

Address by High Representative Wolfgang Petritsch to the Euro-Atlantic Partnership Council (EAPC)

I speak to you at a critical time for the Alliance. European and North American leaders face the specter of war in Macedonia. After 10 years, after all our efforts, all our warnings, there is a horrible sense of déjré vu.

Another horrific round of brutal ethnic cleansing and massed movements of desperate refugees is all that is needed to fix in stone the negative connotations attached to the term "Balkan".

It would also be grist to the mill of those who dream of another Congress of Berlin, where the Great Powers – now called the International Community – crawl over maps and fix a solution with a red pen, with nationalist leaders shouting over their shoulders all the while. These self appointed "honest brokers" believe that after such a conference, we could all go home.

Writing about the Congress, the historian Norman Davies pointed out: "None of the Balkan peoples were effectively represented. None were treated with consideration... Not surprisingly, the Balkan nations were soon seeking their own, often violent solutions."

I think all of us here have learned that this is not the way, that such "short-termism" will only boomerang back and hit us where it hurts.

After floundering in Slovenia, Croatia and for much of the war in Bosnia and Herzegovina, we found that when we wanted to say "enough", we were heeded. It worked against Slobodan Milosevic in Kosovo.

With the smoke hanging over Tetovo, all of us feel downcast. But while there is still much to do, ladies and gentlemen, we are not failing.

The prophets of doom after the Dayton Peace Accords were signed in 1995 had much to back their case. Allow me to outline briefly the real progress we have made in Bosnia and Herzegovina, good news that do not make it onto CNN.

Last year, more than 67,000 refugees and displaced people were registered as returning to their homes in areas where they constitute a minority, nearly double the 1999 figure. We know that there are always considerably more returns that are not registered by the UN refugee agency. The upward trend continues this year: UNHCR recorded more than 4,000 such returns in January 2001 compared to less than 1,700 in the same month last year.

The implementation of Annex 7 of the Dayton Accords – the right to return – is working. The divisive messages of the nationalists are losing their power to frighten people. SFOR has played a creative, flexible and vital role to make returnees feel secure in difficult areas like the hard-line Drina Valley in eastern Bosnia. Indeed, an internal SFOR survey revealed that many ordinary Bosnian citizens fear that war would break out in a matter of days if SFOR were to go home any time soon. SFOR peacekeepers are trusted and hugely valued.

For the first time in 10 years, Bosnia and Herzegovina has a non-nationalist government which wants to tackle ordinary citizens' real concerns: reforms that will bring prosperity and jobs and a commitment to speeding up the return process.

While we have broken the refugee logjam, there are still hundreds of thousands who are waiting to go home.

The state is beginning to function like one. Last week, the Council of Ministers adopted 16 laws that I was forced to impose over the last couple of years because the previous nationalist administrations refused to act. The new state Prime Minister, Mr. Bozidar Matic, said the fact that I had to impose this legislation was "a disgrace to this country and we should quickly turn them into our own laws". This is but one example of a very welcome sea change in official thinking across Bosnia and Herzegovina.

Economic reforms are starting to improve people's lives. The vulnerable elderly are at last getting their pension payments on time – these are extremely modest but the pension funds are now in a position to sustain themselves and grow when the economy does. Up until January, the pensioners got nothing. The closure of the Communist-era payment bureaux, which up until December last year had a monopoly on financial transactions, has seen the cost of borrowing go down from 30 percent to 10 percent as commercial banks now compete for customers.

Let's have no illusions: the nationalists are not gone yet.

The new Prime Minister in Republika Srpska, Mladen Ivanic, has succeeded in forming a technocrat government but the nationalist Serb Democratic Party still won many votes and influence. In the Federation, the Croat Democratic Union, or HDZ BiH, has moved to try and tear up the Dayton Accords. As you are aware, I was forced to remove Mr. Ante Jelavic this month both as a member of Bosnia's joint presidency and as leader of the HDZ. I also banned three other HDZ leaders from holding public office. This came after months of provocative acts, including electioneering dressed up as a "referendum" on election day last November and open support for two notorious war criminals convicted by The Hague tribunal for crimes

against humanity last month.

We must see these moves on the part of groups like the HDZ for what they are. They are signs of weakness. The HDZ has seen its votes for the state parliament melt dramatically, from 360,000 ballots in 1996 to just 160,000 last November.

It is notoriously difficult to get under the skin of a "Serb" or "Croat" voter but our inclusive message – that they have rights, that they are fully protected as citizens in Bosnia and Herzegovina, that they should demand jobs and prosperity from their leaders – is getting through.

What ties the nationalists together in practical terms is structural corruption. There have been few tears shed for Mr. Edhem Bicakcic, the former Federation prime minister and a senior member of the Bosniak nationalist SDA party, who I removed as director of the Federation power company. He is now under four criminal investigations for fraud and abuse of office. At a meeting of the HDZ last week, even the party faithful there were reportedly asking their leaders how they planned to pay wages under their anti-Dayton and illegal plans for self-rule.

I know how quickly things can change and so we are watching events on the ground extremely carefully. I would like to underline that much of our success is due to the excellent cooperation I have always maintained with COMSFOR Michael Dodson and I are in constant touch to consult on and decide issues. I believe that it is this united front that has been the main factor in facing down the HDZ challenge.

We fail when we are not clear. We are succeeding in Bosnia and Herzegovina, in Croatia and the Federal Republic of Yugoslavia whenever the international community speaks with one voice. All these states must cooperate with the UN war crimes tribunal; that borders are not up for discussion; that we will no longer tolerate the bloody nationalism of the 1990s.

And we have a very powerful weapon in our arsenal: the dream of integration with Europe. The peoples of southeastern Europe might not agree on much right now but they do in this – all want to be members of a prosperous European Union. The journey will be a long one for them but it must be more than a vague hope. We must continue to present this – as we are through the Stability Pact and elsewhere – in concrete terms.

And we must do so: because at the end of the day, all of us here want a Bosnia capable of playing an integral role in a stable and prosperous southeastern Europe.

Thank you for listening!