

Schwarz-Schilling: Investment Means Jobs



The best way to communicate the positive reality of foreign direct investment is to demonstrate the number of jobs that have been created as a result of it, the High Representative and EU Special Representative, Christian Schwarz Schilling, told a business audience in Sarajevo this evening.

Mr Schwarz-Schilling acknowledged that this connection cannot be made with absolute precision, but he called on the Foreign Investment Promotion Agency to come up with estimates that show the value of foreign direct investment, perhaps on a quarterly basis, and show the number of jobs that have been created or saved as a result.

“This is a necessary initiative, because as long as the public in general – and bureaucrats in particular – do not grasp the key role of foreign direct investment in job creation (and even in some instances display actual hostility to such investment) Bosnia and Herzegovina will continue to fall behind its neighbours in its efforts to attract foreign investors,” Mr Schwarz-Schilling said.

The High Representative and EU Special Representative warned that many citizens of Bosnia and Herzegovina still do not understand that investment means jobs. “For hundreds of thousands of citizens investment often looks less than wholesome. It is associated with fraudulent privatisation, with remote and obscure ownership of valuable resources, with redundancies and lack of owner accountability.”

“Popular perceptions of foreign direct investment have to change because the authorities need popular support for the steps they must take in order to increase investment. Why

should voters appreciate efforts to improve the business environment if a direct connection is not made between these efforts and subsequent job creation?" he asked. "They also have to change because investors themselves need popular understanding for the changes – sometimes difficult changes – that have to be made when they try to turn a company around."

The High Representative/EU Special Representative was speaking at the 2006 Investor of the Year Awards organised by the BiH Foreign Investment Promotion Agency.