

# High Representative sends letter to Nikola Grabovac

The High Representative, Paddy Ashdown, wrote today to Federation Deputy Prime Minister and Finance Minister Nikola Grabovac responding to his letter of June the 10<sup>th</sup>.

“Thank you for your letter of 10<sup>th</sup> June.

I wanted to reply as soon as possible because I believe it is important that I explain to you what I mean by ministerial responsibility.

In the sort of European democracy that Bosnia and Herzegovina aspires to become, ministers are ultimately responsible to the people of their country for the actions or inactions of their ministries. When their ministries are implicated in a major scandal, particularly a major abuse of public funds, they are expected to resign. Such resignations are not seen as an admission of guilt. Indeed, they are often seen as brave and honourable political acts.

As you have pointed out, Bosnia and Herzegovina is not yet such a democracy. But if it is to become one, it must start to apply the same standards. This is a process. One day, I hope the culture of ministerial responsibility will apply to all ministers, and all ministries. This will of course take time.

But let me tell you why I believe this process should start with ministers of finance. You and your counterpart in the Republika Srpska have a special responsibility. You are the guardians of the people's money, with overall responsibility for the budget. You are also the lead interlocutors for the international financial institutions and donors. Bosnia and Herzegovina's ability to appeal for assistance depends on your

credibility and reputation.

This is now seriously in doubt. What is incontestable is that KM 1.7 mn of public funds was fraudulently transferred into private hands, at your authorization. Saying that you were not adequately informed is no defence. It was your duty, as the person ultimately responsible, to be properly informed.

This is not about personalities or politics, it is about standards and principles. Nor does it in any way reflect on your work in other areas. But on these issues, there can be no compromise. Because of their special responsibilities, ministers of finance need to be above reproach. More than that, they need to be determined allies in rooting out any abuse of public funds, and not simply passive or half-hearted bystanders.

I have set the Rule of Law as my first priority. We cannot succeed in the fight against corruption unless we have the wholehearted participation of the ministers of finance as the guardians of the people's money. Indeed, at their meeting in May 2000, the Peace Implementation Council specifically said that they remained "deeply concerned over ingrained corruption in BiH which undermines democratic governance, wastes public resources, and hinders the develop of the market economy...all public officials are expected to give their active and unreserved support for [the OHR's anti-corruption strategy]".

In the case of AM Sped, money that should have gone to schools, hospitals, pensions, housing and new roads instead disappeared into private bank accounts. Money that Bosnia and Herzegovina cannot afford to see wasted.

I hope you will agree with me that the people of this country have a right to expect someone to take political responsibility for that."