

A Presentation Organized by the OeNB's Foreign Research Division in Cooperation with the OeNB's Anniversary Fund

On May 23, 2005, Austria's ambassador to the United Nations in Geneva and former High Representative for Bosnia and Herzegovina, *Wolfgang Petritsch*, and Professor *Rudolf Richter*, dean of the Faculty of Social Sciences at the University of Vienna, presented results of the project "Democracy in Southeastern Europe," which was financed by the OeNB's Anniversary Fund. The presentations were organized by the Foreign Research Division in cooperation with the Anniversary Fund and chaired by *Peter Mooslechner*, Director of the OeNB's Economic Analysis and Research Section. Both speakers described the political mood in Bosnia and Herzegovina, in Croatia, and in Serbia and Montenegro, and outlined possible European perspectives for these countries on the basis of representative surveys and interviews with experts carried out between 2002 and 2004.

The results were somewhat surprising, especially for Bosnia and Herzegovina. Richter pointed out that a large proportion of the questioned Bosnians had positive feelings about the past communist system in former Yugoslavia, whereas 75% were dissatisfied with the present political system. In Croatia as well as in Serbia,¹ the percentages were significantly lower in both cases. More than two-thirds of the questioned Bosnians were in favor of a strong leadership, the restoration of the communist system or a military government (Croatia and Serbia: 35% to 40%).

While people in Croatia and in Serbia looked more or less optimistically into the future, Bosnians were rather pessimistic. According to the survey, about one-third of the respondents in Croatia and Serbia described themselves as optimistic, trustful, ready for change and open-minded, compared to only about 15% in Bosnia. The optimistic respondents were typically young and had a higher education and higher incomes. However, even within this group, about 25% of Bosnians said they preferred the communist system. Thus "Yugonostalgia" is strongest in Bosnia because this country suffered the greatest socio-economic setback due to the war, Petritsch explained. By contrast, about one-third of Croatians and Serbians and almost 60% of Bosnians claimed to be pessimistic, frustrated or even anti-EU. Typically, they were older and less educated, had lower incomes and were more affected by poverty. They viewed the present and future political system with pessimism and would like to see the old Titoist system restored.

In general, however, the survey respondents in these countries had a rather positive attitude toward, and high expectations of, the EU. Richter explained that experts in these countries emphasized the historical role of their countries from an emotional and cultural point of view. All three countries saw their place within Europe. In Croatia, EU scepticism was more pronounced, though, because the impression prevailed that the EU had been unnecessarily hampering the country's EU accession.

¹ The sample applies to Serbia only.

Rudolf Richter drew the following conclusions: The democratization process in Croatia is seen as a self-evident development. In Serbia, people feel that they belong to Europe and are intent on achieving common welfare. The surveyed persons were quite optimistic, but questioned the capacity and preparedness of their institutions. Bosnians claimed to be very disappointed and pessimistic and even expected an aggravation of the situation in their country.

Wolfgang Petritsch pointed out that these countries could be EU members by 2014. However, four major problems still need to be tackled: the status of Kosovo needs to be resolved, the future of the union between Serbia and Montenegro has to be clarified, the role of the international community in Bosnia and Herzegovina needs to be determined, and the unsolved questions in the Former Yugoslav Republic of Macedonia with respect to the Albanian minority must be worked out according to the Ohrid agreement of 2001.

Despite tangible success, the overall situation in Bosnia and Herzegovina is still fragile. The citizens are dissatisfied with their political system, as the state is divided into two highly autonomous entities with up to five layers of government. The continued application of the ethnic principle paralyzes the country. Wolfgang Petritsch, who is deeply involved in the international efforts to stabilize Bosnia and Herzegovina, stated that Bosnians still rely very much on the international community. He called for more local commitment and emphasized the ownership principle.

In the case of Kosovo, the most volatile flashpoint in the region, it is necessary to find a solution as soon as possible. The separation from Serbia is already an obvious fact, but the final status of Kosovo has to be defined by the UN. Petritsch cautioned that no sustainable economic development of Kosovo was possible without having resolved this question. Of course, various crucial issues – the return of Serb refugees, their safety in Kosovo, the protection of Serbian orthodox cultural and religious monuments – still need to be clarified; Petritsch expects a solution in 2006.

Croatia is ready for accession negotiations with the EU. However, the beginning of negotiations has been postponed, as Croatia's cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY) in The Hague is regarded as insufficient.

Generally speaking, both Serbia and Croatia have yet to engage in a serious internal debate on war crimes perpetrated during the violent dissolution of Yugoslavia in the 1990s.

In concluding, Petritsch stressed five areas as the main challenges for the future of the region:

- continuation of EU integration in order to prevent a “Balkans ghetto;”
- reform of the political system to strengthen the institutional setup of these “weak states,” including minority rights;
- fight against corruption and organized crime to establish an environment conducive to much-needed FDI;
- stronger regional political and economic cooperation; and
- success in the above-mentioned areas will help Europe to define its *finalité*.

According to Petritsch, Europe will only be whole and united once SEE is part of the EU.

Further information about the project (in German only) is forthcoming on the OeNB's website at http://www.oenb.at/de/ueber_die_oenb/foerderung/jubilaefonds/jubilaefonds.jsp.