

HARNESSING REGIONAL STABILITY IN THE SOUTH CAUCASUS: THE ROLE AND PROSPECTS OF DEFENCE INSTITUTION BUILDING IN THE CURRENT STRATEGIC CONTEXT

Policy Recommendations¹ Study Group Regional Stability in the South Caucasus

15th Workshop of the Study Group Regional Stability in the South Caucasus (RSSC SG), jointly with the Security Sector Reform Working Group (SSR WG)

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Executive Summary of Recommendations:

The 15th joint RSSC-SSR workshop met to discuss the relationship between Defence Institution Building (DIB) and regional stability. It used the South Caucasus as a test case. The workshop examined how DIB was possible in a conflict-ridden region on the one hand, and on the other hand, discussed how DIB could achieve better regional stability. In addition, the topic was explored in scenarios of on-going conflict and post-conflict. The key recommendations and conclusions are that

1. DIB has better chances of succeeding in fostering regional stability in a post-conflict context.
2. Until a comprehensive stabilization of conflicts in the South Caucasus is achieved, DIB should be applied regionally, as opposed to bi-laterally, to ensure transparency and better coordination.
3. DIB also has the potential to achieve better regional stability if the capabilities and skills it generates are aimed at common regional problems, hybrid threats, violent extremism as well as natural and man-made risks to energy security.
4. DIB should be thematically inclusive and pragmatic involving international actors, non-recognized actors, civilians and military practitioners in developing training and education solutions to stimulate greater rationalization of defence spending, planning and management at the regional level.

The co-chairs note the wariness of the workshop participants at the prospect of further bloodshed in the South Caucasus, and adamantly recommend the powers concerned to refrain from violence and urge large powers to be diligent in their conflict resolution and mediation roles.

The SSR WG and RSSC SG convened a joint workshop to explore the relationship between Defence Institution Building (DIB) and regional stability. The topic was made relevant by the continuing tensions in the South Caucasus, in particular, and by the evolving conflict in Ukraine. It was thought by the co-chairs and sponsors that DIB as a process and initiative could have a positive impact on conflict resolution. There is a distinction between DIB as an initiative and DIB as a process. As a process, DIB could be equated to national efforts at security sector reform, structural rationalization of



forces and defence modernization. As an initiative, the concept seemed purely NATO-driven aiming at the rationalization of the security sector of post-Warsaw Pact countries and former Soviet Republics. The difference in definitions neatly corresponds to the geopolitical orientation of the countries; countries (and individuals) more closely aligned with Russia tend to see in defence institution building a process, while those more closely aligned with NATO see it as an Alliance initiative that aims at functional integration. In either interpretation

of DIB however, it was not altogether clear how regional stability – let alone conflict resolution – could be achieved.

Throughout the workshop, participants greatly feared the impending resumption and escalation of violent hostilities in the region. The co-chairs want to put on record those fears and urge the relevant regional and international actors to intensify efforts at conflict resolution, since the status quo represents a direct threat to regional stability.



Panel 1: Understanding DIB and Defence Modernization and how it has been Implemented

The first panelist gave an historical description of DIB as an initiative originally stemming from the NATO Study on Enlargement of 1995. The conditions therein, he says, helped shape the democratic transition process towards fully-fledged liberal democracy in countries undergoing post-communist transition. When the conditions on NATO enlargement devolved into a fully-developed DIB initiative, the program proposed an overlap between democracy, good governance and stability. The focus is on the quality of democracy, and indeed, the travails of transition and of security sector reform have much to do, according to this panelist, with the fact that political battles take place at the level of accountability of the implementation of DIB, not at the moment of making policy choices. The second panelist focused on DIB as an initiative as well. DIB is a heavily US-promoted program, aiming at enabling a rational sharing of the costs for global and regional security. It leverages inclusive policies, which extend to the fight against corruption and organized crime. In practice, DIB has become more complex and interdependent because it is multidimensional. Its political content has also increased at domestic and regional levels, which means that Soviet legacy problems endure.

The third panelist gave a case study of Ukraine's efforts at DIB through NATO's defence education enhancement program (DEEP). The focus of DEEP is

to lead the effort of transition from the very bottom by integrating student-teacher interaction at the military-academic level, in essence democratizing the classroom. It emphasises a learning process that is student centered and empirical. Ukraine is rapidly moving ahead, benefiting from the attention it is getting due to her current conflicts. Already some administrative and political successes have been obtained even though challenges remain. The fourth panelist took on DIB as a process and described the perception of Russia. In this perspective, Russia's efforts at DIB were merely aimed at modernizing the military and building a defence capability that would support its foreign policy objectives in a conventional manner. At the same time, Russia's understanding of DIB is that it is a form of Western intervention in the sovereign affairs of states, and also in the affairs of a region that Russia considers its own. In this view, it seems urgent to cancel DIB as an initiative as it is neither useful to the beneficiaries, nor beneficial to geopolitical relations. Overall, the presenters were in agreement that DIB is the logical expression of SSR, where SSR is understood as sufficient military forces led by competent and educated civilian authorities in a transparent manner.

Panel 2: The Status and Prospects of DIB in the South Caucasus

The first panelist explained that DIB was a tool for Armenia to balance Russian and Western influences at two levels: geopolitical (between Russia and NATO) and domestic, between officers divided by programmatic preferences that correspond to either Russia or the West. Armenia, in this sense, is a "small Russia" vulnerable to the same governance problems that plague Russia. DIB, in this view, is instrumental in bringing in the Western model to support Armenian reforms. This contrasts with the second panelist, who argued that unresolved conflicts in the region made the application of DIB difficult. In other words, DIB is not instrumental, it is the end result of an elusive process of de-escalation. Furthermore, he claimed that DIB does not bring stability and insisted that the proponents of such an initiative should ask themselves how badly they want DIB to succeed. The third panelist, speaking of Georgia, broadly agreed with this outlook and argued that the domestic situation impeded the application of DIB there. As long as instability prevailed in the structure of political decision-making, there would be no chance that the DIB initiative could find solid buy-in. The fourth panelist gave added details about the need for prior stability to establish DIB. He argued that in case there was a renewal of hostilities in the Armenian-Azerbaijan conflict, Armenia had threatened to use its "Iskander" missiles. The possibility, therefore, that DIB efforts might in fact further entrench mutual suspicion and regional arms racing is very real, and in this connection we are justified in wondering whether DIB is useful for regional stability.

Panel 3: Challenges and Opportunities for DIB and Defence Modernization in South Caucasus Conflict Resolution

The conclusions from the previous panel were echoed in the third. The first panelist argued that, in the not-fully recognized regions of the South Caucasus, the gap between military and civilian methods of conflict further complicates conflict resolution. Nagorno-Karabakh's security (through Armenia's defence forces, in the case of this speaker) is supported by DIB, insofar as it will procure Armenian forces with network-centric warfare forces and structures. Clearly, DIB is understood here as a catalyst for deterrence. The second speaker suggested that far from DIB, what was needed in the South Caucasus was a single market and new actors in the conflict process and that no new foreign actors, ie. Russia, are needed. Also, he claimed that SC political and economic integration would solve the problems. DIB could not be sustainable, he argued, for a region that counts barely 150,000 people, in other words, for a population too small to build autonomous forces. A common commercial approach would be better indicated to achieve stability, as there are no problems between Armenia and Azerbaijan over Nagorno-Karabakh in that context. Instead of DIB, de-militarization would seem to follow this logic. For the third panelist, from the partially recognized region of South Ossetia, DIB is a necessary process which is impeded by the presence of Russian forces on the territory of South Ossetia. The problem here is one of identity; the armed forces are central to the sense of self of South Ossetia, but they are being absorbed in one way or another by Russian military structures. Therefore DIB, either as a process or an initiative akin to what NATO would have in mind, is currently not possible. For the penultimate participant, DIB can be used as a bridge between four states: Armenia, Azerbaijan, Georgia and Russia. As a device for military-to-military exchanges susceptible of increasing predictability, it could work. For the final participant, DIB need not be a formal program or initiative of any one nation or organization, but should nevertheless be aligned against the objective criteria developed by the Geneva Centre for the Democratic Control of Armed Forces (DCAF), although countries struggling with ethno-political conflicts may not fit with this solution. Conflicts have an adverse effect on reform efforts. The leadership is aware of that, and would otherwise undertake reforms if the conflicts were not in the way. Again, conflict resolution must precede program or process implementation. Security systems need the support of democratic polities and not the other way around. It is perhaps preferable not to have any DIB at all, if the beneficiaries are not ready or comfortable with the consequences.

Breakout Group Discussions

Breakout group discussions, held separately, yielded interestingly congruent results. The Geneva and Minsk

groups, respectively comprised of participants from the Western South Caucasus and Eastern South Caucasus, equally concluded in their SWOT analyses that the strength of DIB lay in the potential for democratic transition, transparency, healthier civil-military relations, as well as better balanced forces. The Minsk Group seems to have approached the topic from the point of view that DIB should be the result of regional stability and cooperation, whereby the Geneva Group asked whether DIB could not be conducive to regional stability. Also, the Geneva and Minsk breakout groups differed in that the former approached the problem within the on-going conflicts, whereas the latter group entertained discussions in a post-conflict scenario. Despite the differing approaches, there was large congruence between the two groups, despite the Minsk group's sometimes acrimonious debates.



Both groups, for instance, saw strengths and benefits of DIB in promoting democratic development, transparency and accountability, democratic control of armed forces and rational defence management. Interestingly, both groups also saw the potential of DIB in enabling the South Caucasus countries in developing their armed forces and banding together to defeat violent extremism in the region and addressing other common challenges.

Nevertheless DIB, either as a tool or an independent objective, presented severe threats and weaknesses to regional stability and domestic defence modernization. At the geostrategic level, applying DIB could have adverse effects on wider regional conflicts and on external actors, namely Russia. The latter could respond to DIB initiatives and processes as if they were perceived as unwanted interventions in regional and domestic affairs of sovereign states. What would Russia's response be, indeed, if she felt that her periphery is slowly being turned against her by Western influence? One possible response could be added regional pressure, meddling, and arms racing. Another reason why DIB is perhaps not applicable to the region is the regional leadership

structures' relative inexperience and immature democratic character.

The most damaging charge against DIB is that, if implemented, it could enable the development of defence capabilities that would soon be misused, emboldening belligerents towards further hostile action. This outcome was discussed in the Geneva group, and much of the rationale is based on the experience of a bilateral US-Georgia security sector reform program, the "Georgia Train and Equip Program (GTEP)," which may have emboldened Georgia in August 2008. The consequences would effectively rule out the potential opportunities for further Euro-Atlantic integration (at EU and NATO level) of the South Caucasus armed forces and political systems. On the pertinence of that risk alone, abandoning DIB would seem the logical next step either at programmatic level (from NATO or the US), or at domestic level (from the countries themselves). We should highlight here that in the Minsk break-out group these outcomes – most certainly owing to the post-conflict approach – did not seem likely.

Policy Recommendations

In short, the benefits of DIB for the South Caucasus countries and for regional stability are mixed. Nevertheless, the threats and weaknesses associated with DIB as an initiative and a process can be offset through the following recommendations:

- a) DIB should be applied regionally rather than bilaterally. A multilateral and integrated approach should have the desired outcome on regional stability. This approach would increase transparency concerning the use of DIB within the region, and facilitate coordination with NATO;
- b) Joint SSR/DIB experts can promote DIB as an initiative as a post-conflict planning tool, turning SSR and DIB into a vehicle for post-conflict regional cooperation;
- c) In order to serve as a tool of SSR, DIB should be tailored to enable the participant countries (or rather regions) to focus on common external challenges, such as energy security and the fight against violent extremism;
- d) The execution of DIB as a national process led by powerful international organizations should be carried out with due concern for the potential risks associated with new capability developments. Especially, a regional system of checks and balances to incentivize cooperation should be put into place in the South Caucasus. By way of example, making DIB more practical² and inclusive, institutionalizing the presence of non-recognized political actors and the establishment of a conflict management "hot line" between the capitals would be a step in the right direction;
- e) DIB should continue to provide support for education and training for civilian and military professionals in defence institutions and in civil society (NGOs and think tanks). However, more attention should be devoted to understanding regional affairs, and the role and responsibilities of national defence institutions in maintaining regional stability;
- f) DIB should be applied according to more objective DCAF criteria, while managing expectations for success, as some countries may not be ready for or comfortable with the sacrifices required of a DIB initiative;
- g) Finally, the EU should gradually assume, in the framework of the Common Security and Defence Policy (CSDP), and in cooperation with NATO, the OSCE and other relevant organizations, a bolder role in supporting SSR and DIB in the South Caucasus, in particular on topics such as hybrid threats, countering terrorism, and research on military capabilities development through the European Defence Agency (EDA).

1 These policy recommendations reflect the findings of the joint RSSC-SSR (DIB) WG's 15th workshop, "Harnessing Regional Stability in the South Caucasus: The Role and Prospects of Defence Institution Building in the current Strategic Context", convened in Varna, Bulgaria, 6-9 April 2017, compiled by Frederic Labarre and George Niculescu, with the help of Elena Mandalenakis and Tatiana Donich.

2 Having DIB efforts focusing on more pragmatic objectives such as planning and management of resources and capabilities; defence budget management, management of defence restructuring; civilian participation in defence and security policy; international cooperation and good-neighbourly relations in defence and security matters.