

Interview: Paddy Ashdown, the High Representative for BiH, from Washington for Dnevni Avaz: "At the IMF, we are saving BiH from bankruptcy"

If things with the IMF do not finish as they should, everything could burst like a soap bubble, warns Ashdown. "I am here to ask them not to lose patience. BiH made commitments which she has to live up to."

High Representative Paddy Ashdown and Governor of the Central Bank of Bosnia and Herzegovina Peter Nicholl yesterday flew to Washington on an urgent last-chance- mission. They will ask the International Monetary Fund to give several more days within which the Sarajevo authorities can fulfil the promise they made to the IMF that a new veterans' law will not exceed the budget.

HR: I am particularly concerned over what is happening with the law on veterans and victims of the war. BiH made a clear commitment to the IMF that it will not allow that overall expenditures for war veterans increase. I am afraid it could happen in the end that this promise is broken in the Parliament. BiH must indeed live up to its commitments, rather than having them constantly violated by its politicians, says Ashdown in an exclusive interview for Dnevni Avaz.

Displeased leaders

We spoke to the High Representative yesterday while he was preparing for talks with IMF leading officials in Washington.

According to the information we have, members of this international financial institution are fed up with the promises which BiH politicians make but regularly break afterwards. There is a realistic danger that IMF people might say they will no longer tolerate this.

HR: I am here to ask for some space, to ask them not to lose patience with BiH. They have told me their patience is running out, and I think that BiH politicians have understood how important this issue is and that they are willing to resolve it in the next couple of days, says Ashdown, adding that "it would be better had it been solved in Sarajevo, instead of my coming up here."

The High Representative believes that Washington will give some more space, although his clear message is that a solution to the problem is in Sarajevo.

HR: We have to live up to the commitments we made and we must not break them, he says.

Ashdown announces he will talk to the BiH politicians about how the crisis could be solved, upon his return to Sarajevo.

HR: I hope we will solve it. BiH made a commitment which she must live up to. There is no compromise. We may be given several more days, although a true way out of this situation is to keep our promises and implement our commitments. BiH's reputation is at stake and that means a lot in international circles, says the High Representative.

Enormous risk

Asked what will happen if BiH politicians fail again, Ashdown says:

HR: Failing the agreement, not only will the IMF agreement be at risk but a whole series of other bilateral and multilateral agreements – from Canadian to Japanese donations. Overall, it is one hundred million dollars in the next six months. It may happen that the agreement fails and that a new government comes to the IMF after 5

October, with very slender prospects, and that we lose some other forms of assistance forever.

It is also the ability of BiH politicians to respond to realistic requests, rather than to meet short-term political goals, that is put to the test, says the High Representative.

Asked if he is angry with the BiH politicians whose inability led this country into yet another difficult challenge, Ashdown says he is not angry with the politicians, although he is quiet concerned about ordinary citizens.

HR: We are in a situation when we should be more optimistic, when the future of BiH is at stake. If this thing with the IMF is not solved as it should be, all that could be threatened and burst like a soap bubble, he warns.

In the next six months BiH could lose the whole amount of one hundred million dollars. This could bring you on an irreversible road to bankruptcy. If it happens by any chance, those who will be suffering most will be exactly those whom assistance is allegedly intended for – veterans. This is a huge challenge for BiH.

My message to you is that I am not in Washington to negotiate, as that is not possible. BiH signed an agreement with the IMF. I am here to ask them not to lose hope in BiH and to tell them that it is worth waiting for a little more time, says Paddy Ashdown, High Representative for BiH, in his exclusive telephone interview for Dnevni Avaz.

Constant telephone contacts

The High Representative stresses that there is hope and that the people from the International Community have worked hard in recent days to alleviate the crisis.

HR: Over the past several days I have been in constant telephone contact with the people from the IMF, and if there were no hope that an agreement would be achieved, that institution would already have withdrawn from BiH. But unless we solve this soon, I do not think things will be good for BiH in the end. I do not expect the doors to continue to be open to agreement for too long in the future, he says.