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## Dialogue with Faris Nanic

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# 'It takes a little bit of courage to stand for ideas that are right'

On Sept. 29, Faris Nanic, Secretary General of the Party of Democratic Action (SDA) in Croatia, gave a press conference and seminar in Washington, sponsored by *EIR*, as a wrap-up to his two-week U.S. tour, where he urged Americans to adopt a Marshall Plan approach to reconstructing the war-torn Balkans, as the only means to secure peace. "After four years of peace, after the Dayton peace agreement was signed, reconstruction, especially in Bosnia, but also in the whole Balkan region, has essentially been a failure. We can illustrate this by giving just a few examples," he said. Bosnia has no railway system; Bosnia and Albania share the dubious distinction of being the only countries in Europe with no highways; and, under the Dayton Agreement, Sarajevo has only token authority over foreign policy, trade, and monetary policy. "You know that the governor of the Bosnian central bank is appointed by the International Monetary Fund," he said.

On April 28, amid the NATO bombing war against Yugoslavia, Nanic and Helga Zepp-LaRouche issued an international call through the Schiller Institute, for "Peace Through Development for the Balkans" (see *Documentation*). "My opinion is," he explained, "that if Yugoslavia is isolated from the reconstruction process, it will be devastating not only for Yugoslavia, for the Yugoslav citizens, but it will also be devastating for the rest of the Balkans." This controversial stance was his point of departure for a more detailed discussion of how the postwar Marshall Plan worked in Germany, which would be a template for reconstructing the Balkans. But, "this won't be possible unless the initiative comes from the United States," Nanic insisted, because "not a single country in Europe will be courageous enough to launch these necessary changes, these necessary shifts, in the overall financial and economic policy. Without structural changes in the world financial and monetary system, this thing wouldn't be possible. And that's why I'm here."

For that, we need to change the world monetary system and financial system—the New Bretton Woods proposal of Lyndon H. LaRouche, Jr. "To change the world monetary system, to change the world financial system, and to launch the whole reconstruction program, is not a big deal. It just takes political courage and political leadership."

Nanic is no stranger to fighting for reconstruction of the Balkans: At various times during the Serbian wars against

Croatia and Bosnia, he acted as Chief of Cabinet to Bosnian President Alija Izetbegovic, as spokesman for the Bosnian Defense Ministry, as editor-in-chief of the Bosnia weekly *Ljiljan*, and as head of the Zagreb, Croatian branch of the Bosnian news agency, TWRA.

The full text of his opening remarks appeared in our Oct. 8 issue. Below is some of the interchange between Nanic and the participants at the Sept. 29 seminar.

### The truth about the NATO bombing

**Q:** I think many of us here read that, during the genocidal targetting of Croatia and Bosnia, you called for military intervention, including when you were associated with the defense department of Bosnia. And then, when the NATO targetting came [in Kosovo], you spoke out against it. Could you discuss your strategic assessment, and why this has become also so controversial?

**Nanic:** Well, it's controversial because, when I called for military intervention, I was appealing to the United Nations Charter, that is, to provide the sovereign nations that are the member-states of the United Nations, the right for either self- or collective defense. That is the United Nations Charter, which is, I think, Paragraph 51, if I remember well. And that was completely different, and that's what they failed to do! They failed to intervene after, in some of the major cities in Croatia, or some of the cities in Bosnia, a recorded genocide happened. They failed to intervene.

But then, *before* the largest atrocities occurred in Kosovo, they decided to intervene, bypassing the United Nations, and not respecting the United Nations Charter. Thus, introducing a very dangerous precedent, of which consequences I don't think we are all quite aware. So that's why I stood *against* this kind of NATO [action].

It's not the question of Milosevic. It was not the question of Albanian rights, which were violated, definitely. These issues all were manipulated, as well as things were manipulated in Iraq, in 1991, in order to achieve something else, something of much more strategic importance, than the political leadership in those countries was able to grasp. And that's the source of controversy. Because then, the political establishment, especially in Bosnia—not so in Croatia, which is very interesting—but in Bosnia, stood against me, and said: It's not our policy; we supported and praised the action of



Faris Nanic at the press conference and seminar sponsored by EIR, on Sept. 29.

NATO against Yugoslavia.

And then I said: Okay. But will you then be praising NATO action against Bosnia, once NATO attacks Bosnia for not respecting the human rights of tigers, or homosexuals? Because this is also a possibility. Not today, not tomorrow, but very soon.

NATO became a world policeman. Not only informally, but now formally. Because the United Nations stood there, and let it happen.

Still, what *we* then proposed, or demanded, in this appeal, was very close to what actually happened, but a month later. We, then, proposed the diplomatic solution reached through the United Nations Security Council, and the appropriate resolution, and the multinational divisions in Kosovo. That is exactly what happened! But a month later. Two months, sorry—it took 78 days. And that is exactly what is my sin.

I dared to propose something prematurely.

**Q:** What you have said about including Serbia in the reconstruction—I suspect there’s a number of people in the area that disagree with that, not only within Bosnia, but also other countries of Southeast Europe. Could you describe somewhat what the lineup or division on that is, and what the consequences of that are?

**Nanic:** Well, you see, the problem is that the people—they do not really argue about this. When you talk to them privately, they would agree: That’s very interesting. They would agree. They would say: You are quite right. What LaRouche is proposing is completely sane, but, you see, how difficult it is. You see that the times are crazy. You see that everybody will be against us. Can you imagine what the Americans

would say? Can you imagine?

I say: Yes, I can. So what? They would be angry for three days, and then what?

And I give them the idea of what Mahathir did in Malaysia, Dr. Mahathir Mohamad, who is the Prime Minister of Malaysia.

Actually, he was one of those to be blamed for the burst of the bubble. He was one of those to be blamed for the speculation wave in Malaysia, because he was tolerating it for years and years. And I was one of those who were disagreeing with him. I knew him. I met him. And I even knew this Anwar Ibrahim, his Finance Minister, who was ousted afterwards. But when he finally realized, in 1997, that it takes only a couple of well-informed speculators, to *destroy everything*, or almost everything, that the Malaysian nation was building

in 40 years of independence, then he said, “Aha, something has to be done.”

And he had the courage to do it. And he did it.

And what happened? The Americans were—they were opposing, they were suggesting, they were angry, they were very angry; they were very, very, very angry. And now, even the IMF has to admit that he achieved a 6.5% rate of growth, real economic growth—contrary to all their predictions.

And what happened? Nothing. But Malaysia now has a healthy economy. So, it’s not a big deal.

Yeah, but then they say: Malaysia is big, you know—we are small.

I say: Malaysia is not *that* big, and you are not *that* small.

So, it takes just a little bit of courage, nothing else. It’s not even courage. It’s just a readiness to speak out, I would say, to stand for the ideas that you think are right, to stand for proposals—like the two crucial LaRouche proposals [for a New Bretton Woods monetary system and the Eurasian Land-Bridge], that I supported from the very beginning. And everybody knows that.

And what happened to me? Nothing.

Except that I’m not very welcome in some parts of the political establishment. So what? So what? I’m still a happy man, I have two children, I can make my ends meet. And that’s the whole idea. But the problem is, that once you are intimidated—and the first time you really take this seriously, then they have you in their hand. They can do with you whatever they want. The idea is to stand for principles from the very beginning, and then they respect you. If you stand for your principles, they respect you. They can harm you—they can try to harm you, but they essentially respect you.

But if you bend, then they will never respect you.



*Schiller Institute visitors documented the wartime destruction of railroads in Bosnia in 1996. As Faris Nanic explains, five years after the Dayton Agreements, nothing has been rebuilt: There are no railroads, no highways, and no sovereign control over monetary and credit policy. If there is no reconstruction in the Balkans, including Yugoslavia, there can be no peace.*

This is why the Bosnians were so respected. I saw it. You know, we are such a tiny nation; it's nothing, it's 4 million people. But we are so respected by larger nations than ourselves, because we had resisted genocide! We have resisted the whole world, actually, that was ready to sacrifice us for the benefit of the New World Order.

And then we spoiled it, in the peace. Superficially, it's contradictory, it doesn't sound logical. But in the war, we didn't have anything to lose, you know. We had just one option, and that is to fight for your life, to defend your life, to defend your honor, to defend your faith, your religion, to defend your children, and to defend your property.

That is what we stood for. But that was the only option. And we managed. We did it somehow, with the help of God.

But, but—. When the peace agreement was signed, I clearly remember the words of President Izetbegovic when he came back to Bosnia. He said, "I hope that the challenge of war will not be less than the challenge of peace." Very deep words. Unfortunately, his hope was not fulfilled. The challenge of war really was a much greater challenge for us, and we responded to it. But the challenge of peace, unfortunately, was not.

**Q:** I'd just like to ask you to comment a little bit on the situation in Kosovo, now in the post-bombing situation. In this ostensible attempt to maintain a multi-ethnic unity there, you've got Serbs in an enclave protected by these NATO forces—or now the Russians are included, so it's kind of a multinational force—and the Kosovars, and it seems as if that situation will not change, and that you will have to maintain some kind of an international force there, unless you have an emigration of the Serbs back to Serbia, and you set up an

independent entity there. How do you see a solution to this Kosovo situation? And could you do an evaluation of the KLA [Kosovo Liberation Army]—there were a lot of machinations going on on the part of the State Department's [spokesman] Jamie Rubin prior to the peace resolution, or to the resolution of the bombing, with the KLA, and I was just wondering if you have any views on this.

**Nanic:** First of all, you see, the problem is that, by recognizing KLA, the Kosovo Liberation Army, as the political and military representative of the Kosovo Albanians, you somehow have supported these retaliation activities by the former militiamen, against the Serbs. So, in order to prevent that, you actually form these enclaves, these safe havens, or some parts of land that are excluded, or exclusively for the Serbs—by which action you repeat actually the same mistakes.

The KLA is nothing but a drug-trafficking mob. *The KLA is a drug-trafficking mob!* These are the people who are financed by drug-trafficking, these are the people who are led by drug-traffickers, and these are the people who actually have popped out of nowhere!

We had Rugova, Dr. Ibrahim Rugova, who has been the leader of the Kosovo Albanians since 1989, who is a university professor and a writer. He was elected president of Kosovo. Of course, these elections were never recognized by the Greater Serbian regime, but still, he had support from all Kosovo Albanians. And he has *de facto*, if not *de jure*, been recognized by the rest of the world.

And what's more interesting, what's more significant, is that Dr. Rugova had a very well-organized political, cultural, educational, and tax-collecting system; you wouldn't believe it. It was a completely underground operation! They even had universities. (You know that the Serbian government, the

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Serbian regime, ousted all Albanian professors from Pristina University. And they gathered and organized, under Rugova's leadership, to maintain the university activity, and people were actually passing exams. And there have been lectures, in houses, in private houses.) They collected taxes. And they were supported by the Berisha government in Albania.

And then, in 1997, there was one small series of attacks on the Serb police positions in Kosovo, done by the phantom Kosovo Liberation Army.

But in the same 1997, what happened was the so-called collapse of the pyramid structure of investments in Albania, which was some kind of a terrible gambling system, that collapsed. People who were really terribly poor, gave everything they had, including their small apartments—they simply gave it as collateral to this pyramid scheme, that would have given them, I don't know, 200% profit for such an investment. And, of course, apparently everything collapsed in 1997, which led to the ousting of the Berisha government, which led to total disintegration of the Albanian army, and which led to a huge smuggling chain of arms into Kosovo.

Dr. Rugova wanted to prevent this by establishing a military wing. And then, in January, or it was February or March 1998, the guy who was in charge of establishing the military wing of the Democratic League of Kosovo, which was the political party led by Dr. Rugova, was killed, assassinated, in Tirana, in Albania. And everything was changed.

And then, all of a sudden, you had the socialist government of Albania supporting KLA, supporting the Kosovo Liberation Army, and you had the West negotiating with the Kosovo Liberation Army.

But the story is not over there. Then it comes to the Rambouillet peace talks, and it was the Secretary of State, Madeleine Albright, who actually recognized, who told the KLA representative—“You are the next government of Kosovo.” When they almost had a consensus with the Russians there, Madeleine Albright came out with two papers, so-called annexes, A and B, which were totally unacceptable to the Serbian side. And that was the green light for launching the war.

Because it was the war they were for, not the peace settlement. It was NATO unilateral action they were for, not stopping the human rights violations of Albanians. And exactly when they started the war, the bombing of Yugoslav positions,

retaliation by the Serbian army became horrible. Then most of the atrocities happened.

So, now you have a situation where one of Dr. Rugova's main collaborators, Dr. Fermi Aghani, was killed, assassinated, apparently by the KLA. Why? Because he was the member of the delegation in Rambouillet who must have heard what Madeleine Albright really told the representatives of the KLA. And that's the problem.

You have a totally manipulated, drug-trafficking-run operation inside Kosovo.

Can you imagine what would have happened, if they had let the Kosovo Democratic League of Dr. Rugova take power? What would have happened?

You would have had a completely organized political democratic system. You would have had a completely organized education and tax-collecting system. You would have had sane and educated people in certain places. You would have had somebody to deal with, in terms of reconstruction.

Now, you have a bunch of criminals running the country—running the region. And what have you done now? Who are you going to blame for the failure of the Kosovo reconstruction? Milosevic? No, not this time. Kosovo has been practically extracted out of Yugoslavia, and even the international representative who is running the province now, introduced the deutschemark as the currency in Kosovo, as the legal tender of payment in Kosovo. So, Milosevic—he is a criminal, he should be tried for his crimes—it's not a question of Milosevic. But he can't be blamed in the future for the failure of reconstruction of Kosovo, because he doesn't have *any* authority over Kosovo any more, except that it's still formally a part of Yugoslavia. And that's the situation right now.

And how the KLA will act, what are their next assignments, is very hard to tell. But the idea of Greater Albania is being pushed also, through the KLA. Because it was a spokesman of KLA at the very beginning of the war in April, who said quite openly to all the television and media that were present at his first press conference, when it was finally revealed who he is, apparently; he said, that the aim, the military aim, and the political aim of KLA, was to establish Greater Albania.

So, now you have retaliation against Serbs, the remaining Serbs. You have drug-running by a certain military establishment and political establishment. You have safe havens, and you have a completely unstable political situation that can *again* be manipulated for spilling over the war into Macedonia, or Albania proper, or Montenegro. So, this whole affair solved nothing. Except that it has actually complicated more a very shaky situation.

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## Documentation

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# 'Peace through development in the Balkans'

*This international appeal was issued on April 28, and circulated for signatures internationally by the Schiller Institute.*

The obvious fallacy in current NATO policy respecting the Balkans is, that the mere fact, that one professes to be acting on behalf of a moral concern, does not mean that the action may not produce results directly contrary to that professed motive.

Such were the considerations in definitions of justified and unjustified warfare. War is not morally justified, no matter what the professed moral pretext, unless that war is necessary as the only alternative, and unless the means applied are likely to succeed in removing the cause for which a war is fought.

The present situation in the Balkans affirms the wisdom of the aforementioned considerations, because so far the military campaign has not been successful, but rather has caused a deterioration of the global security situation, and led the Kosovo Albanians into catastrophe.

### **We, the signers state that:**

1. there is no durable or permanent and just solution of the crisis without reaching a strategic consensus among leading NATO states and leading nations like Russia and China;
2. no single regional crisis can be observed or treated separately from the global financial crisis and its consequences;
3. only by reaffirming the concept based on the development of the real economy, can we have a solution for Kosova, the Balkan region, and southeastern Europe;
4. we greet and support the initiative for the regional development plan presented by U.S. President Clinton.

### **Therefore, we demand:**

1. to reach an urgent diplomatic solution for Kosova, using UN Secretary General Kofi Annan's plan as a basis, to be conducted through the UN Security Council, and with the full

consent of Russia, China, India, and other key nations;

2. to work out a "Marshall Plan" for the region, using the already-existing materials on postwar reconstruction plans for Bosnia-Herzegovina and the region as an integral part of the overall Eurasian development program;

3. an approach to reform the world monetary and financial system by creating an architecture of the "New Bretton Woods" without delay (i.e., fixed exchange rates, protection of national economies, and sovereign credit generation for economic development);

4. an urgent and sharp break with the International Monetary Fund and World Bank practice of imposing austerity measures and unacceptable financial conditionalities on sovereign nations;

5. debt moratoria for the economies of the region, which have been ruined by war and enforced shock therapy;

6. use of the model of the Kreditanstalt für Wiederaufbau during the post-World War II period reconstruction of Germany;

7. joining the initiative for launching the project of the Eurasian Land-Bridge as a spine of Eurasian development in cooperation with all interested nations;

8. inclusion of all Balkan and southeastern European states into the Land-Bridge project.

This would include exemplary projects such as:

Full rehabilitation of the Danube waterway as the most important European waterway. Development and expansion of the rail line connecting Munich, Vienna, Budapest, Nis, Sofia, Plowdiw, and Istanbul as the southern corridor of the new Eurasian Continental Land-Bridge. Expansion of water systems (canals, etc.) of rivers such as Drava and Sava; linkage of the Danube to the Morava and Vardar rivers, thereby establishing navigable waterways through Serbia, Macedonia, and Greece to the Aegean Sea. These waterways would also serve as infrastructure corridors for the development of industry.

Development of four main regional corridors of rail/road and water connections, such as:

Salzburg to Villach, Ljubljana, Zagreb, Belgrade, Nis, Skopje, Thessaloniki, Athens;

Linz to Graz, Maribor, Zagreb, Karlovac, Split, Ploce, Dubrovnik, Durres, Athens;

Budapest to Pecs, Osijek, Tuzla, Sarajevo, Mostar, Ploce; Vienna, Győr, Szombathely, Nagykanizsa, Maribor, Ljubljana, Monfalcone, Mestre, Milan.

The development of modern agriculture in the whole region as another major priority.

Signed:

Faris Nanic, Secretary General of the Party of Democratic Action (SDA) of Bosnia in Croatia; Chief of Staff of President Alija Izetbegovic of Bosnia-Herzegovina in 1996

Helga Zepp-LaRouche, President of the Schiller Institute