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# Balkans: Land-Bridge, or World War Three?

by Umberto Pascali

As incredible as it may appear, Carl Bildt, the international High Representative to Bosnia, has just joined a semi-secret group, sponsored and financed by the notorious "financial pirate" George Soros. Bildt, a former prime minister of Sweden, is in charge of the implementation of the civilian side of the Dayton Accords, and, in fact, enjoys the power of a Viceroy in the Bosnian Federation. The "civilian" apparatus represented by Bildt, the World Bank, the International Monetary Fund (IMF), and the financial institutions of the European Union, has not even started any of the major tasks they are responsible for, despite more than one year having passed.

No serious economic reconstruction has been started. No major infrastructure has been repaired, in terms of transport, water and electricity supplies, or main urban areas. Bosnians have been repairing some of their houses, some minor building has been undertaken, thanks to isolated, personal efforts. But what has been established, is the so-called "pub economy." Sarajevo and other major cities suddenly became filled with small pubs, fast food places, eateries, and micro-restaurants, in which most citizens spend their time waiting for something to happen.

### World Bank 'capitalism'

The energies of the Bosnians have not been given a chance to be applied to reconstruction. The forced productive stagnation—when the impulse to reconstruct the country and to have a productive job was stronger—has had a dramatic demoralizing effect. The "pubeconomy" left the door open to the only economic activity allowed: the black economy; and, in its wake, organized crime began to raise its ugly head, challenging the newborn state institutions. *EIR* has first-hand knowledge of the insanity of the approach of some of those key groups that dealt with "reconstruction." When confronted with the danger that organized crime was going to take over

key parts of the country if no economic development was allowed, some of these economic experts replied that the World Bank knew what it was supposed to do, and that, in fact, the black economy and some organized crime is the way "entrepreneurial capitalism starts."

The World Bank and the IMF did not just avoid implementing reconstruction, they *opposed* and *defeated* any effort to launch any serious infrastructure building effort. Under the cover of the "multilateral approach," no investor was allowed to establish any direct contact with the Bosnian government authorities. An intricate bureaucratic skein paralyzed any impulse for direct investment in Bosnia. The World Bank and the IMF had to approve any step, they had to know everything, and, above all, they had an omnipotent veto power.

#### 'Do not invest in Bosnia!'

The approach pushed by the late Commerce Secretary Ron Brown, to try to put American industrial companies in direct contact with Croatia and Bosnia, was forgotten after Brown and some of the most important U.S. industrial leaders died in a plane crash on April 3, 1996, near the airport of Dubrovnik, Croatia. The sabotage of the World Bank has been even more direct. It has been reported that business leaders who approached the World Bank to inquire about investment possibilities in Bosnia, were drawn into private talks. There, out of the public eye, the Bank's officials did exactly the opposite of what they claim. They stated in the most clear terms that to invest in Bosnia is not a good idea. The investors must look for someplace else to put their money.

In an interview with EIR (see p. 42), Faris Nanic reiterated his appeal to the United States for a bilateral approach, away from the hidden agenda of the World Bank and IMF. Nanic, who has direct knowledge of this process from his former position as chief of staff to Bosnia's President, denounced the

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cover-up of the Bildt-World Bank's "donors conferences," and the hypocrisy of the humanitarian aid. He had stressed the same point in a series of meetings in January 1997 in Washington. The idea of putting together "donors" to aid Bosnia could not work and, in fact, it is not supposed to work. Through this mechanism, the World Bank achieves two goals. First, it can demonstrate "objectively" that there is no money for Bosnia, that the "pressure" and the moralistic exhortations to the "rich countries" cannot extract more than some absolutely inadequate amount. Second, it increases its blackmail power vis-à-vis Bosnia on behalf of the political agenda the Bank is determined to implement.

One of these donors conferences had been scheduled to take place in March, aimed at collecting \$1.4 billion. A ridiculous amount, compared to the absolute minimum of \$50 billion estimated necessary to begin serious reconstruction. But even that conference has been postponed. Rory O'Sullivan, the head of the World Bank's Sarajevo office, said, "I don't think if we organized the donors' conference in March any donors would come, so we really expect and hope that by mid-April things will be back on track."

Scratching the surface, however, we discover that what the World Bank wants is for the Bosnian governmental institutions to surrender more of the country's sovereignty. Bosnia has to adopt more "economic reforms," it has to give more guarantees on budget cuts, on servicing of external debt, and to accept a tariff law, plus other conditions dictated by the IMF.

It is clear that without an economy, Bosnia cannot even pretend to be able to satisfy those conditions. The non-implementation of the civilian provisions of the Dayton Accords has also favored the provocations of the so-called Republika Srpska (the entity incorporating 49% of Bosnia's territory that is dominated by the friends of war criminal Radovan Karadzic). Republika Srpska is opposed to any unified Bosnian economic and financial institutions.

In the anarchy that this "peace without economy" produces, the World Bank and Bildt can create a continuous state of *casus belli*. On Feb. 19, for example, they accused the Bosnian authorities of illegally having given a miserable \$200,000 to the city of Bugojno in central Bosnia, while the city council was under a World Bank "aid embargo" because of disagreements with the Croatian minority.

#### **Destroying the Muslim leaders**

Such blatant sabotage of the reconstruction process is accompanied by a campaign of progressive marginalization of those leaders who have emerged during the resistance to the genocide. The most well-known case is that of Hasan Cengic, former deputy defense minister, and the individual who did the most to supply Bosnia with arms during its heroic resistance. Until 1995, Bosnia was under an atrocious embargo on armaments, and was left alone to face the genocide of the Greater Serbians. During the U.S. Presidential campaign, Cengic was the object of a vicious attack ordered by House Speaker Newt Gingrich (R-Ga.) and former Secretary of State

Henry Kissinger, aimed at embarrassing President Clinton as an alleged "friend of the fundamentalists."

Any time the domestic situation requires it, the Gingrichites do not hesitate to push the line that Cengic is an Iranian agent—it does not matter that there is no evidence. The last attack against Cengic was triggered by the confirmation hearing of Anthony Lake to become director of the CIA. Having participated in helping Bosnia survive, as national security adviser, Lake was attacked as a "fundamentalist lover." The attack against Cengic was so ferocious, from elements within Bosnia's main ally, the United States, that he is now out of any governmental position, when his contribution would be precious.

The attack on Cengic is now leading to a renewed attack on Bosnian President Alija Izetbegovic. In this way, while Bosnia is being butchered economically, the only leaders who have the support and the respect of large part of the population are undermined. This process of fragmentation is leading to a potential social explosion, in which the population cannot count on its leaders, who are victimized by the psychological warfare tricks organized by London.

In this context, the situation in Mostar, where Bildt allowed Hercegovina to be kept under the domination of the so-called Herzeg-Bosna, an organized-crime, Croat-chauvinist entity, is enlightening. The policy of anti-Muslim ethnic cleansing and armed provocations has led to a pre-war situation. The "Administrator" of Mostar is Sir Martin Garrod, an experienced British specialist in unconventional warfare. In the 1950s, Garrod was in Cyprus; in the 1960s, in Malaya and Borneo during the conflict with Indonesia; in the 1980s, in Northern Ireland. In 1993, he arrived in Bosnia at the height of the conflict between Croats and Muslims, when British SAS operatives were caught red-handed training Croat gangs and Muslim countergangs to ignite the "war of the victims."

#### **Bosnia and the Land-Bridge**

It is clear that there is an agenda that the World Bank is following. The "peace without economy" is making a reigniting of the war extremely easy to provoke. It is also making collaboration between the different religious communities in Bosnia impossible. If one considers the situation throughout the Balkans, including especially Albania, it is obvious that this powderkeg can explode in a more violent and uncontainable way than happened in 1992-93 with the Greater Serbia aggression. The difference is, that the area has been looted to the bone by the policies of the World Bank-IMF, i.e., by the shock therapy first promoted by Soros in the former Soviet Union, the same Soros that now "employs" Carl Bildt. The real target though, as Nanic stresses, is the perspective of the Eurasian Land-Bridge. As Milosevic received the green light for his aggression in order to stop the industrial development of former communist Europe, so, now, the whole Balkans are being condemned to an explosion to stop the project for which Bosnia, the only European country with a multi-ethnic majority, is the keystone, and the conceptual vanguard.

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