

Importance of Think Tanks for a Newly Emerging Democracy: A Croatian Case Study

Dr. Krešimir Ćosić, Dr. Imre Balogh, Mr. James Fox
Institute for Defense Studies, Research and Development
Ministry of Defense, Bijenička 46, HR-10000 Zagreb, Croatia
Email: ibalogh@zvonimir.morh.hr FAX: 385-1-4603-820

I. Introduction

Democratic elections are the basis for governments to change decision makers and regulations both in established and emerging democracies. For these elections to have meaningful, non-negative impact, some stabilization mechanisms are needed to ensure the successful functioning of the newly elected governments (and society as a whole) during these changes. Stability and predictability are widely accepted to be important elements of governmental legitimacy. Without appropriate stabilizing mechanisms enabling effective governmental functioning during political changes, each political shift will bring about a massive restructuring of governmental organizations – impeding the progress of democracy. In established democracies, one stabilization mechanism for supporting government policy in times of change are public research institutes, better known as “think tanks”. The nature and role of think tanks has been characterized as: “One definition of think tanks is: ‘Islands of excellence applying full-time interdisciplinary scientific thinking to the in-depth improvement of policymaking, as a main bridge between power and knowledge.’ As this definition emphasizes, think tanks strengthen the decision-making capacity of government by transmitting policy-relevant information (knowledge) from a variety of sources to the ears and eyes of policymakers (power) using the best minds and scientists nationally and internationally.”¹ Through conferences, workshops and seminars, think tanks as non-governmental organizations (NGO) can offer to government policymakers the opportunity to build their knowledge in key issue areas. In many cases, these organization can provide needed expertise, analytical support, training, education and assistance to government-decision makers.

To function properly in this policy role, think tanks need to go beyond just analysis and offer other insightful and possibly counter-intuitive solutions to the complex problems that are of great public importance.² Since think tanks are independent of the election process, they can provide the longer-term institutional memory that can help newly elected and appointed leaders avoid making costly and embarrassing errors that often

¹ United Nations Development Program page, “Transforming the role of Government” – <http://www.surf-as.org/info/briefingnotes/planning/frametop.htm>

² William N. Dunn, “A look Inside Think Tanks”, Center for International Private Enterprise (1996) – <http://www.cipe.org/crt/e21/dunE21.html>

occur without such historical insight.³ For a government to act “competently”, it needs this type of infrastructure and decision analysis support to shape the problem definition and the policy debate. Policy formulation must be followed by rigorous, objective policy evaluation by the most capable means available to ensure that the probable and possible outcomes of alternate policies are well understood.

Once policy is defined, its implementation must be made as low risk as possible by the education and training of the implementers and by establishing signposts and metrics to track success or failure, enabling possible adjustment to the implementation processes. Throughout the world, think tanks have become an integral part of the “competency” by which the participatory governments acquire the data (changed to information by analysis techniques) and receive education and training to enable the understanding of complex problems and the implications of alternate government policies and actions. For a think tank to be able to provide truly objective support it must strive towards developing a quality staff, maintaining independence (especially maintaining its non-alignment with political entities), stable funding and building regional and international technical linkages

II. Policy Formulation and Management of Change

The formulation of strategic goals, objectives, plans and decisions related to the welfare of the state, and the implementation of actions consistent with those decisions are a democratic government’s main tasks. The government must choose to identify action plans to attain the goals and select the signposts to verify that the executing action plans are succeeding. When the signposts suggest that the plans are failing or are insufficient to accomplish the strategic goals, a successful government must be able to recognize the problem in context, identify options to address the impending failure, select the best shaping and coping strategies, modify the ongoing actions and track the success or lack thereof of any new efforts. Even a policy that proves effective requires constant monitoring to recognize when alternative approaches will be more effective. Without the ability to rapidly react to changing situations with studied, prudent decisions, the government degenerates into a rhetoric-based government – making promises but unable to fulfill them.

A fundamental assumption of policy design is that it is not possible to create a single “optimal” policy, with related goals, strategy and actions, rather all strategic plans come with tradeoffs between costs and benefits and the “best” plan is the one that provides the most benefits for an affordable cost. Analytical tools can be used to look at a specific action, the strategic plan or at the overall policy itself. The goal of the analyst is to identify and present both the costs and benefits of the policy / goal / objective / strategy / action in a clear and concise manner. The role of the analyst is not to choose or to establish the correct policy or strategic plan, but rather to provide information to the decision-makers about the relative merits of each option. The analyst only provides data and information through analytical techniques; the ultimate choice and responsibility

³ Sheila Suess Kennedy J.D., “Privatization and the Twenty First Century City: Political Rhetoric and Reality in the Indianapolis Experiment”, Indiana University-Indianapolis (1999) – <http://216.103.220.74/sheila/papers/Privatization2.doc.html>

belong to the decision-maker. The methods used to assess the possible outcomes of different policies should be objective and independent of how the choices themselves were formulated. Without such objectivity, there would be no realistic way to compare competing policy choices.

With the rapid rate of change in the world, change is inevitable in any organization. The effective and efficient management of change rather than just attempting to avoid any changes that is the key to increasing the stability within an organization. Such change management is essential to enable democracies to evolve and improve without losing the direction vector to their overall goals and objectives. The continuing development and evolution of a new democracy is a task that requires a time-invariant framework to enable establishing and enacting new procedures. This time-invariant framework is extremely important, especially when the electorate chooses new government leaders. These stabilizing institutions and mechanisms are needed to make sure that the often-rapid swings of the political pendulum do not throw society into continuous, uncontrolled fluctuations. While the changes in the political leadership may reflect important changes in the values and needs of society, the time invariant structural support mechanisms of the government must be more stable and adequate to provide the needed continuity. Without such stabilization mechanisms enabling continuing government functioning during transitions and reorganizations, each political shift will halt forward progress and democracy maturation. Non-political, analytical organizations can assist in providing this transitional stability. These organizations contain the analysts, tools, processes and data bases to enable a new set of decision makers to contemplate the many policy options while establishing "their team" to formulate action plans and procedures to carry out new policies. These new action plans and procedures, once established, must be in place for a sufficient time to allow the evolution of the system from its present state to the desired end-state. If the new government focuses only on massive formal administrative, personnel and structural changes, then there will be little progress toward the objectives and goals – satisfying neither the new decision-makers nor the electorate. This type of instability can come about either as a consequence of poorly defined policy or from the poor execution of new policy.

Poor policy, even if well implemented, will not produce the changes and improvements desired. Unfortunately, failures of such policy are often interpreted as stemming from insufficient structural and personnel reorganization. When the desirable policy objectives are not attained, the implementation structure may be blamed, introducing a new cycle of personnel and structural changes. Since the problem is in the policy, further changes will yield no better results. Without the ability or willingness to recognize the problem with the policy, this can lead to continuous structural and personnel change with no positive results. Uncontrolled structural and personnel changes can also come about even when appropriate and sound policy is being implemented. If insufficient time is allowed for the system to stabilize and to reach the desired state, or if the people charged with managing the process are not sufficiently trained or educated, the desired objectives will not be attained. The lack of progress in reaching the desired goals and objectives again induces personnel or structural changes. Neither change is likely to address the real problem of impatience or lack of training.

If the reorganization itself becomes the focus of the activity, emphasis is placed primarily on formal structural and administrative changes instead of on functional and procedural changes. Structure clearly impacts the possible functional and procedural behavior of an organization, but it is the procedural and functional aspects of the organization that produce the desired results. Therefore, functional and procedural changes are more important than formal structural and administrative reorganization. If anything is to be done differently, it is important to keep questioning and reassessing how the system works, not just how the system is structured. Personnel and structural changes should be driven by changes in the functions and processes rather than by some abstract organizational principles. Government personnel involved in implementing the changes and plans require proper training and education to preclude the poor execution of even a well-planned structural change. However, if the government is inconsistent or incompetent in policy formulation or the government changes too frequently, the policy cannot sustain a process for a sufficient interval to evolve a stable system status. Changes in policy or process take time to propagate through the system. If there is insufficient time for the changes to affect the systems status, there is no way to ascertain the value and impact of the changes. Therefore, it is essential that the process of change must be managed and executed in such a way that the result satisfies the requirement that prompted the change.

Policy formulation either within the government or by independent think tanks is a political process. Regardless of how or why a policy is formulated, the analysis of the policy should not be part of the political process. For this reason, the analysis experts should be part of the “professional cadre” of the government or in non-government agencies that do not owe allegiance to any political faction and therefore can provide objective analysis. Association and collaboration with like organizations within the region and around the world best accomplish a constant updating of technical knowledge and developments affecting the policy arena. When the Policy implementation phase occurs, the independence of think tanks in monitoring the success of the policies through well-chosen metrics can be instrumental to overall implementation success. By identifying these signposts, the think tank enables government intervention to occur, as required, to adjust the action plans and processes or even review the overall policy.

III. Role and Types of Think Tanks in the Policy Arena

We cannot produce a single definition of what constitutes a “think tank”. The variation of their behavior is too broad to fit into a simple definition. The best way to understand what think tanks can be is to first categorize organizations that are viewed as fitting some general notion of “think tank”. Then using these characteristics as features, we can determine if an organization fits into this scheme. Stryuk⁴ provides the following concise general characterization: “Typically, think tanks are nonprofit entities: Their objective is better public policy. The philosophy of public service embodied in nonprofit status profoundly affects the way such institutions operate. Think tanks and their supporters are motivated by the belief “that their intellectual input into policy debates

⁴ Raymond J. Stryuk, *Reconstructive Critics: Think Tanks in Post-Soviet Democracies*, Urban Institute Press (1999), Chapter 1.

makes a difference" (Higgot and Stone 1994, 15). Quality of research and influence on the policy process replace concerns about the number of billable hours and profit margins. Revenues in excess of costs incurred are used to fund publications, support work for which other funding cannot be found, or update in-house technology." When thinking about what are the key features of think tanks we must keep in mind that they directly benefit policymakers by not only by casting light on problems but also by illuminating alternative solutions.¹

One way to categorize think tanks is to look at how closely they are connected to the government. That is, the degree of independence. We can identify three tiers of think tanks:

- Think tanks integral to the government
- Government affiliated think tanks
- Fully independent think tanks

Think tanks integral to government are organizations within the government that play a role in either formulating or analyzing policy or plans. While the tools and methods used by these organizations are similar to those used by external think tanks, these organizations are not viewed in general as "think tanks" since they are part of the government and so their objectivity may be questioned. (US examples are the TRADOC Analysis Centers and Army Research Labs)

Government affiliated think tanks are nonprofit entities that support the government in policy formulation and analysis. What makes the tie strong is that a substantial portion (if not a majority) of the funding for the organization comes directly from the government. This dependence on government funds can bring into question the independence of these think tanks. However, as long as both the organization and the government value truly independent views and analysis, such organizations can maintain a high level of objectivity. (US examples are RAND and IDA)

Fully independent think tanks rely solely on non-governmental funds. Therefore, their independence from governmental views cannot be questioned. However, this does not guarantee the objectiveness of the work that they produce since they are often funded by groups with specific political or other agendas, which the think tank is supposed to support.

A different characterization can also be found in Stryuk⁴ using a categorization based on Weaver's work in the late 1980s. In this case, the partitioning is based on what type and quality of work is done by the think tank.

University without students. These types of organizations do very high quality academic style research. They differ from academic research organizations in that they are privately funded, are not associated with traditional educational activities, and the focus of their research is on policy related matters. In general, the focus is not on the details of current policy issues, but more on the long-term implication of general policy trends. The output of such institutions tends to be in the form of books and presentation for

policy makers; oriented not so much at experts in the field, but rather at the intelligent layman. Examples of such institutes are the Brookings Institution and the National Bureau of Economic Research.

Contract research organizations. These are the organizations often equated with the term “think tank”. These organizations operate by receiving contracts from customers to perform work within some range of expertise. The customers tend to be government agencies, although private companies can also be in the client base. The work can be either policy analysis or policy development. In both cases, a high degree of technical competence is expected and objectivity is paramount. Prototypical examples of such organizations are the RAND Corporation and the Urban Institute.

Advocacy think tanks. These types of organization tend to be more of a U.S. phenomenon, although they can be found outside the U.S. The goal of these organizations is to influence policy direction based on some ideological or political principles. They usually do not do in-depth analysis or research, rather they collect information from other sources, which support their desired policy changes and use it to actively influence the policy debate.

In the emerging democracies, one of the most important roles that think tanks play is in helping identify which issues need to be on the policy agenda. With the everyday problems mounting, policymakers do not have the time or resources to be able think in the long-term. Because of their independence, think tanks can take the time to consider long-term implication of current issues and thereby help policymakers make choices that not only address the current problems but also are viable in the long run.⁵ The capability of think tanks to use traditional analytical approaches in addition to newly evolving methodologies to augment and compliment the cultural intuition of the decision-makers lower the risk of adopting poorly defined policies.

IV. Croatian Case Study: Institute for Defense Studies, Research and Development

The Institute for Defense Studies, Research and Development (IDSRD), a potential future Croatian think tank, came into existence as result of the joint efforts of the Ministry of Defense (MOD) and the Ministry of Science and Technology to foster interaction between the scientific and academic community and the MOD to support its research and developments efforts. The IDSRD provides support to decision makers by researching, analyzing, debating and drawing conclusions with a view to presenting viable options to relevant defense and security oriented decisions. The Institute attracts and retains a highly qualified staff by stimulating their creativity to enhance MOD organizational productivity.

Due to its strong academic orientation during its initial development, many of the results produced thus far at the Institute are related to research and education. The institute has supported and continues to support the work of researchers’ in obtaining Ph.D.’s and Masters degrees. The result of this research has been published in both local and

⁵ Erik Johnson “Central Europe’s Think Tanks: A Voice for Reform”, Center for International Private Enterprise (1996) – <http://www.cipe.org/crt/e21/cccE21.html>

international journals and conferences. The topics of research covers a wide range of subjects, which includes Software Engineering, Software Metrics, Scheduling theory, Fuzzy Logic and Systems, Expert Systems, Digital Signal Processing, Game theory, Strategic Planning/Management, Neural Networks, Search Algorithms, Monte Carlo Simulations, Combat Simulations, Image Processing, Aerodynamics, Control Theory, HIL Simulators, Parallel Computing, Computer Graphics, Systems Dynamics, and Financial Management. In keeping with the model of similar institutes,⁶ academic excellence will remain important at the Institute. However, in the future more emphasis will be placed on understanding and gaining firsthand experience in the decision-making processes and the logic of political and strategic decisions. This is essential to be able to develop the needed empathy with decision-makers and to be able to combine factual information with strategic recommendations and policy options in times of uncertainty. Since university-educated researchers often lack practical training in the area of policy-relevant research and analysis, the Institute provides its new staff members on-the-job training as well as encouraging national and international collaboration.

The following short overview of selected projects, which have been undertaken to date at the IDSRD, illustrate its orientation, interest and potential.

Education and Training of Government Decision-makers in Strategic Planning and Public Administration – The purpose of this study was to define the mission of a National Academy to be Croatia's capstone national educational and scientific institution responsible for the professional development of future, senior government officials and leaders, preparing them to develop and implement national strategies. The objectives include: preparing selected senior officials from throughout the Croatian government and parliament for public administration and high level decision making responsibilities, promoting excellence in information management for users of advanced information systems at the senior level and increasing transparency and teamwork among government departments and agencies. The proposed curriculum includes: strategic leadership, effective negotiation, public relations, organizational strategy, leading change, accounting and finance basics, human resource management, effective team development, leadership ethics, effective time usage, and effective communications and presentations.

Toward an Integrated Strategic Approach to Regional Conflict Management Based on Lessons Learned in the Former Yugoslavia 1991-99 – The purpose of this study was to examine the lessons learned from the war in addressing future regional conflict prevention. Despite the regional and international warnings of the emerging crisis in the former Yugoslavia in 1991, the international community political leaders, policy and decision-makers lacked the political will to react. Marginalizing the regional crisis in its early phases resulted in missed opportunities for early preventive action, which lead to crisis escalation. The result was hundreds of thousands of people killed, millions of refugees, massive human tragedy and trauma, devastated infrastructure and shattered economies. Twelve lessons relating to conflict prevention and conflict resolution emerged from the close examination of the events occurring between 1991 and 1999 in

⁶ Martin Thunert, "Advising the Government and the Public, Think tanks in Germany", The American Institute for Contemporary German Studies (1999) – <http://www.aicgs.org/IssueBriefs/thunert.html>

the region of the former Yugoslavia. The lessons learned along with several additional guidelines and recommendations stated could be a valuable contribution to an integrated, strategic approach to regional conflict management in the 21st century.

Formal Methods of Budget Optimization – The purpose of this study was to examine formal methods that would be of value in a project oriented budget formulation process. Tools and processes were identified to reduce the subjectivity and increase the transparency of the budget formulation process and to lay out a methodology to aid and guide decision makers. The study describes the use of a multitude of techniques that could be of value to include: Cost Benefit Analysis, Data Envelopment Analysis, Fuzzy Zero Based Budgeting, Multi-criteria Decision-making, Input-output Analysis, and techniques of macro-economic modeling. Related tasks addressing the budget included the following sub projects.

- *Systems Dynamic Model of National Economy* – This preparatory study investigated the feasibility of using Systems Dynamics modeling techniques to model the Croatian economy. The study established what types of data would need to be collected to facilitate building such a model. The resulting economic model is expected to be a tool of great value in any type of forecasting study where the economic development of Croatia in the medium term (5-15 years) would play a significant role.
- *The Application of Game Theory to Decision-Making and Strategic Planning* – Cooperative Game Theory concepts applicable to economics, politics and defense with emphasis on strategic planning and budgeting were analyzed. A multiple-criteria evaluation model was used to comparatively evaluate competing program proposals. These proposals were composed by coalitions of decision-makers who estimated the proposals value to the national security strategy in addition to national prosperity. These values formed the basis of the expected gains to the cooperative game theory construct.
- *Operating Systems and Social Models* – This project's purpose was to investigate if ideas and concepts from Operating Systems theory and Computer Science could be used to build models of social systems. The use of resource allocation concepts (scheduling and memory allocation algorithms) could be of value in building systems to help model budget allocation and execution process. Such models could help in forecasting potential problems within a budget and addressing them before they occur.

Analytical Framework for the Restructuring of the Croatian Armed Forces 2005-2010 – Political, Security and Financial Aspects - The purpose of this study is to support the Ministry of Defense in determining the objective Croatian military force design in 2010. This objective force could serve as a marker to ensure that interim efforts to restructure the armed forces will be compatible with Partnership for Peace and NATO requirements, expected security needs and available resources in the strategic timeframe. The project deliverable is a report of Croatia's security and armed forces needs for the years 2005-2010. This discussion will reflect the main thread followed in the analysis; clear connection of needs with objectives and objectives with means. The project will be structured around five principle tasks: the security environment assessment, defense strategy review, military missions review, force structure review, and writing the final

report. An illustrative partial list of the analytical methods, conceptual frameworks and paradigms, which could be applied to this project are: Modeling & Simulation, Operations Research, Assumption Based Planning⁷, Strategy to Task or objective-based planning⁷, Planning for adaptiveness⁷, Failure Avoidance (or worst-case avoidance).

Assessment of Situational Force Scoring (SFS) Methodology to Simulate Battalion and Brigade Forces on a non-linear Battlefield – The purpose of this study is the development of a combat simulation model suitable to serve as a tool in providing analytical support to the restructuring of the Croatian armed forces into an affordable, modern military satisfying expected Croatian security requirements. The model under assessment is inspired by the RAND Corporation's Joint Integrated Contingency Model (JICM) and will be adapted to specific, Croatian needs. The JICM model is designed for modeling high-intensity, massive campaigns with divisions and brigades as basic units. As the Croatian security concerns consist mainly of lower intensity conflicts between smaller basic units, there is a question of necessary adaptations to the JICM model reflecting these changes in the assumptions. Such modifications could be of wider interest for modeling community because future wars will likely consist mainly of lower-intensity conflicts between smaller units operating on a non-linear battlefield. A key development in this project will be the assessment of how the Situational Force Scoring (SFS) model (which is the core of JICM) can be adapted to model lower intensity conflict. In this work, it is expected that data from the 1991-1995 war within the former Yugoslavia will be used extensively.

Tactical Simulation of Anti-armor Combat – The purpose of this study was to design and develop a small tactical combat simulation. This entity level model simulated combat between tanks and anti-tank infantry units. The simulation takes place over a realistic terrain with line-of-sight effects and mobility factors taken into consideration. The goal of the project was to do a study to establish the feasibility of using low cost, off-the-shelf, system of networked PC computers as a suitable platform for development and use of a distributed training combat simulation. Since this project was looking at technological feasibility questions, the system included many advanced features that would not be needed if only a small simulation was to be developed. The system was developed to run on multiple, networked computers, used a Graphical User Interface and was developed using C++ with an object-oriented design. The resulting simulation system was very well received and given the Annual Award for Scientific Contribution to Defense Systems Development in 1998.

Systems Dynamics Model for Optimal Restructuring of the Croatian Armed Forces Officer Corps – The purpose of this proposed study is to develop a Systems Dynamics based model to forecast what types of acquisition, education, training, assignment rotation and promotion strategies can be used by the Croatian military to achieve the desired officer corps. The system initially starts with the present corps of officers who are heterogeneous with respect to the age, rank and training, and compares strategies to create a stratified system with a reasonable number of candidates at each level to be

⁷ "Assumption Based Planning - A Planning Tool for Very Uncertain Times", RAND, 1993

considered for advancement to the next level. Limitations or assumptions to be used in the simulation include: incoming candidates will enter at the lowest rank with the requisite education and training; officers will retire after a requisite number of years at whatever rank they have attained and policy to regulate the system consists of when to train, educate, assign and promote. The objective function contains the desired number of officers by rank, education and training. Genetic algorithms will be used to solve the defined problem, while a Monte-Carlo simulation will be exercised to test the sensitivity of the optimal solution.

Defense Systems and Technologies Modernization Project. The purpose of this project is to initiate complex, technical tasks with the objective to increase the technology base of the Republic of Croatia. Such tasks require cooperation between regional scientific, research institutions, and their international counterparts. Special emphasis is given to dual use technologies and developing expertise in flight mechanics, computational fluid dynamics, electro optical sensors, digital image and signal processing and guidance and control theory. These disciplines are important for the development of infrastructure technology such as hardware-in-the-loop simulators that are equally important for development and modernization of the guided missile systems as well as such commercial applications as Intelligent Transport Systems. Additional application areas of these generic technologies include communications, biomedicine and finance. Research results have been published in world-class scientific journals and conferences and scientific collaboration with distinguished international research laboratories has been established.

Future work for the Institute. At this time, Croatia is in the process of converting a military, developed in a crisis to fight an invading force, into a long term, affordable, viable defensive force to enhance security. There are basic questions of force size, force mix and modernization verses affordability. Additional issues that require addressing in support of decision-makers include determining what are the viable security options, what bilateral and multilateral agreements will enhance security and which training options, what technologies should be encouraged by the government and the impact of security policy on national economics and therefore national security. The IDSRD can play a strong role in providing analytical support in all of these areas.

V. The Future of Think Tanks in Newly Emerging Democracies

Despite some of the success, post-communist Central Europe still has a shortage of institutions that can do the needed policy research and analysis. With the economic difficulties, governments do not have the funds to support such organizations. Therefore, often policy-makers need to make decisions without having the needed information.⁵ It is not that there is a lack of quality researchers in these countries or a lack of quality work. The problem is that with a lack of tradition in objective policy research; much of this work is viewed only from an academic perspective with little effort made to apply the results or to investigate real world problems. "There is a tendency for research scientists in these countries to literally live in their ivory towers."⁸

⁸ Bernardo M. Villegas, "A think Tank in Democratic Society", Center for International Private Enterprise (1996) - <http://www.cipe.org/ert/e21/vilE21.html>

One of the biggest weaknesses in policy formulation in these countries, even in ones where think tanks have flourished, is that there is no tradition and value placed on objective analysis. Therefore, analytical results are rarely solicited and even when available often ignored. Due to this lack of analysis “Proposals are too often based on a general sense of what is to be done rather than on detailed analysis, and too few concrete, well-developed alternatives are offered on most major decisions.”⁴

Government turnover further complicates the role of the think tanks. With every new election or appointment of a new decision maker, there is a need to educate them on the importance and benefits of policy analysis. While this problem exists to some degree during any governmental transition, it is more acute in Central Europe since the likelihood of the new leadership not being well versed in this type of thinking is very high.⁹ Without this needed education “Policy presentations are frequently made to audiences with little expertise in the methods used by analysts, minimum familiarity with the subject matter, little time to attend meetings and limited confidence in the think tank and its analysts.”² This leads to a lack of understanding of possible think tank contributions, desired decision-maker interaction and needed competence with related education requirements. The successful evolution of “think tanks” and their acceptance by policy makers will strongly depend on developing a governmental culture, which has an internal tradition of independent policy design, and analysis that can rely on these external experts.

Two critical issues need to be addressed in order to foresee the future of such institutions. The first is the question of their financial future and independence and the second has to do with the influence they can have on the current and future decision-makers in the government. The current place of the IDSRD within the MOD precludes it from being a truly independent organization. Hence, in the purest sense it cannot be called a think tank. Fortunately, this governmental dependence has not affected the objectivity of the work thus far. In a small country like Croatia, it is not possible to provide national security and defense related analysis without substantial support from the government.

To assess the potential influence of the institute on the decision making process is more difficult because the role of think tanks is not yet fully recognized in Croatia. The governmental culture in Croatia, as in the other Central European countries, lacks a tradition of using objective analysis in policy formulation. Also, in the last ten years in Croatia there was no time to consider long-term issues or even to do even the simplest analysis of alternatives. Often decisions had to be made in a “shoot from the hip” manner. While this approach worked well enough to ensure that the state survived those difficult times, it also fostered a culture where snap judgments based on common sense or intuition were acceptable and even highly valued. This, again, is not a culture that is supportive of the use of independent and scientifically based analysis.

From these observations, we can conclude that with the current governmental culture and the falling funding, the effective use of think tanks is not immediately likely. Think tanks will have to play an active role in pushing for the changes in mindset that need to be made to make the use of such organization not only acceptable but even desirable. To be able to effect these types of changes there needs to be impetus both from within the country and from the outside. By supporting and insisting on analysis based planning in

Croatia, the international community can help establish the perceived value of such analytical approaches. At the same time, effort is needed from within to push for these new methods. This is why the educational role of the institute is so critical. Without the proper education and re-education of the personnel and decision-makers in the government, a culture of analysis-based decision-making will not evolve, and the country will continue to lurch from crisis to crisis with no prospect of finding long-term stable solutions.

To the external observer, it is clear that the capability that the institute can provide is vital for Croatia to be able to make the types of changes that are needed for it to be fully integrated into Euro-Atlantic organizations. The successful development of this support depends on people that could most benefit from such support. The next five years will be a test of survival. The future of IDSRD and similar institutions in post communist Europe will heavily depend on their ability to demonstrate the value of their contribution to the region's political and economic transformation.