

The Caucasus is an important area for the [United States] and its partners. Caucasus nations actively support Operation Iraqi Freedom and ISAF [International Security Assistance Force] by providing both with troops and over-flight access for critical supply lines from [US]EUCOM to the [US]CENTCOM [area of responsibility]. They provide alternative energy sources from the Caspian Sea basin and alternative routes of access to Central Asian energy reserves. It is an important region for European energy diversification.

—General Bantz J. Craddock, USA
Commander, U.S. European Command¹

Opposition supporter at rally demanding President Mikhail Saakashvili's resignation in Tbilisi, Georgia



AP Images (Shakh Aivazov)

Unintended Strategic Consequences of Security Assistance in the South Caucasus

By MICHAEL D. MIHALKA and MARK R. WILCOX

While Georgia may be more prosperous than it was before the Rose Revolution of 2003, it is no stronger or more democratic. Georgia was never really the “beacon of liberty” that President George W. Bush called it in 2005.² In fact, even though the South Caucasus as a whole saw substantial economic growth in the 1990s, none of the countries therein saw any movement toward greater liberal democracy. Moreover, civil-military relations have deteriorated, and the risks of internal and external violence have arguably increased. Given these trends, has the large increase in security assistance to the South Caucasus actually decreased regional stability? The Russian-Georgian war of 2008 suggests that it has.

This article examines the trends in liberal democracy in the South Caucasus in light of economic development. It relates these trends to regional changes in civil-military relations and the prospects for violence in the region. It then assesses the extent to which security assistance has contributed to stability in the region. Finally, recommendations are made about how future security assistance should be structured.

Economic Development

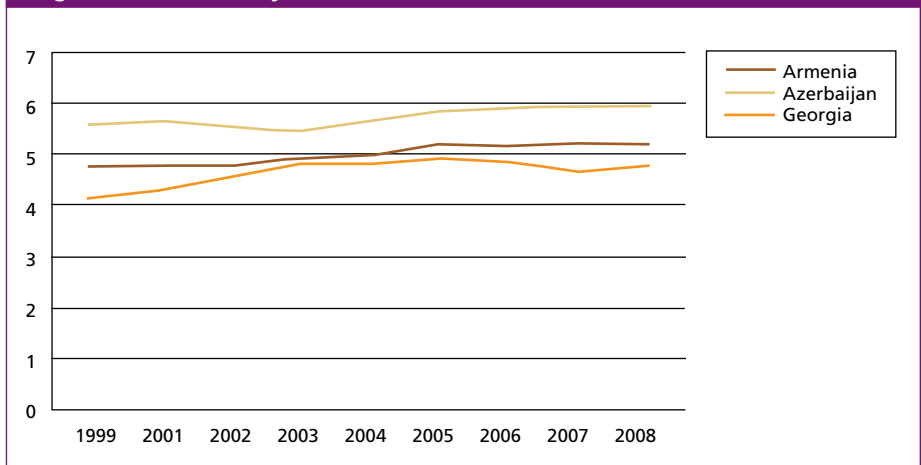
Economic development consistently correlates with liberal democracy, although some scholars question whether there is a causal relation. A recent survey article concludes that “[s]trong evidence supports

the claims that democracy is more likely in more developed countries and that regime transitions of all kinds are more likely during economic downturns. Very few of the other arguments advanced in the transitions literature, however, appear to be generally true.”³ Another scholar asserts that economic development does not cause democracy but rather the same factors that lead to democracy also help the economy.⁴ Thus, liberal democracy in the South Caucasus should have been on the ascent in the decade prior to the global economic crisis in 2008. All the countries in

the region saw substantial economic growth during that decade. Growth rates from 2000 to 2007 were between 5 and 10 percent for Georgia, 10 and 15 percent for Armenia, and 10 and 35 percent for Azerbaijan.⁵

Despite theoretical predictions, there has been no increase in liberal democracy in the region, but rather a decline, as seen in figure 1 (lower scores represent more “democracy”). Moreover, although many political figures have touted the democratic advance for President Mikhail Saakashvili’s regime, the democratic situation has deteriorated.

Figure 1. Democracy Scores in the South Caucasus, 1999–2008



Source: Freedom House, Nations in Transit 2009, available at <www.freedomhouse.org/template.cfm?page=485>.

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Freedom House in its Nations in Transit project scores Georgia at 4.17 in 1999 but at 4.93 in 2009 on a scale of 1 to 7.⁶ That score is a composite of several factors including electoral process, civil society, independent media, national and local democratic governance, judicial framework and independence, and corruption. Although there is a relatively thriving civil society in Georgia, there are few checks on executive authority. As noted by Nations in Transit, “[d]ue to the absence of any real constraints on the president, the authorities’ reluctance to engage in dialogue with the opposition, and unanswered questions concerning the August war with Russia, the rating for national democratic governance worsens from 5.75 to 6.00.”⁷

There are several possible explanations for the failure of democracy in the South Caucasus, but three seem compelling: the nature of economic growth, the corrosive effect of

so-called rentier states.¹⁰ Instead of producing goods with a corresponding change in structure of society, rentier states develop governments that become increasingly distant from society and hence more autocratic. By this account, all three states in the South Caucasus could be considered rentier: Azerbaijan relies heavily on hydrocarbons, Armenia on external remittances, and Georgia progressively on transit fees. Contrasting the growth experience of Estonia and Georgia since 1990, poor governance, failure to adopt appropriate institutional reforms, and poor policy have held Georgia back.¹¹

Instead of a direct relationship between economic development and liberal democracy,¹² some scholars argue that economic growth leads to a more educated public and a larger middle class, and hence to the development of a civic culture that values trust and competence.¹³ These factors in

1995, 60 percent of Georgia was below the poverty line, in 2002, the level of poverty was 52 percent, and in 2006, the level had fallen to 39 percent. Curiously, even through the early 2000s, unemployment did not decline despite economic growth.¹⁴

Armenia has also seen a significant decrease in poverty from 1999 to 2005 largely due to a growth rate twice what was expected.¹⁵ In 1999, 56.5 percent were poor, while this figure dropped to 25.6 percent by 2005. An increase in remittances has led to a construction boom primarily in housing. Moreover, Armenia, along with Georgia, has proven an easy place to do business. Armenia ranked 43 to Georgia’s 11 among 183 countries assessed in terms of the ease of doing business.¹⁶ This compares with Azerbaijan’s rank of 38.

The reduction of poverty in both Georgia and Armenia points toward the development of a middle class. However, there

despite predictions, there has been no increase in liberal democracy in the region, but rather a decline

unresolved conflicts, and the unfortunate geopolitical position of the region from the point of view of democracy.

“Oil Curse”

In the introductory essay to the Nations in Transit 2008 report, the authors link the rising price of oil to the decline of democracy in the former Soviet Union.⁸ They note that the “model of pursuing economic growth while eroding the independence of critical institutions has been adopted by three oil-rich states in the former Soviet Union: Azerbaijan, Kazakhstan, and Russia.” The decline in democracy in these countries has important effects on their neighbors. In particular, Georgia had begun to rely on transit fees from pipelines constructed to move Azerbaijani hydrocarbons to Western clients. In contrast, economic growth in Armenia has been driven by remittances and economic aid.⁹ A construction boom has recently fueled Armenia’s economy.

There are several possible explanations why the recent economic growth has not led to an increase in liberal democracy in the South Caucasus. The literature on the “oil curse” suggests that countries overly reliant on external sources of revenue become



Vice Chairman of Joint Chiefs of Staff General James Cartwright meets with Georgian President Mikheil Saakashvili in Tbilisi

turn increase support for democratization. Economic growth followed by an economic crisis (such as the global financial crisis of 2008, which also led to a dramatic decline in the price of oil) leads to a rapid transition from authoritarianism to democracy. So far no such transition has occurred in the South Caucasus, perhaps because economic growth was not sustained long enough to transform societies in those countries. As recently as

has been no corresponding increase in the level of liberal democracy. Some suggest that political instability might result, especially if the growth is followed by a sharp economic decline. Certainly Armenia and Georgia have been afflicted by a series of demonstrations mostly by opposition figures against the validity of the elections in respective states. Opposition groups went to the streets in Armenia to protest the February 2008

U.S. Air Force (Adam M. Stump)

presidential elections.¹⁷ Several demonstrators were killed when the government cracked down on March 1. Georgia, too, has seen large-scale demonstrations. Three months of unrest called for the resignation of Saakashvili starting in April 2009. Over 250,000 people showed up in Tbilisi for the first day of protest. On Georgian Independence Day, May 26, over 100,000 demonstrators took part. Earlier, in November 2007, the government violently suppressed opposition demonstrations,¹⁸ and then used the excuse of an attempted coup to declare a state of emergency and prohibit news broadcasts except by the state-run television station for 15 days.

Ironically, the real progress that Georgia and Armenia have made in economic liberalization has led to decreased political stability. As the governments become increasingly authoritarian and repressive, the economic boom is increasing the numbers within

assessed as 100 in 2008, meaning that it was the most stable country in the database, and Afghanistan was assessed as 1, the least stable. Thus, prior to the Rose Revolution in 2003, Georgia was among the 10 percent least politically stable countries; afterward, it improved to the 20 percent least stable. In 2008, 16 percent of the countries in the database were assessed as less stable than Georgia. Its score in 2008 was similar to those for India, Indonesia, and Liberia. Azerbaijan's scores hovered around 20 percent throughout this period while Armenia saw an increase to the mid-40s.

Conflict

The extent of liberal democracy is also strongly associated with both external and internal violence. One of the few laws in political science is that consolidated liberal democracies do not go to war with each other, even though liberal democracies are not nec-

essarily more peaceful than their authoritarian counterparts. Edward Mansfield and Jack Snyder conclude:

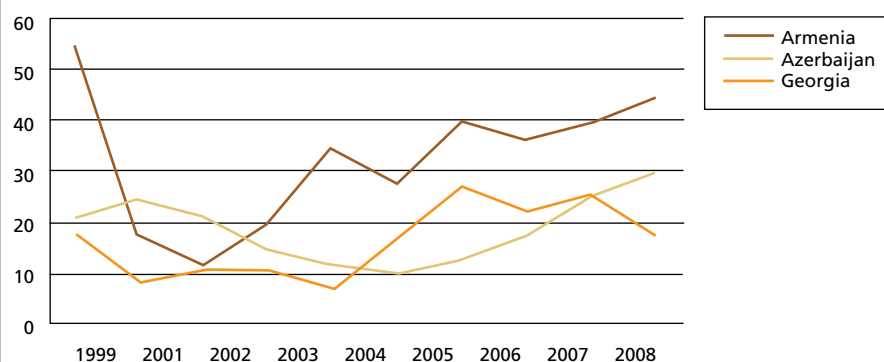
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A similar relationship exists for internal violence. Authoritarian and liberal democratic countries are associated with the least amount of internal violence, transitional countries the most.²² From this, we expect Armenia and Georgia to be much more afflicted with internal violence than Azerbaijan. Moreover, newly emergent states tend to suffer from a higher likelihood of internal violence. Institutional weakness has made internal violence much more likely in the South Caucasus because the state, especially at the beginning in Georgia and Azerbaijan, was too weak to deal with the predatory tendencies of local warlords.²³

In addition to political violence associated with the political process in the South Caucasus, open and unresolved conflicts have adversely affected the development of democracy. For Armenia and Azerbaijan, the conflict over Nagorno-Karabakh continues to dominate domestic politics, while the breakaway regions of Abkhazia and South Ossetia continue to serve as lightning rods for Georgian politics.

Nagorno-Karabakh declared independence from Azerbaijan in January 1992. The Armenian side was largely successful in securing much of Nagorno-Karabakh and the region bordering Armenia as illustrated in figure 3. In May 1994, a ceasefire was signed in Moscow. Leaders in both Azerbaijan and Armenia have lost their positions because of the conflict. The president of Azerbaijan, Ayaz Mutalibov, was forced to step down in March 1992 over the Khojaly massacre, in which several hundred civilians were killed the month before.²⁴ He was then brought back briefly on March 14 in what has been characterized as a "constitutional coup d'état."²⁵

Figure 2. World Bank Assessment of Political Stability and Absence of Violence/Terrorism, 1999–2008



Source: Daniel Kaufmann, Aart Kraay, and Massimo Mastruzzi, *Governance Matters VIII: Governance Indicators for 1996–2008* (Washington, DC: World Bank, June 2009).

society who desire a greater political voice. Demonstrations against the government often lead to violence.

Economic growth has also increased political stability and decreased violence, according to measures used by the World Bank.¹⁹ Figure 2 provides an assessment of political stability that positively tracks economic growth. The World Bank defines this measure as "capturing perceptions of the likelihood that the government will be destabilized or overthrown by unconstitutional or violent means, including politically-motivated violence and terrorism."²⁰ For the South Caucasus, this measure is a weighted average of seven to nine over sources. The y-axis gives a percentile rank comparison to all countries. Luxembourg was

essarily more peaceful than their authoritarian counterparts. Edward Mansfield and Jack Snyder conclude:

Statistical evidence covering the past two centuries shows that in this transitional phase of democratization, countries become more aggressive and war-prone, not less, and they do fight wars with democratic states. In fact, formerly authoritarian states where democratic participation is on the rise are more likely to fight wars than are stable democracies or autocracies.²¹

This analysis suggests that moving a state along the path from authoritarianism to liberal democracy actually *increases* the likeli-

On May 15, the head of the Azerbaijani Gray Wolves, Iskender Hamidov, seized the parliament building and television station and ousted Mutalibov for good. Other units fighting the Armenians also had rushed to Baku to oppose Mutalibov and left the critical Lachin corridor in the hands of only 3,000 defenders.

Azerbaijan elected Albufaz Elchibey president on June 7, 1992. The Azerbaijanis launched an offensive in July and quickly pushed back the Karabakh Armenian defenders. However, it was not Azerbaijanis in the tanks but Russians who in the end thwarted the attacks.²⁶

In reaction to the Azerbaijani successes, Robert Kocharian (later president of

extraordinary presidential powers on June 24, and on June 30, Aliev made Husseinov prime minister. On October 3, Aliev was elected president with 98.8 percent of the vote. One of his first acts was to disband 33 battalions loyal to the opposition Popular Front, some units of which had worked to oust Mutalibov.

The Karabakh Armenians pressed the advantage as the entire Karabakh front was left uncovered by the Azerbaijani crisis. The Azerbaijanis launched a counteroffensive in January 1994 and recovered substantial territory around Fizuli. The war was at its bloodiest in the first part of 1994 and exhausted both sides. A ceasefire was signed May 12, 1994—without a neutral peacekeeping force.

The Karabakh issue continues to dominate Armenian politics. In 1997, President Levon Ter-Petrosian saw an opportunity to settle the Karabakh issue based on a phased plan set forth by the Minsk Group, the international body set up under Organisation for Security and Co-operation in Europe auspices to mediate the Karabakh conflict. The Karabakh Armenians in Ter-Petrosian's government resisted. Robert Kocharian was prime minister and Serzh and Vazgen Sargsian were defense and interior ministers, respectively. In the face of this opposition, Ter-Petrosian resigned on February 3, 1998, making him the third president to step down as a result of the Karabakh issue.

Civil-military relations in Georgia have also been highly problematic. The problems created by the breakaway regions of Abkhazia and South Ossetia continue to dominate Georgian politics. Moreover, the toxic relations between Russia and Georgia continue to sour domestic Georgian politics as every couple of years the Georgian government claims that Russia has sponsored a coup against it.

The first president, Zviad Gamsakhurdia, was overthrown in a coup after he tried to abolish the national guard and subordinate it to the interior ministry in August 1991. The Georgian national guard then split, and an antigovernment faction, the *Mkhedrioni*

Figure 3. Area Controlled by Nagorno-Karabakh Republic (NKR)



Armenia) became head of the State Defense Committee of Nagorno-Karabakh. His longtime friend Serzh Sargsian (current head of state of Armenia) assumed responsibility for the logistics of the campaign. Meanwhile, the battle had turned against Azerbaijan, and some saw the defense minister Rahim Gaziev and his main commander Suret Husseinov as working for the Russians. In February 1993, Husseinov left an Azerbaijani unit surrounded and then moved his own forces off the frontlines. When Elchibey tried to sack him, Husseinov ignored Elchibey and moved his troops to Ganje. The Karabakh Armenians exploited the hole in the line.

On June 4, 1993, Elchibey sent troops to disarm Husseinov's forces. They failed. Husseinov then moved on the capital, and Elchibey fled to Nakhichevan. Heider Aliev was voted

Husseinov was not yet done using the military to meddle in Azerbaijani politics. On October 4, 1994, Husseinov failed in his coup attempt against Aliev and fled to Russia.

The conduct of the war really shows the politicization of the military on both sides but especially in Azerbaijan. Factions in the Azerbaijani military were responsible for all the changes in the Azerbaijani leadership and failed to carry out their political leaders' commands at critical moments. Aliev exploited the factions within the military to his own political advantage, and his understanding of the inherent danger posed by the military was a major factor in his ability to subsequently stay in power and to pass on that power in 2003 to his son Ilham, who won the presidential election with 76.8 percent of the vote.

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without a neutral
peacekeeping force*

(“Horsemen” or “Knights”), set up an armed camp outside Tbilisi and maintained barricades throughout the city. These groups launched a coup on December 22, 1991, and heavy fighting ensued. On January 6, 1992, Gamsakhurdia escaped to Azerbaijan and then to Armenia, and finally wound up in the Russian breakaway province of Chechnya. Hostilities between pro- and anti-Gamsakhurdia forces continued throughout 1992 and 1993. In pursuit of pro-Gamsakhurdia forces, the government moved forces into the province of Abkhazia in September 1992, but they were driven back. In September 1993, Gamsakhurdia, supported by the regions of Megrelia and Abkhazia, set himself up in the western Georgia town of Zugdidi and captured the port of Poti and other vital transportation links. In a rare act of unity, Russia,

Armenia, and Azerbaijan came out against Gamsakhurdia, and Russian troops pushed back his forces. Zugdidi fell on November 6. Gamsakhurdia died under mysterious circumstances on December 31.

A report dated 2004 cites numerous paramilitary groups throughout Georgia that have existed since the early 1990s.²⁷ Some have a shadowy and occasional relationship with the government. Others are guerrilla groups left over from the civil war or the wars with Abkhazia and South Ossetia. Still others have links to Russia. As late as 2004, the fact that the ministers of defense and interior as well as the heads of the security services were all generals raised real issues of democratic and civil control. Moreover, "it is not possible to speak of successful civil control over militaries while having uncontrolled militaries on the territory of Georgia."²⁸

Several coups real and alleged have occurred in Georgia. In October 1998, Colonel Akaky Eliava failed in his attempt to stage a coup against then-president Eduard Shevardnadze. He was granted amnesty but died in unclear circumstances while in police custody in July 2000. Army units also mutinied in 2001 and 2004, primarily over pay.²⁹

the government claimed that the opposition had been consorting with the Russians, thus necessitating the state of emergency

Government claims regarding a coup precipitated the 2008 presidential elections. Antigovernment demonstrations were brutally suppressed on November 7, 2007, and the government declared a state of emergency (which lasted until November 16). The government claimed that Russia was backing a coup attempt and expelled three Russian diplomats. It further claimed that the opposition had been consorting with the Russians, thus necessitating the state of emergency.³⁰

Civil-military relations in Georgia remain quite strained. The circumstances surrounding the mutiny of a tank battalion in May 2009 are muddy. Around 70 personnel deserted the Mukhrovani base on May 5. The government asserts that Russia intended at a minimum to disrupt North Atlantic Treaty Organization (NATO) exercises and more generally to provoke a coup. Moscow, of

course, denied this. In contrast, some opposition figures and military experts claim that the unit had refused orders to put down the ongoing demonstrations.³¹

Whatever the explanation for the army mutiny, the mass desertion does not speak well for the status of Georgian forces. As one Georgian military analyst put it, the "Georgian army has already been destroyed. If the government were to confirm a desertion of this scale, then it would have to admit that for years the money allotted for building up the armed forces was devoured [that is, misappropriated] and that the army has not been built."³²

Security Assistance

The Georgian attempt to recover South Ossetia in August 2008 raises real questions about the unintended consequences security assistance brings to the region. After 9/11, security assistance increased substantially, particularly to aid countries with counterterrorism. The United States is the leading provider of aid to Georgia and Armenia, with more than \$1 billion spent in fiscal years (FY) 1992–2007.³³

Operations Program to train four battalions of Georgian troops to support the U.S.-led coalition in Iraq. Sixty million dollars was spent in FY 2005 and another \$30 million was budgeted for FY 2006. Before the Russian-Georgian war in 2008, the United States was preparing to train the 4th Brigade for operations in Iraq.

Although Washington claims that this training was strictly limited to counterterrorism operations, neither Georgia nor Russia shared that interpretation. The 2006 Georgian National Security Concept makes the following claim:

*Georgia's defense capabilities have significantly increased as a result of assistance programs conducted by the United States. The Georgia Train and Equip Program initiated by the U.S. has proved to be a major success in the process of building the modern Georgian Armed Forces. The new Sustainment and Stability Operations Program is advancing Georgia's defense capabilities to a higher level. Units trained under these programs constitute the core of the Georgian Army.*³⁴

AP Images (Unit Bektas)



Azerbaijani and Turkish officials in Ankara discuss agreement establishing diplomatic relations

U.S. European Command has had several initiatives to train Georgian troops. From 2002 to 2004, the United States spent \$64 million in the Georgia Train and Equip Program to train Georgian security forces to fight terrorists, protect pipelines, and further internal stability. Following this, the United States launched the Sustainment and Stability

In an August 21 interview with the Associated Press, Georgian defense minister David Sikharulidze responded, "[i]n general, yes," when asked whether U.S. training of his troops would help in a future war. Although this answer was viewed as a huge gaffe and was later recanted by Sikharulidze, the Georgian 2006 national security concept

clearly shows Georgian thinking on the matter.

The Georgians quite simply see any training of their troops as helping them with general defense and are not as sensitive to nuance as Marine Corps Commandant General James Conway. He thought that counterinsurgency skills “aren’t very helpful when it comes to main force-type units if there were to be engagement of nations.”³⁵ Moreover, the general stated, “I am very comfortable that what we’re doing is very much above board and is commensurate with what the country has said they need to put troops in Afghanistan.”³⁶ General Conway’s views are either naïve or disingenuous and reflect the overall problem of aiding countries such as Georgia, which interpret training according to their own national interest.

Some commentators and opposition figures see the Georgian military as largely discredited and discarded after August 2008. Moreover, the military may be increasingly viewed as a threat by the regime. This may explain the rapid dismissal of Sikharulidze after his interview blunder, not so much because it was impolitic but more because Saakashvili wanted to place his “own man” in the defense ministry. He turned to 28-year-old Bacho Akhalaia, deputy minister since December 2008, formerly head of prisons for the interior ministry where his brother serves as head of “constitutional security.” Akhalaia’s appointment may serve two purposes: to

assert greater security service and regime control over the military, and to ensure the military will follow orders even when asked to move against civilians. Or so the former speaker of the parliament and leading opposition figure, Nino Burjanadze, believes: “David Sikharulidze, who was dismissed [as defense minister], would never have carried out an order to use the army against the people. The new minister, [Akhalaia], would do this.”³⁷

Only the security services seem untouched by the continuing cabinet shuffles in Georgia. As one commentator noted at the beginning of 2009:

*successive cabinet reshuffles have left unscathed powerful Interior Minister Vano Merabishvili, whom Subari has implicitly accused of presiding over a death squad that operates outside the law. And Bacho [Akhalaia], a Merabishvili protégé who is believed to have provoked a prison riot in March 2006 by his sadistic treatment of prison inmates, has been promoted to deputy defense minister.*³⁸

Finally, there is the August 2008 war. Saakashvili has made recovery of the provinces of Adjara, Abkhazia, and South Ossetia a priority. He succeeded in quickly recovering Adjara without bloodshed. He apparently was talked down from attacking Abkhazia in the spring of 2008. The International Crisis Group reported in June 2008:

*[Georgia] has quietly been making military preparations, particularly in western Georgia and Upper Kodori. A number of powerful advisers and structures around President Mikheil Saakashvili appear increasingly convinced a military operation in Abkhazia is feasible and necessary. The option they seem to favour would aim at regaining control of the southern part of the territory so as to establish at least a temporary partition.*³⁹

Azerbaijan also has serious civil-military issues. As noted above, with the exception of Heider Aliev yielding to his son Ilham, the military has been directly implicated in every transfer of power within the state. Moreover, the political leadership continues to make threatening speeches over Nagorno-Karabakh. In March 2008, President Ilham Aliev told reporters that diplomatic efforts were not enough to recover the province. Instead, “to resolve the Karabakh conflict, we have to be strong, we have to be ready to

the Georgians quite simply see any training of their troops as helping them with general defense and are not as sensitive to nuance

liberate our lands by military means, and we are ready.”⁴⁰ Such rhetoric is not viewed as idle bombast as Aliev has invested his country’s oil money heavily in his armed forces. But some commentators see such an investment as largely wasted. They see a mostly corrupt and unreformed defense ministry and a highly politicized military.⁴¹

The Report of the Independent International Fact-Finding Mission on the Conflict in Georgia made a veiled critique of security assistance to the region:

*The supply of arms and military equipment as well as the provision of military training to the conflict region were and continue to be a sensitive issue. Even when done within the limits established by international law or by political commitments of a non-binding nature, military support must stay within the boundaries set by common sense and due diligence, keeping in mind both intended and unintended use of the arms and equipment supplied.*⁴²

Marine instructors in Georgia Train and Equip Program train Georgian army recruits



U.S. Air Force (Dallas D. Edwards)

Table. U.S. Foreign Aid to the South Caucasus (fiscal years, US\$ million)

Country	1992–2007 Budgeted Aid ¹	2008 Actual ²	2009 Estimate ²	2010 Request ²
Armenia	1,746.08	62.634	52.3	34.86
Azerbaijan	753.26	26.841	24.946	30.135
Georgia	1,989.64	378.85 ³	309.2 ⁴	83.05
Regional	38.73	—	—	—
Total	4,436.71	468.325	386.446	148.045
Percentage	13.6	64	67	29

Source: U.S. Department of State, *Congressional Budget Justification Operations, FY2010* (Washington, DC: Department of State, May 12, 2009).

¹ FREEDOM Support Act and Agency budgets.

² FREEDOM Support Act and other Function 150 funds. Does not include Department of Defense or Department of Energy funding, funding for exchanges, Peace Corps, or Millennium Challenge Corporation programs in Armenia and Georgia.

³ Includes Economic Support Funding of \$315 million (P.L. 110 329).

⁴ Includes \$242 million in FREEDOM Support Act funding (P.L. 111 32).

The emphasis here should not be on the perceived value of the security assistance for the country giving it, such as the United States, but on its consequences for the stability of the region. While Washington may have viewed its assistance quite narrowly, the Georgians themselves clearly viewed it as a strong political support and a means to recover lost territory.

The reality of politics in the South Caucasus does not match the enthusiasm of some U.S. politicians for the region. As measured by the standards of the 1995 NATO study, the situation in the region has deteriorated as all of its countries have become more authoritarian. The toxic influence of the unresolved conflicts remains unabated.

The one bright spot has been economic reform. Prior to the 2008 global economic crisis, all of the countries in the region saw spirited economic growth. But in the face of increased authoritarianism, this growth brings greater challenges, such as demands for more political accountability. Political instability would seem the most likely outcome. Civil-military relations are likely to remain poor throughout the region, making security assistance highly problematic. Especially in Azerbaijan and Georgia, the militaries are likely to become even more politicized and viewed as threats by their own governments. The pattern of coups and coup attempts is already well established in these countries.

This leaves the United States with a difficult decision. Should it continue to aid coun-

tries with a revanchist agenda such as Georgia and Azerbaijan and be embarrassed again as it was after the 2008 Russian-Georgian war? Will Washington maintain the fiction that the training it gives does not increase the likelihood of cross-border forays, by citing its narrow counterterrorism objective?

The U.S. administration has offered a way to square the circle by advocating “brains before brawn” and promoting the increase of intellectual capacity. Assistant Secretary of Defense for International Security Affairs Alexander Vershbow testified to the Senate Foreign Relations Committee in August 2009, “Focusing U.S. assistance initially on fundamental intellectual issues like training, doctrine and personnel management . . . is our prioritized approach, and this will serve as a foundation on which Georgia can build for years to come.” This seems a sensible approach in and of itself. However, there is no guarantee that writing a check for \$1 billion for Georgia means the money will go somewhere other than the defense program even if it is not specifically targeted for defense. Rather, it allows Georgia, should it wish, to reallocate funds internally. The current president of Georgia is still set on “liberating” South Ossetia and Abkhazia.

For its part, Nagorno-Karabakh still drives Armenia-Azerbaijan relations. Ongoing aid to one of the parties (either direct or indirect) may increase the prospects for violence. In Azerbaijan’s case, the danger of war is exacerbated as a result of infighting

among factions within the government. The Armenian government also lacks legitimacy, but for now the forces advocating a negotiated end of the conflict remain in the minority.

Pushing liberal democracy in the South Caucasus brings with it the unintended consequence of increased political instability and a greater likelihood of internal and external violence. This pattern is readily observed in the region. Unfortunately, external actors promoting such reforms offer no acceptable regional solutions to the endemic internal and external security problems these countries suffer. So pushing democracy will only make matters worse.

The problem of security assistance to a region such as the South Caucasus calls out for a kind of security assistance impact statement analogous to an environmental impact statement. This is perhaps something the Government Accountability Office could do. Thus, even though something akin to the 2008 Russian-Georgian war may not be averted, at least the risks would be recognized.

And finally, we should recall the recent policy prescription by the independent fact-finding mission on the Georgian conflict: “Utmost care should be taken by providers of military aid to refrain from giving their support, even unintentionally or indirectly, to any actions or developments detrimental to the stability of the region.”¹³ **JFQ**

We want to thank Dr. Jim Smith and the Air Force Institute of National Security Studies for their support.

NOTES

¹ General Bantz J. Craddock, Commander, U.S. European Command, testimony before the Senate Armed Services Committee, March 24, 2009.

² “Bush: Georgia ‘beacon of liberty,’” May 10, 2005, available at <www.cnn.com/2005/WORLD/europe/05/10/bush.tuesday/index.html>.

³ Barbara Geddes, “What Do We Know about Democratization after Twenty Years?” *Annual Review of Political Science*, vol. 2 (1999), 115.

⁴ James A. Robinson, “Economic Development and Democracy,” *Annual Review of Political Science* (2006), 503–527.

⁵ Asian Development Bank, *Key Indicators for Asia and the Pacific 2009* (Manila: Asian Development Bank, 2009).

⁶ Freedom House, *Nations in Transit 2009*, available at <www.freedomhouse.org/template.cfm?page=485>.



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Strategic Forum 254

U.S.-Mexico Homeland Defense: A Compatible Interface

This Forum, by General Victor E. Renuart, Jr., USAF, Commander of U.S. Northern Command (USNORTHCOM), and Dr. Biff Baker, takes issue with Strategic Forum 243 (July 2009) entitled *U.S.-Mexico Defense Relations: An Incompatible Interface*. The authors argue that the bond between the American and Mexican people has been historically strong and has grown closer over time. They cite the North American Free Trade Agreement, Mexican military help after Hurricane Katrina, and the Merida Initiative as evidence of expanding trust between the countries. They conclude that increased cooperation between Mexico and USNORTHCOM and the U.S. interagency community on the northern side of the border will improve the security and prosperity of both nations.

Strategic Forum 253

Strengthening the IAEA: How the Nuclear Watchdog Can Regain Its Bark

Ambassador Gregory L. Schulte, former U.S. Permanent Representative to the International Atomic Energy Agency (IAEA), examines the recent history of the United Nations nuclear "watchdog" agency. He describes how stalled and politicized investigations of Iran and Syria have put the agency's credibility at risk. By strengthening the agency's verification capability, the IAEA can help shape the global growth of nuclear power, ensuring safety and security while discouraging the spread of sensitive technologies. The author calls on the new Director General to remove the politics from IAEA business and return the agency to its technical mandate.

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