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Intelligence Memorandum

DCI Interagency Balkan Task Force

22 November 1994

Muslim-Croat Federation: More than a Cease-Fire?

The cease-fire between Bosnian Muslim and Croat forces that accompanied the signing of the Washington Agreements in March remains the most significant accomplishment of the federation agreement and its continuation is a sign that the two sides believe that it still serves their interests.

The reasons for the initial rapprochement in February/March are still operative.

- The Bosnian Government wants more arms to focus its military effort on the Serbs, which it can get only with Croatian and Bosnian Croat collusion.
- Croatian President Tudjman continues to parlay his cooperation into international political and military help to regain control of the Krajina.
- The Bosnian Croats are enjoying their relative political autonomy within Bosnia.

Even with large-scale international help, prospects are minimal for building the federation from the bottom-up and overcoming--in the near-to-mid-term--mutual distrust.

Creation of new political institutions, difficult under any circumstances, is especially so in this case in light of the year long warfare between the two sides and the different perspective about the goals in the ongoing war with the Bosnian Serbs. Consequently, efforts to create federation institutions have bogged down, and the level of verbal finger-pointing has been gradually increasing.

• Bosnian leaders believe Tudjman is "the problem," while the Bosnian Croats and Croatians believe Izetbegovic's primary goal is to hold onto personal power and to ensure continued Muslim predominance.

The odds are not good for quick or extensive development of the federation, but the lack of a suitable alternative, and international pressures are likely to keep the federation alive, if not thriving, at least as long as the Bosnian war continues.

The main wild card for federation stability is the risk that Milosevic and Tudjman would strike a deal on the Krajina or the Croats lose their share of arms deliveries to the Bosnians.

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"On the one hand we've made great progress. But if you judge by the terms of the Washington agreement, we seem to have made little or no progress." A Muslim local official.

"They (Bosnian Croats and Muslims) started fighting for no good reason, they stopped fighting for no good reason, and there's no good reason now for them not to start fighting again." UNPROFOR Sector Southwest Commander A.P. Ridgway.

Agreement from the Top Down

The Washington Agreements creating a Croat-Muslim Federation were signed by small groups of Croatian, Bosnian Croat, and Muslim elites.

- That cease-fire remains the most significant accomplishment of the federation agreement. Its continuation is a sign that the elites of the three sides do not want the agreement to fail.
- Nonetheless, grass roots support for the federation remains limited, according to Embassy reporting, because of historical animosities and memories of the fighting that ended only in February. Even with international help, prospects are minimal for building the federation from the bottom-up in the near-to-midterm.

Compelling Reasons By Both Sides To Keep The Federation Alive For Now

All sources consistently indicate that the Bosnian Muslims view the federation as a means to prosecute the war against the Serbs more effectively.

- The cease-fire facilitated the resumption of arms flows across Croatian and Bosnian Croat territory, freed forces that had been fighting the Croats, and opened relief routes.
- The Bosnian Government is hesitant to proceed with the creation of a federation army, however, because it fears that giving the Croats a real say in military planning would divert it from the war-fighting strategy against the Serbs.

Also, Bosnian Muslims signed onto the Washington Agreements because they saw the federation as a means to avoid the partition that was inherent in the earlier Vance-Owen plan. Nevertheless, they have real concerns about the federation

This memorandum was prepared in support of US policy	on Bosnia by	Office of
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constitution which provides for full equality and consensus in decision-making with the Bosnian Croats, who have only one-third of their number.

 Bosnian leaders want to maintain the kind of Muslim predominance they currently enjoy in Bosnian Republic institutions and are highly critical of Bosnian Croat retention of their self proclaimed Croatian Republic of Herzeg Bosna, according to recent Embassy reports.

The Bosnian Croats, especially those in the influential nationalist Croatian Democratic Community (HDZ) party, see fewer advantages in the federation. They signed the Washington agreements to end their loses in the war with the Muslims and under strong pressure from Croatian President Tudjman.

- , they do not want to fight to recover territory from the Bosnian Serbs that has no Croatian heritage. The federation's first large-scale combined military operation occurred during the first week of November near Kupres and Bihac, both areas of concern to the Bosnian Croats.
- Many do not want to live in a Muslim-dominated state, for fear that their Croatian cultural identity will be swamped. The Croats in Herzegovina still believe their future is tied to the Croatian motherland, which accounts for their strong interest in "confederation" of the federation with Croatia, but neither . Zagreb nor Sarajevo see this as a high priority.
- Federation President Zubak, a moderate Croat, seems committed to the federation's success while others only mouth support. Zubak pledged in June to dislodge extremist Croat hardliners bent on undermining the federation.

Croatian President Tudjman continues to play a paramount role in the federation. He pushed the process in the spring in order to avoid the imminent imposition of UN sanctions because of Croatia's military help to the Bosnian Croats. Since then, he has sought to parlay his cooperation in keeping the pressure on the Bosnian Serbs into greater Western political support for regaining control over the Krajina.

• In addition, his cooperation has given him a cut of the weapons flowing across his territory to the Bosnian Government, helped him expand Croatia's economic ties with Western Europe, and has given him political and economic entree to the Islamic supporters of the Bosnian Muslims.

The Bosnian Serbs reject any affiliation with the federation that would preserve the current internationally recognized borders of Bosnia. "President" Karadzic has repeatedly stated that the self-proclaimed "Serbian Republic" must be granted full sovereignty.

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The Bosnian Serbs, aware of the military threat posed by the federation, have sought to exacerbate Bosnian Muslim-Croat tensions by tendentious press reporting of ethnic tensions and by military attacks intended to foment disunity.

Belgrade appears to believe that the federation cannot endure. Serbian President Milosevic, for example, in mid-October commented that Bosnian Muslims and Croats would have started fighting again if Bosnian Serb leader
Karadzic had only accepted the Contact Group peace plan. In that case, he thought Croatia and Serbia could oversee the division of Bosnia

• Following a mid-October attack north of Mostar, Bosnian Prime Minister Silajdzic complained to US officials that Serbs, with the help of renegade Croats, were planning to destroy the federation. He accused the Croats of spotting artillery fire for Bosnian Serb forces against Bosnian positions.

The Federation Still A Toddler

The trappings of federation political institutions have been created, but their competencies have not been articulated, and it isn't clear that significant office space or staffs have been assembled to support their work. To the extent that effective political and economic institutions exist, they still are associated with the Bosnian Republic and the self-proclaimed Croatian Republic of Herzeg-Bosna.

- Federation President Zubak has participated in international negotiations but seemingly at the pleasure of Izetbegovic. He and Vice President Ganic (a Muslim) were scheduled to switch places in November according to an agreement reached in May. His tenure, according the Embassy reporting, has been extended another six months due to Bosnian Croat concern about having Muslims occupy the top two federation positions. (Republic Prime Minister Silajdzic is also the federation Prime Minister.)
- The federation assembly--currently the same as the Bosnian Republic assembly but with a different hat--probably cannot establish a separate federation identity until after new elections. These were scheduled to take place before the end of the year but now appear to be on hold until local and cantonal governments are established. The Assembly has not met since July, and a scheduled meeting for mid-October was postponed because of continuing political wrangling.
- At the 13 September summit in Zagreb, Izetbegovic, Silajdzic, Zubak, and Tudjman set 30 and 60 day deadlines for creating local municipal and cantonal authorities, but local squabbling appears to be delaying implementation.

•	A joint military command has been established but it has no operational
	control. A 13 September agreement to renew this effort has accomplished
	little. A Bosnian Croat publicly said in mid-October that the Muslims lack the
	political will to form a joint army.

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Trust Remains a Key Issue

Each side harbors deep-seated suspicions about the other; often the charges mirror-image each other.

 Radio Sarajevo recently noted the anniversaries of Croat-perpetrated massacres, while on the same day, Croatian media accused Bosnian Prime Minister Silajdzic of obstructing creation of the federation.

Each elite doubts the other's long-term commitment to the federation.

 Bosnian President Izetbegovic repeated to Ambassador Jackovich in mid-October his doubts that the Bosnian-Croats--or their backers in Zagreb--were genuinely committed. He intimated, according to the ambassador, that Croatian actions on the ground in support of the federation were "sorely lacking." Prime Minister Silajdzic echoed the theme in a letter to Assistant Secretary Holbrooke.

• The Bosnian Croats and Tudjman have said that Izetbegovic is not committed to the federation and is seeking primarily to preserve his own political power and that of the Muslims in the new federation. Croatian Ambassador to the UN in Geneva recently complained to Ambassador Thomas about Izetbegovic and noted that only Tudiman was committed to the federation, according to Embassy reporting.

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Snapshot of Muslim-Croat Grievances

Bosnian Government officials have charged that Bosnian Croat leaders:

- · harbor war criminals.
- are preventing the return of refugees.
- · are confiscating customs duties due the federation.
- · have done artillery spotting for the Bosnian Serbs in shelling of Mostar.
- · spend little time in Sarajevo.
- have conspired with Bosnian Serbs to cut a deal dividing the northern corridor.
- have failed to implement agreements to open up Mostar and remove barricades.

The Bosnian Croats charge:

- Few Croatians occupy senior federation positions, especially in the foreign and interior ministries.
- Croats are being forced into the Bosnian army against their will.
- Muslim local officials have carried out "ethnic cleansing" in Bugojno and have prevented the return of expelled Croats to central Bosnia.
- The Muslims are unwilling to share federation institutions, such as Sarajevo radio and TV facilities.
- The Bosnian leadership has hindered establishment of federal organs and delayed implementation of the Zagreb agreement.
- Official Bosnian media only seeks to blame the Croats for failures of the federation.
- In some localities, Muslims are arresting Croat leaders and destroying Croat property.

Prodding the Proces	SS		
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The international community could also help the federation by insisting that
economic aid or reconstruction funding be distributed through federation institutions.
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• We have little evidence that progress has been made yet on integrating economic decision-making at the federal level.

At local levels, however, aid may still have to be funnelled to separate, and not yet fully integrated, Croat and Muslim political and social structures because of the high levels of distrust.

Can It Endure?

The odds are not good for quick or extensive development of the federation, but the consequences of total failure and international pressures are likely to keep the federation alive, if not thriving, at least as long as the Bosnia war continues.

The main wild card for federation stability is the risk of Milosevic and Tudjman striking a deal on the Krajina or the Croats losing their share of arms deliveries to the Bosnians.

Prime Minister Silajdzic expressed concern that Tudjman will compromise with Milosevic by pressing for a separate Croat entity within Bosnia--which would be confederated with Croatia--in exchange for conceding eastern Slavonia and granting autonomy to Serbs in the Krajina and Glina areas,

Any lifting of the arms embargo could provide the federation's next serious test.

- Most reporting suggests that lift would strain the federation, presumably because it is assumed that the Bosnian Croats would not agree to escalate the fighting against the Serbs or cooperate in combating Bosnian Serb preemptive attacks.
- But under a different scenario, lift could also strengthen federation if the Bosnian Croats and Muslims could agree on a joint offensive against the Bosnian Serbs. This could occur if Tudjman, totally exasperated with the failure of the peace process to help him regain the Krajina, directed the Bosnian Croats to cooperate so as to tie down Bosnian Serb forces while he carried out a simultaneous attack on the Krajina Serbs.