Speech by the High Representative at the Royal United Services Institute

Less than a year ago, the most ambitious peace agreement in modern history was concluded at the Wright-Patterson Air Force Base in Dayton, Ohio.

After 45 months of the most bitter and brutal war on the continent of Europe since 1945 the guns fell silent, and the work on creating a durable peace could begin.

The road to the Peace Agreement had been long and often exasperating. David Owen has given his description of all of the difficulties those trying to create peace had to face during periods when relations across the Atlantic on this subject were somewhat less than perfect.

A number of factors came together in 1995 to create better conditions for making peace.

There was a shared sense of imminent disaster on both sides of the Atlantic if there was not some sort of political breakthrough. Those European nations supplying military forces to UNPROFOR were reluctant to go into a fourth winter of war without any political solution on the horizon, and there was the realization in the United States that any withdrawal would raise the question of bringing a substantial NATO force in uncertain circumstances into the Bosnian situation.

The stakes were higher than ever before.

One result of this was that there was a greater readiness to use military power in order to achieve political objectives. The artillery of the Rapid Reaction Force transformed the military situation around Sarajevo, and the employment of air power for what was in effect strategic strikes created a new situation also in the political field.

But the most significant effect was the readiness to contemplate political solutions which so far had failed to get the international support necessary to have any chance of success with the parties to the conflict themselves.

In August of last year we saw the administration in Washington committing itself to a political strategy to a large extent along the lines which had been to a large extent advocated by key European governments since some time back, and also ready to go out-front in the search for a political settlement. This was a contrast as dramatic as it was significant in relation to the past, when Washington had often been prepared to hang back, only to comment on and thus often undermine the efforts of others.

. And the results of these changed political as well as military circumstances were quick to come.

In Geneva in September, the Bosnian government accepted that the future political constitution of the country would have to be based on two entities with a very large degree of autonomy and with the self-proclaimed Republika Srpska as one of them.

And in Dayton in November, the Serb side had to accept painful territorial solutions primarily in the Sarajevo area, as well as commitments concerning the return of refugees and rules for the coming elections, which were going to be difficult to reconcile in the long term with the structures of the Republika Srpska.

Both sides were ready for peace. The Bosnian Serb side was exhausted, knew that the tide had turned, and had suffered significant military losses during the past months. The Bosnian government side knew that a fourth winter would bring new sufferings, and were also made aware of the limits of the international support were they to decide to fight on. But then to conclude a peace agreement is one thing – to implement it another, and sometimes far more complicated.

In Dayton, practically all of the attention which was given to implementation issues was devoted to military implementation. In parallel with the negotiations with the parties to the conflict, there were extensive talks with the NATO military authorities on every single aspect of implementation which could have military implications.

Far more time was spent on <u>Annex 1A</u> on military implementation than on <u>Annex 3</u> on elections, <u>Annex 4</u> on the Constitution, <u>Annex 7</u> on the right of refugees to return and <u>Annex 10</u> on civilian implementation taken together. While there were ambitious efforts to match missions and resources on the military side, on the political and civilian side there was agreement on a number of far-reaching principles, but only a weak and purely coordinating mechanism was set up to monitor how they would be put into practice.

Looking back on what has been achieved so far during the first year of implementation of the Peace Agreement, it has worked out somewhat better than could have been expected. I am saying this both in comparison with the fears at the beginning of the year, and if we look at other peace implementation processes in other parts of the world.

The first phase of implementation — the first three months — was dominated by military issues. Helped by the strategic consent of the three armies of the country, but facilitated no doubt by the overwhelming strength of IFOR as well as the robust rules of engagement, the separation of forces as well as the establishment of the new inter-entity boundary line (IEBL) was carried through without any significant problems from the military point of view.

The failure of the first phase was primarily the political failure of the parties to the conflict themselves. The failure

of the Bosnian government authorities to give a clear and credible message of reconciliation, in combination with the urge to ethnic separation of the Bosnian Serb leadership, produced an exodus of approximately 90,000 Serbs from the areas which were transferred to the Federation. This immediately complicated the entire issue of refugee return, and it also cast a cloud of doubt over the chances of reestablishing Sarajevo as a truly multi-ethnic capital of a truly multi-ethnic country.

But the failure was partly a failure of the Peace Agreement itself and its provisions for a very rapid transfer of major areas of population without any proper structures to prepare for or administer the hand-over. In Eastern Slavonia, a unified military-civilian operation under the United Nations (UNTAES) will be working for more than one year to prepare a transfer which in terms of the population affected is only marginally larger than the one which was done in haste in the Sarajevo area in the beginning of this year.

The second phase of implementation — as winter gradually gave way to summer, and as we approached the Mid-Term Review Conference of the Peace Implementation Council in Florence was dominated by the beginning of economic reconstruction, the start of the return of refugees and the preparations for the holding of nation-wide elections in order to be able to set up the common institutions of the country.

And when the Florence conference gave its green light, we entered into the third phase of actual election preparations and election campaigning which brought us to the elections for the national-, entity- and cantonal-level bodies which were held on September 14, and the results of which were certified by the Provisional Election Commission on September 29.

Many feared that it would not be possible to hold these elections in the tense situation still existing in the country, and few believed that conditions for them in terms of free access to the media and equal possibilities for all political forces would be as perfect as we would have wished.

But the elections were absolutely necessary in order to bring us into the fourth and decisive phase of implementation of the Peace Agreement this year — the setting up of the common institutions. Without setting up these institutions, the country would remain partitioned in every reasonable sense, with the military IFOR command and the Office of the High Representative on the civilian side being the only existing nation-wide structures. Without these elections, the country was bound to develop into a new Cyprus-type situation.

There were certainly technical imperfections in the elections, but none of the reports published have claimed that these imperfections were of such a magnitude as to affect the overall result of them. Indeed, the Coordinator of the International Monitors concluded that the elections were a good basis for the further development of democracy in the country.

The success of polling day — because it was a success — was to a high degree the result of very close co-operation between all the responsible agencies on the ground. Without the massive efforts of the UN International Police Task Force and IFOR, the task of OSCE in holding these elections would have been much more difficult than it was.

The results of the elections — with the three nationalist parties dominant, although marginally less so than in the November 1990 elections — could hardly have come as a surprise to anyone. These were elections dominated by the fears coming out of the past rather than the hopes generated by the future. And in view of the uncertainties still there, also concerning the future international security presence in the country, it was considered far safer to vote for the devil one knew than to try out new political leaders and new political orientations. We are now in the most critical and most complicated phase of implementation, in which we are trying to assist the authorities in setting up the new common institutions of the country. A new three-person Presidency. A Council of Ministers. A Parliamentary Assembly. A Central Bank. A Constitutional Court. A Standing Committee on Military Affairs. A massive effort at instant institution-building in a country where the scars of war — psychological and political even more than physical — are still very obvious.

We are today 11 days into this process. We saw – on the positive side – the first meeting of the new Presidency in Sarajevo within 24 hours of certification of the election result, but we also saw – on the negative side – the refusal by the key Bosnian Serb representatives to attend the inaugural ceremony in Sarajevo last Saturday.

What must be achieved during the next few weeks — we have hardly more than a month ahead of us in this respect — is what proved impossible prior to the outbreak of the war and what was certainly unthinkable until very recently — and for many people might still prove too difficult. I am talking about real power-sharing between the three ethnic communities. To create joint state structures that all can feel that they have a fair share in, and which they can all gradually start to accept and respect as theirs.

This will require major concessions by each and everyone. Secession by one community is as unacceptable as dominance by the other. The Bosnian Serbs must accept that the future for Republika Srpska is as one entity within the framework of a united, although by no means unitary, Bosnia and Herzegovina. And the Bosnian Muslims must accept that the state they often see as theirs must be shared not only with the Bosnian Croats but also with the Bosnian Serbs.

Gradually I believe that it will be possible to set up these common institutions, and gradually I believe it will be

possible for them to start to work. But without the active involvement and commitment of the international community, they will almost certainly not be set up, and they are more than likely to go to pieces after having been set up.

This must be done at the same time as other key challenges are met. The unresolved issue from Dayton – the Inter-Entity Boundary Line in the highly contested and strategically highly significant area of Brcko – must be resolved one way or the other.

And the commitment that OSCE took on at the beginning of the year to have responsibility also for local elections must be carried through. The decision by the Chairman of the Provisional Election Commission to go for these elections in late November will require not only a massive effort by the international community but also the whole-hearted involvement of the parties themselves if the standards which have been set are to be met.

A year ago, the entire peace implementation process in Bosnia was discussed in a one-year perspective. This was one result of the dominance of the military issues, since the mandate of IFOR was limited to one year, and there was often the tendency to see IFOR and the entire peace implementation effort as one.

But to rebuild a society is a far more complex and complicated process than to simply separate armies. The latter can be done according to maps and with fixed time lines. The former requires a patience that is difficult to fit into plans, and involves challenges and efforts in areas as diverse as civil society itself.

The next few months will see important decisions concerning the future of the international efforts to help with the implementation of the Peace Agreement. There is now a general recognition that we have invested so much in the peace in Bosnia that we have every reason to make certain that this investment is not spoiled or jeopardized.

If it was natural one year ago to discuss in terms of 1996 only, I believe we should now discuss in terms of both 1997 and 1998 at the same time.

There are at least two reasons for this.

The first is that we have secured agreement that the next set of nationwide elections will be held in September 1998, thus providing a natural two-year cycle for all the political efforts aimed at creating the conditions for truly free and fair, and hopefully also genuinely forward-looking, elections then which could perhaps bring to power the first true postwar leaders of the country.

The second is the recognition that rebuilding a society will require substantial time.

This year has seen the return of about a quarter of a million refugees and displaced persons. Although not insignificant, this is far less than the 800.000 talked about at the beginning of the year, and it remains a fact that efforts to return refugees and displaced persons to areas in which they today would be a minority have met with very considerable resistance throughout the territory of Bosnia. Accordingly, the UNHCR programs for phased return of all the displaced persons and refugees stretch well into 1998.

The same applies to economic reconstruction, where public pledges of 1.8 billion USD have so far been transformed into resources in the order of 1.4 billion USD, but with some of the most significant sectors of infrastructure improvement – roads, power systems, telecommunications – still significantly underfunded. The economic reconstruction plans drawn up by the World Bank, the European Commission and the European Bank for Reconstruction and Development have a five-year perspective. We have barely covered the first of those five years. The two-year consolidation period was originally a French initiative, although it has since been wholeheartedly endorsed by the other countries of the EU, and also enjoys clear and important support across the Atlantic. In Paris on November 14, the Foreign Ministers of the countries of the Steering Board of the Peace Implementation Council will meet with the new authorities of Bosnia and Herzegovina to endorse the framework for the consolidation period, and here in London on December 4-5 there will be a meeting of the full Peace Implementation Council in order to get flesh to the bones particularly concerning 1997.

Four issues will be of particular importance when shaping the structures for the coming years.

The first, widely debated, is obviously the security presence which might be required after the mission of IFOR has come to an end.

I am convinced that there is a need for a military presence in the country during the coming two years, and that this military presence must reflect the political coalition across the Atlantic and including Russia which has made the Peace Agreement possible and which has carried through this first year of peace implementation.

The mission of this military presence would primarily be deterrence. To provide reassurance that there are no military options and no military threats, thus providing the conditions necessary for political reconciliation, reintegration and reconstruction.

And this deterrence which is so critical to the political process requires an outside force. To try to create some sort of purely internal military balance in the country through training and arming selected forces would risk achieving one of the objectives at the expense of the other. Without an outside deterrent force in the country such efforts could easily become destabilizing, whereas they could be a long-term investment in military restructuring and stability if such a force is in place.

The deterrence mission is thus the critical one. The Rapid Reaction Force of 1995 might in this respect be an even better model than the IFOR of 1996.

But in addition a force would also bring other possibilities. It is the necessary precondition for the continued deployment of substantial numbers of UN international police monitors. It has useful roles to play in the efforts to reduce the level of armaments in the region. And it can serve a number of useful functions as a support to the civilian implementation efforts.

Such a force need not necessarily have the same strength throughout this period. There could be the scope for a gradual reduction as true political stability returns to the region. But at the same time the forward deployment of reaction forces in South-Eastern Europe might not necessarily be negative if we look at the issue from the wider perspective of military security structures in Europe for the future.

The second issue is the future of the civilian structures and the inter-action between them and the military forces.

The present set-up — with IFOR under NATO command and with a completely separate High Representative coordinating civilian activities and monitoring peace implementation in general — was designed more as a reaction against the perceived failures of the UN years in Bosnia than as a result of a well-thought out philosophy on how things should be properly done.

Nevertheless it has worked reasonably well, with a very close but informal co-ordination and established between myself and the Commanders of IFOR and ARCC as well as between our respective staffs, and with the civilian and military structures supporting and assisting each other as best as we can. That was not the major problem that some people expected. If co-operation between the military and the civilian sides has worked well, there is clearly a need to give greater authority to the overall civilian implementation structures if we are going to be effective in our relations with the parties and with the new common authorities.

One obvious example is that the Follow-On High Representative must have a greater role in the co-ordination of economic assistance, primarily in order to make certain that political and economic conditionality can be exercised, but also to make certain that tax-payers can be reassured that duplication of efforts and lack of clear priorities are avoided more than has been the case during this year.

The third issue — much debated during this year, and bound to come back into focus during the coming months — is the issue of support for the International Criminal Tribunal in the Hague (ICTY).

I am of the opinion, that it is the responsibility of the parties to co-operate fully with ICTY, and that this is a responsibility that should remain with them. The issue of bringing those responsible for war crimes to justice will be with us for years to come in view of the number of persons already indicted by the Tribunal and in view of the difficulties of the legal proceedings. I would also expect that the number of persons indicted will increase significantly before we can even begin to talk about an end to this part of the process in the area of former Yugoslavia.

But at the same time as the primarily responsibility must rest with the authorities of the region – in Zagreb, Sarajevo and Belgrade – the international community can not simply step back from its responsibility after having had the Security Council setting up the Tribunal, and after having devoted considerably and justified political attention to the war crimes issue. Infantry battalions are not designed and are not trained for criminal investigations or other law-enforcement activities. But if this is the case, and if the present IFOR policy of apprehending indicted persons if encountered and if the tactical situation allows is, honestly speaking, more a nonpolicy than a proper policy, we must look at ways of creating the instruments which will be necessary in selected cases in order to ensure that the one faction or the other simply does not make a complete mockery of the international community.

We must not repeat the mistake of the UN years in the mismatch between rhetoric in New York and other places, and the realities on the ground. If the countries of the Security Council meant what they said when they contributed to the creation of the ICTY, it is certainly within their powers to design the mechanism and take the actions which will be necessary. Seen in the longer perspective, this would be a contribution to reconciliation and peace in the region as significant as the deployment of IFOR or the billions of dollars we are devoting to economic reconstruction.

The fourth issue which must be addressed is the issue of the wider regional context, and the necessity to devise policies and create structures which can contribute to the stability of the entire region of South-eastern Europe.

The war did nor start in Bosnia, and peace will not be secure in the region if we limit our perspective only to Bosnia. The Bosnian dilemma was the clash between the ethnic mosaic left after thousands of years of dominance by multi-ethnic empires, and the drive to ethnic purity inherent in efforts to set up national states in this area. This is a dilemma which has created Balkan wars in the past, and is certain to create Balkan conflicts in the future if not properly addressed.

Excessive nationalism was the evil which brought war to the region, and it is only by making a massive turn towards integration and co-operation in Bosnia, in the area of former

Yugoslavia and in the entire region south of Slovenia and north of Greece, that we can have any hope of avoiding being dragged into new conflicts in the future. This is not a question of re-creating a Yugoslavia which has ceased to exist for good, but instead of creating in this part of Europe the conditions for reconciliation after war which economic and political integration have brought to other parts of our continent.

When military issues are discussed, there is sometimes the talk about the need for an "exit strategy" from Bosnia. But in political terms, there is rather the need for a long-term "entry strategy" to address how this part of Europe can be integrated in the structures of cooperation and integration in Europe as a whole.

The tide of rising nationalism must be turned into a tide of rising awareness of common European needs and the common interest in co-operation. Partition in Bosnia would bring partition to other parts of the region, with massive waves of ethnic cleansing and possible conflicts as unavoidable. Integration in Bosnia, in the area of former Yugoslavia and in the region as a whole is the only way forward possible.

Here, the European Union must play a role as important as the one which has been played by NATO during this year. It must devise a strong regional strategy, the centre-piece of which must be the effort to create common economic space with as free trade as close links with the rest of Europe and the world as possible, but which must also include a strong commitment to safeguard human rights and the situation of minorities as well as to further the development of open and democratic societies.

There is no alternative to the European Union if such a strategy is to be devised and implemented — and no alternative to such a strategy if we are to make a long-term effort to secure peace and stability in this part of our continent.

Bosnia has been seen as "Mission Impossible" in almost all respects. And indeed the failures and inadequacies of European, American and trans-Atlantic structures and perceptions have rarely been demonstrated so clearly and with such tragic consequences as here.

But seen against this background, the period since last summer has been a period of relative success so far, with the absence of war in Bosnia gradually giving way to something which could one day deserve the name of peace, and with new structures of political and military co-operation emerging which could well be instrumental in designing the new security structures for all of Europe in the years to come.

Firmly anchored across the Atlantic, with a strong military foundation in a reformed NATO with an active France, coherent structures for political co-ordination between the key players including Russia, and with an increasingly important long-term role played by the European Union.

This is what has carried us so far in implementation of the Peace Agreement in Bosnia, and what might yet carry us into a stability in the region which will in the end reach far beyond the borders of Bosnia.