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*CYBERSECURITY AND CYBERWAR.  
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# AND THE TRUTH SHALL SET YOU FREE. TRUTH COMMISSIONS AND CIVIL-MILITARY RELATIONS

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*For societies suffering in the wake of a repressive regime, truth commissions may be a necessary compromise regarding the form of transitional justice pursued, but they can still play a far-reaching role in the democratization of civil-military relations. Because the perpetrators of past abuses are likely to continue to wield some level of power at the time of transition, prosecution of these members may be politically infeasible. Lacking the mandate to prosecute guilty parties or implement recommendations, truth commissions can still lay the foundation for a new era of civil-military relations. By distinguishing contemporary institutions from their past acts, revealing the patterns that allowed abuses to be carried out, and helping garner the political will for reforms, truth commissions can provide the impetus for the security sector reforms necessary to ensure a democratic future.*

**Key words:** truth commissions, democratization, Civil-Military relations, transitional justice.

## 1. INTRODUCTION

By providing an officially sanctioned means of confronting a nation's violent past, truth commissions can help societies move forward, out of the shadow of brutality and authoritarianism. One potential aim for truth commissions is bridging the gap in civil-military relations. By holding accountable those who perpetrated past abuses, truth commissions enable societies to distinguish reformed security forces from the institutions that carried out past abuses, helping restore society's trust. Moreover, by bringing to light the structures that allowed past abuses to be carried out, the findings of truth commissions can provide the impetus for institutional reforms. Even though truth commissions typically lack the mandate to enforce their recommendations, their findings can help garner the political will to carry out reforms.

Still, truth commissions are only one of many possibilities for dealing with past atrocities, and their limitations must be acknowledged. The pursuit of transitional justice can have the counter-productive effect of making persisting divisions in society more poignant. Investigating past abuses

is likely to be met with resistance by those responsible for these acts. If the potential of prosecution exacerbates the division in society between armed forces and the population at large, then the pursuit of justice can be an impediment to further democratization or can put up obstacles to creating an effective defense force.

In this regard, truth commissions that lack the mandate for prosecution can be a necessary compromise, even if they fall far short of affecting the justice needed for reconciliation. Truth commissions have the potential of helping democratize civil-military relations, but it must be accepted that they are inherently an imperfect form of transitional justice that can nonetheless provide an important foundation for democratic reforms.

## 2. A LIMITED MANDATE WITH PERVASIVE EFFECTS

No two truth commissions are the same. Commissions are a product of the societies that decide to go through with them and the past crimes that necessitate their undertaking. There have been over 40 truth commissions to date, with the majority of these coming in the twenty-first century and the most

recent commission, Brazil's, released on December 10, 2014.

It is important to delineate these types of proceedings from other judicial proceedings. Priscilla B. Hayner's definition of a truth commission will be used for the purpose of this article. She argues that a truth commission must meet five basic parameters to distinguish itself from other judicial proceedings:

*"A truth commission is (1) focused on the past, rather than ongoing, events; (2) investigates a pattern of events that took place over a period of time; (3) engages directly and broadly with the affected populations, gathering information on their experiences; (4) is a temporary body, with the aim of concluding with a final report; and (5) is officially authorized or empowered by the state for review". [1]*

Tellingly, this definition lacks any specific mention of security forces or civil-military relations. Even though truth commissions typically investigate the security institutions that perpetrated abuses, they are not specifically directed at ensuring any type of security sector reform. They will usually have a more limited mandate. However, by serving other purposes, these proceedings can influence civil-military relations.

Primarily, it is the focus on a pattern of events that is pertinent to civil-military relations. A pattern implies a relationship, and, in the case of truth commissions that come in the wake of a repressive regime, one of the key relationships that affect civil-military relations will be the relationship between the past government and the armed forces. It is this relationship that a new era of civil-military relations must be built upon. Revealing the intricacies of this past relationship that enabled abuses is a necessary step for ensuring the correct reforms are undertaken.

Since these types of investigations are more aimed at fact-gathering, they tend to have more limited authorities than formal legal institutions and usually lack the authority to ensure the implementation of their recommendations or prosecute wrongdoers [2]. Although these limited authorities open truth commissions up to

criticism, these same aspects also offer advantages over formal trials:

*"One might think that this inability to punish would make commissions extremely unpopular. In fact, it has done just the opposite. After all, trials, the standard mechanism for arranging punishment, are a far from perfect way to establish transitional justice. The upper levels of the outgoing regime often demand immunity from prosecution as part of the transition deal. And even after repressive governments leave office, their civil servants—including judges, prosecutors, and police—usually remain in place. This makes practical sense, since new democracies cannot afford to purge all their experienced technocrats, but it inevitably results in less vigorous investigation and punishment of old crimes. Trials, moreover, with their high standard of proof and extensive evidentiary requirements, are complicated and expensive, and fledgling governments tend to be strapped for cash". [3]*

Since truth commissions lack the authority to prosecute or directly implement reforms, they can be expected to be met with more limited resistance by those who are targeted by these types of proceedings.

Despite more restricted legal powers, truth commissions' broader mandate to identify the patterns and underlying causes that resulted in past abuses equips them to influence institutional reform. Commissions can focus on delineating state and institutional responsibility, rather than concentrating strictly on individual responsibility. It is this relationship to institutional responsibility and, in turn, institutional reforms that make truth commissions particularly relevant to the democratization of civil-military relations.

### 3. A NECESSARY COMPROMISE

Commonly, a nation's armed forces, or security forces in general, are the main perpetrators of the human rights abuses that a repressive regime relied upon to stay in power. During democratic transition, the new government's relationship with the military will be a vital part of its ability to achieve democratic consolidation, which puts



the newly formed, often struggling government in a precarious position. Its legitimacy may hinge on its ability to confront the state's past, bring to justice those who committed past abuses, and address the grievances of victims. At the same time, the government will also be working to implement effective civilian control over the armed forces.

The resistance of groups who were responsible for past abuses and their ability to continue to shape policy are two of the primary factors that determine a state's transitional policies. Other factors include the organization of civil society groups calling for transitional justice, the nature and extent of past abuses, and international pressure [1]. If the armed forces are resistant to any type of prosecution — as can be expected if high-ranking members were responsible for past abuses — undertaking a truth commission may be a necessary compromise in order to take a step in the direction of reforming the security forces without creating a level of resistance that would make democratic progress unlikely. Truth commissions are the most likely compromise for the form of transitional justice adopted when both the public demand for justice and the military's demand for impunity is strong [4].

If past abuses are left unaddressed, then the armed forces will continue to be equated with the institution that perpetrated these wrongdoings. This can severely limit the military's prestige. More importantly, a resistance to acknowledging past abuses is typically related to a resistance to future reforms [5]. If the government cannot bring the military under effective civilian control, then they may instead try to limit the effectiveness of the armed force, which is only a viable option if there is no poignant threat that must be defended against.

Thus, fledgling governments are faced with a serious challenge regarding civil-military relations and transitional justice. On one hand, if past abuses are left unaddressed, then the legitimacy of the new government will be in question and the armed forces will continue to be equated with the perpetrators of past abuses, severely affecting the society's

trust in the armed forces and willingness to grant the authorities necessary to carry out its responsibilities. On the other hand, if the government decides to go through with prosecution, then the government can expect to face significant resistance from military leaders, which can inhibit the implementation of other democratic reforms.

In the worst case scenario, the resistance of the military could be a destabilizing force for the new government. Under more benign conditions, the military's resistance can limit the mandate of the type of transitional justice pursued, making them non-attributional, or it can necessitate compromise in other dimensions of civil-military relations. Since truth commissions do not have the same authority as domestic prosecution, they can be a less destabilizing choice for transitional justice, especially when military resistance is high and the military still possesses significant political power [2].

Thus, truth commissions are typically a bargain between the public demand for justice and the entrenched interests of security forces, but they are a bargain that can nonetheless be an important first step in the direction of the democratization of civil-military relations. Although this is far from perfect justice, it reflects the challenges transitional governments face [3].

Even under a more limited mandate, truth commissions can provide an important foundation for security sector reforms. Simply put, societies may be compelled to trade justice for truth. Perpetrators of past abuses may not face justice, but the acknowledgement of past abuses and the illumination of the underlying structural arrangement that enabled these crimes can be more effective in the long-run at preventing future abuses than holding accountable individual wrongdoers. Moreover, commissions can later provide evidence to courts or catalyze public support that will eventually lead to prosecution.

#### 4. ACCOUNTABILITY

Truth commissions can have a variety of aims: *“to discover, clarify, and formally acknowledge past abuses; to address the needs of victims; to “counter impunity” and advance individual accountability; to outline institutional responsibility and recommend reforms; and to promote reconciliation and reduce conflict over the past”* [1].

Although these goals are interrelated, the ones that apply most directly to civil-military relations are countering impunity, advancing accountability, outlining institutional responsibility, and recommending reforms to ensure that past abuses are not perpetuated. Countering impunity and advancing accountability both help restore the prestige of the armed forces by distinguishing individual perpetrators from the institutions themselves. Outlining institutional responsibility and recommending reforms are broader goals, which can provide the justification for reforms that place greater civilian control over the armed forces.

After a period of repression, society must once again learn to trust the security forces, many times the perpetrators of past abuses. If individuals within these institutions are not held accountable for past abuses, then the entire institution will continue to be equated with that of the past repressive regime.

Just like the dynamic nature of truth commissions themselves, different societies must determine what holding individuals to account means. An important decision regarding the commission's mandate will be whether or not to name names. For example, El Salvador's and South Africa's truth commissions named perpetrators; Guatemala's and Chile's did not [6].

Societies must also decide what to do with those connected with past abuses. In the case of Eastern Europe many states chose the broad and relatively indiscriminate strategy of “lustration”, where individuals were removed from public employment based strictly upon their prior political affiliation. Other states have attempted more specific

means of accountability, such as removing only those who were directly connected with a past record of human rights abuses [1]. Regardless of the advantages and disadvantages of the two approaches, this type of individual accountability allows societies to draw a clear distinguishing line between wrongdoers themselves and the institutions they were a part of.

Truth commissions should not only bring to light which individuals committed human rights abuses but how they were able to use their institutions to do so. Beyond individual accountability, there is institutional accountability, which must be clearly addressed before the institutions can be reformed. It is the focus on patterns, rather than individual wrongdoing, that make these proceedings particularly well-suited to identify the structural problems that enabled abuses and list the reforms needed to prevent the reoccurrence of human rights abuses [1].

Ensuring the prevention of future abuses is one of the primary goals of any type of transitional justice, and the reformation of security forces is inherent to this process. Truth commissions can prevent future abuses in a number of ways:

*“Powered with the knowledge of past systematic abuses, civil society can work against the return of abusive regimes. Additionally, [commissions] guarantee that perpetrators know that if they violate human rights it can become public knowledge. Furthermore, if a process of truth-seeking is followed by reform of state institutions ensuring transparency and accountability of the security forces, it can minimize the chances of such abuses reoccurring within the institutional framework – therefore remembrance is vital”.* [2]

Uncovering not only the individuals responsible for past abuses but also the conditions and relations between different institutions and civil society that enabled these abuses can lead to the necessary reforms that ensure these conditions are not perpetuated. The title of Argentina's truth commission report, *Nunca Mas* (Never Again), reflects this intention [6].

Many commissions have included recommendations specific to the armed forces. For example, the El Salvadoran

commission recommended purging the military, the South African and Guatemalan commissions recommended ensuring effective civilian control over the armed forces and a change in military doctrine, and the Chilean commission recommended redefining the roles of the military and intelligence services. [6]. Even if it is decided not to implement the recommendations of a truth commission, the identification of institutional responsibility can help garner the political will to push through necessary reforms later on.

## 5. WHERE THERE'S A WILL

While some truth commissions may have the underlying purpose of reforming institutions with records of abuses, most will have more specific aims, such as assisting victims' families in the grieving process by bringing closure to cases of missing victims [1]. Even in the cases of these more modest goals, truth commissions can help lay the foundation for more robust reforms by helping the transitional government win the public support needed for future reforms.

Many times, gaining the necessary political support will be the most difficult part of implementing reforms needed for the democratization of civil-military relations. A range of literature and experience demonstrates the structural reforms necessary for ensuring effective civilian control of the armed forces under a democratic government, from appointing a powerful civilian minister of defense to ensuring effective civilian budgetary control of armed forces to revamping military doctrine and professional education. Knowing what reforms are necessary is not as challenging as having the political will and capital to implement these reforms [7].

Elrin Mobekk refers to the way truth commissions can help garner the political will to push through reforms as a "mindset shift":

*"A major problem in SSR [security sector reform] lies in the implementation of new laws, norms and values. It is therefore crucial to focus on the mindset shift. This is by far the most difficult task in any reform process. It is also what will*

*take the longest time – changing minds towards an acceptance that reform will leave all actors better off is not achieved overnight, nor can this be enforced from the outside. There is an often un-stated understanding that this is the goal of the reform processes... transitional justice can start the process of a mindset shift in a post-conflict society". [2]*

The publicity of truth commissions, revelation of the graphic details of past abuses, and identification of the patterns and practices that allowed these abuses can all help garner popular support for those parties calling for reforms in civil-military relations and democratic transition in general. In particular, commissions can spark a public debate about the roles institutions played in enabling past abuses and how they can be reformed to prevent this in the future [5].

Thus, the effect of truth commissions on civil-military relations must be seen in their ability to make incremental progress, rather than their ability to solve a number of long-festering problems in one sweeping blow. This incremental approach reflects the process of democratic consolidation, which is almost always going to be one of prolonged change, rather than a quick transition [8].

## 6. A TIME FOR REFORM

The viability of an incremental approach also suggests the need for sequencing. The timing of the publication of a commission's findings and recommendations is critical to its ability to affect the democratization of civil-military relations. For maximum effect, the commission's recommendations should be published so that it along with security sector reforms already underway can reinforce each other. If the recommendations are published too early in the democratization process, then security forces will be able to block the implementation of the suggested reforms, while if the findings are published too late in the reform process, they will be unnecessary [2].

Although the recommendations of commissions can lead to reforms, reforms not implemented can have an adverse effect. Narcis Serra argues that a reform should not be announced if the

means do not exist to implement it [8]. Unfortunately, this will almost always be the case with truth commissions. The lack of a means for enforcing recommended reforms is typical of commissions. The greater strength of security forces versus the new regime that necessitated a commissions undertaking in the first place, as opposed to another form of transitional justice, can be used to block the implementation of recommended reforms. If these reforms are not implemented, then the result will likely be a pervasive disillusionment. These adverse effects must be accounted for and factored into the timing of the recommendations and they way they are crafted. It should not stand in the way of a commission's undertaking.

## 7. CONCLUSION

A number of conclusions can be drawn about truth commissions and civil-military relations. First, truth commissions serve a variety of purposes so they should not be seen strictly through the lens of civil-military relations. However, even if truth commissions are not directed at civil-military relations they can have indirect or secondary effects that influence security sector reform. Second, many times truth commissions can have a broader impact than their specified aims. Even if a truth commission does not accomplish the broader goal of institutional reform, its success in accomplishing other, more modest goals can lay the foundation for future progress. For example, fact-finding truth commissions specifically aimed at addressing the needs of victims can help develop the necessary evidence to be used if amnesty is eventually overturned or can provide the impetus for more robust changes later down the road.

Finally, the effect of truth commissions on civil-military relations must be seen within the tumultuous process of democratization, not through the lens of a consolidated democracy. Commissions are not an alternative to more direct forms of prosecution and should not be perceived as such. When

impunity is granted as a prerequisite to commissions, sacrificing justice for truth invites a lot of criticism, and this should not be necessary under a consolidated democracy. However, during the process of democratization, many competing interests must be reconciled as the country continues to slowly work towards democratic consolidation. Establishing individual and institutional accountability, even under a non-attributional mandate, can be a necessary and significant step towards implementing the reforms that will help ensure a democratic security force.

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# ECONOMIC THINKING AS A SIGNIFICANT PREREQUISITE FOR THE EFFICIENT MANAGEMENT AND FUNCTIONING OF THE DEFENCE SECTOR

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*The objective of the article is to draw attention of readers to the importance of economic thinking in order to solve various current economic problems in the defence sector as well as to indicate how economic thinking and behaviour of the sector members, especially managers, can increase the overall efficiency of the Armed Forces activities or the efficiency of the defence sector activities. The author in the article defines the general economic principles (3E principles) of resource management, highlights the problem of application of the efficiency principle in the public sector and also in terms of the Department of Defence of the Slovak Republic and suggests some possible ways to solve some of current economic issues. In this context the author of the article also points to the need to educate managers in the economic field. The article is the output of a research and development project undertaken at the Armed Forces Academy of General M. R. Štefánik in Liptovský Mikuláš, the Slovak Republic*

**Key words:** *economic thinking, efficiency, economic management, economization, education.*

## 1. INTRODUCTION

The current practical knowledge indicates that the efficient management of all entities of the national economy, whether profit-making or non-profit making, private, public, state, or self-administered bodies, is conditional not only on the application of management principles adapted to market conditions, but also on a responsible approach to management by every single manager. It thus appears that only a manager with economic thinking who respects basic economic principles and uses modern economic tools and methods in his work can lead the entity he manages to the road of success and long-lasting prosperity. The experience indicates that the requirement for the economical and efficient performance of the tasks has been proclaimed also in the public sector. The sphere of defence is not an exemption. On the contrary, the requirements for efficient allocation and economic and responsible use of

all resources have been enforced in recent years. In this context it appears that economic education of managers at various management levels of the defence sector should be a part of their preparation as a main prerequisite for the development of their economic thinking and stimulation of their economically rational behaviour in everyday practice.

The objective of the article is not only to draw readers' attention to the importance of economic thinking in order to solve various current economic problems in the defence sector, but also to indicate how economic thinking and behaviour of the sector members, especially managers, can increase the overall efficiency of the Armed Forces activities or the efficiency of the defence sector activities. In this context the author of the article also points to the need to educate managers in the economic field.

The article is the output of the research and development project "The development of human and material resources in the defence sector"

undertaken by the Department of Management at the Armed Forces Academy of General M. R. Štefánik in Liptovský Mikuláš, the Slovak Republic

## **2. THE NEED TO DEVELOP ECONOMIC THINKING AND TO STIMULATE THE ECONOMIC BEHAVIOUR OF THE MANAGERS OF THE DEFENCE SECTOR IN ORDER TO COMPLY WITH CURRENT PRACTICAL REQUIREMENTS**

The existence of a large number of economic problems can be considered to be the main reason leading to the objective need to develop economic thinking and stimulate economically rational behaviour of managers at all levels of defence sector management. Based on the practical experience the guides from economic theory appear to be the most appropriate to solve these problems. Economic theory teaches how to recognize costs and benefits of crucial significance. The principles it uses are simple and generally valid, so the acceptance of these principles is a main prerequisite for the rational economic behaviour of private companies as well as public organizations and institutions. As Šefčík and Vítková claim [13], economic thinking seems to be the necessary solution to the economic problems of the defence sector: the problem of efficiency (especially the need for efficient allocation of resources/allocation efficiency and the need for efficient management of the defence sector resources), the problem of stability, preferring public interests to individual ones, the problem of a mutual relationship between the defence field and economic growth. All of the above are to be approached in detail in the next part of the article.

The theoretical and methodological bases of economic security of state defence requirements are studied as part of the state defence economy, which is an economic discipline by contents and a military discipline in its form. An efficient allocation of resources is the essential constituent of the defence

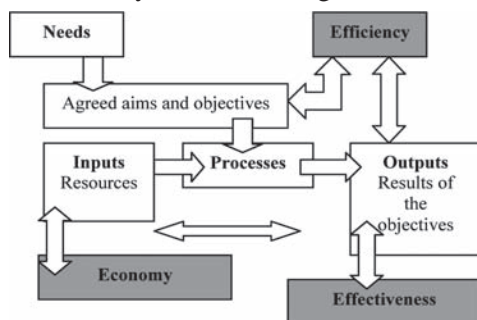
economic security in the Slovak Republic as well as within the alliance grouping. By comparison with the private sector, deciding on the allocation of resources within the defence and public sectors is governed by completely different rules. Despite this fact, the efficiency in the interests of national security is currently perhaps one of the most emphasized requirements.

With regard to enforcing the requirement for efficient allocation and rational use of resources in the defence as well as public sector there are many problems. In 1966 the American economist H. Leibenstein highlighted the condition typical for public sector organizations and marked it as the so-called X-inefficiency. According to Leibenstein, the production costs depend not only on the technology used, but also on the company effort to decrease the costs, or to produce the maximal output for the given combination of production factors. In this regard he stated that companies controlled by the state often sustain a loss of efficiency due to inadequate motivation of management to manage the costs effectively. If a private company reduces its costs by the unit, its profit increases by this unit. However, the same reduction by the unit within the organization of public sector leads to reduction of the total budget of the company by the unit. As a consequence, it can be considered as eliminating the importance of the company in question by bureaucrats [10].

If the idea that there is an analogy between the management within the private sector shown in the theory of business economics and the management of the public sector (with the defence sector as its integral part) is accepted, then there is a real need to also implement the principles of business economics in the management of the public sector entities. The practical experience indicates that the most applicable theory in the sphere of economic management of the public sector entities is the theory of costs - knowledge of business economics based on microeconomics theory. According to Jirásková [6] "every manager has to know the methods of managerial economics

and their application in decision making processes. Furthermore, he has to formulate his demands on subordinate staff sufficiently well so that they can perform their tasks. If a manager is not able to express his requests in a professional and specific way, he cannot request the subordinate staff to fulfil them. For this reason, the teaching of subjects – Business Administration and Financial Management should be an indispensable part of education for managers in the defence sector”.

Provided that the behaviour of public sector entities is rational and their management complies with the principles of rational economic behaviour, we search for relationships between inputs and outputs and between outputs and allocation targets. We observe whether the value of outputs provided (“Value for Money”) exceeds the costs for their production. However, this is just the first (absolutely insufficient) condition of economic behaviour. At the same time, we have to search for the economically most beneficial variant, taking into account the allocation criterion chosen (e.g. from among the criteria marked as 3E, namely Economy, Efficiency, or Expediency, and Economic Effectiveness) [10]. Interconnection between the above mentioned criteria and ongoing processes within a certain public sector entity is shown in Figure 1.



**Figure 1.** Effectiveness, efficiency, and economy of a public sector entity

The effort to use the resources available in a more efficient, economic and expedient way can be considered to be one of the priorities in this context. Attention is mainly centered on

financial resources. According to the Act No. 502/2001 Coll. on financial control and internal audit all public authorities are obliged to comply with the principles of effectiveness, efficiency and expediency with regard to management of public money and other activities.

The system of economic management has been implemented in the defence sector in order to secure efficient, effective and expedient use of appropriations. The main objective of the system is to determine the basic principles of management under the conditions of budget chapter of the Ministry of Defence of the Slovak Republic (hereinafter referred to as MoD SR). The need to implement this system resulted from the conclusions of the project „Audit of organizational structures of the MoD SR“ conducted in 2005. However, in the broader context of this problem there is a need to select unproductive plants or operations, find hidden reserves and to initiate the necessary changes. It appears that the application of the principle of effectiveness, efficiency and expediency can be considered to be the starting point for the creation of a strategy to secure rational budgetary expenditure savings within the defence sector.

Efficient use of resources available within the defence sector is one of the evaluated areas according to the approved politico-strategic document White Paper on Defence of the Slovak Republic (2013). The document states that [3]: “Long-lasting disagreement between defined tasks and resources as an external (objective) factor has been deepened by an internal (subjective) factor – by lower efficiency of use of resources in the process of defence planning, including low functionality, effectiveness, and transparency of public procurement. These factors have increased the resource deficit in the defence sector. Moreover, the real resources allocated to the defence sector have not always been used for the planned priorities of the development of the armed forces required abilities due to these factors together with inappropriate requirements. Program plans and budget proposals have reflected strategic

*long-lasting objectives insufficiently. Furthermore, during the financial year concerned the amount of allocated funds was modified, or priorities were changed. As a consequence, there were changes in annual plans for procurement of contracts. The contracts were performed after the changes had been made. However, no realistic assessment of the negative impacts of departure from the original plans has been made. This system of resource management has proved to be ineffective and non-transparent."* To solve this problem it will perhaps be necessary to make deeper and more fundamental changes in the management and control process of how the funds are spent. Many experts (e.g. Krč, Kunc, Ochrana and others) consider these facts to be a challenge for the defence sector. According to them, the business thinking should be more prevalent throughout the defence sector and the sector should be presented to the public as an economic entity.

In terms of the management of the defence or public sector entities the problem of performance assessment and related efficiency, expediency and effectiveness seems to be a permanent problem. The performance should always be assessed in accordance with the specified criteria (i.e. 3E) and based on the objectively planned and subsequently identified facts. Criteria, or performance indicators, which serve for the measurement of objectives achievement should be transparent and structured with regard to the specific conditions. According to Vyletál and Foltín [15] the marketing and process approach principles may be the foundation for performance assessment. This means that it is necessary to determine the processes according to which a regular performance assessment will be realized. The issue of performance assessment of processes and especially economic efficiency related to them is linked, to a great extent, with the issue of needs and their satisfaction as well as with the issue of expectations of entities and their parts (i.e. people as final beneficiaries and evaluators of benefits of the given assessment). As Ochrana (2003)

asserts, performance in the public sector is "a tool for the stimulation of management staff activity" [10]. Imagine that a commander has to organize combat shooting as planned indicators twice a year. If the results of the first shooting are excellent, there will be no need to organize the second shooting. The part of avoided costs originally planned for shooting may be used for material stimulation of subordinated staff provided that it complies with the established rules and legislation.

The achievement of maximum benefit at minimum cost is the main objective of Value Management, whose use in the defence sector raises a number of questions. Experts claim that it is irrelevant to discuss Value Management if there is no concern with costs (resource consumption). That means the objective "to minimize costs" is not defined even for managers. However, the economic and efficient allocation of resources has been defined as it has already been stated above. The conclusion is that only the implementation of cost management along with managerial accounting opens the possibilities for Value Management application within the MoD SR.

In addition to the foregoing, the other facts complicate the effort to optimize the allocation of resources and enforce the requirement for efficient resource management in the defence sector. The main objective of the sector is to secure the public good – defence (i.e. the defence capability), although it is very difficult to express the objective quantitative scale of this goal. National defence is provided to every citizen, there is no rivalry in relation with the consumption of this public good and no person can be efficiently or purposely excluded. Defence thus represents the collective/public good with automatic consumption (consumption is not divisible, public good is available for everyone). The defence sector is a budgetary organization. It manages the resources allocated to the sector, not the resources created by the sector itself. It can thus be concluded that the defence sector is not materially engaged in the management of these resources. The current system



of management of resources in the defence sector of the Slovak Republic is predominantly characterized by passive consumption. As a result, it does not create the conditions for high effectiveness, quality and flexibility of consumption. The inability to use savings at the level at which they were created or inability to transfer inputs saved to the following programming period, are good examples. The expenditure management system (i.e. the expenditure approach of economic management) has been applied in the defence sector. In contrast with the private entities there is a tendency to spend the funds allocated without a deeper analysis whether such spending is efficient. It can be concluded from the above that the market sector is characterized as a stimulator of economic efficiency. On the contrary, the defence sector tends to be inefficient and inefficiency seems to be an intrinsic feature of it. From the society-wide view it means that expansion of defence would deepen inefficiency. In this regard experts intensively emphasize the need to seek and find such procedures, methods and tools of economic management that would increase the efficiency of the defence sector economic entities and use them in practice. In other words: "by the introduction of new elements of economic management the defence sector may benefit more from the funds transferred from the national budget to the budget chapter of the MoD SR" [17].

Among the questions concerning stability in relation to the defence issue there are the ones particularly concerning price trends of defence outputs, stability of the balance of costs for defence of the alliance, or stability of states. The notion of stability can be understood as a balanced economic development or recovery following a previous state of crisis. The problem of stability is closely related to the study and analysis of the armament policy. In compliance with the principles of armament projects preparation the requirement for "sustainment of stability of programmes and plans for 2 or 3 years at least" [1] has been emphasized in the current system of defence planning. There is also a

requirement for stability in the area of personnel policy of the sector. The achievement of stability in the personnel area was one of the priorities of the last training years [14].

Economic problems of the defence sector include also preference of public interests in which the elected representatives and state administration are mostly interested in. When analysing the budgetary impacts of defence decisions, reallocation needs to also be taken into account. The fact that all economic decisions shall be accompanied by the adequate financial security indicates that all distribution aspects are always clearly associated with allocation aspects.

The last economic problem raised in this part of the article is the relation of the state and defence economic growth which includes a number of partial aspects such as an impact of the defence related costs on the economic growth and development, influence of research and development on civilian as well as military output, and the impact of defence burden-sharing on the growth comparison among allies. The economics of defence deals with the examination of the bilateral relation of economics and defence. Thus, economics determines the national possibilities of forming the numbers of the armed forces and the level of their structure, quantity and quality of the armed forces armament, material and technical security as well as the methods of conduct of armed conflict. The performance of the tasks of the Armed Forces of the Slovak Republic is significantly affected by the development of the percentage of defence expenditures in the gross domestic product. According to Ivančík [5] "the government and the Parliament shall make decisions on allocation of resources and according to the state budget determine what proportion of the funds will be allocated to the Ministry of Defence so that the Armed Forces may perform their duties. The Ministry of Defence shall subsequently define what proportion of these funds will be earmarked for the Armed Forces and what proportion for other sections of the

Ministry of Defence[18]. The Ministry of Defence shall also determine what proportion will be earmarked for material needs, modernization and investments as well as to define the volume of funds for service income of soldiers and salaries of civilian workers, compulsory contributions, energies, material, fuel, food, spare parts, etc., or what proportion will be earmarked for the purchase of new combat technique or weapon systems.” On the other hand, it is important to stress that the needs of defence influence the tempo of national economic development, the structure of economic sectors, its geographic distribution and a wide range of value proportions, its durability, mobility, etc. “The current tense relations between the state economy and defence significantly influence the numbers in our army, options of its modernization and total allocation of resources for defence“[9].

### 3. THE CURRENT STATE OF ECONOMIC THINKING AND BEHAVIOUR IN THE DEFENCE SECTOR - THE RESULTS OF EMPIRICAL INVESTIGATION

Based on the results of long-lasting empirical investigation of this issue the conclusion to be drawn is that there are many examples of the defence sector behaviour in practice, or its parts, that could be described as inefficient, wasteful or non-economic.

As an illustration, the results of the empirical survey conducted in 2011 with 61 respondents – managers from randomly selected military units and focused on the investigation of theoretical knowledge and practical skills of these managers concerning the use of economic tools for management. highlight some of the problems in this area. The method of individual questions was used in the questionnaire. The results of the survey show that neither of the respondents considered the current level of theoretical knowledge and practical skills concerning the use of economic tools for management to be “definitely sufficient”, and only 31 % of those asked considered this level to be “sufficient”.

On the contrary, 21% of respondents considered the level to be “insufficient”, 11 % of respondents considered the level to be “definitely insufficient” and 37 % of those administered the questionnaire stated that they are “*unable to assess the problem*” [see 7].

The knowledge about the way allocated funds in the MoD SR is managed was the result of the empirical survey [2] conducted as part of the diploma work undertaken within the Department of Management at Armed Forces Academy in Liptovský Mikuláš in 2011. The respondents answered the question whether they use economically all the resources allocated when performing their functions as follows: 19 % answered “yes, always”, 25 % of respondents stated “very often/almost always“, 47 % stated “often/usually“, 3 % stated “rarely/occasionally“ and 6 % stated “never”. The respondents considered the waste of financial resources to be the most serious problem. Other problems from the point of view of the respondents include a high level of corruption and subsequent inefficient management of processes and activities. The area of public procurement was marked as the area with the largest reserves with regard to efficient and expedient spending of budget appropriations. The personnel area was considered the least problematic. Further results show that only 3% of those asked use economic principles when performing their function, very often/almost always 3 % of respondents, often/usually 13 % of respondents, rarely/occasionally 43 % and never 38% of respondents [see 12]. It can be concluded that insufficient level of the use of economic principles related to the managerial work of commanders may result from various causes which need to be further examined. The fact that the priority of current military education is training future experts is indisputable. This approach is correct. However, the fact that the development of economic thinking of managing officers should be a part of the training is neglected.

The practical experience points to the number of problems which the sector

faces in the area of material resources management. The physical inventory of fixed assets is considered the highest check of state property management. Thus, checks of this type can highlight the most serious problems in this area. A good example are the results of the last physical inventory which point (among others) to the incorrect accounting for material removal from the stock of everyday consumption. The inventory proved the recurring inventory discrepancies and the shortages identified have been increasing for the past years [see 11].

Based on the empirical knowledge the conclusion is that application of economic rationalism with regard to resource management in the defence sector in the Slovak Republic is (similarly as our neighbours' situation) significantly influenced (in a negative sense) by the physical and moral wear of military technique and weapons, often by the unsuitable state of the used facilities and equipment, and by the lack of interest of employees (including managers) to use resources in an efficient and economical way. Another reason is lack of fundamental principles of rational management [see 4].

#### **4. CONCLUSIONS**

The findings presented can be regarded as a clear call for seeking the answers to the questions: how can we increase the Armed Forces' efficiency with limited budget resources, how can we achieve an optimal allocation of resources, how can we manage limited resources better, etc. We agree with the opinion of experts (Krč, Kunc, Ochrana and others) who state that the way to respond to those questions is the need to implement the process of economization of activities in the area of defence. This economization shall predominantly be reflected in stronger effort to make the value aspect of the tasks performance within the sector more objective and transparent, in the effort of managers to make economically acceptable decisions, in the responsible management of all phases of budgetary process, in the use of tools and methods of economic

management and in other areas [8, 10]. In this context it has to be underlined, that success of the economization of processes highly depends on "economic literacy" of the defence sector employees (especially managers responsible for the achievement of the set objectives). The practical requirements related to the need to develop economic thinking and behaviour of managers or the employees of the sector should be reflected in the system of their further education and training. The system should enable them to acquire economic knowledge necessary for the efficient management and performance of different tasks.

Theoretical and empirical knowledge shows, that according to economic theory, the existing general guidelines for management with limited budgetary resources and various specific methods and tools suitable for the process of economic management, can be applied also in the defence area. According to the experience of advanced armies, economic education of the defence sector managers is a significant prerequisite for the development of their economic thinking and behaviour. It is a fundamental starting point for the development of their ability to apply the economic principles in everyday practice.

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# SECURITY IMPLICATIONS OF RUSSIAN FEDERATION ENERGY POLICY IN CENTRAL ASIA

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*The importance of Central Asia region in energy market creates certain approach of Russian Federation. It influences not only situation in the region but also short and long term prospects of economic development of adjacent regions, i.e. North, East and South Asia, the Middle East and Europe. Russian economic policy determines and defines certain forms of international cooperation, which, in turn, results in its importance for international political relations. The article points out the essence of Russian Federation policy towards Central Asia and adjacent regions which consists in conducting geo-economic activities determining geo-political activities.*

**Key words:** Central Asia, Russian Federation, energy policy, geo-economics, security policy.

## 1. INTRODUCTION

On the back of windfall revenues from oil and gas exports, Russia has transformed itself from a defunct military superpower into a new energy superpower. Passing from the cold war geopolitics to actual geo-economics during Vladimir Putin leadership has been a constant factor in international politics in Central Asia. As states who possess the largest known natural gas reserves of any state on earth, along with the second largest coal reserves, and the eighth largest oil reserves, the world fourth largest electricity producer, Russia is the world's leading net energy exporter and a major supplier to the most developed areas of the world. Due to that reason it defines activities not only in the international economic and political relations but has significant impact on the energy markets, producers and consumers of vast natural resources, natural gas and crude oil.

Having natural energy resources Russia influences markets and economic growth in parts of the most developed world. This crucial position of Russian Federation (R.F.) in the respect of the one of the largest supplier of the

natural energy resources puts questions concerning its policy, especially in Central Asia. Policy which implicates not only energy markets but economic security of the different countries from distant part of the world. Will this position allow Russia to uphold significant impact of development and wellbeing of Central Asia countries? How Russian Federation will use vast natural resources to rebuild its status and prestige not only in this part of the world but also in other regions? Will the outgoing effect of Russian Federation approach to Central Asia serve to "obtain" its "area of influence" in this part of the world as an effect of its policy? Are those questions only an imagination from the past?

The essence of Russian policy towards Central Asia and adjacent regions consists in conducting geo-economic activities determining geo-political activities. They are subordinated to the Russian Federation's tendencies to rebuild the importance and influence that the Soviet Union once had. The multi power policy with the Russian significant role of shaping international relations remains one of the top priorities enhanced by Vladimir Putin [1]. Therefore, the methods of cooperation, competition



and confrontation used by the Russian diplomacy towards the countries in this region and also to entities from outside such as the European Union serve that purpose. The considerations in this article focus on problems concerning the essence of Russian energy policy and forms of its pursuing towards Central Asia.

## 2. POLITICAL OUTLINE

Russia's activities in the energy sector result from a planned government policy aiming at increasing its importance on the international arena. The effect of these activities is shown in the document "The Russian Federation's Energy Strategy up to 2030" which was commissioned for the Ministry of Power and Industry of the Russian Federation by the most important Russian research centers that deal with power industry [2]. This document stipulates the extension and upgrading of Russian economy due to the use of energy sources. The energy sector is treated as a driving force for Russian civilizational progress, as well as a tool of international policy. It makes a vital determinant of the Russian way of thinking relating to the future of the Russian Federation.

The following elements in Russian Federation politics are crucial: the reform of the energy sector, strengthening Russian export, ensuring the economic security of the state, upholding and reform of social structures and – generally - up keeping steady progress in political reforms of state and its armed forces. One of patterns of politics, which serves the idea "great Russia", is gaining influence on international energy resources' markets (the prices of gas and crude oil are an important external factor influencing the Russian Federation economy in the 2030 perspective). This creates a certain political imperative resulting from Russian mentality and attitude to social reality. This imperative is expressed in the Russian Federation's tendency to:

- gaining by Russia a decisive or full control of energy resources' supplies to neighboring Central Asia countries;

- taking over a substantial part of shares or full control of energy distributors in Central Asia neighboring countries;
- decisive or complete dependence of Central Asia neighboring countries on Russian economic policy and as well energy factor.

On this background, the main aim of the Russian Federation seems to be:

- diversify the energy resources' transport trails from Central Asia to gain maximum level of oil and gas which will prevent seeking for its alternatives in extracting and as well production and transport;
- decrease dependence of Central Asia states on Russian transit routes.

As a consequence, the essence of Russian policy towards Central Asia and adjacent regions consists in conducting geo-economic activities determining geo-political activities. These activities are subordinated to the Russian Federation's tendencies to rebuild the importance and influence [3]. Methods of cooperation, competition and confrontation used by the Russian diplomacy towards the countries in this region serve that purpose. Experiences of economic integration in the Central Asia region until now point to the principally political motives of the agreement which Moscow has lobbied for.

Instead of the Red Army, the penetrating forces of Moscow's power in Central Asia are now its exports of natural gas, crude oil, electricity, as well cultural products and consumer goods. Because the recent developments in the oil and gas sectors are seen in these political rather than economic terms, the easy conclusion is drawn that it will all end in tears, since it is readily assumed that only Russian or mixed Russian - local oil and gas companies can deliver, and to do this only they are to be able to buy up reserves. Rather than keep berating Russia for its approach to the energy sector, it might be better to recognize that below the ugly politics lays a deeper rationale.

An essential element showing the condition of the Russian energy sector is, according to "The Strategy ... 2030", the natural gas production forecast

of 73–80 billion cubic meters per year in East Siberia and the Far East (however, there is not a forecast of natural gas export into Asia and Pacific region, which according to the document in force is to reach 80 billion cubic meters, Transneft is currently building a pipeline from Eastern Siberia to the Pacific. Its opening is planned in 2015–2017). Nonetheless, this document does not assume considering two topics: activating new gas fields in East Siberia and Russian Far East and Russian energy expansion into North and South-Eastern Asia [4]. Only the project to build a gas pipeline Altai to China was included as an infrastructure priority. In fact, this state may result from uncertainty concerning developing new areas of excavation and strengthening Russia's position in the region of Asia and Pacific as it refers to the economic development of remote regions and directly the Russian Federation's territorial integrity.

A crucial determinant of Russian energy policy worth mentioning is the Russian Federation's current uncertainty concerning prospects of excavating and distributing energy resources from Central Asia to the most developed economic actors of the planet: European Union and China. In response to these countries' investments and activities, the R.F. has undertaken a diplomatic offensive aiming at Central Asian states' withdrawal from their own undertakings (i.e. without Russia's participation). This kind of situation we may find in financial conditions offered by Russian energy businesses to Azerbaijani and Turkmenistani producers. Comparing to the beginning of the early 1990s, such as state oil companies KazMunaiGaz of Kazakhstan and SOCAR of Azerbaijan, which plan to expand their business operations within and beyond their own borders, are not accepted. Created by R.F. conditions serves to induce them to withdraw from their energy policy that they have been carrying out in recent years. If it happens, the Russian Federation will fulfill its energy policy on the post Soviet areas and will remain the only liquid fuels producer and supplier [5]. If it fails, the whole of political enterprises based on

geo-economic may bring about fewer benefits than expected.

### **3. FORMS OF RUSSIAN ENERGY POLICY TOWARDS CENTRAL ASIA**

According to the assumption that conditions to overcome internal threats to Russia as a producer must be ensured, Russia's transformation into European and Asian natural gas hub as well oil supplier. Russian Federation gas and oil companies are tasked to use optimally its own infrastructure in order to controlling transport and transit streams from Central Asia. Gazprom, Rosneft, Lukoil insists on long-term contracts and rejects any attempt to open up its pipelines to third parties out from the region. That is why the European Union's European Commission is getting nowhere in its negotiations with Russia. This kind of asymmetry in economic relations provides Russia with a certain amount of leverage in the short run. As the past has shown, however, attempts to exploit this asymmetry have not caused major policy change in the affected countries. A strong limitation for Russia to make use of the asymmetry lies in the fact that many smaller purchasers are at the same time producers and transit countries.

Gazprom, Lukoil and Rosneft play a vital role in this policy of the Russian Federation. Although each of them pursues a different development strategy, their activities are complementing and strengthening. Assessing the current situations, one can conclude that although the synergy effect is not visible yet, but its reaching seems to be coming fast. The reason for such policy can be defined in context of Russian Policy out of Central Asia. It seemed, that Russian Federation is putting much more emphasize on European Union energy market than on Chinese but enhancing abilities of RF companies can change this [6]. It also follows from the political situation. Namely, the pivot is considered to be an indirect cause of the Russian-Chinese economic convergence, and especially the "gas contract of the century" concluded in the spring of 2014 which

will remain for thirty years. Preceded it, approved in February 2013 version of Russian Federation Foreign Policy Concept. It announced a shift towards Asia. Ukrainian crisis and forming his consistency Western economic sanctions against Russia are just a catalyst decisions that have to be made much earlier. President of the Presidium Council, Foreign and Defense Policy - the influential think-tank committed to developing strategic concepts at the request of the Presidential Administration of Russia – Fyodor Lukyanov, expressed option that searching for new alternative political solutions for close cooperation with the Western world was considered much earlier, sprung up before the first symptoms of the crisis in relations between Russia and the West. Two options were analyzed: first one, take the efforts that Russia could become an independent pole of attraction and, the second one, engage in cooperation with other centers of a multipolar world. Since the possibility of forming an independent “second pole” remained and remain limited (despite the fact that Russia’s influence on the post-Soviet area are still significant), was taken realization of the second variant: cooperation [7]. The choice of a partner for cooperation fell on China. The lack of trust and long-standing disputes (ideological , boundary), which divided the two countries went to plan further in the face of the need for joint counter the strength of the United states, which occurs in Asia.

Announcing more explicit American presence in Asia was the direct cause for which both Russia and China have begun to pay more attention to the activity on the forum of the Shanghai Cooperation Organization. If SCO accede to India, Pakistan and Iran, internal negotiation process within the organization considerably more complicated, and variants of the coalition would be much more than now. First of all - the position would have been noticeable marginalization of post-Soviet Central Asian states, particularly Kazakhstan, whose president demonstrates the ambition of creating the center of supra-

regional influence. This situation relays on question of competitors against Russian domination in energy sector and as well economy.



**Figure 1.** Central Asia pipeline connections

Source: Presentation of Ambassador Richard Jones, Deputy Executive Director, International Energy Agency, The Politics of Central Asian and Caspian Energy, Chatham House, 23-24 February 2010.

#### 4. MEANING OF CENTRAL ASIA IN THE SECURITY CONTEXT

Security meaning of Central Asia relays on significant issue of progress and development of countries out of area and placed in adhere regions. This is very strong combined with means of policy, especially in economics in international organizations [8]. One of the leading issues for Central Asia countries is access to the world markets. Vast natural resources being placed in this region gives opportunities to create different types of economic cooperation on ground of political agreements and infrastructure.

In the 21<sup>st</sup> century reliable sources of energy has became one of the crucial global security issues of the. Particularly in context of modern economies depend. The present meaning of the countries from Central Asia can be described by their participation in oil and gas production. Their influence on energy markets stay groves since dissolution of Soviet Union. Particular in the crude oil and natural gas production Central Asia countries has demonstrated that are a serious player.



**Table 1.** Crude oil and natural gas production

Source: The World Factbook 2011

Rank	Country	Raw material
Crude oil – production (million bbl/day), 2011 est.		
1	Kazakstan	1.635 bbl/day
2	Kyrgystan	1,000 bbl/day
3	Azerbejdjan	987,000 bbl/day
4	Turkmenistan	222,200 bbl/day
5	Tajikistan	215 bbl/day
6	Uzbekistan	104,400 bbl/day
Natural Gas Production (in m3) (T), 2009 est.		
1	Uzbekistan	61,410,000,000
2	Turkmenistan	38,100,000,000
3	Kazakhstan	35,610,000,000
4	Azerbaijan	16,520,000,000
5	Tajikistan	38,000,000
6	Kyrgyzstan	15,400,000

Economic security of the World and its dependence on Central Asia allow to better understand the well-being dilemmas of survival and prosperity in today's more complex world. The present situation in fact excludes countries from Central Asia from open access to the global market. This is due to the historical development of Central Asia's economic ties during USSR times and after the dissolution of the Soviet Union.

**Figure 2.** Potential Access to Major World Markets

Source: World Development Report 2009

At present three players focus on Central Asia, Russian Federation, China, and European Union. Each of them has different types of interests and approach towards the region.

In Russian Federation view, effect of policies of other countries in Central Asia harms Russia's vital interests. Mainly through changing its position in the gas sector and crude oil sector through setting rules of infrastructure operator (operator of oil and gas pipelines and depots); transparency, as well as equal access to information in accordance with international financial standards and practices; set tariffs and enabling access to the oil and gas networks according to international standards.

Till now China has proposed a new concept of energy security for Central Asia countries. It is based on win-win cooperation, diversified supply and coordinated protection of energy. China endorses regional dialogues and cooperation and has played a constructive role in regional mechanisms, including economic one with countries from the Central Asia region [9]. The energy exploration and use; research and development and promotion of new technologies and maintenance of a positive political climate for energy security creates long-term basis for international community activeness dedicated to countries from and out of the Central Asia region [10].

In case of European Union and Central Asia countries the economic relations relying on energy ties are more complicated. The result of the Russian Federation's multidimensional and complex energy policy in the Central Asia region is to achieve a privileged position of a supplier and supervisor of energy power resources to countries located on the European continent, most of all to the European Union. This enables Russian Federation's permanent influence on the EU economic development and its finances. Due to this, the economic and financial goals naturally match the political ones creating the possibility to gain permanent influence to subordinate European Union's countries' interests to the Russian ones.

Here must be stressed the co-dependency of Russian activities and the ways of conducting them. Gaining influence is accompanied by promoting the bilateral cooperation with Russia. It is vital in case of political elites, first of all of the Western European countries, and political ones. Consequently, in the context of Russian energy power businesses, Gazprom in particular, the breaking through year was 2006 when, in fact, the European Union's principles in force on 1st July 2007 limiting monopolistic practices were discredited. The participation of Gazprom in the European gas sector, i.e. transport, distribution and trade deepens the European Commission's difficulties with enforcing the European Union's law on this market. On this background, the principles of cooperation taking into account in their formula an equal access of one party to the energy market of the second party which were included in the document called the Energy Charter were also discredited [11]. It must be underlined here that this document contradicts the principles of the Russian energy power policy due to the fact that in the practical dimension it stipulates, among others, the abolition of Gazprom monopoly on natural gas deliveries from Russia and Central Asia. Similarly, the Russian Federation's activities question the European Union's energy security strategy [12].

For Russia, playing a leading role of liquid fluids' supplier to the European Union's countries creates a certain political imperative which results from Russian mentality and approach to social reality. This imperative is expressed in the Russian Federation's tendency to achieve a decisive or full control of energy power resources' supplies to the European Union and consequently, taking over a substantial part of shares or full control of energy distributors in the European Union's countries and, moreover, a decisive or complete dependence of the European Union on the Russian energy factor. This indirect may be confirmed by Vladimir Putin issues a decree 'in defense' of Gazprom [13].

## 5. CONCLUSIONS

Changes taking place in regional and global politics have a substantial impact on the significance of Central Asia. The evolution of Russian aspirations in the international arena and reorientation (pivot) for Asia and the Pacific has become more clearly visible during the conflict Ukrainian. The pace of change may indicate the official position regularly occurring transformation objectives and priorities of Russian diplomacy [14], especially regarding the international market energy market. In this respect efficient economic ties regarding energy (mainly oil and gas) are consolidating. The Central Asia area plays a great role in the international oil and gas market. It should be underlined that the Eurasian market, raw materials coming from the Central Asia area, creates for the moment the major alternative to oil produced by OPEC countries. In this context Russian Federation energy policy keeping a strong position in this market remains a priority. A different political relationship between Russian Federation and Central Asia Countries, as well countries from the most developed regions of the world affect the importing and exporting nations and their placement on economics relation gravity map.

Russian thinking based on the traditional definition of its historical meaning creates certain implication for Central Asia, region which connects the world's most powerful economies, no matter we refer those which border with Central Asia countries or those being out of the region. Alliances and joint memberships in international organizations promote international commerce but relationship between the nexus of international conflict and cooperation, and trade is perhaps even more complicated. Their impact on Russian international commerce was and is neither immediately nor directly apparent. The specific area of cooperation in context of energy policy creates economically, financially, technologically and politically needs of Russian Federation based on its concerns.

It seems that Russia believes that the new world order will be shaped by a progressive shift in the distribution of power in favor of non-Western states and that this will bring with it increasing competition over access to raw materials, especially crude oil and natural gas. Taking into consideration fact that Russian political elite proceeds on its understanding that the international security order should be

negotiated on the basis of the national interests of the leading world powers it can be estimated that countries with similar patterns of bilateral commerce and an affinity for bilateral trade will be close one to another. This creates basis for international cooperation among countries placed in Central Asia but will affect cooperation with those from other regions.

**Table 2.** Ten greatest economy's of the World according to purchasing power parity

Source: HM Government, „Let's choose growth.

Why we need reform to unlock Europe's potential", 2011

Seq.	2010	2020	2030	2050
1.	USA	China	China	China
2.	China	USA	USA	India
3.	Japan	India	India	USA
4.	India	Japan	Japan	Brazil
5.	Germany	Russian Federation	Brazil	Japan
6.	Russian Federation	Germany	Russian Federation	Russian Federation
7.	Brazil	Brazil	Germany	Mexico
8.	Great Britain	Great Britain	Mexico	Indonesia
9.	France	France	France	Germany
10.	Italy	Mexico	Great Britain	Great Britain

There may however be noted that this situation may change with the influence of the United States, and its energy policy. Replacement of Russian gas supplies to the EU market for the supply of liquefied shale gas in the US will open new period in relations among Central Asia states. Furthermore, economic sanctions which Europe and the US applied to Russia in response to Russia's behavior towards Ukraine have an additional, difficult to predict outcome: spoiled Russian gas interests with China [15]. Despite this, the Russian authorities are not giving up strategic documents referred to in FR ambitious development plans that require huge investments [16].

There is no doubt that in the coming years, the Central Asian states will be

forced to declare choose one of the three options dictated to them: integration projects promoted by Russia (Eurasian Economic Community, the Customs Union), the Chinese of the "New Silk Road" supported the benefits of (financed mainly by China) SCO, and finally a proposal to strengthen cooperation with the United States, eager to maintain its presence in the region after leaving Afghanistan.

The above description shows that the evaluation of the benefits and losses that side would gain the alliance between Russia and China may not be clear. Creating a "second pole" political attraction on a global scale, opposite the United States would create a lot of chances, but also the population of the dangers, especially for Russia.

## NOTES AND REFERENCES

[1] As a multi-polar world actors are also mentioned: a group of emerging economic powers conventionally defined as B (R) ICs, the Islamic world (trying to defy the spiritual values of Islam material values, the concept of radical Islamists symbolized by the broader West), and even the European Union. As the most similar to the model in describing the reality of the global balance of power is assumed, however, the paradigm “multi polarity”, which provides the existence of many (more or less attractive) centers of attraction. However, significant changes in international politics, including the Ukrainian crisis, were factors which resulted in increased activity of most important players in the political arena. Local political poles of gravity (“regional powers”), the dynamism of action, which would prove their political, economic, cultural attractiveness and thus to bring together additional entities. At the same time, however, it was next door (despite) the phenomenon of multi polarity in global policy processes underway whose job it is - it seems - to rebuild a bipolar world, that is, the restoration of the second pole of influence.

Sources: Jim O'Neill, Building Better Global Economic BRICs, Goldman Sachs Global Economics Paper No: 66, available online at: <http://www.content.gs.com/japan/ideas/brics/building-better-pdf.pdf>, accessed on: October 20, 2014; Gunilla Herolf, “Multipolar World at the End of the First Decade of the 21st Century: How about Europe?”, in Central European Journal of Public Policy, Center for Social and Economic Strategies (CESES), Faculty of Social Sciences, Charles University in Prague, Czech Republic, Volume 5, Number 1, June 2011, pp. 4-22.

[2] Energy Strategy of Russia for the period up to 2030 approved by Decree No. 1715-r of the Government of the Russian Federation, dated 13 November 2009, Ministry of Energy of the Russian Federation, Moscow 2010.

[3] On 5 July 2010 in Astana, the presidents of the states which make up the customs union, Russia's Dmitri Medvedev, Kazakhstan's Nursultan Nazabayev and Belarus's Alyaksandr Lukashenka, signed a declaration on the entry into effect of the joint Customs Code. This formally signifies the

creation of a Customs Union (CU) between these states, although in reality it will only be a substitute for one. Despite its limitations, the CU may prove to be advantageous for these countries' economic co-operation. Over the last 20 years, economic relations between Russia and the countries of the former USSR have loosened. In the years 2004-2008, Kazakhstan and Belarus' shares of exports to Russia in these countries' total exports fell, by 11% (to 9%) and 18% (to 32%) respectively. Experiences of economic integration in the region until now (which include failures to respect agreements which have been concluded) point to the principally political motives of the agreement which Moscow has lobbied for, considering the invariability of Russian interests.

Source: Iwona Wisniewska, “The customs union: Russia's political project”, EASTWEEK 2010-07-07, available online at <http://www.osw.waw.pl/en/publikacje/eastweek/2010-07-07/customs-union-russia-s-political-project>, accessed on October 22, 2014.

[4] One should take into consideration engagement of Russia's Rosneft and America's ExxonMobil made on 16 April 2012. Both parties signed documents which laid out the details of the agreements on the strategic co-operation and joint projects of the two companies, signed in January 2011 (on the Russian Black Sea shelf) and in August 2011 (on the Kara Sea in the Arctic). These documents specify the stakes held by the two signatories of the joint venture (Rosneft holds 66.7% of the shares and ExxonMobil holds 33.3%) which is to implement projects in Russia, the USA and Canada. In Russia, the joint venture will deal with the exploration and development of hydrocarbon deposits on the shelves of the Black Sea (the estimated reserves are 1.2 billion tones of oil equivalent; the estimated investment cost is US\$50 billion) and of the Kara Sea (the estimated oil reserves are approximately 5 billion tones, the estimated gas reserves are over 8 trillion m<sup>3</sup>; the estimated cost is US\$200–300 billion). The total value of the investments in joint projects on the Russian sea shelf, including infrastructure, looks set to exceed US\$500 billion within a thirty year timeframe. The agreement also envisages common work on technologies for the development of difficult-to-access oil fields in Western Siberia (total



deposits of around 1.7 billion tones), and the possibility for ExxonMobil to participate in production on these fields in the future.

Source: Ewa Paszyc, "Russia: Rosneft and ExxonMobil strike another deal", EASTWEEK 2012-04-18, available online at <http://www.osw.waw.pl/en/publikacje/eastweek/2012-04-18/russia-rosneft-and-exxonmobil-strike-another-deal>, accessed on March 18, 2014.

[5] On 15 December 2011, the Caspian Pipeline Consortium (CPC), which is the owner and the operator of the Tengiz–Novorossiysk oil pipeline, made the final decision to increase the pipeline's flow capacity from the present level of 28 million tones of oil annually to 67 million tones in 2015. The consortium's decision means that the pattern of oil export from Kazakhstan will be preserved, and the key roles will still be played by Russia as the transit country and Europe as the outlet. Around 75% of the oil exported from Kazakhstan is transported through Russian territory, the Tengiz–Novorossiysk pipeline being the key transport route (carrying around 40% of Kazakh oil exports). Increasing the pipeline's capacity means that within a decade, Astana will have guaranteed its oil export routes and may feel free to increase production. Moreover, Europe will remain the main destination for Kazakh oil exports (especially its southern part, the Black and Mediterranean Sea basins). The significance of the Tengiz–Novorossiysk pipeline may decrease, and exports via the Caucasus may develop only by the end of the next decade, when production in the Kashagan field starts and the planned large export of oil via the Caspian Sea is launched.

Source: Alexandra Jarosiewicz, "Russia as the main corridor for oil export from Kazakhstan", EASTWEEK 2010-12-29, available online at <http://www.osw.waw.pl/en/publikacje/eastweek/2010-12-29/russia-main-corridor-oil-export-kazakhstan>, accessed on October 26, 2012.

[6] On 22 October 2012, Rosneft announced the conclusion of an agreement with BP to buy back 50% of shares in TNK-BP (which BP owns) for US\$17.1 billion, as well as 12.85% of Rosneft own shares. For part of that sum (\$4.8 billion) – after the government and the relevant authorities

(including the anti-monopoly service) give their formal approval – BP will buy a 5.56% stake in Rosneft (from the state-owned Rosneftegaz company). If the deal is finalized, BP's share in Rosneft's capital will have risen from the current level of 1.25% to 19.75%. Rosneft has also agreed a pre-investment with the Russian AAR consortium (Alfa Group, Access Industries and Renova) to buy back the remaining 50% stake in TNK-BP owned by the consortium for US\$28 billion. The details of both transactions are to be agreed by mid-2013. This transaction would allow Rosneft to take total control over TNK-BP, the third largest Russian oil company by extraction (which produced about 84 million tones in 2011). Rosneft plans to finance the transaction from its own funds, loans from Western banks, and funds rose from a bond issue. The alliance between Rosneft and BP should give Russia access to the latest technologies for developing and producing crude oil from the fields in Western Siberia, which are difficult to exploit, as well as from the Arctic shelf.

Source: Ewa Paszyc, "Russia: Rosneft announces it will take control of TNK-BP", EASTWEEK, 2012-10-24, available online at <http://www.osw.waw.pl/en/publikacje/eastweek/2012-10-24/russia-rosneft-announces-it-will-take-control-tnkbp>, accessed on October 25, 2012.

[7] Ф. Лукьянов, Россия и не-Запад, "Российская газета", available online at <http://www.rg.ru/2014/06/25/lukjanov.html>, accessed on August 10, 2014.

[8] In Central Asia region operates several organizations. The Central Asia Cooperation Organization (CACO) comprises Kazakhstan, the Kyrgyz Republic, Russian Federation, Tajikistan, Turkmenistan, and Uzbekistan, which merged with EURASEC (Eurasian Economic Community) in 2005. The Central Asia Regional Economic Cooperation Initiative (CAREC) comprises Azerbaijan, China, Kazakhstan, the Kyrgyz Republic, Mongolia, Tajikistan, and Uzbekistan. The Shanghai Cooperation Organization (SCO) comprises China, Kazakhstan, the Kyrgyz Republic, Russian Federation, Tajikistan, and Uzbekistan. Then there are the Commonwealth of Independent States (CIS), the Collective Security Treaty Organization (CSTO), the Economic

Cooperation Organization (ECO), and the Special Programme for the Economies of Central Asia (SPECA).

[9] The Shanghai Cooperation Organization (SCO), the Asia-Pacific Economic Cooperation (APEC) forum, and the Asia Cooperation Dialogue (ACD).

[10] It should be underlined that the Chinese economy has escaped almost unscathed from soaring international oil prices owing to its relatively low oil dependency compared to many Western countries.

[11] This document expressed common approach of the EU countries to the energy security issue taking into consideration the second party's interests (potential contracting party).

Source: Lenka Kovačovská, "European Union's Energy (In)security – Dependence on Russia", *Defence&Strategy*, 2/2007, 7–9.

[12] Its second priority stipulates the European countries' energy power solidarity through mutual assistance in crisis and it identifies actions to prevent such a situation. These provisions gradually become illusory.

Source: Green Paper on A European Strategy for Sustainable, Competitive and Secure Energy, 2006/03/08, COM (2006)105.

[13] 11 September 2012 saw the publication of a decree by President Vladimir Putin concerning "measures to protect the interests of Russia in respect to the conduct of foreign economic activity by Russian legal entities". This document covers part-state-owned joint-stock companies which are listed as strategic enterprises, and the companies dependent on them. The decree obliges such companies to obtain prior consent to act from the federal government of Russia in three situations: (1) the disclosure, at the request of the authorities of other countries, international organizations and international

structures, of information on their activities (other than those disclosed in Russian law, and those concerning information related to the issue of securities); (2) if changes are to be made in contracts entered into by strategically important companies (including changes to prices); and (3) the sale of foreign assets belonging to Russian strategic companies.

Source: Szymon Kardaś, "Vladimir Putin issues a decree 'in defence' of Gazprom", *EASTWEEK* 2012-09-12, available online at <http://www.osw.waw.pl/en/publikacje/eastweek/2012-09-12/vladimir-putin-issues-a-decree-defence-gazprom>, accessed on October 30, 2012.

[14] Соповещения послов и постоянных представителей РФ с участием президента. ITAR-TASS Agency, available online at <http://itar-tass.com/spravochhnaya-informaciya/1289883>, accessed on July 07, 2014.

[15] Meticulously kept secret Russian-Chinese gas contract turned out to be, as can be judged, much less financial success than anticipated Russians. The negotiated price - probably \$ 350 per thousand m3 - turned out to be lower than the sales price to the European markets.

Source: Россия избавилась от «еврозависимости» по газу *Jurnal "Izvestia"* z 22.05.2014 r., available online at <http://izvestia.ru/news/571201>, accessed on May 22, 2014.

[16] Россия начнет колонизацию Луны в 2030 году, "Izvestia" 8.05.2014 r., available online at <http://izvestia.ru/news/570482>, accessed on June 17, 2014); Стратегия развития космической деятельности России до 2030 года и на дальнейшую перспективу, проект, 16.01.2014 r., available online at <http://www.federalspace.ru/2931/>, accessed on July 07, 2014.

# MILESTONES OF HUMAN SECURITY IN THE EUROPEAN UNION AT THE BEGINNING OF THE XXI CENTURY

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*Human security stands as a favourite subject of many debates and analyses. A world wherein overall security exists is just a dream. But nothing can stop this dream from changing into reality. That depends on political leaders, as well as on each individual. The aim of this article is to overview some theoretical approaches to human security and to present the human development index calculated for the European Union states and some main aspects of human security components in the European Union. The goal of this analysis is two fold: to present some aspects that are remarkable for the human security framework in the European Union at the beginning of the XXI century and also a modest milestone for this type of analyses.*

**Key words:** human security, human development, European Union, assessment items, threats, security environment.

MOTTO: "No one really accomplishes something by his/her own. For almost everything you achieve in life it is essential to make connections with other people"[1]

## 1. HUMAN SECURITY AND HUMAN DEVELOPMENT. DEFINITIONS, GOAL, ASSESSMENT ITEMS

The "human security" concept is recent in the security field – 1994 – and it was coined by the Human Development Report part of the United Nations Program for Human Development. As the Report outlines, human security includes seven components: economic security, food security, health security, environmental security, political security, personal security and collective security.

The ideas promoted by this concept are not new. The International Committee for Red Cross, through the humanitarian aid provided to the people harmed in armed conflicts and by promoting laws on war victims' statute, is a first example in the brief history of promoting individuals' security. Also, in the Universal Declaration of Human

Rights on December 10, 1948, Article 3 provisions that: "Everyone has the right to life, liberty and security of person" and Article 22 that: "Everyone, as a member of society, has the right to social security; she is entitled to, through national effort and international cooperation, taking into account the organization and resources of each State, to obtain realization of economic, social and cultural rights indispensable for his dignity and the free development of his personality".[2]

On the security agenda of state and non-state actors, human development takes an importance place. In this regard, we bring to the attention the 1998 Canadian initiative shaped as "Human Security Network", a platform for changing ideas and information meant to disseminate the human security concept all around the world. Austria, Canada, Chile, Costa Rica, Greece, Ireland, Jordan, Mali, Netherland, Norway, Slovenia, Switzerland, Thailand, and South Africa (as an observer) are part

of this network. Another example is the “Human Security Collective (HSC)” Foundation supported by Cordaid, the Global Partnership for the Prevention of Armed Conflict (GPPAC) and Kroc Institute for International Peace Studies, foundation that became a core element connecting local human security with global security, engaging civil society with important security agendas on conflict prevention, counter terrorism and de-radicalization [3].

Resolution no.66/290 of the UN General Assembly dated September 12, 2012 [4] reaffirms that all three pillars of the United Nations Organization - development, human rights and peace and security - are interdependent and mutually strengthening. As stated in this document, the concept of “human security” involves interconnections between peace, development and human rights and also appreciates the interconnections between civil, political, economic, social and cultural rights. Human security does not involve threat, the use of force or coercive measures, nor does it replace state security. Political, economic, social, cultural conditions related to human security significantly vary inside one country or among countries and in different time sequences; therefore, the employment of the concept of human security aims to strengthen national solutions that are compatible to local realities.

The UN Strategic Plan on human security for 2014 – 2017 defines human security as the complete framework to approach wide spread and transversal threats and prescribes the human security vision for this period of time – to integrate the national and international efforts of today in order to guarantee and protect people exposed to multiple and wide spread threats regarding their survival, means to secure their existence and dignity [5].

The first Human Development Report dated 1990 included the following mention: “*people are the real wealth of a nation*” and had a deep impact over worldwide policies [6]. The human development approach is not a fixed set of principles; it is relevant and looks for

means to improve humans’ wellbeing in a continuous changing world. Mary Kaldor defines human security as follows: “*human security combines human rights and human development*” [7]; it comes out from the definition that human development and human rights protection form an overall goal of human security.

The human development concept introduced in 1990 refers to the extension of human being’s options in a continuous changing environment. Essentially, human development is a process of extending humans’ possibilities to live a healthy and creative life, to aim goals they consider important and to be part of a process of sustainable and equitable development on a planet of all human beings [8]. Simultaneously, human development is an intrinsic component of sustainable development.

Although human security and human development are interconnected, they are not identical. Human development is a process of extending humans’ freedoms and opportunities and of improving their wellbeing and security goals. Human security focuses on aspects such as: the human being as a whole, comprehensive approach, solutions specific to the context, orientation toward prevention.

In order to assess the human security/insecurity and human development ratio items like: Human Development Index – HDI and Human Security Index – HSI were formulated and adopted at international level.

The *Human Development Index* was created in order to emphasize that humans and their capacities, along with economic growth, must be the final criteria of assessment for a country. Higher level of economic growth does not necessarily mean more accelerated human development. This is an item showing accurately the structure and direction of progress (or regress of human capital) along the economic growth, as well as the problems accompanying this progress [9]. The Human Development Index was called by Professor Amartya Sen as “*the emblem of World Report on Human Development*” [10], and is built upon three elements:



- *endurance* – measured by life expectancy at birth that synthetically reflects average life span as influenced by some diverse factors (such as nutrition, health, housing, etc.);
- *education level* which reflects the ratio of training and access to quality education, which is essential to the training process for a productive life in contemporary society; its measurement is based on combining data on adult literacy and ratio of enrolment in education institutions;
- *life expectancy* measured by the Gross Domestic Product per capita calculated as purchasing power parity in RON.

The *Human Security Index* aims at assessing individual or group security in their houses, whether in the urban or rural area, as well as planet security. According to David A. Hastings, this index is designed on a trinity or triad [11]:

- *the economic framework* assessing financial resources and including protection against possible financial disasters;
- *the social framework* related to diversity, education, food security, health, governing, peaceful conditions;
- *the environmental framework* concerning the risk of ecological disasters, healthy living conditions, environmental sustainability, government sustainability.

Kanti Bajpai considers that this index of human security produces guidelines on human security for all the societies through: the development of an early warning social system, focusing attention on areas with problems, redefining national and international political priorities, settling national and international standards, generating new social scientific knowledge [12].

Besides the both indexes, there are also the UN Human Security Reports and Human Development Reports providing information and analyses on global and regional trends on human security in different situations (such as armed conflicts or other forms of organized violence).

## 2. THE HUMAN DEVELOPMENT INDEX IN THE EUROPEAN UNION IN 2013

The beginning of the XXI century is marked by profound transformations. Therefore, humankind development cannot be conceived in the absence of human security, or of human rights protection and human development.

The **human development** concept is based on: *equity*, namely on the equitable access to opportunities; *sustainability*, that is the responsibility for the present and future generations; *productivity* concerning the investments in human resources and creation of a macroeconomic environment allowing people to reach their maximum potential; *sense of decision* as people must reach a level of individual development to allow them to exercise options based on their own will, from a wider framework of existent opportunities.

At the core of the European Union development policy, human development is based on equality, sustainability, productivity and sense of decision and occupies an important role as an “*an intrinsic component of sustainable development, the latter defining its goal and final result*” [13].

Human development assessment is undertaken with the support of the Human Development Index that initially (in 1990) was calculated for 130 countries, afterwards for 182 countries and has values in-between 0-1.

The Human Development Index calculated for 187 countries of the world was publicized in 2013. According to this, the values for the 28 European Union member states are as shown in **Table 1** [14]:

Worth noting in this table are the differences related to the place of European Union member states in the hierarchy of the 182 countries of the world: Holland and Germany rank top 10 (i.e. the 4th and 6th positions, respectively), while Bulgaria and Romania are in the middle of the hierarchy (54th and 58th positions).

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**Table 1:** Classification of EU states in accordance with the of human development ratio

Source: <http://hdr.undp.org/en/content/table-1-human-development-index-and-its-components>, accessed on August 31, 2014

Seq.	STATE	VALUE of 2013 HUMAN DEVELOPMENT INDEX					Value of Human Development Index 2012	Place in the international top
		Value	Life expectancy at birth	Average years of school - 2012	Forecasted years of school: 2012	Gross Domestic Product per capita		
Very high human development								
1.	Austria	0.881	81.1	10.8	15.6	42,930	0.880	21
2.	Belgium	0.881	80.5	10.9	16.2	39,471	0.880	21
3.	Cyprus	0.845	79.8	11.6	14.0	26,771	0.848	32
4.	Croatia	0.812	77.0	11.0	14.5	19,025	0.812	47
5.	Denmark	0.900	79.4	12.1	16.0	42,880	0.900	10
6.	Estonia	0.840	74.4	12.0	16.5	23,387	0.839	33
7.	Finland	0.879	80.5	10.3	17.0	37,366	0.879	24
8.	France	0.884	81.8	11.1	16.0	36,629	0.884	20
9.	Germany	0.991	80.7	12.9	16.3	43,049	0.991	6
10.	Greece	0.853	80.8	10.2	16.5	24,658	0.854	29
11.	Ireland	0.899	80.7	11.6	18.6	33,414	0.901	11
12.	Italy	0.872	82.4	10.1	16.3	32,669	0.872	26
13.	Latvia	0.810	72.2	11.5	15.5	22,186	0.808	48
14.	Lithuania	0.834	72.1	12.4	16.7	23,740	0.831	35
15.	Luxembourg	0.881	80.5	11.3	13.9	58,695	0.880	21
16.	Malta	0.829	79.8	9.9	14.5	27,022	0.827	39
17.	Holland	0.915	81.0	11.9	17.9	42,397	0.915	4
18.	Poland	0.834	76.4	11.8	15.5	21,487	0.833	35
19.	Portugal	0.822	79.9	8.2	16.3	24,130	0.822	41
20.	United Kingdom	0.892	80.5	12.4	16.2	35,002	0.890	14
21.	Czech Republic	0.861	77.7	12.3	16.4	24,535	0.861	28
22.	Slovakia	0.830	75.4	11.6	15.0	25,336	0.829	37
23.	Slovenia	0.874	79.6	11.9	18.8	26,809	0.874	25
24.	Spain	0.869	82.1	9.6	17.1	30,561	0.869	27
25.	Sweden	0.898	81.8	11.7	15.8	43,201	0.897	12
26.	Hungary	0.818	74.6	11.3	15.4	21,239	0.817	43
High human development								
27.	Bulgaria	0.777	73.5	10.6	14.3	15,402	0.776	58
28.	Romania	0.785	73.8	10.7	14.1	17,433	0.782	54

### **3. MAIN ASPECTS OF HUMAN SECURITY IN THE EUROPEAN UNION AT THE BEGINNING OF THE XXI CENTURY**

In approaching some of the major dimensions underlying the concept of "human security" and its coverage within the European Union in the XXI century, the article is to focus on some aspects appreciated as significant.

**Economic security** refers to guaranteeing basic revenues, namely access to workplaces and resources.

Since 1st of January 2014, the EU citizens can work in any of the 28 member states the public sector included (i.e. state enterprises, government institutions, public authorities, etc.). However, there are states (Austria, Belgium, Cyprus, France, Germany, Greece, Italy, Luxembourg, Malta, Holland, Slovenia, Spain, United Kingdom) applying temporary restrictions on the free access onto their labour market for the Croatian citizens these restrictions are in effect until 30 May 2020).

With regard to the minimum wages of employees from the EU member countries, a great difference is revealed by the Eurostat figures published in January 2013 [15], as follows: 1. Luxembourg - 1,874 Euros; 2. Belgium - 1,502 Euros; 3. Netherlands - 1,469 Euros; 4. Ireland - 1,462 Euros; 5. France - 1,430 Euros; 6. The United Kingdom - 1,264 Euros; 7. Slovenia - 784 Euros; 8. Spain - 753 Euros; 9. Malta - 697 Euros; 10. Greece - 684 Euros; 11. Portugal - 566 Euros; 12. Poland - 393 Euros; 13. Croatia - 372 Euros; 14. Slovakia - 338 Euros; 15. Hungary - 335 Euros; 16. Estonia - 320 Euros; 17. Czech Republic - 312 Euros; 18. Lithuania - 290 Euros; 19. Latvia - 287 Euros; 20. Bulgaria - 158.50 Euros; 21. Romania - 158.50 Euros. The other 7 EU member states (Denmark, Germany, Italy, Cyprus, Austria, Finland and Sweden) have not regulated a minimum wage per economy.

According to the yearly report of the European Commission [16], one of the most tangible consequences of the economic crisis is the increase in the

poverty among the population able to work. In this respect, European leaders view the increase in the employment rate in the labour market as the solution helping them to escape from poverty. Statistics on people suffering from poverty within the European Union are worrying: 24% of all European Union population (over 120 million persons) is exposed to the risk of poverty or social exclusion [17]; top three poorest states of the Union, are Bulgaria with a poverty rate of 49.3%, Romania with 41.7% and Latvia with 36.2% [18].

**Food security** concerns the physical and economic access to food of all people at any moment.

In order to meet diverse challenges against food security (soil and water quality deterioration, growth of population, an increase in demands, etc.), the 2013 reforms of the EU framework on agricultural policies are focused on the following issues [19]: environmentally friendly agricultural practices for supporting the farmers, innovation, research and knowledge dissemination, a more equitable support system for farmers. In July 2013, following the scandal of horse meat, it was established the EU Network for combating fraud in the food sector comprising the 28 national points of contact (NPCs) for fraud in the food sector [20] and also the EU non-member states - Island, Norway and Switzerland, including also Europol and the European Commission (the General Directorate for Health and Consumers) allowing rapid and efficient cooperation in situations of law trans-border infringements. In order to combat frauds in the food sector the European Parliament Resolution on food crisis, frauds in the food supply chain and their control came into force on January 14, 2014[21].

The decreasing wages of citizens and the increase of expenses can be seen as a serious threat against food security. For example, according to statistics [22], Romanians spend almost 90% of their income paying for food and bills (utilities, gas, and taxes to the state).

**Health security** concerns equal access to medical treatment and better sanitation.

In the health field, EU policy focuses on the improvement of public health, the prevention of diseases and threats against health, including things related to the lifestyle of European citizens, combating the epidemics by promoting research. All the EU community actions come to complete national policies and the Union European supports and encourages cooperation between the member states in the field of health. The third EU Program on the public health field for 2014-2010 contains four main goals [23]: to promote health, to prevent diseases and to favour the development of proper environments for a healthy life style taking into account the principle on which the matters related to health must be integrated in all policies; to protect Union's citizens against serious trans-border threats against health; to contribute to the development of some innovative, efficient and sustainable health systems; to facilitate European citizens' access to better and safer medical assistance.

Life style, along with genetic, food and hormonal risks, contributed to the multiplication of diseases in the EU. Circulatory system diseases and cancer are in the top of the diseases with great incidence in the Union member states. Christoph Zielinski, the director of the Clinical Division of Medical Oncology at the Medicine University in Vienna – General Hospital, attending the second edition of International Summer School of Oncology in Bucharest, emphasized that in Romania, according to the World Health Organization statistics for 2012, the lung cancer was the main reason of decease, and its incidence among the male population was over world average while for women the figures were similar to the aforementioned average (for women there is also a wide spread of cervical cancer).

In order to combat some diseases (such as AIDS, tuberculosis, malaria, other diseases associated to poverty), the European Union and Bill&Melinda Gates Foundation engaged in a strategic partnership for research in this field in 2013 [25].

**Environmental security** concerns the right to a healthy surrounding environment, without desertification, deforestations and the diminution or limitation of environmental threats endangering the health and survival of the peoples.

According to Article 191 of the Treaty establishing the European Union areas of activity, the aforementioned Union, by its policies in the field of environment, , aims at a high ratio of protection based on a series of principles (the precaution and preventive action principle, the principle of remediation at the source of damage, and “polluter pays” principle). Since 2004, EU has financed a series of projects that helped about 32 million peoples to have access to potable water and around 9.5 million persons to benefit of sanitation installations. As statistics indicate, for the EU citizens, the situation of the surrounding environment has an important role and decisively influences the quality of life [26].

One of the serious threats against environmental security is the atmospheric pollution from different sources mainly from the industry, transportation, production of energy and agriculture. As the European Environment Agency data show, Cluj-Napoca and Edinburgh are the cities with the cleanest air in EU [27].

**Political security** concerns the guarantee of fundamental human rights and their freedom of expression.

The Charter of Fundamental Rights – a single document reuniting rights which previously were found in a variety of legislative instruments such as national laws and EU laws, as well in the international conventions of the Council of Europe, United Nations Organization and International Labour Organization – recognizes and guarantees a series of personal, civil, political, economic and social rights of the European Union citizens, as well as for the residents on its territory.

In 2010, political control through public and private mass-media was signalled as a threat against the freedom of expression [28]. An example in this respect is provided by Washington Post in August 2014 by presenting to the public opinion the attitude of the Hungarian prime-minister Viktor Orban,

who, upon coming to power in 2010, “hit in mass-media independence” [29].

**Personal security** concerns individual security against violence, a serious threat able to take many forms: threats from the state, foreign states, other groups of persons (ethnic tensions), physical entities or gangs; threats against women or children; threats against oneself (for example, suicide, drug consumption, etc.).

The investigation undergone in the EU framework on violence against women underlined that the needs and rights of many women are not respected in practice [30]. According to Eurostat data, the situation is also worrisome as far as suicide situations are concerned: Lithuania, Hungary, Latvia and Finland are states with great number of suicides while states such as Greece, Cyprus, Italy, Malta, Spain, Portugal and United Kingdom record low rates of suicides [31]. Suicide is an indirect indicator of mental health of a people and means the deterioration of individual existence and also the decay of the social and economic context in which people live and act.

**Collective security** refers to the fact that the security of community members derives from the quality as a member of a social group (family, community, organization, political group, etc.); many times the tensions inside and in-between social groups because of the competition related to the limited access to opportunities and resources affect group security and individual security.

Cultural diversity within the EU member states is based on the exchange of people, ideas and cultural goods and services. “Creative Europe” Program for 2014-2020 has a budget of 1.46 billion Euros, assigned to cover a series of goals: to protect and promote cultural and linguistic diversity of Europe and its cultural richness; to contribute to the EU goal concerning smart, sustainable growth favouring or inclusion; to support the adaptation of creativity and culture to the digital era and globalization; to facilitate the access to new opportunities, markets and categories of public at international level; to promote economic development [32].

#### 4. CONCLUSIONS

Human security is a political framework to approach different threats people confront with. Threats against human security vary very much from country to country, inside countries and in different moments. Human security provision needs centring on people and an appropriate assessment and focus on diminishing and eliminating threats against individuals’ and community security and wellbeing.

According to “A human security doctrine for Europe - The Barcelona Report of the Study Group on Europe’s Security Capabilities” dated September 2004 [33], the EU policy in the global security environment must be built on human security. Continuing this idea in the declaration presented at New York on July 18, 2014 in a thematic debate of the General Assembly of United Nations Organization on human security and post-2015 development agenda, Jan Pirouz Poulsen, Minister-Counsellor of the European Union delegation to the United Nations Organization underlined the fact that the EU and its member states continue the efforts to improve the efficiency of foreign policy and actions by paying special attention to on the actions undertaken crisis and conflict situations. All of the above is directed towards ensuring at international level a single capacity to coherently and adequately combine diplomatic, security and defense related policies and instruments in order to finance and support development and human rights [34].

The importance granted to human security at European Union level is also shaped in the education field through research projects and other activities. In this respect, it is worth mentioning the research project undertaken between September 1, 2013 and August 31, 2014 called “Human security as a new operational framework to improve the protection of human rights in the EU security and migration policies” that integrates elements of the EU foreign actions in the security, development and migration policies area by including the human security paradigm [35]. Education provides the formation framework



of modern people and contributes to humankind development.

The aspects concerning the human security component within the EU can be improved by adding other positive and negative issues emerging at different time periods in a particular or in different EU member states. In this respect, this is a research direction worth investigating in future academic and scientific initiatives in the field.

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# LONG TERM UNEMPLOYMENT AND LOW WAGE WORK IMPLICATIONS ON SECURITY AND DEVELOPMENT

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*The very intense turmoil close to Romania's border generates a very complex process to take adequate decisions in all aspects of our society. If these decisions are not taken properly, many problems may arise. An important aspect is represented by the economic field where all goods and services are marketed based on supply and demand laws. If the market is not stable, a lot of other domains are influenced, such as the social one. The link between the economic and social domains is represented in this respect by unemployment and low wage work. Even in developed countries these two phenomena create big tensions which are exported to the entire world. This paper intends to emphasize the link among unemployment, low wage work and national security taking into consideration the challenges of economic globalization, deregulation and technological change.*

**Key words:** unemployment, low wage work, criminality, national security.

## 1. INTRODUCTION

As many modern societies, Romania is facing permanent challenges in all domains: economic, political, social, cultural and environmental. Many of these are strongly related to several processes and factors, globally and/or locally generated. Thus, as of 2008, Romania has been part of the big crisis that has put the entire world on the edge. In this respect, even if Romanian politicians were denying the crisis, it was obvious that nobody from this country had found the panacea to counter the cold wind blowing from the US financial crisis. It was only a matter of time for what nowadays is named as "the Great Recession" to fully impact Romanians' life. The very first hit was taken by the economic trend of the country. If the GDP growth in 2007 was 6% and in 2008 7.1%, in 2009 it suffered a tremendous decline, - 7.1% [1].

The political and economic factors mostly responded by cuts in labor costs, both in the state and private sectors, and by reducing the number of employees. The same strategy was adopted in other countries as well with the same impact: lower well-being among the communities, families and individuals, loss of human and social capital. The negative manifestations of crisis actually generate "social ties" with groups sharing the same values, social identity and status which are not consistent with the laws, regulations and norms promoted by the leading class and political decision makers. In order to respond to this challenge, the leading class of the country will be willing to implement strong

law enforcement measures and sometimes to distract the people from the real problems by presenting the foreign threat as a cause of their unhappiness.

## 2. SOCIAL CAPITAL

The study of labor, unemployment and its effects on the economy has been at the basis of economics since the times of Adam Smith. In economic theory, people and the work they perform in order to gain a living have been considered from a variety of points of view. One of the basic approaches is "labor" (the effort, experience and proficiency put into the work activity with the purpose of producing goods and services) as a factor of production, used, at the same time with other factors such as land, capital or more recently entrepreneurship, as inputs in the production process. Another approach designates people as "human resources", as another resource (besides financial, material, information resources) used as inputs in an organization's productive activity, and which is the result of the abilities, skills, knowledge, and expertise of a working individual.

Although widely used, these two terms do not fully outline a few of the main characteristics of the people as a factor of production. Just as the invested capital may provide returns under the proper circumstances, labor may also improve with training and experience, in a specific manner that is not characteristic to the other factors of production. But this may be achieved in specific circumstances, and the human resource may in some situations also

be subject to depreciation (as with any other factors of production). This may occur through loss of experience and skills through lack of use (unemployment, performing jobs in other areas of expertise – as one of the characteristics of the labor is its low mobility compared to other factors of production, performing jobs for which the individual is overqualified, lack of continuous adult education and training, etc).

In order to account for these issues, a more recent approach has linked the concept of labor with that of capital, refining the concept and coming closer to including into economic thinking the complex relationship between people and the result of their work, with the terms of human capital, and social capital. In this sense, the human capital is viewed as the measure of the economic value of an employee's education, skills, abilities and education, refining the research into labor economics in the sense that it focuses on the fact that labor is not homogenous, since there are real and measurable differences between the productivity of various individuals deriving from the time, effort and capital invested in acquiring, using and perfecting these skills and knowledge.

Another concept linked to the one of human capital that has relevance in the analysis of the effects of unemployment and low wages on the security and development of a country relates to the concept of social capital, which can be viewed at the level of a society or at individual level. At society level, social capital is defined as "the stock of trust, mutual understanding, shared values, and socially held knowledge that facilitates the social coordination of economic activity" [2], forming an essential foundation for economic development and national security. From an individual standpoint, social capital refers to "an attribute of an individual in a social context...which can be acquired through purposeful actions and be transformed into conventional economic gains... depending on the nature of the social obligations, connections, and networks, available to the individual" [3]. Francis Fukuyama has pointed out that "*social capital is what permits individuals to band together to defend their interests and organize to support collective needs; authoritarian governance, on the other hand, thrives on social atomization*" [4]. The same author disagrees that social capital is an absolute precondition to conduct successful and sustainable development. On the other hand, he admits that a strong rule of law and basic political institutions are necessary to build social capital. Fukuyama outlined that strong social capital is necessary for a strong democracy

and sustainable economic growth. He has also outlined the impact of political ramifications of familism and the deficit of trust toward outsiders on the economic domain. Based on this, similar to other types of capital, even the social capital is the subject of depreciation, consistent with "use it or lose it" principle. The causes of social capital depreciation are many and we may have a glimpse on them: declining wages; declining employment and reemployment; deterioration of skills and so on. There are many studies and articles using as a proxy the rate of unemployment for the rate of depreciation of social capital. Thus, politicians and political decision makers have to identify, recognize and formulate in clear cut terms the problem on managing the social capital and to build up appropriate policies in order to avoid social and economic unrest.

### 3. IMPLICATIONS OF LONG TERM UNEMPLOYMENT AND LOW WAGES ON SECURITY AND DEVELOPMENT

#### 3.1. Long term unemployment

Unemployment is always present in a market economy, in various forms: classical, cyclical (Keynesian pattern and/ or model), frictional, structural, seasonal, hardcore or hidden unemployment. Regardless of the particular approach or the cause of unemployment, the effects it has on society are not beneficial, ranging from mild and transient to severe and persistent. One of the types of unemployment with severe consequences on society, especially when its rate is high, is long term unemployment, a component of structural unemployment, linked to an unemployment period of over one year, according to the European Union.

There are many studies and research papers which emphasize the social and economic outcomes of unemployment, especially when it comes to long term unemployment. More and more analysts try to reveal the intricate connections among unemployed status, personal skills (technical, economical, social, moral) and poor future outcomes. Some of the analysts and researchers are convinced that some kind of "selection" is undergoing on the labor market. Long term unemployment impacts family structure, children's well being, social network and everything related to the unemployed person's life. There are many effects of paternal unemployment such as: marital dissolution, residential relocation and shift in maternal time with children. Children, as the future of a nation, may face downward school performance, reduction in the probability to finish their studies and perhaps

the loss of educational opportunity for them as a second generation. The community is also affected by long term unemployment in terms of breakdowns in traditional family arrangements, an increased request for public assistance and proliferation of high crime. Thus, the higher the rate of long-term unemployment, the more persistent poverty in neighborhoods becomes [5].

Long term unemployment incurs costs. Many analysts and researchers link the phenomenon with long-run losses of wages leading to the loss of future income and thus directly impacting well-being. As many studies revealed, an unemployed person is more likely to seek retirement from the labor force even if upon contract termination separation costs or reparatory payments may or not be made. These persons may become discouraged by the unemployment phenomena to further seek employment opportunities and hence may try to exit from active life on disability pensions. That means that many of them will not try to reenter the labor force because of their status of disabled persons. This disability may lead to a medical disorder or to a deterioration of skills. Some studies [6] have linked this process to increasingly physical and mental risks to the unemployed persons.

### 3.2. Low wages

There are many ways to define low wage and/ or low wage worker. Mainly, there are two approaches emphasizing the definition of the low wage worker [7]: those whose hourly wages are below a cutoff value, where cutoff value represents the minimum wage regulated by national laws; those whose hourly wages are in the bottom percentiles of the wage distribution, with the differentiation between relative wage and absolute wage. Many recent datasets reflects that the pay threshold has been defined as less than two thirds of the national median of gross hourly wages, as OECD has shown in its documents.

Many studies and researches on the phenomena of low wage and low wage workers emphasize the complexity of the process in which the workers are paid according to their work, education, skills and labor market in general. No clear cut conclusions are drawn because of the sensitivity of the subject. But the facts outline an interesting conclusion: no matter the economic development of a country, low wage represents a huge burden in the nation overall picture.

**Table 1** presents the incidence of low pay in some countries which show huge differences in this respect without any connection with their level of development.

**Table 1.** Incidence of low pay in selected countries

Source: <http://stats.oecd.org/Index.aspx?DatasetCode=MIN2AVE#> \*<http://www.statistiques.public.lu/catalogue-publications/economie-statistiques/2013/66-2013.pdf>

Country	Incidents of low payment (%) (2012)
Austria	16.07
Belgium	6.00
Czech Republic	19.68
Finland	8.91
Germany	18.29
Greece	11.77
Hungary	17.39
Latvia *	28.00
Lithuania *	27.00
Romania *	26.00
Spain	14.57
United Kingdom	20.45
United States	25.29

As shown in Table 1 countries with high levels of GDP per capita are not associated with a small share of low incidents of low payment. These facts indicate that other factors are influencing the phenomena of low wages and not the achievement or high economic performances.

Another finding of researchers and analysts is related to the correlation between the share of GDP devoted to public social expenditures and shares of low wage employment [8]. If social expenditures are generous, the probability to reduce low pay increases by forcing employers to raise wages to compete with social benefits. Low wage is also associated with other effects, such as erosion of a worker's accumulated skills. In many countries a person has to invest less or more money to be up to date in a specific branch and/ or to be more adaptive to the change in labor market. Another effect is the signal delivered to the employers that a low wage worker does not have the same productivity as a high paid worker. As a result, the probability for the first one to go up on the pay scale is diminished.

To make things more complex, low wage is more and more linked with globalization. Most of the entrepreneurs are seeking to downsize the cost of production and this process can be done by relocating the entire production or part of it to countries or regions where conditions are more favorable.

For example, for certain jobs to be done, an entrepreneur will try to find minimum cost for production factors, including the labor cost. There are many examples of large companies which even threaten governments and nations in order to obtain wages as low as possible, otherwise they leave the country and unemployment rockets to the sky.

### 3.3. Implications on security and development

Security and development are two concepts strongly related and both have to be carefully sustained and harmonized given their complementarity and intrinsic values. They are also tightly related with the economic, social, political, environmental and cultural domains which complete the picture of a nation or an international community. Referring to only one or a group of these in order to find correlations among long term unemployment, low wages, security and development is a difficult endeavor.

More and more studies link the decrease in the social or human capital with the increasing risks to the security and development. Many countries face an undesired process of deterioration of their well-being: changes on the market are generating changes on the labor market, leading to changes for the worse in employees' status. If the latter receive less money or they even become unemployed, less money is used for consumption, education and health. Concurrently, economically and socially speaking, frustration and unhappiness will breed within families and communities and that is not far from generating unrests, riots and even worse, conflicts at a bigger scale.

For example, Greece still has a high crime rate and that is related to the austerity measures applied for too long. There are studies which outline the permanent civil unrest because of politicians' inability to implement strong and durable policies in order to create the well-being for its citizens [9]. After the Great Recession, Greece was close to a shutdown of most of its institutions, the external and internal debt sky rocketed and that generated big concerns over whether the country is capable to survive. At a closer look, for regular Greek people this ongoing Great Recession is about cutting their salaries, pensions, other benefits, increasing unemployment, reducing the access to a certain level of education and health services. These effects have come into effect globally, but the Greece example is probably the best case study. The impact of the crisis was not only inside the country, but also was exported

to the European Union and even into NATO, with the likelihood for Greece to exit from the Euro zone and the vulnerabilities of its defense becoming a matter of international concern.

## 4. CONCLUSIONS

The intricate connections among long term unemployment, low wage workers, security and development are difficult to be modeled. What is for sure is that a person in the situation of losing his/ her job will definitely change mentally and physically and that will affect families, children and communities. If the process of losing jobs is largely spread in time and space, the effects are tremendous and will affect generations from the education and general income point of view. In the absence of perspectives, many of the people affected by the plague of unemployment, will try to find other ways to survive: stealing, looting, joining crim groups. Policymakers have to be more concerned about developing long time plans for rapidly reducing long term unemployment and the number of low wage workers. Creating the opportunity for each individual to have a fairly paid job will give the opportunity to the entire community to reduce the burden of the social benefits and high level of crime. At the same time, that will create the opportunity for the sustainable development of nations in all domains.

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# CROSS-BORDER COOPERATION OF LOCAL GOVERNMENTS IN THE FIELD OF SAFETY IN POLISH-SLOVAK PROJECTS. THEORETICAL APPROACHES AND A CASE STUDY

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*The paper focuses on the issues related to the improvement of safety in the borderland, thanks to the use of EU funds for cross-border cooperation by local governments, dedicated to solving common cross-border problems, inter alia, in the area of risk prevention and elimination of their consequences. The authors analyzed the determinants of the activities conducted by selected local government units in cross-border cooperation to ensure safety, including projects related to risks that could potentially occur in the borderland. The proposals include recommendations on future directions for cooperation between local borderland governments to improve safety in these areas.*

**Key words:** project, local government, cross-border cooperation, European Union funds.

## 1. INTRODUCTION

The formation of favourable conditions for the development of borderlands always refers to the need to solve common problems, whose scale and importance goes beyond borders of the neighbouring regions of the two countries. The issue of cross-border cooperation results from the need to deepen integration and solve problems occurring in the regions located in the borderland of two or more countries. Due to their unique location, the border regions on the one hand are often excluded from large, national infrastructure investments, among others, due to their peripheral location, unique geographical conditions, etc.. However, at the same time, they enjoy the exceptional support of the European Union as regards creating conditions for equal development opportunities for areas disadvantaged in economic or social terms. Special funds flow from the European Regional Development

Fund to the border regions which aim to promote their convergence with better developing areas of the European Community. Both the central government, as well as local regional, district and municipal governments take part in these actions, according to their legal competence.

Due to the existing legal model, the central government is responsible for ensuring public safety, but some responsibilities in this regard are also assigned to local government units. Under law, they are responsible, among others, for some aspects of ensuring safety and preventing various types of risks, specific to the borderlands, due to their specific geopolitical location and often also natural conditions. Borderlands are generally areas with poorer development opportunities, they are peripheral and vulnerable to marginalization, inter alia due to natural and anthropogenic barriers that hinder cross-border integration [1]. Overcoming these barriers and integration of border communities are the most important



challenges facing cross-border cooperation partners, including local governments. An important strategic task for the neighbouring borderland governments is therefore to develop a common model of an integrated development management, among others, in the area of safety, which also requires using significant financial resources. An important support for local governments working together in the borderlands may be the availability of special funds for this purpose, coming from the so-called cross-border cooperation programmes which are dedicated to solving common problems, crucial for these areas, which can include public safety.

The purpose of the paper is to analyze the possibilities of using the so-called cross-border funding by local governments for projects related to safety in a broad sense, in the context of the threats that could potentially occur in the borderlands. The authors also present recommendations for further directions of development of local borderland governments cooperation initiatives aimed to improve safety in these areas.

## **2. DETERMINANTS OF THE DEVELOPMENT OF CROSS- BORDER COOPERATION BETWEEN LOCAL GOVERNMENTS**

Effective development of all cross-border links is conditioned by the existence of fundamental international instruments referring to mutual recognition of neighbours, regulating forms and rules of cross-border communication and developed border infrastructure. Poland has concluded extended treaties on security, mutual friendship, international, economic, cultural and scientific cooperation with its neighbours, and thus it has regulated border relationships [2]. The definition of cross-border cooperation, formulated in the European Outline Convention on Transfrontier Cooperation between Communities and Territorial Authorities of 21 May 1980 defines it as any concerted action designed to reinforce and further develop neighbourly relationships

between communities and territorial authorities of two or more number of countries, as well as to conclude agreements and make arrangements necessary to implement such plans. Cross-border cooperation is limited by the framework of characteristics of communities and territorial authorities, in the manner specified by domestic law [3]. The above-mentioned act sanctions actions that actually were often taken previously by the local governments. With the democratization of international relationships, the population living in the territory *"has become currently an active, essential element, decisive through a principle recognized in international law of self-determination of peoples about the shape of its statehood, system and the fate of their national territory."* [4] Cross-border cooperation in the form of "twinning" agreements between municipalities or cities only needed to be legitimized by the state. By signing this legislation, the Republic of Poland has committed itself not only to approving such arrangements, but also to facilitating and *"supporting this cooperation as much as possible."* [5]

The European Charter for Border and Cross-Border Regions highlights cross-border neighborhood cooperation (border regions) and foreign one (authorities at the regional and local level, organizations or institutions representing border areas). In this sense, cross-border cooperation refers not only to the actions taken by local or regional authorities, but also to the joint initiatives of companies, organizations and residents, [6] whose genesis is often associated with previously initiated contacts between local governments.

An important document regulating the cross-border cooperation of local government units is the European Charter of Local Self-Government, setting out the rules for the conclusion of agreements between states about supporting cross-border cooperation and regional cross-border arrangements [7]. The European Charter of Local Self-Government, developed by the Association of European Border Regions, gives

wide powers to regional authorities in matters relating to cross-border cooperation [8]. The first Polish legal act pointing to the possibility of starting cross-border cooperation between Polish municipalities is the Act of 8 March 1990 on territorial self-government, [9] which allows municipalities to create associations. Secondary legislation to the Act on the relationships between municipalities is contained in Ordinance No. 47 of the President of the Council of Ministers of 16 August 1990 [10].

Cross-border cooperation of Poland with neighbouring countries has developed since the early 1990s, mostly in the form of agreements between local governments of the neighbouring border regions, for example agreements about "twinning" cities and agreements under which the Euroregions were created. A Euroregion is a region located in the borderland of two or more states, whose existence is based on a formalized cross-border cooperation on the implementation of common objectives of local governments and other institutions and entities operating on its territory [11]. It can also be characterized as a form of institutionalized cooperation in the border regions of different countries, taking place in full respect of national borders and laws in force in the territories of the countries participating in the creation of the Euroregion [12]. Cross-border cooperation takes on the characteristics of Euroregionalization after introducing fixed, institutional forms of cooperation by creating, among others, associations. Euroregional cooperation can be developed based on: a system of self-government, as a result of initiatives by local communities and their governments; an administration and self-government system, established with the participation of regional authorities and / or central and local government [13].

Initially, cross-border cooperation was mainly based on spontaneous contacts, bottom-up initiatives undertaken at the will of citizens and local government representing them. The issue was addressed, among others, in the Act of 15 September 2000 on the rules for accession of local government units to international associations of local and regional

communities [14]. Taking into account the preservation of the unity of the state, the legislator limited the powers of local government in an international association, compared with the freedom of action in the national association. Accession to such an association must comply with the "Priorities of international cooperation of a province." The local government unit, acting in accordance with the Polish domestic law and foreign policy, cannot transfer public tasks, public property or property rights to the association [15]. An example of local governments associations is the activity of local Polish-Czech-Slovak Beskydy Euroregion, which is based on the so-called self-government model of institutionalizing earlier cross-border cooperation, initiated on each side by the goal-related associations: the "Region Beskydy" Polish Association based in Bielsko-Biala, the Slovak Association: Združenie "Región Beskydy" based in Zilina and the Czech association: Sdružení "Region Beskydy" in Frýdek-Místek [16]. A condition for membership in the structures of the Euroregion is to join the local associations of local government units on each side of the border. Currently, members of local associations belonging to the Euroregion Beskydy is a total of about one hundred units of local government (townships and country districts, urban and rural communes, cities) in the area of the Polish-Czech-Slovak borderland.

### **3. THE ISSUE OF SAFETY IN COOPERATION IN THE BORDERLANDS**

As one of the co-authors writes, *"what we inherited from the twentieth century is the problem of ensuring safety of individuals, social groups, communities, organizational units, states as one of the basic objectives of a democratic state. The process of changing the perception of safety, however, began in the late twentieth century. Criticism of a narrow and ethnocentric perception of safety from the angle of a military threat in the national but also international dimension began after the collapse of the Eastern Bloc States."* [17] What changed our perception of safety was a

terrorist attack carried out in the United States in the morning, using hijacked airliners that dug into the twin towers of the World Trade Center and the Pentagon office. The target of the fourth attack (unsuccessful) was most likely the White House. This act of terrorism of previously unknown dimensions attracted attention of the whole world to the fact that "safety should be viewed from different perspectives, and military threats, as basic to humanity, should be seen in terms of a usual stereotype, a result of the period of "cold war" [18]. Discussing the issue of safety it would probably be scientifically correct to refer to terminology. Referring to defining and organizing the content related to safety (Gryz, Kitler, Marczak, Wojnarowski, and many other authors), without engaging into its analysis, a contemporary, traditional and common dictionary definition of safety says: *"state of being safe, freedom of danger, the state peace and confidence."* [19] Safety cannot be analyzed in isolation from threat, therefore it is *"a concept reflecting the lack of threat and its sense; the ability of a nation to protect its internal values from external threats; a contemporary measure of chances of existence, survival and development of the state, society and its citizens."* [20]. The state is the *"most perfect form of securing human needs in terms of safety (...), safety of the state, taking into account all factors (internal and external, individual and group, natural and resulting from human activity), can be equated with national security."* [21]. *"National security is not only the protection of the people and territory against physical attack, but also protection - by various means - against vital economic and political interests, whose loss would threaten the fundamental values of the state."* [22] Thus, ensuring the security of the state is a complex process dependent on many external and internal factors. Currently, safety is one of the most widely used concepts in daily (social, state) life. The universality of this may give rise to ambiguity, [23] and the concept itself as well as its content, may have different meanings for the individual and for the

group. Features which are significant in perceiving the concept in the individual dimension include: gender, age, state of current knowledge, state of wealth, and in the group dimension: cultural determinants, system of government, geo-strategic location. [24]

Throughout the history of mankind, and especially in contemporary times, maintaining an appropriate level of state security requires international cooperation, cooperation between government departments, including central government, local government, entrepreneurs as well as state institutions. Such cooperation has a unique dimension in the context of the borderlands, especially when these regions border other states. In the present case, the authors refer to the Province of Silesia, which borders two countries: the Slovak Republic and the Czech Republic. The Province of Silesia, bordering the two countries (the Czech and Slovak Republic), borders with four provinces: Łódź, Małopolskie, Opole and Świętokrzyskie. It was established with the former areas of the provinces of Bielsko-Biała, Częstochowa and Katowice as a result of the administrative reform of the country. The Province covers an area of 12 333.09 km<sup>2</sup>, and 4.62 ml people live in it, which constitutes 12.1% of the population. The population density is 377.4 / km<sup>2</sup>, thus giving the highest density in Poland. The area ranks the 14th out of 16 provinces, while in terms of population, ranks 2nd after Mazowieckie Province [25]. It has 71 cities, including 19 cities having right of the district (powiat). It is characterized by a high proportion of ethnic minorities (German, Czech, Moravian).

The Province of Silesia, together with the Province of Opole and the Czech Moravsko-Silesian Country and the Slovak Žilina Local Government concluded an agreement establishing the TRITIA European Grouping of Territorial Cooperation, developing cross-border partnership in order to improve the living conditions of the inhabitants of the Czech -Polish-Slovak border area. It is the first such institution, established on the Polish territory, located in

Cieszyn [26]. In addition, within the framework of the Polish-Slovak cooperation, the project titled: "Innovative development of cross-border cooperation of the institutions in Province of Silesia and the Local Government Żylin Country" was implemented, financed by the European Union under the Cross-Border Cooperation Operational Programme Poland - Slovak Republic 2007-2013 [27]. One of the results is the strategy of the system cooperation among institutions of the Province of Silesia and the Local Government Żylin Country for 2010-2020, preceded by a diagnostic report, specifically analyzing the potential and problems of development in this border area [28]. The project referred to is an example of skillful management of partner relationship between provinces neighbouring on the border, which use European Union funds successfully within the framework of the cooperation [29].

#### **4. THE DEVELOPMENT OF POLISH-SLOVAK COOPERATION IN THE AREA OF SAFETY AND RISK PREVENTION ON THE BASIS OF THE EUROPEAN UNION FUNDS IN THE YEARS 2007-2013 AND 2014-2020**

Among the programmes and funds enabling the direct or indirect financing of cross-border cooperation in the field of safety and risk prevention, the most important role is played by the Cross-Border Cooperation Operational Programme Poland - Slovak Republic 2007-2013 and 2014-2020 [30]. The strategic objective of the cooperation in the years of 2007-2013 was intensifying partnership-based Polish-Slovak cooperation that will be favourable to the sustainable development of the border area. This goal was implemented, among others, by creating conditions conducive to the improvement of safety.

The development of Polish-Slovak borderlands in 2014-2020 will also be supported through the Cross Border

Cooperation Programme Poland - Slovak Republic. The draft of this programme has already been subjected to public consultation and it is highly probable that in its current shape, it will be implemented as of the beginning of 2015. Under this programme, the issue of public safety shall be addressed in two ways: Infrastructure safety in the borderlands, e.g. transport, communication infrastructure, etc.; improving the quality of cross-border specialist and professional education, inter alia in the field of risk management and security.

From the point of view of the objectives of this study, the latter presentation of the problem of public safety in the borderlands is crucial and it is directly connected with the objectives of the Priority Axis 3- The development of cross-border education and lifelong learning. Within the framework of this axis, the following investment priority has been planned: investment in education and training, including vocational training, to acquire skills and learn for the whole life through the development and implementation of common systems of education and training. The following institutions may apply for the funds for the activities covered by the support under this priority: the bodies of local and regional governments, vocational secondary schools, specialist training institutions and centers, institutions and research centers, NGOs, cultural institutions at the central and regional level in cooperation with partner institutions from the borderlands, the European Grouping of Territorial Cooperation. The projects implemented in this area should focus primarily on supporting the inhabitants of the borderlands area, students from secondary schools and educational institutions offering vocational and continuing education.

**Table 1** shows the analysis of the potential, cross-border activities aimed to improve safety and risk prevention, within the framework of certain priority axes of the Cooperation Operational Programme Poland - Slovak Republic 2007-2013.



**Table 1.** Potential, cross-border activities aimed to improve safety and risk prevention, within the framework of certain priority axes of the Cooperation Operational Programme Poland-Slovak Republic 2007-2013

Source: own study based on the Cross-border Cooperation Operational Programme Poland - Slovak Republic 2007-2013

Axis no.	Axis name	Selected operational objectives and their interpretation in the context of actions for the widely understood safety and risk prevention
I.	Development of cross-border infrastructure	<ul style="list-style-type: none"> <li>- Improving direct transport links and communication in the region of the Polish-Slovak borderland, <b>among other activities related to safety in the broad sense are permitted, particularly road safety</b></li> <li>- <b>cooperation of emergency and public order services,</b></li> <li>- Improving the environmental infrastructure in the border areas, among others, improving ecological safety, <b>preventing natural disasters by developing a flood protection system, monitoring and responding to threats of environmental pollution,</b></li> <li>- Improving cross-border infrastructure in the field of natural disaster protection, among others, <b>development of common systems of civil protection against natural disasters, protection of biotopes on both sides of the border,</b></li> <li>- Using renewable energy sources, including <b>improving energy security.</b></li> </ul>
II.	Socio-economic development	<ul style="list-style-type: none"> <li>- Development of cross-border cooperation in tourism – <b>actions aimed to enhance the safety of tourists resting / doing sport in mountainous areas,</b></li> <li>- Protection of natural biodiversity, <b>among other efforts to improve environmental safety, preventive measures associated with the hazards of fauna and flora,</b></li> <li>- Building thematic networks of partnerships and thematic groups, <b>among others, supporting the common rescue system, cooperation on safety on both sides of the border.</b></li> </ul>

From the point of view of highlighting the issues related to improving the level of public safety in the borderlands in the Cross-border Cooperation Programme Poland - Slovak Republic 2014-2020, the proposals of activities addressing these issues and included in this document should be considered as valuable and effective. According to the Programme, the following will be regarded as acceptable:

- Joint cross-border programmes / initiatives for students and teachers in secondary schools in the specialist and vocational education sector (e.g: internships, pilot programmes and scholarships, study visits, participation in educational campaigns, organized e.g. by universities);

- Cross-border implementation of activities supporting the so-called social inclusion and social participation, uniting the border area as a functional area; courses, postgraduate studies, programmes and training;

- Cross-border exchange of good practices in the implementation of programmes/initiatives aimed at specialist and vocational education, and model solutions in the field of education

at the secondary level and in continuing education, as well as good practices in education management and education systems funding;

- Actions aimed to identify the needs in the context of specialist and vocational education (e.g. identifying common problems and gaps in the education offer, implementing joint educational processes and activities in the field of career counselling in the cross-border labour market, as well as adapting educational programmes to the current requirements of the labour market, including cooperation between labour market institutions and educational institutions);

- Activities in the field of risk management and security.

The problem of public safety has been outlined rather broadly in the project of Cross Border Cooperation Programme Poland - Slovak Republic 2014-2020. In fact, each of the above areas of cross-border cooperation touches an extremely important problem of education for safety, also in the context of the new threats, which are still emerging and which are often particularly visible in the borderlands. Both the opening of



the internal borders of the European Union, as well as other economic, social or environmental conditions affect the fact that the problem of ensuring safety and preventing various types of threats begins to be increasingly important in the cross-border perspective.

Within the framework of the Cross Border Cooperation Operational Programme Poland - Slovak Republic 2007-2013 (axis I and axis II) local governments of municipalities and districts in the borderland areas implemented projects whose objectives were associated with safety and risk prevention. The following include the examples of cross-border projects in this issue [31]:

- Cooperation of firefighters without borders (Porąbka and Kozy municipalities, Turzovka city);
- Construction of flood protection infrastructure in Rajcza and Oščadnica municipalities;
- Development of the fire protection system of the Polish-Slovak borderland in Ujsoly and Novot' Municipality;
- Common prevention, coordination and readiness for effective fire protection of the environment and the inhabitants of the Habovka - Czarny Dunajec border regions;
- Protection against natural disasters and floods in the border area of the Upper Orava (Trstina city, Jablonka municipality);
- Availability, security, improvement of infrastructure in the Polish-Slovak borderland (municipalities: Osturna, Łapsze Niżne, Ždiar).

The analysis of all the Polish-Slovak projects on the issue of widely understood safety (not including the so-called micro-projects co-financed from EU funds, implemented within the framework of Euroregions) shows that these projects generally focused on flood protection and support for cooperation of fire brigades. In comparison with the allowed types of activities described above (Table 1), it proves a high concentration of co-operation between local government units on those two issues, without taking advantage of the opportunities that Cross-border Cooperation Operational Programme Poland - Republic Slovak 2007-2013 offered.

Similar conclusions can be drawn from the analysis of the reserve projects

list (not selected for funding) for the years 2007-2013. In the area of safety and complex risk prevention nine other proposals on similar subjects are left. This means that, for example, improving safety on roads, in tourism and power industry were not issues popular among the beneficiaries. Therefore, doubts arise about justifiability of considering other activities related to the improvement of safety and risk prevention in the programmes of Polish-Slovak cooperation, if they do not evoke interest of the beneficiaries of these funds. In the opinion of the authors, there may be at least some explanations of narrow focus of local governments on certain types of projects: priority importance of the flood protection system and support for fire brigades in the programme of cross-border Polish-Slovak cooperation (it is determined by the stance of expert evaluators and the selection of projects for funding); financing other types of threats and actions aimed to improve public safety by means of local government funds, and therefore such projects are not submitted for funding; the insufficient knowledge that local governments have on a range of potential security risks specific to the borderlands, and as a result projects submitted for funding focus on very obvious risks, e.g. flood.

## **5. CROSS-BORDER NETWORK OF COMMUNICATION AND COOPERATION IN CRISIS MANAGEMENT - A CASE STUDY**

In the Polish-Slovak borderlands, in the Beskydy Euroregion, the project, in which Namestovo City was a partner, was implemented by the Department of Crisis Management in the District Office in Żywiec during the period from March 2010 to January 2011.

The total value of the project was EUR 54 030, the applicant contributed EUR 2 701.50 and the contribution from the state budget was EUR 5 403, and the subsidy from the European Regional Development Fund was EUR 45 925.50. The project was co-financed by the European Union from the European Regional Development Fund by 85% under the Cross-Border Cooperation

Poland - Slovak Republic from 2007 to 2013 and from the state budget by 15% [32].

The grounds for preparing this project were the need for mutual interaction of various administrative, safety and rescue services, whose duty is to respond to a crisis situation, or remove its effects. In order to effectively coordinate these services, it is necessary to exchange information, especially between participants in such events, i.e.: crisis management departments, the State Fire Service, Voluntary Fire Service, Police, Emergency Ambulance Service. Communication is also required in order to coordinate the participation of other entities in such emergencies, e.g. Power Emergency Service, Gas Emergency Service, environment protection services, hospitals, railway or the military.

The main objective of the project was to create a radio network of cooperation between Żywiec Staroste and all emergency services operating in the borderland region. The idea was to allow the exchange of information between emergency services and support the activities with forces and means of the partners in the project, and faster, more effective and safer rescue operations during emergency.

Project participants aimed to provide a coordinated, rapid and effective system of responding to events that cause or may cause a state of crisis, to manage the activities of all organizational units of local government and other legal and natural persons in prevention of danger to life, health or property, environmental hazards, reducing the size of the losses and the probability of spread of the threats over a larger area. The solutions implemented in the project enable emergency services from both parts of the borderland to have direct contact, the possibility to call for help and jointly coordinate various types of rescue operations.

During the project implementation, a complementary Slovak partner - Námestovo City undertook to create a network, allowing quick contact with the Polish side in the event of a specific threat. Without establishing an efficient network, effectiveness of operation is limited and extended in time.

In addition, the project implementation has helped to establish mutual cooperation, exchange experiences and overcome language barriers, which is extremely important during collaborative rescue operations. During the exercise, the services of an interpreter can be used. During the operation, it will not be possible due to time.

The project covered all emergency services responsible for the safety of persons and property in the borderland, both in Polish and Slovak areas. Thanks to the fast and efficient flow of information, these services have the possibility not only of forecasting threats, but also of effective and safe conduct of rescue and prevention operations.

The target audience of the project is also citizens of the Slovak-Polish borderland, tourists and people conducting economic activity in the area. Thanks to implemented actions, they can feel safer. Rescuers will arrive at the disaster site more quickly, and the action taken will be more effective thanks to the equipment purchased.

The project was prepared with a view to a permanent cross-border cooperation between the services responsible for safety in the borderland of Poland and Slovakia. The developed bilateral cooperation aimed to serve the mutual exchange of information, supported by forces and resources in time of an emergency. A permanent result of the cross-border project is also the result related to developing permanent structures of cooperation in cross-border protection, mutual assistance in times of crisis and the elimination of its consequences. The implementation of the project contributed to faster and more effective exchange of information about the threats in the areas managed by the project partners, in terms of the safety of persons and property, and which may affect the safety in the area managed by the other partner. In addition, strengthening cooperation in ensuring safety contributed to more efficient and safer rescue operations in case of an emergency occurring on both sides of the border by the emergency services from both Poland and Slovakia. Participation

of rescue services in a joint rescue training and exercises planned in the project made it possible to clarify the principles of cooperation and communication procedures and to develop common methods of rescue work.

## **6. CONCLUSIONS**

Despite the stereotypical perception of a border as a dividing line, in the context of potential risks, occurring on either side in the age of strong European integration, it is difficult to talk about the isolation of neighbouring regions. On the contrary, safety problems extend beyond borders, and in most cases, man has a limited ability to control risks, he can only monitor, prevent them or minimize their effects. All these preventive and rescue actions taken in a cross-border partnership give a clear synergistic effect, and an important stimulus to take them is the availability of the European Union funds, dedicated to the development of borderlands.

Management of cross-border relationships, also in the area of ensuring safety of this region's inhabitants, should be based on plans of cooperation, an example of which may be the foregoing strategy of cooperation between the Province of Silesia and Żyliński Country. Therefore, it is necessary to diagnose these problems at the level of municipalities and districts neighbouring through the border and of the neighbouring provinces. Useful, but still quite limited projects on cooperation of fire brigades or the development of flood protection infrastructure definitely do not exhaust the current problem of ensuring safety in the borderland. It is essential to develop the current hazard map, also taking into account aspects such as terrorism, the effects of extreme weather, climate and seismic change, risks arising from the development of new technologies such as cyberspace crime. These issues are very likely not to be referred to in the draft Cross-border Cooperation Operational Programme Poland - Slovak Republic 2014-2020 [33]. At the same time, within this programme, in the context of educational activities possible to implement, targeted at specific social groups, (e.g. youth, inhabitants of city

and rural areas, inhabitants of the areas exposed to extreme weather, tourists, businessmen, etc.) there is an urgent need for the diagnosis of these problems at the level of bordering municipalities and districts and bordering provinces. An important measure should be to draw up the current map of threats, taking into account aspects such as terrorism, the effects of extreme weather, climate and seismic change, threats arising from the development of new technologies like cyberspace crime. There is therefore an urgent need to also extend education for safety, among the inhabitants. In the era of network and knowledge-based economy, cross-border cooperation, not only bilateral but also involving a number of partners, is certainly an effective form of implementing projects of various types in the borderlands. From the point of view of using EU cross-border funds, it is extremely important to conduct a thorough analysis of projects applying for subsidies and to provide support primarily to such undertakings that produce the best results, in relation to the threats diagnosed.

In the authors' opinion, it is vitally important to improve knowledge that local governments have of conditions for improving public safety in the borderlands because new threats emerge. There is, therefore, an urgent need to also extend education for safety among inhabitants. In the age of a knowledge-based network economy, cross-border cooperation, not only bilateral but also involving a growing number of partners, is certainly an effective form of implementing various types of undertakings in the borderlands. From the point of view of the use of EU cross-border funds, it is extremely important to thoroughly analyse projects submitted for funding and support mainly such undertakings that generate the best results compared to the threats realistically diagnosed. The effective use of EU funds, in conjunction with the integrated planning of the borderland development and activities taken to strengthen cross-border partnerships in the area of public safety are important priorities in the Polish-Slovak cross-border cooperation in the coming years.

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# SECURITY AND DEFENCE SOURCES FOR THE ARMED FORCES OF THE SLOVAK REPUBLIC

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*The article deals with some aspects of security and defence sources for the armed forces of the Slovak Republic. It compares the possibilities of several NATO states in terms of their Gross National Product (GNP) and their expenses for the armed forces. The article refers to the negative impingement of expenses reduction on the position of the SR and the Slovak armed forces developed with its NATO and EU partners. It also focuses on the possibilities to obtain funding sources for the development of armed forces from special NATO programmes.*

**Key words:** armed forces, defence sources, strategy, transformation, development, research, programme, cooperation.

## 1. INTRODUCTION

By establishing Regulations on the Common Security and Defence Policy (within the meaning of Article 42 of The Lisbon Treaty signed by the top leaders of the EU Member States on 13th December 2007) some obligations that are related to the military capabilities of EU and NATO Member States' armed forces of ARE being adapted. Article 42 paragraph 1 states as follows: The common security and defence policy (CSDP) is an inseparable part of common foreign and security policy. It shall provide for an operational capacity drawing on civilian and military assets of individual countries. The Union may use them on missions for peace-keeping, conflict prevention and strengthening international security in accordance with the principles of the United Nations Charter. The performance of these tasks shall be undertaken by using Member States' capabilities. Paragraph 2 states: CSDP shall include the progressive framing of a common Union defence policy... and paragraph 3 further specifies: Member States shall make civilian and military capabilities available to the

Union for the implementation of the common security and defence policy, to contribute to the objectives defined by the Council. Those Member States which together establish multinational forces may also make them available to the CSDP.

In the case of the Slovak Republic, the military capabilities are the main assets that may be provided for the implementation of the common security and defence policy of the Union. How did we manage to fulfill this task over the past decade? How are we doing in comparison to other Member States of the EU and NATO? In order to compare, we may apply some indicators that shall demonstrate the ability of the development of armed forces.

## 2. COMPARISON OF DEFENCE EXPENDITURES AS GDP PERCENTAGE OF NATO AND EU MEMBER STATES

An analysis of a relatively long period of 6 years (between 2004 and 2010) that coincides with Slovakia's accession into NATO and EU indicates a gradual reduction (decline) in the defence expenditures



among 12 Member States: 6 countries had defence expenditures more less under control, and 9 countries managed to increase defence expenditures in most years (United Kingdom, Canada, Bulgaria, Greece, Denmark, Albania, Poland, Spain and Slovenia [1]).

From the perspective of the annual increases in expenditures according to the percentage of GDP of NATO Member States, the most significant year was 2009, when 14 Member States witnessed an increase in their GDP whereas 13 countries were confronted with a decrease of their GDP. In 2010, the increase manifested only in the case of 7 Member States (United Kingdom, Slovenia, Portugal, Poland, Luxembourg, Denmark and Albania) and a decline was recorded by 20 countries, of which the highest decrease was in Bulgaria (by 0.56%), Czech Republic (by 0.32%) and Slovakia (by 0.27%).

From the point of view of the allocated percentage of GDP between 2004 and 2010, the following data may be provided:

- On average, there were 7 NATO Member States that reached 2% of GDP and more– Bulgaria, Croatia, France, Greece, Turkey, United Kingdom and the USA (in most years);

- 1.8% to 2% of GDP was reached by 1 NATO Member State - Poland (in most years);

- On average, there were 3 NATO Member States that reached 1.6% to 1.8% of GDP– Estonia, Norway and Romania (in most years);

- On average, there were 5 NATO Member States that reached 1.5% to 1.6% of GDP– Albania, Czech Republic, Portugal, Slovakia and Slovenia (in most years);

- On average, there were 3 NATO Member States that reached 1.3% to 1.5% of GDP– Denmark, Germany and The Netherlands;

- On average, there were 6 NATO Member States that reached 1.0% to 1.3% of GDP– Belgium, Canada, Hungary, Italy, Latvia and Lithuania (in most years);

- Under 1% of GDP was confirmed by 1 NATO Member State – Luxembourg.

From the perspective of the development of the annual defence expenditure of the Slovak Republic according to the GDP percentage allocated and the ranking of NATO Member States between 2004 and 2011 in this respect, the situation is as follows [2]:

- From the perspective of the percentage of GDP, Slovakia ranks 13 of 27 NATO Member States, and it ranked 14 in 2005, 12 in 2006, 14 in 2007, 15 in 2008, 20 in 2009 and 2010;

- In the years preceding the accession to NATO, Slovakia had higher annual defence expenditure in terms of the GDP percentage than after its accession to NATO: in 1997 – 2.0%, in 1998 – 1.8%, in 1999 – 1.6%, in 2000 – 1.6%, in 2001 – 2.0%, in 2002 – 1.9% and in 2003 – 1.87%;

- Having joined NATO, Slovakia noticed lower annual defence expenditure in terms of GDP percentage than before its accession: in 2004 – 1.68%, in 2005 – 1.72%, in 2006 – 1.63%, in 2007 – 1.52%, in 2008 – 1.49%, in 2009 – 1.53% (1.34%) in 2010 – 1.26% and in 2011 – 1.08%.

### **3. NATO MEMBER STATES' GDP GROWTH (DECLINE) AND ITS IMPACT ON THE POSITION OF THE SLOVAK REPUBLIC**

Looking at the real annual GDP growth between 2004 to 2008 within 18 selected European countries (Greece, Portugal, Hungary, Ireland, Island, Estonia, Lithuania, Latvia, Spain, Great Britain, Sweden, Finland, Denmark, Germany, Austria, Poland, Slovakia, Czech Republic, and the USA, it becomes obvious that Slovakia gradually reached one of the largest growth in the real GDP compared to these countries:

- In 2004 by 5.0% and in 2005 by 6.7%, which ranked it the 6th among 19 compared countries;

- In 2006 the growth was by 8.5% placing it the third among the same countries;

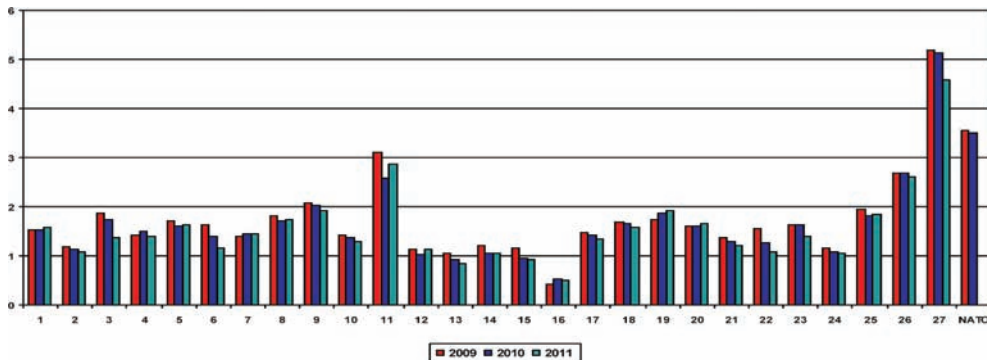
- In 2007 the growth was by 10.6% and in 2008 by 6.2%, that positioned it on the first place.

Slovakia has not been affected by the crisis so much in comparison with

other states. In 2010, it had fastest growing economy in the EU and the growth in reached 4 % whereas, for example the GDP of Latvia decreased by up to 18 % in 2009. According to the International Monetary Fund, a positive trend shall continue and affect Slovakia in a way that by 2016, in the category of per capita GDP, Slovakia will have outrun Portugal and Malta according to the purchasing power parity, and

ranked just behind Cyprus, Greece, Italy, Slovenia and Spain.

Together with Slovenia and the Czech Republic, Slovakia could form a group of the economically most successful post-socialist countries by 2016, **despite the fact that its defence expenditure continued to decline until the country gradually fell to one of the last places in this respect within the Alliance (Figure 1).**



**Figure 1.** The GDP defence expenditures percentage in NATO member states between 2009 and 2011 (%)

- 1 – Albania; 2 – Belgium; 3 – Bulgaria; 4 – Canada; 5 – Croatia; 6 – the Czech Republic; 7 – Denmark; 8 – Estonia; 9 – France; 10 – Germany; 11 – Greece; 12 – Hungary; 13 – Italy; 14 – Latvia; 15 – Lithuania; 16 – Luxembourg; 17 – the Netherlands; 18 – Norway; 19 – Poland; 20 – Portugal; 21 – Romania; 22 – Slovakia; 23 – Slovenia; 24 – Spain; 25 – Turkey; 26 – Great Britain; 27 – the USA, 28 – NATO (datum for 2011 is not available)

Failure to comply with its commitments has had a negative impact on Slovakia and, in particular, on its armed forces, which is being reflected in [3]:

- The failure of the Slovak Republic to ensure defence capabilities in the field of International Security as well as at national level. That may lead to mistrust among political and military partners as to the real political willingness and readiness of the Slovak Republic to be a real partner when sharing expenditures as part of the joint effort undertaken in a changing security environment.

- Long-term planning documents approved by the Government and the National Council of the Slovak Republic (Long-term Plan of Armed Forces Development MODEL 2010, 2015 and 2020, The Armaments Strategy of the armed forces of the Slovak Republic,

National Armaments Strategy of SR, Master Armaments Projects, etc.) have become obsolete and unfeasible in terms of their content (military capabilities) or the time horizon since the beginning of their implementation.

- Significant delays of the SR in relation to the implementation of the planned and approved force objectives (collective defence) that are caused by a long-term disproportion between tasks and resources.

- Allocated forces of the armed forces into NRF NATO and the EU Battle group do not mostly meet the quality standards for military capabilities and at the same time, their likely deployment is limited by low resources for individual rotations and for keeping these in operations.

- On a long-term basis, the real financial resources allocated for the

Army do not secure the basic tasks and needs of the Army, and almost all fail to meet its development (armaments by weapons systems and technique).

- Although having been certified, declared units reached readiness only at the lower limit of the prescribed capabilities.

- The financial assurance of unplanned maintenance and deployment of the armed forces in international operations is systemically unresolved.

- A huge financial deficit has appeared in the field of armaments and modernisation since the premise of the Government concerning the progressive financing of big modernisation programmes through additional resources from the General cash administration of the Slovak Republic has not been applied, which has a negative impact on the entire process of transformation and development.

- A major technological, technical and physical obsolescence looms ahead since the service period of most of the land forces technique ends in 2015.

- No innovative social programmes for professional soldiers have been developed from the long-term and prospective point of view, neither has the amendment of the law on civil service been made.

In the event that the Slovak Republic is not able to financially and materially fulfil the commitments, it shall search for a common and acceptable bilateral or multilateral solutions whether within NATO or the EU, or countries of V4.

#### **4. POSSIBILITIES OF DRAWING ON RESOURCES FROM NATO PROGRAMMES**

The security investments offered by NATO might be one of the possibilities where to find resources for the armed forces. It does not necessarily relate to the reserve of NATO STO (Science and technology organization), noted for its 7 panels after reorganisation in recent years:

- Applied vehicle technology (AVT);
- Human factors and medicine (HMF);
- Information systems technology (IST);
- NATO modelling and simulation group (NMSG);
- System analysis and studies (SAS);
- System concepts and integration (SCI);
- Sensors and electronics technology (SET).

Less known programmes among which we can add the following may also represent another possibility of funding the armed forces [4].

The Science for Peace and Security Programme NATO (SPS) is an established and prestigious grant mechanism that has the potential to attract other sources of financing (*i.e.* it acts as a catalyst of available resources).

NATO offers the possibility of financial support for cooperation between individuals or institutions of Member States and partner countries in the field of support of NATO operations, cyber and energy security, the fight against terrorism and the proliferation of weapons of mass destruction, the environment, social impacts and changes. Support of initiative projects shall not be excluded as long as they relate to other security threats. Educational activities, workshops, and also the purchase of equipment or software belong among supported forms of cooperation [5].

Project proposals are assessed by the panel of independent experts, where Slovakia is represented as well, twice a year. The decision on specific financial support is consequently adopted by representatives of the Member States acting as permanent representatives to NATO.

Although there are no formal limits on the amount of the funds for which it is possible to apply, the average support from SPS for individual long-term projects is between 250 000 and 300 000 Euro, and in the case of short-term projects it is approximately 50 000 Euro.

The funds of the Public Diplomacy Division (NATO PDD) is another option offered by NATO and that draws on

the funds of PDD that are intended to promote public debate on security and defence in order to influence public opinion in the Member States and to inform about the main NATO policies. They are meant for individuals, universities and non-governmental organizations. These programmes also include visits of politicians, academics, scientists and non-governmental organizations at NATO headquarters and also sponsorship of conferences and seminars. Although there are no formal limits on the amount of the funds for which it is possible to apply, the average support for projects is between 10 000 and 20 000 EUR.

The aim is to promote the dissemination of information about the role and policies of the Alliance in partner countries, and thus create an open debate on security in the Euro-Atlantic area. Non-governmental organizations or Universities in partner countries are trying to organize such events and can apply for financial aid, and co-organisers may be academic and scientific institutions within NATO Member States. NATO usually covers more than 50 percent of the total cost up to a maximum amount of 10 000 EUR. Funding is also available to cover travel expenses of participants from partner countries invited to participate in conferences and seminars on security in NATO countries.

NATO Security Investment Programme (NSIP) was joined by the the Slovak Republic once it joined NATO in 2004 as a part of its membership SR is also contributing to the co-financing capabilities of NATO in the establishment of comprehensive infrastructure necessary to meet operational needs identified by SACEUR and SACT.

NATO Security Investment Programme is a capital investment fund with the purpose of financing the required capabilities – their development and building (construction, maintenance,

renovation, modernization, further development of Communication and Information System - KIS, etc.). The implementation of capabilities is realized through a capability package (CP) that represents a set of required capabilities from the perspective of the technical and operational aspects, as well as of the source frames. NSIP is a part of the joint military funding of NATO and it focuses mainly on the financial requirements for the provision of basic coverage capabilities of Alliance and it reflects the objectives and priorities laid down by the main NATO military representatives. Preparation and execution of all activities under the programme NSIP shall be carried out with the use of funds that are remitted to the Host State's account by contributing countries from their national contributions subject to fixed criteria and principles (eligibility, affordability).

There are several successful projects that have been founded from the NSIP programme in the Slovak Republic. An example of an already implemented and very successful NSIP project has been the modernisation of the Sliač airport. The modernization of the airport Sliač took place on the basis of an agreed package of capabilities CP 5A0062 "Provide operational facilities in seven new nations". This package has been approved on the basis of the requirement of the Supreme Allied Commander Europe (SACEUR) in such a way that NATO Squadron could operate in an area of the airport with the overall logistical support.

## **5. CONCLUSION**

Although the current Concept of Defence of the Slovak Republic states that in the run up to 2020 there shall be no vast conventional military conflict in the Euro-Atlantic area, the reality proves that the security environment, in connection with the conflicts in

Syria, Ukraine as well as the increase in terrorism (France) and the Western isolation efforts concerning Russia, is rapidly changing and is gaining a dangerous course. Slovakia shall individually, but also in the context of its membership to NATO and the EU, be prepared by enhancing its defence capabilities and security, upgrading the armed forces of the SR and entire security system of SR. In this regard, sufficiency of funding is mainly required. It is high time to find a common consensus on adequate solutions for future defence planning by the Executive and legislative authorities of the State.

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# GEO-STRATEGIC PREMISES FOR CONTEMPORARY CONFLICTS

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*This article presents the authors' views on the specific impact of geopolitical and geo-strategic factors, conditions and tendencies of the contemporary security environment. Moreover, it examines how geopolitical concepts and geo-strategic actions reflect on international relationships after the Cold War. The authors imply the idea that by developing a new strategy, the so called Selective Opposition strategy, many contradictions, frictions and conflicts could be decreased. Of course, the way of thinking needs to be changed in order to raise the hopes for a more peaceful world.*

**Key words:** geopolitics, geo-strategy, contradictions, threats, dangers, conflicts, international order, Great spaces, superpowers, geopolitical areas of influence, collective security, Selective Opposition strategy.

## 1. INTRODUCTION

An analysis of the evolution of human society history in a global framework indicates economic and ideological reasons for different conflicts and wars. In the new geopolitical theories, there are two additional causes which explain the aforementioned phenomena. The first one is related to language, history, religious institutions and subjective self-identification of nations. The second one concerns environmental protection and harmony, which underpin the existence of the whole humanity.

In many cases economic arguments underpinning territorial expansion, market and regional takeover because of resource richness, considerable communication importance, or the struggle for getting ahead in hi-technologies development, etc. have led to wars.

To achieve such aims, a lot of money has been spent on building armies, especially massive ones, and states have maintained intelligence and diplomatic activities on a large scale. The economic contradictions have led to world allocation of huge economic

areas, creating many regional economic units. As a result, powerful military alliances in different parts of the world have been formed.

Scientific concepts consider the major laws of mankind evolution in close interaction with the surrounding environment. They recognize the degree of economic improvement (in regional and global aspects) and assets of the information revolution and also the history, culture, language, religious and specific features of the nations in a certain region or in the world.

The uneven economic development of the nations or economic alliances in different world regions has a strong influence on peoples' morale. Therefore it is impossible or very difficult for one person, even for one super power, to create a common ideology for a new international order. History clearly shows that every ideology, even though progressive for a certain period of the development of human society, becomes unrealistic and eventually collapses if it is not connected with the objective laws of the development of human society.

After the Cold War and under contemporary conditions the international

policy goes outside Western countries (West Europe and USA) and creates new contradictions – between them and non-Western countries or among non-Western countries. Under these conditions, international relationships logically have to be built on multi-polar foundations. There are three poles of power – the first one is USA and Canada; second is West Europe, and the third one is East Asia (primarily Japan and nowadays China). It is easy to see that China is on the right track to becoming a pole of power or, according to some, China is already a global center of power. In the near future, Russia will also play an attractive role in the global economy. This country has always played a considerable role in international relations, it can be considered a pole of power even though with some reserves.

As much as geopolitics is based on the objectivity of geography and the relatively subjective character of international politics, the purpose of the current paper is to reveal the main approaches to managing the geopolitical conditions in order to resolve the conflicts causing contradictions while still being before they have developed.

To this end, the authors aim at achieving the following:

- to reveal the main factors influencing the formulation of geo-strategic concepts.
- to define a number of important aspects of the international policy of great powers, mainly subjective in character, which lead to contradictions irresolvable through peaceful means.
- to establish a basis for comparison and analysis of the geostrategic factors of the eruption of war.

The topic is quite broad and we do not claim that the paper is all-encompassing. It may aid a possible future research in one of the most important spheres for mankind – geopolitics.

## **2. GEOPOLITICAL CHAOS – THE LEGACY AFTER THE COLD WAR, OR AN OUTLINE OF THE NEW INTERNATIONAL ORDER**

There are many different geopolitical theories for the political structure and human development on the Globe. They

more or less report on running processes and existing basic contradictions within the development of the human society.

Contemporary concepts continuously adjust to the newest historical conditions. A major ideological formula of the countries for future development of the humanity is in transition from a plural to universal society. This theory is based on the understanding that after the Cold War, many new threats to the highly-organized areas arise from different directions, and not only from neighbors – not so well-organized areas, but also from very far. The existing demographic misbalance causes phenomena such as drugs and weapons smuggling, ecological catastrophes, etc. To cope with these threats, many countries follow the idea of establishing a universal political control through creating a real global political authority.

Actually, the idea of establishing a new international order originated after the end of WWII in the shape of a universal political control. It was changed several times depending on the very fast economic development of many countries which also wanted to participate in the global political decision making process with correspondence to their economic power. Nowadays, four geopolitical areas of influence which lead to the establishment of a new international order: economics, geo-strategy, ethnical dispersion and religion can be distinguished.

In the economic area, Western countries want to establish liberal-capitalistic market economy. Because of their leading position it means that every society has to have a completely open and free market, and for this reason, it will be impossible for any social-economic system to defend their social and national programs. A totally different matter is how social or national these programs are and if they lead to justice in any particular society. However, in this way market liberalism becomes the main factor in the hands of the World government to manage the contradictions of human society development.

The geo-strategic interests of almost all states are at the top of their foreign

policy agendas especially when it comes to having access to regions rich in resources. But from a security point of view their geo-strategies aim to have as much as possible information in order to provide enough time for security measures.

In the big cities there are not many problems from an ethnical point of view because, usually, they are cosmopolitan in character. During the years and because of the increased possibilities of traveling, mixing between people becomes more and more obvious. A different situation can be observed in the rural regions, where people have clear ethnical affiliations and some political parties use them to gain authority.

Religion is also exploited for building a new international order. It is very difficult to change the ideological picture of the Globe. There are some efforts with successful outcome, but also many with bad results. We need to analyze the roots of conflicts in North Africa and the Middle East, especially the formation of the Islamic state at a deeper level.

The theory about universal political control with the above principles lies in the fundamentals of American policy. This theory is applicable in building the big economic areas and it is necessary to cope with strong contradictions in multinational countries where the national question from a historical prospective is open and there is a struggle on ethnic or religious basis.

When looking at Europe, it is obvious that the security in Europe has a vital role for the global security, it also conduces the creation of economic fundamentals for the establishment of universal political control. The Middle East relates geopolitically to the American interests much more with its rich natural resources territories and unique location and it is close to Europe, Russia, Africa, East and South-West Asia. The efforts of the USA to play a dominant role in this region actually endangers many developing countries which do not have equal access to natural resources and causes many ethnical and religious conflicts. So, the other two geopolitical areas (ethnical and religious) in establishing a new international order are to some extent a

consequence of the leading geo-strategy of different "super powers".

Globally, there is a number of threats, dangers and doubts existing, the major ones being:

- difficulties in the small countries' economic development and change of the political system in the independent countries, such as, for example, the ones that followed the falling apart of the USSR;

- economic instability;
- repressive phenomena appearing in different countries;
- spread of diseases;
- existence of extremist organizations;
- stirring up of aggressive nationalism and the origination of ethnic and religious conflicts;
- terrorism;
- smuggling of drugs;
- environmental pollution;
- fast increase of population in some regions of the world;
- streams of refugees, etc.

Each of the above threats proposes a different international policy and a different view on the future international relations. Opinions on the scale, composition and aims of the future army structure differ as well. The strategies suggest a different approach to regional and ethnic conflicts, intervention on humanitarian grounds, as well as the scale of future alliances and cooperation agreements.

The supporters of the Collective Security line call for collective action as much as possible within international organizations such as the UNO, NATO and the various organizations for regional security. It is presumed that the great powers' motives for cooperation are grounded enough and that the obstacles to such a cooperation are fewer at the moment. This, however, is not the most distinctive characteristic of this strategy. The most important is the concept that peace, in fact, is indivisible.

The Selective Opposition strategy is based on the realistic traditions in international policy and it is focused on the great concentrations of power. As in the case of the Collective Security strategy, the Selective Opposition strategy aims at achieving peace. Primary attention in the Selective Opposition strategy, however, is paid to maintaining peace between

the countries with considerable industrial and military potential, i.e. the great powers. In this regard, countries with the greatest importance are the USA, People's Republic of China, Russia, the richer countries of the European Union and Japan.

### **3. THE NEW GEO-STRATEGIC DILEMMA: MORE NATIONAL STABILITY, OR HOW TO DECREASE GLOBAL INSTABILITY**

From a military point of view, the world even though free from the global fears has not become a calmer and more predictable place. Everyone who can afford it turns large amounts of money into conventional weapons. Japan's defense budget is second only to USA's. China buys \$ 2 billion worth of weapons from Russia and augments its military expenses at a considerable pace. Indonesia, the Philippines, Malaysia, Singapore, Thailand, Taiwan, India, Pakistan, Kuwait, Saudi Arabia and Israel do not save money on military growth. Even though there is some decrease in dealing in arms, this does not diminish the profits big arm producers make. The USA reaches record numbers in selling arms: according to some data - from 33 billion in 1992, to 70 billion in 2012. In the competitive world of producing and dealing in arms, Obama's administration supports its companies firmly. France, too, controls and runs the profitable business through a special government agency. Russia aims at rehabilitating its lost positions through dumping sales, barter deals (in order to provide itself with necessary goods) and paying off its national debt in arms. On a large scale there is an increase in investments in new armament development and modernizing the existing ones. This stimulates even greater competition reflecting in a negative way on global security.

There are a number of other dangers with an immense potential for destruction. There is no completely effective control against the creation and distribution of weapons for mass destruction. No one can effectively guarantee that such weapons will not become available to

dictators with sick mind, ready to use nuclear weapons for their own purposes. At least 25 countries are on the verge of creating such weapons or are rich enough to afford them.

Drugs are an escalating disaster for mankind. According to some sources, the revenue of the drugs market surpasses the world petrol turnover. Nearly 230 billion drug dollars yearly, after being "laundered", go back into the world finances.

Organized crime and terrorism turn into a paramount problem for many countries. This situation forces their governments to take unprecedented measures in order to fight them – limiting the democratic liberties (wider use of special intelligence means), requiring proofs for the origin of revenues received, waiving the bank secret, etc.

A new great migration of people – driven away by wars, suffering, poverty and desperation – is occurring at the moment. According to the International Red Cross, over 500 million people in the world are refugees. In 2013, more than 1 250 000 people from all over the world fled to West Europe. Such human streams may set ethnic and social bombs capable of destabilizing any large economic space and leading to geostrategic changes, including war.

In politics, it becomes more and more acceptable not to ignore the objective reality. Politologists warn again: it is pointless and dangerous to stimulate the creation of unstable little countries, politically, economically and militarily doomed. This is all the more valid on the Balkans, where borders have been constantly changing and, in practice, there is not even one that has been in place for more than a century. Historically speaking, most of the borders exist from just "yesterday".

All around us politicians, generals and even diplomats talk about military strategies and possible regrouping of powers in the geo-strategic space; however, it turns out that there is an issue more important than security. Stability can be achieved only when the young generation is able to find work and sustain a family, rather than when a multitude of people is hoping to find a better future in violence.



It turns out that while safeguarding ourselves from war we forget analyzing the peace that embodies people's hope for a better future. Examples in this regard can be seen in every single peacekeeping operation with its typical phases: humanitarian, stabilizing and supporting the long-term economic development through stabilizing of the institutions. In general, the international community performs well the first phase which also involves predomination of military participation. The next phases, however, can be described to a large extent as failures camouflaged in the documentation but obvious in the actual economic results. Thus, regardless of military support and risk many people run, peace remains frail and doubtful. That is the reason why in the public space these operations are referred to as wars rather than peacekeeping.

The idea of harmonic development of people, in contrast to the many contradictions and risks, causes interest. This theory is comparatively new and even modern to the Western countries and it appears as a counter balance to the already futureless striving for world domination, hegemony in certain regions or exploitation of the population and resources of a number of poor countries with the purpose of one-sided enrichment.

Nowadays, more and more politicians speak about harmonic development of different social groups, thus ensuring security and protection of the economic development under globalization.

Due to the many differences between civilizations (such as political, economical, cultural and religious) and even the accumulation of hatred resulting from history, this model of resolving conflict type problems would be too difficult and painful. The questions may be answered in not one or even several generations, but in a much longer period of the social and economical development. At the same time, this way of thinking gives rise to hopes for peaceful resolving of the antagonistic contradictions and makes peoples' life more predictable.

#### **4. CONCLUSION**

Countries still threaten one another and continue seeking ways to increase their power by all means, including forcible ones, in the geopolitical space. This is possible because of the existing anarchy in international relations. After the end of the Cold war, many scientists and politicians began forming too optimistic ideas of a new world order, intentionally or not carrying out the analysis from the perspective of certain national interests, at the same time, the changes that took place are very few. Only the shape of the Great spaces changed, without affecting much the balance between the Great powers. Now, more than ever, these spaces are being considered as a source of information for the security in all of its aspects.

The not so good fact in this case is that the division lines that once again cause armament race are still in place. The big stakes for gaining advantage in the new world organization made many mistakes with hasty geo-strategic moves such as the problems related to non-diffusion of nuclear weapons, low effectiveness of international institutions, the ecological crisis hanging over us, which intensifies at a pace unseen so far, the growing poverty and misery in the majority of the countries, shameful for the 21st century, and the unprecedented growth of international terrorism. This does not speak of a new peaceful and democratic world order without drawing of long catenaries or axes of threat with their characteristic cross points or points of contact in relation to the demarcation lines of power and sources of information.

That way the geo-strategy plays a more and more important role nowadays, especially its influence over the determination of national interests in two aspects: firstly, to keep a relative balance of national interests between states, correctly recognize global interests as a whole and individual interests of each state respectively, and correctly weigh the advantages and disadvantages to reach consensus, and alleviate and dissolve contradictions.



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# SIMILARITIES AND DIFFERENCES BETWEEN THE ARMED CONFRONTATIONS IN THE MIDDLE EAST AND UKRAINE

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*The current paper highlights the possibilities of methodologically working with the concept of hybrid warfare within an international environment characterized by high marginal conflicts. In this context, the convergence of opponents, methods and means as well as the fusion of capabilities have appeared within hybrid wars. These wars defy and incorporate conventional, unconventional, military and non-military capabilities, as well as combined tactics and terrorism. Thus, the hybrid war aims at catching up with technical or doctrine asymmetry. Defining hybrid war cannot be a stand-alone operation. It requires a reconfiguration of the entire definition frame, primarily a reconfiguration of the sensitive boundaries between peace and war, as they were foreshadowed by the first representatives of political realism. The work brings to the fore not only the issue of reconsidering conflictuality, but also the challenge of a broader framework for defining the war itself, the coordinates being different from those that defined the classic war.*

**Key words:** hybrid war, hybrid confrontation, terrorism, hostile action.

## 1. INTRODUCTION

In a confused world of dynamic changes in time and space, of tacit fight, sometimes with harsh accents on the globalization trend supported by rich and powerful nations and on maintaining national identity promoted by the small and medium states, the great powers are trying the experimental application of "chaos theory" globally, behind an "order in disorder" being actually driven by a fierce desire to maintain hegemony in their areas of influence and to expand them.

The international environment is characterized by: ethnic and religious disputes, serious economic deficiencies, persistence of the risks related to the tension generated by border disagreements, risks with serious implications on the biosphere and fragile peace in Europe. The conflictuality of the current international environment leads us to putting it under the conceptual umbrella of "ongoing war", defined by gl. Mihail Orzeata as

the result of permanent confrontation "between individuals, between communities (states, alliances, religious, ethnic, professional entities, etc.), between individuals and communities, etc. to impose their interests in many fields: power, influence, territories and resources (human, material and financial)"[1]. However, for a more rigorous approach, it is necessary to first generally define the term war as follows:

War [2] = Armed Conflict (long-term) between two or more states, nations, human groups to achieve economic and political interests;

Civil War = armed struggle waged in order to seize power and political supremacy in a state;

World War = armed combat involving, directly or indirectly, many countries of the world;

Cold War = the state of tensioned relations between some countries (notably the US and the USSR after 1950);

Psychological warfare = tension, emotional and mental harassment, initiated and maintained in order to undermine the morale of adverse troops and demoralize the population;

Total Warfare = armed combat in which the attacking state uses all destructive means not only against the armed forces but also against the entire population. State of war = belligerence.

New types of conflicts have shown an insufficient ability of armies structured according to the concepts of Clausewitz to be effective. The new face of war requires a rethinking of the structure of the armed forces and their continuous adaptation to the changing security environment in line with the new requirements of the battlefield.

If during World War I millions of soldiers stood face-to-face within fortifications for weeks or even months, now and, even more in the future, confrontation takes place in the front and last lines, on the flanks and in the airspace, with great expansion of the confrontation in terms of distance, depth, and altitude.

Profound changes in space and time are being made so as to extend the space of operation while reducing duration, which is facilitated by online information flow.

## 2. HYBRID WAR

Recent conflicts and wars have developed other principles, opponents no longer being separated by tens and hundreds of kilometers away from the line of contact.

Nowadays, there is a convergence of opponents, methods and means as well as a fusion of capabilities within hybrid wars. These wars do not comply with any categorization criterion, incorporating conventional, unconventional, military and non-military capabilities, combined tactics, terrorism and criminal disorder.

Currently, there are opinions that the war of the future will be nameless and involving a faceless enemy [3], or

that it will be "hybrid" (a combination of classical and unconventional warfare to create difficulties to the armies of powerful states that cannot be defeated through classical confrontation conducted according to the laws of war).

NATO defines "hybrid warfare" as the war with a wide range of hostile actions in which the military force is only a small part and which are executed together as part of a flexible strategy with long-term goals.

The most lucid description of this concept comes also from the Russians - in February 2013, Valery Gerasimov, Chief of Staff, published an article in the journal of Russian Defense VPK. War and peace, wrote Gherasimov, are becoming increasingly mixed. Methods of conflict have changed and now involve a large use of political, economic, informational, humanitarian and other non-military measures. All of these, he said, may be supplemented by stirring the local population and using disguised armed forces.

*"We need to start thinking about security in a more sophisticated and in a more comprehensive manner"*, said Robin Niblett, director of Chatham House, referring to politics, citizenship, multinational corporations, energy markets and crime as the new strategic borders.

In a world of hyper-competition, of hybrid war or nonlinear conflict, "we must find new forms of deterrence", concluded Niblett.

It has been demonstrated throughout history that wars (regardless of their extent) are great consumers of resources, especially financial and human ones. The statistics of the Second World War mainly qualified it as, by far, the biggest war in history in terms of expense of people and material resources. In total, 61 countries with 1.7 billion people, three-quarters of the world population took part in it.

Since the hybrid war cannot be defined in time and space, risks should

be assessed. They may be: military: the arms race, NMA proliferation and nonmilitary: impoverishment of certain ethnic or religious communities, environmental degradation, massive illegal immigration, spread of extremist ideas, ineffective government.

Depending on their area of operation these risks may be: political and military, social, cultural, ethnic, demographic, military, etc.

Depending on their intensity, risks and threats may be short-term as well as medium or indefinite term.

In terms of the number of people affected, risks and threats are: small-scale (relatively small number of people); medium-scale (relatively high number of people); large scale (high number of people).

The mode of manifestation of risks depends on the area where they happen, the ethnicity, the religion of the ones generating them, level of education of the initiators.

Therefore, risks can be:

- violent: the use of conventional military action, with the use of unconventional military action or terrorist means and methods;

- nonviolent: non-military threats of political, economic, social and cultural nature.

The contemporary hybrid war is novelty that it involves simultaneous success on all "battlefields", which implies the presence of populations. It is carried in populated conflict areas populated with public participation, in front of the international community's eyes.

Hybrid War is "combinations of symmetric and asymmetric armed conflicts in which military intervention forces conduct traditional military operations against enemy forces and targets while simultaneously and decisively acting to get control of the indigenous population of the area of operations by stability operations"[4].

## **2.1. Hybrid warfare in Ukraine**

The hybrid war in Ukraine has surprised the entire Europe as well as a military alliance still enjoying the peace that followed the Cold War. The difference between the West and Russia in the last 25 years has arisen due to the fact that the West was concerned with ensuring an important relationship with Moscow which has thus become a strategic ally (by building pipelines and developing a political and military relationship within the NATO Committee - the Russian Federation through which to discuss European security issues, a technology transfer towards Moscow began). First of all Russia created a network of support and influence in the West, including a network based on the former KGB and, beginning with media propaganda used under the patronage of the two entities, Russia Today and Sputnik, it funded think-tanks in the great capitals of the world where the future policies of globalization were being built, installed spies and influenced people in key areas of political life in the West as well as in Eastern and Central Europe, where countries were connected to the EU and NATO. After a period of decay (1990-1999), Russia tried restoring the former USSR or, if not, at least a Eurasian Union.

Under the pretext of supporting the Russian-speaking population in the area, Russia occupies resource-rich areas of Ukraine.

It is a much more sophisticated Third World War that is happening under the pressure of the nuclear triad held by the Russian Federation. Political technology includes dissemination of false information, assiduous cultivation of conspiracy theories, blackmail and destruction of adversaries through compromising materials published by the opposition, but also undercover actions such as creating false opposition parties, fictional independent NGOs or fake independent publications which,

under the apparent respectability, serve the interests of political masters. The concept is closely related to the manipulating the economy and markets and to strict control on intelligence, law enforcement and judiciary bodies, which can be put against real or designated opponents anytime. In the new war, Russian generals erased the boundary between conventional and unconventional warfare, offsetting endowment deficit with the latest technology available to the West.

The first contact with the new type of war is the taking over by the little green men of Crimea. Troops apparently non-military but armed to the teeth occupied Crimea in a few days, while the Kremlin was speaking about fascists who had occupied the legitimate government in Kiev and had forced President Viktor Yanukovych to go into exile in Moscow.

The new war jointly uses political, economic, informational, humanitarian means, generally non-military measures. These are supplemented by military measures covered by military pressure on the border (deployment of troops to carry out military exercises), including information conflict actions and actions of Special Forces. NATO has decided to develop a set of ambitious means to deter and defend against opponents who lead such wars. Hybrid War destabilizes the state and polarizes society, its center of gravity of the population.

## **2.2 Hybrid War in Middle East**

The history of each state from its formation to maturity itself is a continuous process in which successive leaders of different political views and orientations in international politics take part, but beyond this, along the civilization and maturation process, countless civil or interstate conflicts occur for the delimitation of territories or areas of influence. In addition to these, manifestations of the people, revolutions

or coups d'état occur for various reasons: economic, political or social.

This is what happened to the states after the dismantling of great Colonial Empires like the British (the greatest in history, at a certain time measuring 44 million km<sup>2</sup>), the French, the German, the Spanish, the Italian, or the Portuguese, which occurred after World War II. It happened precisely to most African countries except a few such as Egypt, South Africa, and Southeast Asia countries such as Indonesia, the Philippines, Papua New Guinea, Singapore and the Middle East and Israel (1947). The independence of the latter caused numerous conflicts between the Zionists and the Arab states, which has led to disastrous humanitarian effects, hundreds of thousands of refugees, thousands of dead, and the destruction of infrastructures.

This process was surpassed after a long series of wars, ethnic conflicts or even international crises to define territorial borders.

In the past 60 years, countless wars occurred in Middle East, some short-term (most of them), the longest being those between the USSR and Afghanistan for 9 years (1979-1988) and Iraq - Iran (1980-1988). But they all had the same effects: damage to the economies of those countries, mass refugees, millions of people killed, destruction of goods and infrastructure, industrial crimes and even a certain influence on the global economy, jeopardizing it through the rise of oil prices caused by the instability in the area and lack of transport safety.

The Middle East includes Saudi Arabia, Bahrain, Egypt, UAE, Iran, Turkey, Iraq, Israel, Jordan, Kuwait, Oman, Qatar, Syria, Yemen and the Palestinian Territories West Bank and Gaza Strip. In addition to these, there is Cyprus although it considers itself part of Europe and Afghanistan located in the East of Middle East.



The causes of these conflicts can be divided into several categories: the desire for independence of some populations, operating the principle of self-determination stipulated in Article 1 of the UN Charter, the oil resources that great consumer states want to cover but face resistance from the owner state (Iraq, Afghanistan and Iran) and to which they attribute other reasons to be attacked and subjected to the "aggressor" state solution to yield to the wishes of big states. Some of these reasons include supporting terrorism, possession chemical or nuclear weapons of mass destruction, or the guilt of being responsible for terrorist attacks.

The situation in the Middle East is very complicated and highly dangerous, any possible Zionist-Iranian conflict having great implications at world level for the USA, China, Russia, EU, Venezuela and other large states. Global economy will have a lot to suffer due to a world conflict.

Terrorism remains a global issue because this phenomenon cannot be stopped no matter how much they would like this. Paul Robinson, former associate director for national security at Los Alamos National Laboratories, USA, drew the attention: *"The number of things that a terrorist can do is far more than we could imagine. We will always be in a position of assuming future rational action of an often irrational enemy"* [5].

### 3. SIMILARITIES AND DIFFERENCES BETWEEN ARMED CONFRONTATIONS IN THE MIDDLE EAST AND UKRAINE

Among the **similarities** between armed confrontations in the Middle East and Ukraine, the following are noteworthy:

- armed confrontations occur between the regular army of the state and paramilitary pro-Russian, anti-Israel or anti-American groups;

- the parties involved in the conflict cannot be clearly identified and defined;

- the targets cannot be clearly identified and target prioritization cannot be achieved;

- these groups are supported with state-of-the-art weapons and military equipment by the major actors of the international political scene;

- the reasons for these confrontations are, on the one hand, the rich resources in the respective regions (coal - Ukraine, hydrocarbons - the Middle East - 75% of the world reserves), and on the other hand, the geostrategic position of the respective regions;

- an active involvement of the intelligence services of the interested countries before escalation of conflicts;

- threats will come from extremist groups and their ideology, which derive their strength from poor urban areas of the world where the youth are facing serious economic and social problems, advocating for change. These unconventional actors can operate beyond state control, evading borders, rules and international agreements [6]. Some of them belong to the global terrorist networks and cooperate with other criminal elements to destabilize certain areas. Hybrid dealing with these groups will become *"a struggle beyond the physical elements of the conflict, one in which the media manipulation, use of the Internet and the integration of information operations with strategic communication programs are as important as weapons systems on the battlefield"* [7].

As far as the **differences** are concerned, they are as follows:

- in the Middle East, most conflicts are due to the existence of Israel or the US presence in the area, the Arabic states forming coalitions against them (the Arab-Israeli war, the war of 6 days, Yom Kippur war, the war of attrition, the war in Iraq, the war in Afghanistan), while in Ukraine, Russia attempts a restoration of the former Soviet bloc;

- the formation of various terrorist groups in the Middle East: Fatah, Hamas, Hesbollah, Al-Oaida and the new SIIL, funded by the Arabic states with large sums of money. They recruit and train members (men, women, children) who they use in carrying out terrorist attacks all over the world;

- the Arabic states (Iraq, Iran) invest heavily in the development of nuclear weapons to counter Israel in the area, while Russia annexes Crimea where the Russian Black Sea fleet is stationed, thus facilitating a faster exit through the Mediterranean to the west.

#### **4. CONCLUSION**

The hybrid war consists of a mixture of conventional and unconventional as well as lethal and non-lethal capabilities which ensure one party a decisive advantage over its opponents. It is generated and led by merging threats and capabilities, thus preserving the convergence of opponents, methods and means in order to achieve the political goals of the parties.

Hybrid warfare will be the dominant form of future confrontations in the

XXI century through wider presence of hybrid threats that combine attributes of different forces, simultaneously operating as regular troops, guerrilla formations, terrorist or criminal elements, using weapons and tactics of all kinds and disregarding the laws of war.

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# THE STATUS OF FOREIGN ARMED FORCES ON THE ROMANIAN TERRITORY. REGULATIONS, SPECIFIC CASES, SOLUTIONS REGARDING JURISDICTIONS

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*Regardless of the controversies caused by the presence of allied forces on the Romanian territory, reality proves beyond any doubt that the Romanian state wishes to build upon such a situation to the benefit of its own security, especially in the current international conjuncture. Such a choice may seem logical and responsible to the great majority of the Romanian people. However, in our opinion, there is still an element that needs to be adjusted: the same people's perception on the status of foreign armed forces on the Romanian territory. The current paper aims to approach some legal issues regarding this matter, to contribute to a better understanding of the regulations that govern this domain and to reveal a principle that needs to be unanimously accepted: the allied forces need to be treated, for better or worse, just like a host nation's military.*

**Key words:** *status of force, jurisdiction, allied forces, permanent presence, morale, liability, Romanian territory.*

## **1. THE CASE OF THE PERMANENT AMERICAN MILITARY PRESENCE ON THE ROMANIAN TERRITORY**

After meeting Philip M. Breedlove, Supreme Allied Commander Europe of NATO Allied Command Operations in Bucharest on the 26th of November 2014, the Romanian minister of national defense, Mircea Dușa, states that the Mihail Kogălniceanu Base has become an important logistic hub and a transit center as a result of the excellent cooperation between Romania and the United States of America [1].

Also, on the 3rd of December 2014, the minister of foreign affairs, Bogdan Auresco, meets the Secretary General of NATO, Jens Stoltenberg in Brussels, where they discuss the progress made in implementing the decisions of the state and government chiefs adopted at the NATO Summit in Great Britain, in September the same year. Bogdan Auresco reconfirms Romania's availability to host NATO command and control elements on national territory,

considering the importance of a fully supported implementation of the action plan for the consolidation of the Alliance security within the context of the security challenges that continue to aggravate in the south and east vicinity of NATO [2].

Referring to the Deveselu Base, another facility offered to the American allies on the 9th of December 2014, Bogdan Auresco underlines that the anti-ballistic missile defense system implemented by the USA in Romania shows the latter's determination not to return to Russian influence [3] Thus, the anti-ballistic missile defense system from the Deveselu base involves American permanent presence on the Romanian territory and, hence, provides a security warranty for Romania while showing this country's Westward orientation [4].

Shortly after Bogdan Auresco's declaration that the shield is defensive and does not aim towards Russia, Mike Rogers, member of the Armed Services Committee and Chairman of the Subcommittee on Strategic Forces from the USA Congress declares that the

Deveselu anti-ballistic missile defense system has the purpose to protect Romania and NATO allies from possible aggressions coming from the Russian side [5].

This is for the first time an American official admits that the missiles from the sophisticated Aegis Ashore system located in Romania and Poland are being headed more to Moscow than to Teheran [6].

Regardless of the controversies caused by the presence of the allied forces on the Romanian territory, reality proves beyond any doubt that the Romanian state wishes to build upon such a situation to the benefit of its own security, especially in the current international conjuncture. Such a choice may seem logical and responsible to the great majority of the Romanian people. However, in our opinion, there is still an element that needs to be adjusted: the same people's perception on the status of foreign armed forces on the Romanian territory. The current paper aims to approach some legal issues regarding this matter, to contribute to a better understanding of the regulations that govern this domain and to reveal a principle that needs to be unanimously accepted: the allied forces need to be treated, for better or worse, just like a host nation's military.

## **2. LEGAL CHALLENGES OF SPECIFIC CASE STUDIES ON FOREIGN MILITARY PRESENCE ON ROMANIAN TERRITORY**

In the following subchapters, a few cases regarding the foreign military presence on Romanian territory and the legal solutions related especially to jurisdiction aspects are to be presented.

### **2.1. Crazy Horse, Red Bull and various ingredients**

In 2007, two American soldiers refused to pay the bill in a striptease club "Crazy Horse" from Mamaia because it seemed to much in comparison to what they had actually consumed [7]. The Americans tried to leave the bar, but the administrator ordered the security staff to close and block the exit. The American soldiers were not intimidated and in their

attempt to get out they broke the door and the conflict between the two parts grew bigger in front of the bar. The scandal degenerated into a fight; therefore, in order to calm the spirits down, the police intervention was necessary [8].

The investigations that could have been made by the Romanian authorities were stopped, because the trial, in the event of one, had to take place in the USA. All this because, according to Law no. 260/2002 for the ratification of the Agreement between Romania and the United States of America regarding the status of the United States of America forces in Romania, Romania acknowledges the particular importance of disciplinary control exerted by American military authorities over the members of the military force and its effect upon operational training. As a result, in cases similar to the one above, Romania renounces to its own jurisdiction. Therefore, the Prosecutor's Office belonging to the Constanta Court House waited for a request from the USA Embassy and the moment it came the file was forwarded to the American authorities.

### **2.2. Teo Peter, the Vienna Convention and the American Military Justice**

R.C. VanG., ex commander [9] of the Marine security detachment at the U.S. Embassy in Bucharest was accused of being involved in a deadly accident on the 4th of December 2004. While driving a car belonging to the Embassy he crashed into a cab in an intersection and the accident resulted in the death of a person. On the 18th of April 2004 Staff Sgt. R.C. VanG. was officially accused by the American military Justice for being involved in the accident that ended with the death of the Romanian artist Teo Peter (T.P. from now on). The commander of the US Marine Security Battalion of the US Embassy decided to start an investigation in order to analyze the charges that had been brought against the American marine.

In accordance with the USA Forces Military Justice Code, R.C. VanG. was accused, of manslaughter, obstruction of Justice, imprudent driving and making

false official declarations. The American marine was also under investigation for other charges as well, that were not directly linked to the car crash, such as: not respecting an order or a rule, driving under alcohol influence and reprehensible behavior while being drunk.

The hearing procedure is similar to the one with a jury and the accused has the right to request the presence of a lawyer. Also, until proven the guilt, the accused has the benefit of the doubt.

The officer in charge with the investigation of the case, LTC S.C., initiated a hearing, examining the charges brought against R.C. VanG. Among these he was found guilty of "adultery" [10]. As a member of the administrative staff of the Embassy, R.C. VanG., had immunity from prosecution by the Romanian authorities, but he was legally responsible in front of the American military legal system, according to the declaration of J.D.C.II, the American ambassador in Romania at the time.

The Vienna Convention regarding the diplomatic relations marks the limits to this type of immunity and stipulates that a diplomatic agent is not excused from the jurisdiction of the accrediting state, the one that sends him to the post. R.C. VanG. was tried in the USA after the accident where T.P. lost his life [11]. A Committee of the Court Martial consisting of 7 members found Staff Sgt. R.C. VanG. not guilty of manslaughter and adultery, but guilty of 2 minor charges, obstruction of justice and false declarations. After a touching statement about his character, made by his family and co-workers, presented at the conviction hearing, the jury recommended that the accused should be given a reprimand letter [12].

Subsequently to the verdict, the president of the National Institute for Military Justice in Washington, E.F., stated for BBC that T.P.s family had two solutions. The victims' family could sue R.C. VanG. in Romania, but they would never find him because it was expected that he would never return to Romania or they could have filed a complaint against the USA Government, asking for damages repair. According to E.F., it was

not about a lawsuit, but about a request that the USA Government should pay a compensation and, to his mind, the USA Government would refuse to pay.

### **2.3. Saber Guardian and the Armenian military**

Between the 13th and 26th of April 2013 the "Saber Guardian 2013" exercise took place in Romania and was organized by the Romanian Land Forces Staff in cooperation with the U.S. Army Europe (USAREUR). Military from the Republic of Armenia participated in this activity.

Because of alcohol abuse, two Armenian soldiers started a fight with civilians in Făgăraș, on the 16th of April 2013. The case was investigated by the Romanian Police because the Armenian military were under Romanian jurisdiction, according to the provisions of the Technical Arrangement that both parties had signed for this activity [13].

### **2.4. More Case studies and related claims resolutions**

A. On the 22nd of February 2012, around 07.30 am, an American citizen drove a Mitsubishi Montero, property of the US Army, on DN2A reaching km. 185+800 m in Mihail Kogălniceanu and crashed into another automobile, a Smart Ford Two. According to forensics report, L.M.C., passenger in the Smart Ford Two automobile, driven by G.V. did not require any medical attendance.

During the interrogatory, G.V. said that he would not press any charges for the damage caused in the car crash, nor would he want to be seen by the medical examiner. Both drivers had been tested for alcohol consumption, resulting 0,00 mg/l, in both cases.

On the 23rd of February 2012 the Army General Headquarter Department – Intervention Forces from Mihail Kogălniceanu Airfield communicated that the American citizen P.A. was a member of the United States armed forces, with a contract in Romania at Mihail Kogălniceanu Airfield and that according to art. VII, paragraph 3, letter a (ii) from the Agreement between the member countries of the North



Atlantic Treaty regarding the status of forces, ratified by Law no. 23/1996, the jurisdiction priority belonged to the American military authorities. The latter had requested to use this right and the Romanian authorities had not filed a petition asking to give up this jurisdiction right.

The conclusion in this case was that the authorization from the competent agency was missing. Therefore the Romanian criminal procedure would not be applied P.A. and he would not be accused of injury by negligence, which is provided and punished according to art. 184, paragraph (1) and (3) Penal Code.

According to the Implementation Arrangement between the United States and Romanian designated authorities regarding claims procedures in the implementation of the Agreement between the United States of America and Romania concerning the activities of the United States forces located on the territory of Romania, the persons who have suffered damages can request reparation according to the procedures developed by the American authorities.

B. On the 23rd of June 2014 at 10.18 hours, in Vâlcea district, a Chevrolet Aveo automobile, private property belonging to the complainer B.M.E., collided with a Volvo Van belonging to the USA army forces, driven by N.T., member of the US forces, who did not maintain the proper side distance from the Chevy [14]. Based on current regulations and inherent provisions, the conclusions were as follows:

- Mrs. B.M.E.'s petition for 3153.48 lei, the equivalent for the repairs of the damaged motor vehicle, falls under the provisions of art. VIII, paragraph 5 from the Agreement between the Parties to the North Atlantic Treaty regarding the Status of their Forces (NATO SOFA), ratified by Law no. 23/1996.

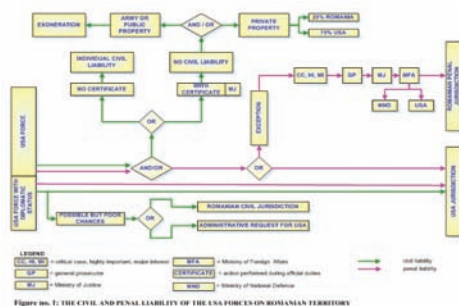
- Solving the payment claims is the responsibility of the Romanian state, the amount is determined either through an Arrangement or through courts order. Mrs. B.M.E. requested to receive 3153.48 lei based on the repair receipt from an auto service in Galati.

- According to the aforementioned Agreement, the amount is to be paid as follows: 25% is to be covered by the Romanian side and 75% by the American side.

## 2.5. Example of a procedure on establishing liability and jurisdiction

As previously shown, in spite of the relatively short experience regarding the presence of allies on Romanian territory, the cases already tried prove that current agreements are successfully applied.

Thus, by resorting to the examples above we managed to outline cases of civil and penal liability of the allies on Romanian territory. A quite simple diagram describes the path to follow in order to establish such liability in the case of the American armed forces stationed on Romanian ground. Thus, as far as Romania is concerned, these rules or paths are axioms where there is no room for "de lege ferenda" (see **Figure 1**).



## 3. CONCLUSIONS

The rules concerning the presence of foreign military on a allied state's territory are common for the majority of the allies. When these rules are not applicable, then bi or multilateral Arrangements are used; otherwise the members of the force are treated like simple tourists.

There are, also, some cases in which our allies were subjects of unfortunate events that happened on the Romanian territory, in these situations both, the perpetrator and the victim belonged to the same force (American allies). From a legal point of view it is not in our interest how the allies cause damage to each other, without affecting the life or the goods belonging to Romanian citizens. Although these exist, in this current paper we did not approach this matter. Because, in our opinion, such

events do not affect or influence the Romanian people morale we will not make references to them.

States always try to protect their own forces as much as possible, assuring, among other things, a proper morale for the troops (check, for example, Romania's case involving gendarmes in Kosovo, when even our country protected its troops by withdrawing them immediately after being involved in a tragic event that ended with loss of civilian lives). On the contrary Romanian population desires to see all the people who break the law (including on allies) tried and condemned by the Romanian authorities, according to Romanian law.

Romania and its people must PERCEIVE and TREAT allied troops as they does do with their own soldiers, Allies are not occupational troops. They are on the Romanian territory based on Arrangements signed between the sovereign states and their presence in Romania is beneficial.

Without taking into consideration the previous principle, we will only have endless frustrations, with unpleasant consequences, especially in the areas where the allies benefit from Romanian facilities.

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[7] The American soldiers were irritated to see that for two beers, two glasses of whisky and two energizers, Red Bull, they had to pay 300 RON.

[8] One of the men who had been hit by the Americans, the bar's administrator, had a broken leg and hand injuries, so he needed between 12-14 days of medical recovery. He was transported to the Central Hospital in Constanta for medical care. At the scene of the incident almost all of the Military Police management team was present. The latter held competence for solving the case, as well as the possible complaints that could be filed against the two Americans.

[9] The member of the Marine Security Department of the USA Embassy in Bucharest was driving the motor vehicle that crashed into a taxi in Bucharest, taking the life of a popular Romanian musician. He was assigned to accomplish administrative tasks at his Battalion Headquarters in Virginia. Meanwhile, the military investigators traveled to Bucharest to determine if Staff Sgt. R.C. VanG., age 31 should be charged with the death of T.P. The veteran rocker, in his 50s was the bassist of the Romanian rock band "Compact". R.C. VanG., ex commander of the Marine security detachment at the U.S. Embassy in Bucharest was removed from Romania shortly after the accident, which irritated most of the Romanian citizens. The Romanian prime-minister, Adrian Năstase, sent a letter to President Bush asking him to get involved in solving this situation in order to calm down the Romanian public, maybe by removing the diplomatic immunity of R.C. VanG and returning him in Romania, according to the information presented by the Romanian authorities. According to some news sources R.C. VanG appears to have driven while drinking and that is the reason why he had refused the alcohol test and the investigations of the local authorities. *"I know that the perception in Romania is that he was smuggled out of the country"* said during a telephonic interview Major M.W.M., spokesman of the 4th Expeditionary Marine Brigade from Camp Jejeune. *"It was the ambassador's decision. In conclusion the case is still being investigated and R.C. VanG isn't going anywhere, currently he is located at his Battalions Headquarter."*

[10] The protagonist of the "case" was the daughter of M.W., counselor for public affairs at the Embassy. Regarding R.C. VanG another two charges have been brought against him, referring to *"the request of committing an offence"*, because he had asked W. to erase all email correspondence and not to mention about their relationship (affair). The marine has been accused as well of driving while drinking and reprehensible behaviour. According to the declaration of the Marine Infantry's spokesman, R.C. VanG has voluntarily submitted to the alcohol test at the scene of the accident, on the 3rd of December. He

has also been submitted to a blood test, but only after determining that the tests will be executed by American personnel.

[11] According to art. No.31 from the Vienna Convention, a diplomatic agent has penal jurisdiction immunity of the accredited state (the country where he was sent to post). He also has civil and administrative jurisdiction immunity. The same article shows that "the diplomatic agent cannot be forced to testify" and that against him one can take no measure that could harm "personal or residence immunity". The "diplomatic agent" is the chief of the mission or a member of the diplomatic staff of the mission.

[12] In the opening pleading, the main prosecutor, captain C.M., from the Marine Corps stated in front of the court that R.C.VanG (married with two children) ignored three traffic lights and hit the taxi where T.P. was. Afterward the accused lied to the investigators regarding the events in the night of the accident. The main lawyer representing R.C.VanG, Major P.S., stated in front of the court that the traffic in Bucharest is so "chaotic" and the intersection where the accident occurred is so confusingly lighted that the accused could not have avoided the crash, even if he had exceeded the maximum legal speed and the taxi "also moved very fast". The Court Martial, formed out of 7 members, is the military equivalent of a jury Court. Its members - 3 of them being artillery sergeants, another is sergeant major and three majors - had been designated on Monday, one day before the hearings.

[13] The exercise took place in Romania at the Training Combat Centre of the Land Forces Cincu, between the 13th and 26th of April 2013. Following this incident the Prosecutors Office within the Courthouse in Făgăraș, started a judicial file. According to the provisions of Law no. 291/2007 regarding the entrance, the stationing, the deploying of operations or the transit of foreign armed forces on Romanian territory "the military authorities of the sending nation are obliged to notify the Ministry of Justice of the host nation, in 24 hours from the moment the act was committed, which has all the elements of a crime committed by a member of its own force, regardless if the action was performed inside or outside the facilities or the established zones". The obligation of the Armenian military personnel participating to SABER GUARDIAN 13 to submit to Romanian laws was foreseen in article 7 from the Technical Arrangement between the Armenian Ministry of Defense and the Romanian Ministry of National Defense regarding the provisions of the host nation support for the military exercise "SABER GUARDIAN 13".

[14] According to the Police Report no. CP 6931125, registered at the Road office from Râmnicu Vâlcea, attached to the file, guilty for the accident is N.T.

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# FORMS OF REPEATED DISCOURSE (DOUBLESPEAK) IN ROMANIAN MILITARY MASS MEDIA

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*The main objective of this paper is to present a thorough analysis of forms of repeated interviews present in the Romanian military mass media. Starting from the particularities of the repeated discourse, expressed through langue de bois during the communist era and from its concealed forms displayed within the current Romanian written journals, we debated over the linguistic patterns used for the accomplishment of two permanent sections of the weekly "Military Observer". The current paper, part of an ampler research focused on the achievement of a comparative study realized by means of the contents analysis of two sections of the journal, aims at investigating elements of discursive nature that reveal a form of the unconcealed usage of the langue de bois within the "Interview" section of the military publication.*

**Key words:** repeated discourse, doublespeak, langue de bois, mass media, military journals, "Military Observer".

## 1. INTRODUCTION

Despite the fact that the Romanian people came out from the domination of the communist regime more than 20 years ago, many "wounds" have not yet been able to fully heal. Socialism of Russian inspiration discovered in Romania a favorable territory for its development, and some of its crucial aspects spread in every field, be it social, political or economic.

The communist regime is known as one of the most categorical regime with regard to the complete monopolization of society. One of the most important aspects, subject to the present analysis, is language. Communism succeeded to take possession of words and use them for its purposes better than any other forms of government, either for manipulative intentions or for generating prolix situations, lacking substance.

The Soviet press is well known for the skill of concealing facts and for its customary filling of newspapers and magazines with whole articles that are poor in information, but at a very large scale. The purpose of this type of press is to confer a particularized shape to the language of power, known as langue

de bois or, for some French linguists, langue soviétique [1], characterized by magic, mystery, maximum opacity, that is able to create clichés and avant la lettre arguments for future actions. This langue de bois constituted the monopoly of the Soviet state, which played the role of the creator of meanings in words (the semantic dimension of language) and of their use (the pragmatic dimension), as Heller said [2].

Given the many years spent under the totalitarian leadership, Romanian media and by extension, the country's population, experienced a deformation of its own public language. For many decades, Romanians were subjected to a sort of Soviet speech logocide and, involuntarily, the „langue de bois” has become an automatism difficult to remove from everyday life of people found in generic situations and formal relationships. Apparently, the typical Romanian took, subliminally or not, the phrases of the langue de bois and assigned them to a dialect of higher order, meant to be used in contact with high officials. The reaction is not incorrect if we consider the fact that most citizens of a totalitarian state are prone to develop a particular discursive competence, regarding precisely this type of contact.



## 2. FORMS OF REPEATED DISCOURSE IN MASS MEDIA. SHAPING OF THE *LANGUE DE BOIS* WITHIN THE ROMANIAN PRESS

The *langue de bois* phenomenon is due to the totalitarian regimes and it becomes manifest by assimilating everyday linguistic formulas of formal communication, especially in group communication: public, mass etc., respectively in political language. But if we analyze the functions of *langue de bois*, we distinguish that it is meant for only a single purpose. *Langue de bois* has the role of spreading “a Gnostic type of thinking that establishes a doctrine of salvation on scientific claims” [3], thus, an ideology. This is made possible once the language suffers a mutation, based on the lack of content, of message, mainly for its use in the press. Press is considered a “power” in the state (“the fourth power” in the hierarchy of Montesquieu, even the second power, in I. Ramonet’s acceptance) [4], holding the position of “advocate” of the public, the “watchdog of democracy”, but especially the legitimacy of power [5].

Romanian press is very often overloaded with formulas close to the *langue de bois*. In a study dedicated to this phenomenon, Constantin Mărcușan [6] identified some ways of the *langue de bois*’ manifestation in the Romanian press, such as: interference of styles in advertising discourse, changes in the structure of the lexicon leading to different relationships between the transmitter and receiver, the use of stereotypes, templates, lexical and syntactic and lexical automatisms, slipping into the peripheral, marginal, slang, satire, violence in language etc., all of which leading to a hidden form of *langue de bois*, often confused for standard language: “*The new traits of the press style, in their positive aspect, can be said to be overlapping the standard language. Still, opposing linguistic tendencies also launch signals of renewing the langue de bois that can also be promoted within democratic regimes.*” (Tatiana Slama-Cazacu) [7].

A feature of the new forms of “concealing” the *langue de bois* is the use, lacking content, of standardized phrases in repeated discourse. Unfortunately, the expression *langue de bois* is often incorrectly used to stigmatize different political speeches, that are not necessarily linked to the traits identified by Patrick Sériot and later taken over by the Sovietologist linguist Françoise Thom. Furthermore, the vision of the French linguist is that the term is compromised, its use increasingly moving away from the original meaning.

Apart from the special syntax and lexis of the “*langue de bois*”, that can be recognized from the very beginning of any text written in this manner, it presents another special feature, namely, manichaeism. Considering the radical vision of communism, which involved the use of an existential dualism, divided between two adverse camps found in a permanent state of conflict, and the new forms, more subversive, of the “*langue de bois*”, the *langue de bois* is characterized by “Manichaean” tendencies, radical in relation with the division of the world based on two terms and principles: good and evil.

In the Communist press we used to find the Orwellian picture of a society forever mobilized, always prepared for conflict. From everyday activities to the diplomatic and political ones, either national or international, the communist press outlined the fierce struggle for freedom and prosperity of the population. For this reason, countless socialist terms used in the text are borrowed from the military register. But the lexical and syntactic sharing of structures was achieved in two-way meanings, which led to the preservation of certain features of the “*langue de bois*” in the military discourse.

## 3. *LANGUE DE BOIS* IN THE MILITARY DISCOURSE

### 3.1. Projection of the research

Given the frequent use of military terms, it is normal that the “*langue de bois*” to find a comfortable refuge in the speeches, interviews and allocutions of those who most often use this register, namely the military people. Moreover,



these manifestations of the *langue de bois*, including its hidden forms that it meets in the Romanian press, reunite in the military press.

Returning to the current issue of the *langue de bois* used in everyday language of the army, at a first impression, military personnel can be assumed to be using mainly the *langue de bois* because of the strict lifestyle and because of discursive practices driven by the military regulations. Starting from the imperative commands and the simplicity of formal communication, the "*langue de bois*" should be theoretically part of everyday communication. Fortunately this assumption is far from reality. In these circumstances, the question naturally arising in the projection of our research is as follows: Why do we find in most military publications formulations of the repeated discourse, in explicit or disguised forms of the "*langue de bois*"? These forms of the *langue de bois* are the result of ideological intentions or only a "*langue de bois*" reminiscence in a reformed incomplete sector, the Romanian military press?

Starting from these research questions, we analyzed the statements of repeated speech belonging to two categories of interviews hosted by the "Military Observer" publication from 2014 (52 issues), specifically the Interview section, dedicated to military personalities, which was usually allocated the fifth page of the publication, and respectively the Personalities section, assuming a less conventional interview in relation to the format of the publication, foregrounding leading cultural figures, which was allocated invariably the last page (page 24). We considered, therefore, a total of 26 interviews with military personalities and a total of 27 interviews with civil personalities, located in the 52 editions of the publication. The research method used was contents analysis, consisting of collecting and coding data obtained and its analysis: frequency analysis (occurrences), correlations (co-occurrences), tendencies and contingencies. With regard to the current paper, we focused only on debating over the repeated discourse elements present

in the section 'Interview' of the weekly publication "Military Observer", more specifically, we examined such elements within 27 texts, included in a similar number of the publication's issues, throughout the year of 2014.

### **3.2. Research results**

Looking back further than half a century ago, we can notice that, out of the desire of a quasi-transparency and promotion of a genuine dialogue between the military and the civilian society, there was founded the Military Observer, in 1859. The publication appeared in an era characterized by the Soviet military thinking monopoly, by a "military science" culturally connoted, practically, by a Soviet doctrine extended up to the level of the entire Communist bloc, which constituted the foundation of the Romanian doctrines. Basically, the "Military Observer" appeared due to a "scarcity of original works in the field of military theory" [8], and it was an expression of the false openness toward the civilian world, one decade before the appearance of the "Vietnam effect" and before the genuine openness within the civilian-military dialogue.

Within the current media landscape, the Military Observer is the main press product of the Ministry of Defense, issued weekly in a tabloid layout, counting 24 pages, and being dedicated to military phenomena and aiming to inform the military personnel "on the main concerns of the ministry leadership" (<http://www.presamil.ro/om.php>) – an objective with obvious ideological nuance, so long as the press should target the multidirectional reflection of reality, both from bottom to top and from top to bottom of the military hierarchy-, respectively the reflection of a positive image of the army, the promotion of a real army - civilian society dialogue etc.

Regarding our study, the different personalities who were interviewed by the journalists of the Military Observer actually managed to stay within a standardized language, belonging to a form of repeated discourse, projecting elements of a classical, unconcealed "*langue de bois*". From the first words,

the incredibly cumbersome nature of the language emerges through different semantic and syntactic features that give the impression that in many cases it is a „parody of a different discourse” [9]. Other specific features of the interview rubric are the excessive transformation of other parts of speech into nouns, verbs are sacrificed in favor of nominal phrases that replace the temporal values of past tense, the abuse of participles and gerunds suggesting the accomplishment of the mission, the artificial and incorrect use of borrowings resulting from an incorrect translation of terms from military English into the Romanian doctrine etc., for example:

*A devenit imediat evident că prin demararea unei analize pertinente Operația Joint Endeavour impunea asocierea capabilități specializate [...]. (MO, no.1/2014: page 5) [It was soon obvious that through the start of a pertinent analysis, operation Joint Endeavor requested the association of specialized capabilities]*

*Când lucrezi pentru oameni trebuie să ai o disponibilitate maximă. (MO, no.27/2014: page 5) [When one works for people, one needs to display maximum availability]*

*Capabilitățile structurilor din compunerea bazei sunt date de [...]. (MO, no. 26/2014: page 5) [The capabilities of structures within the base are given by...].*

Through the excessive transformation of other parts of speech into nouns we can somehow infer a desire to keep the information in a timeless realm, able to keep a note of the lack of future engagement and of relativity in the reality to which it refers. Another feature of the interviews with military personalities is strictly related to the previous one, and consists of the quasi-absence of deictics/demonstratives.

It is interesting to observe some restraint in using them within various interviews. The pronoun "I" is used

relatively often in interviews, but for the purpose of describing or explaining actions clearly delimited as individual (professional training, for example), the remaining actions bearing the mark of the generalized and irresponsible "us". The personal pronoun in the first person plural is very commonly used, thus building a feeling of false belonging to something and solidarity through its inclusion in an undefined category:

*Oriunde ne-am afla, [noi] suntem și rămânem militari români aflați în misiune [...]. (MO, no.1/2014:page 5) [Wherever we might be, we are and will be Romanian soldiers in mission ...].*

*[Noi] nu facem niciun fel de deosebire între unitățile de nave de la fluviu și cele de la mare. (MO, no.2/2014:page 5) [We do not make any difference between naval military facilities on rivers or at sea.]*

*[Noi] avem în vedere revitalizarea submarinului Delfinul. (MO, no.2/2014:page 5) [We take into consideration the revitalization of Delfinul submarine].*

*[Noi] Urmărim asigurarea condițiilor de viață decentă [...], avem și alte obiective care ne onorează. (MO, no. 20/2014:page 7) [We seek to assure decent living conditions [...], we also have other objectives in which we take pride].*

Because the military is a very dynamic world, the focus is largely set on the process. Hence an interest of the military personalities in a reality actively reflected. Considering the "langue de bois" as a product of an exclusively collective society, in which thinking was not seen as some individual good, but a collective one, in which the citizens are active in relation with the physical work, it is hence understood where the interest for covering by means of the uniforming formula "we" comes from and by emphasizing the completion of tasks and missions.

Continuing the analysis of tendencies, we discovered that the presence of comparatives, from which complements are curiously missing, out of the desire for setting on a distinct level tier, abstract, lacking any personal commitment:

*Fiecare își dorește să fie cel mai bun. (MO, no.7/2015: page 5) [Each person aims at being the best.]*

*Cu rezistența psihică este mai greu, trebuie să fii foarte bine motivat. (MO, no.7/2015: page 5) [In case of physical strength, it is harder, you need to be highly motivated]*

*Necesarul este mult mai mare, dar vrem să folosim ce avem [...] (MO, no.17/2014: page 7)*

*[The necessity is much bigger, yet, we want to use the stuff we have ...]*

Omitting factual information, the reader runs out of clear benchmarks in the depicted reality, a state of induced confusion (specific for the „*langue de bois*”), the only landmark being the discourse itself. He is obliged to believe what he is told, in the absence of specific references, in a discourse characterized by the decrease of the referential function of communication.

Last but not least we found, in the discourses of military personalities, a predisposition toward commands, either written or oral. The discourse, lacking references, substitutes the link with the concrete reality through the open, manifest imperative, a tendency resulting from the analysis of occurrences. The imperative takes the form of orders from the title or pseudo-engagement through the impersonal must, that compels the receptors/readers, not the transmitters / speakers:

*Da, e adevărat, dar trebuie să nu uităm cu cine ne batem. (MO, no.3/2014: page 6) [Yes, it is true, but we must not forget who we are fighting against.]*

*Muzica militară trebuie să strălucească. (MO, no.25/2014: page 5) [The military bands must be brilliant.]*

*Trebuie recunoscută o realitate: suntem un spital regional [...] (MO, no. 6/2014: page 7) [A specific reality must be admitted: we are but a regional hospital ...]*

*Presa militară trebuie să fie un sprijin moral [...] (MO, no.2/2014: page 5) [The military press must be a moral support.]*

In the interviews with military personalities, mental and moral wear caused by work, the routine of actions specific to the military and the frequent formal situations lead to a repeated discourse specific to the totalitarian “*langue de bois*”, lacking content, while engaging ideology.

#### 4. CONCLUSIONS

Viewed from a historical perspective, the “*langue de bois*” is a written and oral expression of an ideology, both a subliminal and a direct exhortation to passivity and unresponsiveness. No one can say that the “*langue de bois*” is present in military discourses of the publications, but that elements of repeated discourse exist. These elements contribute to setting up a “*subsystem language*” characterized by explicit semantic forms and implicit syntactic elements able to highlight the fundamental characteristic of the language used in the meaning given by Tatiana Slama-Cazacu [10], namely the lack of substance. Reduced to a concise definition “*langue de bois*” is nothing but a sequence of hard to decipher terms derived from various languages and neologisms most often borrowed and misused in order to induce a state of confusion and disorientation in the reader, by omitting important information. In the analyzed interviews language functions are often ignored and communication loses its referential quality that is absolutely necessary in this field.

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# SOVEREIGN INVESTMENT FUNDS AND THE GLOBALIZATION OF TOURISM. DISCUSSIONS ON ROMANIA'S CASE

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*Tourism, a well defined field in the services area, is expanding at global level as a result of the complex and diversified amenities it provides as adaptive and dynamic solutions to clients' requirements. Along with the development of this phenomenon, new and innovative decisions for efficient investments like establishing Private Equity Funds (PEFs) or Sovereign Investment Funds (SIMs) aimed at easing the flow of investments into areas of interest like tourism have been made. Thus, the aim of this paper is to overview the evolution of sovereign funds in the current post-crisis context, to make an analysis of the implications incurred by the employment of such innovative macro-investment solutions for the development of tourism in an emerging country. Moreover, it approaches the possibility of establishing a Romanian sovereign investment fund that could contribute to this country's economic development and, inherently, to its tourism.*

**Key words** Sovereign Investment Funds (SIF), tourism, innovative investment, emerging markets.  
**JEL Classification:** E22, E44, F21, F23, F62, G11, G15, G23, L83.

## 1. INTRODUCTION

Tourism is well integrated in the services area and as such it can be viewed as one of the most profitable economic sectors that has undergone a rocketing development. Tourism industry is also one of the main triggers of jobs at global level, as well as one of the greatest world producers in terms of the Gross Domestic Product (GDP) to which it contributes. [1]

Tourism industry has been developing lately at global level and is characterized by innovation and increase in the requests for related services that place the field in the position to generate gains during 2015, as well as in the years to come. Its unprecedented development occurs at a time when market freedom favors fresh capital inflows from new geographical areas and the number of players in the field is on the increase. Thus, under favorable circumstances

for investment in tourism, numerous sovereign funds have gotten involved in the development of this phenomenon and the use of the various opportunities emerging on the market. It is interesting to study the efficiency of integrating a macro- financial innovation based on investment funds in order to stimulate an industry in an emerging market in a post crisis environment.

Historically speaking, the concept of sovereign investment funds (SIFs) ensued in the 50s when a number of states, most of which owning a lot of oil reserves or renowned for their large amounts of exported goods, were attempting to efficiently invest the liquidities resulting from commercial activities and oil exploitation. The funds were the result of budget and commercial surplus generated mostly by the export of natural resources. One aspect worth noting is that the states



that manage such funds are less or not indebted at all to international entities, and the funds are established in order to reduce the volatility in government income or to simply save money for future generations. The main critical problems of emerging markets are linked to the illiquidity, the lack of transparency and the volatility of legislation and in this case the opportunity of introducing such innovative instruments is to be discussed. The answer to this dilemma needs to take into account the synergy between institutional development and financial markets development, which can be incentivized at macro level by innovative funds.

## 2. SOVEREIGN INVESTMENT FUNDS. AN OVERVIEW OF SPECIALIZED LITERATURE

In specialized literature, as well as in the work environment of various financial institutions there are numerous definitions of the concept of "sovereign investment fund". In general terms, it refers to a public investment instrument based on a generous portfolio of financial assets like shares, stocks, estates, etc. the International Monetary Fund (IMF) defines sovereign funds as those funds meant for investments, established by certain countries in order to hold control over a number of external assets [2].

The International Working Group – IWG of Sovereign Wealth Funds from within the International Monetary Fund defines sovereign funds as investment managed by certain states that, based on the assets they own/manage, aim at achieving some financial goals and adopt strategies focused on investing international financial assets. [3] Other authors define these funds as public investment agencies that manage some a part of state assets [4].

As Simon Johnson indicates, when a country has a surplus in its current account and accumulates more reserves than it needs for its immediate purposes, it may create a sovereign investment fund in order to manage the "additional" resources [5].

According to the official documents published by the European Commission,

sovereign funds are established by countries with rich natural resources and especially by Arab ones [6]. This statement is supported and completed by Lenihan who also mention what the resources around which these funds are established consist of: oil, gold, silver, precious stones, phosphates, minerals, etc. [7]

According to euroactiv.ro, an online platform dedicated to the news related to the European Union and its policies, defines these funds as investment funds based on a wide portfolio of assets from various national and international markets [7].

Some of the features of this type of investment funds are:

- They are financed/owned by the states;
- They are supplied from the currency reserves of a state;
- They are managed separately from official reserves.

Moreover, another characteristic of sovereign wealth funds is that they are based on investments that can generate high profits that incur at the same time similarly high risks.

Authors like Bodie or Briere (2014) believe that a sovereign investment fund works based on a relatively simple model. The central government collects the yearly taxes and a part of the income that is thus generated can be spent, while the rest can be transformed into a SIF, transferred to the central bank or to the public fund of pensions. The management and investment of these funds is an issue still under debate and analysis. Anyway, the optimal allocation of sovereign funds is to crucially depend on the nature and size of their fixed and active assets, as well as on its specific sources of uncertainty. [2]

As already mentioned before, generally a sovereign investment fund has its own goals, but there are also a number of objectives that are common to all these investment instruments such as: ensuring economic stability, making investments more efficient by generating large profits, diversifying natural resource exports, consolidating regional development processes, as well as increasing the level of savings for future

generations. Additionally, sovereign funds contribute to correcting global macroeconomic imbalances, and to avoiding inflation by keeping the financial surplus outside national economies.

According to Abdullah Al-Hassan et al (2013) sovereign investment funds play a major role in the macroeconomic management and global financial stability. The operations characteristic of these instruments are tightly related to public finances (given the financing process itself and the withdrawal norms) and monetary policy (with regard to liquidity terms). The same authors consider that in order to achieve their goals, sovereign funds must be managed as part of a solid governance structure and based on adequate investment strategies. Moreover, a close coordination with macroeconomic policies is essential. Additionally, the governance structure must ensure a clear delineation of the roles and responsibilities among various management entities, as well as operational independence for managers [9].

The goal of these funds, regardless of their underpinnings, is to first protect states against potential future economic crises or failures by diversifying the active assets and by creating additional wealth for future investment.

In terms of their taxonomy, there are various opinions on the main categories of sovereign investment funds. Basically, there are two categories in terms of their origin, and the difference between them resides in the financing manner [10]:

- Commodity sovereign investment funds – are financed from a country's exports (oil, gases, other basic types of commodity);
- Non-commodity sovereign investment funds– financed from the transfer of active assets into the official reserve of a country, from a state's budget surplus or even from the income generated by various privatizations.

According to Makhlof, SIFs bring other benefits, as well, to their host countries. Thus, companies benefit from the capital they need to develop and the long term orientation of these funds contributes to the stability of

these companies [11]. Moreover, it is worth mentioning that, unlike short term oriented investors and speculators, SIFs do not withdraw their investment when short term fluctuations in stock value or decreases in term income are recorded.

Dedu and Nițescu (2014) claim that these funds positively impact economy as a result of the major role they play in ensuring global financial stability. Their purchase power allows these funds to act as a stabilizing force and as a source of liquidity on world financial markets, as well as a client for the banking sector. It is as such that, during the last economic crisis, they actually contributed to the recapitalization of several US and European financial institutions (UBS, Citi, Morgan Stanley, Barclays, London Stock Exchange, Merrill Lynch), by purchasing minor packages as passive shareholders [12].

Bernstein et al. believe that these funds are also characterized by a number of limitations since they can create economic distortions. For example, preoccupation over their lack of transparency and likely political influence has been voiced [13]. In the current context of the massive involvement of these funds in acquiring important packages of shares in strategic companies, there is also the risk of a possible negative impact on the efficiency of corporate governance as a result of the possible constraints imposed on companies to act in a certain manner in order to meet the interests of foreign governments to the detriment and interests of the other shareholders. In this case, the fuzzy line between private and public investors can lead to a number of deficiencies in the international financial system and the consequences are difficult to overlook.

There are obviously exceptions. For example, the Norwegian sovereign investment fund (Government Pension Fund - Global), which is one of the most transparent, seeks to promote good corporate governance standards, to encourage enterprises to improve their social and environmental standards

and focuses on six strategic areas of activity: equal treatment of shareholders, governance functional responsibility, efficient and legitimate markets, children's rights, water and environment management. Not long ago, this fund announced its intention to become an active investor and thus become involved in the selection of the directors of the companies where it holds a significant percentage of shares, that is more than 5%, and where that share totals minimum 1 billion dollars. In this respect, Yngve Slyngstad, CEO of Norges Bank Investment Management (NBIM) – administrator of the Norwegian investment fund declared that this kind of involvement is meant to actively contribute to creating value for shareholders [14].

Concerning emerging markets, specialized literature in the field is nonexistent and any discussion on this topic seems to be very far from reality. Emerging markets do have particular features but it is exactly government support and a better cooperation at institutional level that could create the premises for their development and for the establishment of synergetic natural self development mechanisms.

### 3. MECHANISMS UNDERPINNING SOVEREIGN INVESTMENT FUNDS

The interest for sovereign investment funds as key actors on financial markets has rapidly increased lately since many of them have been financed to collect and manage the income of states from natural resource exploitation and exports. Geographically, more than half of these worldwide funds come from the Middle East, which is from countries that, given their rich underground resources (mostly hydrocarbons) have stored large capital reserves for the past years. The Asian continent also holds an important place in the area of sovereign investment funds through countries like China and Singapore. Europe is also well represented in the area, even though there are only two such countries: Norway and Russia, partially [15].

The data published by the Sovereign Funds Institute (SWF Institute), an independent professional organization that tracks the evolution of these funds worldwide, are displayed visually on a map that shows the main areas across the globe where such funds are owned and managed (**Figure 1**).

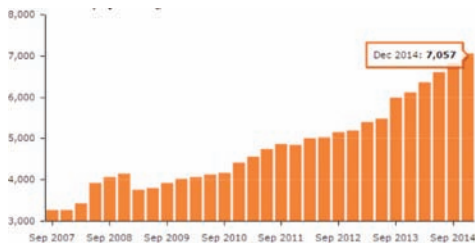


**Figure 1.** Map of sovereign investment funds world wide

Source: <http://www.swfinstitute.org/sovereignwealthmap.html>

According to the same data, at the end of 2014, the value of the active assets of these funds worldwide exceeded 7000 billion US dollars, recording an increase by 219% compared to

the value recorded in the third term of 2007, before the beginning of the crisis [16]. The value of the active assets owned by these funds and its evolution between 2007 and 2014 is displayed in **Figure 2**.



**Figure 2.** 2007-2014 values of active assets of sovereign investment funds

Source: <http://www.swfinstitute.org/fund-rankings/>

In a ranking periodically issued by the Sovereign Wealth Fund Institute (Table 1), Norway holds the largest investment fund at the moment (Government Pension Fund - Global)

and its assets value \$ 893 billion. Second and third come the Abu Dhabi Investment Authority from Abu Dhabi with a value of \$ 773 billion, and Saudi Arabia's SAMA Foreign Holdings holding \$ 757 billion assets. What is worth noticing is that top ten funds in terms of the value of the assets they manage are four Chinese funds: China Investment Corporation, SAFE Investment Company, Hong Kong Monetary Authority Investment Portfolio and National Social Security Fund. The total value of the portfolios owned by these funds is \$ 1822 billion and that makes China one of the main investors in the world in terms of this type of investment. By comparison, ISA's sovereign funds hardly total \$130 billion.

**Table 1.**Top 10 sovereign investment funds in terms of asset value

Country	SIF Name	Active assets value	Founding year	Source
Norway	Government Pension Fund .Global	882	1990	Oil
EAI Abu Dhabi	Abu Dhabi Investment Authority	773	1976	Oil
Saudi Arabia	SAMA Foreign Holdings	757.2	n/a	Oil
China	China Investment Corporation	652.7	2007	Non-commodity
China	SAFE Investment Company	567.9	1997	Non-commodity
Kuwait	Kuwait Investment Authority	548	1953	Oil
Hong Kong	Hong Kong Monetary Authority Investment Portfolio	400.2	1993	Non-commodity
Singapore	Government of Singapore Investment Corporation	320	1981	Non-commodity
Qatar	Qatar Investment Authority	256	2003	Oil
Canada	CPP Investment Board	207.8	1997	Non-commodity
China	National Social Security Fund	201.6	2000	Non-commodity

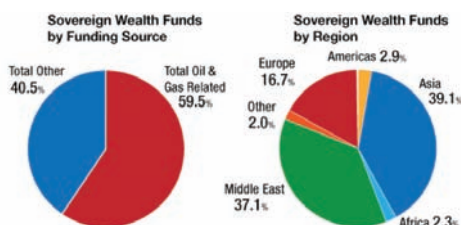
Source: <http://www.swfinstitute.org/fund-rankings/>

As far as the source of the assets in the portfolio of SIFs is concerned, **Figure 3** shows that 59.5% of the industry depends on assets derived from oil exploitation, whereas 40.5% of the assets come from other sources than the exploitation of

natural resources. Geographically, the greatest value of SIFs assets is to be found in Asia (i.e. 39.1%) and in the countries from the Middle East (37.1%). The SIFs from Europe make only 16.7% of these funds and they are represented



by those held by Norway (\$ 893 billion), Ireland (\$ 27.4 billion), France (\$ 25.5 billion) and Italy (\$ 6 billion).



**Figure 3.** Source of the assets in SIFs portfolio

Source: <http://www.swfinstitute.org/fund-rankings/>

#### 4. TOURISM GLOBALIZATION AND SOVEREIGN INVESTMENT FUNDS

In the context of nowadays global economy continuously influenced by the major economic, military, monetary and diplomatic changes, globalization has contributed to the emergence and development of sovereign investment funds along with tourism, a tertiary sector of economy. Tourism provides for 266 workplaces worldwide and contributes by 9.5% to the global GDP. Moreover, an increase by 3.8% to 3.9% in 2015 is foreseen and that means tourism is unequivocally growth engine within the global economy.

Moustrous et al. state that the development of sovereign investment funds as investment opportunities reflects quite accurately the latest economic changes, namely the transformation of emerging national economies from debtors to creditors. Thus, SIFs represent an irreversible consequence of these transformations [17].

The Asian countries have become models of this trend, even though the oil exporters from the Middle East and the developing countries from Latin America perfectly fit these patterns. The assets acquired and the budget surpluses have allowed these countries to attempt increasing their benefits as a result of the reserves resulting from investments through sovereign investment funds. Additionally, as a result of these investments, these countries have soon become touristic destinations that annually attract millions of visitors.

The economic pressure of the past few years have led to the establishment of sovereign funds aimed at exploiting the opportunities generated by the recent economic crisis. For example, the Nigerian Sovereign Investment Authority was founded in 2011 with a view to managing the income resulting from crude oil resources exploitation and the Italian Strategic Fund was established in order to support the growth of strategic companies from Italy, some of which are in the tourism industry. The worldwide economic changes have also led countries like Canada, India, Taiwan, Thailand or Japan to plan the establishment of such funds [18].

The value of the assets managed by SIFs during the economic crisis has had a positive dynamics and, compared to September 2007 it increased by 57% in September 2012. During the first trimester of 2009, their value decreased for the first time way below that recorded all along 2008. According to the 2011 report issued by World Investment, the funds that mainly invested in state bonds have not been too much affected by the economic crisis, compared to those with "equity exposure" [19].

One of the main factors contributing to the latest increase in the popularity of SIFs is their endorsement on behalf of the international financial institutions (the International Monetary Fund, the World Bank the Organization for Economic Cooperation and Development- OECD, the European Commission). As Ana Socol underlines in her article, the European Commission has promoted a common approach to SIFs encouraging states to use such funds. In this respect, the IMF even elaborated an Ethical Code meant for these funds. [20]

One of the major working principles of the European Union is the open flow of merchandise, capital and people and that has undoubtedly led to the development of tourists' inflow into member states. In the context of an open economic system, the EU can become the main player in the field of foreign investments in tourism industry, either as a generator of investments or as a user of these.



Considering the increasing role of sovereign investment funds especially in the hotel and civil aviation business, the European Union is more and more determined to maintain an open market. In this respect, through institutions like the European Commission, the EU got involved in initiating and promoting some principles based on which its member states can maximize their benefits and minimize their risks incurred by sovereign investment funds. Moreover, the EU also encouraged the debates on the issue of sovereign investment funds with a view to adopting some common policies concerning these investment instruments and that mainly aim the respect for free capital flow, international treaties and commitments made by each member state [21].

Sovereign investment funds have increased in an accelerated manner. It is worth noting in this respect that, according to the data issued by Thomson Reuters, about \$ 24.5 billion was spent on mergers and acquisitions in the first six months of 2014, that is the greatest amount of money spent since 2010.

According to an Ernst & Young study [22], the number of mergers and acquisitions has been on the increase by 8% annually, and in this respect a further increase is expected given capital and financing availability under favorable conditions. For example, Asian investments (mainly on behalf of countries like China, Hong Kong, Singapore or Japan) have totaled 43.2% of all cross border transactions in the hotel industry for the past twelve months since October 2014, whereas the North American and Middle East investors came second. In this respect, Manhattan, Hawaii and London rank first three in the hotel business industry where Asian investments were made until October 2014 with a value of 48.5% of the total Asian investments in this industry worldwide [23].

The sovereign investment funds like those from Singapore, Abu Dhabi and Qatar are highly interested in investing in countries where tourism is a developed industry or in those where this represents a potential investment area. Kuwait, through its SIV, allocates

important amounts of money to the real estate sector from London, namely to the City Hall, office buildings, shops, restaurants. Thus, for the “More London” project that is a real tourist attraction, this country invested \$ 2.7 billion [24].

The Abu Dhabi Investment Authority in its turn is continuously expanding especially after its acquisition of about 16% of the Gatwick airports, the second largest international airport of Great Britain, where both line and low cost companies operate. This airport is actually owned by several investment funds owned by countries like Australia (17.23%), or South Korea (12.4%) [25].

The Heathrow airport is in a similar position. China Investment Corporation purchased 10% of the shares owned by the Spanish infrastructure investment company, Ferrovial, for an amount totaling \$ 727 million. Similar to Gatwick, Heathrow is owned by several investment funds like those from Qatar (20%) and Singapore (11.88%) [26].

Moreover, Qatar’s Sovereign Investment Fund through Qatar Airlines purchased 9.99% of the shares belonging British Airlines and Iberia (member companies of International Consolidated Airlines Group (IAG)) in January 2015 for £15 billion, a strategic move that will allow this company to extend its access to the transatlantic destinations that so far have been operated by British Airlines [27].

Numerous transactions have been made in the hotel industry and various sovereign funds have become involved in these. For example, according to Bloomberg, in September 2013 the Abu Dhabi Investment Authority purchased the greatest hotel group from Australia – Tourism Asset Holdings, Ltd. consisting of 31 units positioned in the largest cities of the country for \$ 800 million [28]. A year later, Mike Goodson, head of the hotel industry investment division from within the Abu Dhabi Sovereign Fund, declared the intention of the fund to expand the investments in the tourism industry in Australia, should opportunities in the area arise [29].

Another fund from Dubai, the Investment Corp of Dubai (ICD), became one of the shareholders of

Kerzner International hotel chain that manages hotels like Atlantis and One & Only. Kerzner International along with Istithmar – part of the Dubai World state conglomerate, built the iconic resort Atlantis in the palm like artificial island in the Gulf. Thus, such a strategic move, allowed ICD to control the second largest luxury hotel chains from Dubai (the first, the Jumeirah Group, belonging to the head of Dubai). Moreover, through this investment, ICD committed to support local tourism industry, which is actually the pillar of economic development of the whole area [30].

Meanwhile, Qatar took ownership of the highest sky scraper in the EU – the Shard Tower, as well as of Harrods, both of which attract dozens of tourists yearly. Additionally, a number of representatives of Qatari Diar Real Estate Investment – part of the Qatar SIF started negotiations to purchase the Greek island, Astir Palace, well known for the numerous personalities like Frank Sinatra, Nelson Mandela or Tony Blair who spent their vacations here with the National Bank of Greece that owns 85% of the whole resort (consisting of three hotels, private beaches and 58 bungalows) and the state privatization fund in 2013 [31].

Several investment funds expressed their interest for the Greek islands along time. For example, in January 2015, the American SIV, NCH Capital, announced an investment of € 100 million aimed at developing a project in Corfu based on the 99 year concession it had obtained. By attracting such investments, Greece hopes to overcome its economic difficulties and thus secure its financing from the EU and IMF [32].

Qatar has actively become involved in tourism industry by purchasing luxury hotels from France, including units like Martinez of Cannes or Concorde Lafayette of Paris. In this respect, Katara Hospitality of Qatar took an active part in the development of the hotel Peninsula from Paris, as well as in the renovation of hotels like Gallia of Milan or Schweizerhof of Zurich [33].

The Qatar Investment Authority, through the Qatari Diar (QD) company aims to invest in two tourism projects in Egypt. One of them is about the construction of St. Regis Hotel Tower,

a 180 meter high hotel, that is to be the highest building from Egypt, with 300 rooms and that is to be accompanied by two twin towers situated in the same area. The other project of the company focuses on the construction of a 43.000 square meter resort in Sharm El-Sheikh [34].

In 2014, Wessal Capital – a joint venture investment fund, supported by Qatar, Saudi Arabia, Kuwait and The United Arab Emirates announced investments of about \$ 1.1 billion in the tourism industry from Morocco. These were aimed at developing the Bouregreg Valley, a 6000 hectare area in the heart of the capital city, Rabat, by building hotels, entertainment centers, theatres, residential areas. Moreover, \$ 737 million was meant to modernize the Casablanca harbor [35]. In 2014, England's Sovereign Investment Fund holding a value of about \$ 5 billion started a number of extensive investments in the hotel industry, as well as in tourism infrastructure in the Sub-Saharan area [36]. According to Forbes.com, the Angola Fund was to allocate \$ 500 million in order to develop the hotel industry in Africa [37].

In November 2014, the Italian Sovereign Fund announced the acquisition of 23% of the shares of the Rocco Forte Hotels luxury hotel chain. Most likely, some of the money resulting from the transaction was to be allocated for the development of new projects in Venice, Millan, Naples, and Sicilly after launching a new hotel in Jeddah, Saudi Arabia, in the summer of 2015. What is worth mentioning is that, as a result of recent capital inflow, Rocco Forte Hotels, intends to expand into areas like Madrid, New York, Paris and Shanghai [38].

A number of investment initiatives in the area of tourism emerged in Russia in 2014. For example, a joint venture fund established with the support of the Chinese SIF, Corporation (CIC), and Russia Direct Investment Fund (RDIF), totaling \$ 800 million in assets is to focus, among others, on tourism development and, implicitly, on facilitating tourists' travel among the signatories of the agreement [39].

With a view to all of the above, the global tourism industry is undoubtedly

becoming increasingly sensitive to the investments made by these funds. Financial innovation, in this macro-formula setup could be an effective solution because institutional investors are interested in this industry and because the critical mass of investments and the long- term profile is better adapted to their risk- return profile.

### **5. DISCUSSIONS ON THE POSSIBILITY OF CREATING A ROMANIAN SOVEREIGN FUND FOR DEVELOPING NATIONAL TOURISM**

A possible creation of a Romanian Sovereign Fund remains an interesting idea even if the privatization of tourism industry is practically finished. Past mistakes, failed privatizations, infrastructure degradation and a defiled image portray 25 disastrous years for this industry. The new products based on sovereign funds may represent the key to success. A realistic institutional architecture well anchored in nowadays' reality can be created by rebuilding the trust in markets and industries, as well as through active management actions that enable sustainable performance.

According to the report of the World Travel and Tourism Council (WTTC), tourism contribution totaled about RON 33 billion in 2013 (\$ 9.9 billion) in Romania, that is 5.1% of the country's GDP (whereas worldwide tourism counts as 9.5% of the total GDP). Even though for 2014 an increase of up to 5.4% was foreseen, the figures indicate that despite the country's touristic potential, tourism industry is still insufficiently developed to become an engine for economic development. For tourism in Romania to significantly develop, efficient investments are needed and strategies are required in order to help tourist destinations find their own hallmark and thus tackle regional and global competition.

Developing Romania from an economic point of view by financing important investments is possible by establishing a Romanian sovereign investment fund in various areas, tourism

included, and discussions in this respect are under way. That is not a novelty since interest in the area has been shown ever since 2005 when Romanian government perceived the setup of such a fund as an efficient solution to attract EU funds [40]. Renewed discussions on the issue were held in 2008 with the privatization of BCR for \$ 3 billion. However, the money was spent on increasing salaries in the budgetary area and thus the establishment of the fund was no longer possible [41].

Some publications indicate that the establishment of a sovereign investment fund in Romania could be a solution to stabilize economy at macro level, as well as to counter economic crises like the one of 2008 and the ensuing years. As an investment instrument endorsed by the IMF, the setup of a SIF could also become an important instrument to be used in accessing EU funds [42].

Ionel Blănculescu – former leader of the Consultative Council for the Business Environment – claims that a Romanian SIF could be our country's reply to the international offensive in various areas and, as such, it could be used for investments in large projects that currently are "frozen". According to him, some of the attributions of this fund would also reside in promoting and supporting Romanian investments abroad and in attracting and maintaining Romania's relationship with foreign investors [43]. Lucian Anghel, as President of BVB and CEO of BCR Pensions, stated not long ago that private pension funds could become a sovereign investment fund as a solution to financing the Romanian economy [45]. The relationship between SIFs and pension funds could represent an interesting task for Romania, in the context in which sovereign funds are not visible enough and are very far from the critical mass of assets.

Technically speaking, the SIF could be established and organized like an investment company with a unique shareholder – the Romanian state – and its priority would be investments in areas of interest. In this respect, tourism could be one such field. Investments in road, aerial, rail and sea transportation infrastructure, as well as in the hotel industry,

entertainment infrastructure and public food industry are absolutely necessary.

The Romanian state could contribute to the social capital of the fund through shares and other stocks and bonds. As for the financing of this fund on the long term, that could be done by issuing credit certificates (patrimony guaranteed) and based on the dividends paid by the companies to be part of the fund into the account of the latter and not to the state budget, as it is currently the case. At first sight that could be seen as a disadvantage since most of the income will be directed towards state budget, the initiators of this idea claim that the diminishing of state income from the dividends is only a misperception since the very operation simply consists of a transfer from state budget to the one of the fund (that is also state owned). The main advantage consists is the great benefits resulting from the strategic investments made by the SIF [46].

According to Ziarul Financiar, a Romanian sovereign investment fund could be organized by the French model, namely to be financed by the state from various sources: bonds, privatizations, auto tax, alcohol and tobacco taxes, etc. [47]

Some economic analysts presented the possibility of creating a sovereign investment fund based on something that is already in place in Romania, namely Fondul Proprietatea (Property Fund) whose portfolio also consists of the contributions made by companies from tourism:

- 15.43% from Palace S.A. Sinaia (operating a 4 star hotel consisting of 150 rooms and a 2 star hotel of 71 rooms, both in Sinaia);
- 2.88% from Resib S.A. (a company working in the hotel and restaurant industry and also renting some of its properties);
- 20% from Mihail Kogălniceanu International Airport- Constanța S.A.;
- 20% from Timișoara International Airport - Traian Vuia S.A.;
- 20% la CN Aeroporturi București S.A.;
- 19.9% from World Trade Center București S.A.

However, considering the mismanagement and mis-organization,

the modest value of the assets, the permanent delay in making decisions, the setup of a sovereign investment fund based on Fondul Proprietatea becomes unlikely.

In 2014 the Romanian government began the setup of the Romania-Moldova Republic Private-Equity Fund (it is not a pure sovereign investment fund, though, since it consists also of the money gathered from private domestic and foreign investors, as well as from a contribution of the Romanian state totaling €250 million). The target of net asset value is €4 billion for investments in energy, infrastructure and other priority projects. However, currently there is no information as to whether among these projects there is any in the tourism area [48].

The impossibility of introducing among the priorities of the Romanian government along time shows that defining national long terms economic strategies is truly an issue. The possibility of building upon the advantages of SIFs should be reanalyzed through inter and multi disciplinary research that needs to start from the goals of the fund, the investment constraints and fund management agility.

## 6. CONCLUSIONS. ADVANTAGES, LIMITATIONS AND FUTURE WORK

Sovereign investment funds have been carrying out their work for years now by investing huge amounts of money in various fields, including tourism. However, it is hardly after 2000 that these funds became known as managers of surpluses and foreign assets and hence began to be of interest.

The transfer of large amounts of money from state traditional reserves or from budget surplus, pension funds, etc. towards these investment instruments can have a major impact on the global financial landscape given the fact that their investment strategy is considerably different from that of central banks and other financial institutions.

The recent global financial crisis that led to losses and decreases in the value of the assets owned by these funds, forced



them to reconsider their investment strategies and bring changes to them. Some began favoring investments in their country of origin or close to this, others focused on outreach markets. Moreover, they diversified their areas of investment: the energy sector (as it is the case of Qatar that invested in Iberdrola, the largest wind energy company in the world, or of the United Arab Emirates that bought an important part of Cepsa, a oil company from Spain), infrastructure (for example the SIFs of China, Abu Dhabi or Kuwait invested large amounts of money in Great Britain's infrastructure). What is truly important is that every sovereign investment fund that is important at international level, at least in terms of the assets they own, have recently focused on tourism as well.

The possibility of creating a sovereign investment fund in Romania in order to stabilize the country's economy especially in times of economic crises has been under discussion for years but nothing has been accomplished yet.

By the time such a fund is established in Romania, our country should show a real interest towards such investment factors as possible solutions to finance economy in less restrictive terms than the ones imposed by international financing institutions (especially the IMF) and with no political or economic interference. In this respect, Romania should at least be open to the idea, participate in a dialogue with existing sovereign investment funds for exploratory reasons, given current budget constraints.

As with any scientific research, this paper undoubtedly has its limits. However, these do not impede the final conclusions since the goal is to provide a broad overview of specialized references in the field with no ultimate goal to comprehensively cover the field. That is to be part of a further study in this respect. Hence, the article has a preliminary character and anticipates several areas of future scientific investigation such as a thorough outlook on the investment phenomenon generated by SIFs at international level, an analysis of the impact resulting from the involvement of Romanian tourism in sovereign investment funds, a quantitative research

on the opinion of economic entities in Romanian tourism on the role of SIFs in general economic development, as well as in tourism development. In these analyses it is possible to integrate specific elements from the theory of strategic investments or elements from the literature on real option analysis (ROA) mixed with strategic games.

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# FACTORS EFFECTING TECHNOLOGY ACQUISITION DECISIONS IN NATIONAL DEFENSE PROJECTS

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*“Defense Industry” (DI) not only strengthens the military power of a country, but also effects other fields of technology and economy positively and enables countries to be much more powerful in terms of their competitiveness in technology and knowledge instead of merely being a follower and a continuous customer. If a state seeks to have high-tech and capable DI the only foundation is to create a national environment which is managed based on a systematic “Technology Management” philosophy and well-defined “Acquisition” process. With already reduced resources, it is crucial to spend money for the most needed and right technology. Consequently, the focus of this study is on the “Acquisition” and “Technology Transfer” (TT) concepts and approaches. As such the different TT methods are compared and their advantages and disadvantages discussed. In the last part of the study, DI is described and assessed in terms of the TT methods.*

**Key words:** *Technology Transfer, Defense Industry, Technology Acquisition.*

## 1. INTRODUCTION

In the 21st century technology is the pushing force of economic, political, military and public welfare of countries. Governments who recognize the vital significance of technology implement strategies, visions, national and/or industrial Technology Road Maps (TRM) to establish a “Technology Management” mindset and philosophy within the country and among all stakeholders such as universities, industry, government entities, for the purpose of acquiring independence and superiority in knowledge and technology fields. Governments, who are the major facilitating actors in the field, encourage all stakeholders through incentives, laws and some other regulations for innovation, Research and Development (R&D), corporate endeavors and collaboration among each other to create national technological capabilities.

In order to make the right decisions, decision makers need some tools and techniques concerning technological issues. The “Technology Management” discipline plays a significant role as a useful and systematic tool in helping decisions makers manage technological capabilities and assets. The core activities

of technology management, namely “Selection, Identification, Acquisition, Protection, Exploitation”, show the coarse direction to management, from the phase of searching for a new technology to its disposal from organization.

Limited resources such as time, budget, lack of human resources, lack of encouragement on behalf of governmental authority are some challenging issues in technology management. The most significant problem countries face in technological development issues is the budget. So, governments have to make right decisions and select right technologies and projects in all aspects to gain as much benefit by spending less money. The struggle of “Technology Management” comes into play in this point: Which technology is needed and how to acquire it ?

## 2. TECHNOLOGY ACQUISITION

“Technology Acquisition” is one of the most important part of the “Technology Management” discipline, and represents a process which has to be managed in a systematic approach from beginning to end. [1]

There are different ways of obtaining and selecting required technology to gain

the necessary technological competence and capabilities, both for countries (at macro level) and companies & organizations (at micro level).

There are also different types and methods of "Technology Acquisition" namely "Internal Technology Acquisition Methods"(ITAM)and"External Technology Acquisition Methods"(ETAM).

## 2.1. Internal Technology Acquisition

ITAM are the methodologies which are implemented and employed within an organization whereas ETAM includes external sources or interventions during technology acquisition.

**Internal R&D:** R&D activities, performed to obtain new technologies and/or knowledge, could be held by organizations in collaboration with some other stakeholders (including universities, laboratories, companies, institutes etc.) or just within their own constitution. Internal R&D is the methodology in which human resources, (scientists, engineers, managers etc.) expenditures, laboratories, knowledge are supported and employed within an organization. Internal R&D is the only comprehensive tool for Internal Technology Acquisition.

The most important **advantages** of ITAM are:

- Hand tailored requirements are identified by the organization itself, instead of adapting external technological solutions.

- The assimilation and adoption of new technology within an organization becomes much more rapid and modest.

- Organizations could have their own novel technological competency and could thus outdo their rivals.

- Organizations become less dependent on other stakeholders.

- Organizations could have reliable and safe technologies. Especially in Defense Industry it is fundamental to own national defense and security related core technologies to produce some devices independently. For instance Command, Control, Communication, Computer, Intelligence (C4I) devices, crypto methodologies and devices are just a few examples.

- Organizations could benefit from marketing its own technology or using its own technology as a deterrent factor against its enemies or rivals.

The **potential disadvantages** of ITAM are:

- In R&D there is always the risk to fail, and waste time and money. Hence, high risk-high income is not always the final result.

- It requires much more time and budget.

- The internal technology acquisition process should be encouraged by management.

- It requires qualified R&D human source and innovative scientists.

- The complexity and technological structure of systems (especially in Defense Projects) needs the interaction of numerous components, sub-systems, as well as experts, scientists and their knowledge from various different technological fields. The possibility to have all kinds of capabilities for all cases is almost impossible for any one organization.

When assessing the ITAM in relation with Defense and Security Industry Projects, internal R&D solutions and products seem to present the most important advantages and make a country much more reliable, safe and independent in this respect. Also, a country that owns novel products becomes a much better deterrent against its enemies.

On the other hand, a country can have a share of the global defense market, make other countries dependent on itself, as well as finance its own national future R&D efforts by marketing its old or current technologies.

ITAM naturally have some disadvantages. In a field such as "Defense Industry", which is the object of high budgets and complex projects, R&D usually needs long time and huge amounts of budget and qualified researchers, scientist, engineers. However, it presents no guarantee as to the final results.

## 2.2.External Technology Acquisition

Another series of technology acquisition is External Technology

Acquisition Methodologies (ETAM) which is also called “*Technology Transfer (TT) capabilities by governments or companies which seek to close the technological gaps between other countries/companies or to possess required technological core competences in order to reach strategic targets*”. Technology Transfer management consists of pre-defined activity sets meant to provide the transfer of technology between a transmitter and a receiver [2]. The TT process includes a complex technological environment, complex interactions between stakeholders and teaching and learning capabilities of all stakeholders [3].

Generally, organizations choose external technology transfer when they do not have enough time, core technology or budget to undertake their own R&D. Their common aims are to diversify their products or assets, to avoid the potential risks of failure and to protect knowledge and new technologies [4]. Basically, Technology Transfer is the process employed when organizations face internal incapability and/or unfeasible results when comparing inside solutions with outside solutions. It is also seen as a tool to obtain technologies which prove success and are risk free [5]. The most important reasons for technology transfer between organizations are, as far as the receiver is concerned: to increase its stake on market, to increase benefits, to gain strategic advantage. As for the transmitter these are as follows; to create a market for its old technology and found new R&D efforts for possibly new technologies, to make other organizations dependent on itself. [6]

The technological competences and capability sets needed for this endeavor could be imported by various ways from outside the organization.

ETAM consists of the technology transfer methodologies listed below.

**Direct Acquisition:** is employed in cases when potential R&D expenditure is higher than the costs incurred by direct purchasing and when the need for technology is urgent and vital. In this kind of TT, the receiver becomes remarkably independent to the owner

of technology. Because of rapid TT, the level of technology integration inside an organization could not be fully reached and it causes failure of TT. At the time of the process, the transferred technology usually reaches its saturation phase (base technology) in the technology life cycle and gives less strategic benefits in the long run.

**Direct Foreign Investment:** It consists of situations when a foreign based organization invests new technologies in another country. It enables a limited technology transfer, but it could be still an effective way of making acquisitions. Therefore, governments usually support and encourage foreign technological investments.

**Licensing and/or Know How Contracts:** Depending on type of contract intellectual property rights of technology (license, trademark, design, etc.) or technical issues and technology related knowledge could be transferred. If the technology transfer procedure is managed correctly, this methodology enables strengthening the acquisition performance and high adoption of technology within the organization. But the technology object to transfer process would already become a base technology in the saturation phase at the time of TT. The intent and will of the transmitting stakeholder for transferring technology exactly and as soon as possible is also an important factor effecting the success of TT.

**Turnkey Solutions:** It enables fast solutions for both the transmitter and receiver of TT. However, if not supported by some training, exhibition or some other induction type of activities, it causes ill-defined and flawed TT.

**Joint Venture:** Joint ventures and strategic alliances occur especially in complex and huge projects which need high budgets and interdisciplinary approaches. In this kind of partnerships the most crucial point is to specify in clear cut terms the boundaries and other related issues in order to prevent future conflicts.

**Joint Research Efforts or Manufacturing Partnerships:** R&D investments, risks and benefits are shared by two or more organizations in order to manufacture a joint product as a result



of technology obtained through R&D efforts. The integration of organizations in a joint aim and mindset is crucial and raises the most challenging risk of this method.

**Human resources and Knowledge Transfer:** Human resources are intangible assets of organizations. Therefore, people who are experienced and knowledgeable about any field of technology become vulnerable objects of TT. Organizations that seek to transfer this kind of people encourage them through laws, incentives and good working and life conditions. Nonetheless, this circulation could be organized and managed by two or more organizations in order to obtain each other's experiences and knowledge by exchanging some special researchers and scientists.

**Conferences, Exhibitions, Symposia, Personal Interactions, etc.:** This kind of periodic publications and activities increase the situational awareness of organizations. The recent advancements, applications and regulations could be followed and assessed by actively and/or monitoring open sources. Yet this method does not enable big amount of technological transfer.

**Open Source (Web, Books, Journals, Media, etc.):** The information and knowledge is limited and already available to everyone. Yet it is still necessary to monitor and participate actively in these kinds sources.

**University - Industry Collaborations:** These merge the power of universities', laboratories' and institutes' R&D experience and knowledge with the industry's capital support for R&D, high production, manufacturing and market experience. This kind of method is especially encouraged by governments via Technology Transfer Offices and Technoparks. Companies and universities which take a role in Technology Transfer Offices and Technoparks take advantage of flexible tax applications, credit incentives and some other priorities when compared with their peers. Hence, entities such as Technoparks and Technology Transfer Offices are facilitating actors in this kind of TT. The most important point is to create the appropriate atmosphere for

industry and university to interact and understand each others' requirements and aims correctly.

**Reverse Engineering:** It can be described as a single-sided receiver focused TT. The owner of the technology becomes the object of a transfer without its consent. The receiver employs its own capability to adopt technology by imitating or decoding some parts of it. However, the technology is still under ownership rights and the receiver has only limited knowledge about it. As seen this kind of TT is not ethical and could cause legal problems.

**Mergers (Purchasing Technology Company):** It is the process of completely purchasing an organization with its all technological capabilities. It is the fastest way of transferring complex and high technologies. The cultural differences between organizations could be the biggest challenge to success.

### 3. TECHNOLOGY ACQUISITION DECISIONS

There are some hot points in the acquisition process. After selecting the desired technology, the management board has to decide to integrate technology through internal or external methods. If external methods are preferred, they have to select the best methodology which presents most benefit and enables most rapid and robust technology adoption. For a successful TT, to collect and analyze needed data for decision makers, to evaluate feasibility studies, to create appropriate transfer environment for all stakeholders, and to establish a well defined management process are vital factors.[7]

However, even if, as it results from the comparison of the 2012 and 2013 fiscal data presented by the SIPRI (Stockholm International Peace Research Institute), national defense budgets have decreased by 1.9% the defense market still presents high profits and opportunities at global scale for countries and companies. [8]

The Defense Industry, includes complex technologies, high budgets and expenditures, big market profits and requires qualified experienced human



resources. Developments in the defense industry, spin off to other technology fields, the increasing market rivalry, and high costs push governments to develop their own national defense industries. The dependency on foreign powers and organizations in defense technologies decreases the reliability and sustainability of armies.

On the other hand, powerful and innovative national defense industries may return pecuniary and non-pecuniary profits, like big market share, becoming an exporter of defense industry instead of a customer, political and military effectiveness on global scale.

In such an important industrial environment with increasing complexity, the choices must be wise and on time. Managers dealing with "Military Defense and Security" projects, should be aware of technology, future paths and trends in defense doctrines and warfare. When selecting a technology acquisition method for any kind of technology, managers have to deal with lots of topics [9]. The main questions awaiting answers concerning Defense & Security projects are as follows:

- Political challenges,
- Budget limitations, the feasibility of both internal and external resources,
- Urgency of required technology,
- Technological Readiness Level (TRL) of desired technology,
- Importance and vulnerability of technology for homeland security,
- The Technological Maturity Level of technology,
- Potential Value Added by having the technology available via internal sources,
- Complexity of Technology and Systems,
- Availability for future developments and incremental enhancements.

After assessing the object technology (technology desired to be obtained by acquisition process), if it is decided to be transferred, the proper methodology must be chosen. In this process, Defense & Industry project managers have to choose the best TT tool to gain maximum benefit. After searching for all potential stakeholders, opportunities and bids the best fit option should be employed. At

this phase, any manager must take into account the factors below.

- The scope of the defense project,
- National industry capability concerning personnel and technological aspects,
- The budget allocated for the project,
- Feasibility of the project,
- Potential risk of failure,
- Potential stakeholders, technological and communication capabilities,
- Geopolitical distance between potential stakeholders, sources, etc.,
- The complexity of a given project,
- International strategic alliances and political circumstances,
- International agreements and contracts,
- Technology possession level of stakeholders,
- The willingness of potential stakeholders to share technology and knowledge.

#### 4. CONCLUSIONS

Defense industry and technology are very important fields for all countries because of various reasons. As a triggering factor and positive facilitator of economic growth and technological spin offs to other fields within the country and as a political, military and strategic source of power, defense industry and technology presents remarkable effectiveness to the organizations and countries which put emphasis on technological and industrial growth in the military defense field.

The increasing costs and complexity of defense projects and the decreasing budgets force project managers to choose the best technology by using best acquisition process. The "Technology Management" discipline plays a significant role and helps decision makers as a useful and systematic tool in managing this kind of challenging projects.

As a part of technology management "Technology Acquisition" can be divided into 2 parts: Internal Technology Acquisition and External Technology Acquisition.

The importance and vulnerability of desired technology to national security, budget limitations, technology readiness

level, technology maturity level, stakeholders interaction, feasibility, internal human resources qualification, time limitations, the necessity of being a national solution and the risk of failure are some important factors which can affect decision makers when choosing internal or external technology acquisition methods in defense projects.

If decision makers select external acquisition (technology transfer), another decision point occurs. Which technology transfer method is the best? Decision makers have to deal with some challenges and think about some issues such as scope, budget, complexity level and feasibility of defense projects, international agreements and contracts signed by the country about defense sources limitations, TRL and TML of the object technology, internal human resources and technological capabilities, potential stakeholders technological capabilities, and potential stakeholders willingness to share technology and knowledge, geopolitical position of a country (distance to technological areas, stakeholders and other resources), international strategic alliances with other countries and risk of failure are factors which affect defense project managers when choosing technology transfer type and method.

To select and invest into the right technologies by implementing appropriate processes is vital for effective defense management. Balancing the diversification of technological projects, identifying vulnerable and critical technologies for national security and to make feasible decisions is important

especially considering the global trends in decreasing defense budgets. The tradeoffs made by governments in the acquisition of defense technology projects must be realistic, optimized and technological processes must be run and managed systematically from beginning to end.

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# DESIGNING A MODERN LABORATORY FOR URBAN COMBAT TRAINING (L4UCT). A PROJECT MANAGEMENT METHODOLOGY BASED APPROACH

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*This paper presents the essential coordinates of the project concerning the achievement of feasible versions in terms of their design and functions) of a laboratory for urban operations for cadets, with high potential for implementation in military higher education institutions. Data to identify the optimal correlation (in terms of technical, system and operational views) between game and simulation, applicable in the military field, based on the use of available airsoft weapons and specialized softwares existing on the specialized market for military and / or civilian use are envisaged. Our approach for this project maintains the common areas (resources, rules, actors) in the professional civil literature and the types of simulation defined in military documents: real simulation (it implies real people operating real systems), virtual simulation (it implies real people operating simulated systems) and constructive simulation (models and simulations which imply simulated people operating simulated systems, with real people setting the premises but not determining in any way the outcome of the simulation).*

**Key words:** simulation, urban combat, project methodology.

## 1. BUSINESS CASE

### 1.1. Project general framework

In the education of fighters for Land Forces, the Military Operations in Urban Terrain (MOUT) should be seen as a high training priority demonstrated by recent theaters of war operations (e.g. Afghanistan/ **Figure1**). Given the fact that the terms Smart Defense and Intelligence are common in contemporary society, this kind of solutions implemented in the educational system support the neo-function of knowledge.

The first step in the process of training may be studying the current regulations (for example FM 3-06 Urban Operations) in a theoretic classroom, creating a scenario that can be enacted in a virtual environment, provided very efficiently by the Virtual Battlespace 2 program, and analysing the results in order to implement the scenario in a laboratory (mini-polygon). This phase complete, the process can move on to the second phase, the “field” phase, where the training is more realistic (**Figure 2**).



**Figure 1.** Real Urban Combat Operations [1] [2]



**Figure 2.** Variants of Urban Combat Laboratories and the solution proposed by the project [3] [4]

## 1.2. Description of the software and technology proposed to be used in the laboratory

The solution approached in a research project proposal submitted to the Romanian Ministry of National Defense initiated in “Nicolae Bălcescu” Land Forces Academy, Sibiu, Romania revolves around airsoft replicas (**Figure 3**), in the way they are usually accepted and used by a vast majority, as precise copies of real weapons (AK, M4, MP7, Glock, etc.). Historically speaking [5], airsoft has its origins in the 70s, in Japan, where firearms were forbidden and, as a response, the production of an extremely realistic, non-metallic collection of replicas, of military fire-arms began. Afterwards, a system of propulsion resembling the one in target practice was introduced. This was the way non-lethal replicas of real firearms appeared. Afterwards, they became popular in Asian markets under the name of “soft-air” or “air-soft”. The gas-propelled replicas evolved, in the late 90s into cheaper electric models (AEG), followed by the development of the systems providing for the accuracy and buoyancy of the projectile. The ammunition used by airsoft replicas consists in non-metallic balls generally made from ABS plastic, but as an alternative there are also biodegradable materials, polytetrafluoroethylene, glass, etc. The scenarios of the airsoft games vary a lot, depending on the location, on the number of participants and on the economic capabilities, but generally they go from small “skirmish” games to complex military *be specifically tailored to meet the individual*



**Figure 3.** Airsoft weapon and bullets used [6]

simulations and historical re-enactments. In these events the participants often associate the airsoft replicas with the real equipment and military tactics with the ones used by the armed forces.

“VBS2 (Virtual Battlespace) offers realistic battlefield simulations and the ability to operate land, sea, and air vehicles. Instructors may create new scenarios and

then engage the simulation from multiple viewpoints. The squad-management system enables participants to issue orders to squad members. VBS2 was designed for federal, state, and local government agencies and can needs of military, law enforcement, homeland defense, loadmaster, and first responder training environments.

Also, VBS2 may be used to teach doctrine, tactics, techniques, and procedures during squad and platoon offensive, defensive, and patrolling operations. VBS2 (Figure no.4) delivers a synthetic environment for the practical exercise of the leadership and organizational behavior skills required to successfully execute unit missions. This instrument is suitable for training small teams in urban tactics, entire combat teams in combined arms operations or even non-military usage such as emergency response procedures in lethal and non-lethal environments or terrain visualization.” [7]



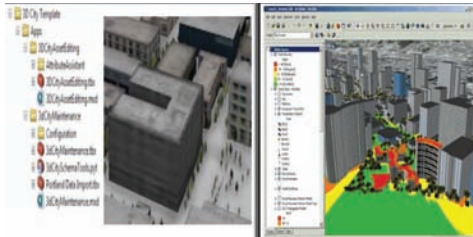
**Figure 4.** Urban combat training scenarios simulated in the VBS 2.0 program [8]

Also, a useful tool for this project could be ArcGIS. “The ArcGIS Predictive Analysis Tools Add-In is a set of tools used by analysts to build models to predict the location of moving or stationary targets or events. The predictions may be based on doctrine, or they may be derived from a set of observations. The Add-In can be used as part of a workflow to predict future events and activities, such as the likely landing spots for a smuggler’s boat, or the probable locations of mobile missile launchers. The ArcGIS Predictive Analysis Tools Add-In lets you build, save, and load queries to share analytical workflows. Included are tools to quickly create simple linear distance from and time from surfaces, which can be useful inputs for predictive analyses. These tools can derive predictive queries from a set of observed points where an event is known to have occurred. There is a speed-model builder that lets you develop sophisticated travel-speed models that account for multiple environmental variables.



*It includes tools for finding shortest paths between locations, given a set of environmental conditions (including point, line, and polygon sources and barriers). The Add-In also includes a time window for showing subsets of, and animating, time-enabled data on the map and in graphs.”[9]*

It is very well known the fact that these symbols can be used to represent a large variety of GIS features (such as trees or fire hydrants for point features, grass or water for polygon features, and tubes or texture lines for line features). More than that, ArcGIS 3D Analyst supports specialized three-dimensional models, including MultiGen OpenFlight, 3D Studio MAX and SketchUp formats, to allow for a more realistic representation of three-dimensional characteristics (**Figure 5**). [10]



**Figure 5.** Possibilities to model and simulate urban details using ArcGis software [11] [12]

## 2. SCOPE MANAGEMENT PLAN

## 2.1. Scope and objectives

The project aims to increase the effectiveness of training students by developing a modern mini firing range for urban combat, according to the current state of requirements imposed by the beneficiary (MoND), through Land Forces headquarters.

The project follows four major objectives:

- synthesis of game and simulation features (minimum 5), militarily relevant for specific applications;
- conducting research in order to identify the current state of airsoft type applications using different perspectives (one view for civilian use and one for military);
- development of feasible alternatives (in terms of design and and functionality) of laboratory for urban combat in order to transferr the expertise and experience gained by playing and simulation, in the real context of cadets training;
- implementation of the alternative deemed most feasible in the Land Forces Academy of Sibiu (at the end of the project).

## 2.2. Outcomes

This project ensures the approach of new concepts such as e-leadership in a tactic field, the acquirement of training competences for small military structures. It could be also an alternative to obtaining certain extra-budgetary revenues while being, at the same time, a landmark in the promotion of the Land Forces Academy in the civil society.

### 2.3. Project feasibility

The project is considered as a feasible one and with all qualities and premises necessary for development because:

- it proposes new solutions of training applicable to very many military fields, the proposed technologies having an important impact in terms of resources using performance;
- it responds to the concrete needs of Land Forces education institutions;
- a controlled process of managing activities, a risk management plan, a change management process, laws and regulations to be complied with (Law 295/2004 related to the Weapons and Ammunition, updated, republished in the Official Monitor no. 814/17.11. 2011), quality standards and the basic facilities necessary to complete these activities are already in place;
- the project is mostly realized inside “Nicolae Bălcescu” Land Forces Academy, Sibiu, Romania by a research and development team with people specialized from departments with wide ranging experience and acknowledged performance in military and security scientific research and developing area.

## 2.4. The work breakdown structure

The work Breakdown Structure (WBS) of this project consists of the following activities:

- technical investigations about current solutions used for urban combat training (identification of NATO requirements for specific training in urban areas; analysis of the role of the Military Operations in Urban Terrain (MOUT) in the education of cadets and fighters for Land Forces);
- elaboration of project plan that will be implemented (this will include: synthesis of a SWOT analysis related to the agreed intention; team formation and the establishment of responsibilities; the final study elaboration; research related to practical and theoretical approaches about game and simulation; study and elaboration of systemic aspects; study and elaboration of technical aspects; study and elaboration of operational aspects);



- realizing the product L4UCT (namely the theoretical room of L4UCT; realizing the minipolygon /practical room of L4UCT);
- testing the product L4UCT (visual inspection; elaboration of the testing plan; the static testing of the product regarding mechanical and physical properties of the structures of the minipolygon, realization of connections between objects; the dynamic testing of the product; developing the testing report using the opinions of trainers and cadets involved);
- dissemination of the results (project web site update; organization of a workshop with representatives of the military educational institution and officials from MoND; editing a brochure for conducting MOUT courses);
- auditing the project (elaborating the financial audit report; elaborating the final report; sending the final report and the financial audit report to the MoND);
- closing the project (archiving the documents; assigning the inventory number).

### 3.PROJECT RISK MANAGEMENT

In order to build a quantitative analysis of the risks, a 5 x 5 matrix is used, in which the risk level (**Table 2**) is calculated by multiplying the values of emergence probability and the event impact (**Table 1**).

**Table 1.** Project risk assessment

Likelihood (A)	5 very likely	5	10	15	20	25
	4 likely	4	8	12	16	20
	3 feasible	3	6	9	12	15
	2 slight	2	4 B,C, F	6 D, G	8	10
	1 very unlikely	1	2 A, E	3	4	5
		1 insignificant	2 minor	3 significant	4 major	5 critical
IMPACT (B)						

In this case, the significance of the colors used in the matrix is: Green = Low risk, Orange = Medium risk, Amber = 10 – 12 high risk, Red = High risk.

**Table 2.** Risk assessment grid

Likelihood of Occurrence (A)	Severity of Impact (B)
1- Very unlikely (hasn't occurred before)	1 - Insignificant (have no effect)
2 - Slight (rarely occurs)	2 - Minor (little effect)
3 - Feasible (possible, but not common)	3 - Significant (may pose a problem)
4 - Likely (has before, will again)	4 - Major (Will pose a problem)
5 - Very Likely (occurs frequently)	5 - Critical (Immediate action required)

The risks associated to this project and the conditions under which they are likely to appear (**Table 3**) are related to the following areas: host institution executive support; project managers' authority; project team members' motivation; products interoperability level; quality of the purchased products.

### 4. TIME MANAGEMENT PLAN

The purpose of this plan is to show how the project will be executed and to provide to all stakeholders a tool to monitor project status at any given time. All the project members must agree with work assigned, durations and schedule. The project schedule will be reviewed and updated by the project manager weekly based on the reports and observations provided by the team members. The total estimated duration of the project is 95 working days between 29 April 2014 and 11 September 2014.

The milestones are: the final study elaboration - 05.06.2014; acquisition of VBS 2.0 kit and ArcGis Version 10 - 04.08.2014; the dynamic testing of the product - 12.08.2014; editing a brochure for conducting MOUT courses - 01.09.2014; sending the final report and the financial audit report - 02.09.2014; archiving the documents - 09.09.2014.

The detailed time management plan of the project should be represented by the Gantt chart.

**Table 3. Project risk factors and related actions**

Risk	Risk description	Likelihood	Impact	Likelihood x Impact [Score]	Actions required
A	Personnel from project team misses	1	2	2	Activities will be reassigned to another project team members
B	The estimated costs for some of the products may be higher than expected Some delays caused by the Romanian	2	2	4	During the planning phase a 5% margin for the acquisition costs was discussed
C	Law of acquisitions (ambiguous in some situations)	2	2	4	Depending on the procedure used in the acquisition processes, the legal duration of the acquisition can be extended in order to have enough time.
D	Differences between the products requested and provided by firms	2	3	6	The contract will mention the required specifications
E	Insufficient knowledge about the integration of technical, operational and systemic approaches of the project	1	2	2	Inhouse training course will be provided, brainstorming meetings will be held
F	Transformation of institution	2	2	4	The benefits of project for the cadets, regardless of the decision making authority, will be emphasized.
G	New equipment is not interoperable with existing one due to different software and hardware connectivity issues	2	3	6	The feasibility study will be conducted based on IT standards

## 5. PROJECT QUALITY MANAGEMENT

The quality approach consists in controlling the deliverables according to existing standards. The entire project team is part of the Land Forces Academy and its activity complies with the standards applied to the entire institution. "Nicolae Balcescu" Land Forces Academy participated (2012-2013), along with other higher education institutions included in the "B" category - education and research institutions, in the international institutional assessment processes within the project "Performance in Research, Performance in Teaching - Quality, Diversity and Innovation in Romania's Universities". The Institutional Evaluation Programme (IEP) is an independent membership service of the European University Association (EUA) that offers evaluations to support the participating institutions in the continuing development of their strategic management and internal quality culture. The IEP is a full member of the European Association for Quality

Assurance in Higher Education (ENQA) and is listed in the European Quality Assurance Register for Higher Education (EQAR). The Management is committed to the Quality endeavor by providing all the necessary resources in terms of manpower, skills, tools etc. In corroboration with the Quality goals, Land Forces Academy has a well structured Quality Management System (QMS) having a strong process focus and comprising of Procedures, Guidelines, Standards and Templates. Stakeholders decide on the quality of the cadets based on the performance of the command officers building up process, according to the assumed institutional task, a process that is presented in the next figure.



**Figure 6. Pillars of quality assurance in cadets education [13]**

Also, in 2010 “Nicolae Balcescu” Land Forces Academy Sibiu was subject to an external institutional evaluation conducted by the Romanian Agency for Quality Assurance in Higher Education, which accredited all bachelor and master study programmes and rated LFA Sibiu as “University of Highest Confidence”.

Based on this framework, the scientific results of this project will be submitted to the scientific community in order to have a feed-back on the writings. At the same time this feed-back will serve as a quality measurement. The main key quality concepts and the associated measurements are: functionality (it is necessary to have great flexibility in terms of the different urban combat scenarios that will be practiced with the cadets team/platoon); safe security (it is necessary to comply with work protection measures by wearing specific military equipment and accessories). The success of the project is dependent upon the performance and experience of the managerial team. The project also helps each participant in enhancing the experience in their areas of expertise and to obtain an actual perspective of a subject. As special standards and regulations, AQAP 2110 – NATO quality assurance requirements for design, development and production, and UFC 4-022-01 Security Engineering will be applied.

After the test phase a questionnaire will be given to the cadets to see to what extent the laboratory meets their expectations (Table 4 ).

**Table 4.** L4UCT product quality evaluation questionnaire-USER’S VOICE

Seq.	Quality criteria	Score (1-5)	Additional comments
1.	Laboratory spaces are adequate from an ergonomic point of view.		
2.	Laboratory helps to improve basic skills in the urban combat training.		
3.	Targets acquisition has an appropriate level of difficulty.		
4.	Degree of targets camouflage is...		
5.	Scenarios practiced by computer can be applied in reality using airsoft weapons.		
What would you improve in this laboratory?			

## 6. HUMAN RESOURCE MANAGEMENT

The organization of the project team is presented in Figure 7.

The main responsibilities and associated necessary skills are:

- the project manager approves and will be responsible for carrying out of all indicators. He is the one responsible for the relationship with the rector of institution. The Project Manager must have a PhD degree in engineering science and strong knowledge in quality assurance requirements (ISO 9001).

- the financial team will provide financial management and will be responsible for drawing up all financial documents/reports and for acquisitions. They must have very good knowledge and experience in acquisition laws and acquisition procedures.

- the training officers team is responsible for creating training scenarios, generating urban combat requirements for IT experts and implementation of laboratory in the training of cadets. They will be able to provide state of the art military training equipment.

- the R & D team will provide project management activities in different phases and is responsible for integrating the technical, systemic and operational aspects. They have to be specialized in management or related fields.

- the IT team will provide technical software requirements and coordinate implementation ensuring the interoperability of equipment. Previous expertise is needed in the field of military and security IT equipment for decision making processes and troop leadership procedures.



**Figure 7.** Project organization chart

Rarely does everyone on a team have the same understanding of who is responsible for what. A RACI (R = Responsible, A = Accountable, C = Consulted, I = Informed)

Chart, also known as a RACI Matrix, clarifies roles and responsibilities, making sure that nothing falls through the cracks. RACI charts also eliminate duplicated efforts and confusion by assigning clear ownership for each task or decision. For the present project this tool is applied in the next table for the main activities, considered milestones.

**Table 5.** RACI matrix

Activities	PM	F	TO	NCO	RD	ITE	ITW
Final study elaboration	A	C	C	I	R	R	I
Acquisition of VBS 2.0 kit and ArcGis Version	C	R	C	I	C	R	C
Installation of all products purchased for laboratory	I	I	R	R	C	R	R
Product dynamic testing	I	I	R	R	C	R	R
Editing a brochure for conducting MOUT courses	A		R		R	C	
Sending the final report and the financial audit report	A	R	C		R	I	
Document archiving	I	R		R	I		

## 7. COMMUNICATIONS MANAGEMENT PLAN

The stakeholders identified as relevant for this project are: the cadets (K); project team members (PTM); institution's leadership (IL-dean of faculty, rector, vice rectors); Department of Armament from MoND (DA); Romanian Land Forces Staff (RLFS); suppliers (S).

The communications management plan has to fulfill, mainly, the following roles:

- to report to high importance stakeholders the status of the project and the influence on their institutions;
- to brief and debrief all project members on their activity and how their work influences the project.

In order to achieve the performance strategy of the project, we must assure timely and effective communication to all of the stakeholders involved with the project. Our communication will be based on the scope and on the project phases. Communication during the project will be done using the communication facilities provided by the Land Forces Academy (e.g. e-mail, phone, fax, regular mail, etc.).

These groups are analyzed based on the support (power/ influence)/ interest criteria provided by Mendelow's Model. According to these, the categories identified as relevant for this project are: High power, interested people (HPIP); High power, less interested people (HPLI); Low power, interested people (LPIP); Low power, less interested people (LPLIP).

The Stakeholders' Matrix is presented in **Figure 8.**

power	low	level of interest	
		low	high
	high	C	D DA, RLFS

**Figure 8.** Stakeholders' Matrix for the L4UCT project

The following strategies might be applicable to each quadrant [14]:

- **Box A (minimum effort):** their lack of interest and power makes them open to influence. They are more likely than others to accept what they are told and follow instructions.

- **Box B (keep informed):** these stakeholders are interested in the strategy but lack the power to do anything. Management needs to convince opponents to the strategy that the plans are justified; otherwise they will try to gain power by joining with parties in boxes C and D.

- **Box C (keep satisfied):** the key here is to keep these stakeholders satisfied to avoid them gaining interest and moving to box D. This could involve reassuring them of the outcomes of the strategy well in advance.

- **Box D (key players/participation):** these stakeholders are the major drivers of change and could stop management plans if not satisfied. Management, therefore, needs to communicate plans to them and then discuss implementation issues.

It is compulsory that the project manager will create a database with contact information for all stakeholders directly involved in the project.

## 8. PROJECT COST MANAGEMENT

The total cost of the project is: \$61116.

The main categories of costs refer to the acquisition of VBS and ArcGis software (28000\$), audio system (1000\$), after action review tools (2000\$) and system components of airsoft (2500\$). The main assumptions used in this part of the project are: the material and equipment resources required for the laboratory will be subject to acquisitions actions; the project team members will be paid with their monthly salary.

## 9. PROJECT CLOSEOUT

The project manager will get feedback from project team members. All the documents related to the project are to be archived electronically and in paper format according to MoND rules. Based on these documentations, the project manager presents to the final report and the plan for the workshop the key stakeholders in order to disseminate project results. Another post project stage could be that of finding links with other research, in this case the results achieved by Romana Oancea [15] representing a useful guideline.

## 10. CONCLUSIONS

The domain of modelling military actions and its use in cadet instruction combines judiciously the advantages of game and simulation. Moreover when addressed both theoretically and practically and starting from the common points (resources, rules, actors), and moving on to its agreement with the requirements of a demands based knowledge society proves

a modern approach. Even if itless exploited at national level, it has a great potential to transform and implicitly to adapt land forces to the demands and challenges of the new security environment. The operational model developed by this project ensures reduction of the budget spent for basic military training and representation of a more complex system that allows experimentation in a direct manner, minimizing physical risks while maximizing awareness of the associated risks with these types of battle procedures.

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# CHALLENGES WHEN DEVELOPING PERFORMANCE INDICATORS

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*Developing key performance indicators (KPIs) represents one step closer to the achievement of objectives and strategic vision of the organization. They are important elements of the pathway towards performance, they evaluate and indicate the level of progress, guide the organizational strategy, they can be considered even the qualitative or quantitative expression of the execution of the strategy. Building reliable and appropriate measurement systems is one of the most difficult stage in the performance evaluation process. Such systems of management will help the executives and the management teams identify and build upon the elements that create competitive advantage and opportunities for better results.*

**Key words:** KPI, KPO, measurements, culture, strategies, goals, objectives.

## 1. ORGANIZATIONAL STRATEGY AND PERFORMANCE

Nowadays, the trend in societies and in economies is a constant growth in complexity and volatility. Organizations, as part of the social and economic environment, are influenced by these phenomena thus, establishing accountability and strategy has become a crucial, but very sensitive matter for managers. With the purpose to respond as accurately as possible to all these changes, measurement systems have been developed in order to evaluate organizational performance.

Developing reliable and appropriate measurement systems is one of the most difficult stage in the evaluation process. Such systems of management will help the management teams identify and build upon the elements that create competitive advantage and opportunities for better results.

One of the buzz terms of the decade is KPI (Key Performance Indicator). Everyone agrees on the importance of KPIs since they are closely linked to the accomplishment of objectives and of the organizational strategic vision. They are important elements of the pathway towards successful achievement of objectives, they evaluate and indicate the level of progress, guide the organizational

strategy, they can be considered even the qualitative or quantitative expression of the execution of the strategy.

According to Dennis Mortensen "A KPI: 1) Echoes organisational goals, 2) is decided by management, 3) provides context, 4) creates meaning on all levels of the organization, 5) is based on legitimate data, 6) is easy to understand and 7) leads to action." [1] Despite their important role, we should be very careful when establishing and using KPIs. One of the most frequent problems arises from the overusage of such indicators, meaning that, not everything should be measured. According to specialized literature (some say Peter Drucker, others say Edward Deming), „what gets measured, gets done“. This is true, but should everything be measured? We should measure only what helps us make better informed decisions in order to diminish uncertainty and to clarify the direction to be taken. We should measure only the things that can tell what is most important in and for the organization. Therefore, establishing the right indicators is not simple. A KPI is a metric, but a metric is not always a KPI. However, if the metric can be used as source for recommendations that could impact positively present or future ways of action, it can be a KPI.

## 2. KPQs AND THE DESIGNING OF KPIS

Organizations should not only try to capitalize on their strengths, but they should also attempt to discover their weaknesses and try to minimize them. Finding out what the organization cannot do or what it is not good at is not proof of ignorance, it is actually a step towards improving the activity.

The simplest way to design a KPI is by asking a question, a question that will elicit an answer about what is needed to be known, about the data that is necessary to be collected in order to assess progress. Such questions are called Key Performance Questions (KPQs).

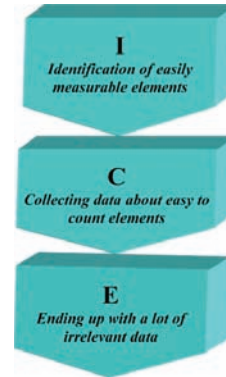
KPIs should always be correlated with KPQs in order to show more clearly why the data collected is relevant. Collecting data just because it is interesting to know and not making use of it in the decision taking process is just a waste of time and resources. KPQs must be derived from the organizational strategy, each strategic objective can be the source of one or more KPQs. For example, if the objective of your organization is to increase profit, the number of people accessing the company's website is just a metric, unless it impacts or can be correlated with the revenue.

KPQs guide us towards what we need to know, data collected randomly, generally, is not useful information. KPQs should not be generic, standard questions from already existing questionnaires, they should always be tailored to the specific domain and the stage of activity. One of the most difficult questions is what could be measured in the organization in order to show what progress has been made.

When deciding upon one KPI we should start by considering the main (final) objective(s) to be attained, then breaking it into sub-objectives and only then trying to develop the KPI. Unfortunately, the ICE approach (described below) appears far too often when developing KPIs [2]:

1. Identifying the elements which are easily measurable;

2. Collecting data about easy to count elements;



**Figure 1.** The ICE approach

3. Ending up with a lot of irrelevant data.

Consequently, the information provided by the KPIs is wrong or in the best case, partially relevant.

KPIs should not be developed in excess, not every activity needs measuring since not every measurement brings useful information on the progress made.

There should be four main reasons for developing KPIs:

- to check if the ways of action adopted are in accordance with the objectives;
- to gather the information necessary to improve the activity;
- to control and monitor the activities and the people performing them;
- to provide support for the reports going to external stakeholders (external reporting indicators).

## 3. ORGANIZATIONAL CULTURE AND PERFORMANCE

Organizational culture is mostly invisible to the employees even though it affects all employee behaviors, thinking, acting thus, the results obtained by the organization.

The cultural specific of the organization influences performance and effectiveness almost as much as strategy does. Culture fosters some of the success factors of an organization:

- the way value is assessed and appreciated within the organization;
- the way people are perceived by the organization and the present and future opportunities the employees recognize and have within the organization;

- what actions the employees shall take in order to carry out their tasks and accomplish the objectives.

The shared values within the organization, may increase performance. Researchers proved that there is a connection between organizational culture and performance, with respect to success indicators such as revenues, sales volume, market share, and stock prices [3]. More than that, it is important that the culture match the requirements of the environment so that the shared values are appropriate for the organization in question and performance may benefit from culture [4].

For instance, if the organization belongs to the high-tech field, having a culture that stimulates innovation and adaptability will enhance its performance. Nevertheless, if a company in the same industry has a culture characterized by stability, conformity, tradition its evolution towards performance might be slowed down. Consequently, having the "proper" culture could become a competitive advantage for an organization whereas having the "improper" culture may generate performance difficulties to the extent of organizational failure. Also, an improper culture may act as a change barrier preventing the organization from taking risks.

Developing ways of measuring the impact culture has upon the accomplishment of objectives will provide good indication on the effectiveness of the organization.

Most of the time, executives focus mostly on financial and operational ratios and statistics. They consider that employees work just for financial benefits and the idea of having a work place. "Realistic, down to Earth managers" are those who make money, focus on objective data and "soft" stuff like organizational culture is not important.

Kandula [5] states that a strong culture fosters performance and every specific trait will influence the way strategies are put into practice. In consequence, the same strategy will produce different results for two organizations functioning in the same domain and the same geographical region. Strong cultures will always influence positively the activity

whereas, in weak cultures employees are prone to underperformance. Magee [6] claims that the impact of organizational culture upon organizational practices and performance (or underperformance) is the natural result of this interaction. The two are so closely related that any change in one is mirrored by the other.

Organizational culture may be a useful predictor of performance, traits like participatory management, creativity, empowerment, consistency, voluntarism, adaptability they all influence the development of indicators.

Denison's organizational culture model is based on four cultural traits involvement, consistency, adaptability, and mission that have been shown in the literature to have an influence on organizational performance [7].

The four traits of organizational culture in Denison's framework [8] are as follows:

*Involvement:* Organizations which empower their people, develop human capability, independent thinking and initiative. Managers, and employees see the organization as more than a source of income, they are committed to it. They think that their input in the decision making process will influence the future course of action and the achievement of objectives.

*Consistency:* Strong cultures that are highly consistent, well structured. Strong core values are at the base of consistent and productive behaviours. Consistency creates a stable environment with well integrated employees whose activity perseveres towards reaching their objectives.

*Adaptability:* Well integrated organizations are often quite rigid and reluctant to change. Internal integration and external adaptation are in contradiction. Adaptability involves accepting change and the risks embedded in this with a view to improve the organizational system in order to satisfy their customers and provide value for them.

*Mission:* Success in organizations is given by a clear sense of purpose and direction arising from the organizational goals and strategic objectives. A clear vision of how the organization will look in the future guides the present activity. When an organization's underlying mission changes, changes also occur in other aspects of the organization's culture.

#### 4. CONCLUSIONS

Performance indicators can provide information on what strategies bring success for the long-run. To be most useful, performance indicators must be objective, uniform and rigorous picture of reality.

KPIs are important not only for performance measurement, but also for mapping organizational development. Best practice organizations clearly understand what is needed for their development. They separate external reporting indicators if they are not relevant for the measures that must be adopted internally, in order to avoid confusion and data overload. They create the proper culture for driving high performance.

At the same time, performance indicators offer information on what stimulates success for the long-run. Useful, performance indicators are simple, timely, specific guiding us towards what we need to know not just data collected randomly.

As a conclusion, we can say that the relationship between organizational culture and performance management is very close. Measuring for discovering and improving is the most natural form of using KPIs, with a view to provide the managers and the employees with the information necessary for taking

decisions. In this context, KPIs are used inside the organization as support for managerial decisions and for learning and development.

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# RELATIONAL APPROACHES REGARDING THE RECEPTION, STAGING, ONWARD MOVEMENT & INTEGRATION PROCESS WITHIN THE FORCE PROTECTION MECHANISMS IN THEATRES OF JOINT OPERATIONS

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*Presently, the strategic security environment is characterized by uncertainty, complexity, rapid changes and persistent conflict. This environment is fluid, with continually changing alliances and partnerships, new national and transnational threats constantly appearing and disappearing. The global process of crisis and conflict management became more difficult to be handled because of the existing economic and military instability, the persistence of the economic crisis, and the development of extremism, revisionist, secessionist or separatist manifestations. The current article approaches the problem of Reception, Staging, Onward Movement & Integration Process as part of the complex force protection mechanism which takes place in theatres of joint operations. In this respect, we will briefly present the international security environment which influences the projection of NATO, United States and European Union's military forces, in accordance with strategic and operational requirements.*

**Key words:** international security environment, military force protection, force deployment, strategic movement, reception, staging, onward movement & integration process, force engagement, redeployment.

## 1. INTRODUCTION

In the current strategic context, the nations are preoccupied more than ever to avoid the tensions and antagonisms generated by ethnic conflicts, extreme nationalism and intra (inter)state political disputes, that generated crises which affect the world security and stability. In these conditions, the strategic security environment presents complex security challenges which may require in the future an extended usage of Joint Multinational Forces.

The mutations of the international security environment determine NATO and USA forces to carry out important actions in order to cope with the new challenges, which mainly envisage: the defence of the national territory of the Alliance member states; winning wars; enemy deterrence; cooperation in the field of security; support to

the civil authorities; this allows the necessary adjustment to the continually changing geopolitical and geostrategic climate.

The necessity to quickly respond to various forms of crises and conflicts in different parts of the world required that all US categories of forces be capable to carry out expeditionary operations in order to serve the interests of national security [1].

The new global challenges determined by the economic crisis on the one hand, and the secessionist tendencies of ethnic groups with the implication of great powers on the other hand, urged the Alliance to continue to prepare high technological, flexible, very well equipped and trained forces, such as the NATO Response Force (NRF), which possess a high capacity of deployment, is interoperable, self-sustainable (comprising land, sea and air structures) and capable to rapidly respond in case of emerging crises [1].



According to North-American military regulations, the force projection represents the US ability to apply any combination of economic, diplomatic, informational or military instruments. In this context, the military force projection is a critical component of power projection and it represents the capability to deploy the military instrument of national power from the continental locations of the USA (or of a theatre), as a response to the requirements of military operations carried out in a different geographical area. The process of force projection contains the mobilization and deployment of forces to theatres of operations and their re-deployment to the continental area of the United States of America [2].

The new types of deployable forces (rapid, complete, logistically self-sustained) are necessary for all types of operations expected to be primarily carried out by the Alliance in any situations of crisis or conflict. They are determined by the change that occurred in the philosophy of warfare and armed conflict, as well as by the mission of the Alliance to manage the crises and conflicts of the second decade of the XXI century [6].

The experience of the Alliance (beginning with the operations in Afghanistan in 2001) demonstrated a new operational vision which determined on the way changes and improvements in the use of forces and command structures, on the basis of planning, projecting, commanding and sustaining of operational forces in hostile crisis and conflict environments.

On the basis of NATO commitment in Afghanistan, the fundamental mission of the NRF and of the associated High Readiness Forces (that have projection capabilities to strategic distances in Europe and North America) is to ensure the protection of the fundamental interests of the Alliance and to prevent of the development of imminent conflicts or to their resolution and peace building [4].

Due to the convergence of Romania's security interests with those of the European and Euro-Atlantic community, our country continues its integration in the global security architecture, by taking active part in military actions dedicated to crises/conflict prevention and resolution, under the auspices of UNO, NATO, EU, and OSCE. The participation of military structures in multinational operations can be based on

a NATO requirement or on the decision to become part of the coalition forces and is carried out on the basis of the national legislation regarding these types of missions [5].

The capacity to project (deploy) forces in the theatre of operations has always implied its capability of self-sustainment. Thus, the projection of military power is achieved through expeditionary operations, as well as its sustainment for the entire duration of the expedition (through the creation of forward logistic bases and the necessary logistic support system) [6].

In the vision of the North-Atlantic Alliance the projection of military power, as an expeditionary operation, is achieved "beyond the extended lines of communication, in a remote operational area, for accomplishing a specific objective" [7]. In this framework, the projection of the joint multinational force in the theatre of operations strategically determines the informational superiority, NATO's network centric warfare, efficient engagement, joint manoeuvre, stronger civil-military cooperation and integrated logistics [10]. All these will lead to the accomplishment of three fundamental objectives: coherent effects, joint deployment and support, decisional superiority.

## **2. ELEMENTS OF RECEPTION, STAGING, ONWARD MOVEMENT & INTEGRATION ACCOMPLISHMENT WITHIN THE MECHANISM OF JOINT FORCE PROTECTION**

In order to put in practice the military projection (at strategic and operative levels) an adequate planning is carried out, which consists of actions conducted by the designated planning structures (groups) and the commanders/commands of the joint forces in order to solve the emergency and crisis situations. This transforms the national strategic objectives of NATO and EU in adequate activities specific to the projection of the forces that will be involved in the development of operational products, which include planning for mobilization, deployment, engagement, support, redeployment and demobilization of the joint forces [8].

Within the mechanism of joint forces' projection, the specific operation deployment

process is projected. Its component stages are mentioned below.

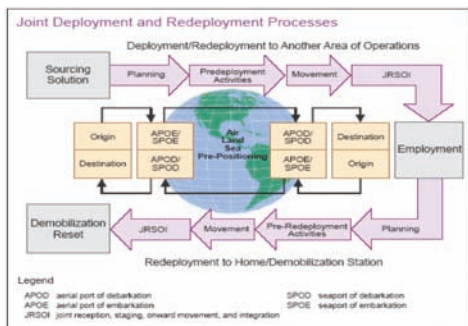
### 2.1. The process specific to deployment

The joint processes of deployment/redeployment to/from the theatre (area) of operations comprise the following phases: planning; pre-deployment; strategic movement; joint reception, staging, onward movement and integration (JRSO&I); redeployment [9] (**Figure 1**).

The force deployment operation requires the distinction between the strategic deployment of forces from the permanent location of the Joint Operations Area (JOA) and the deployment within this area. The first is considered as deployment between theatres of operations, while the second is considered as deployment within the theatre of operations. Reception, Staging, Onward Movement and Integration represent the deployment within the theatre.

#### 2.1.1. Planning and preparation of deployment

Thus, strategic deployment represents "... the process of projection of national and Alliance capabilities to a Joint Operations Area in support of a NATO operation according to the requirements and priorities established by the Joint Force Command"[10]. At the same time, the strategic deployment represents the mission to transport the forces comprising personnel, equipment and materials from the Port of Embarkation to the Forward Movement Base or to the Port of Debarkation [11].



**Figure 1.** Joint Deployment and Redeployment Processes [9]

The process of joint deployment has numerous participants and many phases resulting from the multitude of organizations and functional processes involved in the

planning and execution of the deployment. The deployment operations comprise the ensemble of activities specific to the planning, preparation and movement of forces and materials from a base to the theatre of operations, in order to accomplish the use of an operational capability necessary to execute the mission.

Thus, the deployment planning represents the first phase of the previously mentioned process and it takes place during the deliberate planning and crisis action planning (CAP). It is carried out at all command levels both by the supporting commanders and also by the supported ones.

The participants in the deployment process include the commanders who are supported and those who support the categories of forces in their subordination, as well as the entire joint planning and execution body. The phases of the process may appear within the functional or organizational frameworks when the physical resources or the information are transferred (**Figure 2**). According to empirical evaluations, the frictions between the participants in the process determine the reduction of the operational efficiency of the deployment process [9].



**Figure 2.** The mechanism of force deployment for the accomplishment of operational objectives [12]

The force deployment plans represent the product of this planning process according to the specific needs which determine the preparations for execution and the movement charts. Thus, according to the regulations in force, the deployment operations make available to the commander the necessary joint forces that are prepared to execute his orders and to accomplish the missions at the designated tie and place in the theatre/area of operations. It also results that the deployment plans align with the operations plans/orders and support the

necessities of movement of associated forces, which allows for the preparation actions in view of the deployment to be carried out. The supplying processes (adequate forces involved, emergency support and execution support) connect the requirements with the forces that will eventually receive the deployment order [9].

The pre-deployment activities are actions carried out by the joint planning and execution bodies, before the movement itself, in view of the preparation and execution of the deployment operation. These include the training, organization and equipping of the force so that it is capable to accomplish its mission according to the requirements.

Under the operational aspect, the pre-deployment activities mainly envisage the accomplishment of the following objectives: deciding the structures that will participate in the mission (units, large units); training; supplying the necessary logistic support. The specific actions (objectives) require an adequate synchronization, so that, within the required reaction time, the forces designated to multinational joint operations might reach the necessary operational capacity. To this end, the superior structures involved will provide the opportune support in order to: execute reconnaissance in the area/theatre of operations; carry out medical checks and the immunization of the personnel; create the stockpiles and means of self-sustainment; coordinate the movement and transport; provide the data regarding the points of embarkation and the points of debarkation (POEs and PODs); provide the land, sea and air transport means; integrate the own system of communication in that of the joint multinational force [13].

At the same time, the attributions of the forces (units or large units) are complex and mainly envisage as objectives to: accomplish the operational planning and its specific products; accomplish the actions necessary to the protection of the force; adequately train the personnel according to the mission requirements; check and ensure the full functioning of the equipment; achieve the packing and palleting of the materials to be transported; embark the equipment; move on the national territory (according to a previously drafted detailed plan); embark on the means of strategic transport; deployment of the forward detachment.

### 2.1.2. Strategic movement

In the process of strategic planning of movement of a joint multinational structure, the responsible bodies are obliged to know the details specific to the organization, equipment, capabilities and limitations specific to the composing forces. To this end, the structures responsible with the operational planning will require the efficient movement within the theatre of the combat structures in accordance with the operational plan of the commander of the joint multinational force. The movement should be complementary with the operations and phases of the force deployment. To this end, the planners will consider all the transportation means (joint, allied, host nation or of a third country) and types (air, land or sea). During the execution of these operations, the personnel who control the force movement must be placed in a point from where it can validate the movement of personnel and equipment [9; 14].

The strategic movement includes the activities of physical movement of the joint forces from the departure point to their destination. This includes three segments: from the point of departure to the port of embarkation, activities at the point of embarkation and from the point of embarkation to the point of debarkation, including the movement and transit through intermediary places according to the needs. However, in view of a complex and unitary process of deployment, attention must be given to the JRSO&I [9; 14].

The necessity to accomplish the strategic and operational objectives determines that the movement of forces and means of units and large units be achieved through adequate transport means (road; rail; sea; air), meant to ensure the adequate reactions to the requirements established for deployments. To this end, the officers responsible with movement and transport draft the necessary documents and agreements (so that they are fully and efficiently applicable), knowing the own transport capacities as well as the locations of and the distances between the ports of embarkation (POEs) and the ports of debarkation (PODs).

Thus, the means of transport are conducted as follows: the road transport on the national territory or in the theatres of operations is carried out with own means or with military or civilian means received in

support; the rail transport is used for great distances as well as for the transport of a large quantity of equipment and materials; the sea transport as main means for the transport of the majority of equipment and materials belonging to the unit or large unit for deployment, support and redeployment; the air transport permits the movement of the entire personnel and of the entire or part of the equipment and materials with which the forces designated to joint multinational operations are endowed.

### 2.1.3. The RSO&I process

After carrying out the strategic movement, the next step is the deployment of the unit or large unit to the area/theatre of operations, meaning the reception, staging, onward movement and integration (Figure 3). Thus, for the accomplishment and joining of the phases specific to RSO&I in the process of deployment, the plan for the projection of force in the theatre/area of joint operations is put into practice.

Reception, Staging, Onward Movement & Integration – RSO&I represents an essential process because it ensures the transition of the deploying forces, meaning troops, equipment and materials that arrive to the theatre toward joint forces capable of accomplishing the operational requirements of the designated commander (of the joint multinational force) or which end the redeployment of forces to their bases of origin or to the demobilization bases as a result of the end of the mission or rotation.

For the achievement of the necessary logistic support within the RSO&I, the responsibility is collective and national, because it belongs both to the allied authorities and also to the National Support Element (NSE), being absolutely necessary to the cooperation with the Host Nation Support structures.

The process of reception, staging, onward movement and integration of forces includes both the management of specific logistic support actions and also the command by J3/JFC of the adequate activities of integration in the area/theatre of operations (Figure 3).

The actions specific to the RSO&I are led at national level by a body that has precise tasks. At the same time, the RSO&I process represents a joint type activity which involves all the components, but which

is usually led by the logistic component (JFLogC) in order to avoid redundancy and to ensure that the support priorities are established in accordance with the order of the commander of the joint force and depending on the moment of arrival of the forces.

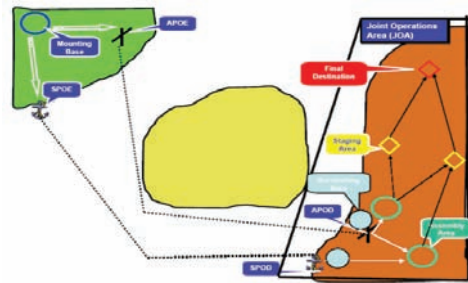


Figure 3. The mechanism of the RSO&I process within the strategic deployment [15]

**Reception** represents the process of reception, off-loading, organization, sorting, recording and transportation of personnel, equipment and materials arriving from the strategic deployment phase inside the theatre (point of strategic transport) at the sea, air or land points of debarkation (PODs) in the organization area and their guidance toward the Marshalling Area where the following activities are carried out: regrouping the personnel with the equipment; assurance of supplies and support services in order to achieve the conditions for the continuation of movement (if these activities are not carried out in the staging phase) [18].

The reception begins with the arrival of forces and equipment deployed in an area of operations and is concentrated on the elements of land, air and naval forces which cannot be deployed by their own means.

This phase requires the preparation of facilities, the initial force protection, the management/administration, information of the personnel and later on the transport of the personnel from the ports of debarkation to the locations of destination. An area of operations of considerable dimensions, with components scattered on great distances, can constitute a significant challenge for the reception process. This usually requires large time consuming preliminary activities like building camps, medical installations, theatre reception centres (TRCs) and storing spaces before the deployment of the main forces [17].

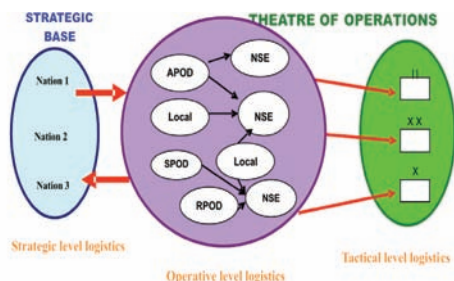
The Joint Force Logistic Component (JFLogC) will be deployed sufficiently



early, having the necessary administrative and logistic systems prepared to sustain the reception activity, which include logistic information subsystems (IS), the processes of the joint supply chain (JSC), including the reverse supply chain (RSC), personnel, equipment and materials of goods monitoring and aeromedical evacuation. Once the deployment begins, the flux of personnel and materials must be homogenous and continuous, so that it will not obstruct the following arrivals.

The key elements of reception mainly envisage:

- The activation of the points of embarkation/debarkation, according to the operational requirement, for the air route (APOD), the sea route (SPOD) or rail route (RPOD). The number and type of the points of debarkation will complicate the reception activities; for this reason the synchronization of activities at each point represents a key element (**Figure 4**).
- The reception begins the moment when the forces deploy, the equipment and materials arrive at the points of debarkation/deployment.
- The reception activities continue until the point when the movement of forces, equipment and materials toward the area of operational deployment begins. This can be done through a staging area, if it is necessary [17].



**Figure 4.** Logistics within the RSO&I process

Within the RSO&I process, *staging* represents the process of gathering, organizing and temporary hosting of arrived personnel, equipment and materials (in units, force structures etc) and their preparation before they continue their movement for their insertion in the area of operations and their use by the commander of the joint multinational force. For functional purposes, in this phase the commander usually designated precise locations in order to offer adequate spaces and resources. The

locations designated for staging offer the facilities necessary for staging, as well as other support elements destined for units or large units in order for them to obtain the complete capability required by the future missions [18].

At the same time, the staging area implies specialized units and subunits, as well as individuals who through their actions have the role to maintain the vital functions with reference, in the most simple of cases, to the feeding and accommodation of the personnel who arrive gradually in a protected and welcoming environment.

Staging can be a significant managerial task, because it includes the forces arrived at the points of debarkation from several directions, the possibility existing for them to need to be accommodated in the waiting areas for longer periods of time. Staging is not always necessary; ideally, the force elements will move directly to their areas of deployment/operational integration. The requirements may depend on the size of the force, the need for integration, the speed of deployment and the availability of accommodation spaces, usually envisaging:

- to ensure the vital functions for the period during which the forces arrive and are organized, reconfigured and trained and their equipment is completed according to the urgent operational requirements (UORs);
- to preserve reinforcements for as long as it is necessary;
- to carefully carry out the activity of integration in order to produce the flux of forces necessary to the area of joint operations (AO) [18].

The *onward movement* represents the process of movement of units or large units, personnel, equipment and materials from the area of reception to the staging area, as it is necessary, toward the area of deployment / operational integration (area of operations). The onward movement can be executed by any component, including maritime ships, military means of transport belonging to the host nation or means contracted from the local area. The onward movement cannot often take place in a favourable environment and for this reason it requires a significant support from J3, which the JFLogC may not be able to provide [18].



The onward movement has the following requirements:

- Coordinated control of the movement and efficiency of the transport network.
- The coordinated control of the movement. The personnel in charge with the movement needs total visibility over the operational situation of all the components in order to ensure the transport of personnel, equipment and materials to the indicated operational area.
- The efficiency of the transport network. The onward movement must be carried out along protected routes, where possible, having convoy support centres (CSCs), disposed in the necessary locations, although this thing will become more and more difficult as the battlefield is more and more spread. Logistic and medical support must be available, together with an adequate force protection, which may self-generate from within the logistic support units. The transport network can use all the means of transport including air, sea or rail routes inside the theatre/area of operations [18].

**Integration (in the area of joint operations)** is the synchronized transfer of the available operational units/large units toward the joint multinational Force. It represents the process by which the structure/organization of the unit or large unit is achieved, as it was designed for the mission, capable of being deployed in the area of deployment/operational build-up and engaged as a whole, because it is operationally ready. This is where the transfer of authority, training and operational awareness take place.

The operations specific to integration are considered complete the moment when the commander of the joint force exerts operational control over the arriving unit/large unit, appreciating at the same time that it is capable of accomplishing the entrusted mission and transmitting to it the mission order. In accordance with the concrete situation in the area/theatre of operations, the declaration of the Ready Operational state and the transfer of authority can be made in one of the areas previously mentioned (Reception; Staging), after which the unit or large unit can prepare for the mission in the area of operational build-up.

At the same time, integration is considered complete when the commander decides that the joint force completed the deployment movement to the destination designated in the area of operations, has sufficient resources and is prepared to execute effectively and efficiently the entrusted mission. In redeployment operations, integration is complete when the commander in charge or the respective service decides that the redeployed forces returned to base or arrived at the next destination [11].

The commander of the joint forces is responsible with guiding the activity of integration. For this reason, the responsibilities of the JFLogC will be limited to the integration of his own structures and to providing the logistic support necessary for the entire force, such as ensuring spaces in the areas of Reception and Staging and giving briefings for theatre orientation. Thus, Integration can be conducted as part of the process of reception or in the Staging area. The larger the force and the higher the number of nations involved, the more difficult the efficient integration [18].

In view of the activities specific to deployment and RSO&I, in the area / theatre of joint operations the reconnaissance team together with the representatives of other echelons (national and multinational) carry out a series of activities that will allow for: the rapid awareness of the mission; the contact with the command elements and with those with whom it will cooperate during the mission, with the movement coordination elements of the Multinational Force; recognizing the points of debarkation (PODs) and the locations specific to reception, staging and onward movement; the evaluation of the operational situation; checking the existing logistic facilities; taking over the standard operating procedures (SOPs) specific to the mission and the characteristics of the communication and informatics systems of the Multinational Force [13].

The vanguard detachment uses the fastest means of strategic transport, a specialized aircraft respectively. It carried the minimum quantity of equipment and materials necessary for the accomplishment of its tasks in the theatre of operations. The attributions of this detachment mainly envisage: to establish contact with the higher echelon, with the element of movement logistics and

coordination in the theatre of operations, to recognize and monitor the areas of reception, organization, staging and constitution of units or large units, to integrate its own system of communication in the one already existing in the theatre of operations [13].

The structures specialized in the coordination of movement and transport (the officer/compartment in charge with this activity at the level of the unit/large unit and the representatives of the superior echelons) envisage through the planning of movement and transport to ensure the arrival of the main forces at the same time both by sea and by air.

## 2.2. Force engagement

Engagement represents precisely the participation of the unit or large unit in the operation with all the forces and means at its disposal under the operational control of the commander of the joint multinational force in accordance with the signed memorandum of understanding.

The objectives of the operational strategy condition the correlation between the centre of gravity of the force and the critical moment of the action through the prism of the concrete means and possibilities to carry out the operation. Success will favour the side which holds strategic, operational and informational supremacy and which disposes of an extremely precise and large enough system of weapons and which enjoys a certain degree of support in the international arena.

From the point of view of most powers, the main characteristic of engagement no longer is or will be that to ensure the conditions for the destruction of the enemy or the infliction of as many losses as possible, but to determine it to accept the constraints or solutions imposed to him [19]. This fact gives a new dimension to the centre of gravity of the force as a critical moment in the military action, from here resulting in the necessity that the force be capable of protecting the population and its belongings, to interpose and, at the same time, win a confrontation.

At the same time, the decision regarding the engagement of the force and its means may have implication in the respective area in the centre of gravity of the own force in order not to create challenges, fears, uncertainties or other complex problems. The decision maker must know precisely

what happens in the theatre or area that requires the engagement, what kind of actions are advisable, with which forces and means they can be carried out. To this end, operations are planned according to several versions and all the measures are taken to create the favourable conditions for them to be carried out. Without coherence, lucidity and clarity in establishing the actions adequate to operations and all the deriving consequences, the engagement is senseless and it becomes risky and useless [19].

If the success of the operation is ensured in a time shorter than the estimated period of participation of the unit/large unit at the operation, after the decisive operations have been carried out the withdrawal of the forces obviously ensues, the transit operations and redeployment.

## 2.3. Redeployment

Redeployment is the transfer of the deployed forces and their materials from one area of operations in order to support the operational necessities in another area of operations or toward the demobilization bases as a result of the end of the mission or rotation [9].

The process specific to redeployment requires a number of specific phases (in opposite order as in the case of deployment): planning; re-building of forces and carrying out the activities of pre-deployment; movement to and activities at the points of embarkation (POEs); strategic/operational movement toward the points of debarkation (PODs) and reception; movement toward the peace time deployment garrison.

The redeployment operations are the sum of the activities necessary for the planning, preparation and movement of forces and their materials from origin to their destination in a new area of operations or toward a base in order to reach the operational level necessary for executing a mission or for demobilization [9].

Similarly to deployment operations, the decisions regarding the redeployment planning are based in the operational elements in the area of operations at the time of the redeployment.

The commander who is to be supported is responsible with the planning of the redeployment in his area of responsibility. This planning must be taken into consideration at the beginning of the operation and must be continually improved at the redeployment

action progresses. The individual activities within each phase of redeployment are similar to the ones described within the process of deployment; however, there are major differences within the JRSO&I phase. These differences become clear when the force is redeployed to a new area of operations or to a demobilization base [9].

According to the planning drafted for this purpose, after the completion of the mission, the forces move toward the assembly areas (AAs) or directly toward the redeployment assembly areas (RAAs). Here they carry out the transfer of authority (TOA) to the military body from their country of origin. The activities in these assembly areas prepare the unit / large unit for movement (within the redeployment process). The re-building of forces includes a wide range of activities for the re-establishment of the military capabilities able to ensure the embarkation and movement with naval and air transport means: packing and containerization of equipment and materials; preparation of customs documents; preparation of the data necessary to the coordination of the movement [13].

The movement within the theatre of operations (for redeployment) can be done directly from the redeployment assembly area toward the marshalling areas corresponding to the points of embarkation or by crossing certain staging areas, depending on the distance to be covered, the level of force build-up or the conditions in the theatre of operations. In the points of embarkation, a major role is played again by the national support element, the movement coordination structures and the cooperation with the host nation support elements. The activities at the points of embarkation mainly refer to: the embarkation of containers; customs inspections; embarkation of the personnel; checking the lists of passengers and materials [13].

Within the redeployment process, the strategic movement can be done with air or naval transport means and lasts from the departure/take off of the first ship/plane until the arrival at destination of the last naval or air shipment of the unit or large unit.

After arrival at the points of debarkation, the unit/large unit resumes its reception process, followed by the movement toward the peace time deployment garrison, depending on the arrival of the transport

echelons and the means at the disposal of each of them.

At destination, reception represents the process of debarkation of personnel and equipment from the means of strategic or local transport and the assurance of the support necessary to the personnel: feeding, medical care, accommodation etc. After the arrival of all the personnel and equipment the structure of the unit / large unit is reconstituted and the transfer of authority is done toward the representatives of the category of forces.

At the same time, a series of administrative activities are carried out, with reference to: forwarding mission reports; parking of vehicles and storing of equipment and materials; medical check and psychological evaluation of the personnel; distribution of the financial rewards following the participation of the personnel in the mission; the return from mission ceremony.

Finally, the regeneration of forces phase takes place, which implies activities with regard to deciding the recovery period, retaking the usual training schedule or through the military education system, completion of stockpiles, maintenance of the equipment etc. Also, the personnel are demobilized, if it is the case.

### 3. CONCLUSIONS

Carrying out the movement or transport over strategic distances and the power of ensuing projection toward the final destination within the RSO&I process is limited by the capacity of the logistic leading nation to apply the elements that are relevant to RSO&I, depending on the national resources or the ability to share the responsibility with other force contributors or the sources of the host nation. The initial process depends on the ability to obtain relevant information, on the capacity to use the local resources and to adequately monitor all the units capable of achieving each phase of the RSO&I in the designated areas. The capacity to rapidly deploy RSO&I units, operational forces and to ensure the necessary combat support should be based on the management of the flux of information, followed by the flux of materials and ended by the deployment of combat forces.

The commander of the joint multinational force that benefits from the support decides the policy, procedures, priorities and line of communication (LOC) of the support activities. Normally, the commander will immediately begin to forward support requests based on the needs of the "pull" type addressed to the categories of forces in order to resupply his forces in the theatre/area of operations. In the absence of the commander's precise requirements, each category of forces will support its units and large units using adequate methodologies, which can initially include providing support to their own structures. The support shipments do not always follow the same routes used by the deployed forces because some of these (such as those carrying ammunition) require special infrastructure to be manoeuvred and can cause significant disruptions to port activities. The optimization of the port functioning represents a major factor in balancing the procedures of the "pull" or "push" types.

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# INTELLIGENT INFORMATION SYSTEMS. AN IMPORTANT AID TO NATIONAL SECURITY

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*Securing organizational processes is an objective and a permanent objective of organizations active in the field of national security, and to this end there are different solutions, both software and hardware. A modern solution may be the efficient use of Business Process Management and Business Process Execution Language as tools to optimize and streamline decision flows.*

**Key words:** *Intelligent information systems, National security, Business Process Management, Business Process Execution Language.*

## 1. INTRODUCTION

Intelligent systems are an essential element of national security. Thus, these systems must respond to the problems of managing hardware, software, data and computer networks in a strategic way. The importance of information systems lies mainly in the effective and responsible understanding on behalf of all managers or people in an organization of the need to adapt to the global information society. Consequently, computer systems today are increasingly becoming a vital component of national security.

Using computer systems and their inherent applications in operational and managerial fields to create competitive advantage ensures Internet based exchange of information within local and national entities. For this purpose, the basic concepts of intelligent information system provides technical and behavioral elements that help substantiate specialized applications, the decision-making process and to build a strategic advantage against competitors of the organization.

The Internet - globalization relationship can be seen as one in which each factor causes the other. Globalization is a phenomenon that tends to emphasize extensive running and development of

organizations, and as such more and more small and medium sized organizations fit into this phenomenon. Whereas most large organizations have developed systems globally as a consequence of the difference in costs in various places around the globe, small and medium-sized organizations use the Internet as a primary means of promotion for their activity.

## 2. THE CONCEPT OF BUSINESS PROCESS MANAGEMENT AND ITS USE IN NATIONAL SECURITY

A business consists of any group of activities carried out in order to produce a particular result or to meet the needs of specific customer oriented market. This result appears as a consequence of globalization. In a modern organization, information technology is leading to new guidelines requiring the use of increasingly sophisticated means (artificial intelligence, expert systems, etc.). The business environment is constantly changing and requires new techniques and methods of preparation of the process.

Business Process Management (BPM) is a structured software solution with the role of modeling and optimizing current activities (especially repetitive)



of an organization and inside and outward human interactions, and operating with all of the above in the form of processes. Information systems in the field of national security organizations have a high level of heterogeneity, but BPM provides solutions for integrating highly diverse systems.

Unlike traditional systems, Business Process Management offers advanced features for modeling and automating business flows in the organization. Also, access to diverse data sources is much easier given the interoperability of the large number of applications. BPM based new technologies enables the modeling of business processes directly by analysts (i.e. operative, financial and economic), without the support of IT departments.

### **3. IMPLEMENTING BPM TECHNOLOGIES IN EXISTING SOFTWARE APPLICATIONS**

Technologies and standards used in implementing BPM are XML and Web services. The latter represents a standardized means of communication between Web applications. The language, specific to BPM, is Business Process Execution Language (BPEL). It is defined by a standard based on XML and Web services, which allows modeling and automating their business flows.

With this dedicated language, business flows and business rules can be defined in an intuitive way. Thus, a high level of transparency in running business operations is provided. Due to these innovations, the BPEL technology simplifies the integration of various applications and business processes.

Business Process Management solutions are used both to automate internal processes within the organization and with partners to conduct information flow. These solutions offer flexibility in

integrating and automating complex business processes, involving several organizations. The implementation of BPM technology in existing computer systems requires complex information analysis that identifies business processes and establishes correlations between them. Switching to a new technology cannot be made in the absence of cost analysis seeking to identify the cost of designing, implementing and maintaining various solutions.

Once the analysis phase is over, its conclusions lead to the design of management models by using visual tools included in the Business Process Management applications. In fact, modeling business processes is meant to integrate them into the information systems from within an organization. The instruments used are based on UML (Unified Modeling Language) and BPEL (Business Process Execution Language) technology. As a result, the implementation of the solution results in the generation of components from models.

Solution testing and optimization is the last stage of implementing the BPM. It involves testing the menus of business processes, correction of programming errors or modeling, and optimization of these processes.

### **4. THE BUSINESS PROCESS EXECUTION LANGUAGE. AN OVERVIEW**

BPEL is an XML-based language derived from WSFL (Web Services Flow Language) and WSDL (Web Services Description Language), applied to business. It allows developers to describe their business processes as Web services.

BPEL focuses on modern business process modeling and adopting Web services as an external communication mechanism. It integrates Web Services

Description Language (WSDL) features to describe incoming or outgoing messages.

Business processes can be described as executable business processes, which shape the current behavior of a participant in business interaction protocols and the business processes that use descriptions specifying the behavior of parties to exchange messages without discovering their internal behavior.

The descriptions of processes in business protocols are called abstract processes. BPEL is used to model processes both executable and abstract ones. For large-scale programming, BPEL describes the abstract processes as a series of observable behaviors. Thus, it shows you have expected/sent messages when you have found compensation for failed transactions, etc.

The main role of BPEL in data exchange via Web services is to define all steps in a transaction. The use of BPEL is designed to ensure that processes are executed in the correct order. BPEL can automate the sequencing of messages, but it does not deal with the effective execution of transactions. Thus, BPEL provides a much cheaper method than the much stronger (and more difficult) EDI (Electronic Data Interchange).

## **5. BUSINESS PROCESS MODEL AND NOTATION**

Business Process Modeling Notation (BPMN) is the new standard for the flow of business processes and web services. Created by the Business Process Management Initiative (BPMI), the main goal of BPMN is to provide a notation that is readily understandable by all users of software for business. This includes business analysts that create the initial projects and technical developers responsible for implementing the technology that will perform these processes.

A second purpose is equally important and consist in ensuring that

XML languages designed for business process implementation such as BPEL4WS (Business Process Execution Language for Web Services) or BPML (Business Process Modeling Language) can be expressed visually by a common notation. BPMN allows business process management (BPM - Business Process Management). Thus, BPMN is a central factor for a new initiative in the world of Enterprise Architecture - Business Process Management.

Business Process Management is focused on managing change and improves business processes. Business Process Management integrates different disciplines such as process modeling, simulation, workflow, Enterprise Application Integration (EAI) and Business-to-Business Integration (B2B) in one standard. The novelty of Business Process Management may lead to the false assumption that business processes were not previously managed. That of course is not true - many organizations have shaped and manage their business processes over the years using a wide variety of techniques and tools. These techniques have been either partially successful or totally failed because of a lack of standards and a full life cycle to control and guide the design and execution of business processes. Managing the change process cannot be an ad hoc process - it is necessary to control the management of innovation, architecture, design and processes. Hence, to understand the architecture, design and deployment processes modeling standards in business are required along with execution of business processes.

## **6. CONCLUSIONS**

Implementing intelligent information systems new technologies in belonging to organizations working in the national security is welcome, organizations in the member states organizations in

our country is already having these technologies widely implemented. Given the specific processes of change in which all these organizations, the current geo-political context, securing business processes through intelligent applications is mandatory, as a primary defense operations and secret documents.

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# NETWORK-CENTRIC WARFARE AND SOME PARTICULAR ASPECTS OF LOGISTICS BASED ON NETWORKING

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*Within the framework of the current revolution in military affairs, at the End of the Cold War a new concept was born: the concept of War Based on Computer Networking or NCW Network Centric-Warfare which was established as a central element of modern military operations. Determined by the progress recorded in the field of communication systems of all types, technology of information (HI-Tech, IT), war based on computer networking brings a change in the war paradigm and its inherent components. In this respect, logistics based on computer networking represents one of the ways in which the reality of the battlefield is preserved which enhances the joint perspective upon the military forces.*

**Key words:** *the revolution in the military affairs, war based on networking, the information era, logistics based on networking, sensor systems.*

Nowadays' environment is characterized by critical insecurity caused by terrorism, economic instability, reshaping the areas of influence. All these risks and threats create a new architecture and a new approach that could have been foreseen since Cold War. If during the Cold War period the evaluation of risks and menaces against security was relatively easy to achieve because of the predictability of the phenomena in the area, presently they generate a wide range of doubt that should be taken into consideration, as it is able to reshape the war paradigm.

A new kind of dangers and risks, with far greater implications than the classical ones, can be noticed whereas the range of threats has become more complex than in the past. All these reconfigurations have implicitly urged towards redesigning underlying concepts and modernizing the means dedicated to counter such threats, respectively adapting them to new patterns of conflict and phases of actions that will further develop.

From the perspective of military affairs, state and regional security and defense as shaped by globalization, remain the most critical both in terms of the extension of asymmetric threats, and the need of the states to preserve their own attributes. The role of military structures, as well as of international

peacekeeping forces is to mitigate or stop the conflicts and crises ensuing among different actors. All the imbalances emerging in the security environment require the design of counter strategies capable to respond to the multifarious and diverse threats.

The XXI century has brought an explosion in scientific innovations and technology and hence, war phenomena are reconfigured following the trend of this progress.

In this respect, the swift pace in the field of communication systems of all types and in all the other fields of activity, including the military one, is spectacular and the performance is beyond expectations. However, the progress of information technology has created unforeseen terrorist and cyber terrorist menaces. The latter, as a result of using computer networking in order to cause major prejudice, to generate fear or simply to intimidate society at large represents an asymmetric threat likely to occur through the permanent exploitation of networking vulnerabilities.

The latest developments and performance in information technology such as virtual networks or the service-oriented architecture create new opportunities within the virtual space and attract more and more users. Despite all these advantages there are also

a number of downsides like the weakening control over systems, resources and services likewise offered. Communication globalization and the boom of technologies have created classical risks in the new virtual environment, like information crime, information espionage, extension of terrorist action capacities, by using the internet network as an instrument for radicalization or training of extremist groups.

In this complex context the concept of Netcentric Warfare has arisen as a product of the high tech technologies used nowadays and mostly of information technology and it was used for the first time by the USA during the war in Afghanistan and during the Iraqi campaign in March-April 2003.

Concerning the wars in Iraq and Afghanistan, there were almost the same main actors that used “the same categories of weapons and equipment, but the wars differed totally in their development. The essential differences were determined not only by high tech and high precision weaponry massively used the conflict in 2003 but also for the integration of all components of army categories in the concept of “War Based on Computer Networking” (Network Centric Warfare) during the second campaign in Iraq.” [1]

As an effect of the information era, the NCW obviously highlights a new technological boost at the decision making level of the military actions, and also implies an acceleration of the decision taking rhythms by processing the information correspondingly empowered by sensors. This evolution from platform based technology to that based on networking has been extended to the recent key developments in information technology and communications.

The NCW concept coincides with the debut of a major development of modern society. However, as with any avant-garde approach it is momentarily accessible only to entities that own advanced technologies (high-tech), information technology (IT) and the hardware and software required by these. NCW is based on pooling together the wide range of elements implicated in connecting the collectors, the effectors, and the deciding parties in order to create an operational capability. The components of this concept are represented by each individual, piece of information and network,

all of them integrating the capabilities of the aforementioned entities.

At strategic level, NCW allows for the maintenance of information supremacy and lead over the adversary “across the whole spectrum of war conduct, all along with the development and maintenance of strategic initiative, and also the achievement of political objectives with minimal loss”. [2]

At operational and tactical levels, NCW allows for the conduct of operations and actions in a flexible and continuous mode, ensures systems’ capacity of adaptation and ensures operational skills at the command and control level of the tactical and operational actions, at all levels, horizontally or vertically the chain of command, by taking into account the requisites of operational planning.

With a view to all of the above, a force based on computer networking and that can “conduct operations based on networking, ... is an essential element that allows the conduct of operations based on computer networking”. [3]

NCW changes radically the planning and development of future wars, regardless their spectrum and offers a new view on the leadership of all the components of a state participant in the war, of forces deployed in the theatre of operations and also of operationalized groups and reserve forces situated in a far distance.

The new configuration of risks and vulnerabilities to national security, the diversity of mission types in which the armed forces can be engaged, the process of transformation and adaptation of military systems triggered by the contemporary revolution in military affairs require the optimization of technology, concepts and training programs. These changes in the conduct of operations trigger, by means of necessity, changes in the means employed to secure logistic support. Consequently, they give rise to real revolutions in military logistic systems.

Military logistics must adapt to these challenges of the third millennium that are marked by the progress induced by contemporary military affairs. Hence it needs to use a series of new concepts characteristic of all the NATO member countries. For an efficient operational logistic support that is well adapted to general military



transformation, the logistic structures must work together as a real network, and be connected in multiple command-control-cooperation-interoperable type of units in the operational environment. Thus, in the context of the changes in the operational environment, the system will get high performance regarding the deployment and redeployment capacities without any stalls in the logistic flow.

The metamorphosis of operational logistics implies not only reshaping structures and modernizing technologies, but also creating a new strategy, by adapting the overall logistic phenomenon in its entirety. Such a modern vision upon the logistic component consists in fact in achieving military operational interoperability.

Changes foreseen within the military organization imply that this should become rapidly deployable, sustainable and moreover requisitely efficient. In order to achieve the aimed efficiency a change of doctrine and strategy of warfare is needed, because "the most advanced technologies, if they are not used within the framework of a military doctrine and made appropriate according to a convenient type of organization" may create a contrary effect [4].

We may admit that logistics is a determining factor or an element implied in any military action, further more as the actual global environment of security is marked by invisible threats and risks, and its speed of reaction makes the difference between the logistic system of a decrepit military system and the challenges brought up by the revolution of contemporary military affairs.

Western Military Experts appreciate that "the next world war will start with cyber attacks which, instead of attacking human beings, will destroy the computers and the communication systems." [5]

The transformation of the logistic system, as part of wide changes within army forces, defines the need to adapt it, to harmonize it to the requisites if the new types of potential confrontations.

In order to be useful, the military logistics must ensure the prompt and high-tech intervention but also projective at right time at the right place in the necessary quantity and all throughout the military operation, it must be capable to ensure the needed equipment and adequate support.

In such a perspective, military logistics will trigger technological progress and will develop a specific logistic system based on networks of sensors with better capabilities, more adaptable and flexible.

Network Enabled Logistics (NEL) represents a new operational concept based on networking and on the information, which consists in developing joint actions based on effects and that confer superiority of action to the logistic support. It is based on functional, flexible and self-synchronizing dynamic processes. This concept designs and coordinates actions which will ensure success in the field of all military operations.

The LBR concept consists in amendments of structures, endowment, of efficient and effective achievement of logistic support. The start point that represents the foundation of this concept is that "...establishment has profoundly changed because of the information, and the military field must apply changes according to the rhythm of transformation of the society. Current social changes were generated by the integrated evolution of business, economic processes and organizations, information technology and were dictated by the new standards of efficiency [6].

LBR gives the possibility to enhance rapid reaction and decision making in actions of the superior echelons and it is not conditioned by the nature of the mission, the structure of the force group, or by its geo location.

Constructing such types of logistic structures taking into account that the RBR must consist in a few principles which may prove worth the action within a network so that: using the JOINT model; NATO compatible structures; force standardization; avoiding redundant echelons; making command and action structures more operational; network structuring.

- In order to answer the RBR conditions, the new type of logistic support will need: [7] delivery of logistic support in solicited areas by implementing the relation needs-support-effect for all types of military operations;
- extension of the supply area from all possible sources;
- logistic operations integrated in a network structure which enhances

speed of command, quality of effects and adaptability;

- ensuring a logistic support for rapid development of the force and of rapid operations and decisive operations of it, including by adapted usage of military bases and maneuver of force – objective type.

Taking all this into consideration, we may add that future perspectives of logistics will imply: “chains of linear distribution, even if those will be predictive and optimized, however they will be able to activate only in traditional structures, in the command and control chain”. [8]

The NCW concept appeared as a result of the progress of information technology and its implications in developing the techniques, procedures and processes of logistic support.

However, the transformations produced in the technological field, all by themselves will not be able to produce the expected effects. There emerges the need to modify the plan of the logistic system, to adapt appropriately the organizational environment at the logistic level.

We are therefore to point out that NCW is designing a new structure of forces and a new approach of the logistic support concept. If NCW represents a problem of culture and technology, the latest is creating an advantage all throughout the battle. It implies by no means a change at a cultural level in order to adopt this technology [9].

LBR and its concrete components are disposed at the operative level of war, in the General Staff structures, and also at the level of the central network and at the level of the battlefield, that is at the tactical level of war.

Step by step the new logistic structures will pass from units of army forces (categories of forces) to integrated inter categories of forces, modular, dynamic and flexible, which should include: structures for establishing a network of information sensors, command structures, control, communications, computers which belong to the central network, as action structures.

By this concept of logistic support of inter categories of forces, these logistic units will contribute to the integration of the Land force capabilities with those of the air and Navy forces so that to ensure participation opportunities in multinational joint operations developed by forces within the North Atlantic Treaty or by forces integrated into coalitions.

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# INTELLIGENCE CYCLE PLANNING IN MILITARY COALITION OPERATIONS

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*A long list of allied or coalition type military actions against entities declared as aggressors, failed or terrorist states/organizations has been recorded for the past 25 years. To reach an end state for any action planned by the military or established at any decagon-making level, usually the political one, all information must be shared throughout all coalition/allied components. That is mainly done by specialized elements that play the role of primary structures in charge of analyzing all information necessary for the military commander's decision-making process. In this context, the article aims to outline the importance of the decision-making process for military commandants, as part of large /important coalition/allied structures and the level of training required of the latter to use the intelligence cycle to fulfill their main mission in their area of responsibility.*

**Key words:** intelligence cycle, mission, coalition, allied, decision-making, military.

## 1. INTRODUCTION

Globally developed military conflicts have lately shown that the creation of supranational military structures is necessary and justified and that these must be credible if a state becomes an aggressor, a failed one or involved directly and/or indirectly in supporting a hostile/terrorist organization (e.g. financial support or hosts it on its territory).

According to international laws, unanimously accepted by all the Member States of the United Nations (UN), an alliance/coalition must endorsed by supranational organizations such as the UN or any other entities that have a global impact (e.g. the European Union - EU, the Arab League, African Union, etc.). The approval (justification) for the creation/existence of a coalition/alliance granted by the Security Council (SC) of the UN represents the legal framework needed and required to conduct future military operations.

In order to regain the end-state previous to conflict outbreak, the planning phase for military actions begins much earlier, before the approval of the UNSC, usually starting with the time of the assault itself. This applies to all alliances/coalitions already established and that are willing to engage in solving the conflict, as it was the case of the one occurred in Mali between 2012 and 2013, when the EU and the African Union were actively involved in stopping the conflict.

The intelligence cycle, as a key element to each military or civilian difficult situation, is a complex process which ensures continuous flow of data and information from areas of conflict/interest to the decision-making levels, both military and political. A proper functioning of the coalition/alliance is represented strictly by a political decision, usually taken under the influence of military input provided by military experts from the intelligence analysis and planning branches.

In the UNSC rarely were there situations where all five countries with veto rights reached a consensus, since each tried to protect its interests and strategic investments in the areas that were supposed to be declared area of conflict and where the established alliance/coalition was to be planned to act legally.

One recent example in this respect is the current intervention/banning of Russia inside the UNSC as a result of the conflict in the eastern part of Ukraine. The Russian Federation is dissatisfied with the fact that Ukraine has declared it “the aggressor”, based on the information obtained from the battlefield. The intelligence services from Ukraine demonstrated that the Russian Federation is involved financially, as well as with combat equipment and troops in supporting the rebels from the Lukansk and Donesk regions, which were declared by the Ukrainian legal institutions as terrorist

elements. Ukraine military is a legal defense institution internationally recognized by the international community, even by the Russian Federation according to the Budapest Treaty from 1993. Moreover, beginning with 1993, the Russian Federation was the guarantor of the integrity and sovereignty of Ukraine until the invasion of Crimea in March 2014.

The invasion of Crimea by the Russian troops deployed in Sevastopol (though Russian Federation representatives declared that they had responded to all the requests coming from the new Crimean state structures to join the Russian Federation territory based on referendum results) actually signals the end of recognition of the Budapest Treaty, regardless of the all explanations offered by Russian diplomacy.

Although it is clear that all the European and traditional partners of the United States of America (USA) adopted a common policy of force to globally isolate the Russian Federation, the latter retains enough power because of its right of veto in the UNSC, where it can thus block any attempt or initiative to stop separatists' offensives in Donetsk and Lugansk.

The same *modus operandi* was employed in Abkhazia, South Ossetia, and Syria, where the Russian Federation blocked any decisions coming from permanent states in the UNSC meetings. Of course other states blocked in certain moments decisions of CS, such as China and the group of US, UK and France, which usually act as a unified group. The actions through blocking any final steps are applied to all kind of statements, from protest to those that allow military intervention under the UN mandate.

Then, after the legality of coalition's operation is determined, the realities from the area of concern are introduced into the analysis and planning cycle, and are managed by the Headquarter of the coalition / alliance. This is moment that all information is made available to those who are in charge of planning and analysis and for creating and/or completion of the operation plan, necessary for the entire multinational structure.

However, even if the multinational structure was created, which includes its analysis and planning elements, each nation will continue to exercise the right powers over their national structures for identifying, processing, analyzing and promotion of the

information that is useful for future military operations forces and for coalition itself.

Also we can assess that the actual coalition (composed of EU, US, Norway, Canada and other countries) which has imposed numerous economic barriers to Russian Federation in the Summer of 2014, particularly financial, can be considered a kind of conflict coalition/alliance typology, but this one no longer needs the approval of the UNCS, because of the two sides have openly stated that they will not use military forces. It will be appreciated, however, that this conflict is one of heavy attrition, "Cold War" by type. In this respect, the German Chancellor, Angela Merkel, was saying in a meeting in Budapest in February 2015, in order to stress the size of the conflict, that "the EU and Russia are engaged in a very tough conflict".

## 2. MODERN INTELLIGENCE PLANNING CYCLE

General situation of the global risks and General situation of the global risks and threats to the enshrined values of the states or even to the states themselves, led to the development of a high level of deep concern which was finally materialized in a major adaptation of the internal intelligence systems regarding to collection, processing, analysis and dissemination of the intelligence. The adaptation was hastened by the transformations that took place inside enemy's structure, which was no longer a classical one by shape, color and content.

Streamlining the general characteristics of the enemy has led to a new type of occurrence among military and civilian organizations, especially for those structures involved in the identification, control and destruction of the elements which can affect the security of the state or alliance/coalition. The need for change and permanent transformation has occurred due to the lack of clarity inside the old intelligence structures, which turned in shortly in a lack of vision and even failure.

The attacks against the USA (on 11 September 2001) and Spain (on 11 March 2004) demonstrated that the intelligence structures could not act together to prevent those actions, as they had an obsolete intelligence system which was overwhelmed

by the new types of threats, that exploited their own advantages, but also the gaps inside the legal intelligence systems. Thus, the slowly old intelligence system (based on direct answers to direct questions, especially answers as elements of a predetermined pattern) has needed a rapid adaptation to a new model which supposed to be supple, flexible and transformable. As police structures have in some countries many types of codes to identify a specific criminal phenomenon, the same pattern was used by the intelligence structures to respond to all intelligence requirements. In this way the reorganization had to be consistent with the evolution of new risks and threats, especially with their results.

This phenomenon, of reflowing the opponent from its basic typology: state, clear, rational (not always) sized structures, etc., to the new dimension: non-state, unbalanced, without constraints of any kind, acting on behalf of any and anyone, without form, without substance, denying (little green men) has overturned the whole intelligence systems, which in some cases had to reinvent themselves.

If the intelligence structures system had taken in time a status of stability regarding shape and dimension, after 1990, all states have understood that the classical form of combat is very difficult to build and use and the perverse and perfidy typologies can replace them. The speed of manifestation of the new challenges was so great and fast that the intelligence systems have adapted slowly to the new requirements of military and political decision makers, somehow as complicated as the decision inside the EU, especially to the certain and direct threats, where for obtaining offensive results is required to be clear and to have unanimous decision.

The rapid evolution of all forms of risks and threats has led to a complete analysis of the entire spectrum of national and/or alliance/coalition security. In this respect intelligence structures have become more dynamic and flexible, adapting quickly to counter both direct and indirect risks and threats, for rapid information of the decision makers as well as for identifying all vulnerabilities (from inside) and their stopping process.

The complex evolution of global security system and the huge amount of data

/information which have to be identified, verified and analyzed have led to a new concept inside NATO (need to know and need to share) and also for the EU (sharing and pooling). Thus, almost all members of the alliance have developed few complex intelligence network structures to respond effectively to all risks and threats coming from enemy's organizations (particularly terrorist), which were created by the new enemy.

In support of these new situations many states have developed a system of mutual trust between intelligence structures, but also with those structures belonging to supranational structures (the alliance/coalition, EUPOL, INTERPOL, etc.) leading to an establishment as a joint planning and analysis centers where information is analyzed by the most qualified specialists and converted into final reports for the decision process. Modern cyber infrastructure, created specifically for this activity, ensures the flow of data and information necessary to analysis and planning structures and in reverse, analyzes and reports being done for all military and civilian decision makers.

In actual world, there is information everywhere and in everyone's reach and their elements are connected in an on-line network. Today, information sharing is done only in real time, providing largely enough time to avoid strategic surprise. Moreover information exchange is connected to a wide strategic network that allows horizontal and vertical flows, and could thus avoid blocking information in transit through the old type nodes where can occur obstruction of data flowing due to outdated and/or slow mechanisms.

### **3. MODERN ALLIANCE BALANCE**

Although modern typology alliance/coalition Although modern typologies of alliances/coalition have a size covering the acceptance of honest citizen who vote, in fact these exist primarily for creating or safeguarding the states interests. Alliances from 18, 19 and 20 centuries followed closely the achievement of all political goals, and especially the economic one.

Rupert Smith, a British General, trendy highlights in his book *The Utility of Force* that the ninetieth century has represented the failure of the communism ideology



and its military bloc, the Warsaw Pact, and the USSR colossus and its satellite states succumbed due to US and western countries economic exhaustion programs. This situation, according to Smith's analysis led to the creation of numerous gaps into the global balance, though most former communist states had at that time an important arsenal, a high production capacity and numerous warehouses for military equipment, but today we all know that they were technologically obsolete and a lot of throw-out as final products.

Crossing the border between communist ideology and democracy, by the states under the Soviet Union's sphere of influence, is in fact the biggest gain for NATO or the US and Western European community. This move was in fact a logical move and a moral solve of what was happened at the end of the World War II, when Stalin "negotiated" the future of the Eastern European states, having already his military men (little green men from NKVD) in those countries.

It can be considered that the approach of creating alliances/coalitions has never changed for centuries, each aiming to ensure the supremacy of economic, political and military goals. Intelligence flow will continue to be directed to those elements involved in the decision making process, thus the protection of interested areas to be ensured.

#### 4. CONCLUSION

Intelligence typology for XXI century will represent a permanent and rapid adaptation such as the opponent to be strategically surprised. Proactive work will be carried out continuously at all levels horizontally and vertically, so that the elements involved in collection, processing, analysis and dissemination have to ensure to all levels of decision, necessary reports and summaries that can show and depict a clear image/vision and can highlight an immediate response. In the field of knowledge the intelligence work must pass easily from national to collective for maximum operational flexibility, of course inside alliances/coalitions.

The new type of culture organization based on collective complexity will be

enhanced and strengthened according to exponential growth of the mutual trust, so the new strategic networks to operate smoothly.

Decision making process at all levels of management should be harmonized and the parity in the decision-making power must be eliminated starting with increasing of value or by improving analysis and planning structures, be the each state or coalition/alliance. The highest degree of professionalism among specialists will be achieved through continuous training of specialized analysis and planning sectors and through assuring a maximum protection of all elements inside each network which provide intelligence to decision making levels, both military and civilian.

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## BOOK REVIEW

### CYBERSECURITY AND CYBERWAR.

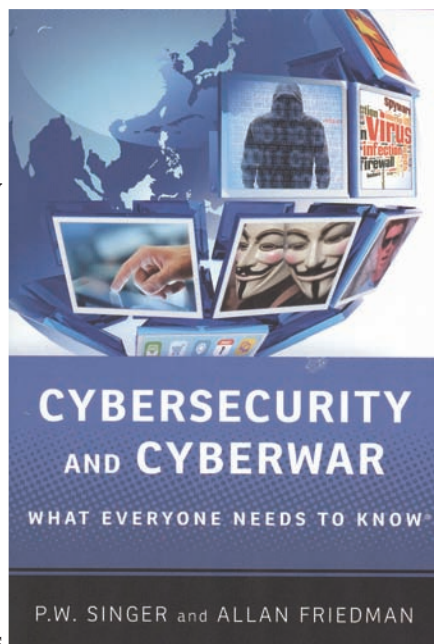
WHAT EVERYONE NEEDS TO KNOW

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“*Cybersecurity and Cyberwar - What everyone needs to know*” written by P.W. Singer and Allan Friedman was issued at a time when the threats to personal and national security, determined by the uniqueness of information technology devices, attain an unprecedented level of complexity and risk.

The book constitutes an essential read for almost everybody concerned with the cyber phenomenon, no matter if they are working in business, military, media or are just simple citizens. The authors manage to find the common denominator for all those categories of persons, wonderfully presenting the facts, analyses and explanations in a simple, enjoyable and smart way, thus enabling the achieving of a comprehensive knowledge about the too often hidden world of cybersecurity.

Written in an accessible yet deeply informative style, the book captivates the lecturer from its introduction, where questions like why write such a book, and what the authors expect to accomplish are superbly addressed.

The book is structured in three parts, suggestively named after the propellant questions of cybersecurity: *Part I - How it all works*, *Part II - Why it all matters* and *Part III - What we can do*. Special emphasis is placed on engaging stories and subjects like the Stuxnet computer virus, the “*hacktivism*” phenomenon, the “*Anonymous*” hacker group or the newly created Chinese and US military cyber units to name just a few.

The authors conclude by analyzing the most important future trends in the cyber framework - such as cloud computing, big data, mobile technology, and the Internet of things - that are anticipating revolutionizing our concepts about security.

The following bright conclusion took a perfect and optimistic closure to the book: “*We must accept and manage the risks of this online and real world, because of all that can be achieved in it*”, from the ability to track down the answer to almost any question we might have to the opportunity to become friends with people whom we have never met.