

Report by the High Representative to the Florence Mid-Year Review Conference

One year ago, the war in Bosnia was escalating, and peace seemed to be further away than ever before.

The last of the UN hostages taken by the Bosnian Serbs had just been released. The first units of the Rapid Reaction Force were beginning to arrive. A major Bosnian Army offensive around Sarajevo was imminent. The supply situation in the eastern enclaves of Srebrenica, Zepa and Gorazde was desperate. The siege-breaking route into Sarajevo over Mount Igman was subject to daily attack.

Bosnia and the region was heading for the worst summer of war, of massacres, of ethnic cleansing since 1992.

But the chain of events that started a year ago also unleashed the powers that made possible the Peace Agreement concluded in Dayton and signed in Paris. After 42 months of the most bitter and brutal war on the continent of Europe since 1945, the guns fell silent. The process of rebuilding a country shattered, destroyed and partitioned could finally begin.

Today and tomorrow here in Florence, our task is to assess what has been achieved, and to look at what must be done during the remaining six months of this the first year of peace after the three years of war.

In London six months ago, I was given the task of setting up the Office of the High Representative to monitor the implementation of the peace agreement, to co-ordinate the

different civilian activities and to facilitate good co-operation between the military and the civilian efforts.

Many said then that this was Mission Impossible. That civilian implementation structures in the Peace Agreement were far too weak. That the genuine will of the Parties to build peace really was not there. That it was all going to end up in a massive game of shifting the blame for the failure that would come.

All of this might yet turn out to be true. However, none of these arguments alters our fundamental responsibility for doing whatever can be done – however great the difficulties – to try to end the suffering of war and try as hard as possible to make sure that the Peace Agreement we all worked so hard to achieve is successful.

History has taught us, that it is far easier to start a war than to build a peace. That breaking a society apart is far simpler than healing it after years of horror and hardship and hatred.

The Bosnia that got its Peace Agreement on December 14 in Paris was a Bosnia brutally partitioned by nearly four years of war.

The aim of the Peace Agreement was not just to silence the guns, to separate the armies and to demobilise the soldiers – that was just the first step.

The Peace Agreement goes much further. It set out gradually to foster reconciliation of Bosnia and Herzegovina in reversing the trends of ethnic division and hatred, so as to prevent a return to further conflict and further killing. In its elaborate political provisions, it was and is the most ambitious peace agreement in modern history.

And there are good reasons for this. Bosnia is not just an isolated tract of land in the mountains of the Balkans, the

future of which is irrelevant to us as long as war does not break out again. Its importance goes far beyond that. Bosnia is a litmus test of our ability as human beings to live together despite all the cultural, ethnic, and religious lines that history has drawn across our lands and through our societies.

The success – or failure – of our effort has obvious and immediate implications for the entire region of South-eastern Europe – a region which, throughout history, has been the meeting point between East and West, Christianity and Islam, Europe and Asia. To accept partition as a model here is to accept a succession of future conflicts and wars from which none of us would be able to isolate themselves. The mosaic of peoples and cultures of this region makes partition as a pattern a certain recipe for further instability and even wars.

But the implications of Bosnia also go well beyond this region.

In an era where borders and other barriers are being dismantled almost second by second by the onward march of the global information society, and where the vision of a global village is gradually turning into reality, a lurch back into the dark ages of tribalism would threaten the very core of the progress we are all seeking to achieve.

The global village of tomorrow simply has no place for ethnic cleansing – on the contrary, it derives its remarkable strength not least from its diversity.

Today, we are at the six month mark in a high-stakes effort; six months means we have passed the first two of the four phases of implementation envisioned in the Peace Agreement.

The first three months of our work were dominated by the military implementation issues, the separation of forces and transfer of territory to the new Inter-entity boundary lines

(IEBL). At the time of the signing of the Peace Agreement, analysts were assessing the risks and potential for violence associated with the initial pull-back of forces. Thanks to the diligent efforts of IFOR, as well as the co-operation of the Parties, compliance with these provisions of the Agreement was accomplished with relative ease.

At the same time, while the media and others were focusing on the redrawn boundary lines, we arrived in Sarajevo – cold and wet, and faced with the task of setting up from virtually nothing all the structures of civilian implementation in accordance with the provisions of the Peace Agreement. A daunting task, but one that would set the tone for the remainder of the year and determine the level and extent of day-to-day interaction among the Parties.

The second phase of implementation – which comes to a close here in Florence – was slated to focus on the beginning of the efforts toward economic reconstruction, on the starting up of the return of refugees and displaced persons and on the finalising of the preparations for the elections.

If we see them together, the record of these first six months is mixed.

First and foremost: there has been a dramatic improvement in the way in which ordinary citizens of Bosnia and Herzegovina are able to live their lives.

Where 12 months ago, shells and mortar fire rained down on Sarajevo, today there are sidewalk cafés and bustling commercial life. Where there were almost insurmountable barriers and borders blocking movement of people, goods, and services, there is now far greater freedom to travel throughout the country.

Families are being reunited; farmers are sowing their fields; factories are resuming operations. It is – after these horrible years – possible for the ordinary people of Bosnia

and Herzegovina to carry out the normal day-to-day activities that we all take for granted, but which have been denied them for too many years. This is massive progress.

But at the same time, the shortcomings and the failures are there for everyone to see.

We lost the first battle for a truly multi-ethnic Bosnia in March during the transition of authority in the Sarajevo suburbs. On both sides of the line, the forces which wanted to prevent the peoples of Sarajevo from living together prevailed. The wave of refugees from peace we saw then – larger than the return of refugees from war that we have seen since – was undoubtedly a testimony of failure.

Since then, in spite of numerous political commitments and concerted efforts, we have not been able to reverse the situation. On the contrary, the pattern of harassment of ethnic minorities in the Sarajevo suburbs has not abated, but has worsened in recent weeks. Unless decisive political action is taken soon, the situation in the suburbs will be lost beyond repair – and our efforts in the rest of the country will also be seriously undermined.

In many respects, what is happening in Sarajevo is the true test of the Peace Agreement.

As the capital of all of Bosnia and Herzegovina, Sarajevo must reflect the multi-cultural and tolerant ideal we are trying to defend. As the standard bearer by which we measure progress, Sarajevo must be the example held up to combat the forces of ethnic separation and hostility that dominate so many other places – Mostar, Prijedor, Doboј, or Bugojno.

With failure in Sarajevo, more battles are likely to be lost. This must not be allowed to happen.

As the report by my office on “Implementation of the Human Rights Provisions of the Peace Agreement” makes clear, the

pattern of human rights abuses is as evident as it is serious.

Harassment and intimidation of ethnic minorities continues unabated; the rights to property are not respected; the rule of law is rudimentary at best; and restrictions on freedom of movement and continued arbitrary arrest and detention of persons all contribute to an overall climate of fear and apprehension. As the conclusions of the report make clear, "there is troubling evidence of a trend not only to accept, but also to institutionalise ethnic separation."

The forces of ethnic separation remain stronger than the forces of ethnic reintegration. Bosnia is still – six months after the Peace Agreement – a country coming apart – not a country coming together.

Here in Florence we must send a strong message that we can not accept the current trends and that the reconstruction of Bosnia and Herzegovina means more than refurbishing factories and tram lines. Without a fundamental improvement in respect for these basic rights, the peace process runs the risk of failure.

The international community must demand far more progress during the remaining six months of this year than we have seen during the first six.

Ever since my arrival in Bosnia after the signing of the Peace Agreement, I have said that the key to the long-term peace is genuine reconciliation between the people living on either side of former dividing lines. Reconciliation is the only way forward, because retribution will lead to further conflict – and I am convinced that the people of Bosnia and Herzegovina do not want a return to war.

However difficult it may be to accept that the enemies of yesterday will be the partners of tomorrow, the history of Europe and the world teaches us that reconciliation is the only way to prevent the bloodshed of the past being repeated

in the future.

In order to achieve this, those individuals responsible for crimes against humanity – in this context often directed against innocent civilians – must be held accountable for their actions. There is a difference between amnesty for those unwittingly dragged into the conflict and impunity for those who masterminded the massacres, rapes, and torture of thousands. The need for swift and decisive justice cannot be underestimated.

The International Criminal Tribunal for the former Yugoslavia, established by the UN Security Council, is the focal point of the effort to ensure that accountability – and by extension – reconciliation is achieved.

Its work must make clear that individuals – not nationalities or ethnic groups – were responsible for the atrocities of the war. Those individuals refused to accept the international humanitarian laws of war and chose to become part of the dark side of history – ordering and tolerating massacres and murders worse than anything Europe has seen since the brutality of Hitler and Stalin.

The work of the Tribunal is critical. It is not a political body. Its international legal standards must look at all crimes throughout this region – irrespective of who committed them, and irrespective of against whom they were committed. They have a large task ahead of them.

In these its efforts, the Tribunal must have our full co-operation and unwavering support.

Without co-operation by the Parties, the Tribunal will never be wholly successful. It is also very much in the long-term interests of the political leaderships of the region. No political system can survive if it allows state structures to be tainted by an association with war crimes. Refusal to co-operate with the Tribunal or to abide by the provisions of the

Peace Agreement related to indicted persons runs the risk of destroying the long-term viability of such political structures.

Neither the Federation authorities nor the Republika Srpska authorities have co-operated fully with the ICTY on indicted persons living freely on the territory of each entity. On the territory of the Federation, in the parts controlled by the HVO, indicted persons are living freely and without fear, while in the areas controlled by the ABiH, individuals have been turned over to the Tribunal. In the case of Republika Srpska, overall co-operation with the Tribunal is still grossly deficient.

An important part of the Peace Agreement is that persons indicted by the Tribunal can not hold or stand for public office. And here Republika Srpska stand out against all the others in its refusal to comply fully. This can only be seen as a direct provocation against the international community, and it is poisoning the political atmosphere of the entire country.

Statements made by representatives Republika Srpska in which they claim they are implementing the Peace Agreement fly in the face of reality as long as this situation remains. As we move into the next phase of implementation of the Peace Agreement – which will be increasingly absorbed by elections preparations – this situation cannot be tolerated. My position on this issue is known.

Not only are there serious shortcomings related to the Parties' performance on human rights, but other problems remain unresolved and suffer from a similar lack of commitment on the part of the political leadership.

Although there is now far greater freedom of movement than during the conflict, the psychological barriers are still there, often reinforced by the deliberate actions of the

authorities aimed to intimidate persons attempting to exercise their rights to move freely throughout the country.

The right to return is a fundamental principle of the Peace Agreement and one which is inextricably linked to freedom of movement. While it is true that the Parties cannot in every instance guarantee that conditions will exist to ensure the safe return of refugees, the Parties must be held responsible for doing as much as possible to avert violent confrontations between returnees and current residents.

The stakes are clear – we cannot have a serious conversation about return of refugees and displaced persons when people are fleeing Sarajevo and Teslic and other towns and villages on a daily basis because of continued harassment and intimidation.

IFOR and UN-IPTF can and will help, but there is no military or policing substitute for the kind of confidence that comes from the long-term process to reconcile and mend relationships within local communities and between individual families. This confidence can only be built over time, as is the layers of shared experiences eventually replace the anger and the fear.

Gradually, those links will be re-established. We have already begun to see the efforts of the people of Bosnia circumvent the illogical barriers erected by the politicians. At the same time authorities are attempting to restrict freedom of movement across the IEBL on the basis of car registration plates, the black market is busily supplying any sort of car plate to anyone ready to pay 50 DM for the freedom of movement the authorities are denying them.

Economic developments of a more solid and lasting kind will be crucial for the ultimate stability of the country in the years ahead. And although international assistance will lay the groundwork during the initial phases, it will be the actions and policies of the authorities of the Federation and Republika Srpska which will determine whether the children of

Bosnia will live in prosperity or poverty as they enter the 21st century.

The rehabilitation of the economy is a formidable task.

The transformation from a war-time economy to one of peace must go hand in hand with the transition from the hopelessly outdated Yugoslav socialist economic system to a modern and competitive market economy. The Bosnian authorities must dismantle barriers to trade and entrepreneurship. They must privatise and secure property rights. They must create tax and customs systems based not on medieval tactics of plundering the traveller passing by, but on creating incentives for the creation of wealth through free trade and honest pursuit.

Without close co-operation and integration, these efforts will never succeed. There must be as few barriers to trade as possible, and as level and clear a playing field for trade and economic activities in as wide a geographical region as possible. This is the key not only to the development of Bosnia and Herzegovina as such, but also to joining the evolving structures of integration and co-operation in Europe and the rest of the world.

It is only in this way – by investing in the creative powers of enterprising individuals across old dividing lines, instead of relying on the always uncertain flow of funds from international hand-outs – that Bosnia will gather the resources necessary to build new schools for children, to build hospitals to care for the sick, and to provide pensions for those who have earned them after a rich, but difficult life.

The international community has promised to help by rebuilding key parts of Bosnia's infrastructure during the first years of reconstruction. Two pledging conferences in Brussels have produced financial commitments that should cover most of the needs identified during the first year.

However, there is a less-than-adequate dimension to this area of civilian implementation as well. The tendency towards creative accounting, as well as the tendency to prioritise bilateral programs that have not been sufficiently coordinated with the overall strategy, has developed into a situation in which the total amount of assistance for the key programmes may be substantially below what had been envisaged.

I am less concerned with the total amounts than the way in which the money that is available will be spent. I have made it clear that the priority must be the restoration of key infrastructure links throughout the territory of Bosnia and Herzegovina. However, as the report by the European Commission and the World Bank makes clear, today we have a situation in which the two key programs in power and transportation – the two largest ones in the over-all effort – are only about 50% funded; while the equally important program in telecommunications is only about 25% funded.

This must be changed. We cannot justify spending very large sums of money without achieving the central objectives we have set for ourselves. I therefore am urging all bilateral and multilateral donors to reconsider and refocus programs immediately, in light of the clear-cut priorities for the redevelopment of Bosnia and Herzegovina. In addition, there must be honest accounting and a distinct sense of urgency if we wish to avoid failure in this important effort.

We have a duty to the people of Bosnia to spend money wisely – and we have no less a duty to our own tax-payers.

Our help is available for the ordinary people of Bosnia and Herzegovina, irrespective of where they live or what they prefer to call themselves.

As things now stand, close to 90% of the economic reconstruction aid this year will be going to the territories of the Federation. Although the needs are greater there, and

the population larger, this disproportionate commitment is the result of the isolationist and counterproductive policies pursued by the Republika Srpska authorities rather than the wishes or attitude of the international community.

This we can only regret. But we must be – and we are – ready to assist the people in Republika Srpska as soon as its leadership decides to abandon self-sanctioning policies which have hampered our efforts to date.

Along with continuing economic reconstruction, the third phase of the implementation of the Peace Agreement this year includes the upcoming elections and preparations for the crucial post-election implementation issues that will be the core of the fourth and final phase of this year.

It is up to the Chairman-in-Office of the OSCE to certify when elections can be held in accordance with the Peace Agreement. I will give him my advice when called upon to do so prior to his decision.

I see elections not as an end unto themselves, but a means towards an end – namely the setting up of common institutions of Bosnia and Herzegovina, the common Presidency, the common Council of Ministers, the common Parliamentary Assembly, the common Constitutional Court, the common Central Bank, provided for in the Constitution.

This is, in my view, an urgent task. If we want to begin to overcome the structural partition of the country, few things are as important as the setting up of these common institutions. The longer this process is delayed, the more difficult will it be, and the greater the risk that partition could not be overcome and the Peace Agreement left unfulfilled.

To delay elections means accepting partition of Bosnia for longer than necessary. This should not be the policy of the Peace Implementation Council.

That said, there is also a clear need for improvements in the political climate in the country prior to elections. I am particularly concerned about the way information is made available to the citizens through the existing state-run TV networks. Neither lives up to the standards that must be upheld, although the situation in Republika Srpska is far worse than that within the Federation.

There is insufficient time to fundamentally change the existing media structures in advance of the campaign season. I therefore urge you to give your political and financial support to the efforts underway to enlarge the possibility of strengthening independent television which will reach the citizens of both the entities. I want to be able to give the green light for this important initiative over the next few days, because without independent media, voters will be misled and the risks of an election outcome which is little more than a national census will increase dramatically.

It is after the elections that the most important part of peace implementation process begins. The day after the elections, the two political systems in place today will come together under common structures with limited, but critically important competences. And this crucial phase of peace implementation will happen at the same time as the issue of the IEBL in the area of Brcko is solved, and the transition to the post-1996 international implementation structures is decided and initiated.

The Bosnia and Herzegovina set up in its new Constitution is the most decentralised state anywhere in the world. It has very substantial powers devolved to the Federation and Republika Srpska – but it is and will remain a state in its own right and with the essential powers laid down in the Constitution. We must carefully safeguard both its decentralised nature and its common state structures in order to preserve the integrity of the package deal that was the Peace Agreement.

When the Peace Implementation Council next meets towards the end of this year, we will meet in the presence of the newly elected common Presidency of Bosnia and Herzegovina, and I would hope that we would be able to listen to the presentation of the newly appointed Chairman of the Council of Ministers. Together, we will discuss how the joint efforts for peace in Bosnia and Herzegovina and the surrounding region will be carried forward under the new conditions created by the first year of implementation of the Peace Agreement.

1996 is only the first year of peace implementation, and what we do together in Bosnia is only one aspect of our overall effort to secure stability in this important part of Europe. For all the concentration there now is on Bosnia and on 1996, we must make it clear that our commitment to peace and stability is a commitment that is wider in geographic scope than Bosnia and longer in time than just this year. History certainly does not come to an end December 20th.

The wars in Former Yugoslavia did not start in Bosnia, and stability in Bosnia will also be dependent on the principles of the Peace Agreement – the right to return, the full respect for human rights, the commitment to democracy – being applied throughout the region.

Those Serbs that were driven away from Croatia less than a year ago have the same right to return as those Croats or Muslims driven away from parts of Bosnia during those campaigns of ethnic cleansing. Those Albanians whose rights are constantly violated in Kosovo must be given guarantees for a future in which they can live in peace as well as harmony. We are all aware of the importance of the success of the UNTAES mission in Eastern Slavonia in Croatia.

In accordance with the tasks given me at the London Peace Implementation Conference, the work initiated within the International Conference on Former Yugoslavia (ICFY) on minority questions as well as on state succession issues has

been carried forward, and has in both cases been intensified.

Ambassador Martin Lutz has been conducting extensive talks in Pristina and in Belgrade. It is my opinion that the international community can not ignore the problems that we see building up in this part of the Federal Republic of Yugoslavia. Although state borders must and will be respected, there is no such thing as internal matters when it comes to fundamental issues of human rights.

Sir Arthur Watts has been conducting one round of consultations in Brussels and one round in the region on the state succession issues. He will initiate a third round shortly in order to prepare some steps that might be taken in order to try to move these important questions forward during this year.

The first six months of peace implementation have not always been easy. This was hardly surprising. I do not know of any peace process in recent history that has not had to cope with its difficulties. But I remain convinced that given a strong commitment by the international community – a commitment that must be wider and longer than we have so far discussed – we will gradually be able to help Bosnia move along the path set forward in the Peace Agreement.

What has been achieved would not have been possible without the efforts of dedicated individuals from across the world. The coalition for peace operating day after day in Sarajevo and throughout the country has been a truly remarkable one.

Let me pay particular tribute – in addition to my hard-pressed staff – to the efforts of Admiral Leighton Smith and all those working under his command, but also to the United Nations Special Representative Iqbal Riza and his civil affairs as well as police forces, to the Special Envoy of UNHCR Mr Sören Jessen Petersen, and to the Head of the OSCE Mission Ambassador Robert Frowick. It has been, and it will continue

to be, a team effort.

But whatever we do, we can never – and we should not even try! – to create the peace on our own. This is the task of the peoples of Bosnia and their elected representatives themselves.

It is their land. It is their peace. It is their future. As part of the common future that is ours.