# Security and Defence Reforms A Croatian Armed Forces Case

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Original paper UDC 343.1:355.3(497.5) Received in June 2003

Upon declaring independence, the Republic of Croatia had to develop its armed forces from scratch facing aggression and war. The issue of reforming Croatian defense system has been around for almost as long as the Croatian Armed Forces themselves. The Croatian Army Forces proved themselves by victory, when they liberated Croatian occupied territories. Croatian security environment has changed dramatically. The President of the Republic established a new force structure. Ministry of Defense, the Joint Staff and Armed Forces HQ has a new organizational structure. The Ministry of Defense will develop the "Armed Forces 2015 Long-Term Development Plan". Croatia today looks at joining both NATO and the EU as top priorities.

Key words: Croatian Army Forces, reforming defense system, NATO, EU

#### 1. Introduction

The issue of reforming Croatian defense system has been around for almost as long as the Croatian Armed Forces themselves. Upon declaring independence, Croatia had to develop its armed forces literally from scratch, in particularly unfavorable circumstances - facing aggression and war. In building up our military we have faced many challenges; the majority were related to the lack of proper experience in running a modern defense system. Nonetheless, the Croatian Armed Forces proved themselves by success and victory; they defended the country and, in a decisive and brilliant operation, they liberated most of the UN declared "occupied territories" in Croatia.

However, soon after the war ended, it became obvious that in peacetime we needed a different kind of military. The priorities of society changed, and so did its expectations with regard to the military, its missions, and the resources available for defense.

Croatian environment has also changed dramatically. The security environment of today is significantly different than that of only ten years ago. At present, Croatia sees no direct threat either to its survival or to its vital national interests. But the broader environment remains unstable, and the delicate balance of peace is still fragile. The list of new and old security challenges and threats has grown even longer: economic and political instability, ethnic and religious intolerance, illegal migration, proliferation of weapons of mass destruction, drug-trafficking, natural disasters, and the most devastating of all - transnational terrorism. Obviously, new threats and new challenges require new commitments and accountability, above all in terms of capabilities.

## 2. New defense capabilities

New political commitments that Croatia has accepted in the international fora call for new defense capabilities. Peace support operations and humanitarian missions, in which Croatia is increasingly participating today, will soon be augmented and complemented by the growing demands of crisis response operations and collective defense responsibilities.

At the same time, our defense budget has decreased due to the other pressing priorities of a postwar society; limited resources have been allocated to stimuli in economic recovery, reconstruction of infrastructure and private property destroyed during

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the war, to de-mining, as well as to judicial, public, health and educational reforms. Hence, the defense budget has been decreasing steadily for seven consecutive years. With the military, whose size has been decreased at a much slower pace, the funds required for modernization, procurement, as well as research and development have become all but meaningful.

During the transition from wartime to peacetime military, it became obvious that the Croatian
Armed Forces were not structured for new missions
or for the broad spectrum of non-traditional tasks,
especially those which are of an international nature. Previously, numerous attempts to reform the
Armed Forces did not ensue in adequate results, for
a variety of reasons. These included: lack of a clear
and coherent vision and strategic documents, as well
as planning mechanisms to implement reforms. In
addition, tensions and clashes between different interest groups within and without the defense system,
as well as poor compromises, all added to the failure
of previous reform attempts.

In the years following the war, difficulties multiplied at such a pace that we had to face numerous challenges and issues seeking urgent solutions. Obviously, the need for a radical and comprehensive defense reform was an issue that had no credible alternative.

## 3. Working Plan 2000-2004

Recognizing the need for a resolute and comprehensive approach, the Government defined the defense reform in its Working Plan 2000-2004. The Plan focuses on enhancing the effectiveness of the Croatian Armed Forces in terms of executing their missions, while increasing their interoperability with NATO. Through this plan, the basic elements necessary for the undertaking of defense reforms were clearly set up. Soon after, key strategic documents were developed and a comprehensive defense related legal reform was launched. In March 2002, the Croatian Parliament passed two key strategic documents - the "National Security Strategy of the Republic of Croatia" and the "Defense Strategy of the Republic of Croatia ", and a few months ago the President approved the "National Military Strategy'. These documents define Croatia's vital interests, contain national security and defense policy objectives, and direct defense reforms towards the development of key defense capabilities.

Parallel to this, the Parliament has adopted a number of defense related laws and passed some new ones. The Croatian Parliament amended the Constitution in late 2000 and passed six defense related laws in March 2002. Constitutional changes have addressed the issue of Croatian military units participating in operations abroad, and the new Law on Participation in International Operations defines these issues in greater detail. The new Defense Law establishes responsibility over the defense system in a much more balanced and detailed manner amongst the highest institutions of the Government, emphasizing the issue of democratic control of the Armed Forces through a more accurate division of authorities and responsibilities among the key players involved in the defense structure. With that, we have laid down a solid foundation and assured broader political support for defense reforms.

With all that accomplished we have reached an important milestone on our defense reform roadmap, but the biggest and the most difficult part of our work still lies ahead. The first part of these reforms helped us to articulate our goal clearly — to develop a capable, modern, affordable and adequately-sized force, trained and equipped to meet Croatia's defense needs as well as our international commitments. What comes next is going to be challenging and painful, however there is no other credible alternative. The next steps in reforming our defense system will also be the most visible ones. These include changes in the organization, the size of the MoD and the Armed Forces, changes in the way of conducting daily business, and the establishment of new standard operational procedures and further adjustments towards defense legislation.

#### 4. New organizational structure of the Ministry of Defense, the Joint Staff and Armed Forces HQs and units

In fact, we have been in that second phase for some time. A new organizational structure of the Ministry of Defense, the Joint Staff and Armed Forces HQs and units are already in place. The President — through an executive decision — established a new force structure, and authorized a new peace and wartime strength of the military. The authorized peacetime size was decreased from 55,000 to 33,000 personnel, and the new reserve size is now 109,000. There are three newly established commands: the Army Command, the Joint Training and Education Command, and the Logistics Command. The Army organization was simplified by reducing the territorial structure from 6 Area Commands down to 4 Corps. The number of brigades was reduced from 63 to 45, where 4 of them are to be highly capable and mobile guard brigades.

Concurrently, the Government defined a new size and thoroughly changed the organization of the Ministry of Defense. The guiding principle was to develop a more efficient and effective organization, with a business-like approach in managing defense.

Currently, both the process of personneldownsizing and manning the new structure have been going on in parallel, The downsizing program has to be completed relatively soon, all the while carefully bearing in mind the economic capabilities of the country and the overall social implications it will bring about. If taken individually, these will constitute the greatest challenge for the whole reform program. By vigorously executing the downsizing of personnel, we aim to improve the age, rank structure, and educational level of military personnel. The criteria for selection have already been set out and the process of selection is well underway, with more than 30,000 military personnel already checked against the criteria. Since December 2002, more than 4,000 personnel have left the military voluntarily. In Croatia we are confident that the further downsizing of an additional 6,000 selected personnel will be reached by the end of this year.

One of the planned projects to deal with the excess of personnel is the status of active reserve. As part of the arrangements in dealing with the Homeland War legacy issues, provisions have been made for the formation of a small active reserve force as a one-time event. Its purpose is to provide for an extended transitional arrangement for a small core of military personnel whilst they continue a longerterm search for civilian employment or retire if this comes sooner. Thus, an individual selected as an active reserve can remain in this status for no more than 5 years. Final arrangements have not yet been fully completed, but estimates suggest that the number in this scheme will be no more than about 3,000. These individuals will be included in the Army Reserves; however, they will not undergo further training nor be eligible for promotion, rather they will provide for an interim reserve capability.

It must be pointed out however, that the main thrust of the personnel-downsizing program is the SPECTRA initiative. This is a set of supporting programs that last between 2 and 8 months, ranging from self-recognition and adaptation courses, to re-training during which time excess personnel have to decide about their future career in civilian institutions. Provisions have been made to process up to 3,000 people a year according to this scheme, but, if proven successful, this will be a long-term commitment of the Government of Croatia.

In terms of the future force structure and Croatia's intentions to join NATO, issues still remain to be addressed. We have to look beyond the short-term objectives, and more towards the challenges of the future and Croatia's position in the international community. We still have to strike a right balance between the national defense role and contributing towards international operations. Obviously, we will have to make adjustments to our force structure and give more weight towards forces deployable and capable of addressing new common threats. Our legal framework must be further amended to make it efficient and operational to deploy forces abroad or support allied forces at home. Thus, it has been well recognized that the current reform process will soon be followed with a new review and new adjustments towards reform plans.

#### 5. Armed Forces 2015 Long-Term Development Plan

Therefore, the Ministry of Defense will develop the "Armed Forces 2015 Long-Term Development Plan" to provide a clear vision of the role of our armed forces in the changing security environment.

But, in the short run, the single most important element to influence the force structure will come out of the upcoming debate on whether to go with a fully professional military or opt for a different solution. To help find the best option for Croatia, the Croatian Government has commissioned a study on the maintenance of a fully professional armed force structure. The study shall be developed in co-operation with academic experts and civilian institutes by the end of 2003. It will present the benefits and weaknesses of maintaining an all-volunteer military and will establish a foundation for transforming the current armed forces, in the event that such a decision should be taken. We understand that the consequences of any decision concerning this issue are far reaching, and cannot be taken lightly. Furthermore, they cannot be used for short-term political gains.

At the same time, the system of professional development of military and civilian employees will be precisely defined and will be equal to the conditions and terms of promotion in other sectors of state administration. The education system of military personnel has been redefined, improved and integrated, with the civilian educational system to the maximum extent.

The realization of this reform will depend considerably on the resources available. We believe that in the future, we will be able to stop the downward trend and keep the defense budget at 2.2% of the

GDP. However, this factor alone will not suffice to finance the reform of the Armed Forces in an optimal way. It will be of the utmost importance to determine priorities and carry out a radical reassignment of resources within the defense budget, thereby allocating more funds for programs concerned with modernization and procurement of necessary equipment.

The strategic orientation of the Republic of Croatia to join NATO will have a significant impact on the reform process. One of the basic governing ideas in the planning and implementation of reforms is interoperability with the Armed Forces of NATO member countries. The steps we have undertaken in order to prepare the Croatian defense system for NATO membership are fully compatible with our goal of creating a modern, efficient, and affordable defense system.

The reform of Croatian defense system will greatly benefit from our relations with NATO in many ways. The experience of NATO countries in creating their modern defense systems already has and will have a significant guiding impact on the decisions we in Croatia will make with regards to our defense reforms. Croatia already makes extensive use of various mechanisms which NATO offers to partner countries, such as the Planning and Review Process (PARP), Partnership Goals (PG), Membership Action Plans (MAP), multinational military exercises, and consultations on common security concerns, to name just the most important ones.

# 6. The prospect of NATO membership

Additionally, the prospect of NATO membership acts as an internal impetus for the successful implementation of reform efforts. The expert advice and assistance we receive from NATO countries, as well as exposure of our officers to practices and experiences of others may help ease the internal resistance towards reforms. The active participation of Croatia in PfP activities, and closer cooperation with NATO will positively influence the reform of the Croatian Armed Forces, especially in respect of necessary adjustments towards legislative regulations, elaboration of new standards in operating procedures, and in the defining of modernization plans.

There is another important and profound effect that the military aspects of Croatia – NATO relations have, and will continue to have, towards regional stability and co-operation. In accordance with one of the major principles on which Partnership for Peace is based on — transparency — Croatia is ready

and willing to exchange information concerning its defense system, as well as structures and plans, and has been doing so through PfP and EAPC forums. Such transparency efforts build and strengthen mutual trust and understanding in the region.

In that regard, Croatia views its participation in PfP and EAPC, not only as a first step on our path to the full-fledged membership in NATO, but as one of the most efficient international frameworks that enable us to promote our national security interests and improve stability and security in our region. We value dialogue, consultations, and practical cooperation opportunities within PfP/EAPC on the most pressing issues of mutual security concern. Croatia believes that, in the upcoming years, the EAPC and PfP will increase in terms of their relevance and importance to NATO and Partner countries.

#### 7. Conclusion

Together with the enlargement of the EU, we in Croatia believe this to be one of the most fundamental elements in contributing towards the common security and stability in the Euro-Atlantic area. We have also taken note of the fact that NATO, the most successful military alliance in history, by invoking the Article V in 2001, has gone global. Croatia looks at joining both NATO and the EU as top priorities, and mutually reinforcing and complementary processes. Croatia expects that NATO will continue with its "open-door" policy and hopes that every future aspirant country will be assessed on an individual basis and according to its own merits.