<u>Schwarz-Schilling: Business Needs Authoritative, Coherent and</u> Constructive Voice

The authorities in Bosnia and Herzegovina should not find themselves in a position where they are trying to guess what businesspeople want, or avoiding their recommendations on economic legislation, the High Representative and EU Special Representative, Christian Schwarz-Schilling, told participants at an economic conference in Sarajevo today. "The government should be actively seeking their input. There is a simple reason for this inclusive approach to policy-making – it works."

Mr Schwarz-Schilling urged participants at the conference, including Minister for Foreign Trade and Economic Relations Slobodan Puhalac and representatives of chambers of commerce, trade unions, employers associations and other trade associations, to establish "a creative and practical dialogue".

"To the representatives of the government, the representatives of employers and the representatives of workers I say: none of you has the capacity to reach your objectives without the full cooperation of the others. To achieve this cooperation you must establish an efficient system of communication."

He said the key role played by social and economic councils and by institutional social dialogue in developing and sustaining economic growth was well understood in other countries, but not yet in Bosnia and Herzegovina.

"All the transition countries have gone through a similar experience. Just a decade ago the dialogue between business associations and government in Poland, the Czech Republic, Hungary, Bulgaria and other countries was still very basic. Today it is well established and it is delivering results. You can move forward on the same trajectory.

"Complaining that the authorities do not want to play ball, or that the public does not yet understand the proper role of business associations will not solve the problem. If the authorities won't play ball, you must make them play ball – you must persuade them that they will gain more from listeningto you than from ignoring you. If the public has been misinformed then it is up to you to re-inform them. If you believe in your right to a say in the economic restructuring of Bosnia and Herzegovina you should be able to persuade the public that exercising that right will deliver benefits to all."

Mr Schwarz-Schilling stressed that: "The people who understand what makes an economy work are the same people who understand what makes a business work – this doesn't just mean employers; it means everyone connected to the successful operation of a business – including managers, workers, and consumers."

He called on business associations to follow the example of non-governmental organisations who contributed vocally and effectively to last autumn's general election debate. The voice of business, he said "must be authoritative, coherent and constructive. Expressing such a voice is the only way to make the formulation of economic policy in this country responsive to the day-to-day needs of the companies that keep the economy growing – and that's the only way to deliver more jobs and higher living standards."

The conference was jointly organised by the Office of the High Representative and the Konrad Adenauer Foundation.

The text of the High Representative/EU Special Representative's speech can be accessed at www.ohr.int and <a hre