Speech by the High Representative Paddy Ashdown to the Federation Parliament

May I begin by thanking you for inviting me to address you today, and to engage with you in what I hope will be a frank and uninhibited question and answer session afterwards.

This is the third time I have spoken in a legislature since I arrived in Bosnia and Herzegovina just two months ago. And I look forward to making it four when the RSNA re-convenes in September.

I place great value on these occasions. Not just because I am a passionate believer in the value of Parliamentary debate, but because I know that if we are to make progress in this country, we will only do so if we work together.

In my first speech on arrival in Bosnia and Herzegovina, I said that partnership was a key word for me. This is part of that approach.

That's why it's so important to hear each other's views, not just through the necessarily selective medium of the daily papers or the evening news, but regularly, directly and face to face.

That is what partnership really means. Regular dialogue, real debate and an honest exchange of views.

It is in that spirit that I come here today.

And it is with that in mind that I will begin this speech, by looking back at the recent saga over war veterans' benefits.

Responsible Politics

Looked at in isolation, I, like many of your voters no doubt, can see the appeal of increasing the benefits paid to the veterans of Bosnia's terrible war.

After all, to go to war is to make the ultimate sacrifice.

I know. I was a soldier. I know good men who have risked their lives — and occasionally lost them — for their loved ones, for their people, for their country.

Some of these men were my colleagues. Some were my friends.

But I have also been a politician. A Parliamentarian. And I know that every claim on the public purse must be judged against a thorough assessment of need, and a thorough examination of cost.

We cannot satisfy needs we have not measured, by spending money we do not have. It's as simple as that.

So I applaud those who withdrew the veterans' bill, and in so doing, saved the tens of millions of dollars that can now be spent on the elderly, on the young, on the unemployed, on the disabled and, of course, on the veterans themselves.

Not passing this bill was the brave thing to do - and the right thing to do.

It has saved this country's reputation with the outside world.

And it has proved that the Government in BiH can be trusted.

Now we must make sure that such crises do not recur.

We must ensure that we learn from this episode and put in place a sustainable and reliable system of social provision for everyone — war veterans included.

And with an election approaching, I hope that everyone, whether in government or opposition, will to resist the temptation to make irresponsible promises today, that cannot be delivered tomorrow.

Making promises that you know cannot be delivered, damages BiH's reputation, diminishes the process of government, and further undermines public confidence in politics and politicians.

That's why I urge the Government to undertake a comprehensive spending review across the social sector, and a thorough audit of need within the veteran community. This is the responsible way to proceed, and the only to way to ensure that those with the most problems are those who receive the most help. It is also the only way to ensure that we don't break the budget by spending money we do not have.

Only by being honest with the electorate about what we can afford can we avoid going back to the sort of debt problems that the Federation incurred in the post war years. Those huge debts that led to pensions going unpaid for 5 months in a row. That led to disability payments being withheld. That made salaries impossible to pay and infrastructure repairs impossible to maintain.

Short-term gain. Long-term pain. That's the consequence of irresponsible actions that blow the budget.

You have come a long way towards putting your house in order. You have begun to secure your revenues and sort out your finances. Don't now act in a way that puts all that in jeopardy, just as things look like getting better. Don't play party politics with people's futures.

And don't play party politics with the governance of the Federation. The positions of Finance Minister and Minister for Refugees and Social Affairs remain vacant, despite the fact that suitable candidates have been submitted to you for

your approval. I understand that you will be addressing this issue today. I urge you to put the interests of good governance before party politics and ensure that these positions are filled without delay.

Another issue that goes to the heart of responsible politics is that of immunity from prosecution afforded to Parliamentarians, Ministers, and other senior servants of the state.

I have been looking at how this principle is applied in Bosnia and Herzegovina. There are different ways to apply the principle of immunity, but as most people living in this country will tell you, the way in which this law has been applied in some cases, risks parting company with the basic principles of the rule of law and parliamentary democracy.

Immunity is designed to strengthen institutions, not to protect individuals. In my own country, for example, immunity is used as a device to protect free speech. There is certainly no special protection afforded to Parliamentarians in criminal cases.

I fear that, in BiH, the way in which immunity is used contradicts the democratic standards of openness, accountability and equality before the law. It seems to me a little strange that politicians who make laws, should then declare themselves immune from the normal legal processes. Perhaps there are reasons for this, in which case I would like to hear them. Perhaps there are not. In which case, maybe we should consider reform.

Because, you see, all these issues are about one thing — maintaining public confidence in the political system. And this will become increasingly important as the election draws near.

Responsible campaigning

I have fought many election campaigns over the years — almost too many to remember. And I know how competitive things get as polling day approaches.

But still I have to say I am saddened at the way this campaign has begun.

Allegation and accusation. Slur and innuendo. Attack and counter attack.

I have seen these 'smear wars' before in my own country. And they always end the same way.

Each day we awake to a barrage of negative campaigning more shrill and more desperate than the day before.

Each day the voters wake up to the same thing.

And each day, the reputation of the entire political process suffers more and more damage. In the end no one wins — everyone loses, except, perhaps, the newspapers. What is lost, and difficult to win back, is the public's trust in politicians and their belief in the whole political process.

I am really worried about a low turnout on October 5^{th} . These 'smear wars' will make that more likely.

So, when we come back from our summer holidays, I hope that candidates will tell people why they <u>should</u> vote for their party, not why they <u>shouldn't</u> vote for the others.

I hope that they will demonstrate that they want power for a reason, not just for its own sake.

The message from the people could not be clearer. They want more jobs, less crime and a better life. They want a decent wage and a reliable social safety net. They want to know that their children will enjoy more opportunities than were

available to them.

That's the agenda that I hope will dominate the forthcoming campaign. It's up to us to ensure that it does.

And we can start in this room, and the other legislatures of Bosnia and Herzegovina, by pushing through the reforms that this country so badly needs.

Campaigning on the economy

In the economic field, we could start immediately by considering the Law on Electricity under urgent procedure this afternoon. Not only is a 230 million dollar credit from the World Bank dependent on this, but it will benefit consumers and secure jobs for those in or near to the power plants in Jablanica and Rama and in Tuzla and Kakanj.

We could pass the Law on Land Registry Books which would inject some much needed clarity and certainty into the property situation in the Federation and make BiH a more attractive proposition to entrepeneurs.

We could help small businesses to borrow and expand if theHouse of Representatives were today to pass the Law on Banks — harmonized with the House of Peoples.

We could introduce measures that cut back on the raft of unnecessary regulations and bureaucracy that makes it so difficult to run an honest business in this country.

We could work towards reducing the amount of time it takes to register a new business in the Federation until BiH becomes can compete with its neighbours when trying to attract the inward investment that is so vital if we are to create more jobs.

That's the type of campaigning that really wins votes. Passing practical, affordable, specific reforms that will modernize the economy and benefit the people you represent.

Campaigning on the Rule of Law

And the same applies on the rule of law.

Claiming to be in favour of justice in principle is one thing. Any party can do that. But passing and implementing concrete reforms that turn that principle into a reality — a reality in ordinary people's lives — that's the way to gain credibility and trust among the voters.

Ensuring that the Federation owned building that has been identified as a potential site for the Court of BiH, is transferred to the relevant state authorities for this purpose, would also demonstrate your commitment to the rule of law.

Getting the High Judicial Council operational by autumn would be another powerful statement of political intent. This would, more than anything else, ensure that in future BiH gets the high-quality judges and prosecutors it deserves.

But we will need your wider support for the re-structuring of the Court and prosecutorial systems. My office, in consultation with the Ministry of Justice and Judges and Prosecutors, is developing proposals for the re-structuring of both systems. We will submit final proposals to the Minister of Justice in the course of August. We look to the respective Houses of Parliament to assist with this project. Time is of the essence, particularly in view of the upcoming establishment of the High Judicial Councils that will select judges and prosecutors to serve in the re-structured systems.

And today, we could immediately take steps to protect the integrity of private security agencies by passing the proposed Law on Protection of Persons and Properties. I know that this Law has been adopted by the House of Peoples, and now requires the approval of the lower house.

These are the things — some big, some small, but all important

- that, more than anything else, will win us the respect of the people of the Federation.

Politics is in danger of becoming discredited in Bosnia and Herzegovina. Only by delivering real reforms will we be able to change that.

Let's, all of us, take a stand by focusing these coming elections on the issues that matter to people.

To businessmen and workers.

To pensioners and invalids.

To teachers, pupils and parents.

To the people out there who just want what everyone wants — a chance to get on, to succeed and to provide for their loved ones.

Let's make this election about them.

Let's start putting people first.