



Year 2019  
Number 001

## **Crisis and Crisis Management in the Republic of Croatia**

Crises are most often the result of failure to manage risks and the result of objective events and their subjective assessment by those with societal power and control over information. They are conditioned by a number of factors, and their causes and consequences range from (mis)understanding and denial of events, through acceptance (with reactive action) to the systematic management. There are numerous reasons and states that lead to the potential for crises occurrence, and according to causes, they can be natural, technical-technological and intentionally or unintentionally caused by people. A globalized world, extremely networked and interactive, political instability, climate change, overcrowding, uncontrolled migration, mismanagement, crime, and many other factors, create the circumstances from which crises can arise and if not acted upon locally (which is sometimes not possible), they acquire transboundary influence very quickly and become strategically important in many environments. Frequent crises represent the inevitability of the developed world, their number and consequences are increasing, same as numerous domino effects – and a fundamental way of dealing with them is a reactive approach. What is important in these circumstances is the question of whether is there a systematic approach to this topic? Where it does not exist (referring to all those countries that do not have a crisis management system in place), their capabilities are most often assessed by impression. Impression is it possible to identify the indicators of a future crisis, the impression that a crisis is taking place; the impression that dealing with crises is an individual or a collective obligation (and whose); impression of immediate and long-term indirect consequences; an impression of personal responsibility? Precisely, the impression, as an experience provoked by empirical observation and theoretical study, which is not measurable but ubiquitous, often represents the prevailing criterion in discussions on crisis management in the Republic of Croatia.

The impression (whether personal or societal) is chosen, because it is, in an system which is not established and where no clear and measurable elements of assessment and impact are introduced; internationally or nationally recognized standards for a particular area; protocols and exercises; inter-departmental and international coordination; the process of identified and lessons learned – a factor that determines many things. Primary reliance on impression as a measure of (un)successfulness is not necessarily a limiting factor, especially in environments that lack the resources (human, material, financial) to set up and manage a particular system effectively. Therefore, it is important to understand and know how to manage the impression itself. We will use concrete example, which is essence of the



results of numerous analyzes around the world, from a field that is complementary to crisis management (and makes its integral part) and that concerns the anti-terrorism measures of a particular country. To have more concrete example, Republic of Croatia case will be used. Croatia takes the threat of any type of terrorism most seriously and has a zero tolerance for it. We have adopted the *National Strategy for the Prevention and Suppression of Terrorism* (Official Gazette, number 108/15) and Action plan, binded agencies in the security sector on this matter, their cooperation and coordination with other sectors, successful international exchange of data, information and experts, operational measures and trained operational forces. We can say that we have an established system. But what always remains open question, and never possible to answer with great certainty, is whether unexecuted attacks on our soil are the result of the success of anti-terrorism measures and the work of all our competent authorities, or we are not interesting as a target? In this example, impression, for the Republic of Croatia, other countries and numerous other areas, is a key factor in assessing a particular case and situation. Some will have the impression that our security services are doing an excellent anti-terrorism job, others will be under the impression that it is mere coincidence that terrorist attacks didn't occur in Croatia. This can also qualify the impression as a benchmark for discussing crises and crisis management.

Crisis can be researched from numerous angles and perspectives, and each societal sector has its own specificities. That is unquestionable. Somewhat less questionable is at what levels they need to be studied and acted upon and what are the stages of action in crises (or crisis management). According to Professor Ole Holsti, there are four reference levels of crisis analysis: 1) the individual; 2) a group; 3) organization; 4) the state. These levels are highly interactive, they interface with each other and crises spill over from one level to another. From this division we derive that the respective levels are responsible for crisis management – each according to their abilities and powers, where the state level is most responsible because it has the ability and responsibility to set rules for itself and other levels for how to act within national borders, and for activities in international organizations to contribute to regional and global efforts. Therefore, in this case we are particularly interested in the level of the state, that is, the way in which the Republic of Croatia (political executive level) regulates and manages this area. Another important perspective is the crisis response cycle, where we take into account, globally most accepted cycle which consists of four phases: prevention, preparedness, response and recovery.

The aim of this policy analysis is to present the strategic-normative development of the area of crisis management so far, to highlight the impression of the success of the crisis management activities already conducted, and to ask key questions for perspective of the continued development of this area.



This approach is important because if we do not identify and determine what our key challenges are, we cannot solve them.

The first *National Security Strategy* (Official Gazette, number 32/02) of the Republic of Croatia, adopted in 2002, recognizes crises as the naturalness of the territory in which we live and belong, and as a significant security challenge of the Republic of Croatia. Crises are mentioned in the Strategy seventeen times in total, where the most significant part – besides specifying certain sectoral approaches – is the need for the development of an integrated system: “The Civil Protection System of the Republic of Croatia is the main organizational framework in prevention and recovery of natural and technological disasters consequences. As Republic of Croatia is facing persistent security risks in this area, further development of the civil protection system should be directed towards the organization of a single system of protection and rescue. This will be achieved through the integration of the various parts of the system, currently deployed in a number of ministries, into a modern civil-military crisis planning and crisis management system.” This has not been implemented, and activities in defining and setting up a civil-military crisis planning and crisis management system (although with several initiatives), have never led to a more serious cross-sectoral debate.

Fifteen years after the *National Security Strategy* (2002) became irrelevant in numerous areas, in 2017 a new *National Security Strategy* was adopted (Official Gazette, number 73/17), only the second one after the independence of the Republic of Croatia. This Strategy also recognizes crises as a significant disruptive impact on the security and stability of the Republic of Croatia and links the development of crisis management activities on the national territory, to the establishment of a homeland security system that will ensure “rational, efficient and harmonized use of existing resources to reduce or eliminate national security risks.” One of the important reasons for setting up a homeland security system is exactly, crisis management: “Past experiences in emergency response indicate the need to establish a model that will systematically address identified deficiencies by ensuring coordinated planning and response in emergencies and crisis management. The goal is to achieve a synergistic preventive effect of multiple factors, to quickly and effectively prevent, or eliminate the adverse effects of an emergency or crisis event, and to shorten the recovery and return time to a functional state before a crisis event occurrence”. This is much better formulated than in the previous Strategy and it undoubtedly raises the question of crises at the state level of governance.

Pursuant to the Strategy, the *Homeland Security Act* (Official Gazette, number 108/17) was adopted the same year, which aims to operationalize the establishment of the homeland security system and regulate the “coordinated action of the body of the homeland security system and the implementation of activities and tasks within the competence of the body of the homeland security



system arising from this Act, which relate to security risk management and crisis management.” For the first time, there is normative definition of terms: homeland security system, crisis, risk and threat. The crisis is defined as “an event or condition that threatens national security, health and life of citizens, significantly damages the environment or causes significant economic damage, and the response to such an event or situation requires coordinated action by several state bodies and the coordinated application of measures within the competence of those bodies”. The Act establishes the Homeland Security System Coordination as an “interdepartmental authority responsible for harmonization and coordination of the homeland security system activities”, which becomes a key national instrument in the area of systematic crisis management. It is an *ad hoc* body that has a composition but does not currently have an office, address, telephone number and clearly defined who prepares its work basis. In such circumstances, it cannot engage in crucial crisis response action – prevention. Therefore, it is currently more appropriate to call it an instrument, than a body in the full sense of that term. Since its establishment, the Coordination has held several meetings and sessions, adopted Annual Work Plans for 2018 and 2019 and participated in two simulation exercises “Cyber shield” 2018 and “Cyber shield” 2019. Through these exercises, the implementation of the operational component of *Act on the Cyber Security of the Key Service Operators and Digital Services Providers* (Official Gazette, number 64/18) is encouraged, and verification of escalation of actions of competent authorities (in the part related to cyber security) towards Coordination and elaboration of procedures.

This fact-finding strategic-normative part was easy to describe, because it represents essence of organized cross-sectoral activities of regulated crisis management in the Republic of Croatia over the last twenty years. Clearly, this is an impression, same as the impression that much more work has been done by sectors (by themselves), and that we have a much greater challenge when we need to act cross-sectorally. An examples of national cross-sectoral crisis management are certainly the activities carried out all these years through the National Security Council and within the security-intelligence system, the Defense Council in the field of defense, the Civil Protection Headquarter of the Republic of Croatia on civil protection issues and other similar examples – so we cannot say that there are no models and instruments at national level that deal with crisis. What is the fact, the systems we have at our disposal were not sufficiently coordinated, interconnected and preventively oriented, largely operating independently without vertical and horizontal synchronization. What is missing all this time is a systematic approach to all possible crises that Republic of Croatia may face, with an emphasis on prevention and preparedness.

We can also give few examples of crises encountered by the Republic of Croatia, which are not exclusively of a security nature, but will give an impression of the success of their resolution. The 2008 Global financial crisis has hit many markets and countries, but the Republic of Croatia has not



acknowledged that the crisis exists, is actually happening in Croatia and we need to act accordingly. The result was that we entered a recession and it took us ten years to return to the pre-crisis situation, while countries that resolutely and successfully faced the crisis had an average of three years recovery. Extreme rainfall in 2014 as catastrophic event occurred in the eastern part of Croatia, had the Government officially declared a catastrophe for the Vukovar-Srijem County, and with successful action and national reaction, there was no development and spread of infectious diseases, misdemeanors and criminal offenses, misuse of humanitarian aid and meat dead animals – and everything that is the usual negative domino effect in such situations in different parts of the world. One year later, Republic of Croatia was affected by the refugee-migrant crisis, where by the political decisions from the level of the highest bodies of the European Union and the Member States (also, the Republic of Croatia) it was temporary suspended application of a set of state border control laws in aim of the passage of refugees and migrants from Greece to Western Europe. By engaging numerous national resources, Croatia has successfully resolved this crisis. The last example selected to highlight, is the ongoing crisis in shipbuilding in the Republic of Croatia. This is a crisis that has been going on for many years, has its ups and downs, being issue of all the Governments so far, and has never been fully resolved. The impression that prevails, when looking at these examples, is that the issue of crisis, dealing with them and acting upon, has a highly reactive approach – from negating the fact that we are in crisis, through very successful reactions and elimination of the crisis (where we excellent at improvisation but not systematic action) all the way to the inability to solve the crisis. A key reason for all of this is the lack of a crisis management system that involves cross-sectoral cooperation in prevention, preparedness, response and recovery, as well as determining which crises we need to address cross-sectorally, and which are the responsibility of specific sector.

The first more concrete step to establish a system after adoption of *National Security Strategy* in 2002, according to authors Siniša Tatalović, Anton Grizold and Vlatko Cvrtila (the stance expressed in their book *Contemporary security policies*, 2008) was establishment of new body – National Protection and Rescue Directorate (NPRD) as attempt to “avoid overlapping the competences of various national authorities dealing with protection and rescue, and to ensure that their activities in accidents and disasters were coordinated. Although these activities are only a segment of an integrated crisis management system, this could have been the first step in building such a system.” The authors conclude that NPRD “failed to achieve the required results” because it “did not have the necessary staff structure” and “failed to cooperate with other services essential for its successful operation.” This has not changed, not even for many years after the conclusion of these authors. To add to this, there is also a “sin” of executive authority which has never seriously allowed NPRD to be at the strategic level a body that will coordinate activities and tasks based on its original powers and then to grow into a



national body in charge of many different aspects of crisis management. *National Security Strategy* of 2017, in field of civil protection had a task of development of “comprehensive overview of the existing state of capabilities, threats and risks, and to propose a harmonized capacity building model that will cover the capabilities to respond to day-to-day needs for regular operations, emergencies, disasters and crises on land and sea.” In connection to that and in accordance to Annual Work Plan for 2018 of the Homeland Security System Coordination, the Coordination had a task to develop a proposal for defining position and role of the NPRD as the central body of the state administration for civil protection tasks. Analysis was made, but not presented, because the Government (in parallel with Coordination work on mentioned proposal) has decided to abolish NPRD at the end of 2018. NPRD affairs are taken over by the Ministry of the Interior through a new organizational unit, the Civil Protection Directorate.

This example shows strategic confusion – both in the context of the 2002 *National Security Strategy*, where the area of crisis management is related to the civil protection system, and the subsequent attempt of institutional solution. Since then, it has been repeated mistake that in the absence of modern strategic and normative solutions, the issue of crises and crisis management is linked primarily to the civil protection system. That approach, of reducing crisis management to civil protection activities leads to a complete disregard for system-level prevention in all other areas outside the scope of civil protection. This has left us “standing still in one place” for many years, and we have not developed a good civil protection system due to this pressure. In the period between the two national security strategies, all the efforts that took place were sectoral, the concept of crisis was not normatively defined as well as the competences of crisis management, and every time something was done there were more reactions to obligations towards international organizations – in the area civil protection towards the European Union, in terms of defense against the NATO Alliance – rather than a determination to regulate the area for ourselves.

As an example of a lack of strategic coordination, we will also mention adoption and implementation of *Critical Infrastructure Act*. First, it should be mentioned that the Ministry of Defense of the Republic of Croatia (MoD) adopted in 1999 *Ordinance on the criteria for the designation and protection of objects of particular importance for the defense of the country* in accordance with the *Defense Act* (Official Gazette, number 74/93, 57/96). Through this process, criteria for designating military and other facilities of particular importance for the defense of the country were given, methodology for threat assessment and protection plans for military and other facilities was adopted, facilities were designated and catalogued, and general and specific measures for the protection of this facilities were determined, as well as many other activities. The process is established, well-functioning and operational. There is a great similarity (in some cases, even the



equivalence) of these provisions with those of *Critical Infrastructure Act* (adopted in 2013) and its by-laws, but without transferring of knowledge, experience and logic from one process to another. More interestingly, NPRD (as competent body and coordinator of the critical infrastructure protection system at that time) was in no way involved in the process and system of protection of facilities especially important for the defense of the country, nor was the MoD involved in the other process, that is, the establishment of the critical infrastructure protection system – from the segment of knowledge transfer for drafting of normative documents; the identification of key processes; to the implementation of any significant activity.

This example is additionally interesting because practitioners working in facilities of special importance for the defense of the Republic of Croatia have on several occasions publicly stated that in many cases these are the same objects which, through a system coordinated by the MoD, are designated as objects of special importance for defense of country, and will most likely be designated as national critical infrastructure defined by *Critical Infrastructure Act*. It is rightly to ask, why the state does not coordinate its key security processes, and at the moment of forming (then) new system, worries if it will bring new demands, instead of harmonizing standards. Such an approach represents a time and financial burden, because with the lack of coordination between MoD and NPRD (if MoD and NPRD cannot harmonize by themselves, the question is then who coordinates them and in which quality) more time and energy is spent. It is important to point out that even six full years after the adoption of *Critical Infrastructure Act*, those responsible for its implementation have failed to complete the process and designate national critical infrastructures, although the vast majority of sectors have identified what is critical for them.

While this example of cooperation is negative, both actors (MoD and NPRD) have shown that they can work very well in other areas. For example, in cooperation regarding our commitments to NATO in the field of crisis management. In February 2014, the Government of the Republic of Croatia has adopted *Decision about appointing national implementation coordinators of the North Atlantic Treaty Organization crisis response measure and their responsibilities*, which applies. According to the Decision, the operational document for the implementation of the crisis response measures is *NATO Crisis Response System Manual*. It is important that the Manual outlines, among other things, activities related to the critical infrastructure protection, and the coordinator of the overall process is MoD. After the Government Decision, the process of designating a carrier for each of the critical infrastructure protection measures in the Manual followed. Then, scenarios were created for each of the measures and summarized in a Report prepared by the MoD and delivered to the Government of the Republic of Croatia. In this process, MoD and NPRD, collaborated very well and coordinated, and it is logical to question, why they did not cooperate in the process described above



(to the necessary extent), because it is probable that the contribution doesn't have to be identical, but certainly both organizations can help each other in systems they lead and coordinate. These situations are an indication how the Republic of Croatia has a lot of space to improve governance in the security sector, the coordination of key processes and actors, and the greater use of research and science in all the aforementioned activities.

There are additional examples of facts (impressions), that may be mentioned, but to careful reader these will suffice to create a picture of analyzed area. The last example, important to single out, consists of several parts and concerns the lack of national vision as well as implementation in this field. The first part relates to the non-recognition of this area as a profession. So far, the professions related to crisis management are not regulated by any qualifications (of regulated labor market in Croatia), and people educated for this field of expertise are introduced under other qualifications that do not correspond to their profession. Secondly, as there is no official qualification then neither interested employers can call tenders in which they seek the experts of that profile. Thirdly, this area does not exist within the Croatian Qualifications framework of the entire qualification system at all educational levels which are managing qualification standards based on learning outcomes and aligned with the needs of the labor market, the individuals and society as a whole. Fourth, there is no national education framework in this area, and higher education institutions educate their students in accordance with their own visions and ideas. Lastly, although all of our strategies are constantly mentioning public-private-civil-academic cooperation, it has never been achieved in the full sense of this concept, when we are talking about the security sector. In fact, in the Republic of Croatia we have the challenge that information sharing and cooperation is not at the required level even within the State bodies themselves (the same organizational units), so the “logical” course of things (although that should not be the case) is that there is no cooperation with institutions outside the system. This is not only the problem for our country, it also happens in the most developed countries in the world, such as the United States of America.

The last part of this discussion concerns the key issues that needs to be presented for the purpose of discussing and finding an adequate response to the development of the crisis management system in the Republic of Croatia. Crisis management based on strategic-normative framework from 2017 is strongly related to the establishment of the homeland security system. The current impression is that the homeland security system “lives” as long as it is “pushed” by its main creator, Deputy Prime Minister (which is also Minister of Defense). The question arises, how to ensure and enable to have active system (which is already set up and could be more developed) when someone else becomes most responsible person for the homeland security system? By now, the homeland security system has been activated in practical terms in the implementation of fire-fighting and flood mitigation



activities. These areas are the direct domain of the civil protection system, which in these parts works very well due to experience in a number of real-time situations in recent years and system adjustments that has been made. Also, there is a question, when will the activities of the homeland security system isolate from civil protection and devote themselves to challenges from other areas where crises arise and where there is lack of coordination at the state level?

The basic premise of each crisis management system is the databases and capabilities that can be engaged. Republic of Croatia is a country without uniformed, mutually comparable and high-quality databases, as well without an overview of capabilities from the level of individual experts to public and private companies. When will the necessary data and capabilities bases for the purposes of crisis management be made? The following question relates to the legal regulation of crisis management. Many countries have *Crisis Management Act* and for Croatia it represents a logical sequence of national activities in this area. When is it planned to adopt *Crisis Management Act of the Republic of Croatia*? Such act should also solve the question of the crisis events metrics, so that the crisis would not be a matter of impression, but an event that had pre-determined frameworks. A very important segment is crisis communication because so far in all our crises we have seen that crisis communication is not our strong suit. The question is who is in charge of crisis communication, development of this area and the relations with different groups of the public? Furthermore, the situational awareness picture and the exchange of data are important. The comprehensive situational awareness picture of all risks, threats and hazards as well as their monitoring does not exist, but it is done sectorial. As key security risks are of a complex nature and, as such, cause the greatest consequences when they turn into a crisis, the question arises – what is Republic of Croatia planning to do, to build a unique situational awareness picture and exchange of data? This is much easier to implement if there is a unique center in the country that deals with such activities. Republic of Croatia has too many different reporting centers that serves only their (sectoral) needs, and none for the complex crises at the state level. Such center, if existed, would be the support in the work of the Homeland Security System Coordination. Is it planned to establish a state center with clear competences and powers to monitor all indicators of potential crises? In additional consideration, where does the Homeland Security System Coordination meet in times of crisis and who provides data, information and work base?

The next question concerns a public-private partnership in the field of security. Nowadays private companies have resources, where we primarily highlight the knowledge that in some key sectors (such as cybersecurity), transcend knowledge in public institutions. In that context, who will “remove” the accumulated barriers to the public-private partnership in the area of security? To this account, also should be added the partnership with the academic community, which in these



circumstances cannot work on smart specialization in the field of security because it does not know what national priorities are. Although there are many more questions, the latter is devoted to research and development. We are the last on the list of countries in the European Union which invest in own research and development, which is extremely worrying. How to change this approach and more significantly invest in research and development? These are fundamental questions that the most responsible persons in the country and the coordinators of the homeland security system should consider – and not by themselves, but together with the private and academic sectors, and offer answers.

This policy analysis represents a cross-section of a single area, most focused on the subject of crises and crisis management, but since no area is an island and it is netted with numerous orientations – this analysis crossed the borders of the crisis management concept. The crises have served as a platform that has caught a number of topics relevant to the Republic of Croatia. The text is written in a simple style to match the necessary solutions in terms of crisis. As crises are personal and collective stressful events, if the procedures for dealing with them are not simple, many will not understand or follow them. Therefore, procedures and solutions must be easy to follow so as many people as possible can act on them. Analysis is partly critical, indicating problems, challenges and failures, and raises the questions we all have to solve together.

The fundamental recommendations of this analysis – are interconnected and worded as follows – it is necessary to:

- 1) intensive continuation of the strategic-normative development of the area;
- 2) open this area to public-private-academic cooperation and coordination, as well as hand over the tasks that are not inherently of the state character to the private and academic sector (which will also stimulate their growth and development);
- 3) significantly invest more in research and development and smart specialization.

Assistant Professor Robert Mikac, PhD  
Deputy President of Institute for Security Policies

**How to cite this analysis as a source:**

Mikac, Robert (2019), Crisis and crisis management in the Republic of Croatia, Institute for Security Policies, Year 2019, Number 001, available at: <http://insigpol.hr/download-file/8067/>