

**AN ESTIMATE OF WAR DAMAGES IN  
CROATIA ORIGINATING FROM  
ACTIVITIES ON THE TERRITORY OR  
FROM THE TERRITORY OF BOSNIA  
AND HERZEGOVINA**

**DIRECT AND INDIRECT EXPENSES FOR THE PERIOD 1991-2015**

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## INTRODUCTION

This paper extends our previous findings in the report “War Damages in Croatia.” Many different procedures have been used to measure war-related damages originating on the territory and from the territory of Bosnia and Herzegovina. In this paper, we extend our measurement of war damages or expenses which did not occur in Croatia. This was not the focus of our previous report, yet should be included in the measurement due to the fact that Croatia was also defending its territory (especially Dalmatia) through the war-related assistance to Bosnia and Herzegovina. In addition, Croatia provided full care for the wounded from Bosnia and Herzegovina, accommodated a couple of hundred thousands refugees, either Croatians, or Bosnians, or Serbs (though, to a lesser degree than other ethnic groups), and also paid the costs of social welfare, education etc.

This paper is divided in four sections. The first section discusses financing the military in Bosnia and Herzegovina, including HVO forces and BiH Army. The second and the third section present the total expenses for refugees, and the total expenses for wounded originating from Bosnia and Herzegovina, respectively. In the last part we present the country-wise allocation of war damages to Croatia, specifically those originating from Bosnia and Herzegovina, Serbia and Montenegro. The underlying reason for such allocation comes from the fact that the sectors North, South and West (occupied territories of western Slavonia, Moslavina, Banovina, Kordun, Lika and Dalmatian hinterland with the city of Knin as the headquarters) directly bordered with Bosnia and Herzegovina, wherefrom came all the arms and most of the manpower, as well as the complete logistics. The damages are allocated according to the length of the Croatian border with before mentioned countries. All the damages related to Bosnia and Herzegovina are allocated to 3 ethnic groups – Serbs, Croats, and Bosnians.

In the process of estimation of war damages, detailed data sources have not been available. Therefore, it was sometimes necessary to use rough approximations.

Author - (authors) did not have enough money (or so called resources) to write a more accurate paper. That is beyond question.

Also it is perfectly clear that the author could not understand (could not get it into his head) why the government “bodies” do not want to get into order every fact connected to defensive War in Croatia, and those financial ones. The fewer number of the clear, accurate, and definite information the more of cheating and con men.

And so, from the ignorance, terrifying ideological freaks are being created.

That is “Croatian reality”.

# 1. MILITARY EXPENSES FOR THE DEFENSE OF BOSNIA AND HERZEGOVINA FROM SERBIAN AGGRESSION

In this section we use the same estimation method as we did in the first paper. Therefore, the average annual cost of a EU soldier is \$70,000<sup>1</sup>. This figure includes personal income and equipment expenses. It is worth to mention that the annual costs of a U.S. or a U.K. soldier are even greater (some estimates cite the numbers between \$100,000 and \$200,000). However, we do not use these figures since it is hard to compare the equipment and training of the soldiers in Bosnia and Herzegovina with the U.S. or the U.K. soldiers. We utilize the lower estimate, and consequently do not bias the results. Therefore, the monthly cost of a soldier is estimated at \$5,833 ( $\$70,000 / 12$ ).

## 1.1. Military Expenses on Croatian Soldiers

The rough estimate of the total number of Croatian soldiers in Bosnia and Herzegovina (either in HVO forces, or Croatian Army) is 40,000. From March 1992 to the late 1995, they have spent approximately 45 months in the military<sup>2</sup>. Therefore, the total number of months spent in the military is estimated at 1.8 million ( $40,000 \times 45$ ). If we multiply the total number of months spent in the military and the average monthly cost of a soldier, we obtain \$10,499,400,000, that is, approximately \$10.5 billion.

## 1.2. Military Expenses on Bosnian Soldiers

An estimate of Croatian expenses on Bosnian soldiers is quite similar to the estimate for Croatian soldiers. Again, since the actual data are currently not available, we use rough approximations. The total number of Bosnian soldiers is estimated at 200,000, while the number of days spent in military is again 45 months. Therefore, the total number of months spent in military is estimated at 9 million ( $200,000 \times 45$ ). If we multiply the number of months spent in military with the average monthly cost of a soldier of \$5,833, we obtain \$52,497,000,000. We should stress that Croats (temporarily working in foreign country) helped in arming ABIH and HVO with a much higher stake than Republic of Croatia.

**Table 1: Croatian military expenses in Bosnia and Herzegovina**

	No. of Soldiers	No. of months	No. of months x no. of Soldiers	Monthly expenses	Total expenses
Croats	40,000	45	1,800,000	5,833	10,499,400,000
Muslims	200,000	45	9,000,000	4,375	39,372,750,000
Total	240,000	-	-	-	49,872,150,000

<sup>1</sup> Thompson, J.A.: Common Interest, Common Responsibilities, [www.rand.org](http://www.rand.org).

<sup>2</sup> Praljak Slobodan.

How much Croatia helped in arming ABiH is very difficult to determine (but not impossible) but it could be assumed if we take into consideration all the free aid Croatia was giving continuously during the war.

- **Arming of ABiH by Republic of Croatia (2092 documents with 3820 items)**
- **Weapons inserted in packaging of food and loaded in UNHCR trucks**
- **Forming of ABiH groups in Croatia which were later deployed in Central Bosnia, Bihać municipality and Bosanska Posavina (158 documents)**
- **Training centers of ABiH located in Croatia: Zagreb (*Borongaj, Sljeme, Svetošimunska*), Jastrebarsko, Zdenčina, Plješevica, Kutina-Žutica, Sisak-Žažina, Rijeka-Klana, Delnice, Đakovo- Zelegaj, Vrgorac-Dragljan.**
- **Training of ABiH pilots in Republic of Croatia**
- **Forming of ABiH's logistic centers in Croatia (834 documents).**
- **Aid unloaded and transported to Bosnia and Herzegovina through harbors in Croatia (only in Ploče harbor there were 601.133.307 kg of humanitarian aid unloaded during the war)<sup>3</sup>**

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<sup>3</sup> Slobodan Praljak, *Aid of Republic Croatia to Bosnian-Muslim population and to the Army of Bosnia and Herzegovina (1991 - 1995)*, Zagreb, 2007.; [www.slobodanpraljak.com](http://www.slobodanpraljak.com)

## 2. EXPENSES FOR THE ACCOMMODATION OF REFUGEES FROM BOSNIA AND HERZEGOVINA

Table 2<sup>4</sup>: Expenses for displaced persons and refugees

Month	Refugees	Estimate A (\$)	Estimate B (\$)
1991.12	0	0	0
1992.1	872	758,378	849,546
1992.2	1,276	1,109,737	1,243,143
1992.3	16,579	14,418,756	16,152,091
1992.4	193,415	168,213,026	188,434,564
1992.5	274,366	238,616,110	267,301,076
1992.6	299,197	260,211,631	291,492,677
1992.7	363,270	315,935,919	353,915,798
1992.8	362,306	315,097,528	352,976,621
1992.9	364,154	316,704,734	354,777,035
1992.1	367,366	319,498,210	357,906,326
1992.11	370,371	322,111,659	360,833,947
1992.12	402,768	350,287,330	392,396,724
1993.1	401,412	349,108,016	391,075,641
1993.2	399,566	347,502,550	389,277,176
1993.3	386,284	335,951,195	376,337,187
1993.4	269,005	233,953,649	262,078,121
1993.5	271,096	235,772,191	264,115,278
1993.6	272,869	237,314,169	265,842,623
1993.7	277,054	240,953,864	269,919,860
1993.8	279,049	242,688,915	271,863,488
1993.9	276,548	240,513,796	269,426,889
1993.1	278,383	242,109,695	271,214,638
1993.11	281,462	244,787,501	274,214,354
1993.12	281,318	244,662,265	274,074,062
1994.1	281,455	244,781,414	274,207,534
1994.2	284,155	247,129,604	276,838,009
1994.3	281,817	245,096,245	274,560,212
1994.4	272,383	236,891,495	265,369,138
1994.5	267,140	232,331,658	260,261,145
1994.6	266,728	231,973,342	259,859,754
1994.7	266,056	231,388,903	259,205,058
1994.8	183,038	159,188,149	178,324,772
1994.9	184,851	160,764,915	180,091,087
1994.1	184,299	160,284,840	179,553,301
1994.11	187,188	162,797,404	182,367,909
1994.12	187,670	163,216,599	182,837,498
1995.1	187,784	163,315,745	182,948,562
1995.2	188,230	163,703,631	183,383,078

<sup>4</sup> The monthly data on the number of displaced persons and refugees from January 1992 to November 1995 are obtained from the Office for Displaced Persons and Refugees, The Government of Republic Croatia, Zagreb, 1998. The non-starred figures are from Narodne novine No. 92, p. 2120, July 7, 1998. The starred figures are estimated using the method of linear interpolation (between two known figures, the number of displaced persons and refugees increases by the same amount every month).

<b>1995.3</b>	188,230	163,703,631	183,383,078
<b>1995.4</b>	189,531	164,835,111	184,650,577
<b>1995.5</b>	188,672	164,088,038	183,813,696
<b>1995.6</b>	188,606	164,030,638	183,749,396
<b>1995.7</b>	188,217	163,692,325	183,370,412
<b>1995.8</b>	187,038	162,666,949	182,221,772
<b>1995.9</b>	208,646	181,459,426	203,273,366
<b>1995.1</b>	208,663	181,474,211	203,289,928
<b>1995.11</b>	214,746	186,764,596	209,216,291
<b>1995.12</b>	210,432	183,012,710	205,013,376
<b>1996.1</b>	206,117	179,259,955	200,809,487
<b>1996.2</b>	201,803	175,508,069	196,606,573
<b>1996.3</b>	197,488	171,755,314	192,402,684
<b>1996.4</b>	193,174	168,003,428	188,199,770
<b>1996.5</b>	188,859	164,250,672	183,995,881
<b>1996.6</b>	184,545	160,498,787	179,792,966
<b>1996.7</b>	175,901	152,981,100	171,371,549
<b>1996.8</b>	167,257	145,463,413	162,950,132
<b>1996.9</b>	158,613	137,945,726	154,528,715
<b>1996.1</b>	149,969	130,428,039	146,107,298
<b>1996.11</b>	141,326	122,911,222	137,686,856
<b>1996.12</b>	132,682	115,393,535	129,265,439
<b>1997.1</b>	124,038	107,875,849	120,844,022
<b>1997.2</b>	115,394	100,358,162	112,422,605
<b>1997.3</b>	106,750	92,840,475	104,001,188
<b>1997.4</b>	101,415	88,200,626	98,803,564
<b>1997.5</b>	96,081	83,561,646	93,606,914
<b>1997.6</b>	90,746	78,921,796	88,409,291
<b>1997.7</b>	85,412	74,282,816	83,212,641
<b>1997.8</b>	80,077	69,642,967	78,015,017
<b>1997.9</b>	74,742	65,003,117	72,817,394
<b>1997.1</b>	69,408	60,364,138	67,620,744
<b>1997.11</b>	64,073	55,724,288	62,423,120
<b>1997.12</b>	58,738	51,084,439	57,225,497
<b>1998.1</b>	53,404	46,445,459	52,028,847
<b>1998.2</b>	48,069	41,805,609	46,831,223
<b>1998.3</b>	42,735	37,166,630	41,634,574
<b>1998.4</b>	37,400	32,526,780	36,436,950
<b>1998.5</b>	32,065	27,886,931	31,239,326
<b>1998.6</b>	26,731	23,247,951	26,042,677
<b>1998.7</b>	21,396	18,608,101	20,845,053
<b>1998.8</b>	16,062	13,969,121	15,648,404
<b>1998.9</b>	10,727	9,329,272	10,450,780
<b>1998.1</b>	5,392	4,689,422	5,253,156
<b>1998.11</b>	58	50,443	56,507
<b>1998.12</b>	0	0	0
<b>Total</b>		13,344,857,698	14,949,094,644

Source: Narodne novine, July 7, 1998, no. 92, p. 2120, The Office for Displaced Persons and Refugees, The Government of Republic Croatia, Zagreb 1998, [www.emz-berlin.de](http://www.emz-berlin.de).

Table 2 presents the number of refugees coming from Bosnia and Herzegovina in the period 12/1991–12/1998. In the paper “War Damages in Croatia,” using the monthly expense of DM

1,250<sup>5</sup> (\$869.7) per refugee, we estimate the total refugee support at DM 13,344,857,698. The figure is based on the German estimates of the support expenses for refugees from Croatia and Bosnia and Herzegovina (we use the lower estimate; the higher estimate is DM 1,400<sup>6</sup>, or \$974.25). Furthermore, in order to distinguish the expenses on Croatian and Bosnian refugees, we have obtained from the available sources<sup>7</sup> the complete data for 63,833 out of 235,862 refugees, who officially registered their residence in Croatia. From the same source, we infer that the average length of residence is 767 days. In addition, Šefko Omerbašić, the president of Islamic Community in Croatia, stated the figure of 300,000 Bosnian refugees in Croatia<sup>8</sup>. Therefore, Bosnian refugees spent 230,308,920 days in Croatia. Using the monthly support estimate of \$766, the total expenses are \$6,586,470,990. As the total expenses reflects the support for all displaced persons and refugees, the rest of \$6,578,131,666 refers to Croatian refugees (\$13,164,602,656 – \$6,586,470,990).

**Table 3: Support for refugees from Bosnia and Herzegovina**

<b>Refugees from Bosnia and Herzegovina</b>	<b>Total expenses in German prices, in \$</b>	<b>Total expenses in domestic prices, in \$</b>
<b>Croats</b>	6,578,131,666	476,000,000
<b>Bosnians</b>	6,586,470,990	478,000,000
<b>Total</b>	13,164,602,656	954,000,000

This figure is expressed in international prices (in this case German prices). In order to make the analysis complete, we perform the same exercise in domestic prices.

The paper “War Damages in Croatia” estimated the total expenses for displaced persons and refugees in the amount of \$27,612,050,309.90 (using the monthly support estimate of DM 1,250). Comparing the figures in Table 3, it can be easily seen that the share of Bosnian refugees in the total expenses is 23.9% (\$6,586,470,990 / \$27,612,050,309.90), while the share of Croatian refugees from Bosnia and Herzegovina is 23.8% (\$6,578,131,666 / \$27,612,050,309.90). Recognizing the fact that the support for refugees and displaced persons amounted to \$2 billion<sup>9</sup>, Croatian refugees cost us \$476 million, while Bosnian refugees \$478 billion.

<sup>5</sup> Cf. Ausländerbeauftragte des Senats von Berlin 2000.

<sup>6</sup> Cf. Kl. Anfrage Nr 1054, Ismail Kosan, September 4, 1996.

<sup>7</sup> The Office for Displaced Persons and Refugees, The Government of the Republic of Croatia.

<sup>8</sup> Šefko Omerbašić, October 2005 interview transcript, somerbasic, p. 5, The Ministry of Defense of the Republic Croatia.

<sup>9</sup> According to the “Kralj Zvonimir Fund” data, while supporting displaced persons and refugees, Croatia incurred over \$2 million in refugee-related expenses, including \$1,133 for food and accommodation expenses.

### 3. EXPENSES FOR WOUNDED FROM BOSNIA AND HERZEGOVINA

The paper “War Damages in Croatia” estimates the total expenses of wounded persons in the Homeland War. According to the Croatian Institute for Health Insurance (HZZO) report<sup>10</sup>, the total number of wounded persons is 48,677. The following table also presents the distribution of the number of hospitalization days. The total number of hospitalization days is estimated at 446,058, and the total expense amounts to \$212,389,112.

**Table 4: The total number of hospitalization days for wounded persons**

Duration	Average of the category (in days)	Number of wounded (for 90.2% in the sample)	Relative frequency (%)	Number of hospitalized wounded (in the population)	Number of wounded not included in the source	All wounded	Total number of days
Not hospitalized	1	18	0.07	20	18,157	18,177	18,177
More than 2 months	90 <sup>11</sup>	969	3.51	1,072	0	1,072	96,524
1-2 months	45	1.232	4.48	1,367	0	1,367	61,507
1 month	30	2.264	8.23	2,510	0	2,510	75,311
15-21 days	18	2.984	10.84	3,309	0	3,309	59,558
8-14 days	11	5.930	21.54	6,574	0	6,574	72,310
1-7 days	4	14.135	51.34	15,668	0	15,668	62,671
<b>Total</b>	-	<b>27.532</b>	<b>100.00</b>	<b>30,520</b>	<b>18,157</b>	<b>48,677</b>	<b>446,058</b>

Source: Hebrang, A.: “An Effectiveness Analysis of the Wartime Health System” (Analiza učinkovitosti ratnog zdravstva) (preliminary report), Zagreb, October 2003.

Available data sources allow us to estimate the number of wounded persons from Bosnia and Herzegovina. The figure is 10,979 persons, including 8,943 Muslims, 1,991 Croats, and 45 Serbs.

The average expense of hospitalization day in 2003. in Croatia was 570.58 kn<sup>12</sup> (\$92.16). If we multiply the cost of hospitalization day with the number of days we can conclude that expense for wounded originating from BIH was \$7.553.505,74 for people of Bosnian nationality, 1.681.639,74 for Croats and 37.978,16 for Serbs.

Problem with this calculation using “Croatian prices” is that cost of medical aid for the wounded people are grater because the study probably haven't taken into consideration expenses for operation, post operation medical care, care provided for disabled persons and their families. Considering the average expenses in “Croatian prices” in these costs probably also haven't been included amortization costs of equipment or buildings or expenses of salaries for doctors and personnel. In the paper The Economic Costs of the War in Irak, which if primariliy economic study (prof Hebrang's paper is primarily medical), cost of 14.120 USA wounded amounts to \$18.200.000.000<sup>13</sup>. Cost of wounded in this analysis is \$3.400.000,

<sup>10</sup> Professor Andrija Hebrang: “An Effectiveness Analysis of the Wartime Health System” (Analiza učinkovitosti ratnog zdravstva) (preliminary report), Zagreb, October 2003, p. 68.

<sup>11</sup> The author's estimate (average duration of hospitalization is assumed to be 3 months).

<sup>12</sup> The Croatian Institute for Health Insurance (HZZO): *The Financial Repor oft* the Croatian Institute for Health Insurance (HZZO) in 2003, Zagreb, 2004

<sup>13</sup>S. Wallsten, K. Kosec, The Economic Costs of the War in Irak, Joint Center, September 2005.

\$880.000, \$260.000 or \$60.000 depending on the type of the injury (severe head injury, amputation, injury resulting in inability to return to duty or injured but able to return to duty). If we took this study as a reference, average expense per wounded soldier would be \$1.288.951. If we subtract number of wounded people from BIH from the wounded people treated in Croatia (48.677-10.979), the cost 37.979 wounded people was and still is \$48.590.874.798. According to the available information 1082 people that were treated as the citizens of BIH, are today citizens of Republic of Croatia, we can treat them same as other wounded people in Croatia and the expenses for them then amount to \$1.394.644.982. For the rest of wounded people from BIH we will assume they left Croatia and treat them as the fourth category (injured but able to return to duty \$60.000). Expense for treatment the rest of 9.897 injured people is 593.820.000 and the whole amount spent for treatment of the wounded soldiers from Bosnia and Herzegovina is 1.988.464.982.

**Table 5: The expenses for wounded from Bosnia and Herzegovina**

	<b>No. of wounded</b>	<b>Expenses for wounded in USA price, in \$</b>	<b>Expenses for wounded in domestic price, in \$</b>
<b>Muslimani</b>	8.943	1.619.714.212	7.553.505
<b>Hrvati</b>	1.991	360.600.581	1.681.639
<b>Srbi</b>	45	8.150.189	37.978
<b>Ukupno</b>	10.979	1.988.464.982	9.273.123

## 4. WAR DAMAGES IN CROATIA AS THE CONSEQUENCE OF ACTIVITIES ORIGINATING FROM BOSNIA AND HERZEGOVINA

War damages in Croatia originated from 3 countries: Montenegro, Bosnia and Herzegovina (from so called Republika Srpska) and Serbia. A thorough analysis of war damages in Croatia is presented in the paper “War damages in Croatia.” However, here we need to deduct the expenses we specifically covered in this paper from the totals presented in the previous paper. This especially concerns the expenses for wounded and refugees.

The following two tables are taken from this paper:

**Table 6: The total damages in domestic prices (in \$)**

Damage category	Period		Total
	1991-2004	2005-2015	
1.1.1. Dead and missing persons	3,595,500,000	0	3,595,500,000
1.1.2. Wounded and permanently disabled	23,217,108,994	0	23,217,108,994
1.1.3. Displaced persons and refugees	2,000,000,000	0	2,000,000,000
1.1.4. Emigrants	46,325,508	0	46,325,508
1.1.5. PTSD	342,500,000	228,250,000	570,750,000
<b>1.1. Total human losses</b>	<b>29,201,434,500</b>	<b>228,250,000</b>	<b>29,429,684,500</b>
1.2.1. Industry	1,156,400,000	0	1,156,400,000
1.2.2. Agriculture, forestry and related industries	1,410,000,000	0	1,410,000,000
1.2.3. Infrastructure and telecommunications	2,355,080,000	0	2,355,080,000
1.2.4. Residential real-estate funds	3,800,000,000	0	3,800,000,000
1.2.5. Non-renewable natural resources	531,200,000	0	531,200,000
1.2.6. Property of Croatian companies abroad	1,143,800,000	0	1,143,800,000
1.2.7. Occupation of the monetary system	357,000,000	0	357,000,000
1.2.8. Historical and cultural heritage, health care system property	4,800,000,000	0	4,800,000,000
<b>1.2. Total property losses</b>	<b>15,553,480,000</b>	<b>0</b>	<b>15,553,480,000</b>
<b>1.3. Total war expenses</b>	<b>10,142,000,000</b>	<b>0</b>	<b>10,142,000,000</b>
1.4.1. Landmine clearance	1,625,717,778	735,011,270	2,360,729,048
1.4.2. Landmine casualties	116,272,360	58,495,520	174,767,880
<b>1.4. Total losses from landmines</b>	<b>1,741,990,138</b>	<b>793,506,790</b>	<b>2,535,496,928</b>
<b>1. DIRECT WAR DAMAGES</b>	<b>56,638,904,638</b>	<b>1,021,756,790</b>	<b>57,660,661,428</b>
<b>2. INDIRECT WAR DAMAGES</b>	<b>85,751,000,000</b>	<b>109,058,000,000</b>	<b>194,809,000,000</b>
<b>TOTAL DAMAGES</b>	<b>142,389,904,630</b>	<b>110,079,756,790</b>	<b>252,469,661,420</b>

**Table 7: The total damages in international prices (in \$)**

Damage category	Period		Total
	1991-2004	2005-2015	
1.1.1. Dead and missing persons	3,595,500,000	0	3,595,500,000
1.1.2. Wounded and permanently disabled	23,217,108,994	0	23,217,108,994
1.1.3. Displaced persons and refugees	2,000,000,000	0	2,000,000,000
1.1.4. Emigrants	46,325,508	0	46,325,508
1.1.5. PTSD	342,500,000	228,250,000	570,750,000
<b>1.1. Total human losses</b>	<b>29,201,434,500</b>	<b>228,250,000</b>	<b>29,429,684,500</b>
1.2.1. Industry	1,156,400,000	0	1,156,400,000
1.2.2. Agriculture, forestry and related industries	1,410,000,000	0	1,410,000,000
1.2.3. Infrastructure and telecommunications	2,355,080,000	0	2,355,080,000
1.2.4. Residential real-estate funds	3,800,000,000	0	3,800,000,000
1.2.5. Non-renewable natural resources	531,200,000	0	531,200,000
1.2.6. Property of Croatian companies abroad	1,143,800,000	0	1,143,800,000
1.2.7. Occupation of the monetary system	357,000,000	0	357,000,000
1.2.8. Historical and cultural heritage, health care system property	4,800,000,000	0	4,800,000,000
<b>1.2. Total property losses</b>	<b>15,553,480,000</b>	<b>0</b>	<b>15,553,480,000</b>
<b>1.3. Total war expenses</b>	<b>10,142,000,000</b>	<b>0</b>	<b>10,142,000,000</b>
1.4.1. Landmine clearance	1,625,717,778	735,011,270	2,360,729,048
1.4.2. Landmine casualties	116,272,360	58,495,520	174,767,880
<b>1.4. Total losses from landmines</b>	<b>1,741,990,138</b>	<b>793,506,790</b>	<b>2,535,496,928</b>
<b>1. DIRECT WAR DAMAGES</b>	<b>56,638,904,638</b>	<b>1,021,756,790</b>	<b>57,660,661,428</b>
<b>2. INDIRECT WAR DAMAGES</b>	<b>85,751,000,000</b>	<b>109,058,000,000</b>	<b>194,809,000,000</b>
<b>TOTAL DAMAGES</b>	<b>142,389,904,630</b>	<b>110,079,756,790</b>	<b>252,469,661,420</b>

The first step is to deduct the expenses we estimated in the first three sections of this paper. The expenses that are double counted are given in the following table:

**Table 8: Items that should be deducted from Croatian war damages (due to avoidance of double counting)**

Deduction items	In international prices, in \$	In domestic prices, in \$
<b>1.1.2. Wounded and permanently disabled</b>	1,988,464,982	9,273,124
<b>1.1.3. Displaced persons and refugees</b>	13,164,602,656	954,000,000
<b>Total</b>	<b>15,153,067,638</b>	<b>963,273,124</b>

After deduction items, the total war damages in Croatia are (irrespective of its source):

**Table 9: Net war damages in Croatia (irrespective of its source)**

Item	Croatian war damages	Expenses for wounded and refugees from Bosnia and Herzegovina	Total damages excluding the expenses for wounded and refugees from Bosnia and Herzegovina
<b>In domestic prices (in \$)</b>	<b>252,469,661,420</b>	<b>963,273,124</b>	<b>251,506,388,296</b>
<b>In international prices (in \$)</b>	<b>308,737,961,550</b>	<b>15,153,067,638</b>	<b>293,584,893,912</b>

These war damages should be allocated on countries they have originated from (in terms of manpower, equipment and logistics). We allocate the total damages according to the length of the land border between Croatia and the countries wherefrom military activities were imported in Croatia. The rationale for such allocation comes from the fact that the most of so called SAO Krajina territory directly bordered with Bosnia and Herzegovina. As the economic and military power of this territory was insignificant, it was completely dependent on Bosnia and Herzegovina and Serbia. The communication was allowed only through the part of Bosnia and Herzegovina occupied by Serbs. The destruction originating from so called Republika Srpska severely damaged Posavina and Dubrovnik area. As a result, the most of the damages in Croatia originated from Bosnia and Herzegovina (where Republika Srpska is today its integral part). The destruction of smaller proportions came from Serbia, and small, though not negligible, destruction came from Montenegro.

We are fully aware of the fact that this analysis is somewhat distorted by the employed approximations, however, for the reasons outlined above, we believe the estimates are justified and illustrative.

The allocation of damages is given in the following table:

**Table 10: Allocation of net war damages on the basis of the origin of aggression**

Country	Total border (in kilometers)	War damages in domestic prices	War damages in international prices
Montenegro	25	5,248,463,863	6,167,058,820
<b>Bosnia and Herzegovina</b>	<b>932</b>	<b>195,662,732,798</b>	<b>228,398,264,305</b>
Serbia	241	50,595,191,636	59,450,447,028
Total	1,198	251,506,388,296	293,584,893,912

The bold text in the table refers to the damages that directly or indirectly originated from Bosnia and Herzegovina.

## CONCLUSION

So far, we have allocated expenses according to nationalities. In the following two tables we present the allocation of total damages according to nationality criteria:

**Table 11: War damages originating from Bosnia and Herzegovina (on the territory or from the territory of Bosnia and Herzegovina, including the support for its citizens) in domestic prices (in 2006 \$)**

Damages in domestic prices (in \$)	Serbs	Muslims	Croats	Total
<b>1. Direct military help</b>	0	39,372,750,000	10,499,400,000	49,872,150,000*
<b>2. Refugee support</b>	0	478,000,000	476,000,000	954,000,000
<b>3. Support for wounded</b>	37,978	7,553,505	1,681,639	9,273,123
<b>4. Direct and indirect military action originating from Bosnia and Herzegovina</b>	195,662,732,798	0	0	195,662,732,798
<b>Total</b>	<b>195,662,770,776</b>	<b>39,858,303,505</b>	<b>10,977,081,639</b>	<b>196,626,005,920</b>

\* How much Croatia helped in arming ABiH is very difficult to determine (but not impossible), so we will not include this number into calculation

**Table 12: War damages originating from Bosnia and Herzegovina (on the territory or from the territory of Bosnia and Herzegovina, including the support for its citizens) in international prices (in 2006 \$)**

Damages in international prices (in \$)	Serbs	Muslims	Croats	Total
<b>1. Direct military help</b>	0	39,372,750,000	10,499,400,000	49,872,150,000*
<b>2. Refugee support</b>	0	6,586,470,990	6,578,131,666	13,164,602,656
<b>3. Support for wounded</b>	196,330	39,017,330	8,686,515	47,900,175
<b>4. Direct and indirect military action originating from Bosnia and Herzegovina</b>	229,907,952,822	0	0	229,907,952,822
<b>Total</b>	<b>229,908,149,152</b>	<b>45,998,238,320</b>	<b>17,086,218,181</b>	<b>243,120,455,653</b>

\* How much Croatia helped in arming ABiH is very difficult to determine (but not impossible), so we will not include this number into calculation

The rationale for this estimates is as follows:

1. Croatia bore a great part of the defense burden of Muslims and Croats in Bosnia and Herzegovina, at the same time indirectly defending its territory.
2. Croatia bore a significant part of the total expenses for wounded and refugees from Bosnia and Herzegovina.
3. By providing full support to Serbian rebels, Serbian forces constantly attracted Croatia. Without their support, the aggression on sectors North, South and West would hardly last for 4 years.

The purpose of this analysis is to show that Bosnia and Herzegovina caused considerable war damages to Croatia (almost \$196 billion in domestic prices, or \$243 billion in international prices). This sum should be increased for an undetermined part of \$50 billion (calculated using international prices) for direct military aid from Republic of Croatia to Bosnia and Herzegovina.

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