growing frustration and resentment of people connected to AID who went to Bosnia to help in the reconstruction efforts, and found that they were just an "IMF conduit." Of course, it was on March 1 that the Bosnia government was forced to accept the draconian conditionalities of the World Bank—at which point Bosnia was accepted as a member of that usurious financial institution.

### **The demobilized veterans**

The second litmus test concerns the fate of the 220,000 demobilized soldiers. President Izetbegovic's Chief of Staff Faris Nanic has eloquently presented the case of these soldiers who fought heroically for four years and are now literally starving after having been "fired" under the provisions of the Dayton agreement. Besides the strong moral obligations toward the veterans, Nanic underlined that the Bosnian government is concerned over the potential for social unrest that this atrocious situation presents. He explained that, while the demobilized veterans constitute a precious resource of highly qualified labor for reconstruction, the government does not even have a defense budget.

On July 26, some 2,000 disabled war veterans and families of soldiers killed during the war protested in front of the Parliament in Sarajevo, demanding unpaid pensions for disabilities, medical treatment, and assistance. President Izetbegovic addressed the demonstrators, stressing that "the country is in a difficult financial situation and has no money at this moment to pay all the unpaid disabled pensions." He promised that in one week, the government would pay two months of unpaid benefits. Five days later, another demonstration took place in Tuzla. The demonstrators, disabled veterans, had not received pensions since December. Some of the veterans said they are living on about \$3 per month.

The disabled and the demobilized veterans are the victims of a double crime by the so-called international community.

First, because they are left starving, and, second, because their idleness represents a terrible waste of resources. With an economy that does not yet exist, and an unemployment rate estimated at 75-85%, it is clear the Bosnia government cannot do much for its military, unless a rational program of reconstruction, with adequate investment, is started immediately.

Instead, the financial side of the "reconstruction" is left to the IMF and the World Bank, which are imposing literally human sacrifice. Something is beginning to break though, as shown by the July 17 attack against the World Bank made in Washington by Bosnian Prime Minister Hasan Muratovic. He revealed that the World Bank credits to Bosnia are nothing but the debts of former Yugoslavia, i.e., the entity responsible for the genocide, that Bosnia has been forced to recognize. But, thanks to World Bank blackmail, Bosnia was forced to surrender on March 1, in order to escape a credit strangulation from virtually every source.

It was following the successful blackmail, that the IMF-World Bank apparatus ensured the collaboration of agencies such as AID. "Why should the U.S. function as a puppet of these financial institutions?" asked a Bosnian source. "It is clear to a child that talking about reconstruction, while accepting this system of usury, cannot lead to any reconstruction, let alone peace."

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## A visit with Msgr. Franjo Komarica

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# 'Who will stand up for principles in Bosnia?'

On July 25, Msgr. Franjo Komarica, the bishop of the Bosnian city of Banja Luka, spoke in the library of the Woodstock Theological Center at Georgetown University in Washington, D.C., and answered questions from a select group of religious personalities, diplomats, think-tank leaders, Bosnia experts, and journalists, including *EIR*'s Umberto Pascali. The mostly Catholic audience was deeply moved, not only when the bishop described the condition he, his priests and nuns, and their faithful had endured during the worst period of the Greater Serbian aggression, when he resisted all threats and blackmail to abandon his diocese. (In the diocese of Banja Luka, Catholics and Muslims were almost 100% "cleansed," at least 412 parishioners and 7 religious people were tortured and killed, and almost all the churches and mosques were destroyed or damaged.) But especially, when he looked the attendees in the eye and appealed to their individual, personal

sense of responsibility as Americans to realize the Christian principle of justice in Bosnia: "Do I, in your opinion, expect too much?"

Another moment of visible emotion came when the bishop, who stressed that the problems for Bosnia and former Yugoslavia come *from outside powers*, recalled his answer to a British diplomat who had accused him of having "thwarted many plans" by remaining in Banja Luka. And when he said: "The United States of America expressed its view in Dayton: a multi-ethnic, multicultural entity, territorial integrity, living together. However, representatives of other powers said to me, 'We shall do everything to ensure that the Dayton Agreement fails.'"

During his visit to Washington, as he did last June, Monsignor Komarica had meetings, including with many members of Congress, and visited the White House. The following are excerpts of the dialogue at the Woodstock Theological Center. We especially thank Smiljan Corkovic for his help in preparing this for publication. The exchanges have been edited by *EIR*.

**Komarica:** . . . There are many documents issued by single Catholic representatives, or joint documents, that clearly expose actions of Croatian politicians, and clearly distance themselves from these actions, when they did not conform to civilized, to the values of human dignity or democracy. I'd like to repeat: Where and when people paid attention to the voice of religious leaders who were placing emphasis on universal human values and on protection for every single person and his or her possessions, we succeeded in saving human beings, in reducing the evil. It is my deep conviction, that religious leaders must be *ex posto* [visible and available], both in convenient times and in inconvenient times, to attest to the truth, the bitter truth about human beings, human values, and human rights. In all our frequent joint declarations, we tried hard to uphold universal human values, that is, all those values that adorn European as well as American culture.

We tried to uphold a clear and consistent position on the principles expressed by the [Catholic] Church teachings. . . . That is, protection of every human being, every ethnic or religious group. As far as Bosnia and Hercegovina is concerned, we were steadfast in our stand for her territorial integrity within her internationally recognized borders, recognized by the U.S.A. and others, her multi-ethnic and religious, her multicultural character. Out of our many statements, I would like to single out for you our joint statement from January of this year, after Dayton; I would recommend it to you. In it, there is a summary of the past, the presence of the Catholic Church and other religious and ethnic communities, of the suffering during the war, and our views regarding the future of this country. Resolutely, I invite my faithful, but also all other people of good will, to the process of forgiveness and reconciliation. Resolutely, I invite all the people whose rights were taken away, who suffered injustice, to forgive, but we