

## **Interview: Wolfgang Petritsch, the High Representative "I will not leave BiH until Ferhadija is rebuilt"**

### **The tragedy of Serbs in the RS is that their politicians are under Milosevic's influence**

Wolfgang Petritsch, High Representative for Bosnia and Herzegovina, spoke in his exclusive interview for the jubilee issue of Slobodna Bosna, recorded between Kopaci, Vienna and New York, on dismissals of local politicians, no confidence vote to Dodik Government, transformation of RTV BiH, reforms in taxation and banking systems, international supervision over privatisation process

I am doing the hardest job in my life in Bosnia and Herzegovina – For us, Dodik is the Prime Minister of Republika Srpska and we do not accept the decisions of Djokic's Assembly – If the Federation Parliament fails to adopt the amendments to the pension laws, it will have tragic consequences because the country will lose half a billion dollars in loans and assistance – Sarajevo will become a single region – We control the privatisation process and the Holiday Inn case will not be repeated.

Last week, Wolfgang Petritsch, High Representative for Bosnia and Herzegovina, visited Kopaci and Bosniak returnees in this place. The visit took place after a meeting of the High Representative, UNHCR and IPTF officials with the authorities of the self-styled Serb Gorazde. Participants of the meeting said later off the record that Mr Petritsch was exceptionally sharp in his address to the local authorities. He was given a promise by the bewildered Mayor of Kopaci, a Gorazde doctor Velimir Gigovic, that he would respect property laws and that he, personally, would vacate the Bosniak house that he had 'occupied' in Kopaci.

"I was very decisive and to the point", explained the High Representative later, speaking for Slobodna Bosna, "I told them that they must forget the project of Greater because it's dead, definitely dead. I recommended to the authorities of Kopaci – you would be much better off if you cooperated with the IC and Bosniak side".

The talk with Mr Petritsch began after the mentioned meeting and visiting the returnees at Kopaci, and was resumed on the following day over the telephone while he was in Vienna. The day after that Mr Petritsch was already in New York, at the Millenium Summit. In the coming days, in New York, where all world politicians gathered for several days, he will talk with foreign ministers of various countries lobbying for political and financial support for Bosnia. We also learn that he began writing a book on BiH and the five year long peace effort in our country.

It has been more than one year since he took office in Sarajevo. About the work he leads here and the experience he has gained during his 'service' in Bosnia, he says:

"It's the hardest job that I've ever done in my life. I spend many hours working, a lot more than I did before. I also have more responsibility than I've ever had before. My greatest pleasure is talking to ordinary people, those who have already returned, like the Bosniaks I had the opportunity to meet at Kopaci. That is what leaves the strongest impression on me. Their reactions are proof that my associates and myself work for the right cause here in Bosnia and Herzegovina".

**You dismissed the previous Mayor of Kopaci towards the end of the last year. Since the arrival of his successor, Velimir Gigovic, the situation has not changed much. Any progress achieved was the result of great pressure. Do you have an impression that he took your words more seriously this time?**

I think the Serb participants of the Kopaci meeting were surprised with such a clear and direct message. Of course they tried to justify themselves saying that nothing was done in the Federation either, that Federation authorities were against Serb returns, etc. I was very precise in my talk with the Mayor. I said – you have been elected to the office of Mayor of Kopaci, it is your job to take care of this place, and I will see to it that others take care of Serbs in the Federation. I have had enough of listening to them kicking the ball always into someone else's court and say –

you know, they over there didn't do anything either. These are the things that I have the opportunity to hear here in Bosnia every day – whether it is a meeting with politicians in Sarajevo, Banja Luka or elsewhere. They always point out the problems which concern others. They try to convince me that the reasons why things are not moving from a standstill where they are in power are always a fault of others, and not their own. This is an approach that must be discarded. We need a far more constructive approach, an approach that starts from the fact that problem can and must be resolved. Because, Bosnia will really sink, the international community is fed up with empty promises and little progress.

Now that you mention Dodik, I wish to remind you that the list of the 15 dismissed officials also contains the name of Deputy Minister for Displaced Persons in RS. Only two weeks earlier, Minister Miladin Dragicevic resigned of his own accord. I will tell you openly that he resigned under my pressure. He simply had to resign because practically he did not do his job. Therefore, I work 'against' Mr Dodik just like against any other politician in this country.

I had an opportunity to convince myself of this many times. On several occasions during the summer, I visited London, Brussels, Italy, Germany, Austria, looking for support for Bosnia. Now is the time when an alarm clock should start ringing all over Bosnia and Herzegovina. If the local politicians do not take the situation very very seriously and start doing something concrete, there will be real drama in this country, to avoid a stronger word, chaos!

## **I DISMISSED MINISTER DRAGICEVIC!**

**You announced yesterday your decision on dismissals of 15 local officials in BiH, of whom the majority were in charge of municipal offices of the Ministry of Refugees of Republika Srpska. Do you not think that it would have been better to exert more pressure directly on the Prime Minister of the RS, Milorad Dodik? It was him who has within recent months (or years) tacitly approved the passiveness of the local officials in this Entity?**

I think that after taking office in BiH I was very persistent in dismissing local officials who obstructed the peace process. And, there were not, I am convinced, double standards in this; sometimes there were more Serbs among the names of dismissed officials, sometimes Bosniaks or Croats maybe. We have now put in a system where we receive very detailed reports from our offices in the field on the 'performance' of each Mayor or local politicians from those areas. Such information is an excellent basis for my political decision about who needs to be removed. Now that you mention Dodik, I wish to remind you that the list of the 15 dismissed officials also contains the name of Deputy Minister for Displaced Persons in RS. Only two weeks earlier, Minister Miladin Dragicevic resigned of his own accord. I will tell you openly that he resigned under my pressure. He simply had to resign because practically he did not do his job. Therefore, I work 'against' Mr Dodik just like against any other politician in this country. It is only if we here stick to the principles of equality, which means that we have the same attitude towards all those who obstruct the peace process, that the international community will be successful in BiH. But when I talk to ordinary people, regardless whether they are Serbs, Bosniaks or Croats, I do not feel any difference, because I generally have their support and they are grateful for what I do. They understand everything very well, the people have an exceptional feeling whether something was done right or not. Only the politicians cannot in certain situations make an assessment whether something is good or not.

**Still, the general opinion is that the Prime Minister of Republika Srpska Dodik does not deserve such broad support of the international community. Let me remind you that he promised far more than he did about return. Why do international representatives always look through his fingers particularly?**

I would not agree with this! Believe me, Dodik was exposed to great pressure. The Ministry for Refugees in the RS did not have enough funds and personnel for normal work. They have now received a million dollars of American aid and the situation began to improve. I was the first to go to Banja Luka and talk to the Banja Luka Mufti. I gave an interview then for the RS television at the very spot where Ferhadija once stood. I said that Ferhadija must be rebuilt. Such a move on my part was of course a hard blow to nationalists who prevent return. But, I assure you, I will not leave Bosnia and Herzegovina until places of worship begin to be rebuilt and people start getting their property back. This question is a part of our success or failure here.

**Only two months before holding the general elections in BiH, we have a political shambles on the RS political scene. The RS Assembly returned a vote of no confidence several days ago to the RS**

**Government. Did you expect that something like this could happen?**

The real tragedy of the Serb people in BiH is that they cannot be united in the same cause. Their real objective and the objective of politicians who represent them would have to be to work for the benefit of their people. They all pretend that they are doing that, but the moves of Petar Djokic and members of the Assembly are directed really against their own people. I think they have caused more damage to Serbs than some of their enemies they keep talking about. Republika Srpska is in serious economic difficulties. Instead of allowing the Government to resolve the problems they block its work.

**The recent events in the RS are a part of the old story of the influence of the Belgrade regime on RS politicians. What consequences will, in your opinion, have this decision of the Assembly?**

Unfortunately, Milosevic's regime is an unfinished story. And what is worse, some politicians in the RS are still misled by Belgrade. This is a tragedy of the Serb people. Unless they overcome this they will always have a problem, and more problems with themselves than with others. As you could see at Kopaci, Serbs and Bosniaks can live together and under the same roof. Why then could Serb politicians not cooperate with others and come closer to the normal civilised world?

## **NOT EASY FOR DODIK**

**What will OHR do in this situation in the RS? What is the position of your Office with regard to the decision of the Assembly?**

Dodik's Government has been the caretaker Government for a while now, and as far as we are concerned, it will stay so. I will not allow the legislative power, the Parliament, take over the executive. Parliament is a legislative body and I have no intention of allowing Mr Djokic to take over what does not belong to him, powers of the RS Government.

**What will happen in the case that the House of Representatives in the Federation fails to adopt the Pension Law amendment?**

This question is very important, because failure to adopt this Law on Amendments to the Law on Pension and Disability Insurance would be a catastrophe for BiH economy. I will mention some of the consequences which might follow in such a case – Federation might lose a credit in the value of 24 million dollars, World Bank aid worth 130 million dollars planned for the next three years, and IMF would have to suspend its stand-by arrangement ...

## **FOR UNIFIED SARAJEVO**

**SFOR troops have recently inspected the PTT building in Sarajevo. The public could hardly get any information on this event, of which your Office naturally had to be informed. Can you discover now at least one of the reasons that led to this inspection?**

I never discuss matters that are a direct security concern. I intend to keep my principles and I cannot give you an answer to this question.

**OHR has made a study "Sarajevo Region", which treats the possibility of uniting this region into one whole.**

Sarajevo Region is a typical example of the functional approach I have been emphasizing in my speeches across Europe, where I tried to explain to the outside world what it is I do here in BiH. Its importance lies in the fact that it indicates how much people here depend on one another and that they can survive only working together. Sarajevo Region is surely the most important one in the whole of Bosnia and Herzegovina. Historically, politically and economically, Sarajevo has always represented one whole and I believe that it should be the case again. There are numerous reasons, I will mention one of them. If we want to stimulate development of winter tourism, for which there are good preconditions here, let us just remember what it was like during the Winter Olympics in Sarajevo, we cannot count only on what is in one or the other Entity. It is not enough to attract tourists to Sarajevo and say, look, we have Bjelasnica, when they can visit many other places. Or, the broader Sarajevo region is rich in wood, of

course, not only for export, it is necessary to develop production. In this case too, it is necessary to simply 'skip' Entity boundaries. I am now mentioning just a few practical examples to explain how parts of the Sarajevo region depend on one another. I have to say and warn that there will be no changes of Entity borders. But what I wish is that they become far less relevant. The idea Sarajevo-Region is simply an economic necessity but I do not want OHR to be the one who would work on unifying the region; it is a job for the local authorities.

**You have spoken to the Prime Minister of the Sarajevo Canton Beriz Belkic and Mayor of Serb Sarajevo Predrag Lasica. Do they agree with this?**

They were actually the ones who initiated this project. Of course, the Serb side insisted on the economic side, but practically it is the essence of what I was talking about. It is important to begin, do something and then we will see. I am not inclined to talk now about political implications. This idea is practical, it brings in economic profit for people and that is important.

**Bosnia and Herzegovina is burdened with large tax loss. Our country has an outdated tax system too. What is OHR going to do about this?**

Tax reform in Bosnia and Herzegovina is surely one of the priorities of our economic programme. We are currently negotiating with the European Commission, which promised to provide experts for the change of the current tax system. In the beginning of October we will hold a big conference and that will in fact mark the beginning of the reform of the tax system. This means that the tax system reform should be an important issue over the coming year and it should be finished by the end of the next year. The reason why I am looking for experts from the European Commission is my wish that there is here a tax system which is consistent with the European tax system. For example, the value added tax (VAT) should be introduced here in BiH too, as it exists in every European country.

**As of 1st January next year, payment operations in BiH should go through commercial banks and not through the Payment Bureaus. Do you believe that the local banks are good enough for that?**

Beside the work on tax system reform we have invested a lot of efforts in the reform of the banking system of BiH. As you know, two Austrian banks began recently their business here in BiH. That will be a great stimulus for creating a commercial system here. I am sure that we will have enough experts in commercial banks next year who will lead this part of work, payment operations, all commercial transactions for companies, etc.

**In your opinion, how many banks are there in Bosnia, which will be able to do that?**

It is hard to give you a definite figure now, but I am convinced that in the end we will have, say, seventeen to twenty successful commercial banks in the Federation, which will work in accordance with international standards.

**Do you think that there is finally overwhelming awareness in BiH now that BiH companies must establish business relations with foreign partners? How do you assess the results of the privatisation process so far?**

What I managed to do so far is win support of international experts and institutions, World Bank, IMF, etc... for the privatisation process here. We have international experts for privatisation who follow very closely this process. Practically, there is international monitoring of the privatisation process in BiH. What has happened with, for instance, Holiday Inn, will certainly not repeat.

## **WHAT WILL HAPPEN WITH RTV BiH AND OBN**

**The Presidency of BiH announced a possibility to withdraw its support for the process of media reconstruction in BiH. Your Office, whose officials are creators of media policies, is accused of being the main factor to blame for the delays in the reconstruction process and for missing all the agreed deadlines so far. Your comments?**

Electronic media in BiH now have the last chance to be 'saved' thanks to the support they receive from the international community. Transfer Agent John Shearer began to work in Bosnia together with a team of experienced experts, who had been involved in the reconstruction of the reputable British BBC, and they know very

well what they are talking about. Only seven days after he began working, Mr Shearer made his first report in which he explained why the Federation TV and PBS cannot function in these conditions and with such bad management. The equipment is obsolete, there is lack of professional staff to take care of this, the legal situation is chaotic, etc... Shearer is trying to find a way out of such a situation and it takes a lot of time. We have to consider the political circumstances too, because nothing in this country is normal, and one cannot expect this in the case of the Federation TV either. So, what can OHR do? Mirza Hajric, because of all missed deadlines, points a finger at OHR. I personally have no intention of pointing my finger at him or the Presidency or the Government, which did not do the job. We have provided the best international experts and acquired funds wishing to create a modern and relevant public service in this country. I guarantee that we will have that in the end.

### **But, a lot of time has passed ...**

I will give you one example. It is not enough for the Transfer Agent John Shearer and other experts to come here and transform the current RTV BiH system. BPS, Federation TV and RTRS must become proper public televisions, which will be independent and work for the citizens of this country. We need qualified national staff to lead all this. These newly created systems must be supported and developed. In fact, we should achieve what the Central Bank has achieved, where you have now good national experts who hold important positions within this organisation. They acquired knowledge from international experts. We are, of course, talking here about another field, but BiH media can follow a similar model. These are the reasons that took so much time and why all the deadlines were missed. We needed a lot more time than we thought in the beginning. We have approached the problem of media reconstruction in BiH very seriously and systematically. Obviously, RTV BiH is very bad, technically, its management is not consistent with international standards and there is no solid financial basis. This is only a part of the problem we are facing. Secondly, I am convinced we need a television which will support the implementation of Dayton. We need independent media to support the spirit of Dayton, reconciliation, economic reform, integration of BiH into Europe. I have an impression that media here are dealing with everyday problems, without a clear vision of a final goal, about what this country should look like, its role in the whole region and in Europe. Media here very often deal exclusively with the conflict of the three peoples. In Banja Luka, unfortunately, exists only the Serb cause which is important, in Sarajevo too much talk about Bosniak objectives. We need media which will deal far more with the Bosnia-Herzegovina objectives, or European for that matter. Media which will address social, economic and political issues related to how the Bosnia-Herzegovina society, and not peoples, will develop in the following years.

**You mentioned the Central Bank of BiH, whose Governor is a foreigner, Peter Nicoll. Applying the same model on RTV BiH would mean that the top executive of this institution should be an international expert, such as, for instance, John Shearer. Is that going to happen?**

Shearer will make a decision these days, but you are right when you say that we need professional, decisive and experienced leadership for the reconstruction of electronic media in BiH.

**Is it reality that OBN, the television in which the international community invested a great deal of funds, will soon become PBS?**

There are several options. The fact is that donors are not prepared to fund both OBN and PBS. Possibilities are now under review, ranging from cooperation, in which case OBN would produce programme for PBS, to the actual union of the two. Another possibility to find a way out for OBN is it becoming a commercial television. I would like to remind you that OBN had an important role during 1996, 1997 and 1998, as other TV stations were under total political control. We must be realistic and see what this country can afford at this moment, and consider what is the best way to provide a future to OBN, take over the part that is good, I mean first of all the professionals working in this television. I really think that we must make a decision, but a decision which will always be the basis for creating a good television in BiH, a media serving the Bosnian cause.