

Zenica, Bosnia's heart of steel

Twenty years after the end of the war, time has stopped and the country teeters towards economic crisis. In remembering the past, there's a risk of forgetting the future and not accounting for the past two decades - during which time nothing has been done to eliminate the causes of war.

Night seems never-ending in Zenica. At the bus station, adjacent to the train depot, men and women hurry along, creating a crooked queue that heads in the same direction. Some emerge from an embankment by the railroad tracks; ghost-like, with faces obscured by the early morning fog, they glance in either direction before crossing. They are workers. Or rather, they are the only workers in this area.

Because in Zenica there is just one factory: the ArcelorMittal steelworks. The most thoughtful ones snatch a few moments from the factory to rest at a tiny place immediately outside the station, where a woman seems to have spent her life preparing the workers' morning coffee. A murder of crows breaks the silence and makes its voice heard, as though responding to a cue in some B-movie script.

Zenica, Bosnia-Herzegovina, around seventy kilometers from Sarajevo. It is here where twenty years after the conflict, people are still struggling to survive. Peace, after all, is not just the absence of war. The latest statistics from the Sarajevo Parliament's Unitary Commission for Human Rights and the Statistics Institute of Bosnia-Herzegovina offer a profile of the country's desperate economic situation: 43% unemployment; the average monthly salary for those who are working stands around 400 euros; up to a third of the jobless do not receive any state aid; 50,000 jobs have disappeared in just the last three years; and an army of pensioners (550,000), that can at least count on their payments of 150 euros. Poverty advances like a swarm of hungry locusts: in 2000 the poverty rate stood at 15 percent of the population. That figure then increased to 18.2 percent in 2008 and 25 percent in 2011. While those statistics create fear, the really breathtaking figure is that another 48 percent of Bosnians live just above the poverty line.

How much is a job worth in Bosnia-Herzegovina? A lot, perhaps too much at times. At 7:00am, in Zenica, the group of workers that took the bus cross paths with those who just finished their night shift. Like New York City, only this is the Factory that Never Sleeps. A look at the panel posted at the entrance of the administration offices helps one understand it all; ArcelorMittal extends for kilometers, running up against the Bosna river, which crosses Zenica. The workers' entrance is a few meters after the offices; it is a seemingly endless tunnel which gobbles up the mornings of three thousand workers. Workers like Hasan and Mohammed.

"The people who you'd consider in the middle-income brackets have all disappeared. Now there's just a small segment of the extremely rich and politically well-connected, flanked by the mass of people who are impoverished. It is estimated that in Bosnia 15 percent of the population is illiterate, which even includes the younger generations. So, we will never be able to enter the European Union. All the decisions taken in these past few years have gone in the direction of destroying state- and publicly-owned companies and favoring the companies that are close to the centers of political power. Now there this partnership between the Democratic Action Party and the Social Democratic Party of Bosnia and Herzegovina - a deal with the devil. Just absurd." Hasan is a local celebrity. The day he went onto the platform of Occupy Sarajevo to address hundreds of people (most of them foreigners), he made an impact on everybody with his anger. He is a mechanical engineer and in 2008 he was among the first to publicly make the links between the steelworks and risks to public health. In this corner of Bosnia-Herzegovina, pollution and poor health are the price you pay to work. "When everybody was afraid to speak out, I

organized by myself the first protests against pollution. Even though I worked for Mittal," Hasan says, with an unflagging energy, "I did this without fear of the consequences."

The Zenica steelworks has a long history, one which frequently branches out into the histories of other events in this area. The plant was in operation in 1895, in the times of the Austro-Hungarian Empire, under the name Eisen und Stahlgewerkschaft. Zenica is perfect: close to the iron mines of Vares, in the Bosna river valley which acts as a communications hub and coal-mining center. Soon after a crisis in the steel industry, in 1936 the plant was restarted in grand style. This was during the reign of Yugoslavia and after World War II the Zenica operation became a victory symbol for the partisans. In fact, the factory was rebooted with help from the Germans, who donated machinery to Marshall Tito's Yugoslavia as part of a post-war compensation package. The industrialization of the country, in particular of Bosnia-Herzegovina, became the epicenter of the narrative of the New Socialist Man. A film directed by the great Veljko Bulajic, Boom Town (1961) - a sort of Yugoslavian Riso Amaro - tells the epic story of the factory's rebirth. A plaque bearing a quote from Nikola Tesla, blackened by the soot which suffocates the city, is a reminder that it was the worker who was at the center of the new socialist world. It's a shame, then, that Zenica already has the title of most polluted city in the already heavily polluted region of the former Yugoslavia.

The small offices of the organization Opstanak ("Existence"), in a kind of irony, are located directly above the plaque bearing the Tesla quote. It was founded by Hasan - along with Muhamed and others - as a local chapter of the national organization called Akcija gradjana ("Citizens' Action") which agitates for change in the country.

The Zenica foundry was a perfect example of how Yugoslavia operated, as a project that was political rather than economic. It wasn't supposed to come into being here, but rather in Dobo, Hasan recalls, while behind him the office window screens the same, ugly film: the smoke stacks of ArcelorMittal that endlessly snort out their dense, black smoke. "However, due to the rupture with Moscow in 1948 the government decided to put it back on its feet in the center of the country, where it was better defended. In 1953 the big furnace was constructed and industrialization began. The factory called back the people from the rural areas and the rest of the country. Certainly the plants were old and the better German-made machinery was held by the more important republics: Serbia, Slovenia, Croatia. Even then there was incredible pollution, with emission rates of toxic gases that were seven times what they are today." The factory was the center of this world: up to 22,000 people were put to work, workers were recruited from abroad, vacations were offered to workers and their families in state-owned hotels, scholarships were given to workers' children. In 1990, before the war began, the Zenica steelworks was producing 40 percent of the steel used in the whole country. The conflict of 1991 froze production and the plants suffered 20 million dollars worth of damage. The local population has always protected the factory, and at night some people worked there to produce arms for the Bosnian rebel forces (who were less well-armed than the Serbs or Croatians.) In 1998, three years after the end of the hostilities, some investors arrived from the Persian Gulf. The Kuwait Consulting and Investment Company took over 50 percent of the share - for 180 million dollars - and began the BH Steel Company. Production slumped but in 2006 everything changed. At that point the multibillionaire Lakshmi Niwas Mital came to town. Born in 1950, Mital's wealth is estimated at 31.1 billion dollars, making him the sixth-richest man in the world according to Forbes magazine. His fame preceded him: merging his Mittal with another steel giant, Arcelor, he created an industrial group without equal in the industry. ArcelorMittal has a presence in dozens of countries, from Romania to Indonesia, including the USA and Italy. Over 320,000 employees; profits of 5 billion dollars; traded globally in six stock exchanges. On the web one can find the wedding videos of Mittal's daughter, for which occasion her father had rented a castle in France and bought a diamond valued at millions of dollars. His house in London recalls - at least in his mind - the Taj Mahal. From within their building, Mohammed and Hasan must seem like two tiny cogs in an enormous machine, something like what appeared in Charlie Chaplin's Modern Times. Only in this version Mohammed and Hasan have no intention of being squished. For the people of Zenica the arrival of ArcelorMittal seemed like a new beginning. But it has become more like a nightmare.

"I began working at the steelworks in 1985. They were never late in paying us, and the workers had all their rights guaranteed - we would take vacations at the sea. While today capitalism has ruined everything and there are children who grow up and

don't even know what the sea is," says Mohammed, who along with being Hasan's comrade-in-arms is also president of the advisory board of Opstanak. "For years I believed in the union, I participated, but later I realized that unionists think only of putting money in their pockets. We have to act independently, as citizens. Because today the salaries are proportionately three times lower than what they were before the war. If we don't have a general strike over this, then what are we waiting for? And then they are poisoning us and people know it. To inform them we will use all the means at our disposal." The last demonstration, in February 2011, brought hundreds of protesters into the streets of Zenica. Mittal is poisoning us, reads the graffiti on the walls. According to the associations that advocate for a clean-up of the area, the steelworks emit poisonous gases in excess of the legal limit thirty-five days per year. The associations are asking that there be a system of filters for the smoke stacks that will reduce the environmental impact of toxic gases and heavy metals; and an independent, publicly-controlled center for monitoring emissions led by the local university and the local government. The latter would be supplemented by a public mechanism of measuring the emissions as well as an alarm system that would alert the population whenever emissions exceed safety limits. But nothing has been done. ArcelorMittal, with a terse email, turned down an interview request and also denied access to the plants. At the bottom of the email there is a printed notice advising the reader not to print out the text so as not to harm the environment.

"Many are afraid of losing their jobs," Hasan says, "but they're also afraid about their health, they understand that there's something not quite right." Mohammed lashes out at the political class: "Here there's money only for religious institutions, but the public sector was sold off to a few profiteers who got rich during the war and are close to the ethno-nationalist political parties. Formal complaints end up going into a black hole: neither the public prosecutor nor the police lift a finger to help. Neither of us is optimistic, especially if the unions and citizens continue being so passive," concludes Mohammed. But he doesn't give up. "I am optimistic," says Hasan. "You can only make change through struggle and every society has its own set of problems. We have to get our own representation, our own voice. We have to get young people involved and give them the high-tech tools they need to document the struggle. My goal for the spring is to bring 10,000 people who are unhappy with this political and economic situation into the streets. Making ourselves visible to the rest of the world is very important because here the mass media are part of the corrupt system."

Prior to founding Opstanak, Hasan was a member of EkoForum Zenica, a civic association that advocated for a clean-up of the polluted land. He then took another path, one that - according to others - was based on far too radical positions. Indeed, there's a certain distance between Hasan, the worker, and the well-known cardiopulmonary surgeon, Dr. Harun Drljevic. They are different, while coming from the same stock. "The data that we have are just so clear and convincing that there's no need to exaggerate and create confusion," he begins, as though to signal a scholarly remove from the passionate worker-activist. The hall of the Hotel Zenica seems taken right out of a scene from a '60s movie, giving off a very Yugoslavian air. The glass window looks directly out onto the mythic home of the beloved NK elik Zenica soccer club, Bilino Polje stadium. (Bilino Polje being the former name of Zenica.) Breathing heavily, the players run through a light training session along the perimeter of the field. Thin and well over two meters tall, Dr. Drljevic likes to gesture - his self-assured hands jutting out from his coat as he speaks. "The problem here, and this is a point that bears repeating, is that there's no national registry of tumors; for all cases after 1991, we lack a shared database. The past twenty years have been spent on useless commemorative ceremonies, but there's still not a shred of human rights. I work everyday with persons from Zenica: women and men, young and old. I have files with my assistants, I share my data with colleagues - not only local ones, but also Croatian and Serbian colleagues. There are so few of us, we cannot but share this work together. Recent studies demonstrate how the particulate matter emitted by the Mittal plant - matter which of course goes into the air but also ends up in the waters of the Bosna river and into the earth - this particulate matter can harm an infant during pregnancy. Lead, cadmium, sulphur oxide, hydrocarbons. Every time that a pregnant woman comes to see me I shudder. My father was a company doctor, he worked at the steelworks; in those days there was an in-house health-care system. I too began that way, working in the plant's coal depot. If you have never worked there, you have no idea of the hell that it can be. So, for this reason I commit myself to reporting the health effects of the poisonous gases and I've created an email list-serve with other colleagues who work in the other countries where ArcelorMittal is present. Wherever you find the same health trends - in Zenica as in Cleveland, in the United States, where you find little tumors that double in size over the course of a few years -

there you also find the same impunity. What kind of doctor would I be if I pretended not to notice this?"

Someone has pretended not to notice. Professor Samir Lemes, lecturer in the Department of Mechanical Engineering at the University of Zenica and currently spokesman for EkoForum, says so quite clearly. Wearing a broad-brimmed hat with a large scarf, he looks a lot like the figure from Toulouse-Lautrec's famous poster, *Aristide Bruant dans son cabaret*. His hair thinning around the temples, he wears the glasses an intellectual would wear. "The people working with ArcelorMittal have closed a lot of their factories, because this is their mentality. In certain countries when the laws regarding pollution are toughened up a bit, they leave. Here in Bosnia they do whatever they want because there are no strong institutions. They corrupt those institutions," according to Professor Lemes. "They use blackmail. In this area there are at least 100,000 people who have developed - in some form or another - pathologies correlated with pollution. To have work is important, but we shouldn't have to take 100,000 people hostage for it. What the institutions fail to understand is that as soon as the price of steel goes down, ArcelorMittal will take off and leave it to us - with our weak institutional culture - to clean up the social costs of their mess. The local government has never wanted to show us the terms of sale it drew up with the Indians, maintaining that it was some sort of trade secret. No one has ever felt it necessary to account for all the money received by the international community."

In 2006 the European Bank for Reconstruction and Development gave 25 million euros to ArcelorMittal to - as the Bank said at the time - "optimize energy consumption and to invest in better solutions for easing the environmental impact of production." However, according to Bank Watch - an NGO that monitors investments in Eastern Europe - in 2011 not one euro was used by ArcelorMittal to clean up its production sites. "In the law regarding privatizations there was a mandate that said part of the money earned would have to go into environmental clean-up," Professor Lemes says. "But nobody has ever forced the company to do such a thing. The people in India have powerful political allies, beginning with Tony Blair. All this, of course, flies in the face of the rhetoric we're hearing about Bosnia-Herzegovina and the war and the generous commitment that our 'brethren' in the EU and in the USA have to rebuilding the country." Professor Lemes is referring to the rhetoric heard a while back from the Labour Party, which in 2007 alone - according to accounts in the British press - received 3 million pounds in electoral donations from Mr. Mittal. When ArcelorMittal invested in Romania, the newspapers attacked the government for a letter Mr. Blair had sent to the Presidential Palace in Bucharest in which he championed the cause of Mittal. Blair denied any suggestion that the initiative was tied to the electoral support his party had received. Similarly, in then-British ambassador to Bosnia-Herzegovina Ian Cliff denied any showing any favoritism as he lobbied on ArcelorMittal's behalf during purchase negotiations in 2006. The eventual purchase was to ArcelorMittal's clear advantage, in that no money was to be returned to state coffers: ArcelorMittal bought out the plant while investing only in modernizing the structure and spending - by its own calculations - 280 million euros. "I know only one thing," Professor Lemes continues. "If I were born today I couldn't become a university professor. My father worked all his life in the steelworks and he made it possible for me to study. For a worker to do that today would be impossible. We're going in the wrong direction. Here the war didn't end with someone pressing the "stop" button, but rather "pause." The situation is frozen as it was twenty years ago, with the borders even imitating the ones that were in place in 1995. I believe that in the past years we've missed an opportunity, because the international community should have done something to change the lives of the Bosnian people. Instead, they have become complicit in the rape of this country's natural resources."

According to a Transparency International report from 2009, Bosnia-Herzegovina is the most corrupt country in Europe. It also has a purchasing power lower than the European average. The report's language is withering: speculation, clientelism, corruption, criminal syndicates. At the heart of the report's negative judgment are privatizations. Esad Hecimovic is one of those journalists who have spent their lives investigating the shadow zone between political and economic power. He began at a very early age with the mythic daily *Oslobodjenje* of Sarajevo and later continued writing for the weekly investigative paper *Dani*. "Everything has changed today. The ownership of the mass media in Bosnia-Herzegovina is a confusing puzzle. Certain persons who became rich during the war buy everything up, and that has had the effect of stifling investigative journalism. But we carry on," Esad explains. He specializes in reporting on the privatizations that Bosnia-Herzegovina has undergone. "It is a dark and disgusting process. A country's wealth and natural resources sold off at dime-store prices, lost in the crazy institutional structure of the post-war period, without any kind of meaningful outcomes for labor

and social policies. Not to be nostalgic or anything, but I remember how in the 1980s the regime censored my first investigative piece on the pollution coming from the Zenica steelworks! They had told us that things would change, but it didn't turn out that way at all. No international controls of any kind were placed on the appropriation of goods in this country. The recipes drawn up by the World Bank and the IMF - the so-called Washington consensus - have been followed to the letter, but without any instruments of ensuring accountability. Vouchers were distributed which were supposed to have supported small and mid-sized businesses, but the war-profiteers took it all and used it to buy up public assets at very low prices. And where was the international community in all this? Over the past twenty years it has never occurred to anyone to remember the past because the future is not guaranteed. I look at my daughter and hope that someday she leaves this place. Can a father think such things? In Bosnia-Herzegovina in 2012, the answer is yes.

The agency overseeing privatizations in Bosnia-Herzegovina was born in 1996. In 1999, the High Representative of the International Community, a post mandated by the peace accords and intended to be a kind of "peace czar" for the country, instituted the agency as a means of monitoring the privatization process. While it was a technically an office with direct responsibility, it was ignored. The Muslim-Croat Federation and the Serbian Republic, the two entities that make up Bosnia-Herzegovina, have always moved along separate tracks and in accord with the agendas of local power-brokers. Only the Federation, from the proceeds of sales of over 60 strategic enterprises, has earned 750 billion euros. But what benefits have citizens gained from this? Some measure of unity in Bosnia-Herzegovina has been achieved. And here credit goes to Mittal. The Anglo-Indian firm, in fact, bought the Ljubija iron mine, in the Bosnian city of Prijedor. That is, in the entity not including Zenica. In that mine were interred human remains from a massacre connected to an ethnic cleansing incident during the war. But as we all know, "Business is business." So, production started without giving time to conclude the site investigation. As two journalists, Igor Lasic and Maja Lovrenovic, wrote years ago for the weekly Feral (which no longer exists): "The iron gets mined in the Serbian Republic and manufactured in Zenica. In this way all Bosnians, both living and dead, will be reunited in the name of the free market."

It goes on even today. For 2012, the agency announced the privatization of another ten state-owned enterprises valued at 204,500,000 euro. It is an issue that does not seem overly pressing while strolling along the old pedestrian walkway in the center of Zenica; at one time it was named after Marshall Tito but now, in a sign of the times, bears the name of the first president of the independent Bosnia-Herzegovina. As if the noise wafting in from the plant, mixed in with the ever-present particulate matter not to mention the smell of burning rubber which permeates the city, enveloped everything and traced the outlines of an uncertain future. Young people walk among the Lamela skyscraper, the old building known as the Pagoda (today a hotel), the long river and the Great Wall of China, all conceived by post-war Socialist architects for the workers and New Socialist Men of the future.

They line up quickly outside of clubs like the Jazz Café or the Collegium, while those with some money in their pockets and big cars prefer the Number 10. Young people like Adnan. At 21 years-old, with ice-blue eyes and an actor's face, Adnan has stopped believing in the future. "I really tried. I was active in student organizations, fighting along with my comrades for the abolition of ethnic divisions in the high schools. They blocked us and threatened us. Does it make any sense? I'm fortunate enough to have a job, but still I can understand those who leave the country." Like Dijana. Almost thirty years-old, she left before the war and lived with her family in Kentucky. She wanted to come back: "Zenica is my city. I wanted to live and work here. But I am a photographer and it's impossible to find work here - you feel so far from everything. Even from those who stayed and lived here - for them, you are still a foreigner." And there are those like Marija, who is in Ackija Gradana and fights with passion in every struggle. "Memory is everything. We have to talk beyond divisions, without the mediation of politicians, the media or the international community. It's up to us, the citizens - we have to reclaim our future."

The day has ended, while the beer flows like a river in the local pubs and hundreds of cigarettes go up in smoke. What's needed now - before the next shift takes over - is to take a step back and take a final accounting of a day at Zenica. Smetovi, the mountain which towers over the Bosna valley where the inhabitants of Zenica come to breath, is the right place to do it. From on high the factory resembles an wounded dinosaur blowing angrily against modernity and against any idea of

sustainability. It never stops blowing out smoke day and night, even on the weekends. At times the smoke turns a surreal, demonic red. Careful that you don't get any of that red particulate matter on your skin - dangerous stuff that the locals say even blackens the roses in town. Upon signing the purchasing contract Mr. Mittal declared: "Ours is an investment in the people of Zenica which won't end when they leave the plant at the end of their shifts." He was right, it's just that we didn't get the meaning of his words. In February 2012, Mittal put out a press release saying that they had "reached a production of 650 thousand tons of steel" and predicted "an increase of ten percent in 2012, returning to pre-crisis levels."

All of a sudden everything seems clear, here in the heart of Zenica - which is in the heart of Bosnia-Herzegovina in the heart of the former Yugoslavia. Zenica used to be known as Little Bosnia, with its Serbian, Croatian, Muslim, Rom, and Jewish enclaves. And twenty years after the war Yugoslavia - in the heart of Europe, robbed of its hopes for social justice, starved by the destruction of workers' rights - ends up symbolizing a lost opportunity to build a more equitable system. In the end, then, we are all Zenica.

Translated by Seth Kershner