

books which breach the moratorium on teaching the history of the conflict; issuance of bilingual school signs; and increased availability of social welfare, with two social welfare centres and two unemployment centres operating.

The report states that the ability to enjoy educational and cultural autonomy, as guaranteed by Croatian law, will be a primary determinant of the willingness of Serb citizens to stay in the region and a measure of Croatia's commitments to international standards of minority rights.

On the issue of economic reintegration, reference is made to the concerns of residents in response to the government's programme for privatization of public and state-owned enterprises; the government gave assurances that priority would be given to social stability rather than to economic considerations in this process. With regard to the return of displaced persons to their homes, the process was increasingly limited by continued legal and financial obstacles to the return of occupied properties to their legal owners, by delays in providing government funding for the reconstruction of houses owned by Serb citizens, and by uncertain economic and social conditions in areas of potential return. No progress had been achieved in establishing concrete mechanisms for the return of occupied property to Serb citizens, or in resolving the issue of their lost tenancy rights.

In terms of human rights, the number of reported cases of harassment of ethnic Serbs continued to be a cause of concern. Problems included: that many Serb displaced persons were harassed by Croat house owners; hate mail, telephone harassment and personal intimidation of Serbs by Croats; obstruction in issuing citizenship, pension and birth registration documents, mainly at the local level; allegations of misbehaviour and unprofessional conduct by some police officers; police participation in assaults on residents of the region and other forms of intimidation, noting that senior officials took appropriate measures to investigate reported incidents and to discipline those found guilty in accordance with Croatian law. Concerns related to efforts to make the Transitional Police Force a truly professional force which enjoys the confidence of both Serbs and Croats included: overcoming the reluctance of some officers to investigate cases with ethnic overtones; responding to the apprehension of ethnic Serb officers in terms of their personal future and work prospects; and, the need to improve the level of training and professionalism of many officers, noting that nearly all ethnic Serb police officers require additional basic training and ethnic Croat officers show a need for greater inter-ethnic understanding and for human rights and community police training.

The Secretary-General's reports on the UN Police Support Group (S/1998/500, June 1998; S/1998/887, September 1998) provide an overview of the activities of the UN Police Support Group (UNPSG) and the scheduled termination of the mandate by 15 October 1998.

The report states that security in the Danube region continued to be relatively stable and that the level of crime

was lower than in most other areas of Croatia, in part because of the high ratio of police officers to residents and to international monitoring. The overall level of housing-related incidents was decreasing. The decline in the number of such incidents reflected the fact that fewer Serb displaced persons remained in the region, either as a result of resettlement in their original homes or in accommodation elsewhere in Croatia, or as a result of their departure to other countries. While the number of ethnically related incidents had also decreased, their severity had increased, with verbal intimidation being replaced by more violent incidents, including shootings, explosions, assaults and vandalism. These incidents were often directed against symbolically important objects such as community monuments.

The report notes that overall police response to criminal activity meets international standards for law enforcement agencies, but police response to ethnic incidents was inadequate: would-be-offenders were of the impression that the police would not act, while displaced persons believed that the homeowner and the police were in collusion. The performance of the police was also being undermined by an inefficient judicial system in which the courts failed to hear promptly charges against offenders.

Positive aspects in the government's Programme for the Return and Accommodation of Displaced Persons, Refugees and Exiled Persons are noted as are its shortcomings, including that it does not establish a satisfactory non-discriminatory mechanism to enable apartment dwellers to return to formerly socially owned apartments or to receive alternative accommodation or compensation. Key factors contributing to departures by Serbs are: continued security incidents and ethnically related intimidations; a dire economic situation; bureaucratic hurdles; discriminatory legislation; and a stalled two-way return programme. Problems impeding two-way returns are noted as including: the absence of economic revitalization, the lack of employment opportunities in many areas of return and a low level of confidence in the prospects for long-term return; and, the presence of "regional returns", for example, Bosnian Croat refugees who are occupying many Croatian Serb houses in the Krajina.

Almost no progress had been made in the implementation of the government's national reconciliation plan and, at the time the report was prepared, both television and print media, including those under state control, continued to give space to rhetoric that undermined reconciliation. Other problems included: inconsistency and confusion in the implementation of the amnesty law related to war crimes and national "war crimes" trials; the continuing deadlock of the Vukovar City Council — impeding Croat returns and the economic revitalization of the city — because of the inability of local leaders of both ethnicities to work together; and, the fact that the Joint Council of Municipalities lacked an appropriate legal status and was on the brink of collapse.