THE ARMED FORCES
OF THE REPUBLIC OF MACEDONIA
AND ITS REFORMS
Let me briefly stress out the significance of cooperation of the Republic of Macedonia with the Euro-Atlantic Partnership Council, the Partnership for Peace and the bilateral cooperation with NATO countries on straightening joint security and restructuring the Army of the Republic of Macedonia.

Consultations within the frames of the individual dialogue, The Membership Action Plan and the Assessment of the Process of Planning and Analyses represent important mechanisms for evaluating the degree of implementation of reforms within the ARM. The presence of NATO Advisory Team in the Republic of Macedonia is another element, which supports the process of reforms of the Army of the Republic of Macedonia and getting closer to NATO.

The aim of the Reform Program of the Armed Forces of the Republic of Macedonia 2002-2007 is to establish efficient and sustainable structure of forces having capacity to protect the country from all possible threats and prepare the country for future NATO membership.

By finalizing implementation of Reforms Program within the Armed Forces in 2007 the anticipated peacetime force structure will be 12.858 out of which 70% professional soldiers and 30% recruits. The Reserve Forces are intended to be about 26,000 or the total number of combat force will be up to 40,000. However the development of the Defense Strategy Review could possibly influence further reduction of the reserve component and the ratio between the active and the reserve component will be 1:1.

In regard to modernization we have initiated the process of removal of the tanks T-55 and their replacement with sophisticated anti armor assets. We are also planning removal of aircraft SU-25 and their replacement with light multi purpose helicopters. The Needs Analyses shows that we have to designate facilities and assets that the ARM has to reduce.

According to the Strategy for Integrated Border Security, the process of transferring authority for border security to the Ministry of Interiors has been initiated.
Within the PARP process, we are putting efforts to improve the ARM Force Structure, the training, the equipment, and interoperability, identify units and capacities for NATO led operations and logistic support.

Our plans within the Personnal Management Reforms have been focused on increasing the number of professional soldiers and NCOs and at the same time on reducing the number of officers, recruits and civil servants within the ARM by 2007. The current number of officers is 1752 and it will be reduced to 986. The current number of NCOs is 2083 and it will be increased up to 2614. The number of professional soldiers is 3123 and it will increase up to 4730 or for 1607 professional soldiers. 1743 civil employees within ARM will be reduced to 753. We have completed profesionalization of the forseen 45% of military personnel.

We have also worked out a long term program for recruiting population from other ethnicities. In the course of 2002-2003 we have recruited 163 professional soldiers, 188 non commissioned officers and 15 officers from the Albanian Community.

In the area of training we have initiated activities for upgrading military training according to NATO standards and establishing uniformed training standards. The Training Management System has been developed and the Training Techniques Course for military instructors has been completed.

Priorities with the PfP activities are given to areas related to NATO Membership Action Plan as a part of the IPP 2003-2004 (language training; democratic control of armed forces and defense structures; Defense Planning, Budgeting and Managing Resources; Consultations, Command and Control, Communications and IT Systems; Consumers Logistics; Military Education, Training and Doctrine; Military Exercises and appropriate training activities, as well as Operational, Material and Administration aspects of Standardization).

According to IPP of the Republic of Macedonia with NATO for 2003-2004 participation in 17 international exercise has been planned (12 CPX and 5 with unit participation) with the total of 164 participants; 11 are NATO/PfP exercises, 3 are within SEEBRIG and 3 bilateral in the spirit of PfP.

In 2002 within the third PARP cycle the Republic of Macedonia accepted 46 Partnership Goals. The implementation of Partnership Goals considers measuring interoperability with NATO as an instrument for showing significant progress in the area the Force Structure, Command and Control, Training and Professionalization.

As a result of the cooperation with NATO and EU Missions in the Republic of Macedonia we have achieved significant progress in the implementation of the Partnership Goal-Host Nation Support, which is a practical way of familiarization of ARM with NATO procedures, cooperation at operational level and their practical implementation.

During the implemention of Partnership Goals some shortfalls have been identified referring to the process of Planning, Programming and Budgeting, Logistic Support, Deployment Capabilities of units in the Theatre.

In the end, let me briefly inform you about the contribution of the Army of the Republic of Macedonia in NATO led and other international missions. In 2002 ARM sent
2 staff officers within the Turkish contingent in the NATO led mission in Afghanistan. The following year within the German contingent one infantry squad was sent to ISAF-3 and ISAF-4. The unit participating in ISAF-3 in Afghanistan has successfully completed the mission and safely returned in Macedonia on 22 August 2003. Since 1st June 2003 the unit of ARM consisting of staff officers and 28 soldiers from the special forces unit and the 1st Infantry Brigade are in Iraq participating in the mission “IRAQI FREEDOM”. Our ARM representatives have successfully demonstrated their skills and capabilities in conducting daily tasks. It is also worth to mention that the ARM has declared for the South East Multinational Peacekeeping Brigade staff officers, one motorized infantry company, engineering platoon and the National Support Element. Most probably some parts of these units will be engaged within SEEBRIG.
The past 10 to 12 years belong to a period of radical changes in the milieu of the Euro-Atlantic security environment. The time of mass wars is over. Today we are facing different challenges and different missions – regional and civil wars, humanitarian disasters, peace operations, anti-terrorist fight and use of weapons of mass destruction.

As a result, the armed forces are expected to be more flexible and mobile, capable of rapid deployment in critical regions, appropriately equipped for any possible challenges with appropriate logistic support and trained personnel for long-term self-sufficient operations in crisis areas. For this new type of operations, the armies of different nations have to be trained to operate jointly with no difficulties.

Faced with these new challenges, the armed forces of a number of EAPC nations are undergoing fundamental changes. This is a long-term process in many large-sized and expensive organizations.

It is common knowledge that there are no two nations with exactly the same military organization. Hence, there is no unique defense model and army reforms. However, military establishments have sufficient similarities to be able to use each others’ experiences.

In my presentation, I will briefly touch upon the reforms of the armed forces of the nations of Central and Eastern Europe, and the reforms of the Armed Forces of the Republic of Macedonia in greater detail. At the end of my presentation, I would like to draw your attention to the lessons learned and to give some recommendations based on the experiences of the seven new NATO invitees.

**Characteristic of the Reforms of the Armed Forces of the Central and Eastern European Nations**

Based on the analyses of the reforms of the armed forces of Central and Eastern European nations, we may conclude that these nations differ in terms of their size, economic
development, geo-strategic position and their links with NATO and the EU. However, there are two basic categories of countries: nations with large armies inherited from the Cold War era and newly established armies in newly established states. It means that reforms vary both in terms of their extent and consequences. However, roads towards reforms are very similar.

The beginning was characterized by lack of rationality and ideology, as well as drastic downsizing of armies. The new governments lacked military expertise and appropriate democratic mechanisms necessary for successful democratic control of the armies.

In the next phase, military leaders, stirred by a number of different motifs, and especially due to their belief in the efficiency of the old system and the lack of knowledge of the new democratic governments, made an attempt to keep the old military structures and infrastructures. That period proved to be a real disaster.

It was especially unfavorable for the military industry and other economic branches, where the defense sector in Central and Eastern European nations was too slow to set up appropriate budget systems and it resulted in spreading of corruption in all spheres. All this has led to a rapid fall of the training standards, living standards of the soldiers and a large portion of officers.

In the third phase, the military industries of the Central and Eastern European nations tried to avoid reorganization and reorientation, thus missing the opportunity to introduce themselves to the world market in the early nineties.

The influence of these changes was felt in almost all nations among the soldiers whose training and living standards were continually decreasing; this occurrence resulted in avoidance of the military conscript service by the young population and massive abandoning of the military schools by young cadets, by physical abuse of the conscripts by senior soldiers and officers, drastic fall of the training quality, as well as by fall of the prestige of the military forces. All these factors affected the young officers very negatively and they were massively abandoning their military service.

Such situations created a vicious circle: training lost its quality, the equipment became obsolescent and was not replaced, the gap between soldiers and officers deepened, morale weakened; on the whole, the respect for the armed forces decreased considerably.

By downsizing the armed forces, the officer corps was becoming more and more difficult to deal with, and represented a large obstacle to be reformed. All these attempts for drastic reduction of the officer cadre were also very harmful. The governments that disposed abruptly of the surplus senior officers without showing any gratitude to them, without providing appropriate pensions and social insurance, leaving them thus with extremely low chance for a new job, forced those who were not capable of doing anything else, to stay in the army at any cost. In its turn, this development discouraged young people and repelled them from joining the military schools.

The downsizing of armies has not had the same pace in all countries; this pace varied even within the army of the same state. Generally speaking, problems were more complicated in those countries that inherited large armies than in countries with newly established armies. Most of the armies of the former USSR were in a desperate condition.
and none of the armies managed to reconstruct an effective and self-sufficient modern model in the course of the nineties. The only way they could reform was to seek greater financial means, which was in fact a great mistake. Namely, the experience of the Central and Eastern European nations has proved that when the military establishment had at its disposal money prior to the reform process, it spent it on keeping the old establishment, instead of conducting the necessary reforms.

In this context, it should be noted that the “NATO factor” has played a very important role. The commanders in some nations that wanted to join NATO were proposing development of unnecessary and expensive military equipment. This direction was taken by the Western arms producers as well. On the other hand, the governments of some countries used NATO “requirements” to push the army reforms forward because they lacked confidence and authority to face and address this problem. Both approaches have brought about great damage to the civilian - military relations and to the confidence of the public in the military.

The final element of the “NATO factor” was the preparedness of the governments and armies of the Central and Eastern European nations to take up western models of military organization and formation. The governments and the military leadership stepped from one extreme of refusing any western influence at all, into another extreme of promptly accepting all western ideas, such as professionalization, without critically assessing first what it realistically involved and cost.

Those that defended the reforms hoped that young officers would freshen up the system by bringing in new ideas. However, this brought about only initial results. They failed either due to the inert behavior of the middle age generation or because they were cut off by their superiors who saw them as a threat.

A similar thing happened with the officers sent to schooling abroad. They were expected to return with new knowledge and fresh ideas. In reality, this expectation proved wrong because the military establishment hampered these officers in order to protect themselves. In some Central and Eastern European nations even in 2000-2001 each officer sent to education abroad was then deliberately assigned to marginal duties.

Moreover, the usual failure in Central and Eastern European nations was the impossibility to implement an efficient long-term planning and budgeting system. The complete lack of honest and transparent personnel management was also related to these failures.

In almost all Central and Eastern European nations great attention was paid to the democratic control of the armed forces; however, there was also the continual problem of whether governments were competent enough to implement the defense policy and steer the military reforms. In shortage of civilian expertise, governments relied on the military for defense advice, meaning that the military in fact had the decisive role in politics.

In the past few years, the situation in some Central and Eastern European nations has started to change very rapidly. The military reorganization plans are good and have been evaluated favorably by NATO authorities.
The general conclusion is that in all Central and Eastern European nations where the reforms have entered deep into all pores of the armed forces, they have been led and steered by senior more experienced officers who have vision, courage and technical expertise. They have been capable of inspiring their subordinates and younger officers to follow them and expect assistance by foreign experts. They also have has strong political background to protect and encourage them and to organize public information campaign for gaining public support.

Establishment of the ARM and its Reforms

The establishment of the ARM was intertwined with a number of problems. More specifically, the adoption of the basic framework defense papers and the manning and equipping processes within the ARM were carried out under great pressure by the current developments in the immediate environment and the Balkans.

The establishment and manning of the armed forces involved a discrepancy between the organization requirements and the number of officers, including their age structure. This was a result of a Government decision to accept all military officers and civilians who wanted to join the ARM. The harmonization of the military organization and the real needs never came to be realized, a fact which affects even today’s adjustments that we attempt to make according to NATO standards.

Another issue was the establishment of a military education. Due to disagreements for the most appropriate model, the work was rather delayed. After the establishment of the Military Academy, the reception of cadets has never been harmonized with the annual need of the ARM for 30-40 cadets. The consequences are evidently felt even today. And last, but not least is the negative experience of organizing the ARM under the strong influence of the former Yugoslav People’s Army (JNA) with only slight cosmetic adjustments.

However, apart from these negative experiences, I would also like to present the positive preconditions and activities of the formation process of the ARM.

Having been part of former Yugoslavia, Macedonia has had positive experience as part of a non-aligned state. This experience, that is, relying on own forces solely, had a considerable influence over the enthusiasm of all officers and civilians when establishing the ARM. The greatest portion of officer returnees from the former Yugoslav Army and territorial defense were highly expert and educated personnel and they used their expertise and professionalization in the process of establishing the ARM and developing the basic defense documents.

The lack of military knowledge and experience in the civilian personnel necessary for democratic control of the armed forces was successfully alleviated by bringing in personnel with defense education of former Yugoslavia and assigning them to key leadership positions. In this context, the presence of the Defense Institute has had a very positive role.

A positive step forward in the establishment of the ARM was certainly the rapid establishment of international cooperation in the defense sphere. In order to realize this goal, a Directorates were formed in the MOD and the General Staff for International and Inter-army Cooperation. The international community exercised great influence on all this
work, which stemmed from the membership of the Republic of Macedonia in a number of international organizations and mechanisms. It set up the foundation of Macedonia’s military diplomacy, since it was the Ministry of Defense that signed the first international agreements in the defense area. The political elite worked intensively on decreasing the gap between the political and security culture of the population and politicians and the expectations of the international community. In that context, the politicians were active in their attempts to change public opinion. For illustration, the joining to the PfP was a political initiative, but the citizens were not aware at the time that it was the first Macedonian investment for NATO membership.

As a result, today we have very intensive international cooperation in the defense area. For the purpose of joining NATO, the armed forces are exposed to a number of comprehensive reforms. Within that process of continual approaching to NATO and EU and accepting many new security and defense commitments, participation in international missions and other bilateral and multilateral activities, the Armed Forces are subject not only to national civilian, but also international control.

From the aspects of cooperation, interoperability and transparency, the ARM can be said to have five transformation phases:

1. From 1992 to 1995,
2. From 1995 to 1999,
3. From 1999 to 2001,
4. From 2001 to 2002,

The first phase was the period of establishment of the ARM characterized by addressing all existential issues both for the ARM and the country in general. The concept of a national robust army was accepted as the best one, apriori, without any willingness to accept new ideas, and it operated with enormous figures, which in reality could be achieved only if the RM had similar GDP to that of Switzerland.

The second phase was a period of intensification of international military cooperation. The Republic of Macedonia signed the Framework PfP Agreement on 15 November 1995, and it has participated in the PARP process since 1997. In 1996, the Military Part of the Mission of the RM to NATO started functioning by sending off liaison officers to the NATO HQ in Brussels and the PfP Coordination Cell in Mons.

A large portion of defense military and civilian personnel takes part in activities outside the country, primarily in NATO countries and it intensifies the flow of western ideas. The leading military establishment saw the advantage of participating in the PfP and the Euro-Atlantic integration. This should not be a surprise because when NATO adopted the PfP initiative at the Brussels Summit in January 1994, nobody could foresee its importance. The power of the PfP lies in the opportunity to respond to the individual needs of the Partners and to tailor the programs and activities for everybody in order to meet the specific requirements of their armed forces. Speaking for our country, it is only fair to say that the PfP has exceeded all our expectations. Through education, training and exercises, the PfP
has imported the NATO manner of working to Macedonia, which in its turn, showed interest to develop closer links with the Alliance. The Macedonian “pro-western military thought” was slowly maturing and it promoted the fact the PfP is not designed only for Partners but also for NATO. It has been practically acknowledged that a major part of the PfP cooperative efforts included preparation and development of capabilities so that as a Partner nation, the RM is capable of deploying forces with Allies in possible crisis management and peace and humanitarian operations.

However, the refugee crisis and the NATO operation in the FRY have stirred up again certain dose of distrust in part of the abovementioned structures and fear “of repeated misuse”. However, the positive trend of cooperation with the West prevailed, and the Basic Agreement with NATO for Transit of Forces and Host Nation Support came into force on 24 December 1998.

This phase also entailed the first considerations about professionalization of the ARM, but the concept of total defense still remained, which implied over-dimensioning of the ARM plans and personnel strength, but again only on paper. It also initiated considerations about establishing real links between plans and available budget funds.

The third phase of the ARM transformation started with the NATO Summit in Washington when the RM became NATO aspirant and it lasted until the 2001 crisis.

The NATO Summit in Washington corrected the trajectory of the “western trend” of the key subjects that brought the defense decisions. In that context, it should be noted that since 1999, the RM has been providing significant medical support for KFOR.

A need ensued for establishment of a transparent defense planning system.

The key of modern operations is interoperability. One of the key mechanisms for improvement of nations’ capabilities is the NATO defense planning system. Through this system for the Partners (PARP), these capabilities are sought for every Partner. The 2000 package of PGs is related to the improvement of Partners’ capabilities for deployment and mobility, maintenance and logistics, survival and efficient engagement and command, control and communications systems. One of the four major roles of the PARP process is its contribution to the transparency of defense planning. As a PARP nation, the RM develops a Survey of the Overall PfP Interoperability every second year.

The change in the way of thinking of the political and military establishment is due to the Membership Action Plan (MAP). The aim of the MAP process, initiated by the Washington Summit in April 1999, was to convince the other nine aspirants that Article 10 and the “open door” policy are not futile and to help them develop their own forces and capabilities that could function within NATO in the framework of its new Operational Capabilities Concept.

The MAP is a basis for further progress of an intensive and individual dialogue concerning all membership issues and it is designed to enhance the strong commitment for further enlargement of the Alliance.

Each aspirant nation is required to develop a national program for preparation for possible future membership. If they wish, the aspirants may update their national programs.

As I already said, in this transformation phase, the RM was aware of the necessity of defense/armed force reforms, and it started thinking about their implementation. A strategic
document that determines the reforms is the Annual National Program for Membership (ANP). The ANP is a basis for the transition process of the RM to a NATO structure. The Program provides for synchronization of the restructuring of the armed forces and interoperability by balancing possibilities and resources.

It should be noted that the PfP is the foundation of the defense preparations of the aspirants for future membership, and they are expected to subject their overall forces to the PfP training, exercise and survey mechanisms. The aspirant nations also need to accomplish their potential contribution to the NATO-led operations and be capable of contributing to their own defense and the defense of other Allies.

Looking back from today’s point of view, in the past four years the MAP has been to a large extent a learning process, both for Allies and Partners. It forces nations to prioritize those issues that are relevant for NATO membership and to review the achieved progress in these areas, increasing at the same time the required coordination of the state institutions. Defense reforms have become the essential priority of each country that wants to join NATO.

The fourth phase, beginning with the 2001 crisis and completed with the Prague Summit, had many turbulences. During the crisis, the ARM had to arm urgently, which provoked remarks by many NATO nations. In order to follow the integration trend, the defense sector after the crisis was forced to develop plans for disposal of the unnecessary military equipment and arms. The improvement of the security situation created the necessary conditions for implementation of the plans for disposal of the unnecessary military equipment and arms, as well as for personnel rationalization.

It is necessary to point out that, despite some slight oscillations in intensity, the defense activities in direction of Euro-Atlantic integration have always been present. In 2001, by initiative of the RM, a NATO Coordination and Cooperation Cell (NCCC) was established in Skopje. The Republic of Macedonia provided host nation support, securing and ground support NATO forces during the operations “Essential Harvest” and “Amber Fox”. In 2002, the RM sent its first military representative to the NATO Military Committee and reinforced its Military Mission to the NATO HQ.

The Prague Summit was a key moment for NATO and Europe. The decisions of the NATO nations heads of states put an end to the discord that was a great fear for Europe in 20 century and encouraged the process of modernization that allows NATO to deal with the security challenges of the 21 century with the same efficiency as in the past.

Seven nations were invited to initiate their negotiations for accession to NATO at the NATO Summit in Prague. A series of measures were also approved in order to improve the military capabilities and introduce package initiatives for creation of new Partner relations.

Enlargement of the Alliance will strengthen NATO in several ways, making it more capable to deal with the traditional and the latest security missions. From a military aspect, the new ways will have the chance to provide specific and appropriate capabilities, as well as basic defense contribution according to their resources.

NATO continues with the “open door” policy for those MAP countries which were not invited to join NATO in Prague, and have made significant progress in the last few years.
On the Prague Summit once more it was confirmed that the Partnership remains as a focus of Alliance’s policy. The Euro-Atlantic Partnership Council (EAPC) and the Partnership for Peace (PfP) have intensively strengthen the security and stability of the Euro-Atlantic Region. Currently, EAPC and PfP are being modernized in order to provide Partner countries with more focused support and bring them closer to NATO. The EAPC Action Plan on fight against terrorism is an example on how these relations are being strengthened in order to face the threats that are risk to the Partners as well as to the Allies.

The number of reforms, initiatives and programs adopted in Prague are beginning for the transformation process, which is essential for the security guarantee for the territory, population and NATO member forces against all threats and challenges. The Agenda is highly ambitious, but it is as well realistic and achievable. The preservation of transatlantic security relations, which in the past half-century served to both sides of the Atlantic, depends on its transformation into effective action.

The compliments for the significant reform progress and the strong support to Alliance’s operations, as well as the significant steps made to overcome the internal challenges, followed by the progress of democracy, stability and ethnic reconciliation in the Republic of Macedonia, have found its place in the Prague Summit Declaration. However, message has been sent to double the reform efforts. The Declaration confirms the NATO commitment to assist the Republic of Macedonia, through MAP, in order to achieve stability, security and prosperity, hence meeting the obligations arising from Alliance membership. In this context, through NATO presence will continue to assist the defense and security sector reforms.

The Alliance leaders have sent a message to SEE countries, including the Republic of Macedonia, which states that they expect from the regional countries to:

- Continue with the building of permanent multiethnic democracies;
- Eradicate the organized crime and corruption and to establish the rule of law on sound basis;
- Cooperate within the Region;
- Meet international obligations, including the cooperation with the Hague Tribunal.

In short, it is only the progress in reform area, which will define the pace of integration into Euro-Atlantic structures for each regional country.

Having in mind the conclusions from the Prague Summit, as well as the lessons learned during crisis in 2001, the defense of the Republic of Macedonia in after-Prague period enters a phase of transformation with a dynamics that exceeds all the previously mentioned phases. In almost a year, we have achieved more than in the previous 10 years. That is due to the fact that:

- The leading political structures have learned the lesson from the crisis in 2001, that this kind of force design and equipment is not appropriate to face the unconventional and asymmetrical threats, which dominate in the region and in wider terms. The goal is to create more efficient, modern and mobile armed forces that will be more flexible, deployable and sustainable;
- The so called “critical mass” of west-educated and pro-NATO oriented military personnel is in a position to have direct influence on the decision making process. In this phase of ARM transformation, attention should be drawn on the Operational Capabilities Concept (OCC) for NATO-led operations, which is directed towards strengthening of the partner countries in this context.

**Lessons Learned and Recommendations from the Experiences of the Newly Invited Countries**

Since the creation of ARM, up to date, it is being constantly transformed and reorganized, but never brought to its final phase. Defense reforms, are equally concerning the military, as well the non-military institutions, that is all institutions related to defense, such as science-educational, non-governmental organizations and media as a part of the national security environment.

In this context, we should particularly emphasize that deeper reforms are required in the military intelligence as well, in order to loose all the remains from the past and to transfer into an important segment for the Euro-Atlantic integration of the country. Significant changes should be made in the military education and it should be adjusted to the new needs, by connecting it with international security-defense education institutions (Marshal Center, SHAPE School etc.).

**Recommendations:**
- Implementation of solid and transparent personnel management;
- Appropriate conduct of the re-conversion program;
- Implementation of the joint planning system;
- Active participation in NATO-led PfP exercises and operations;
- Enlargement of the participation in international peace support forces;
- Permanent coordination with the NATO Advisory Team and US Team (Booz-Allen-Hamilton);
- Permanent modernization of NCO training;
- Everyday improvement of compatibility with NATO Armed Forces;
- Development and implementation of procurement concept, compatible with western countries;
- Establishment of consistent strategy of receiving donations for military needs;
- Essential personnel and equipment reduction under complete control and in accordance with national and international agreements;
- Continuous improvement of English language proficiency through organized education within the 1st and 2nd Brigade and Military Academy;
- Organized preparation of officers, who are sent on international duties and national duties abroad (50 until 2006);
- Enlargement of the number of officers who are sent on education and training in NATO countries;
- Intensification of the regional cooperation and
- The Prague Summit decision not to invite us for NATO accession should not be disappointing, but on the contrary it should be mobilizing.

At last but not least, the reforms must be conducted and based on a clear vision, with a well prepared plan, clear goals and precisely defined timelines. In addition, all political forces in the country, both the position as well as the opposition should support the military reforms. The political neutrality of the Armed Forces is of crucial importance for the success of reforms.

The leading positions within the Ministry of Defense and General Staff should be manned with persons with strong personality and credibility, with knowledge in the defense area and with experience in the new international environment and requests of the NATO integration processes.

Conclusion

The defense reforms are exceptionally complicated process and they are not related only to restructuring of armed forces, but as well to the whole strategic environment, and at the same time to the adjustment to the new requirements that arose after the Cold War, failure of Yugoslavia, Kosovo crisis, and especially the conflict in the Republic of Macedonia. It is undisputable that after we face the needs for global antiterrorist fight, new tasks and obligations will rise. Considering this, it is obvious that clear, well justified and analytically based goals and missions of the Armed Forces lead to a long-term perspectives. In this context we should emphasize that strategic documents do not have legal power, but as a base for political consensus they can unify all those responsible for reforms. In addition, clear and real goals and tasks of the Armed Forces are the best way to achieve political and social consensus on reforms.

The goals and tasks of the reforms must be based on the human, economical and political situation in the country. Any unreal, declarative or preemptive decision on what should be done, opens possibilities for speculations and misinformation for all those who do not accept the required changes for successful reforms.

Additionally, the continuity is also an important precondition for success in the reform process. Permanent, analytical, critical and independent remarks on what was achieved will help to avoid mistakes. Defense experts and other institutions responsible for defense should not be changed with each new minister.

When transparency is not impeded by security services, it is a next step towards successful reforms, which will be achieved through:

- Defense and military legislation;
- Regular media coverage of reforms;
- Independent strategic environment;
- Clear career and military personnel promotion system based on qualifications and work success;
- Clear framework of the commanding and managing with the Armed Forces and
At the end, the creation of new generation of soldiers and civilians is the only way to abandon the “old” way of thinking. The success of reforms will depend on those who have personal experience from western military standards, and who understand the tasks of the military missions of the 21st century and who have sufficient forces and capacities with such personnel with NATO military structure experience.
Macedonia has sufficient potentials to think about and implement the reforms.
I have worked in Macedonia for almost 2 years firstly as the UK Adviser on Defence matters and latterly as the Director of the NATO Advisory Team. The NATO Advisory Team works to the direction of both the Secretary General’s Civilian Representative here in Skopje – Ambassador Biegun and the Senior Military Representative. I am responsible for the provision of advice across a broad range of defence and security sector reform matters to prepare and equip your country for NATO membership. To do that I have a team of experts in training, logistics, finance, defence policy, intelligence from 5 main NATO nations working inside the Ministry of Defence.

Macedonia is the only nation that receives this level of NATO advice and support and it represents a long-term commitment by the Alliance to your security needs.

My presentation will be in 2 parts:

Firstly, I will share some of our thoughts on the sort of capabilities we believe Macedonia should develop as a potential member of the Alliance.

Secondly, Col Fick a key member of the team will cover some of the resource and financial realities of membership.

Our remarks on capabilities are based on a series of deductions from an analysis of strategic trends in both regional and international security. I will at the same time offer suggestions on the direction in which I believe the ARM should move and the capabilities that appear to be the most relevant to your needs and the needs of NATO in the future. Can I stress that although I give a considerable amount of technical assistance and advice to the Minister and the GS of the ARM, the NATO Advisory Team is only one source of advice and my approach has always been to set out as objectively as I can the options available for the reform of your military. Ultimately what you do, what sort of ARM you want, is a sovereign matter and we welcome the manner in which you have undertaken your Strategic Defence Review to examine on a national basis, your long-term defence needs.

In the past defence and security were synonymous. It was your investment in defence, which provided you with security. However, in Macedonia in common with many nations in central and eastern Europe you have discovered that your armed forces, which were designed and equipped for defence against conventional attack, are no longer adequate to provide security against the range of un-conventional and asymmetric threats, which are
more prevalent in the region and beyond. In addition, the experience of NATO armies in operations over the last decade from Bosnia and Croatia to Afghanistan and Iraq is that tomorrow’s armies will need to have a much broader range of competencies, capabilities and much greater flexibility. Currently you face the reality that structure of the ARM is based on heavy armoured formations and you are largely reliant on a doctrine of territorial defence and the use of mass and firepower to defeat potential adversaries. In general terms, asymmetric challenges require lighter more responsive and more flexible forces – fewer tanks, more infantry, better mobility and better intelligence capabilities. Most mature armies are realizing the need to transform and to reduce conventional capabilities such as armour and artillery for a greater investment in ISTAR – intelligence and targeting systems, mobility, particularly helicopters for battlefield movement but also strategic lift capabilities and lighter, potent and rapidly deployable forces.

In the same way until recently, national security was measured in terms of military capability. However, the experience of the crisis and the preponderant trends in security within the country and in the region of the Southern Balkans suggest that you do not require a traditional or conventional military response to meet all of Macedonia’s needs. The areas currently requiring greatest investment in meeting the new range of threats within Macedonia and in the region are the capabilities of the Ministry of Interior, border and customs forces, crisis management facilities and intelligence. However, there is an important military role in this sphere. The 11th September attacks and the continuing threat of global terrorism has made all western countries re-consider the role of their militaries within societies. Even those countries with constitutions and laws, which strictly limit the role of the military in internal matters, have had to reconsider their positions. The military in most NATO countries have a range of capabilities and skills such as surveillance, reconnaissance, communications, explosive ordnance disposal and high-risk search which police often lack. In view of the increased terrorist threat the employment of the military in a number of these areas in support of the police has become commonplace. Furthermore, the demands of peace support operations in the Balkans, counter-terrorist operations in Afghanistan and Iraq and stabilisation operations in the same areas has seen a significant increase in the demand for more SF or lighter highly capable troops. It is likely, as in recent operations that you will need to call upon military resources in support of police operations where the risks are great and the Police cannot meet all the demands of a particular operation. This is an important military task that cannot be overlooked even though the military should only be employed as a last resort and always working to the principle of police primacy.

Membership of NATO is more than just having access to a security umbrella. NATO has developed from a collective defence system into a broader political military alliance. The decision at Prague to create a NATO response force, the current NATO operation in Afghanistan and the possibility of NATO operations in the future in Iraq, suggest that the Alliance has become a global defender of values. Therefore, it is important to recognise that along with the benefits of membership, there will also be obligations and responsibilities. Macedonia must plan to contribute to the Alliance in positive and constructive ways. This means the ARM should be able to:
- Deploy and operate out of at probably up to battalion or equivalent strength for sustained periods as part of a NATO force. The NATO Response Force and the current NATO order of battle have considerable combat capability, particularly in airpower, armour and infantry. What it lacks is niche, best explained as small, discrete and high value capabilities in logistics and combat support. There is scope here for Macedonia to decide what it is really good at and focus on it. As a former SACEUR has described ‘useful and deployable niche capabilities allow you to play with the big boys, however small you are’. For instance the Czech Republic has provided highly useful NBC monitoring capabilities in recent Coalition operations in Iraq, Norway is developing a very valuable capability in mine clearance and their SF, who are able to operate in mountainous terrain, have attracted considerable praise in operations in Afghanistan. There are a range of possibilities open to Macedonia, clearly a decision to focus more of your defence effort on niche SF capabilities will develop consider support for your membership bid. However, NATO also lacks deployable medical capabilities and a range of small and specialist capabilities in logistic areas. Deciding what you would like to do is relatively easy, it is the ability to deploy and maintain a force overseas that can prove expensive and complex. This is an area where Macedonia lacks both resources and expertise and is an area where NATO will wish to see progress.

You must be able to provide the core contribution to a NATO force if ever Macedonia’s borders or sovereignty were threatened or there is the need to deploy a NATO Article V force within the Balkan region. This has provided members and some of the new invitees with the justification to retain a balanced military capability for war fighting. NATO does not look to nations simply to contribute to operations at the lower end of the spectrum for peacekeeping operations. We welcome the fact that you plan to retain core war fighting skills in recognition of the need to ‘train hard but fight easy’.

Be fully interoperable with NATO - Your equipment, your doctrine and your training must enable you to integrate fully with NATO allies. At present you are someway from this goal – NATO doctrine is held but it is not fully disseminated and taught. Your equipment and communications systems must be in time become closer to those of your potential allies. Your education and training, particularly the training of your NCOs – the bedrock of a modern professional army must be closer to NATO norms. The use of English language, right down to NCO level remains the foundation for basic interoperability.

Act as security forces in support of the police in peacekeeping or stabilisation operations. Recent experience by NATO armies indicates that when soldiers are called upon to meet a security challenge they are more likely to be required to carry out peacekeeping or policing duties rather than fighting. Stabilisation and post conflict operations require a range of very stressful and demanding skills that cover a spectrum from negotiation, through policing to first aid or humanitarian coordination to administration. This is something that Macedonia should recognise in the development of higher standards in the education and training of military personnel. People are vitally important to our future defence capability. Although military equipment can appear impressive, it is the men and women who operate, maintain and support it that makes the difference. The goal is to develop the defence sector to be an example an equal opportunity employer offering a clear sense of purpose.
and a provider of excellent education, training and support to all employees. To my mind, these requirements make a strong case for the development of a larger professional volunteer component in the ARM and a progressive reduction in conscription.

Although it is important to have a clear vision of what sort of defence sector you want. It is important that Macedonia takes account of the financial and resource realities of NATO membership and the real cost of maintaining a relevant and modern defence capability.

**Col Fick**

NATO is an intergovernmental organisation to which member nations allocate the resources needed to enable it to function on a day-to-day basis and to provide the facilities required for consultation, decision-making and the subsequent implementation of agreed policies and activities. Macedonia will be expected to take on part of this burden.

In the military context, apart from a limited number of permanent headquarters and small standing forces, the vast majority of military forces and assets belonging to NATO member countries remain under national command and control until such time as some or all of these, depending on the country, may be assigned to NATO for the purposes of undertaking specific military tasks. The forces of NATO countries contributing to the Stabilisation Force led by NATO in Bosnia and Herzegovina (SFOR) and to the Kosovo Force (KFOR) are thus assigned to NATO temporarily in order to fulfill the Alliance’s mandates but are trained, equipped, maintained and financed by the individual defence budgets of member nations.

In order to facilitate consultation and joint decision-making in the framework of their Alliance, each member country maintains a diplomatic and military presence at NATO headquarters as well as civil and/or military representation at the headquarters of the various NATO agencies and military commands. The costs of maintaining and staffing their national delegations and military missions are also a national responsibility, financed in accordance with the different accounting principles and practices of each country.

These two examples - the costs of maintaining military forces and the costs of civil and military representation in Alliance forums - illustrate expenditures which would have to be taken into account in any analysis of the total cost to each nation of its NATO membership. Such expenditures would have to be offset by a similar analysis of the economic benefits obtained by each member country as a result of its participation in the Alliance.

However, the rationale for NATO membership extends far beyond the confines of a financial balance sheet drawn up on the above basis and embraces political, economic, scientific, technological, cultural and other factors which do not lend themselves readily to translation into financial terms. Moreover, to arrive at a meaningful conclusion each member country would have to factor into the calculation the costs, which it would have incurred, over time, in making provision for its national security independently or through alternative forms of international cooperation.

There are also cost and resource issues that are relevant to the sort of capabilities required for NATO membership that Brigadier Baxter has described. A key output of the Strategic Defence Review is to focus on the military capabilities you should develop in the
long term but which are also affordable. Plans have to be realistic (in time and in terms of resources) so you can meet the commitments to the Alliance you make. Therefore, the national defence planning and budgeting process should be completely transparent.

After the final approval of the SDR and the development of a long term plan for the Transformation of the Defence and the ARM, it will be vital for you to have a fully functioning multi-year planning and budgeting process in place with frequent progress reports (financial and non-financial). As a rule plans (including there effect on the budget) should have a scope of 5 years and if it concerns investments the scope should be 10 years. Our colleagues from the US Defence Contractor will discuss this in more detail, but you still remain burdened in defence terms by the short-term nature of your planning and budgeting.

Whatever your decision on future capabilities, large investments will be unavoidable – modern weapons and equipment are expensive but looking at your draft MOD-budget for 2004, there are almost no funds available for this purpose. Salaries, maintaining ageing equipment and infrastructure, consume most of your defence resources. In our view, it will be inevitable that the SDR will have to take a very close look at the personnel numbers, administrative overheads, infrastructure and equipment that are really relevant to your defence needs. We anticipate that you will face difficult decisions on how you will reduce expenses in order to create funds, which enable you to make the defence investments, which are necessary now and in the future.

There is an unwritten rule for defence budgeting that states you should spend 1/3 on personnel, 1/3 on investments and 1/3 on running costs. To be honest; for small countries this is a very difficult target but is something we believe you need to aim for soon.

Consider yourself caught in a kind of financial trap. As long you don’t downsize your armed forces you have to pay the salaries and expenses for infrastructure. As long you don’t invest in new equipment you will have to spend more money on maintaining your ageing equipment you will even reach the point that maintenance is not possible because there are no spare-parts available.

Free yourself from this trap as soon as possible.

**Brig Baxter**

Can I conclude by underlining that we recognise that a great deal of progress is taking place and we welcome the manner in which the GS of the ARM and the MOD treat us and work with us. Furthermore, you have overwhelming support from NATO for the manner in which the Government intends to use the Strategic Defence Review to develop an army that is relevant and appropriate to your long-term needs an Army that Macedonia truly deserves.

Currently my main effort is to support the work that will shortly start in the Ministry of Defence on the Strategic Defence Review. We have also completed detailed studies with the ARM on a range of important issues:

- The development of your SF capability
- Your military intelligence capabilities and structure
- Your logistic capabilities to support deployed forces on NATO operations
The development of better NCO and soldier training
The development of NATO compatible training areas.

We fully appreciate the difficulties of such a process when you still face security concerns. We also understand that reform is a long-term process and the transformation of your defence capability will continue long into the future. Can I stress that in defence terms NATO is not looking for the finished article – we want to see robust long term plans for the maintenance of a relevant defence capability.
Strategic Defence Review – basics and assumptions for its realization

This is short information for development process of the Strategic Defence Review (SDR), its development basics, content and the plan of directions for its realization.

Not only the National Security and Defence Concept, but also other strategic documents in this area no longer keep pace with the time. The Ministry of Defence developed the last review of this type after the 2001 crisis but without wider political and other consultations. On the other hand, the policy landscape of the Republic of Macedonia has transformed, the stability on the Balkans has improved and the threats of conventional assault to the Republic of Macedonia have been eliminated for a longer period. The global defence needs have also changed by the emerging of terrorism, trans-national menace and other so-called non-conventional and asymmetric threats.

All these changes reflect the necessity of a new re-assessment of defence needs. As a result of this Review, the Republic of Macedonia should acquire a defence strategy, policy and programs appropriate to its present and future security needs.

The SDR process will be executed by maximal utilization of all domestic resources and intellectual capacities. Main task will be the provision of defence appropriate to the capabilities and resources of the Republic of Macedonia the new strategic realities and visions for Macedonian integration in broader security and defence alliances. Here, we have to develop a defence system dimensioned in a manner that will not endanger the security of the Republic of Macedonia and thus contribute to the development of other society spheres.

The SDR process will enable promotion of the growing consensus regarding the security and defence of the Republic of Macedonia and will establish the widest possible shared-vision regarding the future Macedonian security and defence needs and the tasks of its armed forces. The SDR process should provide the armed forces with a new feeling of clarity, coherency and consensus regarding their place and role, magnitude and future development.
The SDR process will be carried out with constant cooperation and coordination between the ministries of defence and foreign affairs, the President of the Republic of Macedonia as a Commander In-Chief and the Parliament with its appropriate commissions. It has been agreed that as in many other countries, the armed forces in our country are designed and equipped for dealing with conventional assaults and have limited capacities for dealing with the more relevant present and future, non-conventional and asymmetric threats that are probable to occur in our region and wider. The lessons-learned from the 2001 crisis and the experience of NATO member-countries show that in future, the armies will have to manage a much wider spectrum of capabilities and much bigger flexibility. The present ARM structure is relatively non-flexible and established in formations that depend on firepower for defeating the potential enemies. In order to face the new regional and global threats, ARM has to become lighter, more mobile, flexible and capable of dealing with a wider range of threats. The Review should also provide defence that is more efficient, by respect and appropriate distribution of the Macedonian taxpayers' money. It will eliminate the unnecessary administrative expenditures, infrastructure and financial loses by using of the latest managing and budgeting techniques. At the end of this part, I would like to emphasize that the realization process, the conclusions and results of this review will be completely transparent, established and tested by widest possible forum, and then accepted as the right defence policy. After this, it will be impossible for anyone to complain that he/she was not given a chance to present his/her views. The Strategic Defence Review is planned within a Government Programme to be implemented in phases (three) that include the timelines and the principal structure of each phase with timelines and responsible subjects. The first phase envisages adoption of a document by the Government as a political framework. It will mainly include the strategic concept and the reality context of the Republic of Macedonia and assessment of the long, medium, and short-term threats, risks and dangers. It will be the basis for determining the defence needs, which will, in their turn, imply the tasks of the ARM. The current ARM capabilities and shortfalls will be analysed in a transparent manner, on the basis of which, the future priorities and further reforms will be identified. The priorities will be related to the harmonization of the defence and ARM capabilities and the new vision and needs of the country, the resource allocation within the budget, the living standards, modernization, training, attaining interoperability, personnel management, etc. They will be then translated into Government decisions and directives. On the basis of the political framework, the second phase will identify the required armed forces, their capabilities, equipment and support with separate analysis and proposals for future structure and capabilities. This proposal in the third, that is its final phase will be the basis for final decision on the best option and its verification. At the same time a unique transformation strategy will be adopted and its content will include separate strategic
directions and plans for each part of the reforms and proposals for achievement of envisaged goals.

At the end (February 2004) it is envisaged to submit the main documents and decisions translated in appropriate content to the Parliament for adoption and it will provide confirmation and direction for the way ahead of the ROM's defence and its Armed Forces.
At the beginning of 2001, two crisis sources emerged in the Balkans relatively near in geographical terms, in direction from the south west of Serbia towards the north west of Macedonia. First, there was the clash of the Albanian extremists with the Serbian security forces, and several months later, the Albanian extremists confronted the Macedonian security forces in the north-western part of the country. Both crises had a number of similarities and common elements: they announced drastic inversion of the light optimism that prevailed in the Republic of Macedonia at the beginning of 2000, in terms of its security and stability and in terms of its economic prosperity. In fact, in the first decade of independence, the Macedonian analysts became indifferent to the constant indications of the Europeans that the “oasis of peace”, the “Macedonian multiethnic miracle”, the “only former Yugoslav republic that did not experience war after the dissolution of the federation”, may, nevertheless, face serious challenges. After the crisis, the analysts and politicians in the Republic of Macedonia became much more realistic.

The unexpected degradation of the interethnic relations in the Republic of Macedonia imposes the question about the factors that affected their explosion: how did it come to a crisis and which factors influenced its spiral degradation? In the second part of this presentation, we will outline the efforts of the Republic of Macedonia and the international community to manage the crisis, as well as the lessons learned from it.

In terms of the factors that brought about the armed revolt of the Albanians in the Republic of Macedonia, they are heterogeneous by their nature and include, inter alia: social (high unemployment rate of the Albanians, especially in public institutions, low rate of living standard, absence of a social state), demographic (high birth rate and increased immigration from the neighbouring countries), sociological (the structure of the family cell of the Albanians and the family solidarity, mutual inconfidence, closed status and the diversity of national communities), educational and institutional factors, that gained the power of political issues (the issue of high education and shortfalls of Constitutional nature), political and cultural factors (the issue of the identity of the Albanians emphasized after the
intervention of the Alliance in Kosovo and the withdrawal of the Serbian security forces from the autonomy). For the first time, in history the myth for the invincibility of the Serbs was shattered in the Albanian minds. This givens, added by other relevant factors (geography, geopolitics, economy, border security, history, religion, iconography, tradition, political amorphousness and corruption of the ruling political elites, absence of progressive ideas for settling the interethnic relations, imitation of the Tito model of functioning of interethnic relations), the support of the Albanians living abroad and in the neighbouring countries, we can easily set up the mosaic of factors that led to the spiral degradation of interethnic relations in the Republic of Macedonia in the beginning of 2001.

**AT THE VERGE OF CIVIL WAR**

In May 2001 it became evident that the spiral of the conflict was getting out of control of the Macedonian security forces; the extent and intensity of enmities clearly indicated that the crisis in the Republic of Macedonia could easily degenerate into a major civil war with possible consequences for destabilization of the whole region. The challenges for the stability and security of the country became so emphasized that everybody became aware that the Republic of Macedonia could choose only from two options – military confrontation and civil war and self-destruction, or political compromise and peace.

NATO, together with the EU and the OSCE and the Macedonian side, played a crucial role in the creation of preconditions for peace and stability in the country. In cooperation with the Macedonian authorities, the international community contributed to the introduction of a series of complementary reforms and confidence building measures in order to support the broad political agreements and establish peace.

Drawing on the experience of the crisis in the south-west of Serbia, the international community and the Macedonian side attempted to find a political solution for the crisis. However, differently from the case of Bosnia and Herzegovina, the mission of the international community in the Republic of Macedonia was mainly of a political nature, since it involved a state – partner and aspirant for fully-fledged NATO membership, a state that could not give up its sovereignty at any cost. Hence, the action of the Alliance and the other international subjects could be effectuated only in full agreement with the Government that included representatives of the opposition and the President. On 14 June, President Trajkovski forwarded a request to the Alliance for its military engagement in the process of disarming the extremists. At the same, the USA and the EU sent their facilitators, Mr. James Pardew and Mr. Francois Leotard, with a mission to re-harmonize the negotiations of the key Parliamentarian political parties in the Republic of Macedonia. The management of the crisis on the ground was confided with the flexible and pragmatic diplomat Peter Fate

**CRISIS MANAGEMENT**

The assessment of the military experts in the Republic of Macedonia was that the NATO mission in the country should be limited in its influence, size and duration. From a political perspective, NATO was to persuade the Albanian extremists to surrender their arms and remain behind the determined dividing line. The Macedonian coalition government,
characterized by latent rivalry between the “hardcore” and the “moderate” wing, made efforts to control and prevent the asymmetric use of heavy weaponry during military operations. In addition, the Parliamentarian political parties were to fulfil four requirements: to adopt a broad political agreement, to provide legal and adequate framework for the NATO force that would lead the peace operation in the crisis areas of the Republic of Macedonia and present a plan on the modalities and details of the weapons handover to be adopted by the Government of the Republic of Macedonia and NATO and establish permanent ceasefire.

After several weeks of intensive negotiations and fulfilment of the above criteria, a Framework Agreement was signed in Ohrid, on 13 August 2001. It was the final precondition for the beginning of the NATO operation ESSENTIAL HARVEST, whose ultimate goal was to collect and destroy weapons (27 August 2001). The operation engaged 4,800 soldiers of the multinational NATO Brigade. The Brigade had soldiers of 13 nations under the command of Great Britain that participated with 1,706 soldiers. By 26 September 2001, that is, in 30 days, the mission collected and destroyed 3,875 pieces of weapons. In October that same year, the UCK was disbanded and it was followed by amendment of the Constitution of the Republic of Macedonia, amnesty for the Albanian extremists and preparations for implementation of the commitments pledged with the Ohrid Agreement.

After the completion of the mission ESSENTIAL HARVEST, on request by the Macedonian authorities and President Trajkovski, a new NATO mission, AMBER FOX, was launched. The mission had about 700 soldiers and Germany was the lead nation. Its basic goal was to protect the 280 EU and OSCE civilian monitors and its mandate was fixed until 15 December 2002. Finally, this mission was replaced by an even lighter Alliance mission, ALLIED HARMONY. Its mandate was terminated in April 2003 due to the takeover of the command by the EU and the promotion of the Eurocorps within the mission CONORDIA. The modest act of takeover of the mission command by the EU that took place in the vicinity of Skopje was not only a ceremony for marking the beginning of a new era in the defense architecture of the Union, but also a recognition of the unbreakable trans-Atlantic bond. Thanks to the positive evolution of the crisis in the Republic of Macedonia, the Berlin+ arrangement was concluded. It is another issue whether this important agreement on defense cooperation between NATO and EU would have been completed so promptly if there had not been for the issue of command takeover from the NATO mission in the Republic of Macedonia. Finally, this example is the best answer to critics and sceptics of the trans-Atlantic ties.

COMMON LESSONS

NATO, EU and the OSCE on the one, and Macedonia on the other side, learned very useful lessons. We can mention the most important ones:

- Regardless of the compliments and the energy vested by the international community, and especially the Alliance, the greatest merit for the successful management of the crisis and coming to peace goes to the Republic of Macedonia and its people and leadership. On the one hand, the leadership was to overcome the “hardcore line” of behaviour
that was without compromises, militarily- and critically- oriented towards the way the international community was handling the crisis. On the other hand, Macedonians and Albanians were to effectuate mutual mental purification of the enmity after suffering a relatively small number of casualties. The media and the intellectuals were to convince the public opinion that the thesis of “international plot” was only a fabrication with many negative consequences.

- The Partner status of the Republic of Macedonia within NATO and the developed cooperation with the Alliance contributed to easier management of the crisis by the international community. Namely, the Republic of Macedonia received a Partner status in 1995, and in 1999, it declared its aspirant ambition and joined the Vilnius Group and became participant in the MAP process. During the intervention of the Alliance in Kosovo, the Republic of Macedonia acquired the status of KFOR nation. Today, the country is implementing its 4th MAP cycle.

- The presence of KFOR in the region, and especially the KFOR logistics in Skopje, as well as the experience of NATO in the Balkans, that is, the knowledge of the terrain in Kosovo and the Republic of Macedonia and the familiarization with the mentality, customs and climate immensely contributed to the successful realization of the NATO missions in the Republic of Macedonia.

- The timely reaction of the international community and the Macedonian cooperation after realizing that it must not come to a large-scale civil war entailing numerous destructions, casualties, crimes, expulsions and complete destabilization of the region.

- In spite of certain dilemmas and incidents, the Republic of Macedonia fully accepted the cooperation with the international community. Moreover, it often had to make unpopular moves that were contrary to public opinion in the country, but the Republic of Macedonia fulfilled that obligation with dignity.

- At the beginning, the Alliance undervalued the issue of the media coverage of the events. Later, they realized this shortfall and sent experienced experts to respond appropriately to this imperative.

- Permanent following of the situation, which proved to be a very important phase in the post-conflict period for definite stabilization of the country. Namely, the signing of the Ohrid Agreement was only one of the important phases of the peace process. Further necessary phases envisaged return of the security forces in the crisis areas, adequate application of the Amnesty Law and preparations for free and democratic Parliamentary elections (September 2002), census of the population, a series of other laws, etc.

- Return of confidence is a long-term process that requires great skill, wisdom, patience, tolerance and energy. The actors of the crisis and the international community realized it.

- The issue of managing and securing the borders in the fight against organized crime and the close cooperation between neighbours are of paramount importance for regional stability. Hence comes the interest of the international community and the region for implementation of the political, and primarily, expert conclusions adopted at the Border Security Conference held in Ohrid in May 2003.
- The NATO missions were very efficient and the collected amount of weapons exceeded all expectations. Regardless of the assessment that the Albanians in the Republic of Macedonia owned about 80-100,000 pieces of weapons, out of the total amount of 576,000 pieces of weapons taken from the warehouses in Albania in 1997, the mission ESSENTIAL HARVEST managed to collect more than any other previous action for weapons collection in crisis areas.

- The NATO missions in the Republic of Macedonia indicated turning a new page in the modalities of their engagement. Crisis management that is manifested through sequential political – military dimension proved very efficient. There is no doubt at all that in future, military missions may be engaged in function of finding political solutions.

- The international cooperation and coordination in managing the crisis in the Republic of Macedonia was at a very high level. Each international organization contributed in its own way to the enhancement of the peace missions. The USA and the EU “facilitated” the process of negotiations while the frequent visits by the NATO Secretary General, George Robertson (he visited the Republic of Macedonia 19 times in 19 months), the High EU Representative, Xavier Solana and the OSCE representative, added to the political importance of the crisis resolution.

- During the crisis, NATO built an attitude to react in a flexible manner, with parallel use of political pressure and force designed for specific engagement and with limited mandate. Furthermore, for the purpose of more successful harmonization of the strategy, NATO maintained permanent contacts both with the Macedonian side and with the extremists.

Today, when the Republic of Macedonia is living its second year after the crisis, after the successful Parliamentary elections in 2002, the enemies of yesterday are sitting in the same Parliament and participating in the joint coalition Government. It is the best guarantee for the final stabilization of the country.

Today, instead of instability, the Republic of Macedonia is producing peace, stated the American ambassador to the Republic of Macedonia. Macedonia remains an aspirant for fully-fledged NATO membership and member of the antiterrorist coalition. Due to the crisis, the Republic of Macedonia failed to become a fully-fledged member at the Prague Summit in 2002. Macedonia has continued to fulfill its MAP commitments with even greater enthusiasm, and similarly to the Baltic states, has initiated the trilateral regional cooperation with Albania and Croatia. Therefore, if in 2002 a “Big Bang” happened at the Prague Summit by the accession of the seven aspirant nations, in 2004 NATO Summit it is realistic to expect “Big Mac” (Macedonia - Albania – Croatia). The association with the famous MacDonald fast food is just a coincidence. However, the messages of the regional triangle are clear: the differences of the capacities of the newly invited and these three aspirant nations are not larger than 2-3 MAP cycles. These nations are irreversibly striding towards the invitation for fully-fledged membership.
Booz Allen Hamilton

Booz Allen Hamilton is an american consulting firm hired by the US Government to assist the MOD/ARM in meeting the military requirements for entry into NATO. To achieve that goal, we are providing consulting support in four general areas:

1. Personnel
2. Logistics
3. Planning, programming and budgeting
4. Training.

The Booz Allen Hamilton team consists of a subject matter expert in each one of those areas. All retired from US military service as either as colonel or lieutenant colonel. The program manager is a retired US Marine Corps Brigadier General. We have been in Macedonia since January of this year.

Our overall approach towards achieving the goal is as follows.

We are here to advice and to consult. We form working relationships with our counterparts in each of the four functional areas. We work closely with our counterparts to assist them in identifying high priority tasks. All decisions are made by the MOD/ARM. The Booz Allen Team then provides MOD/ARM with the tools needed to implement these decisions.

Using this approach, in June we provided training in the costing phase of planning, programming and budgeting to select personnel across the MOD/ARM. Currently, we are conducting courses to develop ARM instructors in the Training Management System and in Techniques of Military Instruction. Upon completion of these courses, the MOD/ARM will have the capability of providing this training when it is needed and where it is needed.

Finally, our counterparts have worked with us to identify high priority tasks for 2004.

Accordingly, we will provide support in the following areas:
1. English Language training
2. Training and consulting support in multiyear planning and programming
3. Training in techniques for divestiture of excess facilities
4. Requirements and plans for NCO development
5. Requirements and plans for implementing a comprehensive Information Technology infrastructure.

The final and equally important aspect of our approach is close coordination with BG Baxter and his staff on the NATO Advisory Team. We share information and work together to ensure that there is no duplication of effort and that the advice we give is consistent. For example, The BoozAllen subject matter expert in planning, programming and budgeting confers with LTC Fick on a regular basis. Additionally, we have coordinated our efforts in the assessment of the Krivolak Training area, as well as in planning for assistance to the development of the NCO professional military education program.

Let me conclude by saying that during the nine months we have been in Macedonia, the team has enjoyed excellent cooperation from our counterparts in both the MOD/ARM and the NATO Advisory Team. We look forward to continued cooperation and success in 2004.
Introduction

Security Sector Reform (SSR) is an essential for creation of democratic society. SSR resulted from the change in missions, structure and equipment of armed forces, as well as the need for the reintegration of defense with the other sectors of the country. Most transparent both internally and internationally is the defense reform in the framework of PfP (IPP, PARP) and especially MAP. The goal of the current paper is to analyze, assess and propose concrete steps in the SSR. This paper analyses possible directions of the reforms, subjects of the reforms, the role of relevant state institutions in the Republic of Macedonia, importance of civil sector as well as the role of mediums.

SSR has the common challenge of Civil-Military Relations (Civil Oversight and Control) and coordination among different elements addressing the integral security matters. SSR should resulted with reintegrated and balanced defense sectors. The ultimate aim of the reform of the different elements of the security sector is integral security sector, necessary for proper functioning of the system of integral security.

Transformation of defense sector

Main idea is that transformation of the security sector is essential process for overall democratization of the country, directly related to good governance and key for Euro-Atlantic integration. SSR is a process of a deep change in concept of security, reorientation, restructuring, change of ownership, reintegration. The need for changes is caused by current state of the society and economic conditions in the state and most of all current risks and threats to security (organized crime, terrorism, proliferation of weapons, instability and failing statehood in certain regions, ethnic and religious clashes or other type of long-time confrontations, etc.). Security sector is to cope with above threats, trying to prevent threats, neutralize them or if impossible to restore the normal life after the conflict/damages of threat. Security sector has to provide early warning, shaping the environment and preventive
action, rapid response/reaction, full-scale operation if the threat is fully deployed, after action recover of the environment as well as parallel to all these actions preparation and training for current and future threats. Security sector can count on international support, but only if it apply principles of transparency, accountability and democratic control of security sector.

There were many reasons for the SSR in parallel with redefinition of the security needs. As a reasons for SSR, beside already mentioned new security risks, we will emphasize following: first, intention for reaching optimal structure of security sector (personnel, equipment and training); second, the need for wider democratic oversight over security sector by democratically elected Parliament and Government as legal representatives of the society; third, respective economy of the security sector and concerns about funds spent for security in comparison with other public sectors; fourth, serious change in security perception in society more focused on non military threats; fifth, the need for using security forces for peacetime missions in the country and outside the country in multinational operations.

As a result of the above reasons new definition of the security needs was extremely important, which should be made through accomplishment of National Security Strategy, National Defense Strategy, Military Doctrine etc. These documents represent legal framework that should integrate and coordinate all measures for responding to new security threats. It is necessary to make new definition of security sector and to leave traditional concept that equalized security with armed forces. In contemporary definition, security matters responsibilities are distributed among the Parliament, President, Government, Judiciary, Armed Forces and citizens. That was the reason for the transformation of the armed forces, and for their proper positioning in security sector in order to achieves efficient performing of their tasks. All organizational solutions are elaborated in National Security Concept as a basic document for organizing security sector. It is also necessary to adopt new National Security Law, where security will be defined as integral service, their structure, management and civil control. For reforms success it is necessary to have systems approach which should be done through compose of Defense Reforms Study and Plan for NATO Integration\(^1\), MoD Organization Study, C4 Study and others, introduction of Defense Planning Directorate with PPBS etc.

Security Sector Integration (SSI) Concept is a key element for this stage of the SSR. Such a concept is needed to bring together all different definitions of the Security, Security Environment, Security Sector, Management of the Security Sector (including issues transparency, accountability, reporting and performance assessment, civil control and other attributes of the public ownership of the security sector). SSI concept developed after deep security sector strategic review, represents second generation of the plans for Defense Reform, Police Reform (home affairs), Civil Protection Reform, Special Services Reform, Diplomatic Service Reform, Coordination and Integration Reform. Such a concept should

\(^1\) Defense Reforms Study and Plan for NATO Integration should be done by academic institutions and competent NGO’s and offered directions for ANP
proceed with other plans like National Program for Security Sector Modernization (SSM), Research and Development (R&D), Science and Technology (S&T) with implications to the national defense industry and through outsourcing and offset mechanisms to the national economy and forecasting of budget resources for next ten years and should be approved by the Parliament. SSI and SSM programs are basis for regional cooperation and Euro-Atlantic integration. First stage of the SSR was in the framework of democratization of the country, cooperation with NATO and EU (WEU), active role in OSCE and UN as well as regional initiatives and processes made the country eligible for NATO and EU membership. Second phase of the SSR is a triple “I” process:

Integration inside the ministries / agencies (integrated MoD, MoI, MFA, security services, Civil Protection, etc.);

Integration on national level (among MFA, MoD, MoI, security services, Civil Protection, etc.);

Integration on international level - both Euro-Atlantic and regional.

SSI concept is developed and supported in three areas: First one, Administration - work around NS Law and reengineering of whole bunch of security related normative documents on its base; Second one, Academic Sector - new integrated S&T/R&D community around the Center of National Security and Defense Research in the Macedonian Academy of Sciences (where should take part Institute for Defense and Peace Studies, Military academy, ISPLS etc.) as well as NGO’s which will cause formation of “competent coalition” for Security Sector Reform between academic and non-governmental organizations; Third area, Society and Business - public debate and awareness projects of the Security Sector Reform Coalition and business associations.

It is crucial to have active participation and support from all respective elements of the environment around the content of the reform (participation of the Parliament, President, Government, Academic Sector, NGO, Media, Business, and International dimension). All elements of security sector should respect the principles of democratic control of security sector (civil-military relations) and coordination among all of these elements under leadership of elected representatives of society and control of other civil society representatives. Concerning the role of the Parliament there is an ultimate need for Parliament with certain declarations to approve the set of normative and political documents and to set up clear vision about security and defense (security environment, security sector, its management and control). These documents have to be public, largely discussed and public support has to be achieved. The way to overcome some of the embedded shortcomings of the current situation in governance of the security sector is to strengthen the role of the Committee for

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2 Considering the importance of SSR for democratic transformation of society and its efficiency for accession in Euro-Atlantic structures, Security Sector Reform Coalition of academic and non-governmental organizations was established in Bulgaria, which means that all intellectual and trained potential from security sector take part and guide the government towards accomplishment of this important task.
defense and security in the Parliament (with advisors) and to increase cooperation with academic/NGO sector and business on the basis of transparency, accountability and clear responsibility. The Government is a body of primary responsibility for the National security and Security Sector, so clear system for decision making at this collective and individual body is crucial. Once achieved certain political decision there is a serious need administration to prepare sound alternatives for its implementation and to provide the coordination among ministries and Government Agencies. Concerning the role of President we can mentioned that the main tools of the president are: his Constitutional authority to represent the state in international relations; his Constitutional position as Supreme Commander-in-Chief of the Armed Forces; his Chairmanship of the Council of National Security; his authority to sign all laws approved by the Parliament before their publication in State Newspaper for introduction in action. Additionally President have under his authority according to the decree national intelligence service, can establish consultative (advisory) bodies (both as part of President Administration or on volunteer basis) and can have secretaries for Foreign policy, National Security, Defense and Armed Forces with their staff as well as public council on Euro-Atlantic integration. He can also address the Parliament (in plenary sessions) and society (through national media).

Concerning the economic aspects of SSR there are two steps in the economic aspects of defense reform - first is to separate from MoD, MoI and other ministries all activities and institutions that are not military but economic ones. Second is to strengthen practice of outsourcing off all non-military activities on competition base. Under this policy separation from the Ministry of Defense of: construction, production, repair (overhaul) and maintenance units transformed in trade companies; civil protection units transformed in Civil Protection State Agency; all agriculture farms should be transformed in trade companies. Practice of outsourcing of services should be introduced in the area of logistic support and especially catering, facilities support, etc. As a one important step in strengthening Public Private Partnership in defense matters is forming of business association to cooperate with state institutions in the area of national security and defense. Academic Sector should take active part in SSR not only in technical areas (supporting acquisition, modernization and utilization plans) but also with different studies (including Strategic Defense Review, White Paper effort and others). It is necessary to establish connections between MoD, academic institutions and defense industry companies.

Media have big importance for the success of the reform especially specialized media - newspaper of the MoD. The existence of independent private mediums as well as national media (radio and TV) with specialized journalists in practically all printed and electronic media inevitably led to important contributions to academic sector and NGO representatives. Broadcasting SSR related events and news enable wider public participation in security area and better shaping of security environment. It is necessary to establish the practice for exchange of information on regional level and wider media involvement in NGO’s leded projects. Considering the importance of media, current situation can be improved by realization of NGO/academic project for monthly presentation (and in cases of need) of security related events through publications (printed and electronic versions) of Security Watch and Security Sector Reform Focus.
The role of civil society is crucial for the successes of SSR and establishing cooperation between NGO-MoD, in the area of organizing public discussion and debate on defense policy, defense reform, modernization as well as practical participation of NGO in resettlement of released military and information campaigns. There are **two key projects** that should be developed by NGO’s: “Readiness Report for Joining NATO” and NATO Integration Program (NIP, that will be used to develop set of action plans on different aspect of integration process). It is necessary to organize many round tables on different issues of security and defense policy, modernization, role of C4ISR projects, participation in international ops. etc. In the same time civil society should developed project for Transparency and accountability of defense policy, budgeting and acquisitions and to take part in the development of the Modernization Plan and to establish connections with foreign NGO’s and academic institutions.

International support is essential for reform success. There are different aspects of international dimension like: first, role of studies (well planned and prepared studies are powerful tools to build integrated teams civilian and military, national representatives with foreign experts) in key priority areas and to prepare deep analyses and strategies/plans; second, role of foreign consultants and outreach programs (if they are well integrated in national structures and bodies these elements can facilitate implementation of good practices, team building and team training as well as enrich transparency and accountability). At the same time it can provoke generation of more resources for priority areas); third, role of international organizations (incl. regional cooperation and integration) – involvement in international activity through UN, OSCE, NATO, EU, Stability Pact and other organizations and treaties as well intensive regional cooperation lead to establishment of working groups and other bodies for planning and coordination that strengthens civil-military relations, cooperation with other ministries and generates a lot of administrative capacity based on experience of the international organizations. There is a special role played by international NGO, for example Geneva Center for Democratic Control of Armed Forces, CESS and many others that facilitate organization and implementation of initiatives in the area of defense management.

**Civil - Military Relations - Transparency, Accountability and Civil Control**

MoD and MoI function under strict civilian control, which is crucial for balances in decision making and resource management area through means of transparency. Unfortunately, we have to make remark that there is no real start of transparency culture in security sector and active involvement of NGO’s, academic sector and business. There are no universal solutions for transparency, but for sure there are two groups of factors balance among which can lead to adequate level of transparency and the main role of civilians in security sector. First group - administration - civil society - business is a key for many other aspects of democracy, but second one is more specific: legislation - educated people - information technologies. Transparency is the most important tool and it can be achieved only through participation of more civilians in the security structures and with division of responsibilities for policy making and implementation. This division means clear
mostly public political decisions, that are implemented by administration (civil-military) and results are public again with highest possible level of transparency in the area of budgeting, procurement, personnel policy and even operations. Key role for transparency is educated and responsible civilians in security sector from top political level down to middle/low level of administration. Role of Civilians in National Security Structures is twofold: in the area of policy definition (pure civilian responsibility) and policy implementation (joint work with uniformed professionals to provide optimal mix of expertise and guarantee effectiveness and transparency). Serious challenge to the role of civilians in security sector is a process of democratic rotation of political parties in power and in opposition. Stabilization of civil servants in administration and think-thank bodies for policy making/shaping is a current important task that determines continuity and quality of their work.

Civil-Military Relations in the transition period are the most complex criterion of the reform, because they are connected with the development of democracy, resource management system, transparency of military activity and accountability for maintained military capabilities as well as their implementation in different operations. The "magic formula" of democratic control of armed forces that provides transparency, cooperation and public support is to prove that this transition is depending of the maturity of civil-military relations. Finding the most appropriate style and mechanism of effectively delegating authority and responsibility, needed for the implementation policy goals and of efficient decision-making by civilians and security sector servicemen constitutes the essence of the concept of good governance of civil-military relations and the security sector reform. It has become most obvious to everybody that the proper management of the delegation of authority and responsibility issues that are almost exclusively in the domain of the civilian political leaders, is the real issue at stake that needs to be treated to improve the quality of the democratic control over the military and the security sector in general. The concept of good governance of the security sector includes the following elements: first, the establishment of an effective national-security policy decision-making and implementation process and its respective bureaucratic structures and institutions, including defense, intelligence, counterintelligence, border guards, police and troops for fighting organized criminality; second, parliamentary oversight of the security sector, including the armed forces and the defense policy; third, the contribution to democratic governance of the security sectors by civil society through its expert institutions and individuals. Real test for civil-military relations and civilian control is level of implementation of the PPBS in the security sector and role of the civilians - including administration and Parliament in this system. All mentioned elements of SSR should be considered and incorporated in National Security Strategy, National Military Strategy as well as strategies in other areas of security as internal security and public order, protection of population and infrastructure, intelligence and counterintelligence, etc., to define ends and means of the security policy, performed under rules of security related legislation.

Important element of SSR is question of cooperative security. SSR is not only to respond to new realities by downsizing, transfer of ownership, restructuring and reintegration of the security sector, but also mainly to have realistic capabilities to perform active security
policy. It is necessary to realize formula “security through cooperation and integration”, and perform active actions to shape the security environment and respond to current threats with available capabilities as well as effective use of resources to build new capabilities, adequate to the future threats and responsibilities. One of the challenges for our country in the stabilization and association process for accession in EU and NATO is an obligation in filed of security and defense. This element of the actions of the security sector is evident through regional cooperation in SEE (SEEDM, SEEGROUP, Stability Pact, etc.), as well as through progress in NATO and EU integration. The need for cooperation emphasizes the necessity of SSR.

Conclusion

SSR in the Republic of Macedonia started. Parallel with performing reforms it is crucial to approve previously mentioned documents, in order to reach respectable and confident security system and to receive invitation to join NATO. It is necessary to mobilize all intellectual and skilled potential from governmental and non-governmental sector in joined struggle for realization of reforms. SSR without clear plan and set of long-term programs will never happen effective way. Without permanent assessment and periodic progress reporting SSR will not take place at all. It is necessary to implement Concept for Integrated Security Sector, as next phase of defense reforms, Programs for Modernization of Security Sector, R&D and their real budgeting in next ten years. Harmonization the interests of the society, business, security sector professionals with the capabilities of administration and academic sector is the challenge to good governance models.