


[www.jeffersoninst.org](http://www.jeffersoninst.org)
[www.laender-analysen.de](http://www.laender-analysen.de)
[www.res.ethz.ch](http://www.res.ethz.ch)
[www.boell.ge](http://www.boell.ge)

## NATO AND THE SOUTH CAUCASUS

■ ANALYSIS		
NATO Lacks the Stomach for South Caucasus Fight		2
By Ahto Lobjakas, Brussels		
■ ANALYSIS		
Post-War Georgia: Resetting Euro-Atlantic Aspirations?		5
By Archil Gegeshidze, Tbilisi		
■ CHRONICLE		
Relationship between NATO and Georgia 1992–2009		9
■ OPINION POLL		
Georgian Popular Opinion on NATO Membership and the Relationship with the West		11
■ OPINION POLL		
Policy Priorities in the South Caucasus as Reflected in Opinion Polls		16
■ ANALYSIS		
NATO and Armenia: A Long Game of Complementarism		17
By Alexander Iskandaryan, Yerevan		
■ OPINION POLL		
Extent of Popular Support for NATO Membership in the South Caucasus		19
<hr/>		
■ CHRONICLE		
From 18 March to 14 April 2009		20

## Analysis

# NATO Lacks the Stomach for South Caucasus Fight

By Ahto Lobjakas, Brussels

## Abstract

If there was a window of opportunity for NATO to establish an entrenched presence in the South Caucasus, it opened in 2004 and closed in early 2008. Neither the Europeans nor the Americans under President Obama are interested in pushing for Georgia's membership now. The prospect of Georgian membership seems to hold little benefit for Georgia itself, the NATO alliance, or pan-European security.

## Early Interest in the South Caucasus

NATO underwent its second round of post-Cold-War expansion in 2003. In parallel and perhaps more importantly, the European Union completed a momentous transformation in 2004 when it took in eight former Soviet republics and satellites. Both enlargements rode a wave of unprecedented public and political goodwill in Western Europe towards the eastern reaches of the continent. Historical justice was seen as being reestablished and for a (relatively) brief moment the momentum of enlargement seemed unstoppable and irreversible.

NATO subscribed to what most allies believed was genuinely an "open door policy." Romano Prodi, the president of the European Commission, told visiting Ukrainian President Leonid Kuchma in 2004 "the door [to the EU was] not closed." It bears noting the "Orange Revolution" had yet to take place.

Georgia's "Rose Revolution" had taken place earlier, in November 2003, but the region's geographical location made the case for its Euroatlantic integration harder to lay out. There were doubts in the EU in 2002–2003 whether to include it in the European Neighborhood Policy initiative (originally called "Wider Europe").

By 2004, there were clear signs of a sea change in the EU/NATO and South Caucasus relations, too. A first-ever visit by a NATO Secretary General to the South Caucasus took place in November 2004, when Jaap de Hoop Scheffer toured all three capitals. Shortly beforehand, he had created the post of an alliance Special Representative for the South Caucasus and Central Asia, occupied since by Robert Simmons.

Earlier that year, de Hoop Scheffer said in an interview with Radio Free Europe/Radio Liberty that a NATO peace-keeping force in Nagorno Karabakh was "a distant prospect" – but significantly not something to be rejected out of hand. He remained cautious about the prospects of any of the three countries to join NATO, however, saying there were "all kinds of roads" leading to Euroatlantic integration.

The EU, for its part, was noticeably keen to get involved in the region. Prodi said in May 2004 there was an "urgency" felt in the bloc about resolving the Nagorno Karabakh conflict and went as far as to suggest Brussels was keen to "contribute to the solution" – although noting the EU had not been asked to become directly involved in the OSCE-sponsored Minsk process, chaired by the United States, Russia and France.

The EU's enthusiasm for the South Caucasus at the time was partly propelled by calculations revolving around energy security, but partly also by a feeling of a geopolitical "high" produced by riding the crest of the enlargement wave. The bloc was keen to explore the extent of its ambition and powers. This, it must be remembered, was before the EU's effort to consolidate its constitutional footing foundered in 2005, resulting in a protracted period of critical introspection.

## A European Change of Heart

The rejection of the EU's constitutional treaty by France in June 2005 (followed by that of the Netherlands a few months later) was a key turning point because NATO's outreach towards the east has always of necessity "piggy-backed" on that of the EU. The difference between the two organizations is, of course, overwhelmingly determined by the presence/absence of the United States.

France, Germany and Italy – all EU member states and NATO allies at once – were already skeptical around the time of both organizations' expansion of pushing the limits of Euroatlantic integration any farther east. But they submitted, by and large, to the zeitgeist until about 2005, when the "European" and "American" narratives began to seriously diverge.

## The US Remains Committed

The United States continued to push strongly for further EU enlargement, notably raising hackles with its attempts to get the EU to take Turkey on board. In the background, Washington also discreetly cultivated ties with the South Caucasus governments, informally

lobbying them to declare an interest in joining NATO. Armenia, the most dependent among the three on Russian backing, largely owing to the Nagorno Karabakh conflict, refused outright. Yerevan's line from early on has been to pursue a "multi-vectoral" foreign policy, a euphemism in many Soviet successor states for a foreign policy designed to offend no one, least of all Russia.

Azerbaijan wavered, but never definitively declared its hand. Baku did respond to overtures the United States made on behalf of the EU – for its own reasons – to secure Azerbaijan's participation in the Nabucco project. But a clear political commitment to NATO never materialized, owing to a complex mixture of internal domestic considerations and a fear of Russian reprisals (among other things, Azerbaijan has a major vulnerability in the shape of its millions of immigrant workers in Russia).

Georgia, of course, was a different story. President Mikheil Saakashvili quickly aligned his country with Viktor Yushchenko's Ukraine and declared an interest in both EU and NATO membership. While the EU's interest cooled from 2005 onwards, mostly as a result of increasingly determined French and German opposition, NATO, egged on by the United States, continued to forge closer links with Tbilisi in particular.

### April 2008 Turning Point

Matters came to a head in April 2008 at NATO's Bucharest summit, where Berlin and Paris forced Washington to back down. There was to be no Membership Action Plan for Georgia (or Ukraine). What followed has been a story of increasingly ritual rhetorical engagement. The Russian–Georgian war in August 2008 produced a short-lived resurgence of Georgian hopes, but these were scotched equally effectively by Germany and France as by the new administration of President Barack Obama.

Berlin and Paris had very reluctantly gone along with the decision to suspend meetings of the NATO–Russia Council, effectively terminating diplomatic contacts, in August 2008 (Germany's ambassador to NATO went so far as to call the decision "stupid" last autumn). But it was Washington, who forced NATO to perform its embarrassing U-turn in March 2009 and literally eat the high-minded words of August 2008 about the principles and values guiding NATO–Russia cooperation. There was no mention in March of the aid NATO promised Georgia to rebuild its damaged civilian infrastructure (although NATO countries did field teams and are supplying some assistance), let alone any reference to military aid.

Obama reversed U.S. policy in the hope of engaging Moscow on nuclear disarmament – a higher good in the eyes of Washington. His administration (though

not Obama personally) has reaffirmed the U.S. commitment to see Georgia and Ukraine in NATO.

### Russia Resurgent

The obverse of this story is Russia's growing confidence and determination to assert itself. The Georgian war, far from being a paradigm change, was a product of forces at work at least since 1999, the time of the second Chechen war, whose main goal is to consolidate central power and "roll back" what is seen as the encroachment of NATO and the EU. NATO expansion is the more bitterly resented development in Moscow, but the EU has also come to be seen as a threat. In April 2009, Russian Foreign Minister Sergei Lavrov accused the EU of trying to subvert the sovereignty of Belarus and others neighbors by means of its Eastern Partnership initiative, which he described as a "sphere of influence."

The most telling failure of NATO's Eastern European allies has been their inability to force energy security onto the alliance's agenda in a meaningful manner. This has removed the most obvious pretext for the alliance to display an interest in the South Caucasus region given its crucial gas and oil transit role for Europe.

As briefly indicated above, Russia's rise has coincided with an emasculation of the EU's sense of purpose since 2005. This lack of direction has been accompanied by a keenly felt vulnerability to Russian energy supplies, driven home in what are now almost yearly mid-winter interruptions in deliveries. Curiously, the EU's internal woes have not prevented it (or more precisely, the larger continental member states) from seeking to establish a stronger (moral) presence in the global arena. The EU's calls for more "multilateralism" inevitably dictate an alliance of sorts with Russia, another would be global power, seeking to undermine "unilateral" U.S. hegemony.

Given this backdrop, the EU's and NATO's continental Western European member states have little desire or incentive to actively antagonize Russia in the South Caucasus or elsewhere. The situation is further compounded by the perception that Eastern European newcomers in NATO and the EU function as a U.S. "Trojan horse," as well as displaying a distinct preference for "Anglo-Saxon" political and economic models – all of which does nothing to endear their motives and interests to their Western European partners.

### Looking to the Future

The status quo, now very firmly entrenched given the recent U.S. change of tack, was encapsulated with admirable clarity by Germany's Foreign Minister

Frank-Walter Steinmeier in an article in *Der Spiegel* where he said three “goods” determine the case for or against any candidate’s accession to NATO – “the good for the candidate country, good for NATO, and good for pan-European security.” Georgia (and Ukraine) now appear to fail on all counts.

Most paradoxically, the prospect of NATO membership has indeed had little obvious beneficial effect on either Georgia or Ukraine. In Georgia, Saakashvili resorted to violence and manipulations of the electoral timetable well in advance of the disappointment of Bucharest, and the invasion of South Ossetia (and the resultant loss of that province and Abkhazia) was something that no NATO government would have counseled; whereas Ukraine’s political structure has become virtually paralyzed over the past few years.

It is, of course, arguable, that much of this can be ascribed to Russia’s spoiling tactics, whether active or passive. Fomenting instability, it has turned out, is all it takes to frustrate “Euroatlantic integration.” It is an ingeniously simple tactic whose effects are not limited only to its objects like Georgia or Ukraine. The tactic also cruelly exposes the internal conceptual limitations of the policies of “passive aggression” and “voluntary imperialism” pursued by the EU and (to a less obvious extent) NATO.

NATO is at heart a collective defense alliance. Beyond that mission, everything else is determined by the balance of the interests of the allies. NATO went to, and remains in, Afghanistan, because its member states thought, and think, their vital interests were at stake (some more ingenuously than others, though). Russia’s invasion of Georgia was certainly seen as a challenge to “Euroatlantic security,” but on balance one that did not justify intervention.

“What can NATO do?” a hapless Jaap de Hoop Scheffer could only wring his hands at a NATO summit youth forum on April 2. “NATO will not march in with military force. That’s what NATO cannot do and that’s what NATO will not do. What NATO can do is talk to the Russians.”

What next? Georgia is back to square one and has everything to prove, once again, and against much longer odds this time. And it may not have the time. The Russian analyst Pavel Felgenhauer, for example, argues another Russo–Georgian war is inevitable – not only to finish the business of 2008, but because Moscow has a strategic need to create a land bridge to its bases in Armenia it simply cannot afford to disregard.

Armenia and Azerbaijan, for their part, are forced into an increasingly complex game of balances and counterbalances involving a visibly more active Turkey. But in the long run, Turkey will not be enough and the U.S. stance will decide. Under current circumstances it seems likely neither Baku nor Yerevan can afford anything more than the skeletal Partnership for Peace ties they already have with NATO, limited to officer exchanges and a few ministerial lunches a year. Russia is bound to block any other NATO involvement in the region, which means, among other things, that the erstwhile talk (as theoretical as it was) of a possible NATO peacekeeping role in the Caucasus is a distant memory.

Georgia will, for the foreseeable future, retain its Individual Partnership Action Plan, but any efforts to upgrade that into a MAP or rebuild its armed forces will be met with vicious Russian countermoves. It is unrealistic to expect that a NATO unwilling to draw up contingency defense plans for the Baltic countries would have the stomach to face down Russia in the Caucasus.

#### *About the author*

Ahto Lobjakas is a correspondent for Radio Free Europe/Radio Liberty.

#### *Further reading*

- “A Conversation with Russia”, full transcript of conversation with Russian Foreign Sergei Lavrov at Brussels Forum [http://www.gmfus.org/brusselsforum/2009/docs/BFDay2\\_ConversationRussia.doc](http://www.gmfus.org/brusselsforum/2009/docs/BFDay2_ConversationRussia.doc)
- Frank-Walter Steinmeier, “We Face New Threats and Challenges”, <http://www.spiegel.de/international/europe/0,1518,616969,00.html>

## Analysis

### Post-War Georgia: Resetting Euro-Atlantic Aspirations?

By Archil Gegeshidze, Tbilisi

#### Abstract

The Russia–Georgia war has not dramatically changed the conditions of Georgia’s relationship with NATO. After the war, NATO offered closer relations with Georgia, but as the alliance also sought to normalize relations with Russia, Georgian membership prospects have moved far into the uncertain future. This article discusses the extent to which the global financial crisis and the policies of the new US Administration affect Georgia’s Euro-Atlantic aspirations.

#### Status Quo Post Bellum

The brief war between Georgia and Russia in August 2008 became a key issue of debate for the members of the international community. The reason was simple: for the first time since the dissolution of the Soviet Union, Russia used massive military force outside its state borders. Some Western observers interpreted this move as Russia’s attempt to divide the map of Europe between a peaceful and democratic side and one in which Russia claimed authoritarian leadership and a readiness to wage war for the sake of its hegemonic ambitions. Moreover, some in the West saw Russia’s invasion as an attempt by Moscow to influence discussions within NATO on the Membership Action Plan (MAP) for Georgia and Ukraine by demonstrating that the full integration of these countries into the alliance could undermine stability. Additionally, some see Russia’s intervention as a response to the unilateral moves taken by the United States and its allies after the end of the Cold War, which have led to sharp differences with Russia over issues such as Kosovo, NATO enlargement, and the missile defense system to be deployed in Eastern Europe.

Russia stated on several occasions that it would not tolerate any moves by foreign states which it considered a threat to its national security. President Vladimir Putin made this point most clearly during his speech at the February 2007 Munich conference. Yet even so, the scale of Russia’s military intervention in August 2008 caught the West by surprise. The war demonstrated the West’s weakness in the face of a massive onslaught by Russia’s military machine. At the outbreak of the war, both NATO and the EU, already divided over strategic relations with Russia, confined themselves to condemning the invasion and the rupture of existing efforts to promote co-operation. The US Administration issued several sharply-worded statements and, more importantly, sent warships to the Black Sea coast of Georgia. However, their missions in the area were short as the 1936 Montreux Conven-

tion set a two-week time limit on how long they could stay in the region.

Once it became clear that Western military intervention on behalf of Georgia was not an option, NATO, the EU and the US came forward with a strong commitment to support Georgia in other ways. For instance, the EU deployed a 300-man Monitoring Mission (EUMM) to observe the 6-point Russia–Georgia ceasefire agreement that ended the fighting. In order to facilitate improved ties between Georgia and the Atlantic alliance, NATO set up a special NATO–Georgia Commission and introduced an Annual National Programme (ANP). Likewise, the outgoing George Bush Administration invited Georgia to sign a Strategic Partnership Charter which formally codified amicable bilateral relations and provided a platform for multi-faceted co-operation. Further, the US and EU jointly initiated a donor conference that pledged \$4.5 billion in assistance for Georgia’s reconstruction and development.

In the meantime, however, both NATO and, to a greater extent, the EU softened their rhetoric vis-à-vis Russia and began gradually restoring the pre-August relationships. Against this backdrop, some observers assume that the West, particularly Europe, while officially condemning Russian actions against Georgia, might be inclined to tacitly accept the new realities and favor full-fledged relationships with Russia to jointly address common global challenges.

In the meantime, the new status quo for Georgia that emerged after the August events remains unchanged and is likely to continue for the foreseeable future. It includes the Russia-recognized breakaway regions of Abkhazia and South Ossetia, the constantly strengthening Russian military presence there, and tens of thousands of displaced population from formerly Georgia-controlled parts of South Ossetia. Undoubtedly, the new circumstances will have huge implications for Georgia’s domestic and foreign policies. At the same time, a variety of policy variables may intervene to influence the dynamics of these policies.



## Origins and Sustainability of Georgia's Euro-Atlantic Drive

After the breakup of the Soviet Union, Georgia was able to formulate its own foreign policy with a pro-Western orientation. This approach included:

- Seeking Western mediation of the conflicts in the Georgian regions of Abkhazia and South Ossetia;
- Courting Western investment;
- Seeking Georgia's participation in European and Euro-Atlantic security structures;
- Promoting Georgia as a transit country for commerce between the West and the states of Central Asia and the South Caucasus; and
- Seeking direct political, economic, and security ties with the United States.

Reasonably, the devastating impact of the August 2008 war on Georgia's economy and politics could have influenced the country's foreign policy orientation. However, the Russian invasion further strengthened Georgia's Euro-Atlantic inclination. In order to evaluate the status and sustainability of Georgia's preference for the West, one needs to look into the underlying factors that determined this historic foreign policy decision in the mid-1990s.

Georgia's strategic choice flows primarily from its *fear of Russia*. This visceral feeling is a security-driven motivation initially nourished by memories of the 1989 crackdown on the pro-independence protest march by Soviet troops on the central avenue of Tbilisi and, in the wake of the declaration of Georgia's independence, by Russia's unfriendly policies encouraging and supporting the separatist movements in South Ossetia and Abkhazia. Later, Russia's arm-twisting attitudes towards the young Georgian state further reinforced this drive.

Another determining factor has been Georgia's *choice to build a market-based democracy*. This value-driven choice grew from Georgia's historical gravitation towards Europe and receptivity to its values.

The third motivation for choosing a pro-Western development trajectory is closely related to the utilization of Georgia's *transit capacity*. Georgia provides a unique transit corridor for Caspian energy to Europe, as well as an irreplaceable access corridor for American-led and NATO forces to bases and operational theatres in Central Asia and the Greater Middle East.

Georgia's Western orientation rests on a broad-based political and societal consensus. This foundation of support makes the choice of orientation impervious to the influence of other policy variables. At the same time, the Western orientation is hardly specified as European or American, EU or NATO. Nonetheless, the Euro-Atlantic idea continues to exert its magnetic force here.

Interestingly, an IRI/Gallup-administered public opinion survey, which was conducted in February–March 2009, revealed that the pro-Western orientation did not change: 52 percent of the respondents answered that the US is the most reliable friend, while 48 percent regard the US as the most important partner; also, 72 percent of the respondents favor Georgia's integration in the Atlantic alliance. (see diagrams on

Despite the above-mentioned strong Euro-Atlantic drive, the new realities contributed to sober judgments in the public as most now accept that the likelihood of Georgia's accession to the Atlantic alliance has dramatically decreased. In addition, Georgians are now more realistic when it comes to the prospect of Western military assistance in case of an outside attack. This greater realism notwithstanding, the allied partnership with the United States, NATO and the EU is seen as the best way to protect Georgia's national interests. The August war, although devastating in many respects, has been a reality check for Georgia's Western orientation.

## Implications of the Global Financial Crisis

In the aftermath of the August war, Georgia's economic growth slowed. Because of the global financial meltdown, a sudden reversal of financial flows put an end to Georgia's high annual GDP growth. It is also important to note that, due to the war, the increased political risks added to the loss of confidence on the part of foreign investors. Until last August, Georgia's GDP growth had been driven by foreign private capital inflows, mainly in the form of direct investment. These investment flows began to expand around 2004 through major investments related to the Baku–Tbilisi–Ceyhan and South Caucasus pipelines. Flows broadened later into financial services, telecommunications, electricity generation and construction. The loss of capital inflows has *inter alia* contributed to a labor market contraction: currently, 16 percent of the active workforce is unemployed and some 20 percent hold only temporary jobs.

Remittances also provided another source of capital. Such income has been significant for Georgian households both because the country has traditionally had relatively high domestic unemployment and because Georgia's resident population of 4.5 million is supplemented by another 1 million living abroad. Over 65 percent of the remittances come from relatives working in Russia; the impact of Russia's economic downturn is clearly visible in the drop in remittances. For example, the opening months of 2009 saw an approximately 30 percent decline in remittances from Russia compared to the same period a year ago.

Georgia's biggest trump card in the face of much-reduced foreign direct investment and remittances is the pledged aid from a donor conference in October 2008. The \$4.5 billion package included a \$750 million IMF Standby Arrangement. As estimated, these prospective official flows offset the potential loss of foreign direct investment, which reached \$2 billion in the peak year of 2007.

Aid money will come into play as the government carries out its "three-point" approach, according to which foreign financial aid will be directed toward job creation, attracting new foreign investment and the implementation of a 2.2 billion GEL (\$1.31 billion) stimulus package. The first and third measures appear related: part of the 2.2 billion GEL used to build roads and restore war-damaged infrastructure will certainly come from foreign donor funds.

It will be interesting to see how well Georgia will be able to comply with the conditionality attached to donor funding. Certainly, the government understands the importance of fiscal responsibility and the need for a strategy responding to the specific problem of unemployment and the loss of remittances. As the primary target of governmental investments is infrastructure, opinion is divided over whether this is the best way to use stimulus funds, especially now as Georgia is at an early stage of receiving foreign aid. The skeptics recall, for instance, the decision of the National Bank of Georgia to devalue the domestic currency in a one-off 15 percent move on November 7, 2008, that has come under criticism from independent commentators. Determining the efficiency of using the aid money to ensure budgetary discipline requires further monitoring and investigation. For these purposes, a coalition of non-governmental organizations has been set up to provide an informed and unbiased analysis. The primary objective here is to help ensure that the IMF program remains on track to assure additional official flows from other international financial institutions and bilateral aid, which, combined, should bridge the financing gap opened by the sharp declines in FDI and remittances.

The leading role played by Western governments and development institutions further consolidates the view of the West as a reliable partner and desirable destination for institutional integration and gives the country's Euro-Atlantic orientation additional strength.

### **The US Support to Georgia's Euro-Atlantic Aspirations: Changing Accents?**

The US always played a crucial role in strengthening Georgia's sovereignty and independence. As Georgia

began to develop its pro-Western policy, US support grew and became increasingly significant over the last decade. Initially, mutually important energy pipeline projects across the South Caucasus, most notably the Baku-Tbilisi-Ceyhan pipeline, determined the consolidation of bilateral relationships.

In recent years, relations have also been strengthened in the sphere of military cooperation, such as through the launch of the US-sponsored Train and Equip Program, which sought to bring the Georgian army up to NATO standards. In the aftermath of the 2006 Rose Revolution, the US began to actively support Georgia's integration into the North Atlantic Alliance and has been the most faithful proponent of including the country into the Membership Action Plan (MAP), a step yet to be taken.

Throughout this period, the US rendered active support to Georgia's stance on conflict resolution in Abkhazia and South Ossetia within various international organizations and negotiation formats. Georgia reciprocated by becoming the largest troop contributor within the US-led coalition in Iraq, relative to the contributing countries' population. In addition, some 200 Georgian military personnel have been sent to Afghanistan to serve in the NATO-led International Security Assistance Force (ISAF). As a result, the relationship between the two countries gradually evolved into a strategic partnership, institutionalized in the Strategic Partnership Charter signed at the beginning of this year.

The August conflict was an obvious setback for Georgia's NATO membership bid. Despite the continued support of the outgoing US Administration, the December 2008 NATO Ministerial confirmed the Bucharest NATO Summit decision to deny Georgia's accession to the MAP. It has, however, reaffirmed that Georgia and Ukraine would become NATO members at some point in the future. Also, the Ministerial made a decision to grant the country an ANP, in fact a pivotal element of a MAP, as an instrument for deeper implementation and monitoring of the responsibilities that Georgia already has and/or will take to meet NATO standards. As a format to discuss the agenda for the ANP, a NATO-Georgia Commission (NGC) was set up.

Nonetheless, few would expect that the incoming US administration could be either willing or able to reverse the situation and bring up the MAP question again. Indeed, the US delegation at the 2009 Strasbourg/Kehl NATO summit did not demonstrate an over-excessive zeal for upgrading Georgia and Ukraine to the status of MAP. Instead, the summit once again reaffirmed all elements of the Bucharest decision and pledged to "maxi-

mize advice, assistance and support for Georgia's efforts in the framework of the NGC". Importantly though, the summit also condemned Russian recognition of the independence of the breakaway Abkhazia and South Ossetia regions and non-compliance with the commitments agreed to in the EU-mediated ceasefire agreements. At the same time, the summit decided to relaunch talks with Russia in the framework of the NATO-Russia Council (NRC), suspended by the alliance unilaterally after the Russo-Georgian military conflict.

To justify this move, NATO identified common interests it shares with Russia, such as stabilizing Afghanistan, pursuing efforts toward arms control and disarmament, fighting the proliferation of WMD, opposing terrorism, combating drug-trafficking, and coordinating anti-piracy operations off the coast of Somalia. In the meantime, informed observers interpret these decisions as an indication that the Obama administration may have decided to put NATO's continued eastward expansion on the back burner for now so as not to obstruct its policy of rapprochement with Russia. The rationale behind this approach could be either to save face by seemingly keeping NATO's eastward expansion process on track, or, in case the new administration is set to play a deeper game, a tactical move to first engage Russia in a broader co-operative arrangement and then gradually push it towards restoring the pre-August war status quo ante in Georgia within the discussions and agreements on mutually acceptable terms of Europe's new security architecture. The latter policy option, if successful, could bring back the MAP discussions to the agenda within the alliance and, more importantly, would restart a meaningful process of reconciliation and peace in the conflict areas of Abkhazia and South Ossetia.

It remains to be seen which of these scenarios proves to be feasible. In the meantime, however, in the absence of an immediate prospect for sheltering under the NATO security umbrella, Georgia remains unprotected. In the given circumstances, the recently signed US-Georgia Strategic Partnership Charter has grabbed the most attention. Official Tbilisi widely touts the Charter as a unique and historic document that underscores unequivocal American support for Georgia, and even as a surrogate guarantee of fast-track NATO membership. Independent analysts, however, point to the limitations of the Charter, noting that it does not oblige the United States to defend Georgia in the event of attack. At the same time, although nonbinding, the Charter reflects an intention on the part of the US to encourage Georgia to address those institutional weaknesses on which some European NATO members based their arguments

against offering the MAP. More specifically, it is anticipated that while US support will continue, the new administration will pay more attention to democracy, governance and civil society.

### What Next?

It is necessary to rethink the paradigm for Georgia's Euro-Atlantic integration. As fast-track integration into the Atlantic alliance has become unfeasible, Georgia's new short- and long-term strategy should include efforts to ensure that the pledge of NATO membership is maintained. In parallel, however, Georgia should duly meet all its obligations according to the as-yet-undefined ANPs so that the country is ready when currently skeptical NATO countries are prepared to support membership. In the meantime, expanded ties with the EU and a full-fledged and all-inclusive Europeanization should become a platform for Georgia's development course. For a start, the country should take advantage of the opportunities that the EU's new initiative of Eastern Partnership (EaP), to be launched May 6, provides for its eastern neighbors. More specifically, since the initiative implies that the EU will conclude new association agreements, including deep and comprehensive free trade agreements, with those countries willing and able to enter into deeper engagement, prepare for gradual integration into the EU economy and allow for easier travel to the EU through gradual visa liberalization, Georgia has a unique opportunity to further promote the process of Europeanization. Doing so would transform Georgia into a genuinely European state. Adopting these revised priorities would serve a fourfold objective: (a) ensuring the irreversibility of the democratic transformation and steady economic development; (b) upgrading Georgia's political, legal and administrative institutions to European standards; (c) contributing to the fulfillment of the ANP-related obligations; and (d) making Georgia an attractive destination for the breakaway societies of Abkhazia and South Ossetia.

Ultimately, the EU and NATO integration processes are components of one trend – Georgia's Euro-Atlantic drive. Most assumed that NATO integration could be the quicker and easier process and, thus, precede EU integration, as was the case with the Eastern European countries, which have successfully integrated into both alliances. Since NATO integration was believed to be the easier process and, more importantly, Georgia urgently needed security guarantees against a growing Russian threat, in the short-term, NATO integration had a higher priority, while EU membership was a more long-term goal. Now, since NATO integration prospects



have been postponed, Georgia can pay more attention to EU integration and make it a fast-track policy.

While the West is reluctant to accept Georgia as a NATO or EU member if the problems of Abkhazia and South Ossetia are not solved, and ties with Russia are not normalized, nobody argues that until these outstanding problems are resolved the prospects for institutional integration into both alliances is unfeasible. However, Georgia already now could embark on the long road to meet both the NATO standards (within the ANP) and converge over EU membership (ENP, Eastern Partnership),

which, even without institutional integration, would still be very useful for the country. Both Washington and Brussels would be willing to provide help within ANPs and Eastern Partnership+ENP, neither of which offer the membership card.

Given the circumstances, the carefully rebalanced accents will provide for much needed complementarity in Georgia's development strategies, and eventually will ensure that the country's Euro-Atlantic aspirations are both feasible and result-oriented.

*About the author*

Archil Gegeshidze is a Senior Fellow at the Georgian Foundation for Strategic and International Studies in Tbilisi.

**Chronicle**

**Relationship between NATO and Georgia 1992–2009**

1992	Georgia joins the newly created North Atlantic Cooperation Council, renamed the Euro-Atlantic Partnership Council in 1997.
1994	Georgia joins the Partnership for Peace (PfP), a programme aimed at increasing security and defence cooperation between NATO and individual Partner countries.
1995	Georgia signs the PfP Status of Forces Agreement (SOFA) between the NATO and Partner countries.
1997	Georgian Parliament ratifies the SOFA agreement.
1999	Georgia joins the PfP Planning and Review Process. Georgia starts contributing peacekeepers to the Kosovo Force (KFOR).
2001	Georgia hosts a multinational PfP military training exercise "Cooperative Partner 2001".
2002	Georgia hosts a multinational PfP military training exercise "Cooperative Best Effort 2002". Georgia declares its aspirations to NATO membership and its intention to develop an Individual Partnership Action Plan (IPAP) with NATO.
2003	A NATO/PfP Trust Fund project is launched with Georgia to support the demilitarization of ground-to-air defence missiles. Georgia participates in ISAF's election security force in Afghanistan. At the Istanbul Summit, Allied leaders place special focus on the Caucasus – a special NATO representative and a liaison officer are assigned to the region.
2005	Georgia becomes the first country to agree on an IPAP with NATO. NATO and Georgia sign a transit agreement allowing the Alliance and other ISAF troop-contributing nations to send supplies for their forces in Afghanistan through Georgia. Georgia opens an information centre on NATO with the support of NATO's Public Diplomacy Division.

*(continued overleaf)*

April 2–4, 2008	NATO Summit in Bucharest, declaration: <i>We agreed today that these countries will become members of NATO.</i> However, after a contentious discussion at Bucharest over whether to admit Georgia and Ukraine to the Membership Action Plan, the MAP for both countries was rejected. Representatives of several allied governments criticized the handling of the MAP issue. They noted that several allies, most prominently including Germany and France, had clearly indicated before the summit their opposition to Georgia and Ukraine joining the MAP, and that US President George Bush's campaign in Georgia and Ukraine, and then at the summit, to persuade them to change their minds ignored their concerns. They also noted that their opposition to the MAP for the two countries went well beyond concern over Russia's possible reaction to a favorable decision.
August 8, 2008	After provocations from both sides, a military conflict breaks out between Russia and Georgia over the self-proclaimed independent regions of South Ossetia and Abkhazia.
August 19, 2008	Meeting of the North Atlantic Council at the level of Foreign Ministers, declaration: <i>NATO will continue to cooperate with Georgia in the framework of the Partnership for Peace and Georgia's Individual Partnership Action Plan with NATO, and will review any additional Georgian requests for assistance. We also welcomed the fact that a number of our governments have indicated that they will actively support measures to help the economic reconstruction of Georgia.</i> The relationship between Russia and NATO (through the NATO-Russia-Council) is put on hold.
August 21, 2008	The Standing NATO Maritime Group One (SNMG1), a group of NATO warships, conducts routine port visits and exercises with NATO member nations bordering the Black Sea.
August 26, 2008	NATO firmly supports the sovereignty and territorial integrity of Georgia, and calls on Russia to respect these principles.
August 27, 2008	The North Atlantic Council condemns the decision of the Russian Federation to extend recognition to the South Ossetia and Abkhazia regions of Georgia and calls upon Russia to reverse its decision.
September 15–16, 2008	The North Atlantic Council (NAC) visits Georgia. In Tbilisi the Permanent Representatives of the 26 NATO Nations and the Secretary General of the Alliance, Jaap de Hoop Scheffer, hold meetings with President Saakashvili, Prime Minister Gurgeniidze and other members of the government. The inaugural meeting of the NATO-Georgia Commission takes place. The NATO-Georgia Commission will have the following goals: To deepen political dialogue and cooperation between NATO and Georgia at all appropriate levels; To supervise the process set in hand at the NATO Bucharest Summit; To coordinate Alliance efforts to assist Georgia in recovering from the recent conflict; To underpin Georgia's efforts to take forward its political, economic, and defence-related reforms pertaining to its Euro-Atlantic aspirations for membership in NATO, with a focus on key democratic and institutional goals.
December 3, 2008	The NATO-Georgia Commission (NGC) at the level of Foreign Ministers meets in Brussels, for the first time, to discuss the security situation in the Euro-Atlantic region, the ongoing process of reform in Georgia and NATO's assistance to those reforms, and the further development of the NATO-Georgia partnership.
December 2008	NATO foreign ministers decide to further enhance the NGC through the development of an Annual National Programme (ANP), as well as the establishment of a NATO Liaison Office in Tbilisi. The ANP, which will be finalised in spring 2009, will replace the Individual Partnership Action Plan (IPAP), which has guided NATO-Georgia cooperation since 2004.
April 5, 2009	NATO formally resumes contacts with Russia through the NATO-Russia Council.

Compiled by Stefanie Zabel.

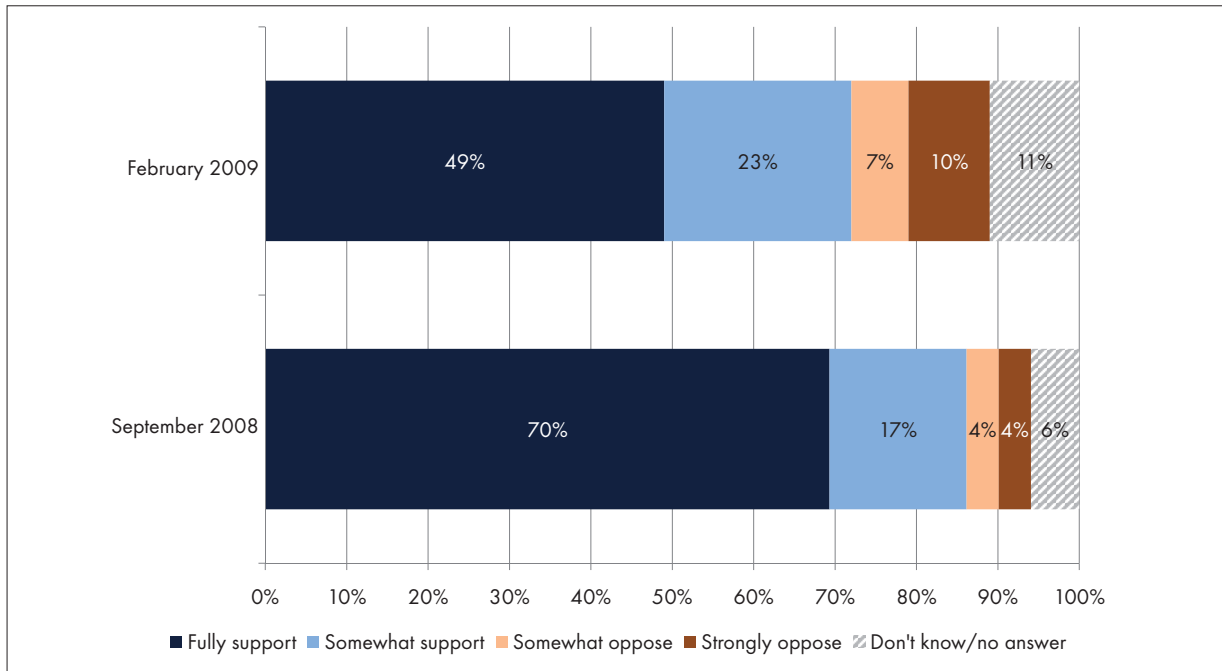
Sources:

<http://www.nato.int/docu/pr/>  
<http://www.nato.int/issues/nato-georgia/index.html>  
<http://www.auswaertiges-amt.de/diplo/de/Laenderinformationen/Georgien/Aussenpolitik.html>  
[http://www.summitbucharest.ro/en/doc\\_201.html](http://www.summitbucharest.ro/en/doc_201.html)  
<http://www.fas.org/sgp/crs/row/RS22847.pdf>

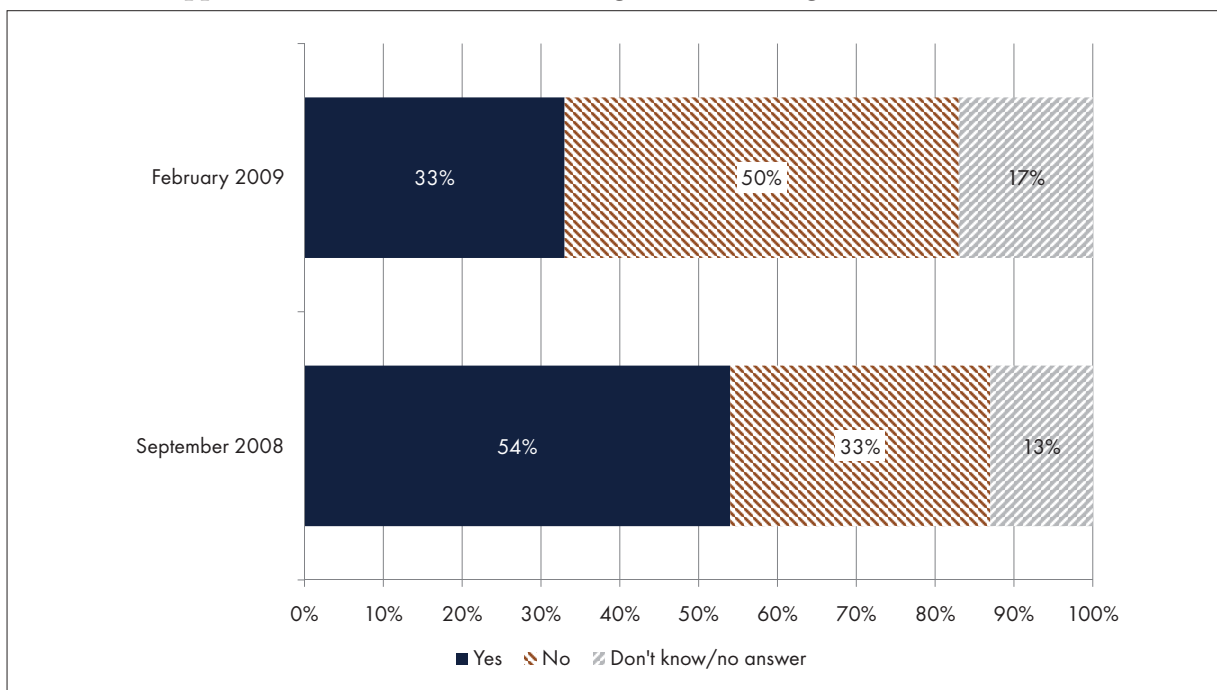
**Graphs**

## Georgian Popular Opinion on NATO Membership and the Relationship with the West

### Support for NATO Membership in Georgia 2008–2009



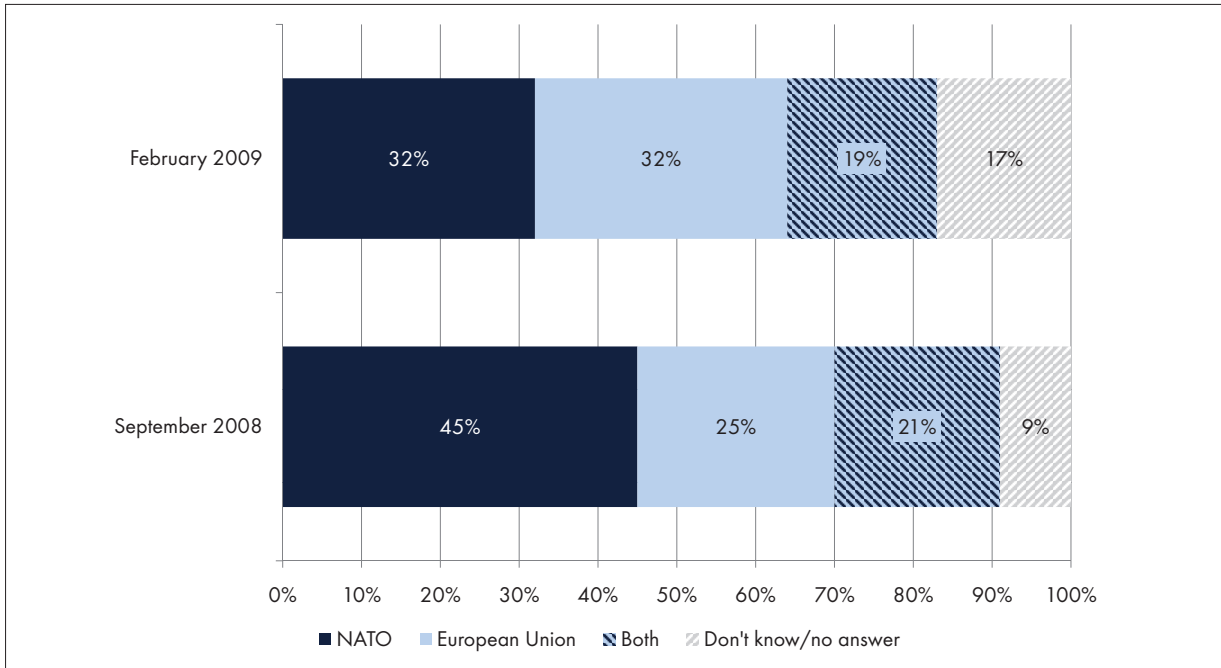
### Would You Support NATO Military Bases Being Built in Georgia?



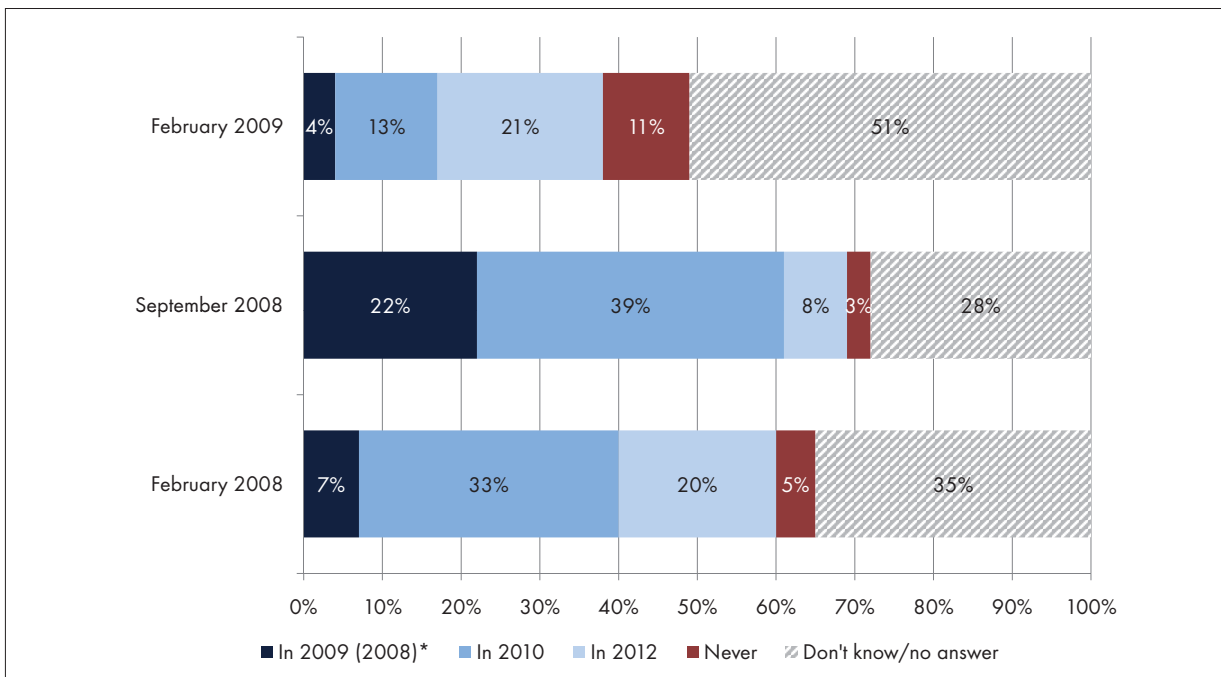
Source: *Georgian National Survey February 21 – March 3, 2009*,

[http://www.iri.org/eurasia/georgia/pdfs/2009 April 1 Survey of Georgian Public Opinion February 21-March 3 2009.pdf](http://www.iri.org/eurasia/georgia/pdfs/2009%20April%201%20Survey%20of%20Georgian%20Public%20Opinion%20February%2021-March%203%202009.pdf)

### What is More Important to You: Georgia Joining NATO or Georgia Joining the European Union?



### When Do You Think Georgia Will Become a Member of NATO?



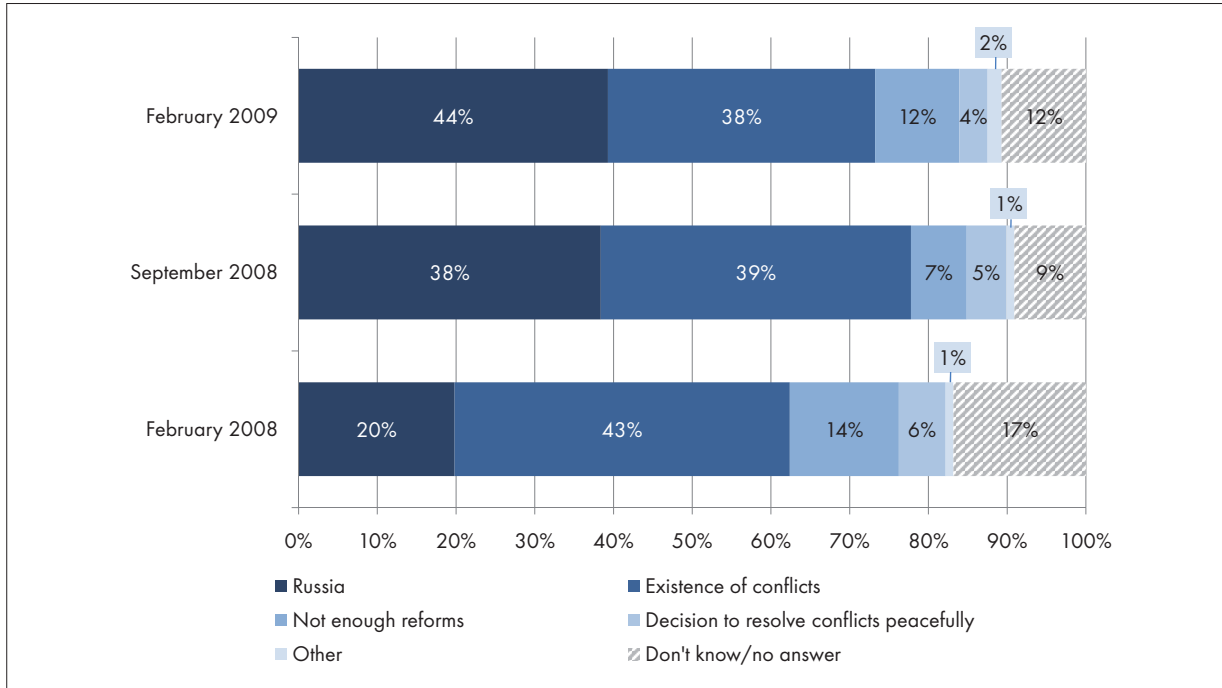
\*In 2008 the answer category was "In 2008", in February 2009 this answer category was changed to "In 2009"

Source: Georgian National Survey February 21 – March 3, 2009,

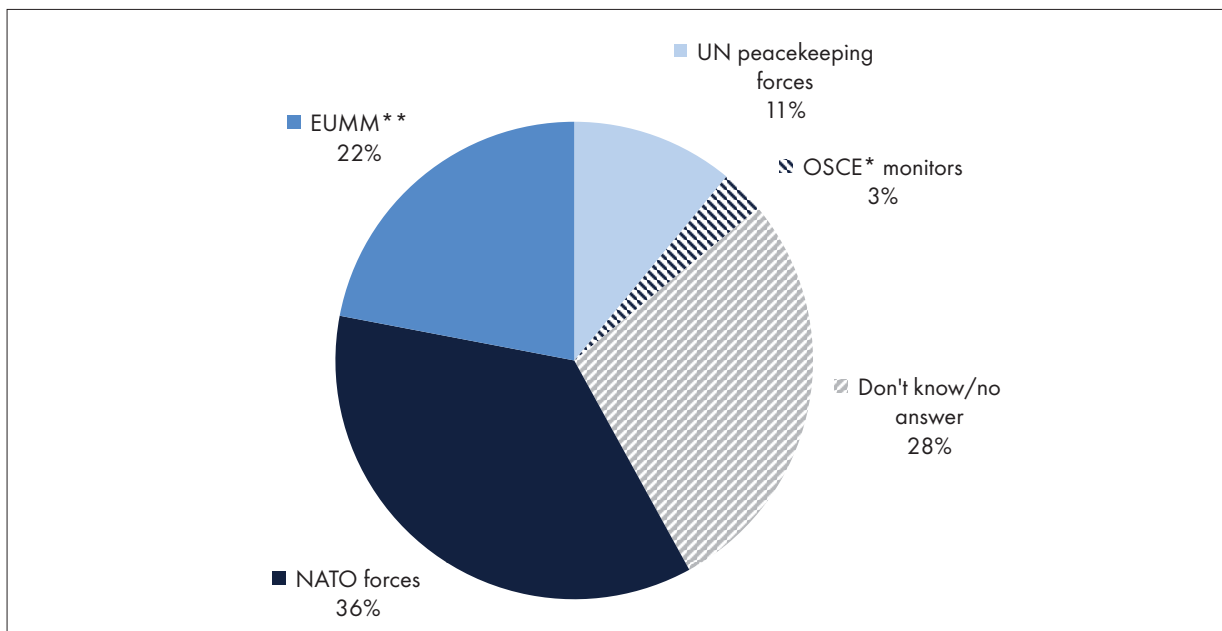
[http://www.iri.org/eurasia/georgia/pdfs/2009 April 1 Survey of Georgian Public Opinion February 21-March 3 2009.pdf](http://www.iri.org/eurasia/georgia/pdfs/2009%20April%201%20Survey%20of%20Georgian%20Public%20Opinion%20February%2021-March%203%202009.pdf)



### What Hinders Georgia's Membership in NATO?



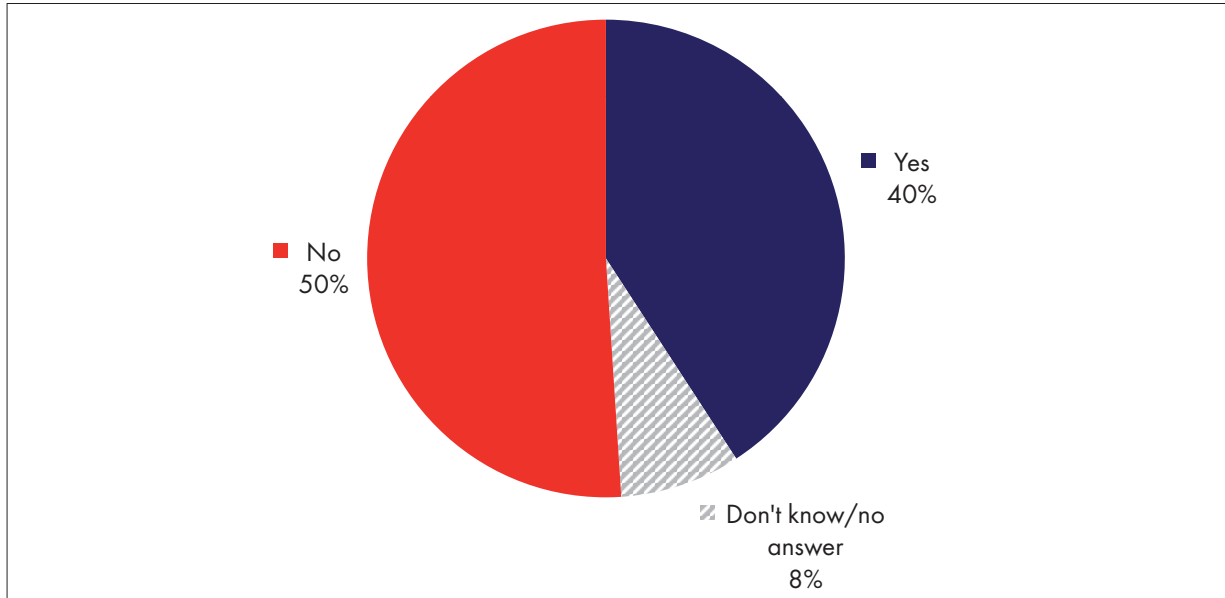
### Who Can Best Provide Security for Georgia in Conflict Areas?



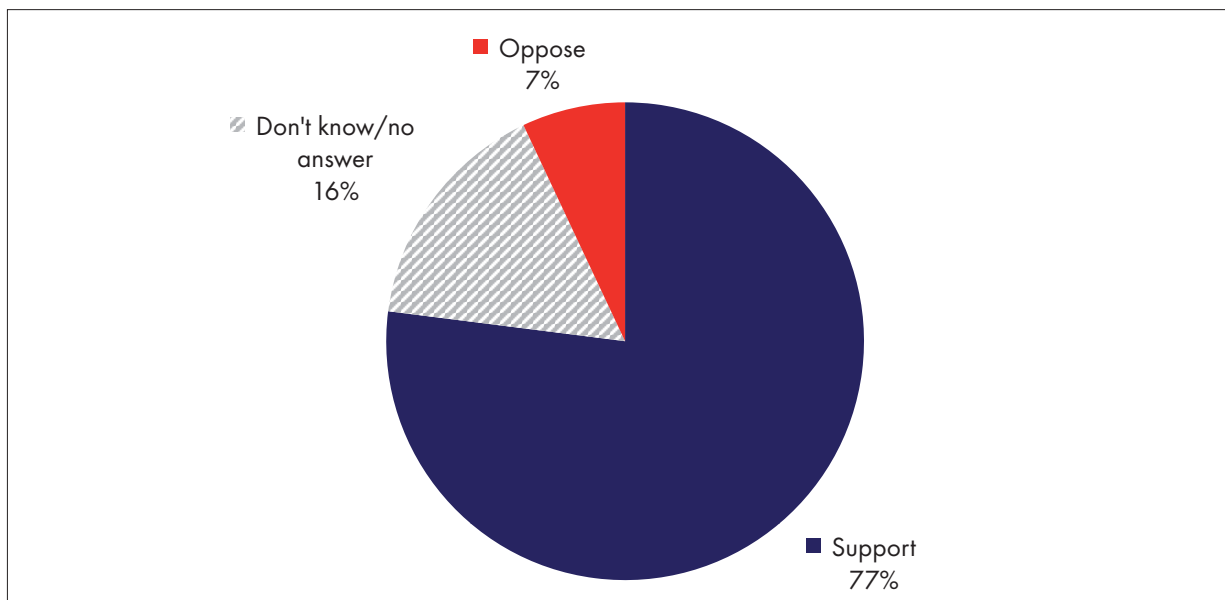
\*Organization for Security and Cooperation in Europe, \*\* European Union Monitoring Mission

Source: Georgian National Survey February 21 – March 3, 2009, <http://www.iri.org/eurasia/georgia/pdfs/2009 April 1 Survey of Georgian Public Opinion February 21-March 3 2009.pdf>

Have You Heard About the Charter that Georgia and the USA Signed?

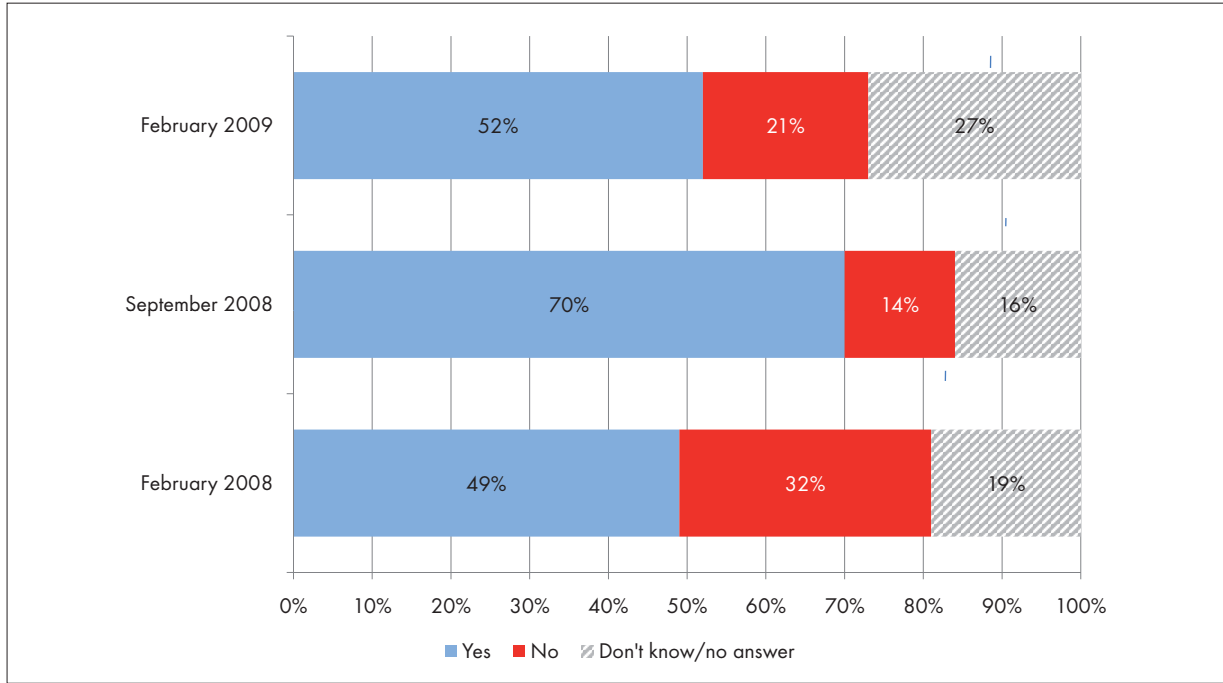


Do You Support or Oppose this Charter? (those who have heard, N=600)

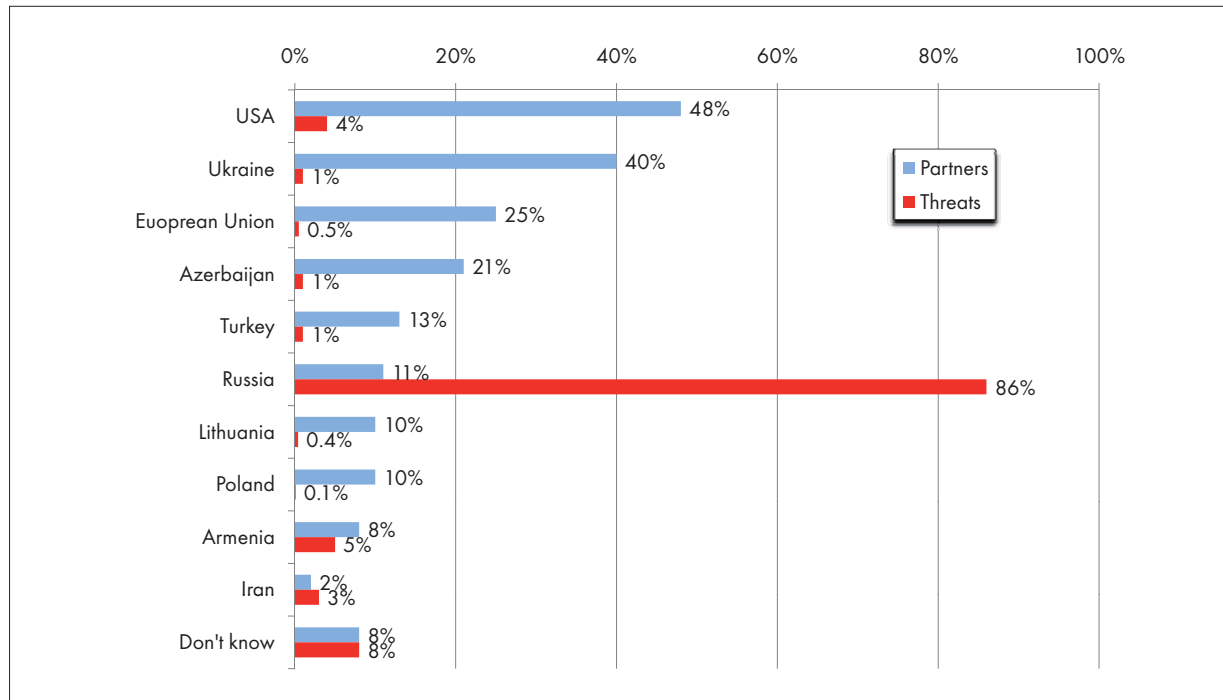


Source: Georgian National Survey February 21 – March 3, 2009, [http://www.iri.org/eurasia/georgia/pdfs/2009 April 1 Survey of Georgian Public Opinion February 21-March 3 2009.pdf](http://www.iri.org/eurasia/georgia/pdfs/2009%20April%201%20Survey%20of%20Georgian%20Public%20Opinion%20February%2021-March%203%202009.pdf)

### Is the USA a Reliable Friend of Georgia?



### Which Countries Are the Most Important Partners for Georgia? Which Comprise the Most Political and Economic Threat?



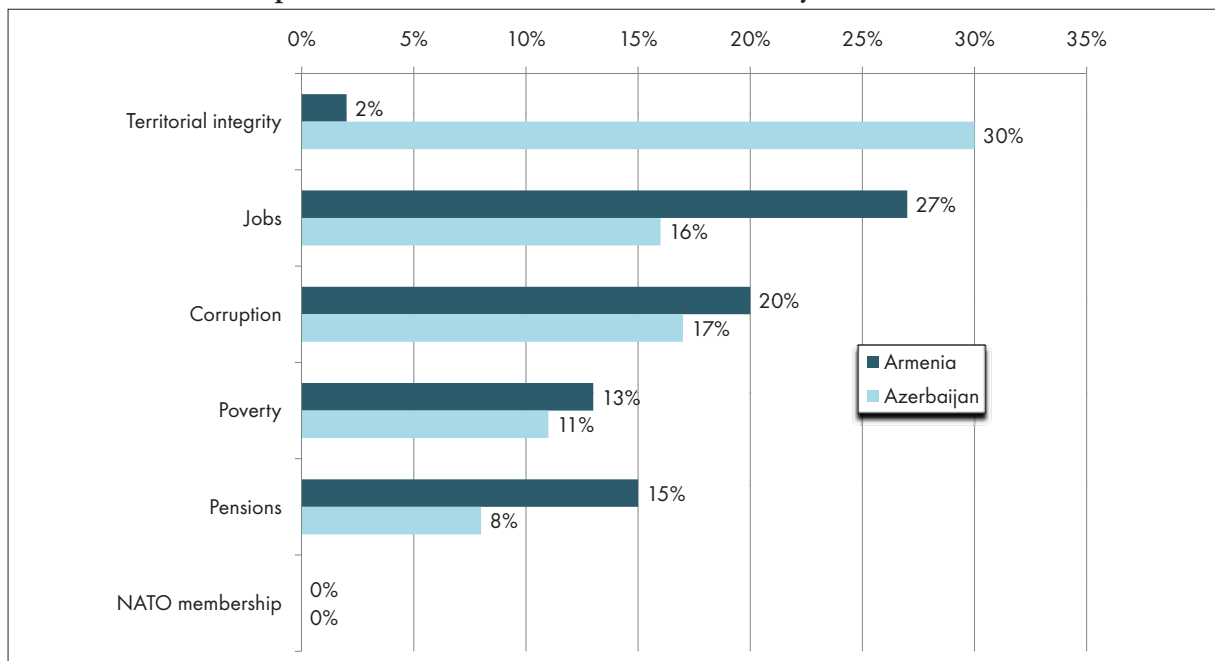
Source: Georgian National Survey February 21 – March 3, 2009,

[http://www.iri.org/eurasia/georgia/pdfs/2009 April 1 Survey of Georgian Public Opinion February 21-March 3 2009.pdf](http://www.iri.org/eurasia/georgia/pdfs/2009%20April%201%20Survey%20of%20Georgian%20Public%20Opinion%20February%2021-March%203%202009.pdf)

**Graphs**

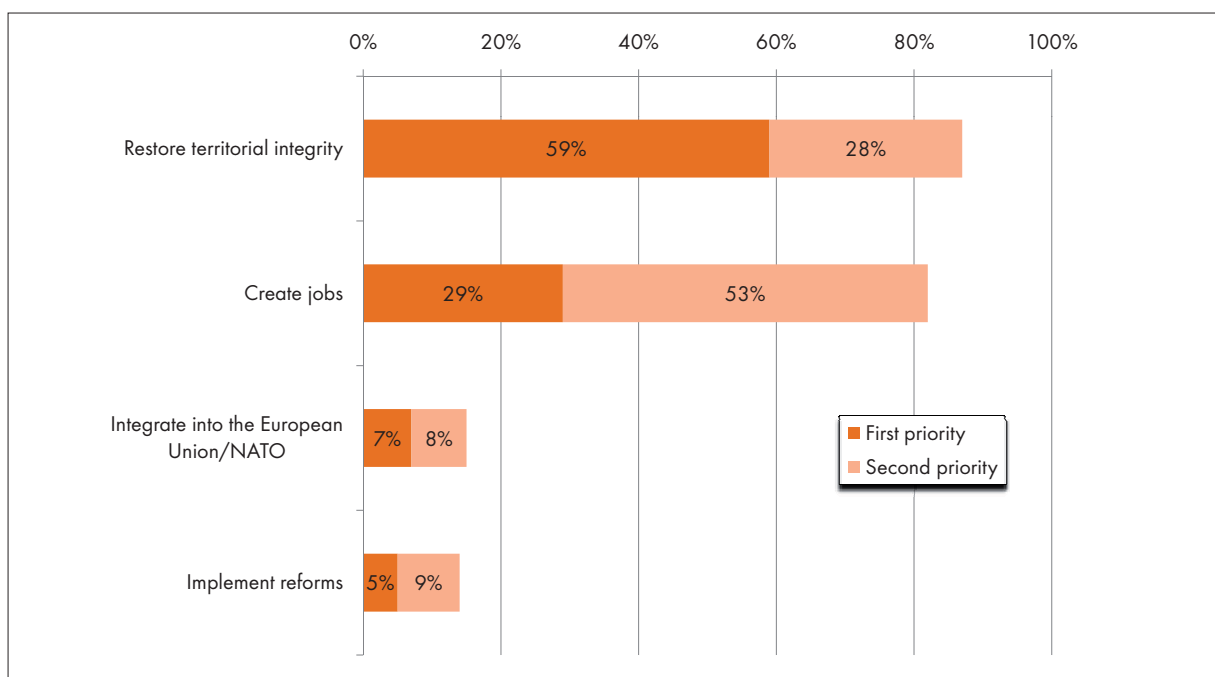
## Policy Priorities in the South Caucasus as Reflected in Opinion Polls

What is the Most Important Issue that Will Face Your Country in 2008?



Source: Caucasus Research Resource Centers, Caucasus Barometer, November/December 2008.

Which of These Should Be the Georgian Government's First Policy Priority?



Source: Georgian National Survey February 21 – March 3, 2009,

[http://www.iri.org/eurasia/georgia/pdfs/2009 April 1 Survey of Georgian Public Opinion February 21-March 3 2009.pdf](http://www.iri.org/eurasia/georgia/pdfs/2009%20April%201%20Survey%20of%20Georgian%20Public%20Opinion%20February%2021-March%203%202009.pdf)



## Analysis

# NATO and Armenia: A Long Game of Complementarism

By Alexander Iskandaryan, Yerevan

## Abstract

Armenia's relationship with NATO, and indeed the entire course of its Euro-Atlantic integration, is constrained by the country's close ties with Russia. The framework of Armenia's cooperation with the NATO is static, albeit in a positive way. This policy is unlikely to change abruptly despite a wide variety of events taking place in and around the South Caucasus, including the Russia-Georgia war of August 2008, Russia's withdrawal from the Conventional Forces in Europe (CFE) Treaty in December 2007, the recent diplomatic rapprochement with Turkey, the global financial crisis, and Iran's upcoming presidential elections.

## Developing Ties with NATO

Armenia-NATO cooperation dates back to the 1990s. After a few years of regular contacts, in the mid-nineties, Armenia became involved in the Partnership for Peace (PfP) program and started to participate in sessions of the NATO Parliamentary Assembly. Starting roughly from 2005, contacts between Armenian officials and NATO bodies became much more active at all levels. Institutionally, this activity was reflected in the fact that Armenia obtained a NATO Individual Partnership Action Plan (IPAP). As soon as the IPAP was signed, Armenia's cooperation with NATO intensified in a number of areas including the drafting of a military doctrine, cooperation in military education, a peacekeeping mission to Kosovo, and the modernization of communication and control systems.

In 2008, soldiers from NATO-member states participated in a joint military exercise on Armenian territory. Regular contacts between NATO and Armenian officials included top-level meetings between Armenia's presidents Robert Kocharyan and then Serzh Sargsyan, and the NATO Secretary General Jaap de Hoop Scheffer. In June 2008, Armenia doubled its peacekeeping force in Kosovo and even considered the option of sending similar troops to Afghanistan. The format of institutional cooperation between Armenia and NATO was thus similar to that of Armenia's neighbors in the South Caucasus, Georgia and Azerbaijan.

## The Russia Factor

Armenia's policy vis-à-vis NATO differs in one crucial respect from Azerbaijan's and Georgia's. Armenia is party to the Collective Security Treaty Organization (CSTO) and maintains smooth political relations with Russia. These ties impose certain limitations on Armenia's political integration with NATO. The fact that Armenia's ties with NATO receive much less publicity than is the case with Azerbaijan and Georgia derives from Yerevan's

reluctance to directly associate Euro-Atlantic integration with an anti-Russian foreign policy stance. Armenia was party to the CFE until the treaty started to become meaningless after Russia pulled out. Armenia still has a fairly large Russian military base on its territory. Since Moscow shut down its military bases in Georgia, which once formed a strategic entity with the Armenian base, this base lost most of its military value because communication has to go via Georgia and is increasingly problematic, but it has grown in political significance.

For Armenia's political leadership, even a small step in the direction of closer Euro-Atlantic integration has always had a political connotation. Because of the country's effort to sustain positive relations with Russia, Armenian officials never so much as hint that the country may wish to join NATO in the future.

## A Policy of Complementarities

Such a reactive and cautious approach stems from the overall nature of Armenia's foreign policy. Armenians define this policy using the term "complementarism" – a policy based on sustaining a constant equilibrium between a long-term, values-based European orientation and the country's current security situation, which is tightly connected to the unresolved conflict over Nagorno-Karabakh. In contrast to neighboring Georgia, which has effectively lost all realistic hopes for bringing Abkhazia and South Ossetia back under its control, Armenia has something to lose. The "something" here is not just Karabakh; Armenia is getting investments and hopes also to get credits from Russia, which would be especially helpful during the global financial crisis, and greatly values the opportunity to purchase weapons from Russia at discounted prices. Unlike its neighbors, Armenia has no common borders with Russia, and consequently Armenian society and elites do not feel directly threatened by Russia, as Georgia does. Therefore, relations with Russia form part of the foreign policy equi-

librium that Armenia aims to achieve. Until the conflict over Nagorno-Karabakh is finally settled, Armenia has no other option than to continue reforming its military forces while maintaining the military potential to cooperate with NATO and CSTO simultaneously.

Finding the right balance between West and East is not always easy for Armenia. For example, maintaining good neighborly relations with Georgia while at the same time being an ally of the Russian Federation is as delicate a matter as broadening cooperation with Iran while also seeking close relations with the U.S. The Russia-Georgia August 2008 war put Armenia's policy of "complementarism" to a severe test. Armenian politicians were careful to distance themselves from Russia's anti-Georgian rhetoric, especially given that Armenia has a similar problem in the unresolved dispute over Nagorno-Karabakh. Clearly, just as Russia opposed Georgia's military effort to recapture its secessionist territories, Yerevan does not want to see a forceful restoration of Azerbaijani control over the Armenian-populated and de facto independent republic of Nagorno Karabakh.

So far, Armenia's policy seems to have worked. Now that the Russia-Georgia war has made communications between Armenia and Russia even more difficult, the policy of "complementarism" is that much more important because Armenia needs to cooperate with both Georgia and Russia in order to sustain its economy.

That said, it is clear that Armenia's cautious yet confident cooperation with NATO and the OSCE will continue in the future. It is obviously easier for Armenia to cooperate with organizations such as the OSCE or the Council of Europe, of which it is already a member, than with NATO or the EU. Nevertheless, grad-

ually expanding the format of its integration with the European Union and NATO will remain one of the priorities on Armenia's foreign policy agenda. Armenia will continue implementing standards and norms, while building up cooperative activities. Potentially, Armenia's peacekeeping battalion may be increased to become the first brigade in the Armenian military that conforms to NATO standards.

### Changes Likely to Be Slow

Neither the potential opening of the Armenian-Turkish border nor the possible improvement of relations between the U.S. and Russia after the election in Iran can serve to quickly and radically change the situation described above. It is impossible to imagine a development that would cause Armenia to aggravate its relations with any of its neighbors. Moreover, if the region becomes less problematic, for example, if Turkey opens its borders with Armenia and/or successfully moves along the path of European integration, and Iran improves its international image, Armenia will have even more room to keep up and even boost its "complementarity" foreign policy, including even closer cooperation with NATO.

Armenian officials have repeatedly declared that ongoing military reforms in Armenia would be fully implemented by 2015. Any further reforms will need to involve a transition from the current Soviet model of the Armenian army to a more modern one. Should the geopolitical situation in the South Caucasus evolve by that time, giving Armenia more opportunity for "complementary" maneuver, it may be at that point that the country will enter a new stage in its relationship with NATO.

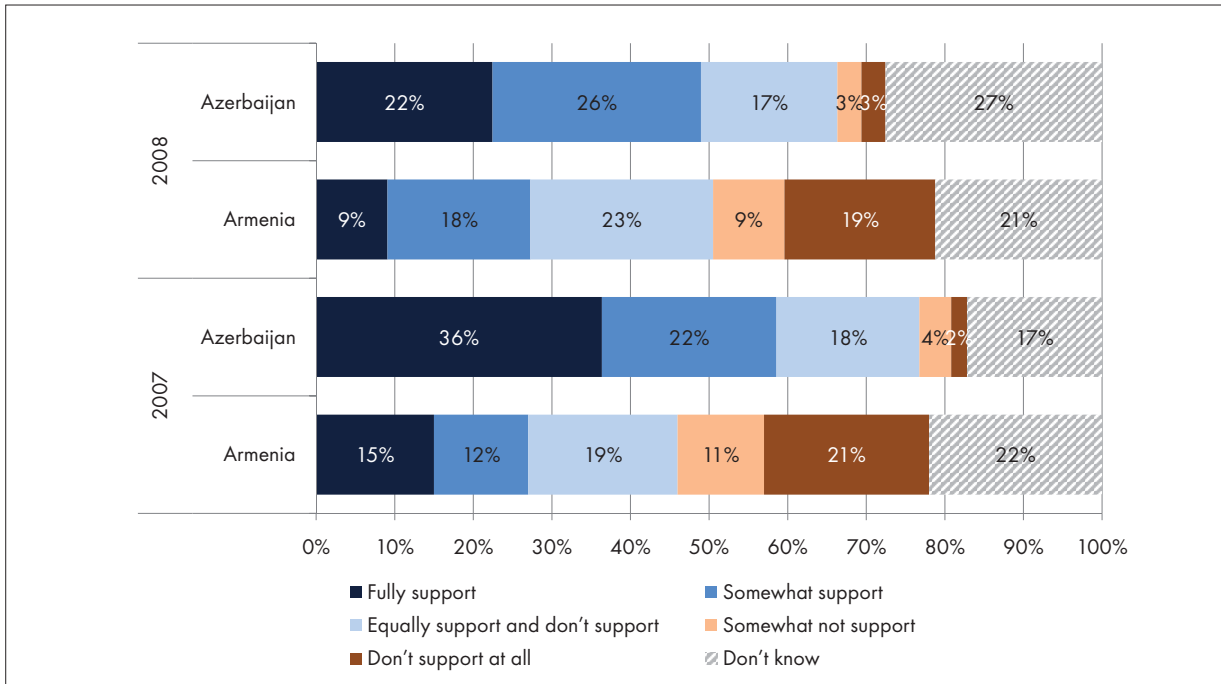
#### *About the author*

Alexander Iskandaryan is Director of the Caucasus Institute in Yerevan, Armenia.

**Graphs**

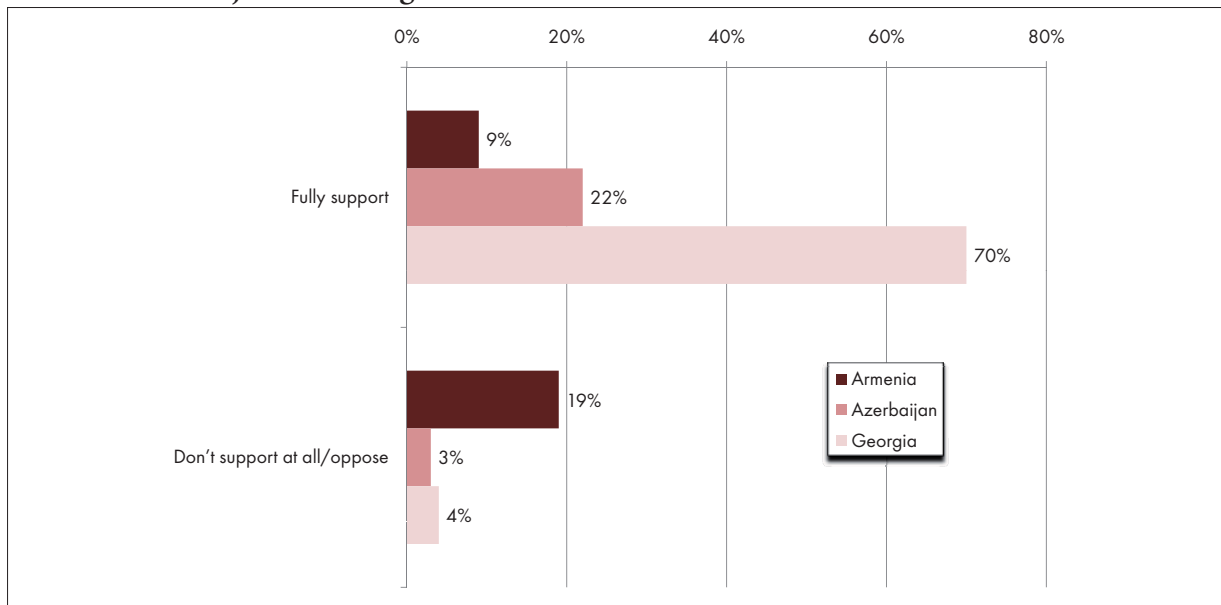
### Extent of Popular Support for NATO Membership in the South Caucasus

#### Support for NATO Membership in Armenia and Azerbaijan 2007–2008



Source: Caucasus Research Resource Centers, Caucasus Barometer, November/December 2008.

#### Percentage of Respondents Who Fully Support And Who Fully Oppose NATO Membership in Armenia, Azerbaijan and Georgia



Sources: Caucasus Research Resource Centers, Caucasus Barometer, November/December 2008; Georgian National Survey February 21 – March 3, 2009, <http://www.iri.org/eurasia/georgia/pdfs/2009> April 1 Survey of Georgian Public Opinion February 21-March 3 2009.pdf

## Chronicle

### From 18 March to 14 April 2009

18 March 2009	Voters approve a constitutional referendum lifting presidential term limits in Azerbaijan, allowing the current leader to seek a third term
18 March 2009	Azerbaijani Parliament adopts a prisoner amnesty
19 March 2009	Georgian Energy Ministry announces the building of a new power line between Georgia and Turkey
19 March 2009	Four opposition parties set up an "Alliance for Freedom" in Georgia
20 March 2009	Russian President Medvedev approves the signing of two treaties with Abkhazia and South Ossetia on the joint protection of borders
23 March 2009	Belarusian President Alexander Lukashenko meets with Abkhaz leader Sergey Bagapsh in Moscow and offers financial help to Abkhazia
23 March 2009	Activists of opposition leader Nino Burdjanadze's Democratic Movement – United Georgia party are arrested in Georgia's capital Tbilisi on charges of illegal possession of arms
23 March 2009	Georgian Parliament Speaker David Bakradze visits the United States
25 March 2009	Kazakh state company KazMunaiGas says it is ready to sell its gas distribution company in Georgia's capital Tbilisi, KazTransGaz-Tbilisi
26 March 2009	EU's special envoy and co-mediator to the Geneva talks Pierre Morel meets with Russian Deputy Foreign Minister Grigory Karasin in Moscow
27 March 2009	Russian state gas company Gazprom and Azerbaijan's state oil company SOCAR sign memorandum of understanding on gas sales from Azerbaijan to Russia from 2010 in Moscow
27 March 2009	13 opposition parties in Georgia agree to organize peaceful demonstrations to demand Georgian President Saakashvili's resignation in a "Manifesto of Unity"
27 March 2009	International Monetary Fund says it sees "considerable downside risks" to Georgia's economy
29 March 2009	Georgian Ministry of Internal Affairs declares that one Georgian policeman died and six others were injured in an explosion near the administrative border with South Ossetia
1 April 2009	Azerbaijani Foreign Minister Elmar Mammadyarov visits Georgia
2 April 2009	Russian President Dmitry Medvedev declares he does not want any relations with Georgian President Mikhail Saakashvili and he would only talk with a new leadership in Georgia
2 April 2009	Egypt-based company Fresh Electric plans to create a free industrial zone in Kutaisi, Georgia
7 April 2009	Armenia and Iran agree to build a 1.2 billion dollar railway between the two countries
7 April 2009	Lithuanian Foreign Minister Vigaudas Ushatskas visits Azerbaijan
8 April 2009	Turkish Prime Minister Recep Tayyip Erdogan says that Nagorno-Karabakh's status must be resolved first before Turkey and Armenia can open diplomatic relations
8 April 2009	Abkhaz authorities declare that Abkhaz troops together with Russian forces are reinforcing border with Georgia
9 April 2009	Thousands of protesters gather on Tbilisi's streets to demand the resignation of Georgian President Mikhail Saakashvili
9 April 2009	Ukrainian President Viktor Yushchenko visits Azerbaijan
10 April 2009	The EU's special representative for the South Caucasus Peter Semneby meets with opposition leaders in Tbilisi
10 April 2009	Georgian President Mikhail Saakashvili offers the opposition the direct election of the Tbilisi mayor
11 April 2009	Armenian government approves a 54 million dollar credit for local construction firms
12 April 2009	Opposition parties in Georgia say that a protest venue outside the Parliament was raided
13 April 2009	Georgian Foreign Minister Grigol Vashadze visits the United States
13 April 2009	The Georgian Ministry of Defense declares that Russia is increasing its military presence in Abkhazia and South Ossetia, especially in the Gali and Akhagori districts
14 April 2009	Georgian President Mikhail Saakashvili says he does not think that Russia will renew a "military adventure" in Georgia



## About the Caucasus Analytical Digest

Editors: Iris Kempe, Matthias Neumann, Robert Orttung, Jeronim Perović, Lili Di Puppò

The Caucasus Analytical Digest (CAD) is a monthly internet publication jointly produced by the Heinrich Böll Foundation in Tbilisi ([www.boell.ge](http://www.boell.ge)), the Research Centre for East European Studies at the University of Bremen ([www.forschungsstelle.uni-bremen.de](http://www.forschungsstelle.uni-bremen.de)), the Jefferson Institute in Washington, DC ([www.jeffersoninst.org](http://www.jeffersoninst.org)) and the Center for Security Studies (CSS) at ETH Zurich ([www.css.ethz.ch](http://www.css.ethz.ch)) with support from the German Association for East European Studies (DGO). The Caucasus Analytical Digest analyzes the political, economic, and social situation in the three South Caucasus states of Armenia, Azerbaijan and Georgia within the context of international and security dimensions of this region's development. CAD is supported by a grant from the Heinrich Boell Foundation and partial funding from the Jefferson Institute.

To subscribe or unsubscribe to the Caucasus Analytical Digest, please visit our web page at [www.res.ethz.ch/analysis/cad](http://www.res.ethz.ch/analysis/cad)

### Heinrich Böll Foundation

The Heinrich Böll Foundation, affiliated with the Green Party of Germany, is a legally independent political foundation. The regional office for the South Caucasus was opened in 2003. Its main objective is to contribute to the forming of free, fair and tolerant societies in the region. The Foundation supports and facilitates cooperation of individuals and organizations throughout the region who, based on the principle values of human rights, search for the change of undemocratic and intolerant attitudes in societies and politics, for the transformation of ethno-political and territorial conflicts into the direction of fair and non-violent solutions and for the sustainable development of people and communities. The Foundation encourages critical public debate to make processes of decision-making democratic and transparent.

### Center for Security Studies (CSS) at ETH Zurich

The Center for Security Studies (CSS) at the Swiss Federal Institute of Technology (ETH Zurich) is a Swiss academic center of competence that specializes in research, teaching, and information services in the fields of international and Swiss security studies. The CSS also acts as a consultant to various political bodies and the general public.

### Research Centre for East European Studies [Forschungsstelle Osteuropa] at the University of Bremen

Founded in 1982, the Research Centre for East European Studies (Forschungsstelle Osteuropa) at the University of Bremen is dedicated to socialist and post-socialist cultural and societal developments in the countries of Central and Eastern Europe. One of the core missions of the institute is the dissemination of academic knowledge to the interested public. This includes regular e-mail service with nearly 20,000 subscribers in politics, economics and the media.

### Jefferson Institute

The Jefferson Institute is an independent trans-Atlantic research and education institute. We are inspired by Thomas Jefferson's challenge to pursue truth, wherever it may lead, and his vision of foreign policy at its best: to prevail through ideas and commerce. Our mission is simple. We inform decision with alternative solutions.

Any opinions expressed in Caucasus Analytical Digest are exclusively those of the authors.

Reprint possible with permission by the editors.

Editors: Lili Di Puppò, Iris Kempe, Matthias Neumann, Robert Orttung, Jeronim Perović

Layout: Cengiz Kibaroglu, Matthias Neumann

ISSN 1867 9323 © 2009 by Heinrich Böll Stiftung, Forschungsstelle Osteuropa, Bremen and Center for Security Studies, Zürich

Research Centre for East European Studies • Publications Department • Klagenfurter Str. 3 • 28359 Bremen • Germany

Phone: +49 421-218-7891 • Telefax: +49 421-218-3269 • e-mail: [fsopr@uni-bremen.de](mailto:fsopr@uni-bremen.de) • Internet: [www.res.ethz.ch/analysis/cad](http://www.res.ethz.ch/analysis/cad)