

Speech by High Representative and EU Special Representative Valeriu InzkoAt the opening of a ConferenceOn How to Move Faster to EuropeOrganized by the Employers' Associations of BiH and Slovenia



No Political Stability Without Sensible Economic Steps

Ladies and Gentlemen,

I spoke recently at a gathering of BiH and foreign business people and I ended my remarks with the observation that in difficult times I don't believe the appropriate response is to wring one's hands and complain about how bad things are. I believe the thing to do is to roll up one's sleeves and look for opportunities amid the difficulties – because there are always as many opportunities as there are problems.

I am particularly pleased to be here this evening because this conference is being organized by the BiH and the Slovenian employers' associations – it brings together businesspeople from a country that has successfully navigated the difficult

route to Europe and businesspeople from a country that is now moving along that route but hasn't yet made it to the final destination. We can learn a great deal from one another. There is nothing more useful for the traveler crossing difficult terrain than to speak to someone who has already made the journey.

Now, about those problems I mentioned. As all of us are very well aware, we are in the midst of an intense and crucial exercise aimed at recalibrating the relationship that exists between Bosnia and Herzegovina and the international community. Our aim is to normalize Bosnia and Herzegovina's status so that it can proceed on its way towards full Euro-Atlantic integration as a sovereign and stable democracy.

I am not going to talk this evening about the nuts and bolts of this process. A great deal has to be agreed and I hope that it will be agreed sooner rather than later. What I do want to talk about is the greater scheme of things – because the discussions that are going on among political leaders and international diplomats do not take place in a vacuum. As we search for a settlement that will protect the interests and satisfy the aspirations of all of Bosnia and Herzegovina's citizens, these same citizens are going about their lives. They are working – or in tens of thousands of cases – they are *looking* for work; they are studying and running businesses and homes. They are trying to get by.

That's why – I have said this many times before but that doesn't stop it being true and important, so I am going to repeat it – that's why the economy cannot simply be put on the back burner.

I realize that if there is one group of citizens that completely understands this it is the group that is gathered in this room. Employers employ – they provide jobs and wages and they generate the economic growth on which the prosperity and stability of this country depend. As I have also said many

times and as I shall continue to point out – you cannot build democracy on an empty stomach: economic development and political development have to go hand in hand.

I must tell you that I often feel like a voice crying in the wilderness. I am astonished by how little the party leaders in this country talk about the economy and about how infrequently the media ask them in any detail about economic issues. Politics is all. The result of this distorted perspective is clear – painfully clear – for everyone to see.

Bosnia and Herzegovina is a poor country.

The scandal is that it shouldn't be poor.

It has the resources and the capacity to be prosperous.

In recent months I have called on the ruling parties to fulfill commitments they have made through the European integration process and radically improve the business environment by enacting a state Law on Obligations and modernizing the banking supervision system. I have also called for the relevant authorities to improve the service that BiH embassies are able to offer to prospective investors. The reason I am calling for these things to be done is straightforward – they will help channel more money into job creation.

But am I really the person who should be making this case?

Actually, I don't think that I am.

I am a foreigner. My country is prosperous; it attracts large volumes of high quality foreign investment. Unemployment is low and public services are plentiful and efficient.

If anyone should be calling on the authorities to take sensible and straightforward steps to fix the economy it should be the citizens of Bosnia and Herzegovina, not a diplomat from Austria.

And among the citizens of Bosnia and Herzegovina who are best placed to lobby for these sensible and straightforward steps are the people in this room.

If you can get the Entity governments and the State government to act, then the BiH business environment will become a whole lot healthier. That will benefit you – but it will do more than that. It will help to create jobs, and raise living standards, and secure sustained and substantial economic growth that will benefit every single citizen of this country.

But you have to exert pressure on the authorities to take these sensible steps, because if *you* don't *they* won't.

One very effective way of lobbying is to focus media attention on what needs to be done, so I am pleased to see that the BiH Employers' Association will hold a press conference tomorrow afternoon. I hope you will reiterate in your media message the basic democratic truth that what *you* are doing in the economy is every bit as important as what others are doing in the political field. I hope you will call on the leaders of political parties to focus, even if just a little, on the economy. If they do that, and if they fulfill their basic commitments, they can help you to bring the people of this country the prosperity that has been denied them for much too long.

Thank you