

Weekly column by Christian Schwarz-Schilling, High Representative for BiH: “Dishonest Promises”

Politics is the art of the possible – or at least it should be. This is what makes the political life rewarding, as anyone will tell you who has played a role in getting a hospital built or helped to secure funds for a children’s playground or won an investment contract that will create jobs.

Politics is about getting things done; it’s about making things better; it’s about turning possibilities into realities. Or at least it should be.

Raising the standard of living in Bosnia and Herzegovina – substantially and systematically – very definitely falls into the realm of the possible. Within a decade this country *can* be a prosperous democracy thoroughly integrated in Europe. This *is* possible. Politics here should be about turning this possibility into a reality.

Yet in these pre-election days a number of politicians are behaving as though they inhabit a fantasy world. Politics for these people seems to have nothing to do with what is possible and everything to do with what sounds good, irrespective of the consequences.

The case of the Federation Law on Rights Of Demobilized Defenders And Members of Their Families illustrates this fact with brutal clarity.

This law was adopted by the Federation Government and the Federation House of Representatives on Monday and Tuesday respectively. The remarkable speed with which this was

achieved demonstrates that when parliamentarians in this country want to get things done, they really can move fast. The law even made it onto the floor of the Federation House of Peoples on Wednesday: it got through three key phases of political scrutiny in three days – something most laws fail to do in as many months.

The law was supported by politicians who, rather obviously, wish to present themselves as champions of veterans' interests.

Yet any *bona fide* champion of veterans' interests cannot possibly vote for this law, because, if it is enacted, its net result will be to jeopardise pension payments to veterans – because it will make these payments fiscally unsustainable.

If it is implemented next week it will mean that total annual transfers to veterans and the families of fallen soldiers would have consumed around half of the Federation budget. To raise this money it will be necessary to cut public services, on which veterans and their families as well as every other citizen depend. Alternatively, taxes will have to be raised. Federation voters should think seriously about this when they go to the polls in ten days time.

A similar case of impossible politics has been the recent adoption by the House of Representatives of Bosnia and Herzegovina of amendments to the Foreign Currency Savings Law. If put into practice, these amendments would overwhelm the State and Entity budgets, burden Bosnia and Herzegovina with new debt, and undermine investment, job creation and fiscal sustainability. This is a prospect that cannot be any more attractive to frozen foreign currency deposit-holders than it is to the rest of the population.

To cap it all, full and timely payment to foreign currency deposit-holders would not be made more likely by the amendments. Rather, it would be made more difficult because

the amendments themselves would compromise the authorities' capacity to raise the necessary funds.

As in the case of the war veterans' legislation, these amendments would hurt the very people they were allegedly designed to help. All voters should think seriously about this when they go to vote in ten days time.

Now, we have to ask some hard questions here. Are the parliamentarians who supported these initiatives really unaware of the harm they would do to veterans and deposit-holders? Did they truly believe they were making honest promises? Did they really fail to understand the very basic arithmetic involved?

This election campaign has been characterised by politics of illusion, whether in regard to referendums that cannot take place or to payments that cannot be made. The pity is that a prosperous and secure future for Bosnia and Herzegovina is possible – for veterans, for foreign currency deposit-holders and for everyone else – but this possibility is not brought an inch closer to reality by dishonest promises.

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