4   The EU and the US

Confusion, ambitions, and the reality

While the previous chapter focused on the domestic context of democratization in the South Caucasus, this chapter analyzes the international context. It assesses the legitimacy and credibility of the EU and the US in promoting democracy, and their actual and potential involvement in the resolution of pressing national issues in Armenia, Azerbaijan, and Georgia. An overall assessment of credibility within democracy-promotion policies and instruments is developed in this chapter, while the credibility of each promoter within target-sectors is evaluated in more detail in the next chapters. One of the international conditions—legitimacy—is inherently connected with democracy promoters and, though playing an important role in the interaction with the target, it mainly derives from the internal political situation of a promoter. To evaluate the legitimacy of each promoter in their democracy-promotion activities, the commitment to democracy and related internal developments are assessed. The chapter argues that both the EU and the US have been legitimate in their democracy-promotion policies, targeting areas that enjoy a high democratic stance in their domestic milieu. However, their legitimacy has been repeatedly undermined by their often laissez-faire approach to their own credibility, with US legitimacy in promoting democracy likely to be undermined due to global surveillance by the NSA.

Initially preferring to channel their democracy-promotion activities through different targets, both the EU and the US have nevertheless chosen similar strategies, which suffer from similar shortcomings. Lenient and inconsistent interest in national and regional issues and often tiptoeing policies towards a democracy blocker are likely to leave democracy-promotion policies without success. While showing a varying degree of involvement in issues other than democracy promotion, neither EU nor US strategies result in long-awaited resolutions. In addition, to assess their capacity and willingness of formulating policies vis-à-vis another important regional actor and the general feasibility of exporting democracy, the factor of a democracy blocker is brought back in by the analysis of EU and US relations with Russia, with sufficient attention paid to transatlantic relations in the NSA aftermath.

The European Union: slowly but surely?

The abundance of terms describing the EU points to disagreement not only in academic circles but also to the often-voiced inability of the EU to "speak with one voice." Despite the adoption of a common foreign policy, individual member states did not act unanimously on a number of foreign-policy issues, with the Iraq war, the Palestinian UN bid, and the Eurozone crisis being among the examples. The descriptions of the EU vary from the sympathetic "normative power" (Manners 2002) and a "quiet superpower" (Moravcsik 2007) to the fashionable "metrosexual power"[1] (Khanna 2004) and the rather negative "irrelevant" and a "neo-colonialist" entity (Kagan 2003; Crook 2007). The negative descriptions usually reach their peak when dealing with EU foreign policy because European governments seem to be "entirely preoccupied with their internal, intra-European machinations" (Crook 2007) and are reluctant to cooperate, leaving the EU's foreign policy inconsistent even in times of important international developments, such as the Georgia–Russia crisis of 2008 and earlier crises in Albania, Kosovo, Rwanda, and most recently the events in MENA. Thus, many mention the non-cooperation of member-states as the biggest obstacle towards an effective and coherent EU foreign policy (Hoffmann 2000; Smith 2008). The EU's foreign policy consists of the least arguable options for action, ones to which even the most reluctant member state could, theoretically, agree (Smith 2008). This disagreement over interests and preferences, and the constant search for consensus, blocks the creation of a supranational mechanism of foreign policymaking, as does the member states' unwillingness to pool their sovereignty or alter their preferences due to a desire to stay in full control of their foreign policies (Gordon 1997).

Disagreements between member states and the notoriously low actorness of the EU in pursuing its policies have prompted some analysts to claim that the EU and its member states could become an obstacle to the development of the multilateral order (Emerson *et al.* 2011). The multitude of voices within its decision-making process results in its indecisive role in the international arena and the image of the EU as an important donor but not as an important international player. However, despite internal disagreements and inconsistency, the EU has been an attractive club of states and an important and major donor for developing countries. The number of countries striving for EU membership has increased. However, even if these discrepancies may not negatively affect the magnetism of the EU, it may substantially affect its credibility and its ability to be taken seriously by its partners and other international players such as the US and Russia. This section demonstrates that, even if the legitimacy of the EU in promoting democracy is beyond doubt, its credibility is often undermined by its own actions and the inability or even reluctance to be involved in "turf wars" with other rival actors. To support the latter point, the section focuses on the case of Armenia and its preference to join the Eurasian Customs Union over signing an EU Deep and Comprehensive Free Trade Agreement (DCFTA).

Commitment and legitimacy: good intentions versus confused actions

Despite the EU's rhetorical commitment to democracy, a "widespread feeling" has been expressed on the EU's actual commitment to promote democracy and human rights:

> Within the EU, there is an apparent absence of political will fundamentally to revise approaches to democracy support, even if the shortcomings of these policies have been apparent for some time.
>
> (Youngs 2008a, p. 7)

In addition, profound criticism has been raised over the quality of democracy within the EU itself. Rejection by France and the Netherlands of the European Constitutional Treaty (Bogdanor 2007), low turnout during elections, and widespread unawareness and indifference towards the EU's policies have prompted critics to speak of a democratic deficit in the EU (Marquand 1979; Chryssochoou 2006). The term democratic deficit coined by Marquand (1979) has even entered EU terminology, referring to the domination of the EU's institutional set-up by an institution which combines legislative and government powers (the Council of the European Union) and an institution which lacks democratic legitimacy (the European Commission). However, others have either maintained the view that there has been no need to bother fully democratizing the EU (Schmitter 2000) or have outright rejected the existence of such a deficit (Moravcsik 2002). In addition, others have taken into consideration the arguments of both camps regarding the issues of democracy and accountability as "absolutely fundamental to the success of the European Union" (Bogdanor 2007, p. 5). Since the central decision-making bodies of the EU—the Council of Ministers and the European Parliament—result from democratic elections, the EU "is fully legitimate" (Bogdanor 2007, p. 5). Nevertheless, due to the complex system of decision-making and representation, the issue of accountability still triggers questions from Eurosceptics. However, these issues that bother EU scholars are not directly related to the legitimacy of the EU in promoting democracy. The states and populations of target countries rarely question democracy within the EU because of its low level of accountability to its own citizens. They are rather interested in the democratic nature of the issues that the EU supports, namely free and fair elections, a multiparty system, and a free media.

"Democratization is by no means a new departure for the EU" (Ferrero-Waldner 2006, p. 2) because "the best protection for our security is a world of well governed democratic states" (Council of the European Union 2003, p. 10). Many even claim that the most important function of the EU is to serve as a democratic model (Petersen 1995, p. 62 quoted in Olsen 2002, p. 137). The EU recognizes the importance of democracy promotion by stating in the Maastricht Treaty that "Community policy in this [development cooperation] area shall contribute to the general objective of developing and consolidating democracy and the rule of law and that of respecting human rights and fundamental freedoms" (Article 130U, Section 2).

This commitment to democracy is reiterated in the Agenda 2000 of the European Commission (EC), which states that "the Union must ... promote values such as peace and security, democracy and human rights" (European Commission 1997, p. 27). In addition, Article 8A of the Lisbon Treaty states that "the functioning of the Union shall be founded on representative democracy." Due to lack of military power and internal political structure, when exporting its democratic model the EU supposedly acts as a normative power, trying to have an ideational impact on its partner and target countries (Manners 2002). At the same time, the EU has the highest membership criteria, which were set during the European Council meeting in Copenhagen in 1993. These criteria include requirements for candidate countries, or the countries ever endeavoring to have closer cooperation with the EU, to embody institutions that guarantee democracy, the rule of law, and respect and protection of minority rights.

Though a part of the Copenhagen criteria is labeled as democratic, the EU has preferred to distance itself from such concepts as "democracy" and even more "liberty" (Magen *et al.* 2009), preferring the term "good governance." Wherever democracy was mentioned, it was always followed by a group of other concepts such as human rights, stability, and rule of law that can actually be included in the overall concept of democracy (e.g. ENP documents). Similarly, EU democracy promotion included a whole variety of policies that aim to address social modernization, human equality, and peaceful resolution of conflicts (Cremona 2004; Leonard 2005) in addition to emphasizing "the importance ... of the principles of parliamentary democracy and the rule of law" (European Community 1987). The Paris Charter provided one of the clearest understandings of democracy by the EU and its members:

> Democratic government is based on the will of the people, expressed regularly through free and fair elections. Democracy has as its foundation respect for the human person and the rule of law. Democracy is the best safeguard of freedom of expression, tolerance of all groups of society, and equality of opportunity for each person. ... Democracy with its representative and pluralist character, entails accountability to the electorate, the obligation of public authorities to comply with the law and justice administered impartially.
>
> (OSCE 1990)

These conceptualizations and commitments have put the EU understanding of democracy—which includes contestation, participation, and representation with further advancement to conflict resolution and social modernization—in between the minimalist and maximalist academic conceptualizations. In its democracy promotion, the EU has aimed to handle a range of issues which, however, were more likely to address democratic consolidation rather than foster democratic transition or promote democracy in its early stages. Clearly dividing one process from the other and preparing the target level for further advancements should be one of the important objectives for the EU in these initiatives.

After two decades of democracy promotion, the EU acknowledged that there was no "ready-made recipe for political reform. While reforms take place differently from one country to another, several elements are common to building deep and sustainable democracy" (European Commission 2011). The establishment of deep and sustainable democracy, a new buzzterm in the EU's vocabulary, requires a strong and continuous commitment on the part of governments and includes:

- free and fair elections;
- freedom of association, expression and assembly and a free press and media;
- the rule of law administered by an independent judiciary and right to a fair trial;
- fighting against corruption;
- security and law enforcement sector reform (including the police) and the establishment of democratic control over armed and security forces.

(European Commission 2011)

The ambiguous novelty or usefulness of the concept of deep democracy has left many unimpressed (Emerson 2011; Kurki 2012; Wetzel and Orbie 2012). However, what the review of the ENP did was to advance the "more funds for more reform" European Union approach, as if underlining that the previous ENP mechanisms had not taken conditionality seriously. Scholars even go so far as to argue that, even during successful cases, such as the Eastern enlargement, the EU did not have a well-defined view of democracy promotion (De Ridder and Kochenov 2011). This "'fudging' of the meaning of democracy" (Kurki 2012, p. 3) has prompted calls for "tightened categorization" (Youngs 2008b, p. 14), also because the EU's partners have preferred dealing with "clear-cut 'liberal' democracy supporters such as the US" (Kurki 2012, p. 1). It has been argued that the ambiguity of the EU's definitions of democracy has negatively influenced its performance (Wetzel and Orbie 2012), which has required discursive adjustments introduced after such external pushes as the Arab Spring (Babayan and Viviani 2013).

EU strategies: a pile of policies

In the regions where a membership perspective is not applicable but domestic conditions are less conducive, the EU pursues a strategy of persuasion and example, e.g. South Caucasus, Africa, and the Middle East. The EU's policies of democracy promotion to non-candidate countries follow the usual practice of the EU on norm promotion: slight political conditionality with some economic and boosted political incentives, putting a strong emphasis on the "shared values" notion. The EU has developed numerous policies and instruments for promotion of democracy and human rights, targeting countries in different regions of the world: PHARE, TACIS, MEDA, the Barcelona process, the

European Instrument (formerly Initiative) for Democracy and Human Rights (EIDHR),[2] and others. Practically every region of the world has been given its own policy to underline the context-tailored projects. However, all the policies have followed the same line of development and implementation, and have often met the same criticisms.

The main instruments of EU democracy promotion in the CEE were the Copenhagen criteria and thousands of pages of the *acquis communitaire*. Through democracy promotion, the EU aimed to strengthen the international order by "spreading good governance, supporting social and political reform, dealing with corruption and abuse of power, establishing the rule of law, and protecting human rights" (Council of the European Union 2003, p. 10). Though, these democracy-promotion priorities can be addressed on all the target levels mentioned previously, EU democracy promotion through the enlargement policy was marked by an evident top-down approach, which preferred to tackle the state rather than society. Instead of focusing on civil-society groups, elections, or political parties, the EU opted for strengthening the state capacity through constant monitoring of the enlargement policy implementation. Thus, the whole EU accession process was characterized by the "preference of order over freedom" (Kopstein 2006). The enlargement policy has become the great success of EU foreign policy in general and democracy promotion in particular. The alluring membership incentive, closely tied to conditionality of any material or social benefits, played the most important role in the success of EU democracy promotion in the CEE. The EU follows the same approach with current candidate countries. However, lack of membership incentive and a credible conditionality in relations with other target countries is likely to negatively affect the performance of its initiatives (Kelley 2006; Schimmelfennig *et al.* 2006; Babayan 2009).

TACIS was initiated in 1991 with an allocation of ECU 54 million as a technical assistance to the CIS to improve nuclear safety. TACIS funding for 1991–1999 was mainly "demand-driven" as CIS ministries would send requests based "on scarcely existing information," and assistance was mainly provided as "single small-scale projects" (Frenz 2007, p. 6). However, in 1998 the European Commission revised TACIS to include *inter alia* closer collaboration on democratization, the rule of law, trade, border management, and trafficking. In addition, for 2000–2006 it moved to a "dialogue-driven" strategy (Frenz 2007, p. 6). However, the EU grouped its budget headings and activities on human rights and democratization under the EIDHR. The EIDHR was based on macro- and micro-projects promoting justice and the rule of law, fostering the culture of human rights, promoting the democratic process, and advancing equality, tolerance, and peace. Through the EIDHR, the EU contracted NGOs and international organizations and could operate even without the consent of host governments. This feature may seem advantageous in preventing unwanted interference of authorities in the allocation of funds or project implementation. However, it runs the risk of retaliation from authorities in the case of exclusion and diminished ownership, through stricter control over civil society. The EIDHR (European Commission 2010) was launched in Armenia in 2003 to support NGOs through

11 selected projects, while in Azerbaijan for 2007–2008 and 2012 it supported nine and 16 projects respectively (EU Delegation in Azerbaijan 2012).

Encouraged by enlargement success, the EU created the ENP, which, however, does not offer membership to target countries. The ENP differs from other geographically limited EU policies because it includes countries from Africa, Eastern Europe, and the Middle East. The ENP, a response to enlargement (European Commission 2004) and first outlined in the Commission Communication on Wider Europe, calls for bridging the dividing lines between EU member states and their neighbors by promotion of democracy, stability, and security. In its Strategy Paper on the ENP published in May 2004, the EU outlines the strategies of cooperation with its target countries (European Commission 2004). Further, in December 2006 and December 2007 the EU proposed strategies for strengthening the ENP (European Commission 2006, 2007).

A policy without a "uniform acquis" (Kelley 2006, p. 36), the ENP has offered its partners a "privileged partnership" and "sharing everything with the Union but institutions" (Prodi 2002), based on "mutual commitment to common values principally within the fields of the rule of law, good governance, the respect for human rights, including minority rights, the promotion of good neighbourly relations, and the principles of market economy and sustainable development" (European Commission 2004, p. 3). The neighboring countries can reach the "privileged partnership" depending upon the "extent to which these values [respect for human dignity, liberty, democracy, equality, the rule of law, and respect for human rights] are effectively shared" (European Commission 2004, p. 3). Taking into consideration the "joint ownership" (European Commission 2004, p. 8) of the action plans, it can be assumed that on the initial level the determination of the extent of adherence to shared values will be carried out based on the country's declarations and country reports.

The EU strategies of democracy promotion usually follow the path of reinforcement by reward with a positive political conditionality (Schimmelfennig *et al.* 2006; Schimmelfennig and Scholtz 2008). The political conditionality is also present in the ENP on the stage of acceptance into the policy. In its ENP Strategy Paper in regard to the countries not yet ready to be included in the initial stages of the ENP—the South Caucasus countries—the Commission has stated:

> the EU should consider the possibility of developing Action Plans … in the future on the basis of their individual merits. With this in view, the Commission will report to the Council on progress made by each country with respect to the strengthening of democracy, the rule of law and respect for human rights.
>
> (European Commission 2004, p. 10)

However, the EU has not always followed its own rules, since it included the South Caucasus countries in the ENP largely due to Georgia's Rose Revolution (Kurowska 2009; Bardakçı 2010) and despite lack of democratic progress in the other two states of Armenia and Azerbaijan (Babayan and Shapovalova 2011).

On January 1, 2007 the EU reformed its external funding structure and replaced MEDA, TACIS, and other programs with the European Neighbourhood and Partnership Instrument (ENPI), which financially assists the implementation of the ENP in target countries. For the budgetary period of 2007–2013 EUR 12 billion is available to support the reforms in the countries according to the priorities mentioned in their Action Plans. For this assistance the EU introduces conditionality, stating:

> where a partner country fails to observe the principles referred to in Article 1 [once again confirming the shared values principle], the Council, acting by a qualified majority on a proposal from the Commission, may take appropriate steps in respect of any Community assistance granted to the partner country under this Regulation.
>
> (European Parliament and the Council 2006, Article 28:1)

However, the conditionality and the threat of exclusion have been only partial since the Parliament and the Council further clarify that "Community assistance shall primarily be used to support non-state actors for measures aimed at promoting human rights and fundamental freedoms and supporting the democratization process in partner countries" (European Parliament and the Council 2006, Article 28:2). Youngs (2009) also finds that, at least in the Mediterranean and East Asia, the EU has started implementing a bottom-up approach, increasing the budget for civil society support, mainly through human rights NGOs. However, even in the case of non-compliance the EU does not completely withdraw the financial assistance, simply changing the channel from the state to the civil society. The effectiveness of such a strategy is doubtful because most of the ENP countries are autocracies with weak civil societies and the transnational channel of international socialization has "proved ineffective" (Schimmelfennig *et al.* 2006, p. 9). In addition, a question arises of how consistent and impartial the EU conditionality will be given that it does not always adhere to its own criteria.

To make the conditionality work, the ENP has to offer certain incentives to encourage countries' compliance with the promoted rules and norms, which otherwise either do not officially exist or are violated. Even if the benefits of the ENP "may be substantial," there have been doubts "whether governments agree to submit to a system of rules in which they have little decision-making power" (Kelley 2006, p. 37). To increase the attractiveness of the ENP, the Commission elaborates the following incentives:

- a perspective of moving beyond co-operation to a significant degree of integration, including a stake in the EU's internal market and the opportunity to participate progressively in key aspects of EU policies and programs;
- an upgrade in scope and intensity of political co-operation;
- opening of economies, reduction of trade barriers;

- increased financial support;
- participation in Community programs promoting cultural, educational, environmental, technical and scientific links;
- support for legislative approximation to meet EU norms and standards;
- deepening trade and economic relations.

(Kelley 2006, p. 37)

At the same time as trying to encourage compliance, the EU has developed the Governance Facility, which allocates EUR 50 million annually for countries making progress. (Ukraine and Morocco were the first to receive this support for reinforcement.) Though these might seem as considerable incentives for compliance, the membership incentive has still been absent.

However, some of the EU member states deemed the ENP insufficient, especially in light of the existing Northern Dimension covering the Baltic States and Russia, and the Union for the Mediterranean (UfM) covering 16 Mediterranean partner countries from MENA and the Balkans.[3] In addition to these policies, Poland and Sweden put forward an initiative to strengthen the EU's policy towards its Eastern neighbors, which seemed to be a timely undertaking given the outbreak of conflict between Georgia and Russia (Shapovalova 2009). The initiative met a positive response from other member states, including France, which was looking for support for its own UfM initiative. The main argument of the Eastern Partnership (EaP) supporters was the inclusion of partner countries' interests, unlike in the cases of previous policies (Runner 2008). The EaP has covered ENP partners Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine. With a budget of EUR 600 million through the ENPI, the EaP offers political association and economic integration through Association Agreements (AA), Deep and Comprehensive Free Trade Agreements (DCFTA), and visa liberalization. However, just as with the ENP, the EaP has been considered another weak instrument of the EU because it does not offer a membership perspective (Boonstra and Shapovalova 2010) and yet again fails to reward the frontrunners and punishes the laggards (Babayan 2011).

Introduced and perceived by some as an upgrade to the ENP (Danielyan 2010) and conditioned on the performance of partner countries, the EaP, however, included all South Caucasus countries, despite their poor democratic performance. Some local observers have noted that the EaP will have a positive effect "on democratic changes in Armenia only in one case: if the European structures put forward very serious demands before our authorities" (Danielyan 2010). Association Agreements are supposed to be signed only with functioning democracies demonstrating "good progress" (Avetisian 2011b). However, as shown later, some EaP partners have turned away from the EU, undermining years of negotiations. To ensure the readiness of these countries to sign AAs, DCFTA, and visa liberalization agreements, the EU has provided additional funding (Shoghikian 2009). With visa liberalization talks, the EU has seemed to bid on the strategy of additional support prior to compliance to incentivize democratic performance in upcoming elections. However, the EU's inconsistency regarding political

conditions decreases its credibility and future bargaining power. Thus, the added value of the EaP as a policy that can address the needs of partner countries and promote the goals of the EU is dubious. The attractive terms of notions of "free trade" and "visa liberalization" have lacked both substance (Boonstra and Shapovalova 2010) and specific terms and conditions that provide an effective framework for implementation.

Despite its rhetoric and emphasis on the importance of civil society for democracy, the EU has implemented its democracy promotion through intergovernmental channels. While pursuing an exclusive approach with EU candidates, with other countries it has pursued an intermediary approach. Despite conditioning inclusion into a new policy by democratic progress, the EU has included non-complying countries shortly afterwards. It is unlikely that the current conditionality or incentives approach towards non-candidates will change. Considering assistance to opposition parties and NGOs as "an interference into a country's internal affairs" (Risse 2009, p. 251), the EU follows a statist and top-down approach to democracy promotion, with uncertain intentions and inefficient learning techniques. In its democracy-promotion activities within the EaP framework, the EU has channeled its funding through civil society only in Belarus, where the authorities refuse to cooperate.

In an attempt "to retool our [the EU's] armoury" (Sikorski in US Embassy cable 2009g), Poland proposed the establishment of the European Endowment for Democracy (EED), which was established as a private foundation operating under a Board of Governors. The EED is independent from the EU, co-functions with already-existing EU instruments, and draws its budget from voluntary contributions from member states. However, this arrangement seems far from successful despite its current "decent budget" (Pomianowski in Dempsey 2013a) and the financial contributions pledged by Belgium, Denmark, Sweden, the Netherlands, all the new member states, and Switzerland. Nevertheless, the EU considers the establishment of the EED to be a "concerted effort" by its institutions and member states (Füle 2013a) which is especially important for improving the performance of the recently established European External Action Service. Its budget will be used to "support the unsupported" who, according to the European Commission, are "journalists, bloggers, non-registered NGOs, political movements (including those in exile or from the diaspora), in particular when all of these actors operate in a very uncertain political context" (European Commission 2012).

The establishment of the arguably redundant EED (Dempsey 2013a) and the appointment of the Special Representative for Human Rights come despite calls at such critical junctures as the Arab Spring for the EU to avoid "becoming more concerned with creating new structures than working concretely to support new democracies" (De Keyser 2011, p. 2). It seems that piling policies up instead of adjusting them to better respond to international developments has been the main strategy of the EU. However, given the intergovernmental nature of its foreign-policy decision-making, this approach should not come as a big surprise. With the consensus of all 27 member states required, each nurturing its own strategic

interests, an accumulation of policies seems a less complicated solution. However, the establishment of the EED seems to be intended not only to advance human rights and democracy, but also to "[send] a clear message of solidarity to the peoples of the Neighbourhood" (Füle in European Commission 2013) and to react to complaints made about the ENP, which was said to reward the laggards and punish the frontrunners.

The EU in the South Caucasus: Eastern partnership versus the Eurasian Customs Union

Even if not immediately under the spotlight of the EU's attention, the importance of the South Caucasus is underlined by shared borders with Russia, Iran, and NATO-member and EU-candidate Turkey, and by large reserves of oil on the territory of Azerbaijan. Hence, the EU "has a strong interest in the stability and development of the South Caucasus" (European Commission 2004). Since the finalization of the 2004 enlargement, the EU has paid more attention to the region through regular financial injections for various reforms (Markarian and Stamboltsian 2004). The ENP Strategy Paper has identified the South Caucasus as a region that should receive "stronger and more active interest" than it does (European Commission 2004, p. 10). However, at the same time, due to political and economic factors within the country, Armenia has had to be patient despite distinctive hopes for a future in the EU (Lobjakas 2004a). The EU's interest also stems from three protracted conflicts in Nagorno-Karabakh, Abkhazia, and South Ossetia.

The interconnectedness of South Caucasus politics performed by politically and economically rather-different countries has led the EU to treat the region with "simplistic uniformity" (Babayan 2011, p. 4). The EU's habit of treating countries in regional blocks (Smith 2008) despite outstanding regional disputes has led to a simultaneous initiation of relations with the South Caucasus countries, with Partnership and Cooperation Agreements (PCA) being signed and enforced in the same year with all three countries. The block treatment in some cases resulted in negative outcomes, as in the case of delays of the ENP Action Plan talks due to the dispute between Azerbaijan and Cyprus (Saghabalian 2005a), and positive, like the inclusion of all three countries in the ENP based on Georgia's promising democratic turn of 2003, and the inclusion into the EaP based on Azerbaijan's important role in energy diversification plans (Babayan and Shapovalova 2011). This approach, however, is not a characteristic of the EU only, but is also largely adopted by other organizations calling for similar reforms or advancement of democracy not in particular countries but the whole region (Zakarian 2003). However, the motives and consequences of this issue are not analyzed in depth here, but rather its importance is underlined when referring to EU policy formation.

Analysts argue that EU–South Caucasus relations have been shaped through three phases: the collapse of the Soviet Union, Armenia's accession to various international organizations, and its inclusion into the ENP (Minasyan 2005). The

inclusion into the EaP can be added as the fourth phase. In 2001 the EU expressed its willingness for closer cooperation with the South Caucasus, one of the objectives of such cooperation being resolution and prevention of conflicts. The South Caucasus governments were ready to welcome this initiative and in 2003 the European Council appointed Heikki Talvitie as the first EU Special Representative (EUSR) for the South Caucasus. Taking into consideration the strongly expressed EU aspirations of all three states, the EU possesses the required legitimacy in acting as an external mediating actor. The region became closer to the EU economically because since 2004 the EU has been its primary trade partner (though for the EU the trade with the South Caucasus is only 0.5 percent of its overall figure), and geopolitically because of the Eastern enlargements of 2004 and 2007. The EU prefers to include previously weak and unstable South Caucasus states in its "ring of friends" (European Commission 2003) because now they are able to help their partners in fights against terrorism and trafficking (Council of the European Union 2003).

The appointment of a EUSR for South Caucasus (EU Presidency 2003) was taken as another token of the EU's increasing interest in the region (Grevi 2007). The first EUSR, Heikke Talvitie, was financed by Finland during his first year and was based in Helsinki during his whole mandate. The SR's mandate was to:

> contribute to the implementation of the EU's policy objectives, which include assisting the countries of the South Caucasus in carrying out political and economic reforms, preventing and assisting in the resolution of conflicts, promoting the return of refugees and internally displaced persons, engaging constructively with key national actors neighbouring the region, supporting intra-regional co-operation and ensuring co-ordination, consistency and effectiveness of the EU's action in the South Caucasus.
>
> (European Union 2003)

In fulfillment of these tasks the EUSR has regularly met government and parliament officials, opposition forces, and civil society. Before the changes introduced by the Lisbon Treaty, the EUSR reported to the Political and Security Committee, Committee on Civilian Crisis Management, and to the Council geographic working group on Eastern Europe. Despite regular statements and visits to the region, the role of the EUSR rather followed than shaped the developments in democracy-related areas in the South Caucasus (Tocci 2006). In addition to the low productivity of the EUSR and despite the calls from the European Parliament for a "firm approach," the importance of the region for the EU was put under question by the decision to scrap the post of EUSR to the South Caucasus. But, after months of doubts over the position, a former French Ambassador to Georgia, Philippe Lefort, was appointed EUSR for the South Caucasus and the crisis in Georgia in late August 2011.

One of the main tasks of the EUSR has been prevention of conflicts, assistance in the resolution of present conflicts, and preparation of peace (International Crisis Group 2006). However, despite initial hopes referring to the EU as an

"honest broker" void of US–Russia rivalries (International Crisis Group 2006), the EU has not substantially contributed to conflict resolution in the South Caucasus (Grevi 2007). This was not surprising, due to "very limited human and financial resources with no political advisor based in the region" (Grevi 2007, p. 57). In 2006, Peter Semneby was appointed EUSR with his mandate using more specific language to "contribute to the settlement of conflicts and to facilitate the implementation of such settlement" (Council of the European Union 2006). While most of the EUSR's attention in conflict resolution was focused on Georgia's conflicts, more direct attention started being paid to Nagorno-Karabakh after the EUSR had asked for two political advisors to be based in Baku and Yerevan.

The importance of the resolution of the Nagorno-Karabakh conflict and putting an end to ongoing clashes has been yet again underlined by former EUSR Semneby (RFE/RL 2010a). Concerns over the possible escalation of the conflict *inter alia* stem from its potential to block the prospect of energy diversification, to result in another humanitarian crisis, and to deteriorate the EU's relations with Eastern Europe, Iran, and Turkey (Ghazaryan 2010). In addition, the peace is shaky "because it is ... a self-regulated ceasefire with the two parties facing each other without any separation force in between" (RFE/RL 2010a). The EU has rhetorically committed itself to a resolution of the Nagorno-Karabakh conflict due to concerns that the "peace process has stopped since 10 years" and there is an "urgency" within the EU for solution (Prodi in Lobjakas 2004b). However, the urgency has not yet translated into an effective policy that would tackle the issue. Regular encouragements to end the stalemate and progress on the conflict resolution (Danielyan 2006a) were accompanied by seldom-concrete actions through the European Parliament, like first blocking calls (Melkumian *et al.* 2004) and then calling for Armenian withdrawal from Azeri lands (RFE/RL 2010a). However the efficacy of such actions is doubtful as they either demonstrate behavioral indifference or may be interpreted as predisposition to a solution favored by only one of the conflicting parties. Despite a survey of 100 members of the European Parliament claiming that there has been a general consensus for having a permanent non-military EU mission at the highly volatile Armenia–Azerbaijan LoC (ComRes 2010; Ghazaryan 2010), no such action has been taken.

Despite the rhetorical commitment of the ENP to facilitate cooperation in military-security matters, country-related ENP documents show more concrete actions and less vague language in economic matters (Babayan 2012b). Regardless of the nature of the cooperation issue, the ENP provides a long-term cooperation framework but does not clearly specify what partner countries can expect after the ENP implementation is over. The ENP entails regular rewards if applicable; however, the rewards do not vary depending upon the priority area and domestic utility of adaptation. Through regular progress and country reports, the ENP provides reliable information about both its own and, if possible, the partner states' actions. However, the feedback on changes in actions of the partner states might sometimes be absent or not actually relevant because, in

the case of non-cooperation or non-compliance, instead of addressing the issue of divergence the EU simply opts for amending the Action Plan. In addition, while the rhetorical commitments of the EU, Armenia, and Azerbaijan to peaceful resolution of the Nagorno-Karabakh conflict are high, the ENP framework is vague and often sacrifices specific actions for consensus (Babayan 2012b). In their turn, Armenia and Azerbaijan strive for different outcomes of the conflict: Armenia advocates the independence of Nagorno-Karabakh, while Azerbaijan insists that the breakaway region is to be within its territory and shows readiness to advance its perspective through military means (Babayan 2012b).

Although the number of actors in the South Caucasus regional cooperation is not large and they are coordinated by the EU, the situation is complicated by the EU's inconsistent policy of conditionality. Unlike other international organizations present in the region, the EU due to its economic and political status has the leverage to sanction the regional actors in case they defect from cooperation. However, in ENP documents sanctioning is mentioned only as a change of target within the country, through which the assistance is channeled. Nevertheless, despite the participating countries either rhetorically or even sometimes by action defecting from the accepted framework of cooperation, the EU has not introduced any sanctions. The EU's reaction to the continuing arms race led by Azerbaijan, and joined by Armenia, has taken the form of lament on "less progress than we had hoped for in their peace talks which … are attracting growing interest from the EU" (Avetisian 2011c) and hopes that "the Azerbaijani leadership is aware of the enormous risks and potential costs that would be associated with an attempt to resolve the conflict by military means" (RFE/RL 2010a).

Even if conflict resolution may not be the EU's main priority in the South Caucasus, conflicts that largely dominate the economy and politics of the region cannot be ignored. In addition, the ongoing conflicts may also be used by the partner countries as justification for their non-compliance. The mere rhetorical support given to the OSCE Minsk Group undermines the visibility of the EU in the region. However, delegating its own single representative to the Group, instead of having seven member states represented, would increase the involvement and stabilize the position of the EU in the region. Such an action seems timely given the creation of the EEAS and support by a number of MEPs of replacing the OSCE framework by the one of the EU (ComRes 2010). Increased involvement may also garner more "EU enthusiasts" and result in increased EU-ization of regional policies. However, the current approach of the EU, besides having marginal if any effect on conflict resolution in the South Caucasus, risks decreasing the leverage of the EU in the region, inducing the local actors to turn for more concrete action to Russia or the US.

The democracy promotion of the EU is conditioned by its relations with other regional players. Despite alleged "transatlantic divides" (Kopstein 2006), relations with the US have been amiable, while relations with Russia have been more strained due to Russia's poor democratic record and regular bullying thanks to its energy resources. The initial enthusiasm over Russia's

democratization has been followed by disillusionment with Russian politics. Despite long-lasting democracy promotion in Russia, there has been no progress in democracy and surprisingly the regular EU–Russia consultations on human rights have coincided with a deterioration of the political situation in Russia (Youngs and Shapovalova 2011). In addition, the EU's role in democracy and human rights promotion is downgraded by Russian civil society actors as compared to the US (Shapovalova and Youngs 2012). The EU's policy towards Russia has been largely reactive; however, it is argued that it has become more coherent and realistic (Barysch 2011). The more-realistic approach to Russia is based on general acceptance by member states that the EU has limited influence over Russia (Barysch 2011) leading to democratization reluctance in areas that are unwilling to cooperate even rhetorically.

An initially accepted process of EU enlargement has started to be viewed by many in Russia as the "apple of discord" between the EU and Russia, causing their rivalry (Arbatova 2006). One of the major concerns of Russia has been the launch of the EaP. Despite assurances from the former EU foreign policy chief Solana that the EaP had not been designed against Russia, Russia's foreign minister Sergey Lavrov interpreted the choice given to EaP partners as "either you are with Russia, or with the European Union" (Brunnstrom and Harrison 2009). Though the "reset" in relations with EaP-advocate Poland and Russia has helped to overcome some divisions, Russia has been indirectly trying to hinder smooth implementation of the EaP. In 2010 the European Commission started negotiations on DCFTA with Ukraine, announcing that similar negotiations with Moldova would start in 2011. Russia reacted by urging both countries to join its Customs Union, which is incompatible with DCFTA. However, the battle for allegiance did not result in major tensions (ECFR 2010). The EU also managed to win over Moldova after being unusually proactive, dispatching Swedish and Polish foreign ministers to support the pro-EU coalition that later formed the Moldovan government. This hindered Russia's efforts to promote a centre-left coalition (ECFR 2010). However, Russian efforts at blocking the initiatives within the EaP peaked and became more successful in 2013, with Armenia's turn to the Eurasian Customs Union instead of its earlier intention to sign the DCFTA agreement.

The EU's representatives have repeatedly stated that signing any customs agreements with Russia would endanger signing of AAs, since the prerequisites of the Russian-aspired Eurasian Customs Union contradict the EU-offered DCFTA. Similarly, when addressing the determination of EaP countries in signing AAs, Russian Prime Minister Medvedev underlined the incompatibility of the two structures (Medvedev in Lazaryan 2013). The EU's repeatedly voiced view on the incompatibility between the Customs Union and DCFTA does not stem from ideological concerns but from legal ones, and the EU is not prone to pressure its partners (Füle 2013b). However, the Customs Union has been viewed not only as another alternative agreement but also as a possible leverage over the EU's neighbors, since Russia has been expected to apply pressure including:

- the possible misuse of energy pricing;
- artificial trade obstacles such as import bans of dubious WTO compatibility and cumbersome customs procedures;
- military cooperation and security guarantees; and
- the instrumentalisation of protracted conflicts.

(Füle 2013c)

In July 2013 the deputy foreign minister and chief negotiator for Association Agreements from Armenia, Tigran Mnatsakanian, "expressed confidence that the Association Agreements with some partner countries, including Armenia, will be initialed within the framework of the Vilnius summit" in November (RFE/RL 2013f). That did not happen. In addition, the head of EU Delegation in Armenia confirmed that the latter was on track for signing the Agreement (RFE/RL 2013f). At the same time, Armenian officials attempted to use a more pragmatic approach, calling Russia the "military security choice" and the DCFTA the "economic choice" since "this is not a contradiction ... [and in] terms of security, Armenia is tied to Russia" (Kocharyan 2013). However, other Armenian officials opted for neglecting the remarks of the EU and Russia, stating that they "will not be going down the path of 'either or'" since "these two processes are mutually complementary" (Stepanian 2013b).

Russian media has publicized a number of preferential agreements and possible subsidies promised by Putin to Sargsyan in return for joining the Customs Union. Among those is US$18 million investment into modernization of the Armenian infrastructure by the Russian-owned South Caucasus RailRoads (ARKA 2013a). In addition, Russia has promised larger investments into prolonging the exploitation of the Armenian nuclear power plant (AtomInfo 2012; ARKA 2013b), which is deemed as obsolete by the EU. Moreover, the negotiations on the participation and investment by Rosneft in production of chloroprene rubber by the Armenian Nairit factory coincided with president Sargsyan's announcement on joining the Customs Union (Rosneft 2013; Simonyan 2013).

Despite the unexpected turn to Russia's Customs Union, Armenia has still been showing interest in a "watered-down" version of the Association Agreement, i.e. without the DCFTA (Stepanian 2013b). President Sargsyan even argued that since the political provisions of the agreement are strong enough to induce reforms, political and economic components of the agreement can be easily separated (Stepanian 2013b). Foreign minister Edward Nalbandyan has insisted that cooperation with the EU is still possible (Nalbandyan in Stepanyan 2013b).

However, EU officials are not as enthusiastic and accommodating, and the statement by the Swedish foreign minister, the country that pushed for the EaP, that "Association Agreement with Armenia is now off the table. We work with Ukraine, Moldova, Georgia" (Bildt 2013), sent a clear signal that the EU may actually keep to its conditionality. However, others expressed concerns on giving in "to sero-sum logic re our partners. Engagement remains important" (Linkevicius 2013). Saying that the EU, however, will not abandon Armenia and

Armenians (RFE/RL 2013g; Tamrazian 2013), Füle later confirmed that no agreement was planned to be signed with Armenia at the Vilnius summit (Stepanyan 2013c). Following the reaction of the EU, Armenian news agencies even reported that the EU had cancelled its twinning projects (News.am 2013); the EU, however, later refuted having done so (EU Delegation to Armenia 2013). While talks have emerged that the EU may suspend its programs, Armenian cozying up to Russia has been likely to lead to closer cooperation with China. Chinese Prime Minister Li Keqiang pledged additional US$16 million in aid, in addition to the sale to Armenia to multiple-launch rocket systems (RFE/RL 2013h). The agreement followed the statement by the Armenian prime minister of the country's plans of joining the Shanghai Organization Cooperation as an observer (RFE/RL 2013i).

Arguing that "Armenia has not taken a sensational step" since Russia is its "strategic partner," Sharmazanov downplayed the U-turn taken by Armenia and the potential of "breaking talks," along with the potential to add to EU–Russia tensions (BBC 2013). However, the surprise may as well be justified given previous statements by Armenian officials. Prime minister Tigran Sarkisian has repeatedly argued against Armenian entry into the Customs Union, saying that Armenia has no common borders with Russia, Belarus, or Kazakhstan (Banks. am 2013; Hayrumyan 2013a), with the deputy chairman of the ruling Republican party insisting on the upcoming initialing of the agreement hours before the president's announcement.

Sharmazanov, who is also a deputy parliament speaker, downplayed the significance of these statements, saying that Armenian foreign policy is formulated by president Sargsyan. The Chief of Presidential Staff also claimed that, given ongoing interest by the Armenian government to join the Customs Union, Russian–Armenian "expert groups" developed "solutions that allow us to overcome" the absence of common borders (Panorama 2013). Nevertheless, the decision sparked public discontent, with protesters gathering at the presidential residence and chanting "no return to Soviet Union" and objecting against decisions without proper public debate (Grigoryan 2013). The protesters' claims were cast away by the statements of the deputy chair of the ruling Republican party that, in such important issues, the president does not need to initiate a public debate and can make decisions on his own (Sahakyan in Grigoryan 2013).

The reaction of most of the political parties has been muted, with Prosperous Armenia waiting for a party discussion before announcing its position. The oppositional Heritage, which has only five seats in the 131-seat parliament, has argued that accession to the Eurasian Customs Union would jeopardize Armenia's independence and its sustainable development into a democratic state with a growing economy (Gevorgyan 2013). Armenian National Congress, chaired by former president Ter-Petrosyan, who organized after-election protests in 2008, called Sargsyan's decision "humiliating," but without rejecting the possibility of accessing the Customs Union (Hayrumyan 2013b). The Armenian Revolutionary Federation applauded the decision, citing the security of Armenia and Nagorno-Karabakh as the main issues to guide Armenia's foreign policy (Hayrumyan

2013b). The Prosperous Armenia party, known for its previous close ties with the president's Republican party, has not made an official statement at the time of writing.

Armenian officials have also claimed that the Customs Union brings greater benefits to Armenia, and most importantly different types of benefits. While acknowledging the EU's support in protection of human rights, training of the judiciary, and civil society building, National Security Council chairman Arthur Baghdasaryan argued that the agreements with the Customs Union is more beneficial to Armenia than DCFTA (PanArmenian.Net 2013). This certainty has been also echoed by Russia, confirming that Armenia can start the negotiations for accessing the Customs Union as early as October 2013, with full accession in May 2014 (Shuvalov in Lazaryan 2013). Thus, the process of accession to the Customs Union echoes the timetable of the planned initialing and signing of the Association Agreement.

After Armenia's turn to the Eurasian Customs Union, more questions are asked on the choices to be made by other countries neighboring Russia. While Moldova repeatedly stated that signing of the Association Agreement would not damage its economic relations with Russia and its export prospects (Interfax 2013), Russia has announced the possibility of banning the import of Moldovan wine (Moldova.org 2013) and proceeded to implement its threat (Heil 2013). The most vocal EU-supporter in the South Caucasus, Georgia, has reiterated its commitment to European integration and initialed the Association agreement in November 2013. However, while praising the EU as the finest creation of civilization, Georgian Prime Minister Bidzina Ivanishvili mentioned that accession to the Eurasian Customs Union was also possible. Meanwhile, president Saakashvili accused Ivanishvili of betraying Georgian foreign policy and equated the Customs Union to the Soviet Union (Stamboltsian 2013). The deciding factor, however, would be not much-praised European or other values but the strategic and economic interests of Georgia (RFE/RL 2013j). However, while other EaP countries may be at the crossroad of which agreement to choose, Belarus is not enthusiastic about Armenia joining the Customs Union, since the latter may compete for subsidies from Russia which so far went almost exclusively to Belarus (Lavnikevich 2013). This worry is aggravated by recent trade wars between Belarus and Russia: planning to sell its potash resources without its Russian cartel partner, Belarus simply arrested the CEO of the Russian potash-producing company in August 2013, which was followed by fury from the Kremlin and banning of pork imports from Belarus (Forbig 2013; Heritage 2013), with a dairy products ban to follow (Razumovskaya 2013).

Though EU–Russia relations improved closer to 2011, there has been a number of tensions, including the first and second wars in Chechnya (Haukkala 2011), the conflict in Georgia in 2008 and the subsequent monitoring of the Russia–Georgia border (Grevi 2007), the gas crisis in 2009, and often-voiced disapproval of Putin's policies, especially when exercising pressure on EaP partner countries. Relations with Russia have also caused disagreements between the member states, with Italy's former premier Silvio Berlusconi over-enthusiastically

supporting Russia, Germany's former Chancellor Schroeder more realistically assessing Russia's place in the EU and NATO, and UK leaders as a rule taking the toughest stance. Varying interests and preferences of the member states and energy issues have influenced the EU's generally soft approach to Russia, resulting in an ongoing confusion whether to firmly insist on democracy or not. In addition, the EU's indecisive role in protracted conflicts has added to Russia's dominant role in its neighborhood. Tiptoeing politics over conflicts in the South Caucasus emphasize Russia's economic and military dominance, leaving little chance for resolution.

The United States: business as usual

Unlike the EU, the US has rarely faced the challenge of proving or even defining its actorness in international politics. It has rather periodically debated the rationale for its involvement in the shaping of the international order. While the EU generated a line of neologisms derived from the term "superpower," the US has long been referred to as a hegemon, a "superpower" (Huntington 1999), or a "hyperpower" (Cohen 2004) after the collapse of its main rival, the Soviet Union, and even occasionally as a "besieged superpower" (Kolodziej and Kanet 2008). Though the degree of US influence on international affairs has varied over time, its influence per se has never been doubted. Unlike the case of the EU, the doubt over the US's role has come from within, questioning whether the US should be involved in international affairs (Deudney and Meiser 2008). US foreign policy has been marked by "searching for [a] purpose" (Dumbrell 2008, p. 88), and after the collapse of the Soviet Union the liberal internationalism or democracy promotion of Bill Clinton became the motto of US foreign policy. The election of George W. Bush reaffirmed the position of democracy promotion, but coupled it with a fight against terrorism produced by "the axis of evil," allowing military interventions under the banner of democracy promotion. Military interventions in Afghanistan and Iraq, dubbed by the neoconservative Bush administration as democracy promotion, provided a fertile ground for the opponents of democracy promotion, but arguably had little negative influence on peaceful targets of democracy promotion.

The US has been traditionally portrayed as an actor with a hard approach vis-à-vis the EU's soft and even pacifist (Speck 2011) approach to international affairs. The famous "Mars vs. Venus" (Kagan 2003) analogy underlined the transatlantic divide on democracy promotion. However, the divide was argued to be blown out of proportion as the differences between EU and US strategies were marginal (Magen *et al.* 2009) with subsequent strategies starting to converge (Babayan and Risse 2014). However, unlike the EU, the US has demonstrated little confusion on its actions. The unequivocal endorsement and alleged orchestration of color revolutions in Eastern Europe, at least rhetorically quick reaction to natural disasters around the globe, including the one in Haiti, and a comparatively cohesive reaction to the events in MENA demonstrate a more-efficient foreign-policy decision-making mechanism than the one of the EU.

However, despite advantages in decision-making efficiency, US foreign policy has often been marred by supporting "oily" and friendly autocrats. Nevertheless, the importance of the US in the international arena has not been put under doubt, maintaining its position as an acknowledged global actor whose stance has often shaped the positions of its partners.

Commitment and legitimacy: the way we are

"The advancement of human rights and democracy is not just the policy of the United States; it is the epitome of who we are as a nation" (Bureau of Democracy, Human Rights, and Labor 2010), underlying the US's "crusade for democracy" (Scott-Smith and Mos 2009, p. 237). From the early twentieth century, US external affairs have been marked by Woodrow Wilson's (1917) conviction that "the world must be made safe for democracy," but can be traced back to former president George Washington's assertion during his farewell address in 1796 of the US's mission "to give to mankind the magnanimous and too novel example." After Wilson's presidency, the US has continued "to foster the infrastructure of democracy" (Reagan 1982), to "enlarge the community of democracies" and "advance America's interests worldwide" (Clinton 1994) by means of foreign aid and sometimes military power. While the main mission of the US during the Cold War was not democracy promotion per se but rather the containment of the Soviet Union (Cox *et al.* 2000), democracy promotion neatly fit the "searching for purpose" task after the collapse of the grand rival (Dumbrell 2008, p. 90). Some (Robinson 1996) argue that there was a change in US foreign policy from supporting autocracies to promoting democracy. However, the policy goal has remained intact: "to gain influence over and try to shape their [national democratization movements'] outcomes in such a way as to pre-empt more radical political change, to preserve the social order and international relations of asymmetry" (Robinson 1996, pp. 318–319). However, notwithstanding the growth of democracy assistance, its examination by US policy analysts has been sporadic and its understanding has been limited to practitioner circles (Carothers 2000).

Although democratic rhetoric has been present in US foreign policy since Wilson's presidency, prior to the 1980s most of the foreign aid was concentrated on economic and military assistance to friendly countries, in an effort to prevent their going communist (Carothers 2010). The limited efforts at democracy promotion were mostly funneled through modernization arguments, hoping that economic development would result in democracy. The emergence of an established US democracy promotion appeared with the first Reagan administration, which was concerned with the US's insufficient engagement in the "war of ideas" with the Soviet Union (Carothers 2000, p. 183). After some disagreements with Congress, the establishment of the National Endowment for Democracy (NED) became the major contribution to US democracy-promotion industry (Pishchikova 2010). Since the fall of the Soviet Union, the US has promoted democracy with an "explicit political purpose" (Carothers 2000, p. 184) to:

advance freedom for the benefit of the American people and the international community by helping to build and sustain a more democratic, secure, and prosperous world composed of well-governed states that respond to the needs of their people, reduce widespread poverty, and act responsibly within the international system.

(US State Department 2010)

This expressed commitment to democracy promotion was, however, accompanied by "lack of a clear definition of democracy and a comprehensive understanding of its basic elements" (Epstein *et al.* 2007, p. 3). Lack of a clear definition made it virtually impossible to determine the turning point when the target does not require further assistance (Epstein *et al.* 2007). Having acknowledged the lack of a definition, Congress voiced its concern that "the State Department and USAID do not share a common definition of a democracy program" (Senate Appropriations Committee 2005). Thus, to "ensure a common understanding of democracy programs among US Government agencies," it defined democracy promotion as:

programs that support good governance, human rights, independent media, and the rule of law, and otherwise strengthen the capacity of democratic political parties, NGOs, and citizens to support the development of democratic states, institutions and practices that are responsible and accountable to citizens.

(Senate Appropriations Committee 2006)

With the commitment to the promotion of democracy remained unchanged, the commitment to a specific mode of promotion has been changing from one administration to the other, with adjustments to the policies triggered by internal developments rather than external pushes, as has been the case with the EU (Babayan 2013b). Democracy promotion under Bill Clinton was dubbed as a "grand vision" of his administration (Yang in Carothers 2000). The financial support to democracy promotion tangibly increased from the Reagan years to the end of the Clinton administration (Carothers 2000). The Clinton administration pursued the "enlargement of the world's free community of market democracies" (Lake 1993)—democracy promotion—in a hope to replace the previous grand strategy of containment (Poppe 2010). However, Clinton—a "pragmatic crusader" (Poppe 2010, p. 11)—did not intend to place democracy promotion above other foreign policy or security issues, but rather intended to complement one with the other. In addition, the Clinton administration's democracy promotion followed a non-interventionist character and preferred to promote democracy in countries that had already showed signs of democratization. The policy towards states unwilling to reform would be "to isolate them diplomatically, militarily, economically and technologically" (Lake 1993). Meanwhile, if the process of democratization stagnates, the US should act to renew it (Albright 2003). Thus, Clinton's

peaceful promotion of democracy to complement US strategic interests followed "pragmatic realism first, with idealism always a close second" (Brinkley 1997, p. 127).

The same cannot be said about the following George W. Bush administration and its "democracy promotion on steroids" (Carothers 2007, p. 11). President Bush codified democracy promotion even further through Institutionalizing the Freedom Agenda (State Department 2008) and by signing the ADVANCE Democracy Act in 2007 (House Committee 2007). Yet, even if Bush put democracy promotion on the map (Wolff *et al.* 2013), the first months of his presidency implied the possibility of axing democracy promotion (Carothers 2007) and focusing more on traditional interests by cutting foreign-policy commitments (Poppe 2010). However, after the 9/11 attacks Bush opted for a hard approach of military interventions and for reinforcement by punishment whenever the target country did not show any readiness for democratic change and posed any threat to US national security (Bush 2005). Promising to "finish the historic work of democracy in Afghanistan and Iraq" (Bush 2004), Bush acknowledged the policy of the US to "seek and support the growth of democratic movements and institutions in every nation and culture" (Bush 2005). In the early stages, those operations were presented as a long-awaited turn by the US towards democracy promotion, instead of pursuing "stability at the expense of democracy" in the Middle East (Rice 2005). Despite rhetorical elevation, the Bush doctrine put democracy promotion second to counter-terrorism, letting it climb the priorities ladder only when justifications were required for the operation in Iraq (Hassan and Hammond 2011). Always being a military and not only an economic power, the US unlike the EU has never constrained itself to a normative power image. Thus, democracy promotion under Bush was combined with the fight against terrorism.

Given the contemporary complexity of international affairs, the US has to "acknowledge its rivals and project a different message about democracy promotion" (Carothers 2012a). Obama was silent on democracy in his first inaugural speech (Obama 2009), prompting criticisms (Nau 2010) of the "abandonment of democracy" (Muravchik 2009). Some have claimed that "this American administration has put democracy and rights back in front" (US Embassy cable 2009h), with others hoping that peaceful instruments would not reinforce pragmatism over the commitment to promote democracy and human rights (US Embassy cable 2009g). Not only Republicans have voiced criticism of minimized democracy-promotion rhetoric, but Democrats have also occasionally felt as if the Obama administration prefers improving relations with authoritarian governments to democracy promotion (Hiatt 2010; Packer 2010). However, the initial cool-off in democracy promotion was followed by boosted rhetoric, as well as Obama's speeches in Cairo and Accra, and Secretary of State Hillary Clinton's speeches on human rights. In addition, when the engagement policy bore no fruit, as happened especially with Iran and China, Obama and Clinton stepped up their rhetoric on human rights (Carothers 2012b).

With his low-key democracy promotion, an "open door" approach, and without boisterous statements, Obama has brought the US's democracy-promotion approach closer to the one of the EU (Poppe 2010). In his 2013 inauguration speech Obama did not completely shy away from democracy and pledged to "support democracy from Asia to Africa; from the Americas to the Middle East" (Obama 2013). In addition, though "quantifying spending on democracy promotion is notoriously tricky" (Magen and McFaul 2009, p. 2), since Obama took office in 2009 budget requests to Congress for democracy promotion have steadily increased, meaning that cuts have been balanced by increases. Even if an uneven approach towards non-democratic countries continued, the Obama administrations have paid greater attention to the legitimization of US actions (Babayan 2013b). Yet, this legitimization may have evaporated because of NSA global surveillance and the toll it had not only on transatlantic relations but also on such a topical human right as the one to privacy. In addition, disregard of constitutional freedoms and democratic processes by the most celebrated promoter of democracy may have provided additional excuses for authoritarian regimes to shun democracy (Human Rights Watch 2014).

US strategies: wildly successful patience?

On the one hand, the US seemed unfazed by the declining number of democracies in the world. It considered its democracy promotion in Central and Eastern Europe and the former Soviet Union as "wildly successful" and saw EU membership as a token of democratic consolidation, even if it "cannot really prove cause-and-effect," opting for "strategic patience" (Rosenblum 2011). On the other hand, other senior officials, such as the USAID administrator, have voiced concern over a "disturbing pattern ... as new laws restrict civil society," insisting that in such circumstances "the vital connection [of democracy and human rights] to prosperity and growth" must be reiterated (Shah 2013). USAID's strategy for Democracy, Human Rights and Governance, released in June 2013, highlighted the centrality of participation and accountability and set the following objectives:

- Promote participatory, representative and inclusive political processes and government institutions.
- Foster greater accountability of institutions and leaders to citizens and to the law.
- Protect and promote universally recognized human rights.
- Improve development outcomes through the integration of DRG [democracy, human rights and governance] principles and practices across USAID's development portfolio.

(USAID 2013a)

Another US institution involved in democracy and human rights promotion, the Bureau of Democracy, Human Rights and Labor, emphasizes that promotion of

democracy not only promotes its value per se, but also serves in promoting US national interest . It seeks to:

- Promote democracy as a means to achieve security, stability, and prosperity for the entire world;
- Assist newly formed democracies in implementing democratic principles;
- Assist democracy advocates around the world to establish vibrant democracies in their own countries; and
- Identify and denounce regimes that deny their citizens the right to choose their leaders in elections that are free, fair, and transparent.

(US State Department 2009)

The US has been inclined "to see a stable democracy as the product of a healthy and vibrant civil society" (Kopstein 2006, p. 89), with democracy being established as soon as the authoritarian leader is overthrown and elections are held. The overall institutional environment, however, does not seem to be so important (Kopstein 2006). But democracy is not only about elections, it is *inter alia* about independent media, political parties, checks on a democratic government that must face the check of electable opposition, and leaders that must hand over power peacefully (Epstein *et al.* 2007). Democracy-promoting organizations that are funded by US government concentrate heavily on elections, political parties, and civil-society organizations, in most of the cases preferring not to work with state-related organizations, focusing on the opposition, especially in the case of media development as part of civil society. The US has also largely invested in development of political and civil societies by supporting local NGOs and monitoring elections (Marinov 2004).

US democracy promotion is mainly channeled through USAID, the Department of State with its Bureau of Democracy, Human Rights, and Labor, and the non-profit NED. Apart from these, the Ministry of Defense, the Millennium Challenge Corporation (MCC), and the Department of Justice conduct limited activities of democracy promotion, albeit with much lesser budget and programmatic variance. USAID has spent approximately US$1.5 billion a year on democracy promotion, while the State Department has spent approximately US$500 million, and the NED US$100 million. Established by an executive order in 1961, USAID is the principal instrument of democracy promotion of the US government with its distinct Democracy and Governance (DG) portfolio, which focuses on rule of law, elections and political processes, civil society, accountable governance, and independent media. USAID receives overall policy guidance from the US State Department. In addition, it has to respond to several committees of Congress, which during the Republican domination of Congress in 1995–2006 saw considerable cuts in its budget (Thiel 2004). Some Republicans even proposed the elimination of USAID within a drastic reform of the State Department (Hook 2003). Nevertheless, USAID remains the main democracy-promotion instrument of the US, with its missions covering a large

geographic and thematic variety. The strategic goal of the Department of State, titled Governing Justly and Democratically, has included the following four elements:

- Rule of Law and Human Rights supports constitutions, laws and legal systems, justice systems, judicial independence, and human rights.
- Good Governance supports legislative functions and processes, public sector executive functions, security sector governance, anti-corruption reforms, local governance, and decentralization.
- Political Competition and Consensus-building supports elections and political processes, political parties, and consensus-building projects.
- Civil Society supports media freedom, freedom of information, and civic participation.

(Epstein *et al.* 2007, p. 19)

USAID democracy promotion was launched after democratic transitions in Latin America and the former USSR in the mid-1980s (Epstein *et al.* 2007). Since then, USAID has initiated democracy promotion in more than 120 countries. US efforts at democracy promotion have been called a success due to transitions in Chile, the Philippines, Poland, and South Africa (Epstein *et al.* 2007). Despite the publication of regular success stories and reports, USAID's efforts are not as widely publicized as the ones of the State Department or the NED (Carothers 2000), even though they are more publicized than the ones of the EU. Although USAID develops a democracy-promotion program, in most of the cases its implementation is carried out by an international or local partnering NGO, which has won the bid for the program. USAID differentiates between implementing partners and contractors, as the former have more freedom in the development and sometimes the execution of the project.

The end of the Cold War resulted in the addition of new departments and tasks to USAID to account for the initiatives in post-communist satellites and later in post-Soviet countries. A New Independent States (NIS) Task Force was created in 1991, employing development professionals with little experience in the former Soviet Union (Pishchikova 2010). Later, in 1993, the NIS Task Force and the Eastern Europe Task Force were merged into the Bureau for Europe and NIS. Having little experience in the region, the Bureau employed based on Russian language skills and "nobody quite knew what they were doing there in that bureau but it was said to be different from everything else" (Hansen in Pishchikova 2010, p. 76). However, what the Bureau and USAID did know was that they needed to differentiate new activities of democracy promotion from the previous aid framework (Pishchikova 2010) in order not to hurt the feelings of countries that were claiming to be European and did not want to be associated with the derogatory "Third World." This differentiation, however, did not account for the differences between the NIS countries, treating them with the same simplistic uniformity as the EU.

The Freedom for Russia and the Emerging Eurasian Democracies and Open Markets (FREEDOM) Support Act (FSA) of 1992 spent a total of approximately US$30 billion on assistance to 12 countries of the former Soviet Union, excluding the Baltics.[4] USAID had to adapt to "new approaches, move quickly, and constantly adjust to changing circumstances" (Pressley 2000, p. ii) and some of the projects were "literally written on the back of the napkin" (Lyday in Pishchikova 2010, p. 79). Rushing to have funds approved by Congress, USAID seemed to have overlooked a similar urgency for developing a clear and tailored monitoring and evaluation system. After a decade of treating democracy-promotion targets in the former Soviet Union as a region, an attempt was made in 2001 to diversify the strategies based on country needs. However, the gradual change is still in the process (Melzig and Sprout 2007). The change in strategy mainly considers the proximity of the Central Asian and the South Caucasus countries to the strategically important region of the Middle East (Pishchikova 2010).

Being convinced that democracy should come from endogenous forces, USAID also partners local political forces aspiring for democratic reforms. However, the involvement of local actors is limited as USAID mainly works with its implementing partners and contractors. Based on its regulations, USAID very rarely channels funding directly to a local recipient, but rather announces a bid for US contractors. Upon winning the bid, a US contractor's headquarters regulates the implementation process through its branch in the recipient country. USAID works with implementers through contracts and cooperative agreements. In the case of the latter, the implementer has relatively more freedom in the creative implementation of a project, provided it stays within strictly regulated USAID requirements. Often the same implementer will apply and receive the same contract/agreement for a similar project in many countries, making the project goals and evaluation indicators "travel from country to country without a change" (Zarycky 2010).

Despite limited local involvement in the development of the projects, and sometimes even in their implementation, USAID nevertheless claims that it has had a positive impact on democratization. Specifically, its own and other "donor assistance has helped fuel the explosive growth of NGO sectors in these countries" (USAID 1999b, p. xi). At the same time most of the efforts through the transnational channel are not backed-up by necessary governmental ones. As a former head of USAID's Armenia DG acknowledged, USAID had started planning a project that would involve both state and civil-society levels (Zarycky 2010), although the details of the project were still under elaboration. This move to include state actors into civil-society projects is a necessary and a long-awaited step, as "assistance to civil society strengthening can lead to human rights repercussions" (Epstein *et al.* 2007, p. 10), such as Russia's 2006 law limiting NGO activities and 2014 law allowing additional impromptu checks on NGOs.

Repercussions against USAID have recently become apparent, signaling for better coordination and cooperation not only among democracy promoters but

also among different implementers of the same promoter. In 2012, USAID was expelled from Russia by president Putin's decision, under allegations of meddling in internal affairs and attempting to influence election results (McChesney *et al.* 2012), even though his own ruling party, United Russia, has allegedly benefited from USAID funding (RIA 2012c). USAID's decision to abide by Putin's demand was met by dismay from civil-society organizations, who have acknowledged long-term cooperation with USAID and comparative development of human-rights organizations in Russia (RIA 2012d). Elsewhere, following another accusation of attempting to undermine the national (leftist) government the USAID mission was expelled from Bolivia (AlJazeera 2013), only a month after the new USAID mission director was sworn-in in April 2013 (USAID 2013b). The decision of the Bolivian president Morales to demand the closure of USAID came after Secretary of State John Kerry had called Latin America the "backyard, neighbourhood" of the US (Reuters 2013). Exactly in such situations, potential cooperation with other democracy promoters may result in enhanced effectiveness and circumvention of the barriers erected by local governments. Even taking into consideration sovereignty claims of local governments, such incidents risk sending a disconcerting message to civil societies, which in some cases may feel "betrayed" (Freedom House 2012; Kramer in McChesney *et al.* 2012).

In its democracy-promotion efforts the US has rarely resorted to an official conditionality as the EU has, but often exercised conditionality and sanctions through statements and negotiations. The MCC, created by the Bush administration in 2002 and authorized in 2004 as a poverty-reduction tool, has become one of the rare conditionality examples. Due to its focus on democracy as a prerequisite for economic development, the MCC has been expected to be more successful than other instruments of democracy promotion (Beard 2009). Using 16 quantitative indicators based on the sources of Freedom House, the World Bank, the UN, and the IMF among others, the MCC evaluates the state of democracy and a country's eligibility for poverty-reduction assistance. The indicators are grouped in three larger categories: ruling justly, investing in people, and economic freedom. The eligibility of a country has depended upon its above-median performance on "at least half of the indicators in all three categories, and above the median on the Control of Corruption indicator" (Mandaville 2007, p. 1). Although the MCC does provide an important insight into its recipients and creates certain conditionality, its activities do not directly address democracy promotion.

The US and the others: major actor, swinging pendulum, and shaky bridges

US interests in the South Caucasus have followed three sets of strategic preferences: energy, traditional security, and market reform (Bryza 2006). In pursuit of these interests, the US launched developmental, democracy promotion, and reconstruction projects in the South Caucasus despite the lack of consensus

between observers on whether it should be involved in the region (Nichol 2010). Proponents of US engagement in the South Caucasus have argued that conflict-resolution efforts will help to restrain warfare, smuggling, and Islamic extremism, and may contain Russian and Iranian influences over the region. Azerbaijan as a supplier with Armenia and Georgia as transit countries are important actors for US counterterrorism actions and for the energy-supply diversification plans of the US's "European allies" (Gordon 2009). New transit routes depend on the resolution of frozen conflicts and opening the borders between Armenia and Azerbaijan. Otherwise, more time and financial resources would be spent, as in the case of the US-supported Baku–Tbilisi–Jeyhan crude oil pipeline, which connected Azerbaijan to Turkey through Georgia instead of directly through Armenia. Through Azerbaijan, the South Caucasus also provides the US with access to Central Asia and Afghanistan, making the presence of conflicts undesirable for US security interests (Cornell 2005).

By the mid-1990s the local missions were provided with bigger budgetary authority and an opportunity of implementing their own grant programs within a budget appropriated by Congress for each country (Pishchikova 2010). The US government's activities in Armenia and Azerbaijan have followed roughly the same pattern: humanitarian assistance (1992–1998) focusing on provision of food, fuel, medicine, clothing, and especially internally displaced persons in Azerbaijan. Serving each year over 200,000 households and 1200 schools in Armenia, USAID provided heating fuel through its Winter Kerosene Program, which covered the years of the war with Azerbaijan and the consequent blockade. The humanitarian assistance also included the US wheat programs that supplied Armenia with half of its total requirements for bread consumption. After 1998, USAID both in Armenia and Azerbaijan turned from entirely humanitarian activities to programs targeting political development and democratic institutions. A similar path was adopted in Georgia, where projects focused on democratic institutions, economic growth, energy security, health, and education. USAID projects have been divided within thematic areas of democracy and governance, healthcare, the private sector, social protection, and water and energy. The focus of the 2009–2013 strategy is on peace and security, economic growth, democracy and governance—the alternative media, civil society, rule of law, parliamentary assistance, and political processes—and a social and health portfolio.

Despite criticisms of low budgets for democracy promotion, a rather large share of US assistance to the South Caucasus has been allocated to democracy promotion. As if reflecting the importance assigned by the US to elections, the budget for democratic reforms increased almost by 240 percent from US$9.45 million in 2002 to US$22.40 million in the elections year of 2003 in Armenia only. The budget for democratic reforms in Armenia was increased by 155 percent from US$13.41 million in 2007 to US$20.77 million in the presidential election year of 2008. However, there was no similar increase for the 2007—the year of parliamentary elections—underlining the importance of presidential elections over parliamentary ones, at least in Armenia. Georgia has even appeared in

the top five of US economic assistance in 2011, while the US has donated US$1.76 billion throughout 1992–2006, becoming the largest bilateral donor.

In Armenia, democracy promotion funding had been channeled through USAID's Strategic Objectives of Increased Citizen Participation in the Political, Economic and Social Decision-making Process, later renamed into Improved Democratic Governance, and aimed to consolidate "the achievements of past democracy objectives … to improve democratic governance by both expanding civic participation and governance institutions" (USAID 2004, p. 29). In Azerbaijan, USAID started out with the Strategic Objective of Civil Society Better Organized and Represented (USAID 2000). For the 2009–2013 Strategic Plan for Armenia, the strategic objectives were renamed into priority goals, and democracy promotion has fallen under Priority Goal 2 of "bolstering those institutions that effectively promote democracy" (USAID 2009, p. 11). Under this priority goal, USAID has de-emphasized "direct support to [government] entities that have been chronically resistant to good-faith cooperation and meaningful rather than superficial reforms," albeit without ruling out "new opportunities to engage" (USAID 2009, p. 11). Country Development Cooperation Strategies for the periods of 2011–2016 and 2013–2017 elaborate on developmental objectives: democratic checks and balances, accountable governance in Georgia, more participatory, effective, and accountable governance for Armenia, and effective participation of diverse actors and institutions in Azerbaijan. Changing of objectives and their wording in strategic plans may indicate USAID's efforts to build on its previous activities and conviction that the established institutions need to be prepared for democratic consolidation. In addition, the language for the development objective of Georgia indicates USAID's inclination that democracy has taken hold in Georgia and currently requires further consolidation.

After 2004's positive evaluation of Armenia's democratic performance, USAID efforts were further complemented by a five-year and US$235.65 million compact signed between the government and the MCC in 2006. The compact had only one goal: "the reduction of rural poverty through sustainable increase in the economic performance of the agricultural sector."[5] The program has been expected to impact 75 percent of the rural population by boosting annual incomes. The disputed 2008 presidential elections turned the MCC's attention to the status of democracy in Armenia, with a road project put on operational hold in 2009. However, other related activities proceeded as planned. But in May 2011 Armenia was classified as ineligible for a second MCC compact due to its deteriorating democratic performance (Harutyunyan 2011b). This announcement was largely attributed to the events of the 2008 elections (Harutyunyan 2011b) and came a few months after a strain in US–Armenian relations over the alleged sale of arms by the Armenian government to Iran had become public (Guardian 2010a). These arms were reported to be used in killing and wounding US soldiers in Iraq in January and March 2008 (Guardian 2010b). Given Armenia's deteriorating democratic performance, its ineligibility for MCC was not surprising. However, given previous silence on democratic violations, the cut of MCC funding seems in line with its own regulations but stimulated by motives not related to democracy.

While Azerbaijan has never qualified for MCC funding due to its low performance on MCC indicators, Georgia has become the most successful one among the South Caucasus countries. The first Georgia–MCC compact signed in 2005 for the amount of US$295.3 million aimed to stimulate rehabilitation of infrastructure to promote trade and ensure a reliable energy supply. The compact also targeted the performance of regional and municipal services and productivity in farms. Given its performance on MCC indicators, in 2011 Georgia was invited to submit a proposal for another compact (Civil.Ge 2011b), which was eventually signed in 2013 for a period of five years and the amount of US$140 million (Civil.Ge 2013). From rehabilitation of the infrastructure, MCC funding has turned to capacity building, Compact II aims to improve the quality of education and increase the earning potential of Georgians, paying special attention to students and women.

The alleged arms deal between Armenia and Iran endangered US hopes of a peaceful South Caucasus. Being a co-chairman of the OSCE Minsk Group, the US "attempts to be neutral" (Migdalovitz 2001, p. i) in the talks over Nagorno-Karabakh and other military-related issues. In its policy towards the resolution of the Nagorno-Karabakh conflict, the US has preferred OSCE peacemaking to the UN, for the possibility to exclude Iran and control Russia (Migdalovitz 2001). The Clinton administration attempted to be neutral, to keep good relations with Armenian-Americans, to access the Azerbaijani industry, and to prevent a spillover of the Nagorno-Karabakh conflict into its relations with Turkey. In addition, in an effort to be sensitive to Russian interests, the US let Russia broker the settlement of the armed conflict in 1994. The Nagorno-Karabakh conflict also underlined the divisions between the executive and legislative branches of the US government. While neither president Clinton nor president Bush agreed to the Section 907 prohibiting aid to Azerbaijan, Congress seemed to ignore their considerations and passed the regulations.

The US has stated on numerous occasions it was "deeply involved" (Danielyan 2002) in the resolution of protracted conflicts, though stopping short of explicitly marking its position (Melkumian and Kalantarian 2004) in the case of Nagorno-Karabakh. With hopes for a settlement ignited in 2006 (Danielyan 2006b), the US, as with its Minsk Group counterparts, has kept calling for a conflict resolution "only by peaceful means" (Clinton in RFE/RL 2011c). However, the "real window of opportunity" (Associated Press 2006) did not turn 2006 into the "year for a deal" (RFE/RL 2006), keeping the US and other mediators "still hopeful" (Danielyan and Saghabalian 2007) and insisting on removing the snipers from the LoC (RFE/RL 2011d).

Although the rhetorical commitment of the US to conflict resolution has not been supported by tangible progress, it has been supported by close attention to the improvement of living conditions of those affected by the conflict. Unlike the EU, which has not been involved in activities within the territory of Nagorno-Karabakh, the US Congress appropriated US$12.5 million for victims of the conflict in November 1997. In the financial year 1998, USAID allocated US$8.3 million for health, shelter, and economic aid for programs in Nagorno-Karabakh.

The aid packages started in 1998 continued and totaled to US$35.77 million for 1998–2010. The research of the Armenian National Committee of America shows that Congress intended to allocate a total of more than US$70 million instead of the spent US$35.77 million (ANCA 2010).

With the Georgian conflicts, unlike in the case of the Nagorno-Karabakh conflict, the US did not hesitate in its decision on which side to support, even if essentially the reasons for conflict voiced by involved parties are similar: territorial integrity against the right of self-determination. While the EU has been more active in looking for a resolution of the Georgian conflicts, especially after 2008, the US has nevertheless made its position on the armed conflict clear. Disagreeing with Russia on Georgia's territorial integrity, in 2011 the US called for re-establishing an OSCE mission in Georgia that would include the breakaway regions. Russia, however, disagreed, citing the proclaimed independence of Abkhazia and South Ossetia. Insisting on Georgia's territorial integrity, the US has repeatedly qualified the presence of Russian troops in the breakaway regions as occupation (Gordon 2011). By signing the US–Georgia Charter on Strategic Partnership in 2009, the US reiterated its unequivocal support for Georgia's sovereignty.

US attention on the South Caucasus has coincided with the similar interests of the EU. The transatlantic relations between the US and the EU have long shaped the course of international affairs. US involvement in European affairs started with the Marshall Plan and oversaw the creation of the European Community. After the end of the Cold War, the Bush Senior administration saw the European Community as playing a special role in the stabilization of Eastern Europe (Treverton 1992; Smith and Woolcock 1993). Thus, not only did the EU seek a global role for itself but it was also encouraged by the US. Then Secretary of State James Baker called for an imminent enlargement of the EC/EU to the East (Smith 2008), which would have encouraged transformation to democracy and contained Russia's ambitions of "re-winning" Eastern Europe. Clinton's policy of "engagement and enlargement" had assigned a key role to the EU (Smith 2008), which however disappointed Washington by preferring its long process of accession through harmonization rather than US-advocated mass enlargement. However, the promise of the enlargement or the so-called "rhetorical entrapment" (Schimmelfennig 2001) of Europe was a guarantee of the eventual accession of the CEE, keeping US plans in force.

However, apart from the EU's activating plans on having a security policy and a heavy emphasis on environmental issues, more important tensions appeared after 9/11 attacks and the US's decision to intervene in Iraq. Although selected European member states supported the US's decision, the EU as a political entity was largely overlooked. The "warrior" US did not have time or willingness to wait for the "civilian power" Europe (Bull 1982; Smith 2002) to engage in long and consensus-requiring deliberations. Though the strong neoconservative stance of the first Bush administration had highlighted the differences with the EU, advocating for a multilateral approach, the relationship seemed to improve after 2005 (Andrews 2005; Zaborowski 2006). In addition,

not only the EU but also the US can be classified as a normative power, because they both "try to project a particular identity in their foreign policy relations" (Risse 2009, p. 249). Obama's first victory in US presidential elections and his distancing from the Bush doctrine have increased the enthusiasm over strengthened transatlantic cooperation. However, after a period of "Obamamania" (Alcaro 2012), Europe seems to have fallen out of love with president Obama (Lister 2013). The transatlantic relationship is in need of a "renaissance" (Nuland 2013a), even if the US does not seem to take the EU seriously in democracy promotion even in the latter's own neighborhood (Nuland in Pilkington 2014).

While transatlantic relations have generally followed a friendly path, the ones with Russia have been swinging like a pendulum. After the break-up of the Soviet Union, Russia became the darling of the Clinton administration. The initial treatment of Russia by the US as a defeated Cold War enemy was substituted with the "Bill and Boris" friendship, which personified Russia with the seemingly reformist Yeltsin and marked US hopes for Russia's rapid democratization. The controversial re-election of Yeltsin amidst the ongoing war in Chechnya did not seem to trouble the US, as he was regarded as a better choice than a potential communist victory (Rutland and Dubinsky 2008). Regardless of the presidential friendship, Russia was worried by US plans for NATO enlargement to the extent that Yeltsin (1995) warned that the process would led to a "cold peace." The imminent enlargement was followed by Russia's rejection of the START II treaty and the aggravation of relations due to the Kosovo crisis. However, the real chill in friendly relations came with NATO's bombing of Yugoslavia despite strong Russian opposition: Russia's then Prime Minister Leonid Primakov, who was on the way to the US seeking "money and understanding" (Gazeta.RU 1999), turned his plane back to Russia while over the Atlantic Ocean after learning of the bombing (RIA News 2011). Mutual disillusionment was further aggravated due to Russia's poor economy and new fighting in Chechnya.

After the succession in presidency by Vladimir Putin and his promises to kill Chechen terrorists in the toilets,[6] Washington understood that it could hardly influence politics in Russia. While the major part of the twentieth century was spent in an arms and space race between the US and the Soviet Union, the beginning of the twenty-first century has been spent in an often-covert race for regional influence. President Bush claimed that he "looked the man [Putin] in the eye" and "was able to get a sense of his soul" (Bush in Wyatt 2001); however, even Bush's psychological maneuvers did not help the deteriorating relations. Russia heavily criticized US operations in Iraq and even called it a threat to a multipolar world. In a 2001 interview to *Le Figaro*, former Secretary of State Condoleezza Rice called Russia "a threat to the West in general and to our European allies in particular." US support for the wave of "color revolutions" was seen as a direct threat to Russia and *inter alia* was followed by a crackdown on political opposition and the 2006 law on NGOs, which restricted access to foreign funding. US plans to place missiles in Poland and a radar station in the Czech Republic, its support of Georgia's NATO aspirations,

Russia's possible financial support to Iran's nuclear program, the 2008 conflict in Georgia, and Russia's military cooperation with Venezuela have all negatively influenced US–Russia relations.

However, a much-discussed reset in relations occurred after the G20 summit in London in 2009, when two new presidents, Obama and Medvedev, promised a fresh start (Cooper 2009) and called upon Iran to allow foreign inspectors into the country (Babich 2010). Pressing a symbolic "reset" button, the US Secretary of State Hillary Clinton and Russia's foreign minister Sergey Lavrov (Shuster 2010) paved the way for a new nuclear arms reduction treaty (New START) in 2010. The reset was not reverted even by the discovery of 10 sleeping Russian spies (BBC 2010b), who were swapped with their Russian counterparts in 2010. Putin's third re-election was viewed by the US within the framework of mutual interest (RIA News 2012), but resulted in a string of mutual accusations. These included a Twitter-based attack by Russia's Ministry of Foreign Affairs on Ambassador Michael McFaul for a presumably distorted view on the reset (Elder 2012). The Magnitsky law passed in the US placing visa bans on Russian officials involved in the prosecution of a whistleblowing lawyer (Englund 2012) was followed by a Dima Yakovlev bill banning adoption of Russian children by US citizens (BBC 2012a). Civil war in Syria has added to tensions between the US and Russia due to their different positions, and has actually weakened the position of president Obama among Republicans due to a lack of military action after Syria's reported use of chemical weapons, while Putin's plan for destroying those weapons was put into action. However, US–Russian tensions reached their apogee after Russia granted asylum to NSA whistleblower Edward Snowden and Obama cancelled his scheduled travel to Russia (Carney 2013).

Conclusions

Both the EU and the US have demonstrated positive legitimacy for their promotion of democracy, despite internal disputes and some concerns over the quality of democracy. The US's image may have been damaged after the recent NSA revelations; however, these implications need additional analysis, which is beyond the scope of this book. In addition, as shown in this and the previous chapter, both the EU and the US have encountered Russia's democracy blocking, which ranged from promoting opposing policies and regional organizations, to outright counter-measures. The post-Cold War history has shown that the US highly personifies its relations with Russia, yet it enjoys greater autonomy when dealing with it than does the EU. Unlike the EU, that has preferred to encourage Russia's involvement in some aspects of international politics and "seeks friendship," the US has been more straightforward in its intentions in Russia's "backyard."

The EU and the US have, however, projected different images to the targets of democracy promotion and to pundits, mostly due to their divergent foreign-policy decision-making and historical legacies (Babayan 2010). In accordance with its image of a "freedom fighter," the US has been expected "to assertively

advocate the promotion of liberal-democratic values" (Poppe *et al.* 2013, p. 52). In contrast, the EU has been perceived as a "civilian power" (Freres 2000; Telò 2007; Börzel and Risse 2009). This long-standing contrast between the EU and the US's international images (Kagan 2003; Kopstein 2006) had been expected to blur or even vanish with the election of Barack Obama. In addition, the EU has seemed eager to shake away its "soft power" image, even planning to launch its own drone program to potentially match the global leadership of the US (Croft 2013). Indeed, the subdued democracy-promotion rhetoric of the first Obama administration (Babayan 2013b) and the EU's increased democracy-promotion rhetoric after the Arab Spring (Babayan and Viviani 2013) may have fueled suggestions that the two powers have been moving towards a partnership, at least within democracy promotion.

In terms of specific strategies, the EU has not applied its conditionality and meritocratic approach similarly to candidate and non-candidate countries. In addition, the US scolded autocratic regimes depending upon its strategic interests. While the EU has granted membership to countries already complying with its criteria, it has not pursued the same exclusive strategy when including other countries in its policies. While the ENP and the EaP presume nominal conditionality, the EU often strays away from its strict criteria and extends policy coverage to countries not demonstrating democratic progress (Babayan 2009, 2011). Though both promoters have utilized all channels of democracy promotion, the EU's primary partners up until the establishment of the Civil Society Forum and the EED have been governmental structures, and the US's have been transnational and societal organizations. Often, the US has preferred to distance itself from the government and work only with civil-society representatives (Parsadanyan 2010), while the EU has considered working with civil society as interference in internal affairs. However, the US has not limited itself in the choice of instruments, using material and social reinforcement, additional support, and punishment, while the EU has chosen material reinforcement by reward for EU candidates and additional support for non-candidates.

The EU has been creating new policies to deal with its neighbors based on the changing interests of its member states. Neighborhood policies have been based on the enlargement mechanism as if ignoring the fact that no other policy offers the most appealing incentive of membership. The policymaking process in the EU has been often compromised by a lack of coordination between its institutions and sometimes outright competition, and often over-eagerness or reluctance of member states to promote democracy. The US created its toolbox and checklist for democracy promotion in the early 1990s and has since applied it to its target countries with marginal modifications. US unequivocal promotion of democracy has proceeded simultaneously with the European attempts at institutionalizing and revising its numerous regional policies, which also include democracy promotion. Even if the EU has been taking a virtual lead in its Eastern neighborhood, and the US has shifted its primary foreign-policy focus to the Middle East, US democracy-promotion efforts and budgets have barely changed, even increasing from year to year. The US has also voiced rhetorical support to

the EU's EaP while meeting with EU officials and has reportedly "been aligning future US assistance with that of the EU" (Nuland 2013b). The US apparently views the EaP as "a step toward the longstanding vision of a more integrated economic space, stretching from Lisbon to Donetsk animated by market-oriented reforms, growing prosperity and deepening democracy" (Nuland 2013b), yet possible "aligned" assistance still seems to be a matter of future.

The picture is more varied in terms of their individual involvements in the national priority issues of the South Caucasus. In particular, the involvement varies in terms of EU and US positions on the regional conflicts. While both have expressed unequivocal support for Georgia as opposed to its breakaway regions, the situation is more complicated in the case of the Nagorno-Karabakh conflict. Among the factors mentioned below, this divergence can also be explained by Georgia's unconditional support for NATO enlargement and its EU ambitions, which are less outspoken in Armenia and Azerbaijan. The EU's involvement in the resolution of the Nagorno-Karabakh conflict was low until the prospects of creating the ENP and the subsequent inclusion of the South Caucasus states. Although EU member France has been co-chairing the OSCE Minsk Group, the EU's contribution to conflict resolution as a separate political entity was minimal, being limited to occasional speeches calling for peaceful conflict resolution. The launch of the ENP and later the EaP upgraded the EU's involvement to moderate due to its rhetorical efforts in regional cooperation. However, if unchanged, the EU's framework of conflict resolution within the ENP and the EaP is unlikely to achieve positive results (Babayan 2012b). On the other hand, US involvement has ranged from moderate to positive. Nevertheless, US involvement in the Nagorno-Karabakh issue has subdued since the election of Barack Obama, giving the lead to former president Medvedev. However, before and shortly after 2008, the US has demonstrated a firmer position on the peaceful resolution of the Nagorno-Karabakh conflict and more activeness in its efforts. With the comeback of Vladimir Putin to presidency, Russia-initiated efforts have also decreased, indicating that status quo on conflicts is likely to be preferable for Russia, since it keeps the South Caucasus countries divided.

It is understandable that involvement in the resolution of the Nagorno-Karabakh conflict will require substantial decisiveness from both the EU and the US. Deciding on the approach to conflict resolution may be especially difficult for the EU, not only due to the intergovernmental nature of its foreign policy decision-making but also due to its interest in Azerbaijan's energy resources. On the other hand, neither promoter would be interested in instigating Russia's negative reaction to more active involvement in regional affairs. However, the Nagorno-Karabakh problem has hindered the implementation of not only democracy promotion but also other policies, and it requires increased attention from international actors and an increased conciliatory approach from the conflicting parties. Even though, due to strategic reasons, a decisive involvement may be difficult to achieve, progress and visible EU and US involvement in negotiations are likely to increase the identification of both Armenia and Azerbaijan with the promoters, creating more favorable conditions for democracy and for intraregional projects.

Notes

1 By comparing the EU to a metrosexual man based on the example of football player David Beckham, the author argues that the EU has become more effective in spreading its message than the US because, unlike the latter, it uses both its "hard power and its sensitive side" (p. 66) of a norm generator and promoter.
2 The European Initiative for Democracy and Human Rights was renamed into European Instrument for Democracy and Human Rights in 2007.
3 The UfM was created in July 2008 as a relaunched Barcelona process. However, the 2009 and 2010 summits were not held due to the stalemate of the Arab–Israeli peace process. In addition, the Arab revolutions seem to add "the last nail in the UM coffin" (Torreblanca and Fanes 2011).
4 The efforts of Armenian-American lobby managed to exclude Azerbaijan from participation in the FSA under Section 907 due to the latter's blockade of Armenia as a result of the Nagorno-Karabakh conflict. However, in return for Azerbaijan's cooperation in the War on Terror, in 2001 the Senate granted the president with the possibility of a waiver to Section 907, which has since been used in 2002, 2003, 2004, and 2005.
5 See www.mca.am/new/enversion/overview.php
6 After his appointment as prime minister, Putin announced an unapologetic fight against terrorism and his call for "killing [terrorists] in the toilet" made on September 24, 1999 made media headlines. See www.youtube.com/watch?v=A_PdYRZSW-I