EU-South Caucasus Relations: Do Good Governance and Security Go Together?[1]

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Abstract

European Union relations with its eastern neighbourhood have developed based on a structural approach to regional stability. This has been translated in a long-term project of soft integration of the neighbours into European structures, and into a cautious engagement in short-term problems. This paper addresses the dilemmas posed to this EU strategy in the context of the South Caucasus. Using the conceptual framework of the security communities, the paper argues that the EU is still a long way from fulfilling the expectations raised by the Neighbourhood Policy among the eastern neighbours. Overall, the EU's policies towards the South Caucasus have been reactive and limited by the lack of a consensus as to the urgency of further EU engagement in short-term needs of the region.

Key Words: EU- Eastern Neighbourhood policy, EU-South Caucasus, EU security, security communities

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Introduction

After the breakup of the Soviet Union, the South Caucasus went through a period of great turbulence and uncertainty. Besides the challenges common to all the post-Soviet space, the creation and consolidation of national state structures was hampered by ethnic nationalist and secessionist conflicts, in the Russian Caucasus, in Georgia and between Armenia and Azerbaijan.[2] This background shaped power relations within societies and across the region, namely by offering new opportunities for social mobility, linked to business entrepreneurship and the rearrangement of regional patronage networks (Derlugian, 2005:177-178). It also shaped these societies' perception of the role they should play in the post-cold war system and their relations with the world, not least with the Russian Federation. For instance, the end of physical and intellectual isolation in the South Caucasus made evident its strategic location between what some authors portrayed as the Europe of progress, freedom and stability (the post-modern world) and areas of great instability, in the Middle East and Central Asia (the pre-modern world) (Buzan and Little, 2000: 349; Cooper, 2003: 55).

By arguing that the South Caucasus acquired strategic value in its relations with Europe, we consider for instance the importance of its location for Europe's energy security. We can also make the argument that this strategic relevance has been acknowledged by the European Union (EU), in the European Security Strategy (European Union, 2003: 3-5), by referring to the importance of the neighbours for the control and management of security threats to the European continent, including organised criminal networks, trafficking of nuclear materials and illicit goods, unresolved regional conflicts, and terrorism. This article considers strategic issues to include those related to the use, or potential use, of force as an instrument of policy. This conceptualisation builds on Mahnken's work (2003: x), but goes beyond military considerations, to reflect strategy as a notion useable in any pursuit of power relations (Mahnken, 2003: x; Vego,

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[2] Despite fears to the contrary, after the collapse of the Soviet Union, most of the former republics did not experience armed conflict. Besides the Caucasus, only Moldova and Tajikistan had to deal with separatist conflict, in the case of the former, and civil war, in the case of the latter.

2003). Therefore, when we speak of strategic relations, we mean those that affect policy outcome and constrain or enable the policy choices of an actor, to the level where the use of force might be possible, due to security considerations.

Security is understood here in its broader meaning, to include not only national security concerns, but also regional and transnational threats, of a military and non-military nature, to both states and individuals' security. In line with the constructivist and liberalist schools of thought, security definitions emerge as a result of a shared notion of what is vital to a community's permanence. Human security concerns fit this conceptualisation, as do any other issues securitised by political agents. Therefore, issues such as climate change, global terrorism, and cyber terrorism, despite their conceptual vagueness, have recurrently entered reflections on European security.[3]

Having this in mind, we can say that relations with the EU did not reflect this strategic importance of the South Caucasus to European security until Armenia, Azerbaijan and Georgia were included in the European Neighbourhood Policy (ENP), in 2004. The reasons why the South Caucasus were not included in the ENP from its inception, and the reasons why it was included at a later stage are fundamental to understanding the underlying dynamics in EU-South Caucasus relations. They are also central to understand the dilemmas facing the EU in highly disputed contexts beyond its borders, and its response to expectations of the neighbours and of its citizens.

The process of European integration, in fast expansion and deepening since the 1990s, is in sharp contrast with the processes of disintegration taking place in Eurasia over the last decades. In Central and Eastern Europe, the shocks emerging from these diametrically opposed processes have been managed through integration into the EU. After the 2004 and 2007 enlargements, the EU became a power of continental dimensions, consolidating its borders and thus gaining a strategic dimension, both in pan-European security and in global

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[3] See several chapters on Żukrowska (2005), for an illustration of this point.

security issues. The 'European Club' aggregated the hopes of stability, integration and prosperity for the neighbourhood, but it has also become the image of a restricted club, whose relations with the outside world are ambiguous, namely in its periphery. The matter of the fact is that, for the countries in the EU's vicinity, the expectations of deeper integration are central to their near future, whereas for the EU the enlargement experience remains the main reference for its external relations with the neighbours. This has limited the EU's ability to propose more flexible ways of integration that fall short of full membership, while still anchoring the neighbours in political, economic and security terms to the European security community.

Resulting from its geographic dimensions and the post-cold war and post-9/11 reconfiguration of power in the international system, the challenges facing this 'Continental Europe' have strong implications on how the EU member states perceive the EU's regional and global role and how it is seen by its neighbours. This requires a new understanding of the challenges developing in the outskirts of the European space. Today, the EU is developing new policies for the wider Black Sea, which can advance its interests in energy issues, conflict resolution, political stability and economic and environmental sustainability. Moreover, this dimension is central in the EU's speech on the neighbourhood,[4] structuring it and in that process, structuring the EU's identity (Diez, 2004).

The argument of this paper is that the ENP represents a challenge to the EU's conceptualisation as a community of norms and values (a security community), by focusing the official speech on strategic issues, developed based on rhetoric of 'common values' and joint ownership. This requires an analysis of the processes used to spread European norms and values (socialisation), focusing on the discourse structuring relations (opposition and integration), the instruments (financial assistance, economic and political integration) and the perceptions (partnership or exclusion). Through this analysis, we can thus interlink the structuring elements of the EU's international identity, its discourse

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[4] For conceptual clarity purposes, the term neighbourhood refers to all the states and territories around the borders of the EU, including Russia, the states included in the ENP, in accession processes and in the Stability Pact for Southeast Europe.

and the increasing security concerns developing around the EU. The case study of the South Caucasus illustrates the contradictions of this process in complex and highly disputed environments.

The article starts with a historical overview of the development of the ENP, focusing on the commitments and the language put forward in this new framework for relations with the neighbours of the enlarged EU. Discourse was one of the most immediate forms of shaping perceptions of partnership or exclusion from a shared political community. The first section also presents the conceptual background on security community development, in order to understand if and how the EU sought to enlarge a European security community to include its neighbours, namely through processes of socialisation. In the second section, the article focuses on EU-South Caucasus relations, since the break-up of the Soviet Union until the establishment of the ENP. The section highlights the obstacles and opportunities for pan-European integration, and internal developments in the South Caucasus region, which combine to affect the current state of relations. The final section makes an assessment of the dilemmas of the EU in consolidating a shared European security community with the South Caucasus, including regional dynamics, bilateral relations with Armenia, Azerbaijan and Georgia, as well as EU member states' concerns and its impact on a common EU approach to the region. The role of Russia has also been accounted for whenever relevant. The article finishes with the conclusions.

European Neighbourhood Policy: Towards an Enlarged Security Community?

According to Waever (1998: 69), Western Europe forms a security community. The author makes a compelling argument of the fact that the consolidation of a 'non-war community' in Europe has gone through several different stages, including insecurity (following the second world war), security (very present during the early stages of European integration), de-securitisation (as the process of European integration advanced) and re-securitisation (following the end of bipolarity and the emergence of new concerns framed in security terms)

(Waever, 1998:69). It is, thus, in this context that any analysis of the ENP's potential to expand a European security community, must be assessed.

Karl Deutsch and his colleagues have presented security communities as transnational spaces where shared identities and common ideas develop, based on a high level of transnational interactions, which in the long-term facilitate the development of shared expectations of peaceful change (Deutsch 1957). According to this conception, security in Europe comes first and foremost from a shared identity and the agglutinating character of the notion of 'Europe'. According to Waever (1998: 105) the 'security community proved to be a fertile organising question in that it produced a re-thinking of European politics in the complex field where the historic novelty of non-war meets transformation of security from state monopoly to multiple units'.

Although the differences between the post-second World War Europe and the post-Cold War South Caucasus are not negligible, the EU expected the process of closer interaction with EU institutions and partial integration to provide a new policy rationale for states in the South Caucasus. As Alieva argued (2006: 60-61) the revival of neo-liberalism in the South Caucasus societies was closely linked to the prospects of democratisation and integration associated with the EU's increased political engagement through the ENP. For EU officials, despite the acknowledgement that enlargement ultimately held the biggest transformative potential; the ENP was an important offer, considering that future enlargements were off the EU agenda (Dannreuther, 2006: 201; Semneby, 2006: 2).

It is relevant to mention that, although in order to share a common European identity, integration into the European institutions is not a fundamental requisite, the transformations underlying the security communities are deeply linked to a shared project of integration with common institutional frameworks (Adler and Barnett, 1998: 42-43). Institutions are socialising and learning sites, where elites can develop a common language and therefore common understandings of the world, due to the high level of transactions taking place within institutional sites (Checkel, 1999; Johnston, 2001). The joint participation and development of

institutions also promotes joint ownership and provides legitimacy to conditionality. It affects, therefore a double dimension: on the one hand integration into common institutions creates favourable conditions for socialisation and conditionality, and on the other hand, it facilitates the common perception of a long-term project, which in the case of the ENP was presented as having substantial security dividends, both for the EU and its neighbours.

The ENP was designed by the European Commission in 2003, and aims at structuring EU relations with the countries in its periphery.[5] It promotes bilateral relations, based on country-specific Action Plans and uses differentiation and joint ownership as privileged methods to establish stable relations with the neighbours.[6] Deeper relations with the EU are assessed based on the progress of reforms, although excluding the possibility of membership – 'everything but the institutions', according to the former-President of the European Commission, Romano Prodi (2002). The Action Plans cover a wide range of issues, including political and economic reforms and issues of foreign and security policy, namely conflict resolution, giving it a cross-cutting and structural nature. As Lynch argues (2005: 33-34) 'with the European Neighbourhood Policy, the EU is emerging as a foreign policy actor able to act beyond the dichotomy of accession/non-accession, drawing on a range of tools to promote its interests'.

The EU recognises its central role in the projection of stability, especially in Europe and in its periphery, thus reinforcing its profile as a regional power in Europe. As Balfour and Rotta argue (2005: 10) 'the ENP can complement and be complemented by the European Security Strategy, thus ensuring […] the full range of external policies, from aid to military security'. In fact, the EU has been

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[5] The countries covered by the ENP are Algeria, Armenia, Azerbaijan, Egypt, Georgia, Israel, Jordan, Lebanon, Morocco, Moldova, the Palestinian Authority Tunisia, Syria and Ukraine. Libya and Belarus keep special cooperation regimes with the EU, due to the political nature of the regimes. The Russian Federation stayed outside of the ENP framework and has a Strategic Partnership with the EU, which Moscow considers to better reflect the special status of their relationship.

[6] Differentiation and joint ownership were put forward by the European Commission as central principles of the ENP. In the ENP Strategic document of 2004, these principles are defined as "Joint ownership of the process, based on the awareness of shared values and common interests, is essential. The EU does not seek to impose priorities or conditions on its partners."; "the drawing up of an Action Plan and the priorities agreed with each partner will depend on its particular circumstances. […] Thus the Action Plans with each partner will be differentiated." European Commission (2004: 8)

called to draw on its crisis management tools in the neighbourhood, along with political and economic instruments, as was the case in Georgia. The ENP is an ambitious framework, embryonic of a new model of external relations for the EU, which is based on its multi-level and cross-cutting governance system (Filtenborg et al., 2002). It uses diluted principles of conditionality and socialisation, developed in the previous enlargement experiences (Dannreuther, 2006; Kelley, 2006; Magen, 2006), to ensure neighbours' engagement with EU-driven reforms.

The attempt to reproduce a softer version of enlargement in the neighbourhood is an ongoing challenge to the ability of the EU to create innovative models for relations with its neighbours (de Vasconcelos, 2010: 37; 42). For instance, the prospect of EU long-term support for reforms and infrastructural development was a major driver for increased levels of support for the ENP, especially to the East. In fact, the European Commission put forward innovative offers in its communication of 2003, opening the possibility of the neighbours participating in the four freedoms of the EU's internal market (goods, capital, services, and people), in exchange for clear advances in reforms (European Commission, 2003: 4). This set an ambitious framework and a fluid and dynamic system, diluting the divisions between those in and those out of the EU. This could also free the EU from the apparent dilemma of over-expanding and diluting the integration process, on the one hand, and, on the other, the crystallisation of its borders, putting an end to enlargements (Emerson, 2004).

However, this conceptualisation of the ENP, put forward by the European Commission, was revised by the General Affairs and External Relations Council, of June 2003, and latter confirmed by the Thessaloniki European Council, diluting the political commitment of the EU (Balfour and Rotta, 2005: 13-15). By backtracking, the EU member states raised suspicion and fear among the neighbours that the ENP could become a permanent waiting room. Ukraine was particularly active in pressing the EU to clearly acknowledge that Ukraine was a European country and not a neighbour of Europe. Georgia was also actively portraying its regional position in the framework of the wider Black sea area, as opposed to the unfruitful South Caucasus regional label (Simão

and Freire, 2008: 235). The ongoing security concerns in the eastern neighbourhood and the fragmented and disputed nature of regional relations all made EU member states cautious of advancing a commitment to further enlargements.

This change in the ENP had negative consequences for the process of consolidation and expansion of the European security community. First, the EU sought to build on an ambiguous speech, neither closing EU accession door, nor making a clear commitment to it. The struggle within the different EU levels of governance was clear, with EU Baltic states, such as Lithuania, clearly advocating an open door policy and refusing to settle definite borders in Europe (Interview, 2007b), and European Commission officials discarding any possibility of further enlargements (Interview, 2007a), if the internal functioning of the institutions was to be safeguarded. This conceptual ambiguity of the ENP did not prove as constructive as originally thought, especially in the context of instability and competition that developed with Russia in the shared neighbourhood. The prevalence of security challenges in the eastern neighbourhood and the EU's reluctance to get more actively engaged in conflict resolution was a further obstacle in the development of shared meanings of security between the EU and its neighbours.

What role can then the periphery of the EU play in the consolidation of a security community? What dynamics does the EU expect to develop in the South Caucasus in order to include these countries in 'a zone of prosperity and friendly neighbourhood […] with whom the EU enjoys close, peaceful and co-operative relations' (EC 2003: 4, bold in the original)? I would like to argue that the periphery seems to take on a double function, safeguarding the centre from security shocks (through border controls, conflict resolution policies, etc.) and simultaneously becoming a space of economic and social progress, which European integration seeks to promote.

The open-ended nature of the partnership with the neighbours is meant to act as an incentive to conditionality – it depends on the neighbours to reform and use the opportunities of strengthened cooperation and political convergence,

but is up to the EU to assess the level of approximation and the quality of the efforts being undertaken. This impervious nature of the centre and its privileged position in the redefinition of identities could become an obstacle to the development of a shared identity with the periphery. To a large extent, the definition of 'what constitutes a threat' to the security community (Lucarelli, 2002: 49-50) has been achieved through the portrayal of the neighbours (with their protracted instability and fragile regimes) as the threat. Discourse and language play a central role in the construction and renegotiation of social and political identities (Tilly, 1998: 401), shaping the process of diffusion of norms and shared principles. The recognition that security challenges in the South Caucasus, including fragile institutions, organised crime and frozen conflicts, posed a major challenge to EU security became evident in the European Security Strategy (European Council, 2003: 4). This was the view expressed by some circles within the EU, but also by the advocates of an increased EU engagement in the region (ICG, 2006: i), as if the only option to assure EU engagement in the region was by raising its profile as a threat to the EU.

The convergence with EU standards and participation in communitarian programmes, including judicial cooperation, regional energy markets, integrated border management and CFSP statements, among many others (see European Commission, 2007a; 2007b) are central instruments in the socialisation process ongoing in the neighbourhood. The political costs and difficulties to reform in contexts of great volatility are, in theory, compensated by the permanent and cross-cutting cooperation with the European partners, increasing the domestic legitimacy of reforms. According to the analytical framework of security communities and socialisation, the legitimacy of learning processes promoted by the centre is crucial to the recognition of a common identity, which the use of coercive power, per se, can not create. The states of the South Caucasus have stated from the very beginning their European identity and regarded the ENP as an opportunity to return to the European family.[7] However, the neighbours to the

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[7] European identity became a particularly powerful idea in Georgia, which continuously sought to portray itself as a European country, linked to Europe through the Black Sea (Vieira and Simão, 2008: 4). President Saakashvili's decision, in 2004, to put up EU flags in all administrative buildings in Tbilisi illustrates this idea. In Armenia, despite some conservative voices within the society, Europe is a major foreign policy priority, and most Armenians regard themselves as Europeans (Mkrtchyan, 2009: 17). In

East of the EU, including the Caucasus, are placed in the outskirts of former imperial structures (Waever, 1997), trapped between areas of stability and progress and areas of turbulence (Rosenau 1990).[8] Although this strategic location makes them important partners, it also raises short-term problems, which the prospects of a stake in the long-term project of European integration do not seem to resolve. The next section illustrates these difficulties in keeping the partners in the South Caucasus engaged in reforms, in the framework of cooperation with the EU, when their short-term needs and priorities for action seem to be contradictory.

EU-South Caucasus Relations

After the break-up of the USSR, the EU supported the transition processes of the New Independent States (NIS), through the celebration of Partnership and Cooperation Agreements (PCAs), which provided the legal framework to the provision of assistance. The EU's political relations with the NIS were hampered by two concurrent problems: the lack of solid instruments in the EU's external relations in the early 1990s, limiting the prospects of simultaneous engagement in the Balkans and in the Commonwealth of Independent States (CIS); and the fact that Moscow remained the privileged interlocutor for European leaders ('Russia-first' strategy) (Wyllie, 1997: 73). Brussels focused therefore in developing a regional strategy, in the absence of deep bilateral relations, supporting the establishment and development of the CIS, while also setting up a technical assistance programme (TACIS), which would support the political and economic transition in the region.

Moscow regarded the CIS through two opposing perspectives: as a way to assist the NIS to cope with the dismembering of the Soviet structures and as a way to maintain privileged connections to the former-USSR space (Sakwa and Webber, 1999: 379). After President Putin's arrival to the Kremlin, the trend in

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Azerbaijan, although the Turkic identity has been underlined as the main national identity, Azerbaijan's liberal credentials have been underlined as a major link to Europe, especially among civil society (Huseynov, 2009: 72).

[8] The prospects of economic and technological development in Europe can be contrasted with the political instability and security threats emerging from the Russian North Caucasus, Central Asia or the Middle East.

Russia's foreign policy for the CIS was to reinforce bilateral relations, neglecting multilateral frameworks (Sakwa, 2004: 214) and reducing the links between the processes of integration in western Europe and in the CIS – the establishment of a 'common European house' (Smith, 2005: 84). The EU, on the other hand was too overwhelmed with its internal reforms leading to the Maastricht Treaty, in 1992, and with the violent dismembering of the Yugoslav Federation, prompting it to keep a limited political engagement with the CIS countries.

In the South Caucasus, independence saw the nationalist forces using the widespread chaos to mobilise differences of class, of ethnicity and differences in historical memory to consolidate new political structures and the borders of the newly-formed nation-states. In all the new states this was a violent process.[9] The international isolation and the lack of engagement with organisations such as North Atlantic Treaty Organisation (NATO) and the EU left the South Caucasus outside of the gravitational pool of Euro-Atlantic integration. The democratic experiences of the early twentieth century (Parrott 1997: 11) were lost in the isolation and violence, reducing contact with the 'European family'.

Nevertheless, EU security concerns and the rose revolution in Georgia, in 2003, upgraded the South Caucasus 'from footnote to example' of the preventive engagement of the EU in its periphery (Lynch 2003: 171). The European Parliament played a crucial role in this process, keeping the region in the EU's political agenda, namely through the parliamentary cooperation established in 1999, in the framework of the PCAs. In 2003, following the recommendations of the European Parliament, the Council appointed a EU Special Representative (EUSR) for the South Caucasus, in June 2004, and deployed its first ESDP rule of law mission, EUJUST Themis, responding to the request of the Georgian government for assistance to reform its judicial system (Lynch, 2003: 183-186). Similarly, the European Commission, which had kept the South Caucasus

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[9] "The extreme forms like riot and pogrom might seem despicably irrational, yet at closer investigation they do not appear entirely random. Ethnicity in Soviet times played a salient role in granting or denying access to power […]Therefore it should not look surprising that in the less-industrialised southern zones of the USSR, especially in the Caucasus, violent contention by the dispossessed and insecurity broke out along ethnic lines" Derluguian (2005:303). In Georgia, there were two wars fought over the separatist regions of Abkhazia and South Ossetia, and there was a war between Armenia and Azerbaijan, over Nagorno-Karabakh.

outside of the ENP framework in its communication of 2003, included the region in its strategic document of 2004, following the proposal of the EU High Representative for the CFSP, Javier Solana, presented in the European Security Strategy. The Strategy was adopted in the Brussels European Council, of December 2003, and specifically mentions that 'we [the EU] should now take a stronger and more active interest in the problems of the Southern Caucasus, which will in due course also be a neighbouring region.' (European Council 2003: 8).

The initial reluctance to include the South Caucasus in the ENP framework, as Lynch argues (2003: 172-173), resulted more from a chaotic and unplanned process, and the lack of EU internal advocates for the South Caucasus inclusion, than a deliberate decision to leave the region outside of the ENP. Therefore, its inclusion can be seen, at least partially, as resulting from the changes occurring within the EU in the process of enlargement (Raik and Palosaari, 2004: 23-27), and from the important dynamics of reforms taking place in Georgia. As a result, the South Caucasus was fully included in the ENP, in 2004, and EU's regional engagement steadily increased. It can therefore be argued that the South Caucasus countries were pushing for greater EU engagement (especially Georgia) and overall drove the EU to display a more active stance.

Since this moment, the EU remained engaged, politically, financially and, to a limited extent, in hard security issues. The implementation of the ENP Action Plans, ongoing from 2004 to 2009, focused on the alignment of national legislations with the EU acquis, aimed at deepening economic relations. Freedom of movement has been a major demand by the neighbours, which the EU has slowly incorporated in the negotiations. Therefore, the range of issues linking the two regions closer has widened. Politically, the creation of the Eastern Partnership (EaP) and the negotiation of Association Agreements, ongoing during 2010, could be seen as a signal of the importance the EU attributes to the region, although negotiations on free-trade issues and visa facilitation have delivered limited results (Boonstra and Shapovalova, 2010: 3-4).

Moreover, as the implementation of the Lisbon Treaty advances, namely as regards the restructuring of the EU's external relations, the South Caucasus has been facing difficulties to remain a priority in the EU's agenda (Lobjakas, 2010). The recommendation from the office of the High Representative of the European Union for Foreign Affairs and Security Policy, Catherine Ashton, to remove the position of the EUSR for the South Caucasus has been received very poorly in the region (Ursu and Vashakmadze, 2010). Ambassador Semneby has been an active element in the EU's policies towards the region, providing an important channel of communication, and keeping the EU's visibility high, as his multiple visits to the region illustrate. Although the EU has established three fully-fledged delegations in Armenia, Azerbaijan and Georgia, the presence of three EU ambassadors runs the risk of limiting coordination in EU actions towards the region, especially considering the lack of staff in these young delegations (Interviews, 2009).

The EU engagement in conflict prevention, transformation and resolution has also been designed under a great deal of constraints. On the one hand, EU member states are reluctant to delegate new security functions to the ESDP, especially in contexts where some member states are engaged in their national capacity (Popescu, 2007: 17). The EU's Monitoring Mission in Georgia, although illustrating the EU's increasing capacity to respond to security challenges in the neighbourhood, remains a reactive exception to a policy of caution. On the other hand, the EU has sought to support the existing international frameworks for conflict mediation, looking for synergies with other organisations, such as the OSCE and the UN. The main expectation, voiced by the EUSR for the South Caucasus, is the ability of the EU to gradually change regional relations through limited integration into the European structures, and in that process to facilitate conflict transformation (Semneby, 2007b). This would be in line with the promotion of a wider European security community to the neighbourhood. This, however, demands a deeper engagement by the EU in short-term security issues in the South Caucasus, which the EU seems to be reluctant to do. For instance, the redefinition of regional relations in the South Caucasus, including relations with Russia, has been a central aspect for the

EU, but one where little movement has been visible. A stronger EU engagement in conflict resolution, in Georgia and in Azerbaijan might change these perceptions and make the EU's long-term strategies, better sustained on the short-term.

By making it to the political agenda of the Council and of the Commission, the South Caucasus overcame an important difficulty, albeit not the only obstacle to its stabilisation. Following the 2004/2007 enlargement, EU engagement in regional issues became a priority due to the geographic proximity of this region to the borders of the EU. This perception justified an official speech by the EU of 'opportunity' and 'responsibility', in projecting stability beyond its borders, engaging in the transition and conflict resolution efforts of the region (Council of the European Union, 2002; GAER, 2002; Patten and Solana, 2002; Prodi, 2002). Being at the heart of the energy and trade routes between Europe and Asia, the South Caucasus stands as an example of the importance the EU places on the development of stable and predictable relations with the neighbourhood. Much has happened with the last enlargement, the main driver for the inclusion of the Southern Caucasus in the ENP was the need to assure stability in Europe (Higashino, 2004). This assessment makes sense from the viewpoint of an encompassing understanding of security, where transnational flows and political instability can have deep impacts in regional security and interdependent areas, including energy security, investment flows and transportation routes.

Dilemmas for the Expansion of the European Security Community to the South Caucasus

EU-South Caucasus relations have been centred on three main issues: assistance to political and economic transition processes; conflict resolution; and support to the development of the energy potential of the region (Simão, 2007). These issues have been defined as priorities by the EU and the states of the region and are at the heart of the ENP Action Plans. These priorities also illustrate the commitment of the ENP to a cross-cutting approach, as well as to

the development of soft and hard mechanisms under a common framework. These choices place the EU in a central position to create stability in the wider Black Sea area, providing it with more visibility and increasing coordination and the efficacy of its instruments. The requirement of the EU to deal with the three Southern Caucasus states in regional frameworks and to underline their interdependence should be understood, taking into consideration this strategic vision.

In fact the region forms a security complex (Buzan, 1991: 190), whose relations of interdependence are strongly marked by security issues: a transnational ethnic puzzle, areas of conflict, cultural affinities and the permanence of an inter-state armed conflict, opposing Armenia and Azerbaijan over the mainly-Armenian populated enclave of Nagorno Karabakh. Thus, the definition of regional development strategies must focus on the needs of each state, whilst also favouring regional cooperation along these lines crossing the region (Simão and Freire, 2008). The different configurations of regional cooperation should vary according to the issue or perspective under analysis. This, however, would give regional relations a diffuse and volatile character, making the engagement of external actors much more complex and hard to coordinate (Simão, 2008). The approach of the EU, although remaining partly hostage to the contradiction between the need to differentiate and a preference for regional formats, has the advantage of exposing the negative effects of the lack of cooperation between Armenia, Azerbaijan and Georgia.

Although the inclusion of the Southern Caucasus in the ENP was received with varying degrees of enthusiasm in the region, today, this framework is largely recognised as the most relevant contribution to the modernisation of the region, which, in theory, increases the ability of the EU to exercise conditionality.[10] Post-rose revolution, Georgia has made Euro-Atlantic integration a priority and regards this process as the best way to assure its territorial sovereignty. Armenia, on the other hand, regards cooperation with the EU as a reinforcement of its foreign policy of complementarity, providing it with an

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[10] Interviews by the author with government officials and members of the civil society in Georgia, Armenia and Azerbaijan, in 2006 and 2007.

alternative to relations with Russia. Cooperation with Azerbaijan can be considered the exception to this situation. Authorities in Baku have displayed an assertive behaviour in relations with Brussels, posing a double challenge to the EU. The EU's ability to exercise conditionality in Azerbaijan is limited by the large amount of 'petro-Euros' in the national Azerbaijani budget. The EU's legitimacy to criticise the non-democratic nature of the regime has also been hampered by its unwillingness to clearly support Azerbaijan's territorial integrity in the Nagorno Karabakh conflict, similar to what the EU has failed to do regarding Georgia.

There have been, nevertheless, further signs that the ENP is running into trouble in the South Caucasus. The political situation in all the three countries is far from ideal and even Georgia, which was regarded as one of the 'best students' of the EU in the neighbourhood, has been slacking on reforms and entered a war with Russia over South Ossetia, in 2008. Moreover, in the short-term, the lack of improvement of living standards, of political and economic stability and mainly of a solution to the armed conflicts of the region, has made the process of accession to a common European community, bounded by the rule of law, democracy and peaceful resolution of conflicts, much harder to achieve.

A clear commitment from the EU member states to the ongoing projects in the region would be a crucial step to reinforce the EU's position vis-a-vis other actors' influence in the region. Georgia provides a clear example of the different perspectives shared between the EU and the neighbours regarding the level and speed of its engagement. Immediately, after the rose revolution, the pro-western authorities in Tbilisi required greater EU engagement in conflict resolution, seeking to internationalise conflict resolution in Abkhazia and South Ossetia, which had fallen under the responsibility of the CIS and Russia. Although the EU did recognise that the conflicts stood as the biggest obstacle to regional cooperation and to the development of transparent political structures, some EU member states remained reluctant to take on monitoring functions and to take a more active political role in conflict resolution, for fear of complicating relations with Russia (Popescu, 2009). These divisions among EU member

states, although still visible in the immediate aftermath of the war in South Ossetia, were evened out, to allow the EU to put forward a coherent response to the events and even display leadership (Valasec, 2008: 1). This was one of the reasons why Georgian authorities had been more enthusiastic of integration into the NATO. The long-term goals set out by the EU have been hampered by its inability to respond to short-term needs of the partners, making its contribution to a redefinition of the ethnic identities and regional relations less visible (Semneby, 2007a).

Similar to what took place in 2003, during 2008 the Caucasus went through a new round of elections, the first within the framework of ENP cooperation. The EU used this opportunity to exert leverage and monitor democratic achievements. The record was varied, with a significant improvement noticed by the Organisation for Security and Cooperation in Europe (OSCE) in Armenia's parliamentary elections, of May 2007, and a clear deterioration of the procedures in Georgian elections, of January 2008 and then in the Presidential elections of February 2008, in Armenia. However, despite this evidence, the EU spoke of a process of 'competitive democratisation' taking place in the South Caucasus and hoped that this would have a visible effect on how local societies perceived themselves and on their relations with the EU (Interview 2007a). Support to civil society also increased, making them central partners in the implementation and monitoring of the Action Plans, as illustrated by the restructuring promoted by the Eastern Partnership (European Commission, 2006). A final obstacle to sustainable transformation of the South Caucasus societies remains, as long as the level of commitment of the EU to the region is not clarified, namely through the prospect of accession.

One of the biggest challenges of the EU in the neighbourhood is the management of relations with the Russian Federation. With the EU enlargement, the historical memory of Europe's relations with Moscow was changed, and the former-Soviet and Warsaw Pact states have pushed the EU towards a more active presence in the Black and Caspian seas. This pro-active stance was seen in Moscow with suspicion and disappointment, especially since EU Eastwards expansion has been made in tandem with NATO's

(Haukkala, 2008: 4). Competition for influence in this volatile region would favour a fragmented development, as the war in South Ossetia illustrated. On the other hand, systematic cooperation on security, energy and political stability would facilitate the coordination of efforts aimed at stabilising the common periphery as well as to create the basis for a constructive relationship between the EU and Russia.

Conclusion

Based on the concept of security community, this paper analysed the dynamics underlying the ENP and its contribution to build stability in the European continent. First and foremost it acknowledged that the EU has regarded itself as a central institution in European security and that it used a structural model of influence, attempting to change the domestic context of its neighbours to promote long-term stability. Such strategies, it was argued, display a security character, to the extent that the ENP was portrayed in the EU's official speech as seeking to consolidate a shared political community between the EU and its neighbours. The ENP thus began as an ambitious project of normative, discursive and instrumental structuring in Europe, developing around the core pan-European values, enshrined in the EU, the OSCE and the Council of Europe: democratic institutions, human rights and fundamental freedoms, a liberal economic project, based on cooperative international relations and peaceful resolution of conflicts.

The paper puts forward explanations for the limited results achieved so far in this structuring of a shared political community, illustrated by the South Caucasus. The reluctance of the EU member states to fully engage in the short-term security needs of the Eastern periphery, and to assume a proactive role in managing regional security, has led to the escalation of tensions. Along with the deterioration of the security situation   in the South Caucasus, the EU has also sent mixed signals regarding the level of openness to the neighbours' needs and demands. This has constrained the ENP agenda and has hampered the process of redefinition of regional identities in the wider-European space.

As underlined in the theoretical framework of the security communities, socialisation processes occur in the context of increased transnational interactions and exchanges in institutionalised settings. This allows elites to develop common meanings and shared discourses and a commitment to the values underlying the institutions they share. With the ENP, this process has been hampered by the EU-centred nature of the process of definition of the partnership with the neighbours. It has also been limited by a hierarchisation of the EU's priorities, namely of its relations with Moscow vis-a-vis the neighbours.

On the other hand, the establishment of a common political community between the EU and the South Caucasus must address the peculiarities of the region's transition from communism. Although Armenia, Azerbaijan and Georgia all displayed a strong desire to deepen relations with the EU and welcomed the neighbourhood initiative, some authors underline the rhetorical nature of these commitments (Bosse, 2007: 53-55). This advanced an instrumental relationship with the EU, where local elites were concerned about extracting benefits, whereas safeguarding the main features of their regimes. EU engagement also provided the South Caucasus states with leverage regarding Moscow, by diversifying their foreign policy options. Overall, there have been major mismatches between the EU and its South Caucasus neighbours at the level of rhetoric and action. The disputed nature of international relations in this region and the intricate regional relations also tested the EU's ability to act as regional security provider, based on the promotion of its core values, in the absence of enlargement perspectives.

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