



## A HOLLOW PROMISE ?

# The Return of Bosnian Serb Displaced Persons to Drvar, Bosansko Grahovo and Glamoc

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## Table of Contents

EXECUTIVE SUMMARY .....	iii
I. Introduction .....	1
II. Drvar, Bosansko Grahovo And Glamoc .....	3
III. Obstacles To Serb Returns To Canton 10 .....	4
A. The HDZ in Drvar .....	4
B. Violence in Martin Brod.....	5
C. Hostile Relocation of Croats into Serb homes .....	6
D. Croat control of the local economy .....	7
E. The HVO in Drvar .....	8
F. The police .....	9
G. Glamoc Combat Training Centre.....	9
H. Aid for Returnees: Hollow promise? .....	10
IV. The Coalition For Return.....	11
V. Post-Municipal Election Period .....	13
VI. Planning Minority Returns.....	14
A. Strategy of the Reconstruction and Return Task Force .....	14
B. Persuading the Serb Public .....	15
VII. Recommendations.....	15
ABOUT THE INTERNATIONAL CRISIS GROUP .....	19

## EXECUTIVE SUMMARY

In Bosnia's local elections on 13 and 14 September 1997, parties representing displaced Serbs from Croat-held Drvar, Bosansko Grahovo and Glamoc won either a majority or a plurality of council seats in these three municipalities in Canton 10 of the Federation of Bosnia and Herzegovina. Since then, displaced Serbs have begun spontaneously moving back to their homes with the result that by mid-January, some 800 heads of households had returned to Drvar alone. Other displaced Serbs in Western Republika Srpska and in Brcko are monitoring the fortunes of these returnees closely. If Serbs are able to return to Drvar, this will free up housing in Republika Srpska for displaced Bosniacs and Croats. If, however, their return to Drvar is obstructed, displaced Serbs elsewhere will be discouraged from attempting to return to other Federation municipalities.

Before the war 97, percent of Drvar's 17,000 inhabitants were Serbs. The municipality fell to the *Hrvatsko vijeće odbrane* (Bosnian Croat Army, HVO) in 1995 and the pre-war population fled. Since the end of hostilities, some 6,000 displaced Croats have settled in the municipality and a further 2,500 HVO troops and family members are stationed there. The Reconstruction and Return Task Force has identified Drvar as a priority area for returns in 1998, in part because of the large number of vacant houses in the municipality. According to SFOR estimates, some 600 vacant houses in Drvar town and a further 2,000 in surrounding villages could be made habitable with only minor repairs. Further housing would come available if the HVO were to withdraw from the town.

To date, prospective Serb returnees to Drvar have been obstructed both by the authorities of Republika Srpska and by the HDZ, the ruling Croat party. Drvar Serbs played a prominent role in founding the Coalition for Return, an association of displaced Bosnians from all ethnic groups wishing to return home, in October 1996. Sometimes referred to as "black Serbs" for defying the Republika Srpska leadership and wishing to return to live in the Federation, Drvar Serbs were for a long time denied access to mainstream media. As the political environment has changed during the past six months, however, their plight has been the subject of various television documentaries which have sparked a hitherto taboo debate in Republika Srpska as to the rights of Serb returnees.

The greater obstacle to Serb return comes from the HDZ authorities which have attempted during the past two years to consolidate the ethnic predominance of Croats in all areas under HVO control. Serb houses have been burned and/or looted with the tacit approval of the authorities; vacant houses have been advertised for resettlement to displaced Croats from Central Bosnia and Posavina, as well as Croat refugees in Germany; and Croatian companies linked to the HDZ leadership in Zagreb, in particular *Finvest*, have invested massively in these municipalities, offering jobs to Croats willing to relocate. The police is ethnically-pure Croat.

Another obstacle to returns in Drvar has been inadequate humanitarian assistance. When spontaneous returns accelerated, the office of the United Nations High Commissioner for Refugees told leaders of Drvar's displaced Serbs that they should advise their followers to reconsider their return. Impact Team International, a UNHCR implementing partner and the only international non-governmental organisation located in Drvar, handed out leaflets to Serbs in Drvar, arguing that responsibility for any difficulties encountered as a result of spontaneous returns would lie with Mile Marceta, the leader of their association. At that time, ITI did not have a warehouse in Drvar and

with the onset of winter it was obviously difficult to start house reconstruction for returnees. However, winter supplies, clothing and stoves sufficient for the Drvar needs were stored in UNHCR warehouses elsewhere in Bosnia. The real problem was not lack of supplies, but poor co-ordination between international organisations and possible mismanagement of food supplies delivered by the World Food Programme to the local Red Cross.

If the Drvar Serbs are unable to return home, this failure is likely to discourage other displaced persons in Republika Srpska and will probably be exploited by nationalist forces as proof that different ethnic groups cannot live together, and that the international community will allow Annex 7 to remain unimplemented. ICG therefore proposes that:

- Instead of selecting specific towns and villages for negotiated returns and tying all budgetary planning to these places, international policy should focus on creating the preconditions for spontaneous returns. These include a credible SFOR and IPTF presence, close co-operation with displaced persons' organisations and improved freedom of movement. A multi-ethnic police force is essential.
- The international community continues to act quickly and firmly in response to blatant acts of obstruction, backed by SFOR when necessary. Relocation of Bosnian Croats not originally from these municipalities into Serb houses must stop. The High Representative should urge governments of refugee host countries to discourage returnees from relocating to areas to which original inhabitants are trying to return.
- The international community helps displaced Croats currently living in Canton 10 to return to pre-war homes in Central Bosnia.
- NGOs and donors look for projects in Canton 10 which benefit inhabitants of all ethnic groups.
- Housing in Drvar town is made available to elected Serb councillors immediately and the HVO moves out of the accommodation it currently occupies in the centre. Countries funding "Train and Equip" should condition delivery of weaponry on this.
- Bosnia's major donors, such as the European Commission and the US Agency for International Development, include these municipalities in their budgets for projects in 1998 and devolve decision-making to representative offices on the ground so that they are able to react with flexibility to changing developments.

**Sarajevo, 19 January 1998**

# A HOLLOW PROMISE?

## THE RETURN OF BOSNIAN SERB DISPLACED PERSONS TO DRVAR, BOSANSKO GRAHOVO AND GLAMOC

### I. INTRODUCTION

1997 was a disappointing year for minority returns, with only an estimated 35,000 refugees and internally displaced persons returning to areas controlled by other ethnic groups.<sup>1</sup> However, recent developments are encouraging for 1998.

An important reason for positive developments in the second half of 1997 was a more assertive approach adopted by the international community. Pressure by the Office of the High Representative (OHR), the leading civilian agency for the implementation of the General Framework Agreement for Peace (GFAP), has led to a significant opening of the media landscape in Republika Srpska.<sup>2</sup> Recent progress in restructuring police forces in the whole country raises hope for increased security for ethnic minorities, especially in Banja Luka.<sup>3</sup> National Assembly elections in Republika Srpska in November broke the political monopoly of extreme nationalists.

Freedom of movement has significantly improved due to a more determined checkpoint policy of IPTF, backed by SFOR. The weeks following the municipal elections in September 1997 saw Bosniac municipal councillors driving to the Western part of Republika Srpska, the Serb-controlled entity of Bosnia and Herzegovina (Bosnia), with Federation of Bosnia and Herzegovina (Federation) vehicle licence plates.<sup>4</sup> Thousands of Croatian citizens crossed into Republika Srpska on 1 November, All Saints day, without incident. A Federation Trade Fair, held in Banja Luka at the end of November, brought together business people from both entities. There were more spontaneous returns of displaced persons since October than in the first nine months of the year.

In municipal elections on 13 and 14 September, displaced persons' associations won more than 50 percent of the seats in 6 municipalities.<sup>5</sup> Serb displaced persons' organisations won a majority of seats on the municipal councils of Drvar and Bosansko Grahovo and 40 percent of seats in Glamoc.<sup>6</sup> In Drvar, *Koalicija za Drvar* (Coalition for Drvar) won 19 of 30 seats, in Bosansko Grahovo the multi-party coalition *Zavicaaj*

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<sup>1</sup> *Bosnia and Herzegovina, Repatriation and Return Operation 1998*, UNHCR, 10 December 1997. In April 1997, the number of Bosnian refugees was estimated to be about 835,000, that of internally displaced persons around 866,000. *Going Nowhere Fast*, ICG Report, April 1997. The term "Refugees" refers to displaced persons who have fled to other countries; "internally displaced persons" (IDPs) refers to those who have remained inside the country; and "displaced persons" (DPs) refers to both categories. "Majority" and "minority returns" are short-hand terms used to indicate whether the homes of origin of returnees lie in territory where their ethnic group is in the majority, or whether they would be returning to territory controlled by another ethnic group.

<sup>2</sup> The General Framework Agreement for Peace was negotiated in October-November 1995 in Dayton, Ohio, and signed in Paris on 14 December 1995.

<sup>3</sup> From August to October, eight ethnic minority families were successfully reinstated to their houses in Banja Luka, requiring the eviction of Bosnian Serbs temporarily occupying their home.

<sup>4</sup> The Inter-entity Boundary Line (IEBL) separates the Federation and Republika Srpska.

<sup>5</sup> Drvar, Bosansko Grahovo, Glamoc, Bosanski Petrovac, Zepce, and Srebrenica.

<sup>6</sup> These three municipalities are in Canton 10 in the north-west of the Federation, bordering Croatia. Bosnian Croat authorities named Canton 10 "Herzeg-Bosna Canton", to which non-Croats object, as it recalls the "Croatian Republic of Herzeg-Bosna", the self-proclaimed independent Croat "entity" in Bosnia which was dissolved under the Washington Agreement of 1994. The present flag of Canton 10 is the same as the former flag of Herzeg-Bosna.

(Homeland) won 12 of 15 seats and in Glamoc 6 of 15 seats. These results put to rest the myth that Bosnian Serbs are united in their allegiance to the ethnically-cleansed Republika Srpska and do not wish to return to the Federation. In addition, in 42 out of 135 municipalities in Bosnia, displaced voters won between 20 and 49 percent of the council seats.<sup>7</sup>

Shortly after the elections, Serbs began to return to these municipalities. By the middle of January, up to 800 heads of households had returned to Drvar municipality alone. Serb displaced persons' organisation leaders were elected as municipal council presidents ("mayors")<sup>8</sup> in Bosansko Grahovo in November, and in Drvar in December, following pressure by the Organisation for Security and Co-operation in Europe (OSCE) and the efforts of the International Mediator for the Federation, Dr. Christian Schwarz-Schilling.<sup>9</sup>

Displaced Serbs throughout Western Republika Srpska and in Brcko are closely watching how Serbs attempting to return to Drvar fare. If they can return to the Drvar area, their departure will free up homes to which pre-war occupants, mostly non-Serbs, could then return. If they are unable to return to the Drvar area, displaced Serbs in general will be discouraged from trying to return to other Federation municipalities.

The displaced Serbs from Canton 10 were the first in Republika Srpska to form associations in early 1996 based on the full respect for the GFAP and the right to return for all Bosnian citizens. They did this despite pressure from Republika Srpska nationalist leaders urging them not to leave the entity. They co-operated with displaced persons' associations now in the Federation and in Croatia and stressed their willingness to respect the rights of Croat residents in Drvar.

This kind of co-operation should make it possible for international agencies to support larger return movements once the weather permits. However, steps must be taken to enable the 800 or so returnees to Drvar remain, most of whom are in distant villages where they face less obstruction, but where they lack heat and food supplies, and to lay a solid foundation for returns to resume in the spring. The success or failure of Serb returns to this region, and reciprocal return movements of Croats now living in this area to their pre-war homes in Central Bosnia, will be a litmus test for minority returns in general.

## II. DRVAR, BOSANSKO GRAHOVO AND GLAMOC

The Drvar, Bosansko Grahovo and Glamoc municipalities are located in the north-west of the Federation, in Canton 10, which currently has a predominantly Croat population.

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<sup>7</sup> In another 47 municipalities, the displaced won up to 20 percent of the council seats.

<sup>8</sup> The president of the municipal council of Bosnian municipalities is often referred to as "mayor" by Bosnians and international officials.

<sup>9</sup> The mediation took place on 18 December 1997 in Drvar. One day later, the municipal assembly elected the Serb displaced persons' leader Mile Marceta President of the Council or "mayor". The office of the Federation Mediator was set up under the Washington Agreement to resolve political problems in the Federation through mediation between the parties. The German parliamentarian and former minister Dr. Christian Schwarz-Schilling was appointed Mediator in 1995. In the December 1997 Bonn document of the Peace Implementation Council (PIC), the importance of mediation was stressed: "The Council calls on the authorities in Bosnia, in particular in the Entities, to make use of the instrument of international mediation in order to resolve disputes concerning the implementation of the Peace Agreement."

Before the war, about 17,000 people lived in the municipality of Drvar, 8,300 in Bosansko Grahovo and 12,600 in Glamoc, and this population was predominantly Bosnian Serb: 97 percent in Drvar, 95 percent in Bosansko Grahovo, and 79 percent in Glamoc (the remaining 18 percent Bosniacs and 2 percent Croats).<sup>10</sup> Drvar town had about 9,000 inhabitants before 1995, while Glamoc was one of the most thinly populated municipalities in Bosnia. In all three municipalities, economic activity before the war centred on timber industries.

In September 1995, a joint offensive by the Croatian Army (*Hrvatska vojska*, HV), the HVO and the Army of the Republic of Bosnia and Herzegovina (*Armija Bosne i Hercegovine*, ABiH) succeeded in breaking through the lines of the Army of Republika Srpska (*Vojska Republike Srpske*, VRS). After the HVO conquered these municipalities, the local Bosnian Serb population fled and became part of the large group of displaced persons in Republika Srpska and the Federal Republic of Yugoslavia (FRY).

At the end of 1995, when the GFAP was signed, these municipalities were almost completely deserted. The only Serbs who remained were 83 older people in isolated, outlying villages. Drvar was almost untouched by fighting, and one peculiarity of this municipality is that more houses have been destroyed since the end of the war, through arson and looting, than during the war. In Bosansko Grahovo, however, most housing was destroyed during the war and made uninhabitable.<sup>11</sup> Glamoc town also sustained considerable destruction during the war.

The 17,000 former inhabitants of Drvar are today in Banja Luka (more than 5,000), Samac, Prijedor, Prnjavor, Bijeljina, and in FRY. A considerable number of displaced persons from Drvar still live in collective centres in Republika Srpska, particularly in Banja Luka, Bijeljina (Amajlije) and Modrica (Donji Kladari).<sup>12</sup> About 4,300 of the 8,300 former inhabitants of Bosansko Grahovo are now in Republika Srpska (many in Bosanska Posavina), the rest in FRY.

The strategic plans of the Reconstruction and Return Task Force (RRTF) identify the Drvar region as a top priority area for returns in 1998.<sup>13</sup> One important reason for this is the considerable number of vacant houses, requiring only minor repairs to become habitable, available in the Drvar municipality. According to estimates given by local SFOR in the autumn of 1997, around 600 now vacant houses in Drvar town and approximately 2,000 in surrounding villages would be habitable with minimal repairs. Additional housing now occupied by about 2,500 soldiers and family members could be made available by removing the 1<sup>st</sup> Brigade of the *Hrvatska vijeće odbrane* (HVO), the army of the Bosnian Croats, from flats in the centre of Drvar town.

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<sup>10</sup> The few non-Serbs in Drvar and Bosansko Grahovo were in mixed marriages.

<sup>11</sup> *Bosansko Grahovo Municipality*, Repatriation Information Report (RIR), April 1997.

<sup>12</sup> *Spisak lica prihvatnih centara Republike Srpske koji su se izjasnili za povratak u mesto ranijeg prebivališta* (List of individuals in collective centers in Republika Srpska who have expressed their desire to return to their pre-war residences), UNHCR, 20 November 1997.

<sup>13</sup> The RRTF is chaired by the Office of the High Representative and includes the United Nations High Commissioner for Refugees (UNHCR), the European Community Humanitarian Office (ECHO), the European Commission (EC), the World Bank, the German Office of the Federal Commissioner for Refugee Return and related Reconstruction, the Commission for Real Property Claims of Displaced Person and Refugees, the US Embassy and the International Management Group (IMG). The RRTF co-ordinates international support for return and reconstruction. There are now three regional RRTFs, in Sarajevo, Brcko and for north-western Bosnia in Banja Luka. The NW RRTF includes additional international organisations and NGOs involved in reconstruction in that region. In the final document of the Bonn Peace Implementation Conference in December 1997, the importance of the RRTF framework was stressed and its strengthening envisaged, by appointing a Senior Deputy High Representative to head the effort.

### III. OBSTACLES TO SERB RETURNS TO CANTON 10

#### A. The HDZ in Drvar

During the past two years, various methods have been used by the Bosnian Croat nationalist party *Hrvatska demokratska zajednica* (HDZ) leaders in Canton 10 to consolidate the ethnic predominance of Croats in areas under HVO control. Vacant Serb houses were burned, prepared for arson, and looted with at least tacit approval by the police and municipal authorities. Vacant houses were advertised as available for Bosnian Croats from Central Bosnia or the Posavina. Croatian commercial firms linked to the HDZ leadership in Zagreb invested massively in these municipalities, offering employment prospects to Bosnian Croats willing to relocate. Soldiers of the HVO were placed in the centre of Drvar in Bosnian Serb apartments. This policy showed results: in spring 1997, the civilian population of Drvar had increased to 5,000 to 6,000 Croats, with a further estimated 2,500 HVO soldiers and family members.<sup>14</sup> Due to the extent of destruction, fewer Bosnian Croats moved to Bosansko Grahovo (around 450) and Glamoc (around 3,800).

On 2 May 1997, a delegation headed by the Federation Mediator Dr. Christian Schwarz-Schilling visited Drvar to discuss Serb returns. On the same evening, 25 houses were set ablaze and another 25 were ransacked and prepared for arson.

IPTF and ICG investigated and published reports on the Drvar arsons.<sup>15</sup> The Election Appeals Sub-Commission (EASC) also investigated the incident, found the local HDZ leaders responsible, and struck the first candidate from the HDZ list for the municipal elections in Drvar.<sup>16</sup> The Head of the Anti-terrorist police in Drvar, Zarko Sokic, and the Chief of Criminal Investigations, Miroslav Frankic, were dismissed in June after pressure from the international community. However, the destruction of vacant houses resumed after these dismissals. The political leaders in Drvar responsible for this vandalism, Deputy Mayor and local HDZ leader Drago Tokmakcija and Mayor Boro Malbasic, continued to hold effective power in the municipality.<sup>17</sup> Tokmakcija led the HDZ negotiations on election result implementation and was reelected Deputy Mayor at the end of December 1997, Malbasic was elected president of the new municipal assembly.

One immediate consequence of the May arson incident was an agreement reached on 9 May between UNHCR, OHR and Mayor Malbasic on a special registration procedure to facilitate the return of Serb displaced persons. However, the process did not move far. Interested displaced persons were registered by the authorities, but were not processed further, and villages where Serb displaced persons had registered to return continued to be targeted for looting.

After displaced families registered to return to the settlement of Sipovljani, just outside of Drvar town, Mayor Malbasic declared that this settlement had been earmarked for Croat relocations. Looting tended to follow visits by displaced persons to their former houses. One international observer noted in October, "The visits of Bosnian Serbs are

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<sup>14</sup> Displaced mainly from Bosniac-controlled areas of Central Bosnia (Kakanj, Vares, Travnik and Bugojno).

<sup>15</sup> *House burnings: Obstruction of the right to return in Drvar*, ICG Report, 9 June 1997; *Arson at Titov Drvar on 3 May 1997*, United Nations International Police Task Force (IPTF), 10 May 1997. "Titov Drvar" was the full name of Drvar in the socialist period.

<sup>16</sup> EASC Decision ME-050, 26 May 1997.

<sup>17</sup> No elections were held for these positions after the HVO conquest of the area. The officials were appointed by cantonal authorities in Livno.



proceeding without problems, but as soon as some of them are authorised to come back, their houses are submitted to new damage. The information about their location certainly comes from the municipality.” A particularly flagrant manifestation of obstruction was the issuance of “looting permits” by municipal authorities, inviting “people to help themselves with materials from empty houses”. The Mayor of Drvar conceded at the end of August that these permits were often “misused”, and promised that they would no longer be issued. However, looting continued and people arrested by SFOR for looting continued to claim that they were acting with the permission of municipal authorities.

By the end of summer, the list of registered displaced Serb families wishing to return to Drvar municipality had grown to 260. After long negotiations with UNHCR and OHR in Banja Luka, HDZ authorities in Drvar agreed in August to accept the return of 56 families, mostly elderly, wishing to return to houses which – at the time of registration – were vacant. The returns were to be considered merely as “extended visits to repair houses”. UNHCR agreed not to envisage additional organised returns until the end of the year, and so informed other agencies in October.

## **B. Violence in Martin Brod**

The Martin Brod incident restarted the momentum of displaced persons’ returns to Drvar municipality, involving 14 displaced Serb families, part of the group of 56 agreed upon with the Drvar authorities. Martin Brod is a formerly Bosnian Serb village in the north of Canton 10 which until the beginning of summer had been totally deserted. After the 14 families had registered to return, the Drvar authorities began to relocate Croats to Martin Brod, encouraging and paying them to commute to the settlement and repair houses. Some of those Croats were employees of the Croatian timber-enterprise *Finvest*, which had promised to invest 8,000 DM per house for each Croat worker willing to relocate. Representatives of international organisations suspected that others sent to Martin Brod were HVO soldiers in civilian clothes. Houses targeted for restoration and Bosnian Croat occupancy had notifications posted on the outside.

The 14 Bosnian Serb families arrived on 7 October, with the support of UNHCR and accompanied by representatives of Impact Team International (ITI).<sup>18</sup> The returnees were met with violence, as “spontaneous” demonstrations of Croat “displaced persons” broke out. Mayor Malbasic incited the Croat demonstrators, described as “thugs” by international observers, to attack returnees and throw their meagre belongings out of the houses. The crisis escalated, and only the presence of UNHCR staff, a robust SFOR response and a high-level intervention by OHR in Sarajevo restored peace. Malbasic later claimed to have been “beaten” by SFOR troops, a false allegation. Canadian SFOR-troops had merely cut off all access to the village, effectively preventing the Croat demonstrators from receiving food supplies and forcing them to “surrender” and leave. As a result, the Bosnian Serb heads of families were able to stay in Martin Brod.<sup>19</sup>

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<sup>18</sup> ITI, a US based NGO relying mainly on (unpaid) volunteers, has been working in Drvar, since summer 1997 as an implementing partner of UNHCR. As the only NGO with an office in Drvar, ITI assumed an important role in supporting Bosnian Serb returnees, distributing humanitarian aid and sometimes providing protection by simply being present.

<sup>19</sup> It was not clear under whose police jurisdiction Martin Brod fell, Canton 1 (Bosniac) or Canton 10 (Bosnian Croat). Since the incident, the town has been under Bosniac police from Canton 1. Martin Brod is of strategic importance to Croatia: the border between Bosnia and Croatia in this area, which Croatia insists divides the town, is not agreed upon. There is a railway running through the town on the side of the river now held by Croatia.

The Martin Brod episode revealed the pattern of obstruction in Canton 10. Interested returnees register in accordance with agreements between local authorities and international institutions, and after many months of negotiations a new agreement is reached to allow the actual returns. Just before displaced persons return, the authorities relocate Croats from elsewhere into the houses identified for returns. This relocation is accompanied by “strategic” investments by the Croatian enterprise *Finvest*. When returns do take place, “spontaneous” violence follows. Then leading HDZ politicians in Sarajevo complain that “UNHCR has not informed the authorities of Drvar of this return”, and that the returns are proceeding much too fast. Then another agreement is reached on “how to agree on modalities for returns”. After such incidents, international organisations often point out in internal reports that the return process had been “too hasty”, “badly planned”, and had come at an “inconvenient time”, thus conceding that obstruction ..... and intransigence pays off.

Nonetheless, Martin Brod marked a turning point. SFOR’s robust and prompt response led to an immediate end to the violence. The Canadian contingent in Drvar showed that effective area security could be provided, and that returnees could count on protection. When the highest levels of OHR became involved, the local HDZ leadership reigned in the “angry crowd”, which simply left the town. This combined response made Martin Brod a symbol of a more robust approach, and encouraged further returns in the second half of October and November.

### C. Hostile Relocation of Croats into Serb homes

Increasingly, Bosnian Serb displaced persons realise that the international community is powerless to prevent “hostile relocations” of Bosnian Croats to remaining vacant houses.<sup>20</sup> Only by actually returning to houses, sometimes in very poor conditions, could Bosnian Serbs safeguard their property. This realisation served as an impetus for further spontaneous returns.

In May 1996, the total number of people in the municipality of Drvar was 4,483, virtually all Croat.<sup>21</sup> UNHCR described how the population grew: Bosnian Croats came to Drvar at a rate of 10 families per day on average, looking for an abandoned house or flat and occupying it; Croat men came from Germany to search for houses, with the rest of the family planning to follow later; and upon request, the municipal authorities issued them with a temporary occupancy certificate. In August 1997, the Mayor of Drvar told OHR that 150 Bosnian Croat families were about to come to Drvar from Germany. At the same time, HDZ authorities were claiming that it was impossible to find empty houses for Bosnian Serb returnees.

The Office of Displaced Persons and Refugees (ODPR), a public institution in Zagreb, collected applications from Croat refugees abroad for resettlement in HVO-controlled areas. The Croatian Ministry for Reconstruction and Development furnished them with addresses in Bosnian Croat areas. Pamphlets advertising these services and encouraging relocation to Jajce, Glamoc, Drvar and Bosansko Grahovo have been collected by international organisations.<sup>22</sup> International observers in Drvar estimate that, from the end of 1995 until the summer of 1997, more than 1,500 Croat refugees from Germany settled in the municipality.

<sup>20</sup> “Hostile relocation” is the deliberate placing of groups of displaced persons in housing that belong to other ethnic groups to secure control over territory and prevent minority returns.

<sup>21</sup> *Drvar Municipality*, Repatriation Information Report, UNHCR, May 1996.

<sup>22</sup> A leaflet inviting Bosnian Croats to “choose” a place to live and a job in HVO-controlled areas listed contact numbers in “The Croatian Republic of Herzeg Bosna” and ODPR in Zagreb.

OHR and UNHCR repeatedly have raised the issue of “silent ethnic engineering” with HDZ leaders in Canton 10. Bosnian Croat leaders have been open about their wish to populate Croat-controlled parts of Bosnia with Croat displaced persons from other parts of the country. Croat member of the Bosnian Presidency Kresimir Zubak defends this policy as a response to an “overwhelming need” and stated to international officials in December 1997 at a meeting attended by reporters that, in fact, “not enough Croats are coming to Drvar” from Germany. While HDZ leaders argue in public that “Croats must be able to go back to Bosanski Brod” before Serbs can return to Drvar, in private conversations they make clear that they would much prefer that Croat displaced persons resettle in areas under their control. In addition, leading HDZ politicians argue that they wish to help Germany repatriate Bosnian Croat refugees to areas under their control, counting on tacit support from host countries eager to repatriate refugees. Also, HDZ Drvar party leader Tokmakcija threatened to one international official that the return of Bosnian Serbs would lead to “renewed civil war, once SFOR leaves”.

The HDZ argument that there is no room for Bosnian Serb returns to these areas could become a self-fulfilling prophecy. By the beginning of spring 1998, the right to remain in Western Europe will expire for many Bosnian refugees. Western European governments, especially Germany, are planning to repatriate a large number of refugees. 1998 target numbers for returns from Germany alone are estimated to be more than 100,000, most of whom originate from areas now dominated by other ethnic groups. UNHCR estimates that up to a maximum of 220,000 refugees could repatriate during 1998.<sup>23</sup> Recent studies show that in particular Bosnian Croat returnees from Western Europe are not settling in their original places of residence.<sup>24</sup> Pressure on vacant housing in the north of Canton 10 is certain to increase considerably as more refugees return from Western Europe.

#### **D. Croat control of the local economy**

The availability of employment has been an important reason for Croat displaced persons to relocate to Canton 10 since 1995. As one of the most difficult problems for sustainable returns in general is the lack of employment opportunities, the economic potential of Canton 10 based on timber industries is of great significance. The near total control over the local economy enjoyed by one Croatian enterprise, *Finvest*, is therefore of political significance.

*Finvest* is one of Croatia's leading wood-processing enterprises. According to *Finvest* president Marijan Filipovic, the firm's combined assets in Croatia and Bosnia total in excess of 130 million DM, with an estimated turnover in 1997 of 100 million DM. Since 1996, *Finvest* has become one of the most important economic factors in Canton 10. In October 1997, an estimated 880 people were employed by *Finvest* in Bosnia - 650 in Drvar, 200 in Glamoc and 30 in Bosansko Grahovo.<sup>25</sup> An infusion of about 30 million DM undertaken since March 1996 makes *Finvest* one of the largest foreign investors in the whole Federation. In the process, it has taken over economic activities performed by other enterprises before the war, such as the sawmill in Drvar, which used to employ 2,500 people.

<sup>23</sup> *Bosnia and Herzegovina Repatriation and Return Operation 1998*, UNHCR, 10 December 1997.

<sup>24</sup> A study by the University of Bern on what happened to refugees who returned from Switzerland to Bosnia during 1997 shows that 54.6 percent of Bosnian Croat returnees lived before the war in what is now the Federation but did not return to their pre-war homes.

<sup>25</sup> They are employed by *FinvestDrvar doo* (capital 37 million DM), *FinvestTvornica Reduktora Drvar doo*, *FinvestMotel Bastasica*, *FinvestGlamoc doo* (capital 24.5 million DM) and *FinvestGrahovo doo* (capital 0.85 million DM).

The economic and political importance of *Finvest* in Canton 10 can hardly be exaggerated. In the north of the canton, all economic activity is dependent on this enterprise, which is closely linked to the HDZ, both in Croatia and in Bosnia. When Filipovic visited the sawmills in Drvar at the end of November 1997, he was accompanied by Croatian President Franjo Tudjman's special envoy for Bosnia, the Ambassador of Croatia in Bosnia, and the entire political elite of Canton 10, including the governor and prime minister, as well as the HDZ party chief, the chief of police and the local HVO commander. The regional office of the cantonal ministry for forestry is located in the building of *FinvestDrvar*. The managers of *Finvest*, as well as those of *Sume Herceg-Bosne*, the enterprise based in West Mostar giving licences for the exploitation of forests in areas under HVO control, are influential members of the HDZ.<sup>26</sup>

Before the war, five large factories in the municipality of Drvar employed a total of 4,360 people. Today, besides some activity in the service sector, *Finvest* has a monopoly on employment in the municipality. *Finvest's* production has increased over the past year and a further investment of 8 million DM for a new sawmill is planned. According to the director of the enterprise in Drvar, 60,000 cubic meters of timber were processed in 1997, with the goal to process 100,000 cubic meters in 1998.

*Finvest* has played an important role in supporting the relocation of Bosnian Croats from Central Bosnia to Canton 10. Former Bosnian Croat miners from Central Bosnia were retrained to work for *Finvest* in Drvar, where the average salary, about 500 DM per month, is considerably higher than in the rest of the Federation. These workers are unlikely to return to mines in Central Bosnia which no longer offer employment prospects.

Thus, any attempt to revive the economy in the area depends on *Finvest*. At a meeting with international officials at the end of 1997, *Finvest* representatives indicated that a green light from the municipal authorities would be required for the firm to start employing Serb displaced persons, many of whom worked in the timber industry before the war. However, with a new municipal administration appointed, this should no longer be a stumbling block.

The economic interests of *Finvest* could become a positive factor if the timber industry in Bosnia is regulated in such a way that it operates in a transparent manner. *Finvest* in Croatia is dependent upon timber supplies from Bosnia. As such, it should have an interest in political stability in Canton 10 and in a qualified work-force. The crucial question is whether, once returns change the ethnic make-up of the work-force in the area, *Finvest* will behave as a private enterprise or as the economic arm of the HDZ implementing its nationalistic policies.

## E. The HVO in Drvar

A major concern of Bosnian Serb returnees is the 1<sup>st</sup> HVO Brigade stationed in the very centre of town, where soldiers occupy hundreds of socially owned flats. In addition, a military hospital has been set up in the civilian hospital building of Drvar.

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<sup>26</sup> Former governor of the Neretva-Canton Pero Markovic was recently appointed new director of *Sume Herceg-Bosne*. "Hrvatska balvan revolucija" (Croatian Beam Revolution), *Slobodna Bosna*, 14 December 1997.

According to international officials working in Drvar, HVO soldiers and the local war veterans' organisation, which receives funds and support from the HDZ municipal administration, were involved in numerous arson incidents during 1996 and early 1997. In the second half of 1997, the situation has improved - HVO has stayed out of local politics and its soldiers are no longer obstructing returns. However, an international organisation representative monitoring the situation in Drvar stated in November 1997 that, by their mere presence, "the HVO will be a strong power against Bosnian Serb resettlement in the Drvar area." The same source described the commander of the 1<sup>st</sup> HVO brigade, Brigadier Drazan Milic, as a man holding "extreme views, full of hatred towards Muslims and Serbs". His more moderate former deputy was demoted and sent elsewhere in November.

If the HVO could be persuaded to move its 2,000 soldiers out of the centre of town, this would create room for the return of Bosnian Serb displaced persons without dislocating a single Bosnian Croat displaced person. Through the US-supported "Train and Equip" programme, the HVO is more susceptible to Western pressure than the HDZ political leadership.<sup>27</sup> States financing Train and Equip should condition the allocation of any military equipment to the HVO on the removal of their soldiers from flats belonging to Serb displaced persons in Drvar. In addition, they should insist on the prosecution of HVO soldiers involved in any violence against returnees or their property.

#### **F. The police**

A reliable police force, protecting all citizens without distinction, is obviously important for the return process. Progress in restructuring the police in Canton 10, including the hiring of Bosnian Serb police, has been delayed so far by HDZ cantonal authorities. At the end of 1997, there were around 50 police-officers in Drvar and 45 in Bosansko Grahovo, all Bosnian Croats.

On many occasions during the past months, HDZ strongman in Drvar Drago Tokmakcija warned international officials of dangerous "lunatics" in town, not under HDZ control, who might react if international pressure to allow Bosnian Serb returns increased. The cantonal governor has also explicitly warned of "unpredictable" consequences, should returns proceed. These threats make police restructuring all the more important.

According to IPTF, the reintegration of Serbs in the police force is ready, lists of Serb candidates have been submitted, and some 40 Serb police have been selected. An agreement drafted by IPTF requires that each police station in the area reflects the 1991 population census ratio. However, this agreement has yet to be signed by the Cantonal Minister of the Interior.

#### **G. Glamoc Combat Training Centre**

In an area of Glamoc municipality targeted for minority returns, the Federation Army is building a military training range, the Livno/Glamoc Combat Training Centre (CTC). According to OHR, this will be one of the largest military training centres in Europe, to be used for parallel training by the two components of the Federation Army (ABiH and HVO). Part of this training will be under the Train and Equip programme.

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<sup>27</sup> "Train and Equip" is a US programme of military assistance to the Federation Army. For further information on Train and Equip, see *A Peace, or just a Cease-Fire? The Military Equation in Post-Dayton Bosnia and Herzegovina*, ICG Report, 15 December 1997.

OHR, UNHCR and OSCE have voiced concern that this project would have a negative impact on confidence building and the rights of displaced persons, mostly Bosnian Serbs but also some Bosniacs, hoping to return to Glamoc municipality. These expressions of concern have stopped the enlargement of the training centre temporarily, in order to provide time to address the rights of those whose houses will be demolished in the process.

A viable solution has been recommended by international organisations.<sup>28</sup> The Federation Ministry of Defence is required to co-operate fully with a commission to be set up representing the principal agencies concerned with this matter,<sup>29</sup> and which will ensure that every effort is made by the Federation Ministry of Defence to complete the identification of all people, including potential returnees, affected by the CTC, so that adequate compensation can be paid.

#### H. Aid for Returnees: Hollow promise?

Inadequate humanitarian assistance has been another obstacle to returns in Drvar, especially after some 600 families (mostly heads of households) returned to the municipality in October and November 1997.

When spontaneous returns accelerated, the leaders of displaced Serbs from Drvar were told by UNHCR Banja Luka that they should advise all displaced persons to reconsider their return to Drvar. Impact Team International (ITI), a UNHCR implementing partner, handed out leaflets to Bosnian Serbs in Drvar, arguing that responsibility for any difficulties encountered as a result of spontaneous returns would lie with the leader of the association, Mile Marceta:

"ITI no longer registers people in its rooms. ITI will only give supplies to those who are presently on the list or to those whose application UNHCR Banja Luka has received from Mile Marceta. Because of the damage to houses and the lack of building material, stoves, wood for heating and limited supplies of food, ITI wants to inform you that you should not expect any building material. If you are not in a position to repair your house by yourself, if you cannot assure food for yourself, then we ask you to think carefully about the return to Drvar, and to postpone it to the spring."<sup>30</sup>

At that time ITI did not have a warehouse in Drvar and no other international NGO had an office in town. With the onset of winter, it was obviously difficult to start the reconstruction of houses for returnees. However, winter supplies, clothing and stoves sufficient for the Drvar needs were stored in UNHCR warehouses in Bosnia.<sup>31</sup> Only in the middle of December did considerable amounts of UNHCR humanitarian aid finally reach displaced persons in Drvar.<sup>32</sup>

The real problem in Drvar was not lack of supplies, but poor co-ordination between international organisations and possible mismanagement of food supplies delivered by the UN World Food Programme (WFP) to the local Red Cross.

<sup>28</sup> *Annex concerning the Livno/Glamoc CTC Proposal*, OHR, 27 November 1997.

<sup>29</sup> The OHR, UNHCR, OSCE and the Commission for Real Property Claims, with SFOR as an observer.

<sup>30</sup> Leaflet distributed to Bosnian Serbs in Drvar, first half of November 1997.

<sup>31</sup> In an information bulletin published in December 1997, UNHCR does not even make reference to the 600 spontaneous returnees to Drvar. The only information given about developments in Canton 10 in that period concerns the return of 14 Serb families to Martin Brod. *Information Notes No. 9-11/97*, UNHCR, December 1997.

<sup>32</sup> Since December, UNHCR has forwarded to Drvar thousands of blankets, kitchen sets, beds, plastic sheets for roofing and other supplies.

There are indications that food supplies donated by WFP for Drvar were diverted. International organisations had an early warning of the problem already in the spring 1997, and advised WFP of probable misuse of the aid. WFP sent an investigation team to Drvar in May 1997, but was unable to substantiate any claims of wrongdoing. The conclusion of this field investigation was to visit Drvar more often. The extent of the problem was discovered on 28 November at a meeting of international organisations in Drvar. The local Red Cross and a WFP officer had informed earlier that WFP had provided 10 metric tons of food to Drvar every three months. At the meeting, a new WFP staff revealed to the general surprise of representatives of international organisations that, in fact, an average of 17 metric tons per month were sent to Drvar during the preceding five months.<sup>33</sup>

Since December, as a result of these discoveries, food aid allocated to Bosnian Serb returnees is delivered to SFOR in Drvar instead of the local Red Cross, and then distributed by ITI staff to displaced persons.

#### IV. THE COALITION FOR RETURN

The Coalition for Return was one of the most imaginative initiatives of OHR in 1996. The project was initiated to support a grass-roots movement, encompassing displaced persons' organisations in Bosnia and Europe, based on the principle that for displaced persons to exercise successfully their right to return, they must help each other across ethnic and entity lines.<sup>34</sup>

The Drvar and Bosansko Grahovo Serbs played a prominent role in founding the Coalition for Return in October 1996. Unlike Bosnian Serb displaced persons elsewhere in the country, those from Drvar organised to advocate for their immediate return and formed an association based in many cities of Republika Srpska and FRY. They were branded traitors by authorities in Republika Srpska, who argued that no "real" Serb would contemplate returning to areas not under the control of the SDS (*Srpska demokratska stranka*), the nationalist party led by Radovan Karadzic, indicted for war crimes and genocide. When Bosnian Croats destroyed Serb displaced persons' houses in Drvar, Republika Srpska authorities never protested. Sometimes referred to as "black Serbs" in Republika Srpska, Drvar Serbs were denied access to the mainstream media. In addition, they have repeatedly alleged collusion between SDS and HDZ hard-liners in attempts to prevent their return.<sup>35</sup>

Serbs from Drvar helped form an association of displaced persons from the Western Bosnian Krajina,<sup>36</sup> with sub-associations from the communities of Drvar, Ključ, Bosanski Petrovac, Bosansko Grahovo, Glamoc, Kupres, Bihac, Sanski Most and

<sup>33</sup> According to WFP, food aid delivered to the local Red Cross in Drvar amounted to 17 metric tons in July, 27 metric tons in August, 22.8 metric tons in September, 11 metric tons in October, and 10 metric tons in November 1997.

<sup>34</sup> The founding meeting of the Coalition was held on 30 October 1996 in the OHR office in Sarajevo. By spring 1997, the Coalition had grown into an umbrella for 136 refugee and internally displaced persons' associations. A newsletter *Putokaz* informs regularly about developments.

<sup>35</sup> Mile Marceta, head of the Drvar Association, often complained of such collusion, referring for example to a meeting between delegations of the HDZ and the SDS on 9 November 1997, where Dragan Kalinic (SDS, then speaker of Republika Srpska National Assembly) stated that the Serbs did not want to return to the Federation. *Politika*, Belgrade, 3 November 1997. Velibor Ostojic (a leading SDS politician) also made clear that the SDS disapproved of the Coalition for Drvar's participation in elections outside Republika Srpska.

<sup>36</sup> *Krajina* means border region. Besides the Krajina in Croatia, north-western Bosnia is also referred to as Bosnian Krajina (*Bosanska Krajina*), with Banja Luka as its centre.

Jajce, representing approximately 120,000 people. Already in March 1997, the Drvar Association held a meeting of about 9,000 displaced persons in Banja Luka. This is all the more significant as it took place before the power-struggle between Pale and Banja Luka introduced more pluralism into the Republika Srpska political scene. At that time, the Drvar Association was the most important movement of citizens in the Republika Srpska openly opposed to the SDS ideology.

The head of the association of displaced persons from the Western Bosnian Krajina, Mile Marceta, is also leader of the Drvar Association. He was from the outset one of the most prominent leaders of the Coalition for Return in Bosnian and international media. The Sarajevo news magazine *Dani* named him one of the "personalities of the year 1997" in recognition of his struggle for the right of displaced persons of all national communities to return.

The Drvar Association met with considerable suspicion, individual members were subjected to intimidation, and in some cases active members lost temporary occupancy rights to apartments in favour of SDS loyalists. When Drvar displaced persons residing in Bijeljina participated in the Coalition for Return conference in early 1997 in Tuzla, they lost their displaced persons' identification cards, which entitles the bearer to humanitarian benefits, upon return to Republika Srpska.

By 1997, the Drvar Serbs had succeeded in forming cross-ethnic and cross-entity alliances, using the Coalition for Return network. One partner was the Bosnian Posavina Refugee Community of displaced Bosnian Croats from Derвента and other areas of the Posavina. They too uphold the right of all Bosnians to return to their homes of origin.<sup>37</sup> The HDZ attempted to infiltrate this non-nationalist displaced persons' association, based in Slavonski Brod in Croatia, to convince it to join the official Bosnian Croat displaced persons' association under HDZ-control. The Drvar Serbs and the Posavina Croats continue publicly to support each other's right to return and a declaration by Bosnian Croat displaced persons from Posavina in August 1997 stated: "We give our full support to the Western Krajina Serbs who want to return to Drvar, Bosanski Petrovac, Glamoc and Bosansko Grahovo."<sup>38</sup>

At the Third Congress of the Coalition for Return in Tuzla in February 1997, member associations resolved to take part in municipal elections in order to take the advocacy of displaced persons' rights out of the hands of nationalist parties. However, there were many obstacles, such as displaced persons spread across different countries and efforts to rally them ignored by virtually all Republika Srpska media.

While most Bosniac displaced persons in the Federation registered to vote during the municipal elections in their pre-war municipalities, the majority of displaced Serbs chose to register in municipalities now in Republika Srpska. Given the hostile environment at the time of the registration period, anything else would have been surprising. Nonetheless, two coalitions representing the interests of displaced Serbs from Canton 10 and from Bosanski Petrovac in Canton 1 - *Koalicija za Drvar* (Coalition for Drvar) and *Zavicaaj* (Homeland) - succeeded to persuade their members to register and vote in their pre-war municipalities. As a result, Serb coalitions in Drvar, Bosansko Grahovo and Bosanski Petrovac received around 10,500 votes, or around 40 percent of the pre-war voting age population of about 25,000.<sup>39</sup>

<sup>37</sup> The leader of this movement is a literature professor, Ivo Krizanovic.

<sup>38</sup> *Putokaz*, August 1997. When US Special Envoy Robert Gelbard visited around 4,000 Bosnian Croat displaced persons in Slavonski Brod, he remarked that nowhere else in Croatia had he received applause from an audience for demanding the right of Serbs to return.

<sup>39</sup> *Analysis of the 1997 Municipal Election Results*, ICG statement, 14 October 1997; also *The 1997 Municipal Elections in Bosnia and Hercegovina*, National Democratic Institute, October 1997.



While Bosniac displaced persons' associations can count on political and other support from their authorities, Serb displaced persons' associations are left almost without means. They deserve far greater international support. However, some international officials seem to have given up on minority returns and recommend in internal memos not to place people on the "wrong side of the IEBL". Drvar and Bosansko Grahovo Serbs are sometimes considered with derision, described as "idealists, driven by ideological thoughts to resettle in big masses, not facing the poor living and housing circumstances". Nonetheless, the work of OHR in support of these displaced persons' associations is notable, as are the small but timely contributions made by other organisations, such as the Norwegian Refugee Council, supporting the Drvar Association, and USAID, for opening an information office for the Coalition for Return in Banja Luka in October 1997.

## V. POST-MUNICIPAL ELECTION PERIOD

Implementing the municipal election results is a complex exercise in all areas of Bosnia where displaced persons voted in substantial numbers. But successful implementation could signal a breakthrough for minority returns. However, if real power is not transferred to those who won the elections, these "most technically, legally, and politically complex elections ever attempted by the international community"<sup>40</sup> would have been a wasted opportunity.

In November, the leader of the *Zavicaj* Coalition, Slobodan Sabljic, was elected new mayor of Bosansko Grahovo. In December, Mile Marceta, leader of the Drvar Association, was elected president of the council or "Mayor" of Drvar. These are important first steps. However, most international organisations active in these municipalities predict that HDZ power-structures will retain real control of the municipality.

Moreover, while the Federation Constitution in general gives the cantons considerable discretion regarding which powers to delegate to the municipalities, the Constitution makes clear that the canton must delegate "functions concerning education, culture, tourism, local business and charitable organisations, and radio and television ... to those Municipalities whose majority is other than of the Canton as a whole."<sup>41</sup>

Both Drvar and Bosansko Grahovo now have voting majority populations that are different from that of Canton 10 as a whole. Election Results Implementation Commission (ERIC)<sup>42</sup> should review all amendments of laws in Canton 10 and recommend penalties for violations of the Provisional Election Commission (PEC) Rules and Regulations and the Federation Constitution.

Another problem area is the financial framework for cantonal politics. The governor of Canton 10 informed international organisations in the autumn that a monthly subsidy of 25,000 Croatian Kuna given to the municipalities of Drvar, Bosansko Grahovo and Glamoc to maintain their municipal structures would be discontinued. He also stressed

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<sup>40</sup> *Progress in Municipal Election Implementation*, OSCE document, 12 November 1997.

<sup>41</sup> Federation Constitution adopted 30 March 1994, Chap. 5, Art 2(2). Following the elections, cantonal officials have made clear to international organisations that they considered any autonomous decision-making powers by municipalities harmful to the good of the Canton.

<sup>42</sup> The main body responsible to oversee the implementation of the municipal election results is the ERIC, chaired by the OSCE and including the UN Mission in Bosnia and Herzegovina, European Community Monitoring Mission (ECMM), SFOR, IPTF, OHR, UNHCR and one representative from each of the three ethnic groups. In addition, there are regional ERICs.

that the Canton would begin dealing directly with *Finvest*, closing this source of tax-income to the municipal administration.

## VI. PLANNING MINORITY RETURNS

### A. Strategy of the Reconstruction and Return Task Force

The special importance of Canton 10 for the overall success of minority returns in north-western Bosnia was recognised in the 1998 strategic planning of the north-west Return and Reconstruction Task Force (NW RRTF).<sup>43</sup> The NW RRTF foresees a potential for the return of many tens of thousands of displaced persons across the IEBL in its area of operation.

The NW RRTF has identified two major axes of potential minority return movements for 1998 in north-western Bosnia: "Axis One" involves Serb returns mainly from Western Republika Srpska to the Federation municipalities of Glamoc, Drvar, Bosansko Grahovo, Petrovac and Kljuc; and "Axis Two" involves Bosniac returns to the municipalities of Bosanski Novi, Gradiska, Srbac and Bosanska Dubica in Republika Srpska. Besides these axes, three priority areas for return are identified: the Anvil and Banja Luka region in the western Republika Srpska, and the Bihac pocket in the Federation, where returns of Bosniacs, Croats and Serbs seem possible.

Returns to Canton 10 will encourage Croatian Serb refugees to lobby for their right to return to Croatia. The HDZ leadership is aware that Croatian Serbs are paying close attention to the efforts of Serbs to return to the Federation. If they are successful, the Croatian Serbs will start efforts to return to Croatia. This would in turn facilitate minority (Bosniac and Croat) returns to Western Republika Srpska. This connection is one reason that HDZ hard-liners try to block return of Serbs to Drvar and Bosansko Grahovo.

Simultaneous to preparing Bosnian Serb returns, efforts must continue to help Bosnian Croat displaced persons in Canton 10 to make an informed choice whether they wish to return to their former homes, mostly in Central Bosnia. Getting reciprocal returns underway at more or less the same time undoubtedly would be important to overcome political as well as psychological obstacles. In this context, it is particularly important for the international community to press authorities in Vares to allow the return of displaced Croats. Kakanj, already declared an "open city" by UNHCR, must live up to this claim.

In the weeks following the municipal elections, Croats in Drvar began discussing return to their homes elsewhere. Sources in Drvar estimate that at least 1,000 Croats would be willing to resettle in Central Bosnia. A number of Croats in Drvar have indicated to international officials their disillusionment with criminal elements in their town, without daring to speak about these issues in public.

A key problem in Western Republika Srpska urban centres is overcrowding due to a large number of Croatian Serb refugees and Bosnian Serb internally displaced persons. This is a main obstacle to minority returns especially in Banja Luka, where 25,000 more people live today than in 1991. Of the current population of 220,000, around 85,000 are displaced persons, mainly from Croatia, Canton 10 and Una-Sana

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<sup>43</sup> *Future approaches: Co-ordination and Cross-IEBL contacts*, NW RRTF Discussion Draft, 12 November 1997.

Canton. Some 60,000 former inhabitants of Banja Luka municipality are now in the Una-Sana Canton, in Croatia and other countries.<sup>44</sup>

The successful return of Serbs along Axis One is seen as an important trigger to encourage accelerated returns to other parts of the region. The key challenge is to set in motion a self-sustaining cycle of returns. The return of Serb displaced persons to Canton 10 would give a boost to return of Bosniacs and Croats to Republika Srpska, by freeing space there and facilitating resolution of the intractable problem of “floaters” in Banja Luka.<sup>45</sup> It would also immediately help displaced persons who still live in collective centres in Republika Srpska.

## B. Persuading the Serb Public

Success for Axis One returns, especially in the face of hitherto strong opposition from Republika Srpska authorities, would also be a political signal that the international community continues to support the implementation of Annex 7. Successful and sustainable Serb returns to Canton 10 offer the opportunity to persuade the Bosnian Serb public that minority returns are inevitable and desirable. Political changes in Republika Srpska since July have broken the taboo on discussing the implementation of Annex 7. Following the municipal elections, a number of municipal leaders in Republika Srpska have expressed the wish to declare their municipalities “open cities”, including the leader of the Independent Social Democrats, Milorad Dodik.<sup>46</sup> Municipal leaders of the Socialist Party of Republika Srpska in Sipovo have made similar declarations. Shortly before the Republika Srpska National Assembly elections, President Biljana Plavsic declared that refugee returns to Banja Luka were possible, as long as they would not lead to a worsening of the position of Serb displaced persons.<sup>47</sup>

Media coverage of minority returns has turned from openly hostile to somewhat more understanding. In September, the most watched Republika Srpska-based TV channel SRT-Banja Luka, controlled by Plavsic supporters, carried a long Open Broadcast Network (OBN) documentary describing the plight of displaced persons from Drvar and their struggle for recognition. For the first time, viewers in Banja Luka could hear a Serb displaced person saying, “I want to return to the Federation.” Independent media have also covered the issue more frequently.<sup>48</sup> Increasingly, the Drvar Serbs meet with tolerance instead of open hostility for what is still seen by the Republika Srpska establishment as a futile effort. For the first time since 1995, a debate has started in Republika Srpska about the possibility for Serb displaced persons returning to their pre-war homes in the Federation and the necessity to accept the return of other ethnic groups.

## VII. RECOMMENDATIONS

<sup>44</sup> *Property Situation in Banja Luka*, Human Rights Working Group in Banja Luka, October 1997.

<sup>45</sup> “Floaters” are non-Serbs in Banja Luka (about 300), who spent the war-years in the city but lost their apartments. They are now trying to get reinstated to their apartments, which are often occupied by Serb displaced persons from elsewhere. A typical case in the second week of November: the police in Banja Luka failed to evict a Serb displaced person from Drvar, who had taken possession of the apartment of a Bosniac, even though a local court had ruled in favour of the Bosniac.

<sup>46</sup> The Independent Social Democrats won a plurality of seats in two municipalities near Banja Luka, Laktasi and Srbac, and also entered the Republika Srpska National Assembly in November 1997.

<sup>47</sup> At a meeting with UN High Commissioner for Refugees Sadako Ogata. *Oslobodjenje*, 20 November 1997.

<sup>48</sup> The Banja Luka news magazine *Reporter* published a special feature on refugee returns in July 1997: *Repatriation, the circle that does not close*.

The pragmatic and broad-minded attitude of displaced Serbs from Drvar can serve as catalyst to build support for the return of all displaced persons, especially minorities, to all parts of Bosnia. If the Drvar Serbs fail to return, it would send a discouraging signal to displaced persons in Republika Srpska. This would be exploited by nationalist forces as proof that different ethnic groups cannot live together, and that Annex 7 will be allowed to fail by the international community. Also, it would discredit political forces in Republika Srpska arguing for the reintegration and coexistence of different ethnic groups.

In an attempt to ensure the successful return of Bosnian Serb displaced persons to Canton 10 ICG suggests the following:

1. Instead of selecting specific towns and villages for negotiated returns and tie all budgetary planning to these places, international policy should strive for flexibility and follow the actual flows of returns, with a focus on the creation of preconditions for spontaneous returns. These preconditions include a credible SFOR and IPTF presence, confidence building measures with local authorities, close co-operation with displaced persons' organisations and improved freedom of movement.

The Coalition for Return and other displaced persons' associations are key to the success of any orderly return movement. They have demonstrated their impact by mobilising members to vote in the best interest of displaced persons and by persuading them to comply with the requirements for return agreed upon between local authorities and competent international organisations. Their success is important to demonstrate to the public in both entities that, for returns to succeed, displaced persons from all ethnic groups must work together, often against the interests of the nationalist parties claiming to represent them.

Increased support by the international community for the Coalition for Return should include: training and political counselling for Coalition members (as part of "civil society and governance programmes"); material support for mobility and cross-IEBL projects; and political support by providing high profile exposure to leaders of displaced persons' organisations. The Coalition's message of "voluntary return of all to their homes, regardless of nationality" should be supported via the Bosnian media.

2. A reliable and multi-ethnic police force is essential for sustainable minority returns. The international community should support all efforts by IPTF to reach an agreement on the restructuring of the police in Canton 10 with the cantonal authorities and should press them to recruit Bosnian Serb police officers.
3. The international community must continue to act quickly and firmly in response to blatant acts of obstruction, backed by SFOR when necessary. The international community must make clear to the HDZ leadership, in Zagreb and Sarajevo as well as in Canton 10, that obstruction of minority returns will not be tolerated.
4. The return of Bosnian Croats currently in Germany to the Federation is likely to accelerate in 1998. This could become a major obstacle to potential minority returns within the country if it leads to further "hostile relocations".

Relocation of Bosnian Croats not originally from these municipalities into Serb houses must stop. OHR should urge governments of refugee host countries to discourage returnees from relocating to areas, such as the Drvar-Glamoc corridor, to which original inhabitants are trying to return. Influence should be used with the Zagreb authorities to convince them to stop recruiting Croats to move to these municipalities. UNHCR and ECMM should monitor relocations carefully and alert OHR promptly if they continue.

5. The international community must take all necessary steps to help Bosnian Croat displaced persons now in Canton 10 to return to pre-war homes in Central Bosnia. Pressure must be kept on the SDA-dominated municipality of Vares to accept the return of displaced Croats. Kakanj, a UNHCR "open city", should be called upon to do more to accept returnees. Assessment visits of displaced persons between Canton 10 and Central Bosnia should be encouraged.
6. Insofar as amendments to cantonal law, and withholding of funds are discriminatory attempts to cripple the ability of minority-controlled municipalities to run their own affairs, they must be strongly condemned by ERIC, OSCE and OHR, and such measures reversed.
7. Given positive developments during the past months, NGOs and donors should consider supporting the Canton 10 municipalities with projects that benefit inhabitants of all national groups. In Bosansko Grahovo in particular, the extent of destruction will require considerable investment if returns are to be successful.

Urgent assistance to the Drvar municipality should be considered: improvements to the hospital and school, measures for enhanced garbage disposal, provision of fire-fighting equipment have been identified as viable and necessary projects. There should be support for public transport in the area so that returning Serbs, living in outlying villages, can also commute to town. If the establishment of the municipal governments proceed and spontaneous returns continue, UNHCR should consider these municipalities as potential "open cities". International organisations and donors should also build on the conclusions of the Bosansko Grahovo donors' conference, held in November 1997 under the chairmanship of OHR Banja Luka, to plan reconstruction activities.

8. The major donors to Bosnia and Herzegovina, such as the European Commission and USAID, should include these municipalities in their budgets for projects in 1998. In general, donors should devolve decision-making authority to in-country representative offices, so that they are able to react with flexibility to changing developments on the ground, responding immediately to recommendations of RRTF. Planning should be flexible enough to support actual flows of displaced persons, such as those now taking place in Canton 10.
9. If large-scale returns are to continue, humanitarian assistance to returnees in the first phase of resettlement is essential, particularly during the winter. The humanitarian situation of the Bosnian Serbs living in Martin Brod or in other outlying villages in the municipality is worrying. Lessons must be drawn from the difficulties in the autumn of 1997.

WFP and other donors should continue to support destitute Croat displaced persons in Drvar as well as returning Bosnian Serbs, and should scrutinise local institutions with which they co-operate. Monitoring the use of food aid must be improved. WFP should investigate the diversion of humanitarian aid in 1997 in Canton 10 and sanction those responsible for any wrong-doing.

10. So far, spontaneous returns of Bosnian Serbs have been mostly limited to outlying villages. For the return process to become sustainable, it is important that returns to the city itself is also made possible. Housing for elected Serb municipal councillors should be freed immediately.
11. The international community should encourage commercial firms operating in the region to promote equal employment for all, including for qualified Bosnian Serb returnees. Training for new skills should also be opened to all citizens of the area without discrimination based on nationality or religion.
12. The most practical way to promote the return of Bosnian Serb displaced persons to the city-centre of Drvar within a short period of time and without displacing Croats currently in the city is to insist on the HVO and its soldiers to move out of the centre of the city. States financing Train and Equip should condition the delivery of military equipment allocated to the HVO on their removal from flats that belong to Bosnian Serbs in the centre of Drvar.
13. As negotiated with OHR and OSCE, the Federation Ministry of Defence should guarantee in writing that adequate funds are available for compensation to all potential returnees affected by the Glamoc Combat Training Centre (CTC). The international community should also ensure equal employment during the CTC construction and its subsequent operation.
14. OHR Banja Luka should have sufficient capacity to address political obstacles to Bosnian Serb returns and to build on the momentum by opening other municipalities for minority return opportunities.
15. UNHCR Banja Luka initially failed to seize the window of opportunity for return after the municipal elections in this area. The UNHCR field office in Drvar was only opened at the beginning of December, after its imminent opening had been announced in the spring of 1997. UNHCR's first reaction when spontaneous returns accelerated was to warn Bosnian Serb displaced persons not to return until the spring, as there would not be enough food or heaters to ensure their survival during the winter. If the mistakes of 1997 are not to be repeated, the UNHCR Drvar office should have more adequately resources to support a spontaneous returns as well as orderly ones. From the Drvar field office, UNHCR can also monitor the return process to Bosansko Grahovo, Glamoc and Bosanski Petrova.
16. UNHCR buses in and out of the area are one of the most important contributions of the international community to the return process to date and continue to be of great importance. They should be continued.

**Sarajevo, 19 January 1998**

## **ABOUT THE INTERNATIONAL CRISIS GROUP**

We want to head off crises before they develop,  
rather than react to crises after they happen.

Senator George Mitchell, ICG Board of Trustees Chair

The International Crisis Group (ICG) is a multinational non-governmental organisation founded in 1995 to reinforce the capacity and resolve of the international community to head off crises before they develop into full-blown disasters. ICG board members - many of them high profile leaders in the fields of politics, business and the media - are committed to using their influence to help focus the attention of governments, international organisations and the private sector on impending crises and to build support for early preventive action.

Since February 1996 ICG has been engaged in Bosnia and Herzegovina in support of the international effort to implement the Dayton Peace Agreement. Based in Bosnia, the ICG staff have monitored progress towards implementation of the peace accord, identifying potential obstacles, and advocating strategies for overcoming them. ICG's priority has been to assist the international community and to pre-empt threats to the peace process before they have a chance to re-ignite the conflict that has ravaged the region since 1991.

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