
CROATIA AS A SMALL STATE IN CONTEMPORARY INTERNATIONAL RELATIONS

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1. INTRODUCTION

The concept of a small state in international relations had a marginal place in the past political discourse due to the fact that big powers were the most powerful and influential actors. Namely, for a very significant period of time, hard power principle and zones of influence were determining the relations in the international arena. Military hardware, economic might and strategic capacity were essential for the position of states, while 'the balance of power' was not an unusual concept determining the international affairs. However, contemporary international relations have changed dramatically since the end of the Cold War and the number of small states increased significantly.¹ The dissolution of former empires in the early 20th century started the process that gained its momentum with the process of decolonization in the middle of the century and culminated with the dissolution of former socialist federations at its end. Such an increase in the number of international actors initiated the change of nature of international relations and brought different variations of the concept of multilateralism to the fora. Moreover, multilateralism as a set-up where international organizations have a key role in global affairs opened doors for small states to gain influence and become important objects of analysis in international relations. Furthermore, small countries invested a lot of effort in regional association and grouping of different size and scale, such as the EU, ASEAN and others, that should help to promote their national interests at the international scale.

The processes mentioned above have significantly changed the political landscape at various levels, having a direct impact on global governance. The small states, that had previously been regarded as spoilers in the international arena, causing cleavages and even conflicts among the dominant ones, have become numerous. Some of them, on the other hand, have been created as a direct consequence of compromise among the big powers, which were aiming more at 'rational distribution of territory and wealth' among themselves rather than on the right for self-determination of the small states.

The process of 'emancipation of small states' itself was characterized with general skepticism when it comes to capacity to generate stabilization. Cooper and Shaw write about 'the orientation of the George Bush Senior (and former Secretary of State Henry Kissinger) towards the maintenance of the Soviet Union after the fall of the socialist bloc, based on a belief that a large agglomeration such as the USSR would be more likely to ensure stability in the East Europe–Central Asia arena, rather than if it was allowed to disintegrate into a number of small, likely unstable states. They also refer to the latter orientation as a certain traditionalist view about the conditions likely to ensure global stability, reflective as it was of the attitude of the European colonial powers towards the movement to independence of their colonies in Asia, Africa and the Caribbean. There, in the post-Second World War period, both Britain and France sought to arrange various kinds of federations (and in the case of France even to seek a welding of autonomous African states and itself in a kind of 'EurAfrican' Community). This was in accordance with the view that the construction of large-scale sovereign political entities, even of multiple ethnicities and cultures, were more likely to permit long-term stability in the modern world. Stability, that is, in the multiple senses of security, economic viability and 'good government'.²

1 As a showcase of this trend, it is illustrative to take note of a change in number of UN members in a bit more than seven decades of its existence – from 55 members in 1945 to 193 members today. For details, please see the Official UN webpage - <http://www.un.org/en/sections/member-states/growth-United-Nations-membership-1945-present/index.html>

2 Cooper, A., Shaw, T. (2009): *The Diplomacies of Small States: Between Vulnerability and Resilience*, Palgrave Macmillan

Even though they carried along noticeable functional deficiencies, especially when compared with well-established big powers, their quantity became an asset in international affairs. In a time when half of the countries in Europe and in the world had under 5 million people, it was obvious that small states deserve more spotlight in political discourse despite the remaining perception of them as international actors with limited material, economic and political resources. Globalization and modernization brought the necessity for additional small state oriented research, in particular considering the growing influence of social constructivism in the IR which offers more opportunity for analysis of small states and their influence on the international relations. However, there is still a doubt if the small states are capable of creating and carrying out foreign policy strategy independently, or they still have to rely on bandwagoning and balancing.

European Union and NATO alliance show how small states, through multilateralism and usage of normative power, are not only promoting interests that are of their national importance but also politics. International and regional organizations are frameworks where the power is displaced, enabling small states to gain influence and project norms on a broader level. Therefore, they are the best frameworks for achieving national interests and acting in the international community. Moreover, relying on normative power or 'soft power' represents a possible strategy for small states to set the standards and create influence within the organizations.

Our aim is to modestly try to estimate to which extent Croatia, as a small state, will be able to find its place at the wider international arena. There are of course multiple layers for that. However, the scope and size of this study prevent us from undertaking a comprehensive approach to the subject and directs the research to three main levels – regional, European and global. This framework gives us an opportunity to optimally assess the country's capacities, potentials and challenges to the idea of maximization of its geopolitical and geoeconomic position and interests in contemporary international affairs. As an example of vertical analysis, focusing on three different levels of Croatia's foreign policy (regional, European and global), it greatly complements the study conducted before (Croatian Foreign Policy in 3D) that displays a horizontal approach to the topic, being concentrated on three neighboring regions (Southeast Europe, Central Europe and the Mediterranean).

In 2013 with full-fledged membership in the EU and previously in 2009 in NATO, Croatia has reached its main foreign policy goals. However, the country faces the challenge to actively contribute to these organizations, primary due to the fact that it is a small state with limited capacities and has difficulty in contributing to the policy-making process. On the other hand, the country has its legitimate national interests, which places an additional burden on already modest abilities. Nevertheless, the intense and dynamic international relations are yielding one challenge after another, giving very limited time and space for adjustments. For example, in 2020 Croatia will hold its first presidency of the European Union, which is another challenge, but also an opportunity for Croatia to utilize all mechanisms at its disposal to promote its national interests, profile, achieve goals and create influence. This is one of *per excellence* maturity challenges to any new EU member and, among many other developments in the international arena, a trigger for undertaking a study of this kind.³

3 Ministry of Foreign and European Affairs (2017): Strateški Plan a razdoblje 2017.-2019, <http://www.mvep.hr/files/file/2017/170317-strateski-plan-ministarstva-vanjskih-i-europskih-poslova-za-razdoblje-2017-2019.pdf>

2. CROATIA AND SOUTHEAST EUROPE

Southeast Europe is a key geostrategic region in Europe, home of several conflicts that still persist today in different shapes or forms and a region of convergence of diverse religious beliefs, identities, ethnic groups, ideologies and major powers' interests. The region is composed of six candidate states - Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro, and Serbia - in different stages of development and integration in international bodies, particularly NATO and the European Union. Croatia pursued full-fledged membership of both organizations and has become a member of NATO in 2009 and of the European Union in 2013. Nowadays, both the opportunity and challenge for Croatia in the region remains in its capacity to be a beacon of light for the other six countries regarding their membership in the Euro-Atlantic organizations. It is in the best interest of Croatia to work closely with these countries and act as a pull effect towards NATO and EU in order to minimize other major powers' influence and consequently increase stability in the region.

Southeast Europe has suffered from the fact that the world's attention shifted from the region to other hotspots in the last decades, particularly to the Middle East and the Pacific. That implied, to a certain extent, an apathetic attitude towards the region, especially by the European Union. Consequently, space and opportunity were given to other major powers such as Russia, Turkey or China to establish their influence. It is then imperative to have a renewed European plan for Southeast Europe, one that devolves a true expectation of accession to the countries in the region and the consequent effort and reform that it entails. Nonetheless, internal convulsions within the EU have prevented a serious renewed approach towards Southeast Europe. In 2015, when the European Commission's President began his mandate, he was clear that no further enlargement would occur during his presidency. The declaration and general European indifference towards the region resulted in "reforms fatigue", the countries became simply weary of waiting and doubted that they would ever be a full-fledged member of the European Union, holding back reforms and looking for different alternatives. The document "*A credible enlargement perspective for an enhanced EU engagement with the Western Balkans*"⁴ from February 2018 is the most latter-day attempt of the European Commission to revitalize the interest in the region as well as introduce a new interest in the enlargement process. While it introduces a new hope for these countries, it also highlights that membership is still a long process. Serbia and Montenegro are considered to be the most advanced countries in the process of membership and the document estimates they might become full-fledged members of the European Union in 2025, while the remaining need to catch up on the process. Notwithstanding, the document paints a dark picture on the countries of Southeast Europe and calls for internal reform, reconciliation and resolution of bilateral disputes, and acknowledges that before any new member joins the union, the union itself "must be stronger and more solid".⁵

4 Please see the full text of the document at the Official Web-page of the European External Action Service - https://cdn4-eeas.fpfs.tech.ec.europa.eu/cdn/farfuture/qBwfcORMS_MyvjhZSpABlwAP2LIW0eoVxqGZtf9_2k/mtime:1518429431/sites/eeas/files/communication-credible-enlargement-perspective-western-balkans_en.pdf

5 Ibid

2.1. Croatia as a facilitator in Southeast Europe

Croatia's position in Southeast Europe associated with NATO and European Union membership concurs for the country's relevance and strategic position in the region. Comparing with other EU and NATO member states, Croatia has competitive advantages with regard to the integration of these countries in the aforementioned organizations in terms of sharing a similar past, cultural aspects, languages and geography. The prospect of Southeast Europe countries joining these organizations presents itself as a historical moment for the region, one in which goals and interests are closely aligned. For Croatia, it is the moment to forge closer bilateral relations, in both economic and bilateral terms, an opportunity to solve old disputes, but also to act as a facilitator for the countries in the region and provide know-how towards the common goal of EU and NATO accession. Thus, Croatia has been involved in both bilateral and multilateral initiatives with the aim of integrating these countries in the Euro-Atlantic institutions.

The Stabilization and Association Process (SAP), launched in 1999 and reinforced in 2003 at the Thessaloniki Summit, envisaged the accession of Southeast European countries in the European Union on a conditionality basis of meeting membership criteria. In its early stage SAP was focused on regional stabilization, which implied a group approach to the post-conflict consolidation that should lead to integration into the EU, once all criteria are met. The European approach to Southeast Europe integration in the European Union was formulated on the basis of "own merits" approach. Thus, countries are evaluated individually and their membership is appraised on a case by case basis.⁶ For Croatia, this formulation in terms of the European Union approach meant the opportunity to forge closer bilateral ties with countries committed with EU membership and to reinforce its position as a facilitator. In this sense, the government of Croatia has signed bilateral agreements on Euro-Atlantic partnership with several countries in the region, namely Albania, Bosnia and Herzegovina, Kosovo, Macedonia and Montenegro.⁷ Acknowledgment of the importance of this bilateral agreements and cooperation within the region has propelled the Ministry of Foreign and European Affairs (MFEA) to create a department with the aim of increasing technical cooperation regarding the accession of countries in the region to the EU as well as to foster regional cooperation.⁸

2.2. Multilateral initiatives in Southeast Europe

Croatia has also been involved in multilateral initiatives aimed at the accession of Southeast Europe countries in Euro-Atlantic institutions. The US-Adriatic Charter for Partnership, the Adriatic Trilateral meetings and the Berlin Process are initiatives through which Croatia has a platform to engage and share common values and interests with the other countries in the region.

6 Knezović, S. (2014): EU and NATO Membership – Way Forward For Croatia, <http://www.irmo.hr/wp-content/uploads/2014/12/Policy-paper-EU-AND-NATO-MEMBERSHIP-WAY-FORWARD-FOR-CROATIA.pdf>

7 Ministry of Foreign and European Affairs (2018): Overview of Bilateral Treaties of the Republic of Croatia by Country, <http://www.mvep.hr/en/foreign-politics/bilateral-relations/overview-by-country/>

8 Ibid

The US-Adriatic Charter for Partnership was an initiative proposed by Albania, Croatia and Macedonia to President Bush in 2002, coming to life in 2003. Montenegro and Bosnia and Herzegovina joined the initiative in 2008, while Serbia and Kosovo received the observer status in 2008 and 2012 respectively. The aim of this initiative is to provide guidance and cooperation towards NATO membership. The US-Adriatic Charter revealed a considerable amount of success as three of the five Southeast European countries of the initiative became NATO members.⁹

The Adriatic Trilateral meeting is another platform that aims to foster regional cooperation and stabilization as well as establish a basis for Euro-Atlantic membership and integration. The three members, Croatia, Albania and Montenegro share the same geostrategic orientation towards Euro-Atlantic institutions, being all NATO members. The challenge for Croatia remains to secure a close partnership with both Albania and Montenegro and assist them in pursuing EU membership. The initiative embodies a working framework for these three countries in Southeast Europe that are considerably more committed and close to the Euro-Atlantic institutions.

The Berlin process, on the other hand, was a German introduced initiative with the aim of fostering regional cooperation and development in Southeast Europe towards a future EU accession. The framework of the initiative, promoted in 2014 by the German Chancellor, encompassed twelve states, among them the six Southeast European countries which seek to become EU member states¹⁰ and six EU member states, namely Austria, Croatia, France, Germany, Italy and Slovenia, countries committed with future enlargements in the region, as well as the European Commission and international financial institutions. The 2018 Western Balkans summit, an integral part of the Berlin Process, occurred in London and had the additional presence of Greece, Bulgaria and Poland, which will host the next year summit. The initiative was born out of the need to fill the vacuum created regarding further enlargement in the region. Declarations, such as the aforementioned by the President of the European Commission, deflated the momentum for further enlargement in the region and resulted in enlargement fatigue and lack of political will to pursue prescribed reforms. Thus, the initiative intends to support the enlargements efforts in Southeast Europe, while revitalizing the accession prospects of Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro and Serbia, enforce reforms, prevent democratic backslides, solve bilateral disputes and reduce the influence of other major powers while providing stability to the region.¹¹ The initiative is of strategic relevance for the Croatian foreign policy for the region. Acknowledging this fact, the Croatian PM ensured the realization of a second summit in 2020, during the Croatian presidency of the EU.¹²

Alongside the aforementioned regional initiatives, Croatia is also part of the EU endorsed, "Strategy for the Adriatic and Ionian Region" (EUSAIR), which draws upon the Adriatic-Ionian Initiative created in

9 Albania and Croatia joined NATO in 2009 and Montenegro in 2017.

10 Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro and Serbia

11 Emini, D. (2016): Berlin Process: Path to Europe or to nowhere?
<http://wb-csf.eu/wp-content/uploads/2017/11/Berlin-Process-Path-to-Europe-or-to-nowhere-%E2%80%93-KCSS.pdf>

12 Government of the Republic of Croatia (2018): PM Plenkovic on 5th summit of the Berlin process in London,
<https://vlada.gov.hr/news/pm-plenkovic-on-5th-summit-of-the-berlin-process-in-london/24129>

2000. The EUSAIR is the result of a request from the European Council to the European Commission in order to design a new EU strategy for the region, drawing upon similar initiatives, namely the EU Strategy for the Baltic Sea Region and the EU Strategy for the Danube Region. The EUSAIR was adopted in 2014 and comprises eight countries in the region, specifically Slovenia, Croatia, Italy, Greece, Bosnia and Herzegovina, Albania, Serbia and Montenegro. While the clear objective of above-mentioned initiatives was the integration on Euro-Atlantic institutions, the EUSAIR focus is rather related to regional cooperation and territorial cohesion in order to tackle environmental degradation, inefficient transport connections and a lack of strong trans-border cooperation.¹³ Consequently, the initiative is divided into four pillars, namely blue growth, connecting the region, environmental quality and sustainable tourism. Every two countries are responsible for one of the pillars. Croatia together with Albania coordinates the sustainable tourism pillar, with the specific objective of diversifying the region's tourism products and services while tackling seasonality of inland, coastal and maritime tourism demand and improve tourism offer quality and innovation, enhancing the capacities of the tourism actors across the region.¹⁴ For Croatia, the EUSAIR is another important framework to engage with regional actors and promote regional cohesion, while at the same time it provides the opportunity to conduct regional efforts in the area of tourism, particularly important for the Croatian economy.

Croatia has been particularly active in both bilateral and multilateral initiatives aimed at integrating the countries in Southeast Europe in the Euro-Atlantic institutions, namely NATO and the EU. This orientation reflects the strategic understanding of Croatia's model of development and a model for peace and stability in the region under the framework of both organizations. Croatian government should aim at improving its participation in multilateral initiatives to a prominent role as well as in complementarity foster stronger bilateral agreements with the countries in the region committed with the same values and model of development.

2.3. Economic and political environment in Southeast Europe

The economic conditions in Southeast Europe are considerably worse than in other European regions. As a consequence of the breakup of Yugoslavia, armed conflicts and sanctions, the countries of Southeast Europe suffered considerably in economic terms since the post-war period. The global financial crisis introduced another element of disruption in these economies as exports fell sharply and foreign direct investment (FDI) was reduced harshly. Accounts deficits, lack of competitiveness, social problems and external imbalances are realities these countries have to face. While Croatia is a small country with limited resources in the European context, in Southeast Europe, Croatia is the most developed state in the region, in both political and economic terms. Croatia has the highest GDP per capita and one of the lowest unemployment rates in the region. Concerning trade, Croatia enjoys a significant surplus with all the countries within Southeast Europe. The balance is close to two times more exports than imports within the region. Southeast

13 Margaras, V. (2015): EU Strategy for the Adriatic and Ionian region (EUSAIR), [http://www.europarl.europa.eu/RegData/etudes/BRIE/2015/569047/EPRS_BRI\(2015\)569047_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/BRIE/2015/569047/EPRS_BRI(2015)569047_EN.pdf)

14 Gicala, A., Salvador, R. (2017): The EU Strategy for the Adriatic and the Ionian Region: from Marginalisation to Co-Development, https://run.unl.pt/bitstream/10362/41518/1/Congresso_Geografia_R_Salvador_EU_Strategy.pdf

Europe represents an opportunity for Croatia due to shared cultural backgrounds, similar language and a more advanced stage of development. Conducting trade in the region is a counterbalance for the more competitive EU market and also an area where Croatia's competitive advantages can be amplified.¹⁵ Stable relations with the countries in Southeast Europe present a very advantageous framework for Croatia's business. Croatia ought to strive to improve relations with the countries in the region as well as pull them to the European Union sphere of influence as a guarantee of enlarged economic influence in the area.

Politically, the scenario in Southeast Europe is still marked by conflicts resulting from the break-up of Yugoslavia, an ever-growing meddling of major powers in the region, noticeably Russia, as well as ethnic and religious tensions. Additionally, corruption, organized crime, lack of economic prosperity and migration represent a burden to the region. Recently, issues related to migration, namely border control and reception of refugees in particular, have put a strain on bilateral relations in the region. Equally disquieting was the rise of populism, a tendency also present in other regions within Europe and other sites across the world. EU enlargement fatigue has partially ignited populist reactions in the region as populations began to disbelieve EU enlargement will happen in the near future.

Table 2.1. Croatian trade with countries of Southeast Europe in mil €

Country	2016		2017	
	Export	Import	Export	Import
Albania	46,53	4,89	55,30	6,17
BiH	1119,99	573,32	1 367,91	685,17
Kosovo	65,7	2,33	61,75	1,76
Macedonia	121,57	81,99	120,21	75,63
Montenegro	139,95	4,75	167,33	5,10
Serbia	521	497,83	670,06	575,05
Southeast Europe total	2014,74	1165,13	2 442,58	1348,91

Table made by the author, source:

National Bureau for Statistics, https://www.dzs.hr/Hrv_Eng/publication/2018/04-02-02_01_2018.htm

It is important and vital for Croatia to further integrate into the context of the EU and NATO and continue to develop. Nonetheless, it would be a strategic mistake to forget about its closest neighbors and political and economic partners in Southeast Europe. The perspective of EU and NATO membership is a powerful tool to improve cooperation and stability in the region. Croatia, as the country that is a full-fledged member of both organizations has the duty and obligation of aiding the willing countries in the region in joining NATO and the EU. Thus, Croatia is facing an opportunity to assist in deepening economic relations in the region, in which it already has an enormous surplus in trade, and potentially solve decades-old bilateral disputes, closing the region to other major powers' influence and potential instability.

15 Croatia Bureau of Statistics (2018): Foreign Trade in Goods of The Republic Of Croatia, 2017
Final Data: https://www.dzs.hr/Hrv_Eng/publication/2018/04-02-02_01_2018.htm

3. CROATIA AND EUROPEAN POLICIES

The process of EU integration was derived from the geopolitical landscape after the Second World War. The strategic context of the Cold War, with the USSR on one side and the USA on the other, forced the Old Continent to find its global position through common economic association. In 1951, European Coal and Steel Community (ECSC) was established, and with the 1957 Rome Treaty it became the European Economic Community (EEC) - i.e. a community based on the common market, leading to the second part of the 1970s and foundation of European Political Cooperation (EPC) instrument.

After the downfall of the communist system in Central and Eastern Europe, a gradual enlargement to what used to be the East started. This was fostered by the developments following 1993 when the EU was formed by Maastricht Treaty and the EPC process became one of three base pillars of the new organization in a new form of the Common Foreign and Security Policy (CFSP). The purpose of this policy in the first place was greater foreign political cohesion, but numerous member states have shown restraint from the idea to transfer the decision-making in the field of foreign policy and defense from the national to the European level.¹⁶

However, modern threats and challenges are requiring unison response, and existing institutions do not offer it. Growth of the EU responsibilities made it stronger, but without real power. Today it is important to try to redeem the gap created by the Maastricht Treaty, and to find new functional supranational mechanisms that will correspond to the outreach of EU responsibilities.

In international relations, the EU still attempts to represent one of the main actors. When it comes to the cooperation with others, institutional complexity becomes not only a barrier in mutual understandings but also a barrier in fast global responding and decision-making. Therefore, a less complicated institutional system would be a solution for a better and faster cooperation, and current practice of bilateral relations between member states and other global actors could be avoided.

So, what about a potential role of the newest member, that is also a small state, in a very complicated strategic landscape illustrated above? Croatian membership in the EU means everything but an end of the phase of dynamic activities and adaptation. This is not only owing to the fact that it represents a 'moving target' given that contemporary international relations are constantly requiring changes, but also due to its modus operandi to which Croatia will have to adapt swiftly in order to be able to promote its national interests in sophisticated mechanisms of cooperative decision-making. There are various activities, skills and techniques that a small new member state has to acquire in order to be able to assume appropriately the responsibilities and competences of its changed position.

16 Council of the European Communities (1992): Treaty on European Union, https://europa.eu/european-union/sites/europa.eu/files/docs/body/treaty_on_european_union_en.pdf

During the first five years of membership in the EU, Croatia struggled to define its position and role in the new environment. The state of affairs in the EU itself in that period did not help at all. The membership was the most desired goal since the independence was proclaimed in the early 90s and accomplishment of it left Croatia in a need to redefine its foreign policy goals, further adjust its public policies and live up to the determined standards. Due to limited capacities and unadjusted system, for a small state like Croatia, it was a challenging task to embrace the responsibilities of membership and its complex and dynamic activities.

It seems apparent that in order to truly reach the goal of active membership in the EU and NATO, Croatia needs to act strategically and more productively use resources and capacities to overcome its shortages and limitations.

First of all, on the Croatian side, a passive approach to international and European issues – and regional in particular – should be replaced with an active attitude and timely policy development in relevant fields, of course in accordance with rational estimation of national interests and capacities. The reactive character of policies, which is frequently typical for small states in integrations or alliances, especially for post-conflict ones such as Croatia, should be replaced with a rationally calculated proactive stance. While it would be unrealistic to expect that small states can ‘cover’ all relevant policies of the club individually, there are two ‘key words’ that could help to organize themselves appropriately in that environment: specialization and coalitions. Specialization connotes focusing of the small state on one or few specific issues, based on possession of certain resources, knowledge, comparative advantages to others as well as salient national interests. In that regard, for a country like Croatia, Southeast Europe represents a natural region of specialization for the reason of both specific resources and interests. So, its active engagement in the actualization of topics related to SEE in EU and NATO (further enlargement in particular), despite current unfavorable climate (enlargement fatigue and other challenges to both clubs), is more than important and recommended. Building the coalitions and joining existing ones for that purpose is also more than important and recommended, due to the fact that realistic estimation of limited Croatian capacities can foresee unlikeliness for the country to be able to push these issues on the EU and NATO agenda individually. Taking the lead in that sense would additionally contribute to the visibility of Croatia as a regional promoter and active member within the EU borders and beyond. That may visibly contribute to the country’s overall leverage in the Euro-Atlantic community. For that purpose, the country has to develop capacities for timely actions - more flexible and knowledgeable foreign service with higher negotiating and lobbying skills, its analytical and anticipative capacity, in particular, better networking with international partners within the Euro-Atlantic space and beyond.¹⁷

There are different fields in which the level of activity and initiatives of each member state can be assessed. Common Security and Defense Policy (CSDP) of the EU represents an integral part of the EU’s Common Foreign and Security Policy (CFSP). It was designed to provide implementation capacity for the CFSP, which is mainly done in practice through the conduct of civilian and military **peacekeeping**

17 Ibid 4

missions. Clearly, the newest member that profited from international peacekeeping less than three decades ago, has to invest substantial energy and resources to contribute to the CSDP missions.¹⁸ The country itself started its engagements even before acquiring full-fledged membership. Its first participation was recorded back in 2009, within the mission ATALANTA, that was deployed in order to combat piracy in Somalian waters. It also contributed to the EU Training Mission (EUTM) in Mali by providing military hardware, as well as know-how in the field of security sector reform. Croatia supported the EU Police Mission in Afghanistan (EUPOL Afghanistan), focusing on different issues in the field of police reform and institution-building, EU Monitoring Mission (EUMM) in Georgia with the goal to foster post-conflict consolidation, as well as to the EUPOL COPPS with an assignment to foster the development of police reform and institution-building in the Palestinian territories. However, as one could have expected, Croatia's biggest contribution to the CSDP missions was in the region of Southeast Europe, where it has lots of comparative advantages to other interested to contribute. An excellent example of that is its support to the EULEX mission in Kosovo, where the country helped setting-up a viable and operative institutional structure in the field of rule of law through different educational and supervisory activities. The two-fold character of this contribution is lying behind the fact that it represents not only a build-up of CSDP missions but also a contribution to the regional stability in Southeast Europe.¹⁹

As it was stated beforehand, Croatia is investing significant efforts into adjusting its policies to the highest possible extent with the CFSP of the EU. Accordingly, from the beginning of the crisis in Ukraine, Croatia supported common EU **policies towards Russia**, including the introduction of economic sanctions. It had condemned the annexation of Crimea as unlawful and offered sharing experience and assistance to Ukraine in the process of peaceful reintegration of territories. Croatia also displayed solidarity with the UK in the aftermath of the 2018 spy-poisoning scandal, following the reactions of the leading EU and NATO member countries, and expelled one Russian diplomat. However, there is an overall impression that Croatia made this step to display its intention to contribute to CFSP cohesion in a crisis situation and hence strengthen its image at the international scale, rather than just to solidarize with the UK and its position. In factual terms, Croatia's foreign trade with Russia is relatively low, which means that the consequences of reciprocity in the sanction period are not causing significant damage to the national economy. Furthermore, as opposed to the case of other countries of the region, there is barely any significant Russian FDI in the country and hence no capacity for political influence over its decision-making process in general.²⁰ In other words, Russia's weight in Croatia is far less significant than in other countries of the wider region and therefore aligning closely to the EU policies towards Russia does not come at an unbearable political price.

18 Đukanović, D. (2015): The Process of Institutionalization of the EU's CFSP in the Western Balkan Countries during the Ukraine Crisis, CIRR, p.81-106

19 European Union (2018): Council Joint Action 2008/124/CFSP of 4 February 2008 on the European Union Rule of Law Mission in Kosovo, Eulex Kosovo, Official Journal of the European Union, https://www.eulex-kosovo.eu/eul/repository/docs/WEJointActionEULEX_EN.pdf

20 Even the crisis of the biggest Croatian retail chain, Agrokor, credited by the Russian SberBank did not provide an opportunity for a more significant Russian influence in the country.

As for the **migration policy** at the EU level, it is clear that present challenges will hardly be solved without a comprehensive EU policy, and there are visible accomplishments in the field of legislative and regulational developments in that direction, however still short of having a single policy document. In practical terms, it was apparent that the unexpected perplexity pushed EU member-states to retrieve from allegorical displays of European solidarity and cement themselves in their national boxes, attempting to defend their particular interests. So, Croatia found itself on the immigrants' route, encircled by EU member states that have decided to lift physical barriers to block the immigrants' course (Hungary built the fortified border fence and Slovenia erected the barbed wire fence). On the other hand, Western Balkan states like Serbia were directing the flow of immigrants to Croatia. Hence, the newest EU member state found itself at the immigrants' route, forced to deal with the issue in a very hostile regional environment with limited space for collaboration. Regardless of the aforementioned challenges, it maintained its humanitarian approach to the issue, refraining from erecting physical borders and maximizing efforts to register the immigrants and help them on their way to western European countries. In that regard, there were clear displays of 'out of the national box policy' by the country with an intention, together with other states in between, to facilitate the easier flow of the immigrants to their final destinations. In accordance with the aforementioned, the country did not oppose substantially to the proposition of immigrant quotas and reallocation scheme defined by the EC. *Au contraire*, as a new EU member state willing to show capacity and determination to share common burdens, including the one that was supposed to become a common migration policy of the EU, it already started implementing the concept in 2016.²¹

During the accession to the EU and NATO, the regional co-operation in **Southeast Europe** at that time became one of the pillars of EU's conditionality towards Croatia and hence an important part of its accession process. However, only full-fledged membership in the EU and NATO removed entirely the reservation towards regional engagement and furthermore helped the recognition of concrete political and economic benefits of it. While the pre-accession period's discourse was dominated with debates about potential benefits of membership for the candidate country, the one after acquiring it focuses more on the ways in which new member state could contribute to the club. Croatia obviously has strategic interests, capacities and some substantial advantages (geographic proximity, common history and absence of language barrier) in comparison to others who show interest to contribute to the long-term stabilization of the region of Southeast Europe (SEE). Therefore, the role of Croatia as an experienced and important supporter of transitional endeavors in the region has been strengthened, and the country recognized as an advocate of further enlargement of the EU and NATO to the region.

The EU presidency in 2020 is an upcoming challenge of crucial importance for Croatian positioning within the EU. It is a formidable task that not only demands an extensive increase of capacities and competitive and highly skilled labor force, but also the creation of sustainable strategy with defined goals, priorities and adequate instruments for achieving those goals. Priority topics should be targeted

21 For details, please see the following link - <https://www.reuters.com/article/us-croatia-migrants/croatia-receives-first-group-of-migrants-under-eu-quota-idUSKCN0ZH52I>

wisely with high relevance on both, national and European level, and with the potential to pry out long-term relevant policies. Croatia faces the challenge of achieving the active membership in the EU, which can be considered an internal, equally as a foreign policy goal, due to the fact that after the official accession, EU laws and decision are to be ratified in Croatia and consequently become an internal matter. Therefore, the main challenge is to actively contribute to the decision-making process, what is highly demanding due to the complicated procedures of the process itself. Croatian interests need to be articulated more clearly on the national level and coordinated between EU representatives and institutions in Croatia. Clear interests and goals will enable connection with other member states sharing the same interests and maximize chances for influencing the process of policy-making. Development of valuable cooperation with other member states, but in particular with neighboring countries, will enable better representation of the interests and grouping with the plausible influence of decision-making outcome.²²

An important aspect of **active membership** is the participation in EU projects for internal and regional development. During the accession process, Croatia benefited from the IPA program which approved almost six hundred projects, but only slightly more than 25% were completed. Regardless of 2016 substantial growth of the use of the EU funds, the country is still at the bottom of EU27 on utilization of funds. Croatia should intensify efforts in order to reach the level of extensive utilization of the funds, having in mind relatively high amount at its disposal (12,68 billion euros). In order to foster easier application for EU projects, the reform of the centralized system of the decision-making process at the state level has to be conducted. Furthermore, EU regional funds should be undertaken more, such as Interreg projects that enable the development of regional cooperation, cooperation with other member states, increase of visibility and engagement within the EU. Connection with member states that share similar interests, in particular with neighboring countries, through joint projects, as mentioned, will not only foster the integration and cooperation but will enable the articulation of common interests and positioning within the EU what will consequently increase the possibility for influencing the decision-making process.²³

22 Government of the Republic of Croatia (2018): Croatia takes over Council of Europe chairmanship, <https://vlada.gov.hr/news/croatia-takes-over-council-of-europe-chairmanship-23881/23881>

23 European Commission (2018): European Structural and Investment Funds, <https://cohesiondata.ec.europa.eu/countries/HR>

Figure 3.1. Implementation progress of EU Funds

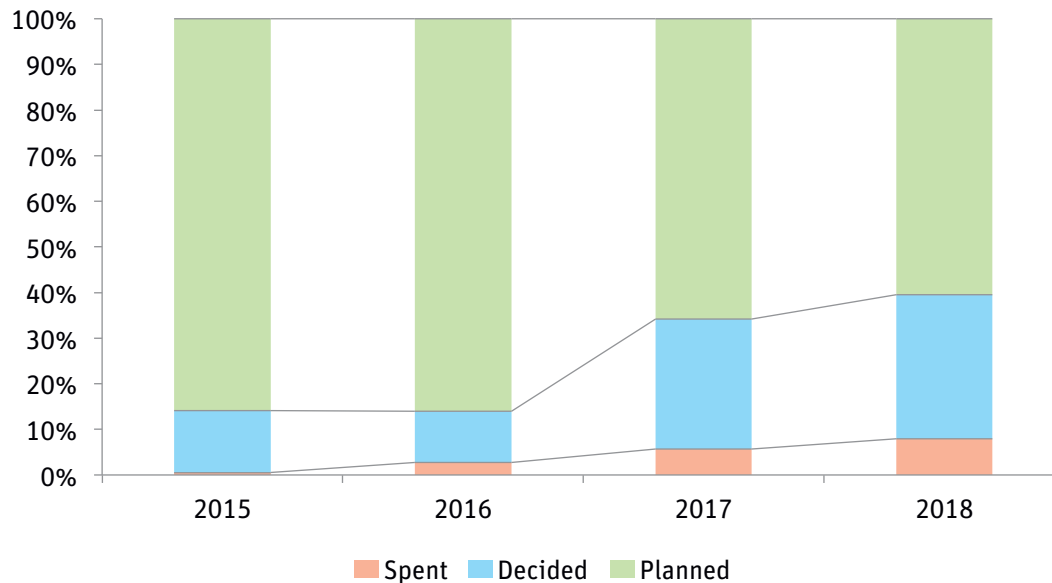


Figure made by the author, source: European Commission, <https://cohesiondata.ec.europa.eu/countries/HR>

In that situation, any given country has to change its self-perception and take activities to stimulate international partners and new allies to do the same. In the case of Croatia, let us not forget that it was torn by war, with a significant part of its territory under military occupation and the presence of international peacekeeping troops. At that time, obviously, the country was more of an object than a subject of international relations, as well as a security consumer. Managing to liberate its territory and starting the process of democratic reforms and accession to the Euro-Atlantic communities, it began its long path not only to membership in two clubs but also to its general international affirmation. Technically speaking, its candidate status in 2004 brought it closer to decision-making processes in the EU, its status of acceding state in 2011 allowed its participation as an observant in all high-level EU bodies, but only full membership in 2013 gave it equal competences and responsibilities to all other members. So, the change of position of Croatia in international relations in general, and EU and NATO, in particular, is more than evident. This should be followed by an adequate change of self-perception and perception of others (both within EU and NATO and beyond), especially during the time of its first EU presidency.²⁴

4. CROATIA AND GLOBAL AFFAIRS

Croatia sought to achieve international recognition and support for its independence cause. From the dawn of its creation as an independent country, Croatia has been present in the global arena actively trying to shape a positive image following the events of the early 1990s. Thus, Croatia has keenly been engaged in international organizations, namely the United Nations (UN), the European Union (EU) and NATO. Additionally, nowadays Croatia contributes to several peacekeeping missions, within the framework of the aforementioned organizations, established bilateral relations with major powers and is an active participant in the international fora.

Croatia declared independence from the Socialist Federal Republic of Yugoslavia (SFRY) on June 25, 1991. Shortly after, on May 22, 1992, Croatia became a member of the UN. The aforementioned commitment to multilateralism, cooperation, peace and stability in the international order resulted in Croatia's candidature to become a non-permanent UN Security council member, which would materialize with the support of UN member states, for the period 2008-2009. This success of Croatia's foreign policy improved the profile of the country in the international arena and set the case for Croatia's accession to Euro-Atlantic organizations, namely NATO and the EU. Along with membership in international organizations, Croatia has been an active and signatory party in recent international treaties. Croatia ratified the Paris Agreement unanimously in the parliament in 2017, an acknowledgment of potential security problems that may arise in Croatia due to climate change, particularly the sea level rise in coastal cities or climate-induced migration. The Istanbul Convention ratified on April 2018 was not consensual. There was public backlash against the treaty, regarded as a document that intended to imprint 'gender ideology' in the Croatian constitution. Nonetheless, the government sought to demystify the treaty and assure citizens that the convention was merely a proposal to fight domestic violence.²⁵ The commitment to multilateralism led the Croatian parliament to ratify this convention and in general to be active in the international fora.

4.1. Croatia's relation with major powers

The orientation of Croatian foreign policy is, from its dawn, aligned with western values and ideology, marked by good relations with the United States (US). Croatia and the US enjoy close bilateral relations since 1992. The US acknowledges Croatia as the main driver for peace, democracy and stability in Southeast Europe and has supported the country with military and economic assistance. Croatia is an important ally and counter-balance in Southeast Europe for other major powers' influence in the region.

25 Alcalde, M.; Šarić, J. (2018): The Istanbul Convention in Croatia: Attending to the anxiety in the intersection of belief and policy-making, London School of Economics and Political Science, <http://blogs.lse.ac.uk/religionglobalsociety/2018/04/the-istanbul-convention-in-croatia-attending-to-the-anxiety-in-the-intersection-of-belief-and-policy-making/>

Furthermore, Croatia was and still is a recipient of American foreign aid. Predominantly during and in the aftermath of the Homeland war, Croatia received important sums of US aid. In 2016, Croatia received 3,5 million \$ in obligations, that are binding agreements resulting in payments in the future.²⁶ More than half of these obligations were directed to military assistance, programmes designed to benefit the Croatian armed forces, enhancing its capabilities. The project of the floating liquefied natural gas (LNG) terminal on the island of Krk is backed by the EU, which has already pledged to contribute with 101.4 million € and by the US who sees the opportunity to import US gas and to diversify the sources of energy from Russia's supplies and consequently weaken Russia's influence in the region.²⁷

Russia, another major power and influencer in Southeast Europe has had lukewarm relations with Croatia. The opposing ideological compass between the US and Russia, translated into their respective allies Croatia and Serbia, has been a strong detractive factor for Croatia-Russia relations. The detachment of Croatia from Russia's influence is also the acknowledgment that to be a part of Euro-Atlantic organizations, Croatia needs to follow along EU's orientations and general foreign policy, which has targeted Russia with sanctions in previous years. Croatia's Prime Minister (PM) statement suggesting that Croatia's experience with peaceful integration of occupied areas could be helpful for Ukraine provided another reason for challenging relations between the two countries. This remarks caused the cancelation of the Croatian-Russia Economic Forum in 2016.²⁸ This cold front in the two countries' relations has been addressed by the Croatian President, in a visit to Moscow in 2017, where she intended to improve relations between the two countries. The Agrokor case, however, had the potential to be another issue that put a strain in the relations between the two countries. The company is the biggest private firm in Southeast Europe with some 60,000 employees and annual revenues close to 6.5 billion € on sales, corresponding to 15% of Croatia GDP.²⁹ After failing to meet its debt obligations, the company was turned into a state-administrated firm. The debt settlement plan saw two Kremlin-backed Russian banks ceasing 47% of the stake in Agrokor.³⁰ For the time being, the situation is controlled as the government passed the so-called *Lex Agrokor*, appointing a manager to the company, retaining important influence. The dimension of the company in Croatia and ultimately in the region is of extreme relevance, however, the situation did not provide an opportunity for a more significant Russian influence in the country. Nonetheless, it remains conclusive that besides economical deals, there is no space for an ideological alignment between the two sides, as Croatia remains a stronghold against Russian influence in the region.

26 USAID (2018): Foreign Aid Explorer, <https://explorer.usaid.gov/aid-trends.html>

27 Ilic, I. (2018): Croatia's Krk LNG project faces opposition as investment decision looms, Reuters, <https://www.reuters.com/article/croatia-lng/croatias-krk-lng-project-faces-opposition-as-investment-decision-looms-idUSL8N1Q62QJ>

28 Zorić, B. (2017): Assessing Russian impact on the Western Balkan countries' EU accession: Cases of Croatia and Serbia, Journal of Liberty and International Affairs, https://www.ssoar.info/ssoar/bitstream/handle/document/54364/ssoar-jlibertyintaff-2017-2-zoric-Assessing_Russian_impact_on_the.pdf?sequence=1

29 Seddon, M. (2018): Kremlin-backed banks handed 47% stake in Croatian retailer Agrokor, Financial Times, <https://www.ft.com/content/9f1f1ee4-7fac-11e8-8e67-1e1a0846c475>

30 Ibid.

China, on the other hand, seeks to increase its influence and relevance in Croatia and in Europe through trade and investment. China tends to pursue economic diplomacy, leaving aside political or ideological considerations. That in turn, makes China a tempting ally as Chinese investment does not openly come with demands attached. China's 16+1 initiative under the Belt and Road project intends to foster cooperation between Central and Eastern European countries and China. Croatia will host the next meeting of the 16+1 initiative in 2019.³¹ Through the framework of this initiative, economic ties between the two countries have substantially improved. The improvement of ties between the two countries has led to an increase of Chinese tourists in Croatia, 160,000 in 2017, as well as Chinese investments in Croatian companies. Critical for this positive moment in Sino-Croatian relations has been the concession of the Pelješac Bridge, connecting the peninsula of Pelješac to mainland Croatia, to a Chinese contractor.³² Interests in both countries are aligned for the time being, however, looks unlikely that this relation could improve to different areas besides trade and investment.

Table 4.1. Croatian trade with China, Russia and the USA in million €

Country	2016		2017		2017
	Export	Import	Export	Import	Trade Balance
China	75,84	581,25	112,05	694,53	-582,48
Russia	189,69	301,69	179,71	302,55	-122.84
USA	455,96	188,80	546,31	143,75	402.56

Table made by the author, source: National Bureau for Statistics,
https://www.dzs.hr/Hrv_Eng/publication/2018/04-02-02_01_2018.htm

Trade between Croatia and the above-mentioned major powers displays huge disparities. While Croatia enjoys an important trade surplus with the USA, the situation is completely the opposite with both Russia and China. It is also relevant to notice that trade relations with China have intensified in 2017, however, both imports and exports increased which maintained the trade relation very unfavorable to Croatia. Trade relations with the USA also expanded but increasing Croatian exports to the USA and decreasing Croatian imports of American products has tipped the scale even more in benefit of Croatia. This, however, is mainly due to the issue of size of Croatian market and its level of attractiveness for American companies. The trade situation with Russia reflects the vital imports of energy to Croatia, that remove the equilibrium between imports and exports. The USA remains as the most important trade partner to Croatia, the one with which Croatia enjoys a larger trade relation and the one partner that has a 'huge' trade deficit with the country.

31 Government of the Republic of Croatia (2018): Croatia to host 16 + 1 initiative summit next year,
<https://vlada.gov.hr/news/croatia-to-host-16-1-initiative-summit-next-year/24118>

32 HINA (2018): Croatia set to boost ties with China, Total Croatia News,
<https://www.total-croatia-news.com/politics/29763-croatia-set-to-boost-ties-with-china>

4.2. Peacekeeping missions

A former recipient of international military assistance, namely during and in the aftermath of the Homeland War, Croatia became a security provider through participation in peacekeeping missions. The United Nations Protection Force (UNPROFOR) and United Nations Transitional Administration for Eastern Slavonia, Baranja and Western Sirmium (UNTAES) are examples of peacekeeping missions in the framework of the UN conducted on Croatian territory with the aim of establishing the conditions to a peaceful restoration of order in Croatia and in the region. The end of war and military proceedings in Croatia meant a shift of paradigm for the country. Croatia became an active security provider, participating in several peacekeeping missions particularly in the framework of NATO, UN and the EU. Since 1999, four years after the Homeland War, Croatia began to participate in peacekeeping missions, the first being a UN Observer Mission in Sierra Leone (UNMOSIL).³³ Since then, Croatia has been strongly engaged in contributing to peacekeeping missions. In 2017, while discoursing at the 72nd session of the General Assembly of the UN, Croatia's PM acknowledged the importance of peacekeeping missions for Croatia's foreign policy and pledge to continue to make peacekeeping missions through the framework of the UN but also the EU and NATO, a central aspect in the country's foreign policy. At the time, Croatia had already contributed to 19 peacekeeping missions solely in the framework of the UN.³⁴

4.3. North Atlantic Treaty Organization (NATO)

The transatlantic profile of the country has a very important strategic and symbolic relevance for Croatia. The process of development of a new strategic culture in the post-socialist and post-conflict framework was conducted under the transatlantic umbrella which actually determined the framework of the security discourse decisively. The fundamental documents in the relevant field are clearly confirming that Croatia is conceptualizing its security policy within the framework of membership in the transatlantic community (EU and NATO in particular).

The acquired membership has not only changed the international position of the country but also opened new opportunities for its international affirmation. Croatia reached the position in which it is using all benefits that the concept of cooperative security offers to a country of size and capacities like Croatia but also sharing responsibilities and duties that membership in the transatlantic institutions carries along.

This goes well along with the track record of high level of alignment of Croatian foreign policy with NATO's policies in the most challenging fields of contemporary international relations. The country contributed noticeably to the Alliance's efforts in the field of combat against terrorism, policies *vis-à-vis* Russia, its

33 Njari, E. (2012): The Republic of Croatia's National Interest in Peacekeeping Operations, U.S. Army War College, <http://www.dtic.mil/dtic/tr/fulltext/u2/a561626.pdf>

34 Government of the Republic of Croatia (2017): Address of Andrej Plenković PM of the Republic of Croatia at the 72nd session of the General Assembly of the UN, <https://vlada.gov.hr/news/address-of-andrej-plenkovic-pm-of-the-republic-of-croatia-at-the-72nd-session-of-the-general-assembly-of-the-un/22471>

peacekeeping efforts and policies in different regions. There were, of course, also difficulties in attempts to fully adhere to membership standards in the best possible way. Comparable to the vast majority of European NATO member states, Croatia is still significantly trailing behind in the field of defense spending.³⁵ There is a lively public debate that is reflecting different approaches to the essence of the problem and the announced intention of the government to meet the required threshold of 2% of GDP in the period of five years. The aforementioned developments, topped with Croatia's active approach to NATO membership that leaves an image of a country which is punching significantly above its weight, have contributed to the process of transforming the image of the country within the transatlantic community as opposed to the one that it portrayed some two decades ago. All of the above leads us to the conclusion that Croatia is tightly connected to the transatlantic concept of cooperative security which makes any alternative scenario highly unlikely in the foreseeable future.

Table 4.2. Defense expenditure as a share of GDP, in %

Country	2016	2017	2018
Croatia	1.21	1.27	1.30
Estonia	2.13	2.08	2.14
France	1.79	1.78	1.81
Greece	2.41	2.38	2.27
Montenegro	1.42	1.38	1.58
Norway	1.54	1.55	1.61
United Kingdom	2.15	2.11	2.10

Table made by the author, source: NATO

https://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2018_07/20180709_180710-pr2018-91-en.pdf

A very concrete practical confirmation to this argument is visible from the continuing and substantial contribution of Croatia to the NATO-led missions. The activities started way before accession due to two outstanding political reasons – an effort to cement relatively close relations with the US and clear any possible remaining question marks over its NATO accession perspective.

'Croatia started contributing to International Security Assistance Force (ISAF) mission in Afghanistan already in 2003, with the deployment of its first contingent ever to an international military mission outside the UN framework. A total of 4275 members of the Croatian Armed Forces were deployed in 22 Contingents (of which 150 women). The Croatian contribution has evolved over time in terms of quantity,

35 NATO (2018): Defence Expenditure of NATO Countries (2011-2018),

https://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2018_07/20180709_180710-pr2018-91-en.pdf

structure of the force and the tasks, and as a function of the developments of the Operation itself and of Croatia's accession to NATO. In time, Croatian soldiers have been assigned with more complex tasks, particularly with two important domains – force protection and training and mentoring of the members of the Afghan National Army, including mentoring of crews and air technicians of the Afghanistan Air Force; the logistic, financial, civilian and military police, engineering and infantry services, providing valuable support to the development of the capabilities of Afghanistan's institutional training. Furthermore, Croatian soldiers have served in staff positions, secured people and buildings, performed on-site investigations, logistic support and a number of other activities fostering the stability of Afghanistan and the capability of their forces to assume full responsibility for the security throughout the territory.³⁶

From the very beginning of the crisis in Ukraine, Croatia fully adjusted its position with the transatlantic community's approach *vis-à-vis* Russia, including the economic sanctions and contribution to joint NATO's mission 'Enhanced Forward Presence' in Poland and the Baltic states. One could conclude that, given very limited capacities of its defense sector, the contribution is everything but symbolic. Namely, in the battlegroup led by Germany that is operating with Lithuanian forces (in Rukla, Lithuania), Croatia participates with 187 troops (one mechanized infantry company with fifteen PARTIA armored vehicles and one M-ATV mine-resistant vehicle). Furthermore, in the battlegroup led by the United States that is operating with Polish forces (in Orzysz, Poland) it participates with 72 troops (one self-propelled rocket launcher battery).³⁷

Taking all the aforementioned facts into account, it seems obvious that the unpredictable strategic environment carries along lots of challenges in the global arena that are difficult to tackle even for the most powerful actors. In that environment, the country like Croatia will cleverly have to seek for its position in the contemporary international affairs. While many issues look fairly blurry and unpredictable, the current concept of cooperative security still appears to be an optimal construct, especially when tested against potential alternatives, if any.

As it was mentioned before, peacekeeping missions were and are of particular importance for the Republic of Croatia. The participation and Croatian commitment to peacekeeping operations aided to build a more positive image of Croatia, namely increase its trustworthiness and integrity, in the global arena. Additionally, the participation of Croatia in peacekeeping missions brings positive collateral features. By buying military equipment to national companies, the Croatian army is showcasing Croatian military equipment internationally.³⁸ Economically, peacekeeping missions present an opportunity to the Croatian military industry. Moreover, the presence of Croatian military personnel in peacekeeping

36 Croatian Armed Forces' 11th year in ISAF, Official Web-page of the MoD, 2014, <https://www.morh.hr/en/news/press-releases/9171-croatian-armed-forces-11th-year-in-isaf.html>

37 For details, please see the following link - https://www.nato.int/nato_static_fl2014/assets/pdf/pdf_2018_02/20180213_1802-factsheet-efp.pdf

38 HINA (2018): Local manufacturers to produce military equipment for Croatian army, Total Croatia News, <https://www.total-croatia-news.com/politics/25163-croatian-manufactures-to-product-military-equipment>

missions paves the way for the presence of private companies in the respective country of operation.³⁹ The Croatian commitment to security, stability and peace in the international order assumed by its willingness to participate in several peacekeeping missions has positioned Croatia as a country engaged in multilateralism and devoted to cooperation through the framework of international organizations.

Nevertheless, while active approach and devotion of a small state to co-operative security and multilateralism in the wider international arena has obviously no alternatives, the size and real capacities of the country still matter and are practically determining the real leverage of Croatia at the wider global arena. The size of the economy, military capacities and other 'traditional merits' still make a difference in global affairs. Therefore, awareness of limited capacities of a small state like Croatia and clever selective approach to existing opportunities in the international arena remains crucial for a viable foreign policy capable of utilizing existing capacities in serving national, as well as wider European and transatlantic interests.

39 Ibid 1

5. CONCLUSION

The contemporary international affairs are carrying along a substantial amount of unpredictability and instability, representing a big challenge even for the most influential and capacitated international actors. The technological development has changed the nature of international politics to the unprecedented level, while dissolution of former empires, large federations and political blocs has led to the drastic increase of number of players in the international arena. Consequentially, a more complex and dynamic international system is present today. The multilateralism as a concept could be understood as an attempt to adjust the system of global governance to the changing reality in the international arena, in particular when it comes to the issue of articulation of interest of less powerful actors. Additionally, the formation of different alliances, regional organizations and the EU as a unique *sui generis* case of integration, are also reflecting the increasing multiplexity of international affairs and its impact on the specific position of the small states.

This is of course, a very relevant development for a post-socialist and post-conflict state like Croatia. A country that had to go through the hardship of Homeland War in order to get its international legitimacy and statehood, having a third of its territory occupied and international peacekeeping forces deployed on the ground, has a particular interest in finding an adequate place for itself in the international arena and even more contribute to its functionality and long-term consolidation. Its transformation from a security consumer in the early 90s into a security provider today clearly confirms that. On the other hand, the realistic estimation of the country's military, economic, demographic, territorial and consequentially general strategic capacities have a sobering effect on the self-perception of Croatia in wider international arena. Again, the accent is on the capability to develop a clever and selective approach to the international affairs, mindful of country's capacity limits and specific interests.

There are various activities, skills and techniques that a small new member state of the EU and NATO has to acquire in order to be able to assume appropriately the responsibilities and competencies of its changed position. Passive approach to European affairs that was characteristic for small states with limited resources should be substituted with an active attitude that is based on realistically measured capacities and interests. In this sense, the concept of specialization in foreign policy applies to the case of Croatia. It refers to 'clever usage of limited resources' by concentrating on a very peculiar set of matters that is grounded in particular interests and distinct capacities, resources and know-how. In that regard, for an EU and NATO member country in a very specific geostrategic environment like Croatia, Southeast Europe represents a natural region of specialization for the reason of both specific resources and interests.

Furthermore, while geographic location/orientation to a large extent – again primarily due to limited resources – determines activities of small states within larger clubs, there are examples where countries use their salient resources in order to calibrate themselves as a promoter in the field which is not necessarily geographically defined. For example, Sweden is a well-known promoter of conflict-prevention and humanitarian diplomacy. Since Croatia is the first post-conflict member state of the Euro-Atlantic community, with respectable experience in post-conflict state building and democratization, the country should perhaps consider profiling itself in that direction as well beyond the geographic line of determination (the SEE region), of course, respectful of resources at its disposal. With this endeavor – promoting consolidation, democratization and the rule of law - it would gain a lot in the field of normative power, which is important for all member states, small ones in particular. Developing the capacities necessary to meet some of aforementioned recommendations – in particular the change of self-perception and perception of others, active attitude and timely developed policies, specialization, coalitions, leadership, normative power - would significantly improve the overall change of image of Croatia into the one of relatively successful and well-integrated state with recognizable leverage to the extent possible. Of course, all these ambitions have to be rationally measured against realistically estimated capacities and interests.⁴⁰

Building coalitions is another aspect of a small state's 'clever approach' to international relations, which is based on a realistic evaluation of resources at its disposal, its strategic and political leverage at the European and global level, as well as on its capacity to mobilise and create synergy at different levels as a precondition for political actions. A wide network of highly qualified diplomatic representatives is something that should be developed in order to have a practical capability to back-up such an approach. This is difficult to envisage without a viable and functional state administration that should steer the activities of the diplomatic network through well-managed political procedures and with an inclusive approach to participation of other subjects in the society who could contribute to this joint endeavor.

40 Knezović, S. (2015): EU and NATO Membership – Way Forward for Croatia, <http://www.irmo.hr/wp-content/uploads/2014/12/Policy-paper-EU-AND-NATO-MEMBERSHIP-WAY-FORWARD-FOR-CROATIA.pdf>

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