

## **Interview: Wolfgang Petritsch, the High Representative "The Governing Parties Have Shown That They Do Not Need Donations"**

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### **How long will BiH need a High Representative and an OHR?**

The position of the High Representative and his office was created by The Dayton Peace Agreement to ensure it's full implementation. My position in BiH is as the senior representative of the International Community. It is my hope and aim that BiH becomes a member of that very same international community. When this happens there will be no need for a High Representative as BiH will be part of that very same community.

### **Do you feel like the president of BiH?**

No, not at all. It is a sad fact that all too often the Presidency of BiH seems to act in a way that is not in the best interests of the very people who elected them, then, according to the requirements placed on my position, I am forced to act, – though this is never something I enjoy doing, or do lightly. The BiH electorate, the Presidency and all other elected officials in BiH must remember that it is the electorate that has the power to remove them if they feel that the people who they placed in these positions of responsibility are not acting with their best interests at heart.

### **What would you judge to be your and the OHR's successes and what as failures?**

OHR's successes and failures are BiH's successes and failures. The situation in BiH today is much improved, a lot of physical reconstruction has been completed, there is freedom of movement across the IEBL, the property laws are being implemented in nearly all municipalities, the police and judiciary are starting to work appropriately, there are many encouraging signs.

However, there remain many problems. Each time I am forced to impose a law or remove an official this is a failure of the Entity and BiH elected officials. Elected officials frequently abdicate their responsibility failing the very people who put their trust in them at the last election. Senior politicians should themselves remove those who do not implement the laws of BiH, or those who are corrupt and act out of their own selfish interests. The fact that five years after Dayton was signed only 15% of people have actually been able to repossess their homes is a failure, that I have had to impose laws required for BiH's entry to the Council of Europe is a failure. Even the most basic legislation — an election law, is still missing.

### **BiH is the only country in the world without a national anthem, will OHR have to impose this too?**

BiH does have an anthem, unfortunately, again due to the ineffectiveness of the central institutions my predecessor, Carlos Westendorp was forced to impose the law. A competition open to all across BiH was held and a winner was chosen by a group of local musical experts. The number of entries to the competition suggests to me that this was again a very popular move, and it was in fact won by an artist from the RS.

There are far too many examples of the politicians in power in this country not fulfilling the tasks they are required to do. A multi-ethnic team from BiH went to the Olympics, unfortunately no medals were won but I hope that this will change at the next Olympics. The question is, had the law been left to the current political leadership do you think that the athletes would have an anthem to listen to as the BiH flag is hoisted even in four years time?

### **It is stated that 62% of young people in BiH intend to leave BiH. Do you really think that that many wish to leave and how can this be prevented?**

It is not the first time I've heard this figure, although I'm not sure how accurate it is. From the meetings I've had

with students and young people I'm sure that a significant number of them do not see any future in BiH currently.

You do not prevent these people from going by increasing visa restrictions or the like, but by making them want to stay.

How to go about this? Well the answer is simple—you must create a strong economy, the offer of real meaningful jobs, a future in a modern European country.

To achieve this is means starting an often difficult and painful process and one which the current ruling parties seem not to wish to tackle. Financially viable economic reforms are a vital first step. An example is the Pension Law.

Furthermore, by creating a single economic space and working with European experts BiH can develop new telecommunications and information technology industries. Develop these now and BiH will be able to compete on an equal footing in the region in the not too distant future.

**Many laws are waiting to be enacted and time is ticking away. The Council of Europe is further away than ever, will you have to impose key laws?**

I hope not. If the citizens of BiH realise that they have the power to make a significant change on November 11th then this may no longer be necessary.

**One of those laws is the Pensions Law, which could bring the Federation to ruin as the IMF credits and other funding which help the Government to consolidate the budget are dependent on it. Is OHR helping this important law to be passed.**

The OHR has offered assistance where possible, but sometimes it is for the local authorities to sit down and make the right decision. In this case, as in many others, they have failed to do so.

At the moment, BiH Politicians are saying to the donors that they are not interested in their help — we're not just talking about the 150 million World Bank/IMF payment but future assistance too.

In an issue that has such a wide reaching social impact and importance to the state, the failure to pass this law is utterly irresponsible.

I am afraid that once again the ruling parties are putting their own self-interest first, in this case trying to buy off pensioners before the elections. I do not believe that such transparent tactics will work, not when pensioners wait for days or weeks for their pensions and following many previous broken promises.

**Reductions in the assistance to BiH are announced daily. Do you think that BiH can survive without outside help and what is being done to ensure that BiH can rely on it's own strength?**

The slow pace of change and obstructive work of the entity and state institutions to positive work is frustrating many donor governments, with other countries in the region demanding aid, aid to BiH is already declining dramatically.

Many ordinary people, including pensioners, teachers, factory workers and farmers are struggling to survive to say nothing of the students and the unemployed. It is they who would feel the reduction in international assistance most. It seems that the current ruling parties just do not care.

BiH will be able to stand on it own, I'm sure of this. But to achieve this requires close integration with Europe and the development of a sound economic base. This means carrying out the privatisation process and introducing laws that are fiscally responsible.

**What has OHR done to attract foreign investment?**

Foreign investment will only be attracted to areas where they feel that their investment will be secure.

My office worked with the Federation Government to develop a Labor Law that would compensate all those who have been on waiting lists, without damaging BiH's fragile economy. The waiting list question was one of the

factors that would prevent foreign investment and unfortunately the Government only undertook action to resolve this to the benefit of those on waiting lists and to potential investors under IC pressure. Again in May, due to the inactivity of the Entity Governments I was forced to amend the banking laws in both entities. Without a sound banking environment foreign investors would consider BiH too great a risk.

The successful implementation of the privatisation process in BiH is also crucial, it is through this process that foreign capital can be attracted to BiH. Unfortunately, there have been numerous scandals attached to this process. My office and the International Privatisation Advisory Group helped develop new tender regulations, in accordance with international standards. International supervision of tender privatisations for BiH's strategic public companies and monopolies — 86 companies in the Federation and some 50 companies in the RS has also been undertaken. In this way I hope to ensure that BiH comes out of this process in a strong position as possible.

**The OHR took part in setting up the anti-corruption team in BiH, however there are no visible results in the field. More specifically, corruption still exists, when can an improvement be expected?**

Sadly corruption still exists at every level of public life, but there are positive signs. People in positions that were previously thought "Untouchable" are being brought to justice. There are improvements in Customs and Tax Administration, Supreme Audit Institutions have been set up at both entity and state level, and the same is happening with state and entity treasuries. All these institutions will help to fight corruption if they are given the power to do so by the political leadership.

Resistance to reform programs has come mainly from the parties in power, which are mostly the same ones that ruled during the war. They have profited from the lack of transparency, enriched themselves, and some individual party officials are believed to be involved in corrupt activities.

However, the results of the municipal elections in April indicate that the voters are re-considering their voting patterns. In Bosniak areas, the SDA has lost its absolute majority; it is now at some 28%. In some Croat areas, which are dominated by the HDZ with little other choice, voter turnout has dropped below 40%, suggesting dissatisfaction with the HDZ and in the RS, there is far more party pluralism than ever before. The citizens of the RS too, are looking for alternatives. Hopes that the general elections in November will bring about change are justified.

**A large number of officials whom you have removed continue to work in companies or firms which are majority publicly owned which goes against your decision. What has been done to ensure that your decisions are followed through to the end?**

The OHR does follow up in all cases. This is also an area where the role of the media is also key, those who have been removed but take up other public positions are breaking the law. The press is an important check in these instances and should highlight such cases.

More importantly for the future of BiH is the creation of an independent, functioning judicial system, which will follow such cases and implement the rule of law. Only when this process is internalised, by this I mean adopted by the citizens and institutions of BiH can progress really be claimed.

**The IC and the OHR give a lot of support to Milorad Dodik which the RS Parliament recently gave a vote of no confidence. Does Dodik still have the support of the OHR? How long will that support last considering that Dodik hasn't shown that he deserves that support?**

The actions of the RSNA were highly irresponsible and destabilising to the RS itself. The RS is currently facing great economic problems and I wonder if at such a time it would not be better to have a cross party approach to try to resolve them rather than create further crisis and uncertainty.

Ultimately Prime Minister Dodik is answerable to the RS electorate and it is they who must shortly decide whether to support him in the future or not.

**That belief in Dodik concerns return to the RS. Are you satisfied with the way that this process is going in the RS, and in the Federation?**

Let me say first of all that five years after the signing of the DPA the number of returns is far too low, and that is despite clear legal instruction and financial support to the local authorities. In the last 10 months I've removed

almost 40 officials for their failure to comply with the requirements of the law I think that fact alone should answer your question.

The process is too slow, but not non-existent. There are returns now in almost every municipality, including those areas, for example in the Eastern Republika Srpska where a year ago progress seemed impossible.

It is important to continue working with the local administration to maximise this potential and enable those that wish to return to do so.

**Should the November elections not bring changes in the BiH political scene, what will the position of the IC be? Will the mandate of the OHR be cut short, or perhaps the OHR will get greater powers of intervention?**

The mandate of the OHR will remain the same, to ensure that the civilian aspects of the DPA are implemented. The same issues will remain, economic reform, return and functioning common institutions.

I hope that the electorate will think carefully though. The year 2000 will be remembered as the year that democratisation really took hold in the region. Elections in Croatia and Yugoslavia have shown that people are tired of poverty and isolation. I hope that BiH will not be left behind.

**Most of the International Support has been spent and is being spent by those currently in power. Would a new government get even half that level of support?**

BiH has received more international financial assistance than probably any other country. The first donor conference held in Brussels in December 1995 promised BiH \$5.1 billion dollars. Much of this funding has been disbursed. Its aims were to create the physical reconstruction necessary to enable BiH to get to its feet. The physical infrastructure is now there. What is now needed is the full engagement of Entity and State governments in the process of bringing the social changes required to put BiH on its feet again.

Although aid will probably not reach previous levels again the International Community is still willing to help. Even they need encouragement. Though this is something I spend much of my time in Brussels and New York doing. However, encouraging the continued assistance and support of the donors can best be done from here, by the people and the leaders of BiH itself.