

High Representative's New Year's Message to the Citizens of Bosnia and Herzegovina

The past year saw dramatic changes in the two countries neighbouring Bosnia and Herzegovina: the citizens of Croatia and Yugoslavia finally voted democratic governments into power. The man who unleashed the violent beast of nationalism in former Yugoslavia and has been indicted for war crimes, Slobodan Milosevic, has at last been forced to leave the political scene.

This will be remembered as the beginning of a new chapter in the history of the region. Yet Bosnia and Herzegovina has still not taken the decisive leap forward. Changes are occurring here, too, but at a pace far too slow.

I hope the year 2001 will be the year when Bosnia and Herzegovina catches up and embarks on the path of truly democratic governance and a politically mature citizenry. The November elections have produced results that necessitate the formation of coalition governments. This requires teamwork and sensible actions governed by compromise and the will to improve the lives of citizens.

I do not want to paint a rosy picture: the coming year will be difficult. The past year already saw a drop in international funding for Bosnia and Herzegovina. Aid will continue to decrease. Croatia and Yugoslavia will now receive a large chunk of it. In addition, the first effects of the much-needed economic reform will be felt. There will be even more unemployed than so far, less money to reconstruct housing, less money to alleviate social problems.

Bosnia and Herzegovina now needs responsible officials who can make ends meet with the money available, distributing it justly among all the needy categories of citizens and covering all the other important budget expenditures; officials who work on the establishment of a market economy and can explain to their citizens that economic reform always initially hurts until things get better. It is like surgery: the removal of the cause of pain hurts, but it is the precondition for the healing process to start.

The restructuring of the economy is something that other post-Communist countries – for example, Hungary or Poland – initiated years ago. Today, their economies are thriving. If it is not done here, Bosnia and Herzegovina is threatened to remain, next to Albania, one of the poorest countries in Europe.

Economic reform requires citizens who acknowledge its inevitability and are ready to hold out to reap the rewards afterwards. The objective is sustainable economic growth that will produce jobs and wealth, improve the quality of life and provide for better salaries, higher and secure pensions, a modern education system and an efficient health system for everybody. For the time being, Bosnia and Herzegovina remains a poor post-war country that cannot offer its citizens decent living standards. It will be able to do so only if everyone, officials and citizens, work hard and persistently towards this goal.

Of course, there has been progress over the last year. Property laws are at last being implemented, albeit with great reluctance and too slowly. Thanks to this process, refugees and displaced persons are being enabled to go home, and many do so. The payment bureaux, a major impediment to free business activity, are being closed down. The Council of Ministers now comprises six ministries and will hopefully turn the State into an efficient public service institution. And the political discourse is slowly shifting from purely

nationalist rhetoric to discussions of every-day problems, such as the fractured and failing pension system and the prospect of even more unemployment.

But these are only small improvements when big changes are needed. Bosnia and Herzegovina is still far away from resembling a modern country in the service of its citizens, which can join the European family of states.

Bosnia and Herzegovina has still not become a member of the Council of Europe, the venerable European body protecting human rights and the rule of law, although the accession procedure was opened in March 1998 and the preconditions are not that difficult to fulfil. The most important one is the adoption of an election law. In addition, the preconditions call for progress in State-building, protection of human rights and the establishment of an operational and independent judiciary, free media and an advanced education system – matters of course in any modern state. For me, Bosnia and Herzegovina's accession to the Council of Europe is a priority and I will do my utmost to ensure that it happens in 2001.

The country has made only lukewarm progress in meeting the requirements set out in the "EU Road Map" of March 2000, which would qualify it for closer, beneficial relations with the EU member countries and, eventually, the conclusion of a Stabilisation and Association Agreement. This advantageous Agreement would ensure widely improved contacts between Bosnia and Herzegovina and the EU in the fields of trade, financial assistance, economic co-operation and contractual relations, and open up the markets of the 15 EU member countries to Bosnia and Herzegovina. The requirements of the "EU Road Map" are very similar to the ones for accession to the Council of Europe, except that the EU also puts strong emphasis on economic reform.

Bosnia and Herzegovina has also not taken enough advantage of the opportunities that the Stability Pact for South Eastern

Europe offers. Its representatives have not engaged themselves fully in the ongoing work and have not put forward enough project proposals. Like in so many other fields, Bosnia and Herzegovina's officials are trailing behind in the race for a bigger share of the economic cake.

Europe is actively reaching out to Bosnia and Herzegovina and wants to welcome it in its midst. Together with the United States and many other governments, it has provided Bosnia and Herzegovina with a level of aid unprecedented in modern history. And yet, the progress made is scant.

My Office and the international organisations operating in Bosnia and Herzegovina will continue to insist on progress and an improvement in the lives of the country's citizens. Our strategy is consistent, focusing on three priority areas: economic reform, return and property law implementation, and the building of a functioning State that can participate in the European integration process and in international trade and relations. In 2001, we also have, as a matter of priority and urgency, to amend the Entity Constitutions in accordance with the Constitutional Court ruling on the constituent status of Bosnia and Herzegovina's three peoples in both Entities.

In 2001, I will keep on using my powers to initiate the necessary change and trigger further positive developments. But the outside world notices which laws I impose, and which are passed by the usual parliamentary procedures. The latter counts much more. I can only provide a legal and institutional framework, while it is up to the citizens and officials to instil it into life and create a different reality. They have to take ownership of their country and create a modern, democratic and lawful state.

Some of you may remember my New Year's message of last year. I called for a radical change if Bosnia and Herzegovina did not want to become Europe's abandoned backyard. It seems that my appeal was heeded more in Croatia and Yugoslavia than in

Bosnia and Herzegovina itself. Now, things are getting even tougher.

The international community is on the brink of losing interest in Bosnia and Herzegovina. The honeymoon is over for good. If we do not achieve a decisive breakthrough in 2001, Bosnia and Herzegovina will find itself on the outskirts, but not part of European wealth and prosperity.

Let me be very frank and open: The clouds on the horizon are dark, forecasting difficult times. It is the last moment for you to change your attitude and become active. I can only help those who help themselves and accept my help. Your officials must start acting responsibly, and you, the citizens, must hold them accountable and support the much-needed changes, which will lead to a better future. You are the owners of your country and its fate. It is now or never.