

Dr. Erhard Busek

KEYNOTE SPEECH

I am not going to tell you what the Stability pact is, because I am sure you are able to look on its web site for more information. What I want to present is a general overview of which role the Stability pact is playing in the development of today's Europe. I think we are heading the wrong direction because we are only looking at details and not at the total picture.

It all began in 1989. I believe this was a turning point for Europe and until now we are not really aware of what it means for existing conditions. It was a tremendous change in general, although if you would suppose we were sitting together in 1988 and that is not so long ago, we would be able to discuss things as we are discussing them now. I am mentioning this because the problems which were created in South East Europe were a bit different than in other parts of Europe, especially East Central Europe and Eastern Europe. The region was only partly within a solid empire concerning Romania and Bulgaria and former Yugoslavia and there was a certain connection between the ideological system and the working party system. It is very important to mention this because this is essential for the other parts of Europe – Yugoslavia it was quite another matter.

Albania was a completely different situation. The country didn't ever have much influence because under the regency of Enver Hoxha it was excluded from every political connection, even to the Soviet Empire.

So, possibly no one had blueprints for the situation following 1989 and nobody said that we were happy that now democracy and free market economy are existing in the former Eastern Coalition. What I clearly want to express is: No blueprints existed! We are only speaking of the movement of communist countries to democracy. No one had an idea what to do if it was really happening.

I remember a nice speech at the 10th anniversary of the unification of the both Germanies which was held by Lothar de Mazière. He was the only one democratic prime minister of GDR and 10 years afterwards, we had a panel discussion. He said to the former West Germans: "You had a long time for administering the unification process, but you didn't know how to do it." I think the same was right for Europe concerning this situation. We didn't know how to do it, because we were not aware of the situation.

Concerning SEE we were not more aware of how to do it or how to deal with it. In addition to the changes of the society and of the government, re-creating or creating democracy, SEE has a lot of things which are even more valuable. I may mention some of them: One is a sentence done by Winston Churchill: "They have more history than they can consume." This, I believe, plays an important role as it is connected to the downfall of the Ottoman Empire and the long lasting story of tensions and wars in this connection.

As for this situation, every decision made since the 20ies of the 19th century concerning the region was done from outside. It was done by London, by Paris, by Berlin, by Vienna at the end of the First World War, by St. Petersburg and afterwards Moscow - no decision originated from the region! If you are looking at that it's quite interesting that the first country out of the Ottoman Empire becoming sovereign was Greece.

The Kingdom of Greece formerly was quite smaller than it is now but there was a regulation that the consuls of the European states decided what the Greek government had to do. I think it's quite similar to the situation of the regional ownership. It's not a question of the Stability Pact, I think it's a question of the general approach of the Europeans and of Non-Europeans towards the region. Regional ownership is a nice phrase, but for 200 years, it didn't really exist. If we are looking at these regulations there was a big interference between the European powers in a similar situation. It's a long lasting tradition and I may say that the region was prepared to be controlled by European powers. It has been a learning process for the region, a learning process also for us and I may

say – though please don't quote me on that – that the Stability Pact also sometimes shows a tendency that we are cleverer than those in their region. We are deciding what they have to do. That I think is one of the main mistakes. Given the fact that the office of the Stability Pact is located in Brussels, the connections to the EU are given but I don't see any connection to the region. That's quite an interesting fact and I think nobody has really discussed it before.

The next additional problem is the destruction of former Yugoslavia. Nobody was really aware that it might happen or I think the Americans were convinced that the Europeans would take care that the provinces would stick together. There was a obvious tendency in all societies that if you want to achieve something, you get in contact and state: "We give you money, if you do this or that." This was a proposal by the European Community, for the ambitions of the two Jacques, Jacques Delores and Jacques Santer. At that time, Jacques Santer was president of the European Community and was travelling around saying "You will get money if Yugoslavia sticks together." I think only a minority within the Austrian government was really aware about the whole history of Yugoslavia. On behalf of the Austrian government, I tried to explain what we were doing by the recognition of Slovenia and Croatia as sovereign countries. I met the deputy prime minister of Belgium. He said to me that he couldn't understand that they were separating since they all spoke Yugoslavian. I replied that they are speaking "Yugoslavian" as you are speaking "Belgian". I explained the situation to a dear friend and he replied in two unmemorable sentences: "Oh yes, I know you want Slovenia as a tenth state of Austria." and his second sentence was "Austria always wants to be more powerful in the Balkans". After a moment of shock I replied: "Please, take the old files out of the time of the First World War out of the archive."

What we are really missing and what I am looking for is a younger generation of Europeans to have a different approach to the region and its history. I think the recent elections results show that not only this region has a certain tendency towards former political systems. I am always asking everyone not to blame the region for its history because we are doing quite the same, and the history is much younger there. If

we look at the Benes decrees, as for the Germans and as for the Czechs, don't blame the region if we are looking to the recent history which happened there because for sure a lot a people are deeply wounded personally.

The other thing is the lack of knowledge of geography. I think it is a true story which Viktor Meyer told me. Viktor Meyer, a Swiss journalist, correspondent of the "Frankfurter Allgemeine" for the region, told me that during one of the Balkan wars he always wrote Slavonia. His own staff always changed the name to Slovenia since nobody was aware that Slavonia existed. Then he made an arrangement with his own staff. He was writing: The "landscape between Danube and Sava" to avoid Slavonia. I am telling you this anecdote, to give you an impression – and I think these stories can give you a better impression what we are really missing.

Yesterday I was standing next to an American, we had a World Congress of the International Press Institute in Ljubljana. He was using his mobile phone, obviously calling somebody out of the region. The man was asking "Where are you now?" – and he said "I am in Slovenia" and obviously the other asked, I think I can make my thoughts on it, what he was answering. Obviously he was asking "Where is it?" and he said "I think, it must be near Italy but I don't know where exactly." Slovenia has 2 million inhabitants. This is a real situation. We have problems with geography and with the newly created states. I think, it goes even deeper. If Serbia and Montenegro decide on constitutional changes, the expression "Yugoslavia" will vanish. The idea of Yugoslavia is a long lasting one. It came out of the 19th century. The man who invented it was a typical Slavic man. His name was Strossmayer. Josip Jure Strossmayer – if you go to the region you will find the name Trg Strossmayerova in different countries. He was a priest educated in Vienna. There was a seminar of the Habsburgs for education of priests for the southern part of the monarchy. His idea was to create identities for the region – long lasting stories. If the name Yugoslavia vanishes, the idea will vanish. You can have a different approach on it because I think it's quite interesting. But we have one state where the name of Yugoslavia still exists: The former Yugoslav Republic of

Macedonia. Here you can see the impact of history. It's not necessary only to talk about such anecdotes of Americans not knowing where Slovenia exactly is. This is political decision done by the UN and I think it is very difficult to explain this to outsiders. I am always saying it is similar as if in 1945 somebody would have said the name of Austria is not Austria, but the "Former Ostmark of the German Reich".

I am convinced that the problems existing in Macedonia concerning their identity are connected with such things. It's very important because it was a 5 years term decision taken by the UN to accept this name for FYROM. Macedonia want to be official but I think very soon it has to be decided what the real name for Macedonia will be. I think this is connected with the stability of the country. I was always asking my Greek friends that if I am delivering a speech and not able to speak Macedonian or Albanian but do it in English, what should I say? "Dear FYROMs?". I think it's quite clear "Dear Greeks, dear Bulgarians etc. etc – but dear FYROMs?" Is this possible? No, that is for sure. Here you are aware of this problem that exists. Maybe this sounds very difficult to you, because I think we have always to screen and to monitor what we are reaching.

These are the positive things that occurred since 1989 in the context of SEE. First of all, the downfall of big empires always created big wars if you look at history. Until now there was no big war. We can be happy about that. For SEE, Chechnya is another case but these things are very much connected. We learned out of this crisis. I think it's a learning process. The EU is learning from this because by each of the crises, the Union is fully aware that we are missing something for which we have no instrument. During the Bosnian war, the Common Foreign and Security Policy of the EU was created. I believe that Javier Solana is a product of the Bosnian war because the EU learned that they had to speak with one voice and there must be somebody in charge. This is a very important thing and the process is not finished. You may remember that there was a famous anecdote when Henry Kissinger was raising the question: "If I want to phone Europe - whom shall I call, what's the telephone number?" At that time, I was participating at the meeting of the World Life Fund Foundation in Berlin where Javier Solana delivered

the speech and Kissinger was present, I believe it was one and a half year ago, Solana said "Now we have a telephone number, you can call us!" Henry is a little bit older and he was sleeping but immediately he woke up and said: "OK Javier, but which extension shall I call?" It's a problem, which extension we use in coordinating the strategies of 15 member countries. This is our problem at the moment. We feel bad when the Americans are able to act faster than the EU. If you are travelling through the US and holding speeches on the EU you always get one sentence and I am bored about this but it's true. They are always saying: "The EU is a global payer, not a global player." How can we play what we are paying? This is one of the more important questions.

This was the next learning process out of the Kosovo war. The European obligation exists. And I think we are learning from this problem. Again I want to tell you, it wouldn't have more been possible to foresee that such things are necessary because I think nothing is civilised there but examples existing in history. The history of SEE, the recent history, for the last 13 years, is very much connected with this learning process – this is the development of European processes instruments. Stability Pact is only one of these tools and it is quite a good example. What else did we learn ? I think there should be more monitoring what the differences are. OHR was created for Bosnia-Herzegovina – it's one instrument. UNMIK was created for Kosovo - it's another instrument. What we are doing in Macedonia is a third instrument, the Stability pact is the fourth instrument. But does the OSCE fit in Albania? I think out of this we have to live this crisis for sure and it will not be finished. It is quite necessary for the EU being I think an amputee of its own. But comparable we sustain that we are developing instruments. By the military side which by the way is easier, and on the civil side which is more complicated, for sure. There has to be something done so that we can act immediately. Don't forget, that the European community needed years to react on Bosnia and Herzegovina and then it was only possible by the intervention of the Americans. That's also a sad story which has to be said. The list of political personalities being involved in Bosnia and Herzegovina which all failed is a long one. The community was not giving the right approach and the right instruments because we had a lack of right judgement what was existing here.

What are the problems that have an impact on the situation? First of all the downfall of the Soviet Union, especially for Romania and Bulgaria being a part of it – reorientation, the falling a part of Federal republic of Yugoslavia. Using history is a political tool. Don't forget the whole thing was started remembering the 600 years of the battle of Kosovo Polje in 1989. The famous speech of Milosevic. We are still suffering on the consequences of the political management of this problem. The problem is how can we lower the borders between the different states that they are living together. It's the wrong direction by thinking the borders are guaranteed. It's not anymore necessary – but who is guarantying that we are lowering the borders? I think, this is the real big issue. The question of national minorities which are created for sure by borders, and then the problem is how to do it in the right way – but the last one was 11 September.

When becoming Special Coordinator of the Stability Pact a lot of people said to me – you poor guy. Now the region is out of the headlines and of the evening news and the TV. It's not so much interesting and probably not interested anymore. I am telling you that I am happy that we are out of the headlines. The headlines, in the situation of the media starting that we have a war, ethnic cleansing, we have clashes of governments. I am not interested in this. I think, being not in the headlines is the right stand to stability for sure. Here I may say as a final remark: the comments are completely wrong that the countries, that the states involved in the Stability Pact are reducing their engagement. I think, it's an ongoing engagement. The US have reduced their investments from US\$ 600 million to US\$ 500 million in 2002. I had a look at the list what they are going to cancel. You can say that they are right because not every project is really realised, which makes sense. There was quite a clear statement by the State department, by the National Security Council and by members of the Capitol Hill, saying: we need the region because it's one angle of the volatile part of the world. On the one side is Afghanistan, on the other side is SEE because it's close to the Balkan and to the Black Sea, close to the Caucasus and to the Middle east, close to Central Asia.

It is positive that the Stability Pact opened a European perspective for all countries in the region. That was not obvious before. I am working for the SEE cooperative initiative since '96 and aside of going through Brussels I got only the comments concerning the states. It was a very good decision because for the countries of the region it's necessary to change the approach and it is done by this. That's the first positive thing. The second positive thing is cross border cooperation. I think the main aims of this office are to destroy more arms and light weapons in Belgrade. It was opened by Goran Svilanovic, Foreign Minister of Yugoslavia, and it was opened by Ambassador Drobnyak, a Croatian Ambassador to the EU. Could you imagine that 4 or 5 years ago, it would have been possible to do that, in such a way in Belgrade by Croatian representative? – No.

Second, I think we are handling this Bucharest Centre of Organized Crime quite well. It's accepted by Interpol, it's accepted by Europol and it's done in the region, under the responsibility of the region. That's quite a good sign and we are moving in the right direction.

As a chairman of the sub table for security also assigned of regional ownership existing, which is the heart of the Stability Pact because we have this nice regulation, that every working table had a co-chairmanship. The co-chairmanship from the donor countries was always the same man. The co-chairmanship out of the recipient countries changed every half a year. I think if he or she was aware how the things were going he or she would be kicked out. Now we have the co-chairmanship for one year. We want to go in this direction because I think you need knowledge to steer things and the government to have an influence on them. Very positive is the fact that we have known each other out of the international community, _5,4 millions and it is done by the EU and by countries like Norway, Switzerland but also US, Canada and Japan. That it is an international responsibility. And again I want to mention what I said concerning the US – it's accepted the region as a global perspective. It would be very naïve not to say that there are problems. The main problem is that the Stability Pact has to be understood as a political process not a technical one. We have always to do so and to underline the European perspective because I think creating

high ways is not creating the European Region - that's not enough. It's necessary but you can't do it in such a way. It is very complicated and therefore I understand why my title is "special coordinator", it's a special coordination between a lot of international institutions. On board we have the OSCE, playing even a role of a brother for the Stability Pact, not every chairman in office is really aware of this. We are cooperating with the Council of Europe, with the Economic Commission for Europe of the UN, we are cooperating with UNHCR and I may tell you that it's quite boring that I have to move from one organisation to the other to give a report and to go to the Permanent Council of these institutions always repeating the same things over and over again – it's not very nice, but it's my job.

Concerning NGOs coordination is necessary, which for sure also is not easy. When looking to the Middle East I am not pleased which impact it might have on our region. It's not too much seen, but I think it's a quite dangerous development.

Cooperation of organised crime including terrorism. Everybody is now fighting terrorism but I have my doubts on the results. The third point was mentioned by Hannes Swoboda – refugee return. We moved more than 100,000 refugees back but now we have problems with housing, because somebody else is sitting in the houses or they are destroyed and then there is unemployment. If you go to eastern Slavonia or to Krajina, or some parts of Bosnia-Herzegovina you find unemployment rates between 40 and 50% or even more. It is not easy and the refugees will come back to us because they have no job. I think that's a very important situation.

Concerning the economy we are trying to do our best. Here I may mention, that the business world is looking towards the region as a whole. That's a lesson which I have always to teach in the region because there is a certain tendency saying "Please come in my country. I am better than the other one." but I think the big business is looking to the region as one market for 45 million, making no big investments of multinational but components for example are possible.

Small arms and light weapons I have already mentioned. I think it's a precondition and that we have the sub regional cooperation. To say it simple, we are looking forward and Kosovo is not a black hole in the landscape. It's not the job of the Stability Pact to solve the status problem of Kosovo but I think concerning electricity, concerning trade, concerning transport, concerning border management, concerning organised crime we need this cooperation over borders. The same thing occurs for the border which is officially no border - it is between Kosovo and Serbia. You have the border control where there is no border. They are doing privatisation. That's quite difficult. You have to understand, what the problems are here and we are trying to assist them to do so. I think the Austrians are doing a good job by the Graz process, but I think we need even more movement in this direction. Judicially reforms – it can't happen from one day to the other because you have the old judges working – this old boy network.

Then you have the problem of corruption. I am always blamed that I have some understanding for some corruption such as low wages. I have no understanding for the big corruption - say on a political level. But I think, this has to be seen and if you are looking through the newspapers also in our parts of the world corruption occurs. Good governance – it won't change from today to tomorrow. We are now supporting the local authorities, decentralisation – because governance countries are traditionally very much centralised. The Media situation. There was an important meeting in Ljubljana of the Macedonian's editors in chief of the newspapers and of the TV and radio stations. A serious dialogue is necessary. This is playing an important role and also I may say that the west brought a lot of newspapers and did a lot of radio and TV coverage, but what they didn't do is: they didn't export European values. They exported pornography, simple journalism. I think Hannes Swoboda mentioned, concerning drug traffickers, that the West has to be blamed for this. I think, that's a quite interesting situation exiting; it's quite difficult to discuss it with the newspapers, because then you are criticised. I think the present time is not a favourable time for Western values to be introduced here. Reconciliation – I think, this is not where we have to stop. For example. the textbooks in the region on history are a nightmare but we are working on them and I think it needs some time

and also the help of churches and religion because they are used as a political tool. Not too much is documented on this subject and what I am trying to push forward is more dialogue. "Civil societies" are a nice words but it needs some time to develop.

What are the major problems? The different situation in Bosnia and Herzegovina, not coming really together as one state, the correct steps to be taken to develop a constitution are done. On the other side the volatile situation in Macedonia, I am not very optimistic concerning the results of the elections, not concerning which party will win but what will happen afterwards. The unclear status of Kosovo, the relations Serbia and Montenegro and the internal situation of Albania, which Hannes Swoboda mentioned here.

What are the future problems? This is my conclusion. I think after the enlargement, which will be done to the 3, 4, 5 we have in the region 2 candidates being considered – Romania and Bulgaria – the rest as soon as possible. They must be preparing for entry. What strategy are we following? Croatia is moving very quickly in this direction, the Serbians are moving as well aside the old questions concerning Montenegro and Kosovo. Hopefully, they will adhere to these questions. Maybe they are candidates for something, or another with a timetable to achieve this. And how can we end protectorates?

I admired Michael Steiner – he was speaking at the Security Council of the UN without an exit strategy. I think we have also discussed which exit strategy is possible. Not from one day to the next. But step by step, giving more responsibility to these nations. There has been no real discussion on the subject but I think it might be really interesting if some institutes who are represented here would look in this direction. Let me close with this sentence, there is no alternative concerning the fact that SEE is a part of Europe and for which we have a great responsibility in our own interest in the global context.

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