

The Croatian Views on Peace Implementation and Regional Cooperation

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There is no doubt that a whole series of agreements and arrangements, negotiated and initialled in Dayton and in mid-December last year signed in Paris, have truly invigorated the peace process, especially in the military field.

After enormous human loss, suffering and destruction, these agreements should re-establish an order of peace, stability and good-neighbourly relations in Southeastern Europe.

By their comprehensive and elaborate nature and scope the Dayton Agreements have for the first time made a comprehensive, lasting and viable peace and full normalization of relations among the successor-states more than just a mere possibility.

However, whether the Dayton/Paris Accords will in reality signify the end to the conflict or be just another milestone along the way to peace in our region, is yet to be seen.

Indeed, a true and lasting peace is at hand but much depends on the parties and even more on the determination and commitment of the international community - that have been too often lacking in the past.

In the light of our recent history and experience, it is obvious why Croatia is vitally interested in the peace implementation, regional stability and cooperation, to be crowned with a new security arrangement based on the fact that five new states have replaced a former federal state.

For obvious reasons Croatia wants to fully participate in designing a new and comprehensive security model for Europe in the twenty-first century. These new, elaborate and coordinated structures - security, political as well as economic - must prevent repetition of the past grave experiences in Southeastern Europe or, for that matter, anywhere else on our Continent.

The still existing network of international organizations and mechanisms, including the security architecture of the Euro-Atlantic realm, has proved to be rather inadequate to deal efficiently and in a timely fashion with the new environment and challenges of the post-Cold War period.

This inadequacy is bound to prove even more dangerous in similar situations which may, unfortunately, be already unfolding at certain points throughout the Euro-Atlantic belt.

Sovereignty, territorial integrity, even the bare survival of small or newly emerged states have been seriously threatened on our Continent, as well as in some other parts of the world. With the re-emergence of some of the most vicious political ideologies - of the so called Left or the so called Right alike - and horrendous practices from the recent past, the very foundations of the Western civilization, not to mention the OSCE principles and objectives, have been put to test.

In a situation like this, Croatia - as well as a number of other small and newly emerged states, which are not a part of any of the existing defense and security arrangements yet - was forced to adopt a specific national security and defense strategy which combines full cooperation with the international community with a strong emphasis on the principle and policy of self-reliance.

This national strategy has proven to be most effective in the existing international environment, and my Government strongly believes that such Croatian attitude, as well as its policy were crucial in the successful completion of the peace settlement and agreement signed in Paris on December 14, 1995.

At this point let me briefly address certain issues regarding the origin and the root causes of the war, as well as the long-term strategic thinking and philosophy behind such Croatian policy.

It is true that linking full cooperation and self-reliance may seem illogical, but Croatia's strategic choices, as well as the international environment at the time, made this linkage logical.

From the very beginning Croatia has been determined to achieve two major objectives: one, to secure its full independence and regain its territorial integrity, and two, to secure a peace - **first of all, a peace with its neighbours**, one that would not amount to a mere "absence of war" but would more fully reflect, for instance, Spinoza's definition of peace as "a virtue, a state of mind, a disposition for benevolence, confidence and justice".

The key word is **disposition for benevolence** - because such has been Croatia's disposition towards its neighbours. For example, in 1991 Croatia did not want war - just the contrary, Croatia proposed a confederation and later on a commonwealth of independent states as a peaceful, civilised and dignified way out of the crisis already raging within the former Serb-dominated Yugoslav federation. But the answer to such Croatian and Slovenian proposals was the Serbian aggression and an all-out war - first against Slovenia, a week later against Croatia and then, the war reached its climax in Bosnia-Herzegovina.

In the beginning, immediately following the declaration of independence by Croatia and Slovenia, in late June of 1992, the Serbs said they were fighting for the preservation of the SFR Yugoslavia. The JNA, the former federal army, stated it was its constitutional right and obligation to regain control of the Slovenian northern borders - but in just a week JNA, as a matter of fact, renounced this "constitutional obligation", let Slovenia drift away "into secession" as it was called at the time, and immediately redeployed its forces to swoop on Croatia. This time to defend "the bare-handed and

unarmed Serbian minority gravely threatened by the Croatian secessionist regime”.

Why did the war reach its climax in Bosnia-Herzegovina? In pre-war Slovenia there was almost no Serbs to speak of; in Croatia they represented about 11 per cent of the total population; in Bosnia-Herzegovina about one third. That is a part of the answer.

For a long time Croatia argued that the existence, protection, survival of a minority, or implementation of the minority rights, was neither the real cause of the war, nor the origin of the conflict.

The core of the crisis and war, we argued, was the so called Greater Serbian ideology or philosophy based on a perverted and grossly outdated belief that “all the Serbs have to live within one state”, or that “Serbia is wherever there are Serbs or Serbian graves”. To put it more simply: the Serbian elite or the leadership especially outside Serbia proper, simply did not want to accept the notion of living in a non-Serbian state. In order to achieve this aim - that is, the Greater Serbia or a unified Serbian state at the expense of at least three other nations - the elite was prepared to go to the extremes in indoctrinating and manipulating large masses of people, especially outside Serbia - in the so called Krajina or “Republika srpska”. Not very many people were willing to listen to our arguments at the time and many were too prone to reduce the whole problem to the ethnic minority issue.

But in the light of what happened in the suburbs of Sarajevo (Vogošća and Ilijaš which, according to the Dayton Agreements, became a part of the Federation), a lot of policy makers, peace mediators and foreign affairs specialists should rethink their positions, their policy and their views as to what caused the war, or what was happening in Croatia in early August last year.

Never in history has a minority or an ethnic community been given such assurances, guarantees, even incentives - economic and otherwise; never has the international community amassed such a large contingent of forces and amount of resources - including 60,000 IFOR soldiers, EU-mechanisms around Mr. Carl Bildt, Ms. Elizabeth Rehn, the OSCE, to name just a few - in order to guarantee, among other things, the survival, co-habitation and protection of the rights of different ethnic communities. Despite all that - due to the years of indoctrination, conditioning and manipulation by the elite in power, but also due to their present collective state of mind, centuries-old myths and present obsessions - the Serbs are nevertheless leaving the Sarajevo suburbs. They took everything with them, burnt houses and left nothing behind, not even the graves. Why? The answer is not just uncertainty of a minority.

Actually the same thing happened in Croatia in August, 1995. Tens of thousands of people left in an organised evacuation campaign, responding the call of their self-proclaimed leader Milan Martić who is now to appear before the Hague War Crimes Tribunal. Their elite and leadership in Knin would accept neither the Croatian constitutional guarantees nor the Z-4 plan. The U.S. Ambassador Peter Galbraith's appeals to Knin and Glina Serbs in August went unheeded the same way as Carl Bildt's recent calls to reason addressed to the Sarajevo Serbs have been to no avail.

This shows how a myth can lead to a very brutal and costly policy: first, the ideologists obsessed by the idea

of Greater Serbia abused Yugoslavia in order to preserve or establish their dominance; then they manipulated a large mass of people and whipped them into a frenzy and by force secured a territory envisaged as a part of Greater Serbia. Following that, they are ethnically cleansing these territories of all non-Serbs - that is what happened in the UN Protected Areas in Croatia or in Eastern Bosnia. Basically, there is no difference between Vukovar and Srebrenica.

In the end, when the self-styled elite realises that its position is being threatened either by the commencement of something like the Operation Storm or even the implementation of the Dayton Accords, it in fact undertakes a highly organised evacuation campaign - while blaming the whole world for having engaged in an anti-Serbian conspiracy.

A policy originated in a myth is thus coming to its full cycle: ethnic cleansing of others ends up as ethnic self-cleansing.

Faced with an aggression and fully aware of its true causes Croatia was forced to adopt the policy of linkage - cooperation with the international community on one hand, and self-reliance, on the other. It was the only way to survive in the existing environment and at the same time begin to gain full legitimacy and acceptance in the international community.

The truth about the war was bound to come out into the open sooner or later but that is by no means to say that I personally or my Government rejoice in seeing the Serbs flee the Sarajevo suburbs. It is a regrettable fact, but still - a fact.

On the other hand, had Croatia not adopted a policy of self-reliance, that is - had Croatia not undertaken a series of decisive measures since the cancellation of the UNPROFOR mandate in January 1995, we would have been faced now with a situation in the area which could be best described as mere preservation of the negative *status quo* managed by an inactive international presence such as UNPROFOR.

In other words, Croatia would not have reintegrated a large part of its occupied territory, Bosnia-Herzegovina would still be at war, Bihać still under siege and, in the end, Serbia would still be under sanction. There would be no real movement in the peace process because there would be no change in the strategic balance of power on the ground which has made the present peace process possible.

After all diplomatic and mediating efforts aimed at bringing the Croatian Serbs' leadership to the negotiating table had proved futile, and following a series of provocations and violations of the cease fire agreement, Croatia liberated and reintegrated Western Slavonia in early May 1995. Then we began publicly warning the Security Council that the fall of Bihać into the Serbian hands - after a thousand-day long siege and despite numerous UN resolutions and NATO warnings - would gravely endanger the very security and integrity of Croatia, because the Serbs would consolidate their territory stretching from the Romanian border to the Adriatic.

At the same time we were witnessing the fall of Srebrenica, Žepa and almost the whole of Eastern Bosnia into the hands of Karadžić and Mladić Serb forces. Our negotiations with the local Serbs were going nowhere, the Bosniaks and the Government of Bosnia-Herzegovina at

that time were at their lowest point - almost totally helpless and at the mercy of Mladić and Karadžić who were openly mocking the international community. No one was willing to extend a helping hand to the Bosniaks.

On numerous occasions we sent out open warnings that if something was not done to get the negotiations with the local Serbs off the ground, to lift the siege of Bihać and thus remove this threat from our borders, Croatia would be forced to act decisively under the UN Charter and exercise its right to self-defense. Nothing was done and we did what we did - alone and together with the Bosniaks and the Bosnian Croats. Our pleas and protestations, as well as those of the Bosniaks, went unheeded.

In a perfectly executed police and military operation lasting less than four days, we liberated well over 10,000 square kilometres of the occupied Croatian territory; together with the Bosniaks and the Bosnian Croats, and under the provisions of the Split Declaration on Joint Defence, we lifted the siege of Bihać and went on to liberate a large chunk of the Serbian occupied territory of Bosnia-Herzegovina, thus coming very close to the 49:51 ratio set by the Contact Group.

The tragic process was reversed and a completely new strategic environment was created which - combined with the effects of the sanctions and NATO air strikes against selected Serbian targets in Croatia and Bosnia-Herzegovina - actually made possible the so called Holbrooke Peace Initiative and the Dayton process.

All this is the essence, demonstration or reflection of the linkage between Croatia's cooperation with the international community and its policy of self-reliance, **when needed**; that is to say, **when all the avenues** leading to a peaceful and negotiated solution are exhausted and hopelessly closed, while the vital national interests and survival are at stake.

Croatia is fully aware of the terrible price, both in the loss of human lives and material resources, which we have been forced to pay in the struggle to preserve our national sovereignty, the democratic institutions and territorial integrity, in defiance of all the obstacles. We are also aware of the price we have had to pay on the political and diplomatic front for our occasional acts against the advice of certain powers not to resort to the measures that could be classified as resorting to force, self-defense or self-reliance.

But it has paid off: today we are **negotiating** the implementation of peace in Bosnia-Herzegovina; we are **negotiating** the regional security and arms build-down arrangements; we are **negotiating** normalisation of Serbo-Croat relations; we are negotiating regional cooperation in the Southeastern Europe, etc. The guns are silenced and bullies are no longer dictating anybody's agenda.

The precarious situation in international relations which I tried to outline in the forgoing passages, is not favourable for the ongoing process of democratic transition of the post-Communist societies. It is our firm belief that this process cannot be accomplished until international relations are also democratized. Moreover, one could argue that the internal democratization and the democratization of international affairs are the two facets of one and indivisible historical process. Neither of these two facets of the global democratization is possible separately or in disregard of each other.

By the democratization of international relations my Government means an overall effort to "devise a concept of security, which would be based on the strict observance of and strict adherence to all OSCE principles and commitments to ensure security in the next century". To be more specific, and apart from our own national experience, I am inclined to define the concept of democratic international relations as equal security provided for all member-states, irrespective of their area, population and membership in the defense arrangements.

If we want a really stable, secure and peaceful Europe in our times and for the generations to come, we must not repeat the mistakes of the past. Briefly: aggression or use of force against states should not be ignored or met with indifference. The principle of peaceful solution to international problems and disputes must be strongly upheld.

The European integration process must be strengthened and broadened to foster and further develop the common European democratic values and standards, as well as to safeguard the identity of all European nations. In this process the existing organizations - the Council of Europe, OSCE, EU and NATO, must have the moral responsibility and enough strength to secure their leading role.

The Dayton/Paris Accords and other arrangements, should lead to the normalization of relations between Croatia and Bosnia-Herzegovina, on one hand, and Serbia/Montenegro, or FRY, on the other. First the mutual recognition and eventually the full normalization of state-to-state relations can pave the way to the extension of the Pact of Stability in Europe to our area, an important step in the process of accession to the EU. The full normalization of relations is also tied to an overall agreement to be reached on the succession by all successor-states to the former Yugoslavia.

However, the key to the overall normalization in the area is the peaceful reintegration of the last remaining occupied Croatian territories - that is, Eastern Slavonia, Baranja and Western Sirmium. I do believe, and I am rather optimistic, that these areas will be reintegrated in a peaceful manner. Croatia is satisfied with the UN Security Council resolution in this regard; the local Serbs have for the first time accepted the notion of peaceful reintegration as elaborated in the UN resolutions and Erdut/Zagreb agreements; Belgrade, including President Milošević, has repeatedly given assurances of their support to the process.

It is our firm belief that this process should be intensified and completed with the assistance of the international community. The end of the war and the normalization of relations in the area will have many positive effects, such as in the initial stage the reopening of important international roads, railway and waterway arteries and oil and gas pipelines, to the benefit of all the states in the region, and Europe at large.

Further elaboration and introduction of a regional system of arms control, confidence and security building measures will be of particular importance. Apart from the leading international factors, other countries in the region can have a legitimate stake in these matters. Croatia welcomes the talks and negotiations on regional security and arms build-down currently under way in Vienna.

But the rehabilitation, reconstruction and development of the areas most directly affected by the

war in Croatia and Bosnia-Herzegovina are at this point of vital importance to the promotion of the Peace Accord and for the creation of an economic, social and political basis for future stability in the region.

The extent of destruction in Bosnia-Herzegovina and Croatia is terrible. Direct war damage in Croatia is estimated to exceed 27 billion U.S. dollars.

There is no doubt that reconstruction and rehabilitation will fundamentally determine the course of events in the post-conflict period. Overall normalization of life in the area - specifically and most urgently in the areas directly affected by the war - could be speeded up by reconstruction and rehabilitation projects and programmes. This normalization is crucial for the political processes and democratic institutions.

Bosnia-Herzegovina has suffered most, but Croatia was the first to experience the war and has suffered the consequences of this aggression longer than any other country in the region. Bosnia-Herzegovina should be given priority in the reconstruction and rehabilitation, but Croatia must not be overlooked under any circumstances - neither in short-term aid to alleviate the immediate consequences of the war (refugees, displaced persons, housing), nor in the medium and long term aid and assistance (infrastructure, access to political integration, capital markets, etc.).

Croatia and Bosnia-Herzegovina do not have to be approached in the same manner, but they have to be approached simultaneously - it is of more than just symbolic significance. Such approach is necessary in the light of ties being built between the two countries for the future, as well as in the light of the fact that our economies are closely interconnected, and will rely on each other through the Federation arrangements, or the Cooperation Council.

Furthermore, enhancing the relations with the Bosniak-Croat Federation in various fields - from trade and industrial cooperation, and from communications to education - is seen in Croatia as a vital contribution to the establishment of a new regional framework of security, stability, co-operation and good-neighbourliness. Croatia and Bosnia-Herzegovina have already laid down the foundations for such cooperation - fully in line with the spirit and the letter of Dayton Agreements - by establishing the Joint Cooperation Council.

At this point I would like to take the liberty of stating briefly some basic facts about the extent of the destruction Croatia has suffered. Gross Domestic Product was almost halved in just two years following the dissolution of the former Yugoslavia: from 14 billion U.S. dollars in 1990 to barely 7.5 billion in 1992. Due to the constant decrease in economic growth, Croatia has lost at least 13 billion U.S. dollars since the outbreak of the war - or approximately one pre-war GDP. Almost one fourth of the country has suffered enormous devastation and it has to be rebuilt practically from the scratch. For example, almost a quarter of a million of housing units have to be repaired, many of them completely rebuilt. We are still assessing the situation regarding the industrial facilities and the true extent of the damage done to the infrastructure.

All this clearly proves that Croatia needs international aid and assistance in order to (a) stabilize

its own economy, (b) assume its own proper place in the long-term stabilization of Bosnia-Herzegovina, and the Southeastern Europe as a whole, and (c) begin to fully integrate into Europe in a manner befitting a country of its size.

It is often argued that Croatia has achieved remarkable results in stabilizing its currency and economy in general, that it is ready to finance its reconstruction mostly by seeking credits and assistance from international financial institutions and on capital markets. However, these results have been achieved with great efforts and at great social costs. The international community must - if it wants a stable Croatia - help alleviate these costs by extending, and if possible increasing aid and assistance earmarked for dealing with the most pressing problems arising from the grave humanitarian situation.

Should the international community adopt a policy that basically amounts to directing Croatia to seek financing for its reconstruction projects mostly through the capital markets, this policy must be, I should say, "softened and sweetened" on the political level by letting my country join the European integration processes, as well as the Western security arrangements, as soon as possible and feasible.

However, I firmly believe that the international community should adopt a combined approach to the reconstruction of Croatia: a) in the initial phase, and along with Bosnia-Herzegovina, immediate aid to help offset the consequences of the humanitarian situation; b) aid, credits and financing of infrastructural projects necessary for the future economic development of both countries; c) separate arrangements for Croatia through the World Bank, IMF, EBRD and capital markets; and d) participation in the usual projects arising from fully regulated relations with, for example, the European Union and individual interested countries.

Such approach would enable Croatia to properly deal with the post-war period. The absence of any of the crucial ingredients of this approach would push Croatia to the brink and prevent it from assuming its proper role in the post-war normalization and stabilization of the region.

With the prospects for sustainable peace firmly in place, Croatia's policy priorities are now turning towards the reconstruction of the country and its continuing path towards economic prosperity. This also implies an active attitude towards the advanced forms of regional cooperation.

Croatia has entered into far-reaching economic and political arrangements with the Bosniak-Croat Federation. The agreement on Croat-Bosniak cooperation is an open-ended and dynamic arrangement. While we see in it considerable chances and interests for Croatian enterprises, it has to be pointed out that close ties with Bosnia also represent a considerable burden for Croatia. We have accepted it as Croatia's contribution towards the Bosnian peace arrangement.

The Federation of Bosnia-Herzegovina - to the creation of which Croatia has been contributing for two years now, since the signing of the Washington Agreements two years to the present - has proved to be a veritable foundation for a political settlement of the conflict, and a framework in which the national and

political rights of the Bosnian Croats, just as those of the Bosniaks, can be preserved and fully protected.

Besides having a stable, prosperous and tranquil neighbour, Croatia has only one basic interest in Bosnia-Herzegovina, and that is ensuring the equality of the Bosnian Croats. Their political right to express and preserve their national identity in all respects as one of the constituent peoples within the sovereign state of Bosnia-Herzegovina is the very essence of the viability of peace.

For this reason Croatia lends its full and unequivocal support to the Federation. We see a lasting stability in relations between the two states, and in the wider region as well, only through close cooperation between the Federation of Bosnia-Herzegovina and the Republic of Croatia. There have been and there will be certain problems along the way; there are people on both sides who are against the idea of a Federation; but these obstacles will be overcome **and could be overcome** as recently demonstrated in Rome or a few days later at a meeting between the two governments in Split.

In spite of facing the aftermath of war, Croatia also stands ready to normalize and develop its economic and other relations with Serbia and Montenegro at various levels. Resuming regular trade with Serbia-Montenegro would certainly be in the interest of both countries; it will also be a notable contribution to the normalization of economic conditions in all neighbouring states.

However, it is to be pointed out that Croatia's commitment to cooperate intensively with the Bosniak-Croat Federation and its readiness to resume full economic relations with Serbia do not reflect the full scope of our key priorities. Croatia's key strategic interest and overriding priority is our accession to the European integrational groupings as soon as possible.

Our ultimate goal is to become a full-fledged member of the European Union and NATO. I am glad to note that Croatia already meets a notable number of requirements for regular membership in these organizations.

We are aware that Croatia's accession to the European Union and NATO can be achieved only through a transition process involving some intermediary steps. But we also appeal to these organizations to show more understanding and appreciate the urgency of Croatia's proper accession to these groupings.

It is also clear that Croatia has to enter into some forms of preferential trading arrangements with some European countries other than those of the former Yugoslavia. The obvious candidates for such arrangements would be our immediate neighbours i.e. Italy and Hungary but also Austria, Slovakia, the Czech Republic and other Central European countries striving for accession to the EU. These countries have already been assembled either under the auspices of the Central European Free Trade Area (CEFTA), or under EFTA.

Croatia is interested in joining one or even both of these integrational groupings with an understanding that we would see our membership as an intermediary step towards a full membership in the EU. With this goal in

view, Croatia is an active member of the C.E.I. and is approaching both CEFTA and EFTA.

Croatia's eventual decision on entering a preferential trade agreement with one of the existing regional free trade areas is, however, subject to the capability of the Croatian economy to cope with foreign competition without unnecessary protectionism or trade barriers.

Due to the extraordinary conditions created by the war - including the huge influx of refugees - Croatia was forced to maintain special levies and linear taxes on all imports. Within the ongoing negotiations on Croatia's accession to the World Trade Organisation (WTO), we are now on the way to gradually dismantle such taxes and substitute them with the usual means of protection, consistent with WTO regulations.

Consequently, we hope that the member-states of CEFAT/EFTA will show understanding for Croatia's trade problems by making an allowance for an appropriate period needed for the Croatian economy to adjust to intra-regional free trade.

The challenges ahead are great as regards the implementation of the Agreements, the normalization of relations and the elaboration of a system of good neighbourly cooperation.

Reasonably assessing the advantages of peace, Croatia is ready to play its part and contribute to the enhancement of regional stability and security. Bearing in mind the definite reintegration of the last remaining occupied territories and the establishment of full sovereignty over the whole national territory within the internationally recognized borders, due to its strategic and geopolitical features as a Central-European, Mediterranean and Danubian democratic state, Croatia will now dedicate all its efforts to the full realization of its other national interests.

As I said, one of the main national interests and goals is the full integration of Croatia in the political, economic and security systems of Europe, a goal that has been almost impossible to achieve during the war.

To be more specific, we expect what is most important to us - an open door to the European integration processes, that is: the Council of Europe, PHARE, Cooperation Agreement and eventually Association Agreement, and a place in the Partnership for Peace.

These would be the initial peace dividends - not only for Croatia, but for the whole region, because a stable Croatia, fully integrated into Europe, can be and will be a crucial agent and guarantor of the regional stability. For its part, as a strong, stable and democratic country, Croatia is as ready as ever to be an active partner of the Euro-Atlantic democracies in the establishment of a democratic system of relations in Southeastern Europe.

Croatian membership and active participation in the Council of Europe, the Partnership for Peace, and finally in the EU and NATO, will be of crucial importance not only for the stability, security and comprehensive development of Croatia, but also for the stability, security and peace in this region and in Europe at large.

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