# EU and international support for Bosnia and Herzegovina must go hand in hand with further internal reforms

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Bosnia and Herzegovina has sought greater integration with the EU for the best part of a decade, but the country has been found wanting due to internal problems such as corruption and human rights. Maria-Antoaneta Neag argues that the country's new government has made some promising moves towards further reforms which may be cause for cautious optimism within the EU.

2012 is a crucial year for Bosnia and Herzegovina, which hopes to catch up its neighbours like Croatia, and match their EU accession efforts by applying for candidate status in June. Sceptics wonder why the EU should pay up yet again for another unstable Western Balkans'



Sceptics wonder why the EU should pay up yet again for another unstable Western Balkans' country. One must agree that isolation, especially in the case of a multi-ethnic society, is not an option. Given that the <u>Thessaloniki European Council</u> of June 2003 promised an EU perspective for the countries in this region, the least the EU can do under these circumstances is to help willing leaders undertake the right reforms for the future of the country. The government must also deliver reforms for it to be able to receive further support and impetus from the IMF and other international donors, and in the long run, reforms might translate into an economic boost through an increase of FDI as foreign investors become more active in a country with clear and just rules, and also closely monitored by the EU. This is not going to be an easy process: a bumpy road lies ahead.

One of these bumps in Bosnia and Herzegovina's near decade-long road towards EU-accession occurred last autumn, when the <u>European Commission</u> issued a rather pessimistic <u>country progress report</u>, finding the country wanting in many areas such as human rights, government and public administration. Similarly, the <u>2012 Index of Economic Freedom</u> gives Bosnia the lowest score in the region, ranking 104th out of 179 countries and 38th out of 43 European countries. The concerns relate to corruption, political interference, lack of implementation of the rule of law and poor protection of property.

So it came as a surprise to many commentators when in December 2011, after 15 months of political deadlock, Bosnia and Herzegovina was able to form a government (though more precisely a Council of Ministers) under the leadership of Vjekoslav Bevanda. As a former MP, finance minister and vice president (in government from 2006-2010) of the Bosniak-Croat federation (one of Bosnia's existing entities alongside the Republika Sprska), Bevanda's name was put forward for the prime minister's position by the Croatian Democratic Union, HDZ, following negotiations with the other political forces.

While it can't be inferred directly that this agreement on

the new government was sealed as a result of pressure from the European Union, or because of the poor economic situation in which Bosnia and Herzegovina was finding itself, or from the influence of Croatia's completion of the accession negotiations, it is certain is that it is high time for Bosnia and Herzegovina to move forward with reforms and provide conditions for future development. The newly established Council of Ministers has recently adopted a bill on state aid and a law on the population census. Joint initiatives have also been launched to tackle, among others, the structured dialogue on justice, fiscal and budgetary framework and infrastructure development thus bringing Bosnia back on the right track and in EU's spotlight. The new prime minister has declared that he will place the objective of integration with the EU at the centre his government's programme. Constitutional changes are needed so that the Stabilisation and Association Agreements can enter into force giving way to financial instruments available for speeding up reforms and the transition process.



President Van Rompuy shakes hands with Vjekoslav Bevanda, Chairman of the Council of Ministers of Bosnia-Herzogovina Credit: President of the European Council (Creative Commons BY NC ND)

### The EU pulse on Bosnia and Herzegovina

During a recent <u>debate in the European Parliament</u> on the <u>Enlargement report for Bosnia and Herzegovina</u>, drafted by MEP Doris Pack, the <u>Danish Presidency</u> and <u>Commissioner Füle</u> stressed the importance of the Bosnian government reaching an agreement on a state budget for 2012 in order to unfreeze some financial incentives from the Commission and <u>International Monetary Fund</u>. Another important priority for Bosnia and Herzegovina is its constitutional revision in order to fully comply with the European Convention on Human Rights and the <u>Sejdić and Finci rulings</u>. EU officials reiterated that the Union needs to be "*cautiously optimistic*" as Bosnia still has to prove its EU commitment by delivering on both economic and political level as well as ensuring the well-functioning of the state. To cope with economic challenges, sound fiscal management is essential and for this reason, a global fiscal framework for 2012-2014 must be developed.

The EU has often taken a more direct role in Bosnia and Herzegovina; in May last year <u>High</u> <u>Representative/Vice-President Catherine Ashton</u>, visited Bosnia and Herzegovina and negotiated the cancelation of a referendum in Republika Srpska on the legality of the country's national court, after accusations that it was biased against Serbians. The visit was also followed by her appointment of Peter Sørensen as the new Head of <u>EU Delegation in Bosnia and Herzegovina</u> in an attempt to revive the country's efforts towards EU accession.

Today however, Bosnia and Herzegovina seems to be more apt for trying to walk on its own feet on the EU path. Since progress has been achieved in law enforcement, the European Union's Police Mission (which followed from the UN's International Police Task Force in the wake of the 1995 Dayton Peace Accords), will terminate its mission in June 2012. Also, the EU's prolonged <u>EUFOR Althea mission</u> has confirmed that there are no threats to the safety and security of the country.

### Where to next?

Durable solutions need to be found for the remaining refugees and the proper implementation of the <u>Dayton</u> <u>Peace Agreement</u> must be ensured. Crime, corruption and human trafficking must be dealt with, proving that the government has enough maturity to accept the real situation and tackle it accordingly. Minority rights must be safeguarded while nationalist and extremist discourses must give way to reconciliation and justice. Interethnic relations, as well as regional cooperation, need to be promoted to best serve all parties' interests. A safe and secure regional environment can help re-boost the economies while helping cope with the social challenges.

In order to play out the current momentum towards the EU to the benefit of the society as a whole, favourable

conditions for business development and foreign investments must be ensured. This is the only way to make the economy start running again, thereby addressing the worrying levels of unemployment, especially among the young people. While visa free travel in the Schengen countries (as of May 2010) has widened young people's horizons for study and travel, but the situation is still far from being perfect.

In order for the reforms to be successful, EU and international support and guidance are needed, but they have to be achieved by and with the forces on the ground. Accountability and legitimacy are needed if the EU wants an independent sustainable state as a future candidate. Only this will prevent Eurosceptics and those fatigued at continued EU enlargement from voicing their on-going discontent.

The Achilles' heel of this country remains the fragile ethnic equilibrium. Even though they respect each-other and have even managed to reach political agreement, the three major ethnic groups, the Croats, Serbs, and Bosnian Muslims (Bosniacs) suffer from a lack of inter-ethnic trust that hinders political and economic opportunities. If Bosnia does not want to become the Cyprus of the Balkans or to repeat the 1990s war, reconciliation and the promotion of future common interests must prevail over segregation and separatism. If the new government fails in gaining much needed public support from all the ethnic groups, the deadlock will continue until another international solution will emerge, hopefully also accepted by Bosnia's inhabitants.

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# About the Author

# Maria-Antoaneta Neag – University of Bucharest

Maria-Antoaneta Neag is a Brussels based researcher and PhD candidate at the University of Bucharest. Currently working in the area of civil liberties and home affairs within the European Parliament, Maria's work relates directly to EU policy-making on issues such as migration and asylum, visa facilitation and liberalization schemes, data protection, EU internal security strategy and Roma inclusion. She also contributes to <u>www.balkanalysis.com</u> and <u>History and</u> <u>Civilization</u> magazine in Romania.



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