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## **Geopolitical Reconfiguration and Transformation of Security Strategies in the South Caucasus: A Regional Analysis**

### **Abstract**

The South Caucasus region is a very sensitive sector in the geopolitical rivalry of world powers. The security policies of Georgia, Armenia, and Azerbaijan are shaped by internal political dynamics and complex external influences. The significance of the matter has been notably intensified by Russia's belligerent attitude in Ukraine, escalating competition for energy security, heightened attention from NATO and the European Union, and the active participation of the United States in the Zangezur corridor. In light of this geopolitical context, the stance of the South Caucasus nations towards Russia and other external entities is undergoing substantial transformation: the post-conflict evolution of Karabakh post-2023, the increasing strategic estrangement between Armenia and Russia, and the emergence of tensions in Azerbaijan-Russia relations suggest the establishment of a new regional equilibrium. The United States' aggressive engagement in the Zangezur Corridor matter underscores the safeguarding of Armenia's territorial sovereignty while concurrently indicating an effort to mitigate Russian influence.

The essay offers a comparative examination of the national security plans of Georgia, Armenia, and Azerbaijan, representing a notable and uncommon endeavour in the academic field. The research is grounded in the theory of regional security complexes, enabling the identification of various strategic positions of nations and their reliance on external influences. The emphasis is on the military equilibrium as a pivotal element in the regional security framework. The trilateral meeting of the leaders of Armenia, Azerbaijan, and the United States in Washington in 2025, along with the joint declaration, is significant and can be regarded as the commencement of a new phase in the advancement of peace and transport corridors in the region.

**Keywords:** Strategic Culture; South Caucasus; Security Policy; State Identity; Military Decision-Making

### **1. Introduction**

The South Caucasus is a geopolitically and historically significant region where the interests of global and regional powers, Russia, Turkey, the European Union, the USA, and Iran continuously converge (Shengelia, 2022). The security strategies of Georgia, Armenia, and Azerbaijan are intricately connected to issues including occupied territories, energy transit roles, geostrategic positioning, governance institutional traits, and shifts in the international power balance.

The conclusion of the Karabakh conflict in 2023 and the formation of a post-conflict reality profoundly altered the regional equilibrium (Neset & Aydin, 2023). The reestablishment of complete Azerbaijani sovereignty over Nagorno-Karabakh not only concluded an extended phase of ethno-political conflict but also prompted a significant reevaluation of the security landscape. This approach significantly undermined the Russian-Armenian strategic cooperation and raised doubts about the Kremlin's influence in

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regional security, prompting Yerevan to pursue political and military alignment with the West, particularly the European Union (Neset & Aydin, 2023).

Simultaneously, Russian-Azerbaijani ties have deteriorated due to Baku's autonomous actions and the disregard for Russian peacekeeping personnel. The strategic context is notably intensified by the geopolitical dynamics related to the Zangezur Corridor. Azerbaijan regards the corridor's opening as a paramount priority for territorial and economic integration, whereas Armenia perceives it as a jeopardy to its sovereignty. In this context, US engagement in the process, highlighting Armenia's territorial integrity and financing alternative infrastructure routes demonstrates Washington's increasing strategic interest in the South Caucasus and its desire to dominate the region's pathways to the West (Neset & Aydin, 2023). The culmination of this engagement occurred during the trilateral summit in Washington on August 8, 2025, between Armenian Prime Minister Nikol Pashinyan and Azerbaijani President Ilham Aliyev, with mediation by US President Donald Trump. The summit culminated in a joint declaration demonstrating the parties' commitment to uphold sovereignty and territorial integrity, as well as to facilitate the secure and efficient operation of transit corridors in the region, including Zangezur. The declaration additionally proclaimed the establishment of a new transit route, the "Trump Route for International Peace and Prosperity", the development and administration of which would be delegated to the United States, while remaining under Armenian sovereignty.

The three nations of the South Caucasus: Armenia, Azerbaijan, and Georgia are endeavouring to strategically position themselves, safeguard their national interests, and enhance their autonomy amid the evolving dynamics (Huseynov, 2024).

The alterations establish a novel paradigm in regional security: the security strategies of the South Caucasus nations react variably to the evolving interests of external entities and the geopolitical alignment of adjacent states. This study aims to analyse and compare the national security strategies of Georgia, Armenia, and Azerbaijan, their reliance on external influences, and the elements of systemic security sustainability.

This study examines a comparative analysis of national security strategies across countries, emphasising their distinct perspectives on significant neighbouring entities, the security framework established in the new geopolitical landscape, and the viability of regional governance systems.

This study aims to enhance sustainable strategic visions within the South Caucasus security domain and to formulate a comprehensive geostrategic analysis that offers a thorough understanding of the region's dynamics.

## **2. Literature review: knowledge gaps and research contributions**

The current scholarly work on the South Caucasus region and its security dynamics is varied and encompasses both regional conflicts and geopolitical tactics. However, many studies focus on single states or individual concerns, such as wars (Karabakh War), energy security, or the effect of big powers in an easily separated viewpoint.

Studies on the geopolitical dynamics of the South Caucasus and regional security measures extensively examine the interactions among external parties and their conflicting agendas. Zaza Shengelia (2022) observes that the convergence of great power interests and geopolitical conflicts markedly intensifies

the security problems in the region and constrains the strategic autonomy of regional governments. The author offers a comprehensive analysis of the roles of Russia, Turkey, the West, and Iran in the region, emphasising the complexities of their confrontations and collaborations that influence both domestic and regional security strategies (Shengelia, 2022).

The geopolitical dynamics of the South Caucasus have undergone substantial alteration following the Second Karabakh War in 2020. Neset et al. (2023) demonstrate that the conflict has modified the strategic equilibrium of the region, influencing both internal security measures and the strategies of external entities (Neset & Aydin, 2023). The authors emphasise the emergence of a novel reality in the region, characterised by intersecting dynamics of cooperation and confrontation, where the interests of external actors (Russia, Turkey, Iran, the West) frequently conflict, thereby directly influencing the strategic decisions of the South Caucasus nations.

Scholars have extensively examined the impact of Western actors in the South Caucasus region. Fontain (2023) examines the increasing influence of the European Union in Armenia, where the European Union Mission in Armenia (EUMA) is perceived as a mechanism for maintaining stability and an alternative to Russia's waning security assurances. The author observes that the EU's engagement in the region has established a novel dynamic in security policy, indicative of the region's geopolitical reorientation (Fontaine, 2023).

Since the Second Karabakh War, the European Union's role in facilitating peace talks and promoting institutional reforms in the South Caucasus region has been increasingly significant. Ohanyan (2023) underscores that the European Union, as part of its foreign policy, proactively engages in safeguarding sovereignty, territorial integrity, and human rights, which are deemed crucial for enhancing security and affecting political stability in the region (Ohanyan, 2023). The EU's initiatives to promote discussion and collaboration between Armenia and Azerbaijan establish a multifaceted context of both novel opportunities and challenges in the area.

The evolving dynamics of global politics, particularly due to Russia's aggressiveness in Ukraine and the heightened engagement of NATO and the United States have generated novel challenges and opportunities that remain largely unexamined in the South Caucasus.

A comprehensive examination of topics that concurrently considers recent geopolitical changes (e.g., the post-conflict situation in Karabakh, the Zangezur corridor initiative, and the United States' active engagement in the region) is far less common in academic discussions. The preceding literature assessment identifies many significant knowledge gaps that this study intends to address:

Firstly, there is an absence of systematic comparative analysis; although the national security policies of individual countries have been examined in detail, a comprehensive and in-depth comparative analysis of the three countries is lacking, which would enhance the understanding of the regional security complex.

Secondly, there is a necessity for a nuanced discourse on the concept of "dependence on external forces": there is less exploration of how this dependence is operationalised within a security strategy and the political decisions made by each nation.

This study's primary significance is its status as one of the inaugural comparative evaluations rigorously evaluating the security strategies of Georgia, Armenia, and Azerbaijan.

### **3. Theoretical Framework: Analysing Regional Security Strategies via a Prism**

This study intends to provide a comparative examination of the security strategies of the South Caucasus nations (Georgia, Armenia, Azerbaijan) concerning the influence of external players, utilising the Regional Security Complex Theory (RSCT). This methodology enables us to evaluate how internal and external factors influence the security policies of these nations and the regional security framework.

The Regional Security Complex Theory, formulated by Barry Buzan and Ole Wever, serves as the foundation of our analysis. This approach underscores that security is not merely a global phenomena, but is predominantly constructed on a regional basis. A regional security complex refers to a collection of geographically proximate governments whose national security views and practices are sufficiently interlinked that the security of one state cannot be evaluated independently of the others (Buzan & Wæver, 2003).

RSCT elucidates the interrelations of security issues and challenges among Georgia, Armenia, and Azerbaijan, alongside the influence of external forces such as Russia, Turkey, Iran, and the West. The Karabakh war directly influences the security perceptions and military policies of all three nations.

This theory elucidates the impact of external influences on the regional security complex. The influence of Russia, the United States, the European Union, Turkey, and Iran in the South Caucasus and their interests directly inform the security plans of regional states, making it a central focus of the analysis.

#### **4. Research Methodology: Comparative Analysis Approach**

This study aims to perform a comparative analysis of the security strategies of the South Caucasus nations (Georgia, Armenia, Azerbaijan), considering the impact of external actors and internal factors. A comparative study technique has been employed to identify similarities and differences in the security strategies of various countries and to analyse their deciding elements.

##### **4.1. Comparative analysis approach: system of similarities**

The research employs a modified version of John Stuart Mill's "Method of Agreement," a technique frequently utilised in comparative politics (Mill, 1843). The objective of this strategy is to identify examples (namely, countries) that possess numerous shared traits while differing in the dependent variable being examined (security tactics). We then endeavour to ascertain the distinct factor(s) that elucidate the varying outcomes.

All three countries exhibit substantial geopolitical and historical parallels (post-Soviet context, Russian sphere of influence, conflicts, energy significance), rendering them exemplary "comparative" scenarios. Nonetheless, their security tactics and relationships with other entities diverge significantly, enabling the identification of the primary elements that account for these discrepancies. Employing John Stuart Mill's principle of "system of similarities" facilitates a comparative evaluation of the security strategies and external relations of the three nations, thereby enabling the identification of both commonalities and distinctions, as well as generalisable conclusions.

##### **4.2. Dimensions of comparison (criteria of analysis)**

This study's comparative research focusses on two primary variables that facilitate the identification of distinct similarities and contrasts in the security strategies of Georgia, Armenia, and Azerbaijan within the current geopolitical framework.

The first component pertains to foreign priorities and alliances, examining the diverse foreign orientations of nations. Georgia unequivocally seeks Western integration (EU, NATO), Armenia is tentatively attempting to align with the West while remaining reliant on Russia's military and foreign frameworks (CSTO, Eurasian Economic Union), and Azerbaijan maintains a multi-vector policy, striving for equilibrium among Russia, Turkey, and the West. The involvement of strategic allies is particularly significant in this process, as their impact on national security strategy shapes the reconfiguration of power in the region. The trilateral agreement established in Washington in 2025 (Armenia-Azerbaijan-USA) underscores the extent of this transition, positioning the US not merely as an external observer but as an active builder of security.

The second aspect pertains to security strategies and military force development: the core principles and priorities of each nation's national security frameworks, the military reforms undertaken, the modernisation of armaments, and the efficacy of military expenditures, alongside the degree of international military collaboration, which have become increasingly significant in light of the rising security challenges in the region.

#### **4.3. Data collection and analysis**

This research relies on a comprehensive and methodical examination of secondary data, essential for a comparative analysis of the security plans of Georgia, Armenia, and Azerbaijan, as well as their interactions with other entities. The utilisation of secondary data enables a comprehensive understanding and the identification of long-term trends, particularly in light of substantial geopolitical shifts in the region, including the post-conflict scenario of the Karabakh conflict, the geopolitical dynamics of the Zangezur corridor, and the evolution of Russia's relations with Armenia and Azerbaijan.

#### **4.4. Sources of Data:**

The study utilises a diverse array of official, international, and scholarly materials.

Official strategic papers include national security conceptions and strategies, foreign policy doctrines, defence reform programs, legislative actions, and state budgets that delineate the national priorities, dangers, and security assurance systems of all three nations.

Documentation from global organisations and analytical institutions: Analyses and suggestions from the UN, EU, NATO, OSCE, and other international organisations, with publications from other reputable institutions that examine the security landscape of the South Caucasus, conflicts, and the impact of external entities.

Reports from non-governmental organisations: Reactions of local and international NGOs addressing the civil society's viewpoint on security matters.

Academic literature comprises scientific articles, monographs, and dissertations that furnish a theoretical foundation for study and comprehensive analysis concerning regional security, geopolitics, and regional conflicts.

Selective media analysis: Analytical articles, news, and expert evaluations from local and foreign media that depict contemporary political dynamics and public sentiments.

Techniques for data analysis: Following data gathering, the analysis will employ a hybrid methodology that encompasses:

Analysis of content: Methodical categorisation and analysis of official documents and reports, along with the identification of particular terms and themes, like “Western integration,” “Russian threat,” “Zangezur corridor issue,” and “hybrid threats.” Quantitative approaches are employed when needed to facilitate the analysis of patterns and comparable data.

Thematic analysis: The data is analysed for important content patterns, political narratives, and conceptual frameworks, enabling an examination of the symbolic and political strategies inside security strategies.

## **5. The equilibrium of military forces and its influence on security strategies**

The military equilibrium in the South Caucasus region profoundly influences threat perception and the development of national security doctrines and foreign policy goals. According to Shengelia (2022), the military equilibrium in the region has undergone substantial alteration since the second Karabakh war in 2020, seen in the reassessment of security plans and the emerging geopolitical landscape (Shengelia, 2022). The disparity in military capability among Georgia, Armenia, and Azerbaijan elicits varied strategic responses and significantly influences regional dynamics. Consequently, the military policy adopted by any nation mirrors its geopolitical setting, resources, and strategic decisions. In this environment, security paradigms and military expenditure significantly influence the development of each nation's security plans. Furthermore, the South Caucasus does not constitute a cohesive region politically and economically. It is devoid of shared institutions and frameworks, and regional powers frequently possess divergent foreign policy perspectives (APRI, 2024).

### **5.1. Georgia**

The primary tenets of Georgia's national security strategy, along with its national values and interests, are officially delineated in the National Security Concept (MFAG, 2025). This document delineates the threats confronting the nation, a crucial element of strategic planning.

The organisation and developmental trajectories of the defence sector are dictated by the National Defence Strategy (MDG, 2018), founded on the principle of total defense, collective defence reliant entirely on society, encompassing the participation of both military and civilian sectors.

To efficiently execute the objectives of the National Defence Strategy, the Ministry of Defence of Georgia is undertaking a comprehensive development of all structural and operational elements within the system. This process is guided by the document “Ministry of Defence Vision 2030” (MDG M. o., 2020), which serves as a long-term strategic framework for the modernisation of the defence sector. Concurrently, targeted programmatic initiatives and institutional reforms are being implemented as part of the Strategic Defence Review (MDG M. o., 2021,) process. This approach, grounded in the Strategic Review for 2021–2025 and its associated Action Plan, delineates priority areas and operational tasks essential for adaptation to contemporary national security demands.

Georgia is formulating its security policy within an asymmetric military context. The nation's military capability, while ongoing reforms and enhanced collaboration with NATO, remains constrained in terms of military parity and deterrent relative to more formidable regional powers, notably Russia and Turkey. Georgia's defence budget is considerably inferior to Azerbaijan's military expenditure, and the scale of its armed forces is less competitive regionally.

In this context, Georgia's security strategy relies not on direct military projection, but on collective security institutions and the mobilisation of balancing forces. The nation is concurrently concentrating on enhancing the management of asymmetric threats, attributable to its geopolitical position and resource limitations. The foundation of the security plan is the integration into the international security framework and the enhancement of collective defence mechanisms, chiefly aimed at augmenting interoperability with NATO (MDG M. o., 2020). The primary focus is on enhancing cybersecurity, air defence, and fast response capabilities to address challenges stemming from potential Russian aggression or regional military imbalances.

Moreover, Georgia's strategic assessments prioritise the avoidance of provocations and the optimisation of diplomatic assets, imparting a defensive and deterrent character to its security policy. This strategy aligns with the nation's constitutional tenets and national objectives, emphasising security, stability, and Euro-Atlantic integration (MFAG, 2025).

According to Huseynov, Georgia is the sole nation in the South Caucasus that experiences a direct territorial confrontation with Russia and, consequently, perceives the danger from its northern neighbour most acutely. Consequently, Tbilisi, concerned about the potential ramifications of the Ukrainian conflict, commenced a reevaluation of its foreign policy regarding the EU and the US, while diminishing its focus on aspirations for NATO membership (Huseynov, 2024). This may explain why Georgia's defence policy is fundamentally preventive and focused on interoperability, clearly indicating a strategic mindset geared to military imbalance.

## **5.2. Armenia**

The situation in Armenia illustrates how military defeat may radically alter the perception of national security.

The 2020 Nagorno-Karabakh War, the commencement of the Russo-Ukrainian War in 2022, and Azerbaijan's military takeover of Nagorno-Karabakh in 2023 have destabilised the regional equilibrium. Confronted with ongoing incursions by Azerbaijan and the absence of substantial reactions from Russia and the Collective Security Treaty Organisation, the Armenian government has escalated its endeavours to diversify its foreign policy. It has endeavoured to enhance diplomatic and military collaboration with both new and established partners, particularly India, France, the European Union, and the United States, while concurrently inaugurating many embassies globally (Poghosyan, 2025).

Armenia's military policy has historically relied on strategic dependency on Russia and ongoing rivalry with Azerbaijan about the Nagorno-Karabakh conflict. The 44-day war of 2020 starkly revealed the deficiencies in Armenia's defence system, including technological obsolescence, inadequate mobilisation, and flaws in management and communication, which significantly contributed to the swift collapse of the conflict. Notwithstanding this setback, Giragosian observes that "Armenia has endured the gravest threats and executed the most significant strategic realignment" (Giragosian, 2024).

Russia's stance during the conflict, despite specific obligations, was characterised by a reluctance to aggressively assist Armenia, so exposing Yerevan to the unreliability of its key ally. This profoundly challenged the feasibility of a security model reliant exclusively on Russian military support. This reality suggests an expectation that Armenia will significantly alter its security and foreign policy direction;

however, as Huseynov (2024) observes, “it is unrealistic to assume that Armenia will fully pivot its foreign policy towards the West without addressing these (Russia-I.M.) economic and strategic dependencies” (Huseynov, 2024). Notwithstanding the decline in public and political confidence in Moscow, Russia continues to be an essential actor in Armenia's security framework and economic environment. The alteration in Armenia's foreign policy should not be construed as a total strategic reorientation (Busini, 2025). Yerevan has not entirely severed its relationship with Moscow, but has embraced a more adaptable, multi-faceted strategy. Armenia's balancing policy distinctly illustrates the challenges encountered by tiny governments attempting to adapt their foreign priorities amid external pressures.

For the first time since gaining independence, Armenia is proactively pursuing the diversification of its security policy. This is demonstrated by Yerevan's intention to enhance military collaboration with India, Iran, the United States, France, and EU member states (APRI A. P., 2025.), encompassing arms acquisitions as well as training and institutional assistance. The nation's military infrastructure and munitions remain predominantly reliant on Russian systems, complicating swift structural modifications.

A crucial objective of Armenia's foreign policy is to reconcile its Western-oriented strategy with initiatives to enhance multipolar partnerships. Amidst the prevailing geopolitical volatility, Armenia must sustain a constructive relationship with the United States, the European Union, and its member states, while enhancing collaboration with Iran and India, and contemplating the potential for more engagement with China. Enhancing diplomatic assistance is a crucial element of the containment strategy, as it bolsters the political resolve of allied nations to inflict suitable repercussions for infringements on Armenia's sovereignty (APRI A. P., 2025.).

The 2025 accord established in Washington has emerged as a pivotal moment in Armenian-Azerbaijani ties. This exemplifies heightened strategic engagement by the United States, intended to curtail the influence of Russia and Iran in the region. The agreement includes perilous elements for Armenia; specifically, the 99-year transfer of management of the transit route to the United States is inciting internal political discourse regarding potential sovereignty erosion. Azerbaijan views the paper as a means to enhance its geo-economic influence and solidify regional dominance.

Armenia's security strategy is evidently undergoing a transition: shifting from a conventional security model, predominantly reliant on Russian support, to a more diversified and modernised defence structure. This transition is propelled by the shifting military equilibrium in the region and necessitates a swift enhancement of military capabilities, the integration of novel technology, and an augmentation of strategic partnerships.

The nation's foreign policy employs a multi-vector strategy, balancing relations with both Russia and the European Union. Armenia's efforts to enhance collaboration with the EU and the US are likely intended to secure alternate avenues for security and economic stability, particularly following the inadequacy of Moscow's security assurances during the Nagorno-Karabakh conflict.

At this juncture, Armenia's primary strategic challenge is to concurrently modernise its military sector and diversify its security policy. This process necessitates the enhancement of institutional capacity within the defence sector, the cultivation of autonomous strategic defence planning capabilities, and the reformation of the armed forces to align with modern norms. Consequently, Yerevan will endeavour to



establish a defence framework that addresses the nation's internal requirements and the current dynamics of force deployment in the region.

### **5.3. Azerbaijan**

Following the Second Karabakh War, Azerbaijan's security and defence strategy has centred on three primary elements: sustaining military dominance, strategic militarisation, and attaining political objectives through the use of force. Azerbaijan's security and defence policy is presently characterised by dominance and offensiveness. It is predicated on an unparalleled augmentation of the military budget, extensive arms acquisitions, and the attainment of political objectives by the exhibition of military power. This approach seeks to preserve strategic dominance in the region.

Azerbaijan's national security strategy explicitly illustrates the exhibition of military might, enabling it to formally and effectively alter the conflict architecture in the region. The enduring strategic partnership with Turkey and augmented military integration establish a foundation for Azerbaijan to formulate a more assertive foreign policy, encompassing the amplification of its influence and the reconfiguration of the status quo according to its own objectives.

Azerbaijan's security strategy is evidently founded on robust military capabilities, which have been substantially enhanced during the last decade (Nersisyan, 2025). Substantial income from oil and natural gas exports have facilitated extensive investments in the defence sector, notably in the procurement and integration of advanced weaponry, including drones, artillery, and air defence systems. The majority of these weapons are provided by Turkey and Israel, indicating Azerbaijan's close strategic ties with these nations within the regional security framework.

The triumph in the Second Karabakh War of 2020 substantially bolstered Azerbaijan's military and diplomatic standing. The conflict unequivocally showcased the technological and operational superiority attained by Baku, enabling it to effectively alter the regional status quo. The military triumph concurrently reinforced Azerbaijan's status as a regional military hegemon.

Azerbaijan's security strategy is founded on three principal pillars: the maintenance of robust armed forces, the enhancement of a military-political partnership with Turkey, and a foreign policy grounded in the principles of territorial integrity and sovereignty. The Shushi Declaration, agreed in 2021, notably enhances the strategic connection between Azerbaijan and Turkey through intensified security coordination (President, 2021).

The Glass Declaration represents a strategic alliance that has elevated the relations between the two states. The statement underscores the enhancement of collaboration in political, economic, cultural, and security domains, particularly regarding defence relations (President, 2021).

The Shusha Declaration serves as a mechanism for reevaluating the regional military-political framework, which:

- increases bilateral security integration;
- impedes the autonomous operational capacity of adjacent nations (including Armenia and Iran);
- this enhances Turkey's strategic significance in the South Caucasus

The text explicitly rejects the notion of multipolar governance in the region and assesses the establishment of a bilateral military alliance, which constrains the power of international mediators (e.g., the European Union, Russia, the United States) in conflict management.

The connection between Azerbaijan and Turkey signifies not merely a bilateral strategic alliance, but also an indirect conduit for engagement with NATO and Western security frameworks, particularly crucial in the aftermath of the Karabakh conflict.

The aforementioned strategic disparities among the South Caucasus nations are exacerbated by the evolving interests of global players, particularly the increasing engagement of the United States in the Zangezur corridor, which seeks to counterbalance China's "One Belt, One Road" initiative and diminish Russian influence in the region. The future evolution of security strategies in the South Caucasus will rely not only on the military equilibrium but also on the ability of nations to modernise their national security frameworks, enhance institutional capacity, and adeptly navigate a multipolar international landscape.

Consequently, the security architecture of the South Caucasus has experienced a substantial transition in recent years. The definitive conclusion of the Karabakh conflict, the significant reallocation of power dynamics in the region, and the geopolitical rivalry among external entities, Turkey, Russia, and the West have established a transitional dynamic. The security strategies of regional nations exhibit significant divergence, evident in the level of military capabilities and the robustness of institutions, as well as in foreign policy orientations.

Georgia is strategically focused on collective security frameworks, particularly NATO and its cooperation with the United States, which shapes its defensive and preventative security policy. Armenia, historically reliant on Russia, is now confronting the necessity for strategic realignment and military reforms. Azerbaijan is effectively leveraging its military capabilities, the geo-economic advantages of its energy resources, and its military-political alliance with Turkey to achieve regional hegemony and assert control over routes like Zangezuri.

## **6. Military Expenditures and Security Strategies in the South Caucasus: Theoretical Analysis and Forecast**

The South Caucasus is a geopolitically precarious region within the post-Soviet sphere, where security policies and military operations are profoundly influenced by historical legacies, ongoing conflicts, and external power rivalries. The three governments in the region – Azerbaijan, Armenia, and Georgia – formulate distinct political responses to foreign and domestic security problems. The dynamics of military expenditure and their strategic orientations distinctly illustrate structural variations in power dynamics, necessitating theoretical frameworks for intentional analysis.

**Table 1. Comparative table of military budgets of Georgia, Armenia and Azerbaijan for 2023–2025. Presented in US dollars (million USD)**

| Country    | 2023 (mln \$) | 2024 (mln \$) | 2025 (mln \$) | Growth 2023-2025 (%) | Military spending, % from GDP (2024) |
|------------|---------------|---------------|---------------|----------------------|--------------------------------------|
| Azerbaijan | 2,980         | 3,250         | 5,000         | +67.8%               | 5.3%                                 |

|                |        |        |        |               |      |
|----------------|--------|--------|--------|---------------|------|
| <b>Armenia</b> | 1,326  | 1,418  | 1,713  | <b>+29.2%</b> | 4.5% |
| <b>Georgia</b> | 504.61 | 501.00 | 550.00 | <b>+9.0%</b>  | 1.8% |

**Note:** The military budget data for Georgia, Armenia, and Azerbaijan for the years 2023–2025 were obtained from publicly available sources of each respective country. These sources provide official figures on defense expenditures in current US dollars. The comparative analysis and growth calculations presented in the table were compiled by the author.

A comparative investigation demonstrated the definitive metrics of budget expansion across the three states: Azerbaijan will be the regional leader in military budget, amounting to \$5 billion in 2025. In 2025, Armenia augmented its military expenditure, correlating with a significant rise in securitisation after 2023–2024. Georgia maintains its moderate growth strategy, despite having the lowest expenditure in the area.

Azerbaijan's military budget growth rate for 2023–2025 has risen markedly by 67.8%, the largest in the region. The 2025 budget is \$5 billion, over tenfold greater than Georgia's military spending and almost threefold greater than Armenia's. Military expenditure constitutes 5.3% of GDP, a very high figure that underscores the strategic significance assigned to the military sector. This indication surpasses NATO's newly proposed limit of 5%. Azerbaijan's substantial budgetary rise signifies both regional rivalry and the prevailing war circumstances, particularly concerning security in and around Karabakh.

The military budget in Armenia is projected to expand at a rate of 29.2% from 2023 to 2025, indicating a significant increase. GDP expenditure: 4.5%, indicating that a significant portion of the nation's economy is allocated to enhancing defence capabilities. Despite Armenia's substantial budgetary increases, it is unable to match Azerbaijan's momentum. Military reforms and crisis response strategies influence growth.

The growth rate of Georgia's military budget is the lowest in the area at 9.0% for the period 2023–2025. Expenditure from GDP is at 1.8%, which is considerably lower and indicates a more pro-European, steady, and non-escalatory defence policy. This indicator aligns with the previous NATO suggested threshold of 2%. The military budget of Georgia exhibits a moderate growth rate. Notwithstanding the regional militarisation trends, Georgia is progressively endeavouring to sustain a balance between security and economic stability.

Azerbaijan is the unequivocal leader in the area regarding military expenditure, both in total outlay and as a percentage of GDP. Armenia is endeavouring to maintain pace, despite its constrained financial resources. Georgia exhibits minimal military expenditure and prioritises reforms and international collaboration (e.g., NATO, EU).

The impact of geopolitical realities on military expenditure is evident in the South Caucasus: Azerbaijan seeks to uphold military preeminence and regional hegemony. Armenia is progressively augmenting its defence expenditure in response to a security problem. Georgia upholds a frugal expenditure policy, employing a strategy centred on foreign alliances and collective security.

In this context, it is particularly pertinent to examine three primary theoretical frameworks: neorealism, security dilemma theory, and strategic culture theory. Each uniquely simplifies or complicates the three dynamics at play in the region; collectively, they furnish a foundational analytical framework for forecasting.

## **7. Theoretical vision and military strategies of the South Caucasus countries**

According to neorealism, the governments of the South Caucasus function within an anarchic international system, where their primary objectives are survival and the maximisation of security (Waltz, 1979). In this anarchic context, state behaviour is dictated by the balance of power, as evidenced by military expenditure. Azerbaijan, following the second Karabakh war in 2020, persists in its strategy of showcasing might, shown in the trends of its military expenditure (Mearsheimer, 2001). It seeks to uphold regional hegemony and military preeminence. Since 2023, Armenia has significantly augmented its defence expenditure, reflecting both a reaction to post-war trauma and an effort to reevaluate its security framework. This process is underpinned by documents including the Long-Term Concept for the Transformation of the Armed Forces until 2035 and the Comprehensive Defence and Territorial Defence Models.

Conversely, Georgia adopts a relatively low-expenditure policy, indicating not military self-sufficiency but external balance, a strategy reliant on Western and international institutions. This aligns closely with neorealist theory, which posits that smaller nations rely on the backing of more powerful external actors for their security (Waltz, 1979).

The security dilemma theory examines the cyclical dynamics of state actions: defensive strategies employed by one nation may be interpreted as a threat by others, potentially resulting in regional military escalation in severe instances (Herz, 1950; Jervis, 1978). Azerbaijan's military supremacy in the South Caucasus necessitates Armenia's mobilisation of equivalent force. Armenia's military reforms, augmented defence expenditure, and diversification of security alliances, particularly enhanced collaboration with Iran, India, and the European Union are perceived in this view as a strategic response to an existential danger. Georgia's moderation in defence expenditures may be perceived as a strategy to foster stability; but, it could equally be interpreted as a stance of weakness within the regional power dynamics.

The increase in defense expenditures and the diversification of security partnerships -including strengthened cooperation with Iran, India, and the European Union - can be interpreted, within this theoretical framework, as a strategic response to existential threats. Georgia's restrained defense spending may be viewed as an attempt to promote stability; however, in the context of regional power redistribution, it could also be perceived as a sign of a relatively weak position.

Strategic culture theory offers a deep interpretive framework that links states' strategic decisions to internal historical and cultural narratives. Snyder (1977) presents strategic culture as a tool for explaining military decision-making, emphasizing that state military behavior is not merely a reaction to an anarchic system but is culturally embedded (Snyder, 1977). Gray (1981) highlights the significance of national strategic styles, reinforcing the analysis within the context of a country's specific historical experiences and norms (Gray, 1981). Johnston (1995) further develops this approach by providing a deeper historical and cultural basis, examining how cultural narratives shape particular strategic choices (Johnston, 1995).

In the context of the South Caucasus, Azerbaijan's state identity is often viewed from a position of triumph, strategically driving the need for military prestige and regional dominance. Armenia's strategic culture is shaped by historical traumas and a persistent perception of threat, fostering motivation to develop survival and defense systems. Georgia's cultural narrative is rooted in diplomacy and multilateralism, reflecting its pragmatic and non-provocative military stance.

Thus, from the perspective of strategic culture theory, state security policies can be understood not only through geopolitical conditions but also through strategic narratives shaped by historical and cultural experiences.

### **8. Probable development of scenarios and main threats**

All three theoretical frameworks provide largely congruent predictions regarding the future dynamics of regional security. Specifically:

The persistence and escalation of weapons competition: Neorealism explicitly suggests that military rivalry in the region would endure. Azerbaijan's assertive stance and Armenia's corresponding increase in military expenditure exemplify this situation. The security dilemma hypothesis cautions against the peril of an arms spiral, wherein one participant perceives their actions as defensive while viewing those of others as threatening. Strategic culture suggests that fundamentally divergent security views compel governments to maintain perpetual readiness.

The intensification of the security issue and the escalation of the conflict: The disparity in Armenian-Azerbaijani relations exemplifies a security dilemma, which directly facilitates the potential for crisis escalation. In the absence of an external arbitrator, the conduct of both parties may escalate to a more confrontational nature.

The pivotal influence of external forces: The case of Georgia illustrates that smaller states frequently depend on external balancing. Neorealism cautions that this disposition may compromise internal defence capacities. The security dilemma theory posits the necessity of an external mediator to avert an arms race. From a strategic cultural standpoint, Armenia aims to augment external support from Western nations and to safeguard its sovereignty by diversifying its partnerships.

The ongoing interests of external entities and their actions in the South Caucasus region may alter the balance of power and influence the stability of the political hierarchy. The strategic equilibrium or disparity among international actors is directly correlated with the security and stability of the South Caucasus nations. This integrated theoretical framework enables the analysis of regional dynamics, state strategic decisions, and forecasting within the context of emerging geopolitical realities.

The security plans of the South Caucasus governments indicate that the region continues to be a geopolitically unstable area, where rising military expenditures, power disparities, and asymmetric security perceptions intensify the likelihood of crisis escalation. Notwithstanding Georgia's distinct strategy, the entrenched military narratives in the region and the Armenian-Azerbaijani hostilities engender a precarious atmosphere for the perpetuation of the conflict cycle.

Theoretical frameworks converge on the idea that sustainable security in the region cannot be achieved solely through the endeavours of individual states. The sustained and cohesive engagement of external entities, particularly the European Union, NATO, and the United States, is essential for stabilising the balance of power and averting crises.

The South Caucasus region requires the implementation of military parity procedures, with the development of a new security architecture founded on political discourse, trust repair, and the formulation of a unified strategic vision. In the absence of this, the polarisation of strategic cultures and the rivalry among foreign powers would exacerbate the situation and diminish the possibilities for stability, suggesting that the

South Caucasus will persist as a locus of regional competition characterised by both existing and newly emerging problems.

## **9. Policy recommendations**

### **For Georgia:**

Advance the integration process with Western institutions, particularly by enhancing collaboration with NATO and the European Union, while simultaneously pursuing a strategy of diversification to mitigate the risk of unipolar dependence.

Establish Transcaucasian communication venues to foster confidence among regional states and avert confrontations.

### **For Armenia:**

Execute a diversification of security policy, which entails fortifying relations with both Western nations and regional allies, including Iran and India.

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### **For Azerbaijan:**

Maintain a multi-faceted foreign policy while striving for enhanced transparency in the defence sector to bolster international trust.

Enhance relations with neighbouring countries in energy, military, humanitarian, and scientific and technological domains.

Consider formulating inclusive policies for internal ethnic and religious groups to avert the exploitation of internal tensions by external players.

### **At the regional level:**

It is essential to develop new security frameworks that enable regional actors to participate in crisis management independent of Russian-mediated methods.

Trilateral discussion and cooperation arrangements combining Iran, Turkey, and the European Union should be advocated to enhance the prospects for multipolar stability in the area.

The execution of the Zangezur Corridor and additional transit initiatives must rely on transparent, inclusive, and lawful frameworks to prevent exacerbating distrust among nations.

## **10. Conclusion**

The security strategies of the South Caucasus nations exhibit significant divergence, attributable to their historical and political contexts, as well as their roles within the international system and the unequal engagement of external entities. The region embodies a geopolitically intricate landscape, wherein competing external interests, comprising Russia, the West (the United States, the European Union, NATO), Turkey, and Iran continuously reshape the security framework.

The post-2020 era, particularly during the Second Karabakh War and the ensuing tenuous peace phase is engendering structural transformations in the security situation. The geopolitical equilibrium has been unsettled, attributed to the deterioration of Russia's standing in Armenia and the swift expansion of Turkish influence in Azerbaijan. In this context, the Zangezur corridor has emerged as a symbol of a novel

regional conflict, encompassing not just Azerbaijan and Armenia but also Iran, Turkey, Russia, and Western powers.

Georgia is decisively pursuing a pro-Western trajectory, influenced by concerns regarding its territorial integrity and a contentious history with Russia. Georgia's collaboration with Western organisations (integration with NATO and association with the European Union) serves as both a security apparatus and a source of political legitimacy. Nonetheless, an excessive orientation towards the West constrains the nation's strategic flexibility and introduces specific concerns of foreign dependence.

Historically, Armenia has maintained a strong military and political alignment with Russia. In recent years, particularly following the Second Karabakh War, Yerevan has sought to strategically reposition itself, marked by an increasing interest in the West, an enhanced partnership with the European Union, and a critical reassessment of its dependence on Russia in domestic discussions. This development renders Armenia's security strategy a transitional phenomena, nonetheless pursuing stability within a multipolar context.

Azerbaijan, as a nation reliant on energy resources, implements a "balancing policy" that encompasses a strategic alliance with Turkey and beneficial relations with Russia and Western nations. The nation's foreign policy is grounded in pragmatic interests, shown in its pursuit of independent stances and the use of multilateral relationships to enhance national security. A flexible strategy regarding regional dynamics enables Azerbaijan to adeptly leverage existing geopolitical contradictions to fortify its sovereign objectives.

The stability of the South Caucasus is heavily influenced by external forces and their activities, in addition to domestic causes. The strategic goals of international actors, together with their alignment or dynamism, may alter the regional power configuration, impact the stability of the political hierarchy, and precipitate new conflicts or disruptive scenarios. The stability of the region is primarily influenced by both the internal policies of governments and the strategic equilibrium of external forces.

The variety of foreign players' roles and the internal political-strategic disparities among South Caucasus nations shape the region's security as asymmetric and dynamic. Each state endeavours to achieve an optimal equilibrium among international forces to safeguard its national interests, frequently necessitating methods rooted in precarious yet operational compromises.

Recent developments, notably the trilateral summit in Washington and the ratified declaration, generate a renewed political momentum for establishing peace in the South Caucasus. The active involvement of the United States in this process not only enhances the West's influence in the region but also alters the power dynamics surrounding the Zangezur corridor. The successful execution of the document relies on sustaining trust among the parties, enacting internal constitutional and legal modifications, and the efficacy of international assurances.

In conclusion, the South Caucasus is an area characterised by a dynamic security structure. The situation is perpetually influenced by the intricate interplay of external and internal elements, necessitating the enhancement of internal institutional robustness and the implementation of innovative and adaptable foreign policies that consider the evolving dynamics of global forces.

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