

## HIGHLIGHT OF JOURNAL

Turkey's South Caucasus Policy after the 44-Day War  
**Javid Valiyev**



CAUCASUS  
STRATEGIC PERSPECTIVES

# CAUCASUS STRATEGIC PERSPECTIVES

Volume 2 • Issue 1 • Summer 2021

## Pax Caucasia: Prospects of Peace and Cooperation in South Caucasus

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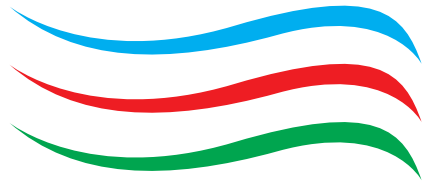
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### Pax Caucasia: Prospects of Peace and Cooperation in South Caucasus



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# Editor's Note

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The current issue of the Caucasus Strategic Perspectives (CSP) journal entitled “*Pax Caucasia: Prospects of Peace and Cooperation in South Caucasus*” is dedicated to the possible cooperation opportunities in the aftermath of latest 44-days war between Armenia and Azerbaijan in the fall of 2020 with focus on different views from various countries. The CSP’s new issue includes 5 articles, 2 commentaries and 1 book review. In the framework of post-war cooperation situation, the CSP’s current authors analysed the economic difficulties of Armenia, Azerbaijan’s enhancing role in the region and existing geopolitical confrontations, performance of peacekeeping activities, as well as economic cooperation opportunities emerged in the post-war period.

The new issue’s *Articles Section* starts with **Javid Valiyev’s** article of “*Turkey’s South Caucasus Policy after the 44-Day War*” which analyses in detail the role of Turkey, which supported Azerbaijan politically and morally in the war, in the South Caucasus. This article concludes that, after this war, a new geopolitical situation has emerged in the South Caucasus region.

**Orkhan Baghirov’s** article of “*Armenian Economy in Post-War Period: Economic Losses and New Development Opportunities*” examines the scale of the economic damage that the war inflicted on Armenia by describing the country’s military losses and loss of access to the energy and agricultural resources of the [formerly occupied] Karabakh region of Azerbaijan.

**Vinicius Silva Santana’s** article of “*Azerbaijan as a Potential Regional Leader in the South Caucasus*” argued that Azerbaijan has the means to promote a regional order in the Caucasus, but such a project will largely depend on the policies that Azerbaijan will foster regionally in the short term and how they will be arranged with Armenia, Georgia, and the regional powers neighbouring the South Caucasus.

**Taras Kuzio’s** article of “*Russia-GUAM-US Triangle of Competition over Eurasia and Geopolitical Pluralism*” discussed the triangle of competition between Russia and the USA over three members of the Organization for Democracy and Economic Development, GUAM: Azerbaijan, Georgia, and Ukraine.

**Arzu Abbasova’s** article of “*Assessing the Performance of Russia’s Peacekeeping Forces in the Karabakh region of Azerbaijan*” argues that the mandate performance of the Russian peacekeepers in the Karabakh region of Azerbaijan is unsuccessful owing to the numerous technical breaches and unilateral stretching of the agreement terms, and also highlights the

limited steps taken by the peacekeepers to achieve the normalization process between Armenia and Azerbaijan.

The new issue's *Commentaries Section* commences with **Eugene Chausovsky's** commentary of "*Azerbaijan: Manoeuvring the Geopolitics of Connectivity*" argues that for Azerbaijan to advance its goals, careful geopolitical manoeuvring is required that focuses on the functional and mutually beneficial gains of building regional connectivity and mitigating the propensity towards division and zero-sum conflict in the Caucasus.

The joint commentary of **Joseph Hammond and Aynur Bashirova** titled "*South Caucasus: Beyond A History of War toward Reconciliation and Economic Integration?*" emphasizes that despite the end of war, there remain many other issues to be resolved before we can talk about cooperation; the most paramount being addressing Armenia's irredentist claims and the preparedness of both societies for mutual acceptance of one another.

The new issue's *Book Review Series* includes comprehensive review of the book titled "Russia's Interventions in Ethnic Conflicts: The Case of Armenia and Azerbaijan" (authored by James J. Coyle) by Naghi Ahmadov.

Finally, on behalf of the CSP team, we hope this issue provides food for thought and contributes to and enriches the discussion on subject-matter issue.

Sincerely  
**Farid Shafiyev**  
*Editor-in-Chief of CSP Journal*



# Turkey`s South Caucasus Policy after the 44-Day War

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Javid Valiyev\*

This paper covers the South Caucasus policy of Turkey after the 44-Day War between Azerbaijan and Armenia in 2020. The aim of the research is to investigate the role of Turkey, which supported Azerbaijan politically and morally in the war, in the South Caucasus. This article concludes that, after this war, a new geopolitical situation has emerged in the South Caucasus region. In this new geopolitics, Turkish soldiers have been deployed, alongside those from Russia, in the Joint Monitoring Centre to observe the ceasefire in the Karabakh region of the Republic of Azerbaijan, and Turkey became a kind of guarantor of the liberated Azerbaijani territories through the Shusha Declaration signed between Turkey and Azerbaijan. Additionally, according to the trilateral statement of Azerbaijan, Armenia, and Russia that was signed on 11 January, it was decided to establish a new corridor that is planned to pass through Armenia to connect Turkey with Azerbaijan. Moreover, Turkey–Azerbaijan strategic relations have entered a new phase in terms of economic, military, and defence industry technologies. In short, after the 44-Day War, Turkey gained an advantageous position in the South Caucasus and Central Asia.

**Keywords:** Turkey, South Caucasus, 44-Day War, Shusha Declaration, Zengezur Corridor.



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### *Introduction*

In the 44-Day War, which was fought between the two states of the South Caucasus, Azerbaijan and Armenia, Turkey supported Azerbaijan both diplomatically and politically. As a result of the war, Azerbaijan liberated its previously occupied territories from Armenian occupation. Turkey's support for the end of the occupation has led to its increased influence in the region.

After the 44-Day War, Turkish soldiers were deployed in the Joint Monitoring Centre together with those of Russia to observe the ceasefire in the Karabakh region. Thus, a new geopolitical balance was created in this region that was moved a step further with the Shusha Declaration signed on 15 June between Ankara and Baku.

By supporting regional cooperation in the aftermath of the 44-Day War, Turkey demonstrated that it prefers cooperation rather than military and geopolitical confrontation in this region. The six-country (3+3) platform proposed by Turkey and Azerbaijan for regional cooperation after the war raised certain doubts in Georgia. In order to eliminate these doubts, there was intense diplomatic traffic between Turkey and Georgia. However, as Georgia did not change its stance towards this platform, Turkey proposed another tripartite platform comprising Azerbaijan, Georgia, and Armenia.

The Turkish–Armenian borders were closed owing to the occupation of Azerbaijani lands in the early 1990s and have not yet been opened, despite the end of the occupation. The main reason is that Armenia has not given up its artificial historical and territorial claims against Turkey. Turkey is waiting for Armenia to back down from these demands.

Since the South Caucasus is an arena of geopolitical confrontation among regional and global powers, it directly affects Turkey's relations and position with the countries involved in these struggles. After this war, Turkey wanted to remind the West of its strategic value by increasing its effectiveness in the region. However, during and after the war, Turkey was oppressed in the South Caucasus not only by its historical rival Russia, but also by its Euro-Atlantic allies, which complicated their role in the South Caucasus.

The fact that Turkey functioned as an independent actor this time increased its influence in the region and caused reactions from Western

states such as the USA, France, Canada, the Netherlands, and Belgium, as well as leading to a ban on sales of defence-industry products to Turkey. However, none of these actions could change the end result. Turkey still tried not to generate a geopolitical confrontation, especially with regional powers such as Iran and Russia.

The aim of this article is to analyse how the 44-Day War, which solved the 30-year-old Armenia–Azerbaijan conflict, shaped Turkey’s South Caucasus policy and explain how Turkey–Azerbaijan, Turkey–Georgia, and Turkey–Armenia relations were affected in the post-war situation.

### ***Turkey and the new geopolitical reality after the Second Karabakh War***

The 44-Day War, which resulted in the liberation of Azerbaijan’s territories from Armenian occupation and a decisive victory of Azerbaijan over Armenia, created a new geopolitical reality in the region. Turkey played a direct role in the emergence of this situation. As Azerbaijani President Ilham Aliyev stated, “If Turkey is not next to Azerbaijan someone else may have tried to fish in troubled waters here.”<sup>1</sup> After the war, Ankara started to take more confident steps as it sided with both justice and the victorious side during the war.

For Turkey, the 44-Day War was a successful experience in terms of achieving a conclusion through combining its rising military power with diplomatic steps in recent years. Most strikingly, the successful performance of the Turkish defence industry’s products in the Second Karabakh War led to a breakthrough in this field. Winning this war was important for Turkey in terms of consolidating its leadership in the Turkic world.

*For Turkey, the 44-Day War was a successful experience in terms of achieving a conclusion through combining its rising military power with diplomatic steps in recent years.*

This war was also closely related to Turkey’s political economy, which seeks the development of trade and transportation routes with the countries of the region and especially with the South Caucasus and Central Asian countries. Therefore, after the war, Turkey started a diplomatic initiative to sign a free trade agreement with the countries of the region and sought more support for the Middle Corridor, endorsed by Turkey and Azerbaijan.

<sup>1</sup> President.az, *Ilham Aliyev was interviewed by Turkish Haber Turk TV channel*, October 13, 2021, Available at: <https://en.president.az/articles/42869> (Accessed: July 15, 2021).

After the 44-Day War, a new cooperation environment emerged between Turkey and Russia. The ceasefire monitoring centre between the parties in proximity to the Karabakh region of Azerbaijan was one result of this cooperation, and Russia shared its power capabilities in the region with Turkey. Russia, which has continued to see itself as the protector of the South Caucasus in the post-war period, tried to limit Turkish military influence in the Karabakh region including in this monitoring centre. Despite Azerbaijan's demands, Moscow was able to keep Ankara out of the post-conflict negotiation process, causing anger in Turkey. It is possible to say that, similar to other regions, there is competition inside the cooperation here as well, and the future of cooperation in the region contains uncertainties.

After the 44-Day War, Iran was one of the parties disturbed by the increase of Turkey's influence in the region. Iran regarded Turkey's strengthening influence as a threat to its own security. However, Turkey and Azerbaijan did not oppose bilateral relations with Iran as a part of the new geopolitical formation in the region in the post-war period. Iran was also included in the proposals regarding the post-war regional cooperation mechanisms.

*If we assume that the 44-Day War was a geopolitical power struggle, then the Turkey-Azerbaijan duo won the military and diplomatic war against the Armenia-France-Russia trio.*

If we assume that the 44-Day War was a geopolitical power struggle, then the Turkey-Azerbaijan duo won the military and diplomatic war against the Armenia-France-Russia trio. The Turkey-Azerbaijan partnership achieved, in the (former) conflict zone in and around in Karabakh region, what the West could not achieve in Georgia and Ukraine. Moreover, the Turkey-Azerbaijan duo achieved in 44 days what the

Western co-chairs of the Minsk Group could not accomplish for the last 30 years for the former Armenia-Azerbaijan conflict. While Azerbaijan underlined Turkey's moral and political support in the victory, Armenia tried to form an anti-Turkey coalition and front in the international arena, where rival states saw this war as an opportunity to pressurize Turkey. Although Arab countries supported Azerbaijan within the framework of the Organization of Islamic Cooperation, they did not make supporting statements in the 44-Day War due to their rivalry with Turkey in recent years. In a way, the geopolitical struggle in the Middle East was reflected obliquely in the Caucasus.

After the 44-Day War, no Western member of the Minsk Group is actively engaged in the region, except NATO member Turkey, but the West was not satisfied with this. In particular, the rivalry between Turkey and France in the Eastern Mediterranean and the Middle East was also reflected in the South Caucasus region. France, Canada, Greece, and some other European countries saw this war as an opportunity to put pressure on Turkey in the international arena. One result of the geopolitical struggle was that France, Greece, and Canada accused Turkey of “bringing foreign fighters to the region” while allowing their own Armenian citizens to fight in Karabakh.

Despite France being a co-chair of the Minsk Group, it did not take part in the signing of the 10 November Tripartite Statement between the parties on the solution of the problem, mediated by Russia and with the certainty that Turkey would participate further in these affairs. The Armenian side has always sought to undermine the 10 November statement; like France, they were disturbed by Turkey’s involvement. Therefore, they united on common ground against Turkey. The statements made not only by France, but also by Canada, Belgium, Luxembourg, and even the USA have hindered the healthy progress of the post-war reconciliation process and the expansion of cooperation opportunities following 10 November.

*The Armenian side has always sought to undermine the 10 November statement; like France, they were disturbed by Turkey’s involvement. Therefore, they united on common ground against Turkey.*

### ***Relations with Azerbaijan in the pre-war period***

In order to understand Azerbaijan–Turkey relations after the Second Karabakh War, it is necessary to look at the pre-war period. Unable to get any results from the unsuccessful diplomatic negotiations that had continued within the framework of the OSCE Minsk Group for about 30 years, Azerbaijan started to organize its military training with careful consideration of the results of the victorious operations of the Turkish army in Syria and Libya and the successful performance of the Turkish defence industry’s products. One of the important issues for Azerbaijan was how much support Turkey would provide in the event of a war. In the early 1990s, Ankara’s backing was limited to diplomatic support alone, and this time Azerbaijan needed more to ensure its territorial integrity. In fact, several important developments took place between



the two countries in the political and economic fields before the war.

For the first time, Azerbaijan changed its neutrality among third countries in foreign policy and gave open support to Turkey in return for the latter's cooperation in developments in the region. At the High-Level Strategic Cooperation meeting held between the two countries in February 2020 in Baku, Azerbaijan's President Ilham Aliyev supported Turkey's policies on Syria, Iraq, Libya, and the Eastern Mediterranean by stating that the Azerbaijani state and people stand by the Turkish state and people in every issue at the regional and global levels.<sup>2</sup> At the same meeting, Turkey's President, Recep Tayyip Erdoğan, said, "Karabakh is Azerbaijan!"<sup>3</sup> and, by using that slogan, he supported the active diplomacy that Ilham Aliyev had initiated against the occupation policy of Armenia.

From a military point of view, a test of support between the parties took place during Armenia's border attack on the Tovuz district of Azerbaijan in July 2020. The deaths of members of Azerbaijan's military forces, including one prominent Azerbaijani general, as a result of this attack led to increasing demands from Azerbaijani society to liberate the territories from occupation by military means.

Just after the Tovuz clashes, two deputy defence ministers of Azerbaijan went to Turkey and, during this visit, Turkish Defence Industry President Ismail Demir shared the message on his Twitter account that "Our defence industry products are at Azerbaijan's disposal,"<sup>4</sup> thereby giving clear support to Azerbaijan on this issue. After this visit, Azerbaijan launched joint military exercises (27 July–11 August 2020) with Turkey, in parallel with Russian–Armenian exercises. At the end of the first phase of these exercises, Turkish Defence Minister Hulusi Akar visited Azerbaijan and met with President Aliyev. Aliyev declared that "the Azerbaijani army would adopt the model of the Turkish army, and that Turkey would have a priority position in arms imports."<sup>5,6</sup> This

2 President.az, *Azerbaijan, and Turkish President made press statements*, Press conference, February 26, 2021, Available at: <https://en.president.az/articles/35964>, (Accessed: July 5, 2021).

3 President.az, *Azerbaijan, and Turkish President made press statements*, Press conference, February 26, 2021, Available at: <https://en.president.az/articles/35964>, (Accessed: July 5, 2021).

4 Anadolu Agency, *Turkey-Azerbaijan discuss defense industry cooperation*, July 17, 2021, Available at: <https://www.aa.com.tr/en/turkey/turkey-azerbaijan-discuss-defense-industry-cooperation/1913897> (Accessed: June 10, 2021).

5 President.az, *Ilham Aliyev was interviewed by TRT Haber TV Channel*, October 5, 2020, Available at: <https://en.president.az/articles/41763> (Accessed: July 15, 2021).

6 President.az, *Ilham Aliyev received delegation led by Turkish Minister of National Defense*, August 13, 2020, Available at: <https://en.president.az/articles/40473> (Accessed: July 15, 2021).

gave a blank check to Azerbaijan for the further development of military relations. In fact, this statement sent a politically discomfoting message to Armenia's military ally with the expectation of more political support from Turkey.

While Azerbaijan's armed forces had been trained by the Turkish army since 1992, after 2010 Turkey was also selling defence industry products to Azerbaijan. Furthermore, the members of the Azerbaijani army, who were trained in Turkey, proved their capabilities in the Four-Day War with Armenia in 2016. Azerbaijan actively benefited from Turkey's military tactics and strategies in the Second Karabakh War. As the Defence Minister of Azerbaijan, Zakir Hasanov, stated, the war was an exam for the military forces, and Turkey's Military Forces had prepared Azerbaijan army for that exam.<sup>7</sup> In addition to this, further unity was achieved between the parties in the field of media relations before the war. In August, Assistant to the President of the Republic of Azerbaijan Hikmet Hajiyev visited Turkey and it was decided to establish a joint media platform with his counterpart there. This platform worked effectively during the war. The experience of Turkish journalists and television broadcasters, who gained experience as war correspondents in Iraq, Syria, and Libya for many years, was important in conveying the events to the outside world during the Second Karabakh War.

*Azerbaijan actively benefited from Turkey's military tactics and strategies in the Second Karabakh War. As the Defence Minister of Azerbaijan, Zakir Hasanov, stated, the war was an exam for the military forces, and Turkey's Military Forces had prepared Azerbaijan army for that exam.*

### ***Relations with Azerbaijan after the war***

The liberation of Azerbaijan's occupied territories and Turkey's support to Azerbaijan strengthened the mutual political trust between the two countries. Since there is political and social solidarity in support of Azerbaijan on this issue, it was easier for the government to rally support for Azerbaijan. There were important developments in the military, defence, and economic fields between the two countries after the war. In the first four months of 2021, four joint exercises were held between the armies of the two countries. The purpose of these exercises

<sup>7</sup> Zakir Hasanov was interviewed by Real Tv, June 26, 2021, Available at: <https://www.youtube.com/watch?v=agcSfKtqnhI> (Accessed: June 26, 2021).

is not only coordination and joint action, but also the transformation of the Azerbaijani army according to the Turkish army model. Turkish Defence Minister Hulusi Akar, who participated via videoconference in monitoring one of the exercises held in April, stated that the roadmap for the modernization of the Azerbaijani army is ready.<sup>8</sup> Some military experts from Azerbaijan, on the other hand, suggest that the transition to the Turkish model is not enough to counter the threats in the region; they believe it is important to establish of a joint army under a single command.

*During the 44-Day War, in addition to Turkey's political support, the successful results of the weapons imported from Turkey led to increased cooperation in the defence industry.*

During the 44-Day War, in addition to Turkey's political support, the successful results of the weapons imported from Turkey led to increased cooperation in the defence industry. On 6 April 2021, Turkey's President Recep Tayyip Erdoğan approved the cooperation agreement in the of the defence industry field signed between the parties in 2017. Before the war, Turkey was in the third place in terms of Azerbaijan's arms imports after Russia and Israel.

Since the war, Turkey's military exports to its ally Azerbaijan have risen six-fold.<sup>9</sup> In this sense, Azerbaijan became the second largest customer, after the USA, for Turkey's arms exports.

A delegation headed by the Turkish Defence Industry Minister, Ismail Demir, that included Turkey's STM, Roketsan, Havelsan, and Aselsan companies visited Azerbaijan on 30 April 2021. Ismail Demir, in his interview with the press, noted that "it is time to take the cooperation in the defence industry and technology to a new dimension, to combine the capabilities of the defence industry, that is, to make joint production."<sup>10</sup> In this sense, the purpose of the visit was not only to sell weapons to Azerbaijan, but also to develop the infrastructure of Azerbaijan's defence industry. During the visits and meetings, the establishment of a joint factory, technology transfer, and distribution were, at Azerbaijan's request, discussed in detail.

8 Anadolu Agency, *Turkish, Azerbaijani Defense Chiefs Meet Virtually*, April 8, 2021, Available at: <https://www.aa.com.tr/en/turkey/turkish-azerbaijani-defense-chiefs-meet-virtually/2201682>, (Accessed: June 15, 2021).

9 Reuters, *Turkish arms sales to Azerbaijan surged before Nagorno-Karabakh fighting*, October 14, 2020, Available at: <https://www.reuters.com/article/armenia-azerbaijan-turkey-arms-int-idUSKBN26Z230> (Accessed: June 15, 2021).

10 Erbay, N.O. "Turkey to roll out defense products as foreign interest gains pace", *Daily Sabah*, June 26, 2021, Available at: <https://www.dailysabah.com/business/defense/turkey-to-roll-out-defense-products-as-foreign-interest-gains-pace> (Accessed: June 24, 2021).

There was an increase in mutual visits and the signing of new agreements to develop Azerbaijan–Turkey economic and commercial relations before and after the war. The main purpose here is to boost trade between the parties, create a common market, and reduce customs duties. In short, it involves the rapid adoption of free-market economy laws in bilateral economic and commercial relations. This creates favourable conditions for Azerbaijan, which wants to ramp up exports of its non-oil products. The bilateral preferential trade agreement was signed at the High-Level Strategic Cooperation Council meeting held in Baku in February 2020 and entered into force on 1 March 2021.

A protocol adopted at the meeting of the intergovernmental commission in March intended to expand the preferential trade list. The Turkish side wants to increase the number of goods included in the preferential trade agreement to 150. Moreover, the former Ambassador of Turkey to Azerbaijan voiced a proposal to conduct trade in national currencies between the parties.

Turkey also suggests that transit fees in the Caspian Sea be increased and ro-ro taxes reduced to acceptable levels to double the number of Turkish trucks passing through Azerbaijan. As of 1 April, travel between the two countries is conducted using a national identity card. This will also have a positive impact on business and tourism trade cooperation.

Although Turkey is not involved in the diplomatic negotiation process between the parties after the 44-Day War, its involvement in the military and economic processes means that Turkey holds a strong position in the process. Turkish companies were given an active role in the restoration of the liberated territories of Azerbaijan. In 2020, 134 Turkish military personnel arrived Azerbaijan to clear the liberated areas of landmines and in February 2021 Turkey provided Azerbaijan with 20 MEMATT demining machines to clear landmines on Azerbaijan's liberated territories. In the same month, 23 Azerbaijani soldiers received mine-clearance training in Turkey.

*Although Turkey is not involved in the diplomatic negotiation process between the parties after the 44-Day War, its involvement in the military and economic processes means that Turkey holds a strong position in the process.*

The Turkish highway company is subcontracting the construction of the Ahmedbeyli–Horadiz–Mincivan–Agband highway, which will play a

very important role in the socio-economic development of the liberated territories. This road has strategic importance in terms of connecting the other regions of Azerbaijan and its Nakhchivan Autonomous Republic. Turkish companies were also involved in the construction of the airport in the liberated Fuzuli district. Turkish and local construction companies are also involved in the development of the Ahmedbeyli–Fuzuli–Shusha highway project, which is being prepared for the future development of Shusha and the Karabakh region in general. Through a decree of President Ilham Aliyev, three mineral deposits in the liberated lands were assigned to three Turkish companies for 30 years of study, research, exploration, development, and operation. The active role of Turkish companies here increases Ankara’s sensitivity to ensure the security and stability of this region in the future. President Erdoğan demonstrated this sensitivity by visiting the liberated city of Shusha as well.

According to Article 9 of the statement signed on 10 November, after the 44-Day War, transportation and communication lines must be opened between the parties. In order to realize a new project dubbed as the Zangezur Corridor by President Ilham Aliyev, another tripartite agreement between Azerbaijan, Armenia, and the Russian Federation was signed in Moscow on 11 January and a relevant commission started work in this direction. With the Shusha Declaration, Azerbaijan and Turkey have once again officially confirmed their intentions regarding the establishment of the Zangezur Corridor.

This corridor is important for Turkey in three respects. As in all areas, diversification in the field of transportation is important for security in this area, just as energy-exporting states have alternative pipelines. Second, this corridor will reveal opportunities for cooperation between Turkey and Armenia. Third, after the completion of this line, it will be the shortest route for Turkish companies investing in the liberated Azerbaijani territory.

After the war, education diplomacy between the parties has accelerated with the signing of a cooperation protocol between Turkish Maarif Foundation and the Ministry of Education of the Republic of Azerbaijan. The Turkish Maarif Foundation was established to open schools, educational institutions, and dormitories at all educational level. In a meeting with the Minister of Education of Turkey, Ziya

Selçuk, in Azerbaijan, both sides stated that they wanted to benefit from Turkey's experience in opening and structuring vocational higher schools in the regions liberated from occupation. Many other mutual cooperation agreements were also signed between the universities of the two countries.

### ***Georgia maintains its strategic importance for Turkey***

The First Karabakh War between Azerbaijan and Armenia had various consequences for Georgia over the last 30 years. On the one hand, Georgia was disturbed by the war of its two neighbouring countries and the tension on its borders. This situation even created the danger of creating tension between the Azerbaijani and Armenian minorities living within the borders of Georgia. On the other hand, owing to Armenia's occupation of Azerbaijani lands, all regional projects bypassed Armenia and passed through Georgia instead. The actualization of regional projects through Georgia led to the creation of the Azerbaijan–Turkey–Georgia triangle. However, after the Second Karabakh War, there were suspicions that the situation would change for Georgia and political groups in Georgia that were against the Azerbaijan–Turkey–Georgia trilateral cooperation tried to exaggerate the new situation. These issues can be grouped under three headings.

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First, Turkish President Recep Tayyip Erdoğan attended the military ceremony held in Baku after the 44-Day War and, at the press conference, both presidents proposed a new six-party platform for regional cooperation. In fact, this platform resembled the Caucasus Platform proposed by Erdoğan after the 2008 Russia–Georgia war, but with the addition of neighbouring Iran. The aim was to empower regional states to solve regional problems and develop regional cooperation. Since this platform would be established only among the countries of the region and Western states were not involved, Iran and Russia viewed it positively. However, Georgia did not support this platform owing to the presence of Russia. Turkey and Azerbaijan started to develop new proposals as it was not possible at first to convince Georgia to solve this problem.

The latest concrete proposal in this regard was expressed by President Erdoğan during the visit of Georgian Prime Minister Irakli Garibashvili to Turkey on 1 June 2021, where he presented a new “3+3” formula, i.e., Turkey–Azerbaijan–Georgia and Azerbaijan–Georgia–Armenia. However, since Armenia is still not ready to take part in this format, it seems that the trilateral cooperation between Turkey, Azerbaijan, and Georgia will continue in the region for a long time.

Second, according to Article 9 of the 10 November statement signed between the parties, a new communication and transportation network should be established in the region. This will not be limited to connecting Armenia–Azerbaijan–Russia, but Turkey and Iran will also join this project. This route, which President Aliyev named the Zangezur Corridor, between Azerbaijan and Armenia constitutes a natural alternative to rail lines that pass through Georgia. Therefore, it was interpreted that Georgia would lose its strategic importance for Turkey, Azerbaijan, and the West. However, it should be mentioned that the purposes of the lines that will pass through Armenia and Georgia are different: the new line that will pass through Armenia will be a shorter route for Turkey’s ties to South Caucasus and Central Asian countries and will actually make Armenia a part of regional cooperation. Georgia will continue to provide the safest line for Turkey and Azerbaijan. It was essential that Erdoğan emphasized the importance of projects with Georgia in his meeting with Garibashvili. This shows that, despite the Zangezur Corridor, the projects passing through Georgia are still important for Turkey.

Third, the Russia–Turkey limited cooperation during and after the war also brought up the question of whether Turkey would give up its strong support to Georgia’s territorial integrity and NATO membership. However, during the Georgian foreign minister’s visit to Turkey, Minister of Foreign Affairs of Turkey, Mevlut Çavuşoğlu, renewed Ankara’s support for Georgia’s potential NATO membership and, in a meeting with Prime Minister Garibashvili, President Erdoğan renewed his support for Georgia’s territorial integrity and sovereignty in South Ossetia and Abkhazia. Therefore, after the Second Karabakh War, Turkey’s policy on Georgia has continued on the same path; that is, Georgia still remains strategically important for both Turkey and Azerbaijan.

### ***Will the borders with Armenia be opened?***

After the collapse of the Soviet Union, Turkey–Armenia relations have been unstable. As early as 1990, Armenia targeted the international recognition of the 1915 events as “genocide” in its “Declaration of Independence” and referred to the eastern part of Turkey as being “Western Armenia”. Since Armenia did not accept Turkey’s protocol proposal on the recognition of borders in 1991, diplomatic relations were not established between the two countries. When Armenia expanded its occupation of Azerbaijani lands in the early 1990s, Turkey closed its borders with Armenia in support of Azerbaijan. Therefore, there have been no direct diplomatic, political, economic, or commercial relations between Turkey and Armenia for the last 30 years. Diplomatic dialogue continues through Georgia and only within the framework of the Black Sea Cooperation Organization.

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Since the Turkish–Armenian borders were closed after the occupation of Kalbajar, everyone started to think that there would be a rapprochement regarding the borders after Kalbajar was liberated. After the liberation of Azerbaijan’s territories, the former Minister of Foreign Affairs of Armenia, Ara Ayyvazyan, said that the balance in the region had changed after the Second Karabakh War and there was no reason for the Turkey–Armenia borders to remain closed. However, Turkey expects the Armenian side to adapt its stance on the 1915 events in accordance with Ankara’s thesis and to give up its territorial claims against Turkey. Therefore, Turkey waited for the Armenian administration to reach the desired point and did not rush to open the borders.

Simultaneously, no step has been taken by the West, which, during the occupation period, defended the thesis that as a result of opening the Turkey–Armenia borders, Armenia would turn away from Russia, the occupation would end, and Armenia would turn towards the West. The Washington administration, which actively worked for the Turkey–Armenia normalization process in 2009 (Biden was Obama’s deputy at that time), remained very passive after the 44-Day War regarding the Turkish–Armenian border issue. Therefore, the West



*On the other hand, politicians and society in Armenia have different approaches to cooperation with Turkey and Azerbaijan. Some see cooperation as a concession or a loss, while others favour it.*

did not take any active role in the development of Turkey–Armenia relations, despite the Azerbaijan territories being liberated.

On the other hand, politicians and society in Armenia have different approaches to cooperation with Turkey and Azerbaijan. Some see cooperation as a concession or a loss, while others favour it. Of course, as a result of the unilateral promotion of the “hostility of Azerbaijan and Turkey” towards the Armenian community for the last 30 years, it is very difficult to defend cooperation with Turkey and Azerbaijan in Armenia today. In fact, those who defend this issue are kept under pressure by marginal groups and isolated from the society.

### ***Conclusion***

During and after the war, Turkey’s South Caucasus policy was developed independently of its Western allies, in solidarity with Azerbaijan, and in consideration of Russia’s role in the region as well as of the idea of extending the success that it achieved in the war to Central Asian countries. It is possible to list Turkey’s South Caucasus policy under that title only after the war. In terms of political, military, security, and economic aspects, Turkey’s South Caucasus policy can be summarized as follows.

Politically, the territorial integrity and sovereignty of Azerbaijan and Georgia will be supported by Ankara. Turkey also firmly maintains its stance regarding the establishment of diplomatic relations and opening the borders with Armenia in return for the latter’s renunciation of its historical and territorial claims. Turkey has also tightened its diplomatic relations with Russia.

During and after the war, Turkey’s aim was to increase its strategic value to the West by boosting its influence in the region; however, the rivalry with some of its Western allies has prevented the desired cooperation in the region. Some states that are not happy with the increase of the Russian and Turkish roles after the conflict period have tried to prevent the Turkey–Armenia normalization process by supporting Armenian radical groups.

In economic terms, Turkey could take the economic and commercial relations with Azerbaijan to a higher level by signing a free trade

agreement. Turkish companies are playing a leading role in the reconstruction of the liberated territories of Azerbaijan.

In the field of transportation, Turkey aims to consolidate the position of the “Middle Corridor” as an East–West transportation route and, in this context, to reduce transportation tariffs through Azerbaijan. Turkey is supporting the realization of the Zangezur Corridor and Azerbaijan’s intentions in this direction as well.

Cooperation with Azerbaijan in the military field rapidly increased. The realization of the modernization of the Azerbaijani army, the coordination of the two armies, and the production of joint defence industry technologies through establishing a factory in Azerbaijan gained priority in this framework.

After the war, Turkey’s interaction with the Central Asian countries has also increased through visits and the signing of important agreements in the fields of the defence industry and trade. In short, in the post-war period, one can clearly observe Turkey’s strengthening influence in both the South Caucasus and Central Asia regions.



# Armenian Economy in Post-War Period: Economic Losses and New Development Opportunities

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Orkhan Baghirov<sup>\*</sup>

Along with its geopolitical importance, the Second Karabakh War, which ended the Armenia–Azerbaijan conflict, also has serious economic implications for the region’s countries, including Armenia. Hence, the main goal of this article is to elucidate the economic implications of the Second Karabakh War for Armenia. For this purpose, the article analyses the scale of the economic damage that the war inflicted on Armenia by describing the country’s military losses and loss of access to the energy and agricultural resources of the [formerly occupied] Karabakh region of Azerbaijan. The article also examines the impact of the war on the financial sector and the macroeconomic environment of Armenia. Moreover, in addition to the negative economic implications of the war, the article explains the newly created economic development and cooperation opportunities for the country. The article concludes that the Second Karabakh War has substantially affected the economy of Armenia, especially in the military, energy, and agricultural sectors, and also created new cooperation and development opportunities.

**Keywords:** Second Karabakh War, Armenian economy, economic and military losses of Armenia



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### *Introduction*

The Second Karabakh War ended the three-decade-old Armenia–Azerbaijan conflict, which has had a great impact on the formation of a new geopolitical and geo-economic situation in the South Caucasus. This conflict started in the early 1990s with the illegal territorial claims of Armenia against Azerbaijan that eventually led to the First Karabakh War (1988–94). As a result of that war, Armenia occupied about 20% of the internationally recognized territories of Azerbaijan, thereby creating a substantial humanitarian and social crisis. Along with political and social problems, the occupation had significant economic implications for the region’s countries, including for Armenia. Following the occupation, Azerbaijan and Turkey closed their borders and suspended economic ties with Armenia. As a result, Armenia lost its chance to get access to Turkey’s large market and the energy resources of Azerbaijan. Therefore, by occupying the territories of Azerbaijan, Armenia fell into an economic blockade, depriving it of the benefits of sustainable trade relations with its neighbours and preventing the country from joining regional energy and transportation projects. Because of the negative economic implications of the occupation, Armenia faced severe migration and poverty problems: about 30% of its population emigrated to other countries, and it became one of the poorest countries in the world.

*Despite the serious economic implications of the occupation, Armenia was not inclined to give up its policy of occupation and prolonged that occupation by feigning peace negotiations.*

Despite the serious economic implications of the occupation, Armenia was not inclined to give up its policy of occupation and prolonged that occupation by feigning peace negotiations. This attitude of the Armenian side, as well as the provocations of the Armenian army on the [former] line of contact, compelled Azerbaijan to end the occupation through military means, starting with a counteroffensive operation on 27 September 2020 and becoming known as the Second Karabakh War, which resulted in the restoration of the territorial integrity of Azerbaijan. During the war, the Armenian army experienced heavy losses of its military equipment and combat potential. Meanwhile, Armenia was also deprived from agricultural and energy resources in the Karabakh region, which it had illegally exploited during the period of occupation to meet the food and electricity demands

of its population. These losses put significant pressure on the economy and the financial sector of Armenia.

However, as the Second Karabakh War ended the Armenia–Azerbaijan conflict, it also created development opportunities for Armenia in the form of ending its economic blockade and developing economic and transport relations with its neighbours. The trilateral statement signed on 10 November 2020 between the Presidents of Azerbaijan and the Russian Federation, and the Prime Minister of Armenia

envisaged not only the cessation of military operations, but also the restoration of communication links and economic relations in the region and establishment of the Zangazur Corridor through Armenia to Azerbaijan’s exclave of Nakhchivan. By using the Zangazur Corridor, Armenia will be able to get direct land access to its main economic partners, including Russia.

All these factors show that the Second Karabakh War has significant economic implications for Armenia that will play an important role in the formation of its economic policy in the coming years. Therefore, the main goal of this article is to determine the level of economic damage of the war for the military, agricultural, and energy sectors of Armenia, and quantify the new cooperation opportunities. For this purpose, the first section of the article analyses the economic losses of Armenia in Second Karabakh War, including the military losses and lost resources in the agricultural and energy sectors. The second part of the article describes the impact of the war on the Armenian economy, particularly its financial sector and macroeconomic environment. The last section of the article analyses the newly formed economic opportunities in the post-war period.

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### ***Economic losses of Armenia in the Second Karabakh War***

Because of the heavy defeat in the Second Karabakh War, Armenia’s army faced significant military losses. According to a minimal scenario assessment, the value of Armenia’s military equipment that was destroyed or taken as trophies by the armed forces of Azerbaijan

during the war amounts to \$3.8 billion.<sup>1</sup> That equipment includes 5 Su-25 aircraft, 366 tanks, 97 Grad installations, 50 anti-aircraft missile systems, 22 unmanned aerial vehicles, 352 guns of various calibres, 4 Smerch installations, 2 Uragan installations, 1 TOS flamethrower, and 1 each of MLRS and Tochka-U ballistic missiles, and an Elbrus missile complex. The most expensive equipment that Armenia's army lost was the S-300 air-defence missile system. During the war, Armenia lost about 10 S-300 installations and their various tactical combat vehicles, after which the Azerbaijan army destroyed radar stations, weapons depots, and other equipment that played a major role in the provision of Armenia's defence capabilities.

In order to see the scale of the devastation that Armenia's army faced during the war, it is necessary to compare its losses to Armenian military expenditure in recent years. If we look at the annual military expenditure in the last decade, we can see that it had an increasing trend, reaching \$635 million in 2020.<sup>2</sup> The most significant increase in annual military expenditure was experienced after 2017. The annual increase in military expenditures was about \$92 million between 2012 and 2017, but approximately \$171 million between 2017 and 2020. For a small country such as Armenia with limited financial resources, such military expenditure is a significant financial burden. The annual military expenditure of Armenia constitutes about 4% of its Gross Domestic Product (GDP) (2019), which is higher than the ratios of countries such as the USA and Russia.<sup>3</sup>

*..during the Second Karabakh War, Armenia was deprived of the major part of its military capabilities formed over a period of ten years.*

If we look at the last ten years, the total annual military expenditure of Armenia was about \$5.16 billion.<sup>4</sup> Taking into account the value of Armenia's military equipment that was destroyed or taken as trophies in the war, about \$3.8 billion, the value of that equipment constitutes more than 73% of the total military spending in the most recent ten years. This shows that, during

1 Apa.az, *Center for Analysis of Economic Reforms and Communication: Military equipment losses of Armenia amount to 3.8 billion dollars*, December 2, 2020, available at: <https://apa.az/en/xeber/finance-news/Center-for-Analysis-of-Economic-Reforms-and-Communication-Military-equipment-losses-of-Armenia-amount-to-38-billion-dollars-coloredPHOTOcolor-336840> (Accessed June 22, 2021)

2 SIPRI, *Military Expenditure Database*, 2020, available at: <https://www.sipri.org/databases/milex> (accessed June 23, 2021)

3 World Bank, *Military expenditure (% of GDP) – Armenia*, 2020, available at: <https://data.worldbank.org/indicator/MS.MIL.XPND.GD.ZS?locations=AM> (Accessed June 22, 2021)

4 Ibid.

the Second Karabakh War, Armenia was deprived of the major part of its military capabilities formed over a period of ten years. Along with military equipment, Armenia lost more than 3,600 military personnel<sup>5</sup> in the war. These losses show how calamitous the war was for Armenia. Therefore, it will take many years and huge financial resources to restore the army. This, in turn, will put pressure on the economy of Armenia, worsening the socio-economic situation in the country.

All these losses indicate that the war will have serious economic implications for Armenia in the near future. In order to recover the combat potential of its army, it needs to allocate a significant part of its financial resources for military purposes. Even before the war Armenia was spending a large amount of national funds on its army. Now, it needs to continue a high level of financing of the army in order to restore it. We could expect that, after the recovery of its military capability, Armenia could decrease its military expenditure. However, as the army experienced a devastating defeat, it will take many years to restore it.

As a result of the war, Armenia also lost significant agricultural resources in the territories of Azerbaijan. These lands are fertile and suitable for the cultivation of fruits, vegetables, grain crops, and other agricultural products. During the occupation, Armenia illegally exploited these resources, notably grain products, for meeting the food requirements of its population. When Azerbaijan liberated the [formerly] occupied territories, Armenia lost access to those resources, which created a deficiency of agricultural products.

In the Second Karabakh War, Azerbaijan liberated more than 90,000 hectares of arable land, which were mostly used for grain production and constituted about 90% of the arable land that was under the control of Armenia in the Karabakh region.<sup>6</sup> There, 150,000 tonnes of various grain crops were produced annually and 100,000 tonnes (66%) of those crops were exported to Armenia. As the total demand for grain products in Armenia is approximately 450,000 tonnes, the grain products that

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5 News.am, *Forensic examination conducted over bodies of 3,577 people*, February 18, 2021, available at <https://news.am/eng/news/629364.html> (Accessed June 25, 2021)

6 Panorama.am, *Ot kapitulyatsii do voprosov prodovolstvennoy bezopasnosti i do rosta tsen na khleb*, November 24, 2020, available at: <https://www.panorama.am/ru/news/2020/11/24/капитуляция-цен-на-хлеб/2407653> (Accessed June 24, 2021)



were imported from the [formerly occupied] Karabakh region provided about 22% of Armenia's total demand. This shows that the Second Karabakh War significantly affected the agricultural sector and food security of Armenia and, in order to meet the internal demand for grain products, Armenia has to increase the volume of imports of those products. Increasing imports means that the price of products made from grain crops will increase, thereby negatively affecting the social situation in Armenia.

During the occupation, Armenia also intensively exploited the energy resources in the Karabakh region. Huge water resources enabled the Armenia to build many hydroelectric power stations in the Karabakh region to meet the energy demands of Armenians living in the [formerly] occupied territories and for export to Armenia. In recent years, the electricity exported from the [formerly] occupied territories to Armenia constituted about 7% of Armenia's electricity supply. However, after the war, Azerbaijan regained control of more than 30 hydroelectric power stations [out of 36] in the Karabakh region that were used by Armenia.<sup>7</sup> As a result, Armenia lost about 60% of the electricity production capacity

*Now, in order to compensate for the electricity shortage, the Armenian government has had to increase the share of thermal power plants, from which the production of electricity is more expensive.*

in the previously occupied territories of Azerbaijan. Hydroelectric power stations in the Karabakh region had a special importance for Armenia as they provided a renewable energy source that was not dependent on gas prices.

Now, in order to compensate for the electricity shortage, the Armenian government has had to increase the share of thermal power plants, from which the production of electricity is more expensive.

Alternatively, electricity can be imported from other countries. In either case, the more expensive source of electricity will lead to increases in electricity prices for households. High electricity prices will, in turn, increase the social problems in the country. It is no coincidence that electricity prices for households in Armenia have already changed. Starting from 1 February 2021, daytime electricity tariffs increased by 6.2% and night-time tariffs by about 7.9%.<sup>8</sup> We could expect further electricity price increases in Armenia in the coming years.

<sup>7</sup> Energycentral.com, *Armenia's energy sector likely to face serious problems this year*, January 19, 2021, available at: <https://energycentral.com/news/mp-armenia%E2%80%99s-energy-sector-likely-face-serious-problems-year> (accessed June 27, 2021)

<sup>8</sup> Ibid.

### *The impact of the war on the Armenian economy*

The Second Karabakh War also had a significant impact on the financial sector and macroeconomic environment of Armenia, which will shape the economic policy of Armenia in the future. Because of the heavy losses during the war, in October 2020, Armenia had to make amendments to the Law on the 2020 State Budget. According to those amendments the budget expenditures increased by about \$80 million.<sup>9</sup> This was the second such amendment to the state budget as, in April of 2020 and because of the negative economic implications of the COVID-19 pandemic, the Armenian government had introduced an earlier amendment. After these changes, the budget expenditures of Armenia reached \$3.4 billion, which was about 27% of GDP. Owing to economic problems, the Armenian government was increasing the budget, but, at the same time, tax revenues were reduced because of the low economic activity during the pandemic and the war. This process led to about a three-times increase in the budget deficit compared with initial budget projections. After the first amendments, the budget deficit increased two times, reaching the \$663 million, or 5% of GDP. After the second amendments, up to the end of 2020, the budget deficit in Armenia reached \$960 million, or 7.4% of GDP. The sizable increase of the budget deficit brings into question the financial security of the country.

It is clear that, compared with the military losses of Armenia in the war, the increased value of budget expenditures is too low. However, Armenia did not have the additional financial capabilities to substantially increase budget expenditures and its sources of revenue generation are limited. As the dependence of the Armenian economy on foreign debt is high, it could not allow the budget deficit to increase too much. Otherwise, it would need to attract additional foreign debt for financing the budget deficit which was already at a high level and had been swiftly increasing in recent years. Even the small increases in the state budget have significantly affected the level of public debt of Armenia. According to information from Armenia's Finance Ministry, total public debt increased by about \$647 million in 2020 and reached almost \$8 billion.<sup>10</sup> This means that, compared with the previous year,

9 Armenpress.am, *Parliament approves bill on increasing current expenditures by 40 billion drams*, October 7, 2020, available at: <https://armenpress.am/eng/news/1030725.html> (accessed June 21, 2021)

10 Arka.am, *Armenia's overall public debt grows to \$7.97 billion*, January 25, 2021, available at: [https://arka.am/en/news/economy/armenia\\_s\\_overall\\_public\\_debt\\_grows\\_to\\_7\\_97\\_billion/](https://arka.am/en/news/economy/armenia_s_overall_public_debt_grows_to_7_97_billion/) (accessed June 26, 2021)

the public debt of Armenia increased about 12% in 2020. About 94% of that total public debt was owed by the government. The Armenian government's external debt at the end of 2020 was about \$5.6 billion, but increased about \$300 million during the year. This shows that even small changes in budget expenditures necessitate the Armenian government to noticeably increase its public debt.

*Because of the high level of public debt, the debt-to-GDP ratio, one of the main indicators reflecting the level of financial security of any country, reached a dangerous level.*

High public debt, in turn, caused the financial situation in Armenia to deteriorate, thus threatening the economic security of the country. Because of the high level of public debt, the debt-to-GDP ratio, one of the main indicators reflecting the level of financial security of any country, reached a dangerous level. According to a recent report by the Fitch Ratings

Agency on the economy of Armenia, by the end of 2020, Armenia's ratio of public debt to GDP had reached 67.3% as a result of the pandemic and war.<sup>11</sup> The report further indicated that the debt-to-GDP ratio will increase to 67.6% by the end of 2021. After that, it will gradually decrease to 63.5% by the end of 2025, and, as a result of the implementation of the planned strict fiscal policy for the medium term, it will be possible to reduce this figure to 60% in 2026. However, it will not be easy to implement the strict financial policy and reduce the public debt any faster, as the economic shocks that Armenia faced in 2020 will require the allocation of budgetary funds to support the economy in the coming years. Moreover, the fact that 77% of public debt is foreign debt increases the risk of depreciation of the national currency, thus putting more pressure on the financial sector.

The war also had a significant impact on the exchange rate of the national currency and the inflation level in Armenia. The depreciation of Armenia's national currency, the dram, started in early 2020 because of the pandemic-related economic situation. During the war, as of September, the depreciation of the dram began to accelerate and continued to do so after the war. Between September 2020 and April 2021, the Armenian dram depreciated by about 9% against the US dollar.<sup>12</sup> Depreciation of the national currency, in turn, increased the prices of imported goods, negatively affecting the purchasing power

<sup>11</sup> Fitch Ratings, *Fitch Affirms Armenia at 'B+'; Outlook Stable*, March 26, 2021, available at: <https://www.fitchratings.com/research/sovereigns/fitch-affirms-armenia-at-b-outlook-stable-26-03-2021> (accessed June 24, 2021)

<sup>12</sup> Central Bank of Armenia, *Exchange Rates Archive*, 2021, available at: <https://www.cba.am/en/sitepages/ExchangeArchive.aspx?DateFrom=2020-11-01&DateTo=2021-06-01&ISOCodes=USD> (accessed June 25, 2021)

Armenian citizens and creating an inflationary environment.

Along with currency depreciation, other economic problems have also affected the level of inflation in Armenia. Especially after the war, when the real economic impact of the conflict began to be felt, the inflation level began to increase. Despite fact that the annual inflation level in 2020 was low (about 1.2%), it increased more than 5 times and reached 6.2% in the first four months of 2021, which is greater than the 4% maximum target of the Central Bank.<sup>13</sup> The highest inflation rate recorded was in food products. Between January and April of 2021, the average increase in the prices of food products was about 8.3%. Drastic increases were recorded in the prices of predominantly imported staple foodstuffs such as cooking oil and sugar. Their prices were up by more than 40% in April 2021 compared with the same month in 2020. In the same period, the prices of bread, vegetables, and fruits rose by more than 8%. In order to curb the further depreciation of the currency and the increasing rate of inflation, the Central Bank of Armenia increased the refinancing rate from 5.5 to 6%.<sup>14</sup> This is the third rate hike since September 2020, when it stood at 4.25%. It was raised by about 1% and set at 5.25% in December 2020 and was increased to 5.5% in February 2021. Despite the efforts of the Central Bank, changes in the refinancing rate were unable to substantially prevent price hikes of products in Armenia.

### *New economic opportunities in the post-war period*

Despite the economic losses, as a result of war Armenia will also gain opportunities to join regional cooperation frameworks and solve some of its deeply rooted economic problems. The trilateral statement signed between the Presidents of Azerbaijan and the Russian Federation, and the Prime Minister of Armenia on 10 November not only acted to end military operations, but

*Despite the economic losses, as a result of war Armenia will also gain opportunities to join regional cooperation frameworks and solve some of its deeply rooted economic problems.*

13 Azatutyun.am, *Armenia's Food Inflation Keeps Rising*, May 11, 2021, available at: <https://www.azatutyun.am/a/31249746.html> (accessed June 26, 2021)

14 Centralbanking.com, *Armenia central bank raises policy rate 50bp*, May 5, 2021, available at: <https://www.centralbanking.com/central-banks/monetary-policy/monetary-policy-decisions/7829556/armenia-central-bank-raises-policy-rate-50bp> (accessed June 25, 2021)

also proposed the restoration of economic and transportation links between the region’s countries. According to the Provision 9 of the statement, all economic and transport links in the region shall be restored,<sup>15</sup> and the Republic of Armenia guarantees the safety of transport links between the western regions of the Republic of Azerbaijan and the Nakhchivan Autonomous Republic (Azerbaijan) in order to facilitate unhindered movement of citizens, vehicles, and goods in both directions. This provision of the statement creates great opportunities for all regional countries, including Armenia. Despite the previous development of economic relations among the countries of the South Caucasus region and the implementation of several

*The creation of the Zangazur Corridor, which will connect the main territories of Azerbaijan with Nakhchivan, will play a special role in the in easing Armenia’s economic isolation.*

important energy and transport projects, there were some unexploited cooperation opportunities. Now, these opportunities will be realized, to the benefit of the region’s countries.

The restoration of economic and transportation links in the region will bring several important economic benefits for Armenia. As about 80% of Armenia’s international borders were closed because of its occupation policy during the last three decades, the country was subject to an economic blockade.<sup>16</sup> Now, with the restoration of regional communications, Armenia will be able to free itself from that blockade and join regional projects. The creation of the Zangazur Corridor, which will connect the main territories of Azerbaijan with Nakhchivan, will play a special role in the in easing Armenia’s economic isolation. During the Soviet era, a railway existed in the territory of Zangazur and connected Armenia with Azerbaijan. Based on the implementation of the declaration, this railroad will be restored.

Using the Zangazur Corridor, Armenia will obtain direct land access to Russia, its main economic partner. Despite the fact that there is both a highway and a railway passing through Georgia to connect Armenia with Russia, Armenia was unable to use them efficiently. Owing to

15 Ministry of Transport, *Communications and High Technologies of the Republic of Azerbaijan*, President Ilham Aliyev addressed the nation, November 10, 2020, available at: <https://mincom.gov.az/en/view/news/1046/president-ilham-aliyev-addressed-the-nation> (Accessed June 27, 2021)

16 Armenianweekly.com, *Land-Locked: The Necessity of Open Borders in Armenia*, December 23, 2014, available at: <https://armenianweekly.com/2014/12/23/land-locked-necessity-open-borders-armenia/> (Accessed June 27, 2021)

political problems between Russia and Georgia, the railroad was closed and the highway on Georgian territory is subject to frequent closures due to the severe winter climate. Therefore, the Zangazur Corridor offers a sustainable alternative to those routes. By using the new corridor, Armenian cargos can reach Baku, the capital of Azerbaijan, and then be directed on to Russia.

The economic blockade of Armenia also created problems in reaching Eurasian Economic Union (EEU) markets. Despite the fact that Armenia has been a member of the EEU since January 2015,<sup>17</sup> it had no direct land link to other member states such as the Central Asian countries or Russia. After the establishment of the Zangazur corridor, by using the highways and railways of Azerbaijan along with those of Russia, Armenia could send its products to the Central Asian states. After the restoration of all communications in the region, Armenia will get access not only via the Zangazur Corridor, but also through other traditional routes that pass through Azerbaijan and that formerly played an important role in the foreign economic relations of Armenia. To obtain all the benefits of the restoration of these economic links, Armenia has to abandon its aggressive policy against its neighbours and join regional cooperation initiatives.

*The other benefit of the opening up of transport connections in the region for Armenia is the opportunity to upgrade its traditional railway connection with Iran.*

The other benefit of the opening up of transport connections in the region for Armenia is the opportunity to upgrade its traditional railway connection with Iran. After the occupation of Azerbaijani territories, Armenia had also deprived itself from using the railway connection with Iran that used to pass through Nakhchivan. Instead, during the occupation, it used highways through the mountainous areas that were not suitable for transportation of cargos in all seasons. Also, the condition of those highways meant that the transportation of those cargos was not comfortable. In an attempt to establish a sustainable railway connection with Iran during the occupation, Armenia tried to build a new rail route through the southern Meghri region. However, owing to high construction costs (about \$3.5 billion) and inability to attract foreign investors to this inefficient project, Armenia was unable

<sup>17</sup> Eurasian Economic Union, *Armenia is now in the Eurasian Economic Union*, January 2, 2015, available at: <http://www.eurasiancommission.org/en/nae/news/Pages/02-01-2015-1.aspx> (Accessed June 27, 2021)

to implement it.<sup>18</sup> With the opening of the Zangazur Corridor, Armenia can restore the railway connection with Iran and develop its bilateral economic relations.

### *Conclusion*

Because of the heavy losses, the Second Karabakh War has substantially affected the economy of Armenia and also created new cooperation and development opportunities. During the war, the Armenian army experienced a devastating defeat and lost its combat potential and a major part of its military equipment. The military potential of Armenia that was built over the past decade by spending significant amount of the country's financial resources almost disappeared in the 44 days of the war. For restoring the army, Armenia needs many years and a large quantity of financial resources. Thus, the restoration of the army will put pressure on the economy of Armenia and will negatively affect the financing capacity of other economic sectors. Along with military losses, Armenia lost its access to the natural resources in the previously occupied territories, resources that it had been illegally exploiting during the occupation. Thus, Armenia will need to spend additional financial resources to substitute the energy and agricultural resources from which it has been deprived. Taking into account that those resources played an important role in the provision of food and energy security, Armenia has no choice other than to replace them. In doing so, Armenia will spend more funds, and prices for food products and electricity will increase. Therefore, the economic losses of Armenia will also impact the socio-economic situation of the population in the coming years.

In order to meet the increasing financial expenses during the war, the Armenian government increased budget expenditures, which led to a substantial increase of the budget deficit. The high budget deficit, in turn, necessitated the attraction of foreign debt and increased the dependence of the Armenian economy on foreign financing, which has been one of the country's main structural economic problems. As a result, the public debt of Armenia reached dangerous levels, thus undermining the financial security of the country. Based on the

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18 Radiofarda.com, *Iran-Armenia Rail Link Still Long Way Off, Says Minister*, July 19, 2018, available at: <https://en.radiofarda.com/a/iran-armenia-rail-link-still-long-way-off-says-minister/29376820.html> (Accessed June 28, 2021)

economic situation in Armenia, we could expect that pressure on the financial system and macroeconomy of Armenia will continue in the coming years as, in the post-war period, Armenia will have to use a substantial part of its budget revenues for the restoration of the army and for replacing financial income that will be foregone owing to the lost resources in the previously occupied territories. Armenia will need more financial resources for maintaining food and energy security in the country. More importantly, economic and financial problems in the post-war period will keep the level of public debt high, thus undermining the financial security of the country. Moreover, as the pressure on the prices of products and the value of the national currency will continue, that will substantially affect the financial situation of the population and increase poverty. In order to prevent the increase of social discontent, the Armenian government will have to continue to provide support measures, as it did during the pandemic-related lockdowns. All these factors demonstrate that the Second Karabakh War will significantly affect the economic policy of Armenia in the near future. For the purposes of preventing the country from falling into a deep economic crisis, the Armenian government has to implement a strict financial policy, as far as is possible, and has to enact a socially oriented economic policy.

Despite all the mentioned negative effects of the war on Armenia, the end of the conflict has also created great opportunities for Armenia as the trilateral statement signed on 10 November 2020 envisions the restoration of all economic and transport ties in the region. Implementation of this statement presents a chance for Armenia to solve some of its main economic problems and to free itself from the economic blockade. The creation of the Zangazur Corridor will enable Armenia to use a sustainable land connection through the territory of Azerbaijan to reach its main economic partner, Russia, and other members of EEU. The new corridor will also enable Armenia to restore its traditional railway connection with Iran that was closed because of Armenia's occupation policy. Armenia could benefit from all the opportunities described if it opts for regional cooperation over its previous, aggressive policy. The period of occupation demonstrated that an aggressive policy against Armenia's neighbours did not bring it any prosperity. Therefore, participating in regional cooperation and using the benefits of the restoration of regional transport links, along



with the establishment of the Zangazur Corridor, are the only ways for the economic survival of Armenia in the future. The full use of the cooperation opportunities in the region and development of economic relations will also positively contribute to the establishment of a durable peace in the region.

# Azerbaijan as a Potential Regional Leader in the South Caucasus

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Vinícius Silva Santana\*

The South Caucasus—home to Azerbaijan, Georgia, and Armenia—is a geographic region that oftentimes is believed not to have developed regionalism. The reason for such an argument is the lack of political stability caused by security and territorial issues. With the ceasefire truce brokered by Russia and the declaration of Azerbaijan's victory in the Second Karabakh war, new regional perspectives are in sight for the region. As the winner of the war, Azerbaijan has the opportunity to reshape the regional dynamics of the South Caucasus. Nonetheless, theories on regional leadership suggest that a country must satisfy a set of conditions before it is able to aspire to this position in a regional context. Using data on capabilities and the literature on diplomatic behaviour, this paper suggests that Azerbaijan has the means to promote a regional order in the Caucasus, but such a project will largely depend on the policies that Azerbaijan will foster regionally in the short term and how they will be arranged with Armenia, Georgia, and the regional powers neighbouring the South Caucasus.

**Keywords:** South Caucasus; regionalism; Azerbaijan; regional leadership; national capabilities



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### *Introduction*

Since the collapse of the Soviet Union in 1991, the three countries in the South Caucasus—Azerbaijan, Georgia, and Armenia—have followed their own individual paths, both in domestic and international terms. Despite it being an established geographical region that binds all three countries together through path dependence, and the early international perception of the three countries not having a political dynamic unattached to the region,<sup>1</sup> their distinct foreign policy experiences and political instability have undermined the possibilities for regional development among Azerbaijanis, Armenians, and Georgians. Their foreign policy inclinations reflect their economic, security, and political positions: whereas Tbilisi tries to maintain strong ties with the European Union (EU), aspiring to join Euro-Atlantic institutions and to lessen Russian influence over its territories and its separatist regions,<sup>2</sup> the geopolitical chessboard in the South Caucasus has made Yerevan strengthen its military and economic ties with Russia<sup>3</sup> and thus have a supportive ally in its troubled relations with Turkey. Baku, in turn, until recent times, was considered to follow a more neutral and independent path, trying at the same time to be a strategic partner to the EU and maintain close relations with Russia.<sup>4</sup> All of these foreign policy inclinations are directly connected to the security issues of the region and make evident its political instability, which has escalated mainly owing to territorial conflicts: the Russian–Georgian conflict, the turmoil of the Georgian separatist regions of South Ossetia and Abkhazia, and the Armenia–Azerbaijan conflict; the latter was considered the main conflict in the region. As security, geopolitics and foreign policy are intertwined in the South Caucasus, Gerard Libaridian argues that the security of the region should rely primarily on the ability of these three countries to resolve their issues among themselves and with their immediate neighbours, because their reliance on outside forces did not stop the recent militarized conflicts on South Caucasian soil.<sup>5</sup>

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1 G. Libaridian, “Opportunities gained and lost: South Caucasus security since independence”, in F. Ismailzade & G. Howard (eds.), *The South Caucasus 2021: Oil, Democracy and Geopolitics* (Washington, DC: The Jamestown Foundation, 2012), pp. 237–256.

2 Huseynov, V. “Vicious Circle of the South Caucasus: Intra-Regional Conflicts and Geopolitical Heterogeneity”, *Caucasus Strategic Perspective*, Vol. 1, No. 1, 2020, p. 127.

3 *Ibid.*

4 *Ibid.*

5 Libaridian, *op. cit.*, p.238.

Despite displaying some of the conditions that facilitate the development of regionalism, the South Caucasus has been subject to the will of larger players in the international order, especially the three neighbouring countries and, more recently, the European Union.<sup>6</sup> With the end of the Second Karabakh war and the signing of the 10 November agreement, brokered by Russia, which is being conducted in partnership with Turkey, a new opportunity to establish regional arrangements has been created. In this context, Azerbaijan has the chance to promote a regional project in the South Caucasus that may well be to the benefit of all three countries in the region.

*Azerbaijan has the chance to promote a regional project in the South Caucasus that may well be to the benefit of all three countries in the region.*

The aim of this paper is to analyse the actual configuration of the capacities and capabilities of the countries in the South Caucasus and to determine if Azerbaijan has the necessary attributes to aspire to the position of a regional leader in a *Pax Caucasia* setting. To do so, the argument presented here is developed on the premise that the world order is built upon the relations among the players in a hierarchical sense. In this regard, Detlef Nolte, using Douglas Lemke's ideas on regional hierarchy, suggests that the world order is a multiple hierarchy model in which subsystems are found in both regional and subregional settings.<sup>7</sup> These settings function similarly to the global power hierarchy. Hence, a region under a hierarchical ordering would have a leader—even if the exercise of leadership is not always apparent—that ranks at the top of its regional pyramid but closer to the bottom of the immediately superior, broader regional, hierarchical setting. Similarly, the more at the bottom the regional setting lies, the more influence it may receive from more powerful leaders higher in the pyramid, especially when “the local *status quo* is at odds with the global dominant power's preferences or the global patterns of political and economic resource allocation”.<sup>8</sup> This characteristic of the regional power theory enables us to take ideas developed at macro-levels and apply them to a microcosmos of regions and subregions. If

6 A. Cohen & K. DeCorla-Souza, “Security issues and US interests in the South Caucasus”, in F. Ismailzade & G. Howard (eds), *The South Caucasus 2021: Oil, Democracy and Geopolitics* (Washington, DC: The Jamestown Foundation, 2012), p.189.

7 Nolte, D. “How to compare regional powers: analytical concepts and research topics”, *Review of International Studies*, Vol. 36, No. 04, 2010, p. 886.

8 *Ibid.*, p. 886.

the hierarchy of international politics divides the nations in regional settings, and these still have their own substructures, it is correct to say that the South Caucasus is a geographical subregion in Eurasia, despite Kathleen Hancock and Alexander Libman's argument that Azerbaijan, Armenia, and Georgia do not form a unitary political region.<sup>9</sup> Thus, when political regional processes are initiated, the South Caucasus also becomes susceptible to having a regional leader. From here on, in order to simplify the cohesion of the text, the word 'region' and its derivative 'regional' will also be used to talk about the subregional dynamics, unless otherwise specified. 'Subregion' and 'subregional', in turn, will only be used when this particular idea needs to be highlighted within a broader context.

Nolte argues that the characteristics that define regional powers and regional leadership are not subject to a consensus among scholars.<sup>10</sup> Investigations on regional leadership, therefore, need to be comprehensive and allow for the dialogue of different theoretical approaches,<sup>11</sup> which is thus one of the exercises being undertaken here.

Taking the South Caucasus as a subregion of Eurasia and using the theories of middle powermanship and regional powerhood, this paper takes a look at the capacities, relative power, and behaviour of Azerbaijan and compares the quantitative attributes with the South Caucasus countries and the neighbouring regional powers to argue that, although it cannot compete equally with Russia, Turkey, and Iran, Azerbaijan is in a position to promote regional projects and become the leader of this yet-to-be-born regional order in the South Caucasus. If Carsten Holbraad's argument that the winner of a war gains power and recognition and, as a consequence, is given the responsibility of reorganising the regional order is correct,<sup>12</sup> it is possible to argue that, when this thesis is adapted to the microcosmos of the South Caucasus, one of the main obstacles for regionalism will have been overcome, and Azerbaijan has now an open path to promote and to consolidate regional processes.

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9 K. Hancock & A. Libman, "Eurasia", in T. Börzel & T. Risse (eds), *The Oxford Handbook of Comparative Regionalism* (Oxford: Oxford University Press, 2016), p. 206.

10 Nolte, *op. cit.*, p. 881.

11 *Ibid.*, p. 883.

12 C. Holbraad, *Middle Powers in International Politics* (London: Macmillan Press, 1984), p. 66.

### *The South Caucasus and Eurasia*

The South Caucasus is composed of three post-Soviet nations that lie entirely within the Caucasus geographical region: Azerbaijan, Georgia, and Armenia. The south-western part of the Russian Federation, the north-eastern part of Turkey and the north-western part of Iran also lie within the conventional boundaries of the Caucasus. The South Caucasus is a geographic region with diverse cultural, religious, and linguistic heritage. Despite the South Caucasus nations having different political tendencies, different linguistic and ethnographic origins, and distinct religious beliefs from one another, geography has locked these three small nations together at the crossroads between Western and Eastern societies.

From the Middle Ages, the South Caucasus was usually a buffer borderland between empires. Swinging from one empire to another, the people of the South Caucasus were afflicted by many wars and the local elites were often subordinated to an external power: at different points in history, Byzantines, Arabs, Ottomans, Persians, and Russians imposed their influence on the territory between the Caspian and the Black seas.<sup>13</sup> This perception of being a buffer region is still alive today: it can be seen in the development of the theories of a civilizational world created by Samuel Phillips Huntington.<sup>14</sup> In a nutshell, this theoretical framework divides the world using cultural, linguistic, and religious ties as a basis. If only these variables are taken into account, the three countries in the South Caucasus are distanced from one another; however, Huntington and his followers forget the economic dynamics and path dependence involved in complex regional relations.<sup>15</sup>

*From the Middle Ages, the South Caucasus was usually a buffer borderland between empires. Swinging from one empire to another, the people of the South Caucasus were afflicted by many wars and the local elites were often subordinated to an external power.*

The three countries entirely within the South Caucasus region share borders with two established regional powers, Iran and Turkey, and

13 R. Motika, "The Role of Religion in the South Caucasus - Conflict Prevention and Mediation", in IFSH (ed.), *OSCE Yearbook*. (Baden Baden: IFSH, 2005), pp.261–273. Available at: <https://ifsh.de/en/publications/osce-yearbook/yearbook-2004> (Accessed: March 1, 2021).

14 Huntington, S. P., "The Clash of Civilizations?" *Foreign Affairs*, Vol. 72, No. 3, 1993, pp. 23–25.

15 A. Kazharski, *Eurasian Integration and the Russian World* (New York: Central European University Press, 2019), pp. 53–57.

one global power, Russia.<sup>16</sup> They are thus largely influenced by these countries and also by the United States and Europe. All the mentioned regional or global players aim at increased political and economic influence over the South Caucasus. Nonetheless, whereas the region is especially important for Russia, it has recently received more European attention. For Russia, the South Caucasus, along with Central Asia (Kazakhstan, Turkmenistan, Kyrgyzstan, Tajikistan, and Uzbekistan) and the former core members of the *Russkii Mir*<sup>17</sup> bordering the EU (Belarus and Ukraine and, due to geographical reasons alone, Moldova), is a subregion of Russian-led Eurasia.<sup>18</sup> The Eurasian region distances itself from what is considered Europe and what is considered Asia. It is a transcontinental region with its own dynamics, made up of all of the post-Soviet nations with the exception of the Baltic countries. The Eurasian territory is confronted with contested borders and failed projects of regionalism. An exception is the construction of the Eurasian Economic

*..the 10 November statement putting an end to the Armenia–Azerbaijan conflict creates room for regional development processes. The statement basically declares Azerbaijan’s victory and the defeat of Armenia; it also ratifies Baku’s sovereign control of all previously occupied territories..*

Union, comprising Russia, Belarus, Kazakhstan, Kyrgyzstan, and Armenia and launched in 2010, but the effects of which are still hard to determine.<sup>19</sup> For Europe, since the dissolution of the Soviet Union and the opening of the Azerbaijani gas sector to foreign investment, the South Caucasus has not only become a region to which the EU could extend its cooperation practices, but also provides an opportunity to diminish the EU’s energy dependence on Russia<sup>20</sup> and thereby diversify its energy resources.<sup>21</sup>

Despite not acting like a formal unitary political region because of the lack of regionalism processes, the South Caucasus is a formal geographic subregion of Eurasia. It is argued here that the 10 November statement putting an end to the Armenia–Azerbaijan conflict creates room

16 The literature on national capacities and capabilities and the theorists of middle powermanship and similar definitions used in this paper sometimes classify Russia as a global power and some other times as a regional power.

17 I. Torbakov, *After Empire: Nationalist Imagination and Symbolic Politics in Russia and Eurasia in the Twentieth and Twenty-First Century* (Stuttgart: ibidem-Verlag, 2018), p. 11.

18 Libman & Hancock, *op. cit.*, pp. 204–206.

19 *Ibid.*

20 Kirvelitė, L. “The dilemma of Azerbaijan’s security strategy: energy policy or territorial integrity”, *Lithuanian Annual Strategic Review*, Vol. 10, No. 1, 2012, p. 207.

21 J. Stern, S. Pirani, A. Honoré *et al.* *Reducing European dependence on Russian gas: distinguish natural gas security and geopolitics* (Oxford: Oxford Institute of Energy Studies, 2014) pp. 24–26.

for regional development processes. The statement basically declares Azerbaijan's victory and the defeat of Armenia; it also ratifies Baku's sovereign control of all previously occupied territories in the Karabakh region and its surroundings areas liberated by the Azerbaijani army, and, most importantly, anticipate the end of economic and transport blockades in the region.<sup>22</sup>

### ***The Possibilities for Regional Projects in the South Caucasus***

Before we enter a discussion of the attributes a regional leader must possess, it is important to conceptualize what regions, regionalism, regionalisation, regional order, and regional governance are. According to Tanja A. Börzel and Thomas Risse, in their introduction to *The Oxford Handbook of Comparative Regionalism*, regions are entities placed between the local and the global;<sup>23</sup> they are thus social constructs that refer to a territorial locality and a normative and geographic contiguity. For the geographical contiguity to be a region, it must include more than two countries; it may also be continental, subcontinental, or transcontinental.<sup>24</sup> By analogy, subregions are entities placed between the local and the regional arrangements. In this sense, the South Caucasus is a geographic entity above the local and national levels but below the Eurasian level. Börzel and Risse also argue that regionalism refers to state-led processes for the construction and maintenance of formal regional institutions and organisations along with cooperation; regionalisation, in turn, is defined as a process that increases economic, political, and social relations among neighbouring countries, for which the emphasis lies on non-state actors. The various combinations of regionalism and regionalisation in a particular region define a regional order, whereas regional governance is seen as an institutional model of social coordination to produce binding rules and public goods and services in one or several issue areas at the regional level.<sup>25</sup>

Owing to the aforementioned lack of regional arrangements in the

22 Kremlin.ru, *Zayavleniye Prezidenta Azerbaydzhanskoj Respubliki, Premyer-ministra Respubliki Armeniya i Prezidenta Rossijskoj Federatsii*, News, November 10, 2020. Available at: <http://www.kremlin.ru/events/president/news/64384> (Accessed: February 17, 2021).

23 T. Börzel & T. Risse (eds.), *The Oxford Handbook of Comparative Regionalism* (Oxford: Oxford University Press, 2016), p. 7.

24 *Ibid.*

25 *Ibid.*, pp. 7–10.



South Caucasus, regionalist approaches actually become projects of bilateral or multilateral cooperation; for example, the trans-regional Southern Gas Corridor (TAP and TANAP) projects that supply Europe with Caspian Sea natural gas and the newly built transport corridor that metaphorically reshapes the historical Silk Road linking the Western and Eastern worlds.<sup>26</sup> Both projects bypass Armenia because of the non-existence of diplomatic relations between Yerevan and Ankara, and Yerevan and Baku. Therefore, one cannot, at present, talk about South Caucasian regionalism, regionalisation, regional order, or regional governance. Nonetheless, the 10 November statement stopping the hostilities between Armenia and Azerbaijan presents the South Caucasus with a possibility for building regional arrangements.

According to Nolte, a regional arrangement does not necessarily produce an evident leader.<sup>27</sup> A regional leader—or an aspirant—must meet a series of requirements before being considered as such. There are different approaches to deal with the sense of being a leader without being a great power in international politics. The definitions of middle power, regional power, and regional middle power, and the set of definitions for countries that may fit more than one definition or role in regional and international politics, such as torn,<sup>28</sup> cusp,<sup>29</sup> or misplaced<sup>30</sup> states, usually analyse the same countries using different theoretical and methodological perspectives. Nonetheless, most approaches tend to analyse them based on middle-power premises, which are defined by their capabilities and roles in international politics, and regional power premises, which are usually also attached to the responsibility for maintaining regional order and security. Along with their roles and responsibilities, Nolte summarises these requirements as: a) being able to articulate the willingness of a leading position in a geographically limited region; b) disposing the necessary material, organisational, and ideological resources to build and maintain a regional power project;

26 Hajiyev, S., “The news you probably missed: TAP pipeline up and running”, *Euractiv*, November 19, 2020. Available at: <https://www.euractiv.com/section/azerbaijan/opinion/the-news-you-possibly-missed-tap-pipeline-up-and-running/> (Accessed: March 03, 2021).

27 Nolte, *op. cit.*, p. 884.

28 Huntington, *op. cit.*, pp. 42–45.

29 P. Robins, “Introduction: ‘Cusp States’ in international relations – in praise of anomalies against the milieu”, in M. Herzog & P. Robins (eds), *The role, position and agency of cusp states in international relations* (New York: Routledge, 2014), pp.2–21.

30 Aslam, W., Wehner, L., Koga, K., *et al.*, “Misplaced states and the politics of regional identity: towards a theoretical framework”, *Cambridge Review of International Affairs*, Vol. 4, No. 33, 2020, pp. 505–526.

and c) having great influence in regional affairs.<sup>31</sup> Additionally, he points to a set of conditions that give validity to the leadership position by arguing that the regional leader must be economically, politically, and culturally interconnected with the region as well as able to influence the political delimitation of the region, promote a regional identity, take part in the provision of public goods for the region, define the regional security situation significantly, have its leadership recognized both inside and outside the region, and articulate not only its own but also regional interests in global fora and institutions.<sup>32</sup>

In terms of capability, Carsten Holbraad<sup>33</sup> gives hints on various contexts that have historically been used to measure and analyse capabilities and power while also pointing to the various definitions and characteristics of being a powerful nation, but not a superpower, in international politics. As in Nolte,<sup>34</sup> many of the definitions and the analytical framework that Holbraad overviews are based on the role of the country and its relative power capability, which is the size of the territory and its population. Economic variables such as GDP (absolute and per capita<sup>35</sup>) are also relevant to evaluating and labelling regional powers. Military power is also one of the analysed attributes, and focus is usually placed on the ability to produce nuclear arms, net military capacity, or self-perceived and assessed power. Here, our focus is on net military capacity and a power index. Although all of the different forms of evaluating middle powers have deficiencies,

each of these ways of identifying middle powers draws attention to an element of national power which must not be ignored in an attempt to evolve a more suitable system of classifying the powers of the world.<sup>36</sup>

In line with Nolte<sup>37</sup> and most of the scholarship on great, middle, and regional powers, Holbraad argues that a state will enjoy such a status not because of its military and economic capabilities alone, but mainly

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31 Nolte, *op. cit.*, pp. 890–894.

32 *Ibid.*

33 Holbraad, *op. cit.*, p. 72.

34 Nolte, *op. cit.*, p. 889.

35 Holbraad actually argues that GNP and GNP *per capita* should be used, but due to most databases displaying GDP and GDP *per capita* and due to the little difference presented in both indicators, GDP and GDP *per capita* were used in this study. Also, Nolte uses GDP as a parameter of analysis.

36 Holbraad, 1984, *op. cit.*, p. 75.

37 Nolte, *op. cit.*, pp. 890–892.

because this status is certified by others, who must present a degree of acceptance.<sup>38</sup>

Finally, to denote the methodology used herein, this paper aligns with Holbraad's arguments for an analytical framework that can be used to make inferences on states that are powerful and may exercise leadership in a particular regional setting. The most suitable approach, he argues,

[...] is first to consider each region by itself and draw the line of separation at whichever level a division between middle and lesser powers seems most natural, and then to compare the results [...]. This

*The 10 November Statement recognises Azerbaijan as the winner of the Second Karabakh war and has returned most of the formerly occupied territories to the sovereign control of Baku.*

method involves dividing the world into regions. For our purposes, a simple geographical division seems preferable to one based on established patterns of interaction among states.<sup>39</sup>

Therefore, having defined the South Caucasus as the region to be explored and, on the basis of the relevant literature, setting Russia, Turkey, and Iran in a line above the South Caucasus, it is important to

observe the attributes of these countries to compare the extent to which Azerbaijan could be placed as a leader of the South Caucasus region.

### ***How the Data Suggest Azerbaijan as a Regional Leader***

The 10 November Statement recognises Azerbaijan as the winner of the Second Karabakh war and has returned most of the formerly occupied territories to the sovereign control of Baku. It also foresees the end of the transport and economic blockades between Azerbaijan and Armenia, and the deployment of Russian and Turkish military forces to the region to keep the ceasefire in effect. Adapting Holbraad's idea that the winner of a war is presented with the possibility to become the leader in a given system<sup>40</sup> to the regional context of the South Caucasus, Azerbaijan has the possibility to lead regional dynamics and processes. The question that arises from this situation is: does Azerbaijan have the necessary attributes to aspire to the leadership of the South Caucasus?

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<sup>38</sup> Holbraad, *op. cit.*, p. 75.

<sup>39</sup> *Ibid.*, p. 81.

<sup>40</sup> Holbraad, *op. cit.*, pp. 67–75.

**Table 1:** Comparison of capacities of the countries of the South Caucasus and their immediate neighbours

	Population <sup>41</sup>	GDP (abbrev.) <sup>42</sup>	GDP per capita <sup>43</sup>	Land area <sup>44</sup>	Power Index <sup>45</sup>
<b>Russia</b>	145,934,462	\$1.578 tri	\$10,846	16,376,870	0.0791
<b>Turkey</b>	84,339,067	\$852 bi	\$10,498	769,630	0.2109
<b>Iran</b>	83,992,949	\$454 bi	\$5,682	1,628,550	0.2511
<b>Azerbaijan</b>	10,139,177	\$40.75 bi	\$4,139	82,658	1.0472
<b>Georgia</b>	3,989,167	\$15.08 bi	\$3,762	64,490	2.2265
<b>Armenia</b>	2,963,243	\$11.54 bi	\$3,918	28,470	2.4216

**Source:** Author's own design based on data from the 2019 United Nations World Population Prospects organised by Worldometer and the 2021 Global Fire Power military index.

As the theory suggests, a regional leader must possess the capabilities necessary to lead, and its behaviour must match accordingly. In terms of land area and population, as Table 1 shows, each of the three countries above the line of the South Caucasus displays far higher numbers than Azerbaijan, Georgia, and Armenia combined; this sets them in a different class of regional leadership and above the countries of the South Caucasus in any given regional arrangement pyramid. Nonetheless, within the South Caucasus, Azerbaijan's population is more than three times larger than that of Armenia and over twice as big as Georgia's. Similar numbers are presented in the comparison of land area between Armenia and Azerbaijan. Between Georgia and Azerbaijan, the difference in land area is considerably smaller, and an

41 The data is based on the latest United Nations Population Division estimates. Retrieved from: Worldometers.info, *Countries in the world by population* (2021), 2021. Available at: <https://www.worldometers.info/world-population/population-by-country/> (Accessed: February 20, 2021). In number of inhabitants.

42 Ibid. In American Dollars, USD.

43 Ibid. In American Dollars, USD.

44 Ibid. Land area in square kilometers (km<sup>2</sup>).

45 The scores of the Global Fire Power (GFP) power index indicate the value of the military manship of a given country. The value of reference is 0.0000, which is considered to be the best balance possible of all considered variables. The higher the score of a given country, the weaker the military manpower is. Retrieved from: GlobalFirePower.com, *2021 Military Strength Ranking*, Annual Ranking, 2021. Available at: <https://www.globalfirepower.com/countries-listing.php> (Accessed: March 4, 2021).

analysis of internal and logistical infrastructure<sup>46</sup> suggests that, although Azerbaijan still presents better numbers, the countries are even on a set of territorial variables.

The main economic indicator of capability is GDP. This attribute is shown in Table 1 for the three countries in the South Caucasus and also for the three neighbouring countries. In addition, the table also presents the GDP per capita because, according to Holbraad,<sup>47</sup> when GDP is used as the sole indicator of power, it may give room for rank inconsistencies, as

a country that on the basis of [GDP] alone would assume a certain rank, might find itself in a much higher, or much lower, position when ranked with reference to a more specific indicator of power, for example population, area or armed forces.<sup>48</sup>

Put differently, GDP is an important indicator to assess power, but its weaknesses may hinder comprehensive and accurate analysis if it is used as the only indicator of any complex phenomenon.

A close look at the economic variables shows that Russia and Turkey are in much higher positions than the other countries. Although Russia's

*In terms of military capacity, Azerbaijan also ranks higher than its South Caucasian neighbours according to the 2021 Global Fire Power (GFP) military strength ranking.*

GDP is almost twice as large as Turkey's, which, in turn, is almost twice that of Iran, in per capita terms, Russia's and Turkey's GDPs are similar. Iran, also an established regional power, has a GDP over ten times greater than Azerbaijan's but, when compared in per capita terms, the difference in economic capability between the two is significantly decreased. Among the three South Caucasian countries, Azerbaijan clearly stands out as the main regional actor. Azerbaijan's GDP is greater than Armenia's and Georgia's numbers combined and, although in per capita terms the difference is minimal, the country still has the best numbers.

In terms of military capacity, Azerbaijan also ranks higher than its South Caucasian neighbours according to the 2021 Global Fire Power (GFP) military strength ranking. The ranking developed by GFP organises the total available military manpower by creating a power index that agglutinates, among other variables, military might, logistical and

<sup>46</sup> These data are present in the Global Fire Power ranking as one of the variables used to create the power index.

<sup>47</sup> Holbraad, *op. cit.*, p. 78.

<sup>48</sup> *Ibid.*

financial capabilities, and geography. Their power index stipulates that a score of zero indicates the best match of all variables and therefore it is considered that the closer to this score a country's power index is, the stronger is its military capacity.<sup>49</sup>

With larger available manpower and paramilitary forces; better financial indicators (defence budget, foreign reserves, purchasing power); more airpower than Georgia and Armenia combined; an overwhelmingly larger land power; and greater marine power in comparison to Georgia (Armenia is a landlocked country and does not have marine power), Azerbaijan scores better than its South Caucasus neighbours in most of the variables analysed to build their power indices. Azerbaijan's logistics also differ greatly from Armenia's, although Georgia surpasses Baku in number of ports and terminals. Among the three, Azerbaijan's oil resources and oil consumption also highlight that the country is at a different level from Georgia and Armenia.<sup>50</sup> Altogether, as Table 1 presents, Azerbaijan's 1.0472 power index is precisely between those of its neighbours and the regional powers: in an absolute comparison, however, it ranks closer to those of Iran and Turkey than those of Georgia and Armenia.

*Azerbaijan is the country most suitable to aspire to leadership should a regionalist project in the South Caucasus lead to a Pax Caucasia.*

In summary, all the indicators above point to two clear arguments: the regional powers around the South Caucasus are on a different level from the Eurasian subregion, and Azerbaijan is the country most suitable to aspire to leadership should a regionalist project in the South Caucasus lead to a *Pax Caucasia*. Nonetheless, these indicators are not enough for Azerbaijan to become the leader of the South Caucasus in a regional context. Its behaviour and the perception of its leadership by its neighbours must match accordingly.

Insofar as Azerbaijan's behaviour goes, its comprehensive energy and security strategy points to a balanced multilateral approach<sup>51</sup>, and its relations with the neighbouring powers and Europe are stabilised through the Non-Aligned Movement.<sup>52</sup> Regional concerns are also present in Azerbaijan's behaviour and discourse. Such developments can be seen in the report 'The Priorities of the Foreign Policy of the

49 GlobalFirePower.com, *op. cit.*

50 *Ibid.* All of the above-mentioned variables are used by GFP to make the index's score.

51 Kirvelité, *op. cit.*, pp. 205–209.

52 Huseynov, *op. cit.* p. 133.

Republic of Azerbaijan.<sup>53</sup> In this publication, along with the solution of the conflict with Armenia on the basis of the principles of the Lisbon summit and through negotiations within the OSCE Minsk Group and calls for pluralistic democracy, rule of law, and development of the

*After winning the Second Karabakh War and presenting better capacity and increased willingness to be part of a regional project, Azerbaijan meets a set of conditions to be the leader of the South Caucasus in a Eurasian subregional context.*

economy and territorial integrity, Azerbaijan publicly states a set of priorities that match what is expected of the leader of a regional order. Among these priorities, the topics ‘developing good-neighbourly and mutually beneficial relations with neighbouring countries’ and ‘strengthening security and stability in the region’ are signs that Baku is willing to work on a regionalist project. Similarly, the reference to the whole South Caucasus region when addressing the prevention of proliferation of nuclear arms and the joint projects

of the Eurasian transport and energy corridors presents concrete and ongoing possibilities for greater integration in the region with the inclusion of Armenia in ongoing and future projects.

### ***Concluding Thoughts***

After winning the Second Karabakh War and presenting better capacity and increased willingness to be part of a regional project, Azerbaijan meets a set of conditions to be the leader of the South Caucasus in a Eurasian subregional context. Owing to historical developments and the greater capability of Russia at a higher hierarchical level, Moscow’s influence in the region will not cease. Nonetheless, due to the special geographical position of the South Caucasus, and the recent involvement of Ankara in its security issues, Turkey and Iran will also have a share of influence in the regional dynamics of the South Caucasus. In summary, exogenous dynamics will continue to influence the intraregional issues, but, with regional arrangements and balanced relations among neighbours, the countries will be able to pursue an increased voice in international fora and institutions. Having this panorama in mind, the prospects for Azerbaijani leadership in the South Caucasus might be found in policymaking.

Of course, to function as a stabiliser in the region, Azerbaijan must have

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53 Supreme Court of the Republic of Azerbaijan, The priorities of the foreign policy of the Republic of Azerbaijan, (n.d.), Available at: <http://www.supremecourt.gov.az/en/static/view/5> (Accessed: March 5, 2021).

the willingness and the capability to assume the role of a peacemaker and peacekeeper. Azerbaijan's leadership should also be accepted by its neighbours. Although for Georgia this acceptance seems to be less problematic owing to the ongoing cooperation projects for oil and transportation with Turkey, the main focus of Azerbaijan in this context is to convince Armenia that Yerevan's net gains in joining a regional project will be greater than if Armenia decides to opt out. It is also believed that peaceful regional arrangements are to the benefit of Armenia, whereas for Georgia, improving its infrastructure and stepping up diplomatic relations with its neighbours will guarantee that Tbilisi does not lose ground in regional negotiations.<sup>54</sup> The endorsement of Armenia and Georgia is crucial for Azerbaijan's leadership because, according to Detlef Nolte, 'the stability of a regional power hierarchy depends on the perceived net gains of the involved states';<sup>55</sup> this, he argues, is more important than external validity,<sup>56</sup> which might be less of a problem because this leadership, in a subregional context, does not greatly impact Moscow's influence over the region and allows for the presence of Ankara as well. Backed both by Russia and Turkey, the region should not have trouble with Iran if it continues to maintain balanced and friendly relations with Teheran.

If the criteria for regional power status are, as Nolte indicates, the articulation of its leading position, the display of the necessary capabilities and resources, and influence in regional affairs,<sup>57</sup> Azerbaijan fulfils the main requirements. Nonetheless, a few other conditions need to be better addressed or reinvented if Azerbaijan pursues this track.

Although the three countries are connected politically and economically through path dependence, they are culturally and linguistically diverse. A regional approach in the South Caucasus must make clear that religious beliefs, culture, and language will not interfere negatively in regionalism and regionalisation processes. This automatically spills over into the articulation of a regional identity. Historically, external players have treated the countries in the

*Azerbaijan thus has a great share in the definition of the regional security agenda, which is one of the additional characteristics a regional leader should have, while maintaining its regained territorial integrity.*

54 Lomsadze, G., "Not all roads lead to Georgia", *Eurasianet*, March 8, 2021. Available at: <http://eurasianet.org/not-all-roads-lead-to-georgia> (Accessed: March 18, 2021).

55 Nolte, *op. cit.*, p. 889.

56 *Ibid.*

57 *Ibid.*



South Caucasus as belonging to a unitary geographic region; a common regional identity, however, is non-existent. Overcoming the problems that may arise from the aforementioned differences in faith, culture, and language will likely open the possibility of creating a regional identity.

The security agenda of the South Caucasus is largely influenced by Azerbaijan's energy policy, its territorial integrity, and the resources of the Caspian Sea.<sup>58</sup> Azerbaijan thus has a great share in the definition of the regional security agenda, which is one of the additional characteristics a regional leader should have, while maintaining its regained territorial integrity.

Once a regional project is launched, Azerbaijan must be prepared to take part in the provision of regional collective goods and be involved in interregional and global fora and institutions to articulate its own interests and those of the South Caucasus region. These movements will have a positive influence on the final additional characteristic of a regional leader: the recognition and acceptance of nations both within and outside the South Caucasus.

Since each of the comments presented in this section are made solely on the basis of the interpretation of the theory and data herein explored, they may well be targets of independent studies to further formulate concrete policies and future prospects. Nonetheless, there is enough theoretical and empirical evidence that Azerbaijan should be the leader of a regionalist dynamic in the South Caucasus, should the regional path be followed by Baku, Tbilisi, and Yerevan.

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<sup>58</sup> Kirverlité, *op. cit.*, pp. 209–211.

# Russia-GUAM-US Triangle of Competition over Eurasia and Geopolitical Pluralism

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Taras Kuzio\*

This article discusses the triangle of competition between Russia and the USA over three members of the Organization for Democracy and Economic Development, GUAM: Azerbaijan, Georgia, and Ukraine. The first of three sections analyze how Russian leaders and politicians have, since 1991, prioritized the reintegration of the former Soviet space over nation-building in the Russian Federation. Russian officials and politicians have always viewed the former USSR, the Commonwealth of Independent States (CIS) and Eurasia as “Russia’s exclusive sphere of influence”. Russia has supported separatism and manufactured frozen conflicts, recognized the “independence” of separatist regions, and annexed neighbouring territories in countries that have stepped in a direction contrary to Russia’s regional interests in Eurasia. The second section focuses on Ukraine and GUAM members Azerbaijan and Georgia, which have prioritized building nation states over joining integration projects in the post-Soviet space and have implemented independent or pro-Western security policies. The third section analyses US security policy towards Eurasia and the South Caucasus under assertive (Bill Clinton, George W. Bush) and indifferent (Baack Obama, Donald Trump) presidents. This section discusses policies that US President Joseph Biden could pursue to revive the US as a security actor in partnership with Turkey towards Eurasia and the South Caucasus in pursuit of what US National Security Adviser Zbigniew Brzezinski described as “geopolitical pluralism” in Eurasia.

**Keywords:** Russian nationalism, Eurasia, spheres of influence, US security policy, GUAM, Turkey



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### *Introduction*

This article analyses three security actors in Eurasia and the South Caucasus. The first such actor is Russia and its assertive nationalism in viewing Eurasia, including the South Caucasus, as part of its exclusive sphere of influence. An assertive Russian security policy has remained a stable factor in Russian geopolitical thinking irrespective of whether Borys Yeltsyn or Vladimir Putin was Russian president. Russian political thinking and geopolitical strategy has always prioritized building integration in the post-Soviet space over nation-building in Russia.

*Russian political thinking and geopolitical strategy has always prioritized building integration in the post-Soviet space over nation-building in Russia.*

The second security actor is Ukraine, which, together with Azerbaijan and Georgia, has pursued a stable security policy towards Eurasia and the South Caucasus over the three decades of its independence since 1991 but has prioritized nation-building and the defence of its sovereignty. All three countries – Ukraine, Azerbaijan, and Georgia – declined to participate in Russian-led integration projects in Eurasia because they viewed them as threats to their national sovereignty. Russia punished all three countries by supporting separatism: indirectly, through Armenia, in Azerbaijan; directly in Georgia by invading and recognizing the “independence” of its Abkhazia and South Ossetia regions; and directly in Ukraine by annexing the Crimean peninsula and undertaking military aggression against the Donbas region in the country’s east.

The third security actor is the USA, which, alongside Turkey, is one of the two leading military powers in NATO. Turkey and Russia have diametrically opposite national interests in the South Caucasus and Eurasia generally.<sup>1</sup> From 2008 to 2020, under Presidents Barack Obama and Donald Trump, the US became an indifferent and passive security actor towards Eurasia and the South Caucasus. Although Obama was a Democrat and Trump a Republican, they both opposed the “neo-conservative” geopolitical agenda of exporting democracy, and the NATO and EU enlargements that had been the hallmarks of Presidents Bill Clinton and George W. Bush. This was clearly seen in the Minsk process to resolve the Armenian occupation of Azerbaijan’s territories

1 Kuzio, T., ‘Turkey and Russia have different interests in the South Caucasus,’ *Hurriyet Daily News*, June 18, 2021, Available at: <https://www.hurriyetdailynews.com/turkey-and-russia-have-different-interests-in-the-south-caucasus-op-ed-165608> (Accessed on June 30, 2021)

becoming moribund. France especially, and to a lesser extent the US, which, together with Russia, were the leading powers in the Minsk Group mediation process, tended to be biased in favour of Armenia. Russia and Turkey moved into the vacuum, supporting Armenia and Azerbaijan, respectively. The Armenia–Azerbaijan conflict erupted into renewed hostilities in 2016 and again in 2020, when Azerbaijan liberated most of what had been occupied by Armenia in 1988–1994. With Russian peacekeepers in northern part of Karabakh region, the US needs to again become a security actor in Eurasia and the South Caucasus.

This article shows how three security actors – Russia, Ukraine, and the USA – have frequently interacted and competed since 1991. In seeing the former Soviet space of Eurasia as its exclusive sphere of influence, Russia has always attempted to include its neighbours in integration projects. When this has failed or been rebuffed, Russia has supported separatism – directly or through its local allies – in Azerbaijan and Georgia in the early 1990s and Ukraine since 2014. The US has sought to promote what former US National Security Adviser Zbigniew Brzezinski called “geopolitical pluralism” in Eurasia. The US under former Presidents Clinton and George W. Bush was an active security actor in Eurasia and the South Caucasus, where it upheld the right of Azerbaijan, Georgia, and Ukraine to pursue independent foreign policies and, in the case of the last two, backed a NATO “open door” policy for their future membership.

*Russian politicians have viewed the disintegration of the USSR as both a catastrophe and a humiliation for Russia.*

This article demonstrates that the US was a passive security actor towards Eurasia, and especially the South Caucasus, under Presidents Obama and Trump. Less than a year into his presidency, it remains unclear if President Joseph Biden will again make the US a security actor in these two regions and in the process revive US geopolitical competition with Russia and the pursuit of “geopolitical pluralism” in Eurasia.

### ***Russia in Pursuit of an Exclusive Sphere of Influence in Eurasia***

Russian politicians have viewed the disintegration of the USSR as both a catastrophe and a humiliation for Russia. They have therefore seen the end of the Soviet Union differently from Azerbaijanis, Georgians,

and Ukrainians, who welcomed it because they obtained their independence. Since 1991, Azerbaijan, Georgia, Ukraine, and the three Baltic states of Lithuania, Latvia, and Estonia have prioritized nation-building, while Russia has prioritized building integration unions as its sphere of influence. Since 1991, all Russian leaders and most political parties have strongly supported integration within Eurasia and have always argued that there is no alternative to reintegration as the USSR's successor states cannot exist without Russian assistance and leadership. Therefore, in the case of conflict zones, Russia has always opposed the deployment of UN peacekeepers in the CIS area and Eurasia, because it believes this is a region where only it can act militarily.

Russia's democratic and nationalist opposition cannot make up their minds – disparaging their neighbours while at the same time *Russia's democratic and nationalist opposition cannot make up their minds – disparaging their neighbours while at the same time insisting, they remain closely integrated with them.* insisting, they remain closely integrated with them. On the one hand, they use racist and Islamophobic discourse against Caucasians and Central Asians and chauvinism towards Ukrainians. On the other hand, they keep insisting that these territories belong to their exclusive Eurasian sphere of influence and join Russia-led unions.<sup>2</sup> For instance, a former *Financial Times* correspondent in Moscow, Charles Clover,

described Navalny as the “pretty face of Russian nationalism” owing to his obnoxious racist and Islamophobic views.<sup>3</sup> Navalny describes his nationalism as “normal”, in contrast to the Kremlin’s “abnormal” variant, because the latter includes imperialist discourse. But, from the vantage viewpoint of the South Caucasus, there is little difference between “normal” and “abnormal” Russian nationalisms. Navalny believes the disintegration of the USSR provides the possibility for Russia to be reborn, while Putin describes the end of the Soviet Union as the “greatest geopolitical catastrophe of the century”. Nevertheless, they both support tight integration of Eurasian countries. Neither Russian nationalist dissident and historian Alexander Solzhenitsyn nor Navalny ever condemned Russian and Armenian leaders for manufacturing conflicts in Azerbaijan, Georgia, and Moldova. Navalny never condemned the Kremlin’s attempt to break off so-called “New

2 T. Kuzio, *Russian Nationalism and the Russian-Ukrainian War*, London: Routledge, forthcoming.

3 C. Clover, *Black Wind, White Snow: The Rise of Russia's New Nationalism*, New Haven, CT: Yale University Press, 2016.

Russia” (*Novorossiya*) from eastern and southern Ukraine in 2014. Navalny supported Armenia’s position in its conflict with Azerbaijan and backed Russia’s invasion of Georgia’s South Ossetia and Abkhazia regions in 2008. In 2014, he said the way Crimea had been annexed had violated international law; nevertheless, the peninsula should be not returned to Ukraine.

Russia has pursued security policies towards Eurasia that have been contradictory. Russia’s annexation of Crimea and continued military aggression against Ukraine have undermined traditional views of “brotherly” relations between the Russian and Ukrainian peoples. This will prevent the achievement of Moscow’s goal of the return to a “normalization” of Russian–Ukrainian relations and Ukraine becoming part of the Russian World. Contradictions in Russian security policies are especially prevalent in the South Caucasus. In the event of a renewed crisis or resumption of hostilities between Armenia and Azerbaijan, the incompatibility of the five security policies discussed below will lead to a crisis because Russia would be forced to choose which of them to prioritize.

The first contradiction in Russian security policy is the fact that Armenia was a founding member of the Collective Security Treaty Organization (CSTO), which Russia created in the early 1990s as a kind of NATO for CIS countries. In addition to Armenia and Russia, the CSTO includes Belarus, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan. Armenia is also a member of the Eurasian Economic Union.

Armenia was frustrated by the CSTO’s unwillingness to intervene on its side in the Second Karabakh War in 2020. The Kremlin justified its inaction by saying the war was fought on territory internationally recognized as belonging to Azerbaijan. Armenia fired long-range rockets, including “Iskander” ballistic missiles, into Azerbaijan in the hope of provoking a counter delivery of missiles into Armenia, but Baku did not respond.<sup>4</sup> Armenia hoped an Azerbaijani response fired into Armenia would have forced Russia under the CSTO charter to intervene in defence of one of its members.

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4 Muradov, M. and Kuzio, T. “The Iskander Saga Deepens Azerbaijani Mistrust of Russia”, *RUSI Brief*, May 5, 2021, Available at: <https://rusi.org/commentary/iskander-saga-deepens-azerbaijani-mistrust-russia> (Accessed on June 30, 2021)

Defeat in the Second Karabakh War has pushed Armenia ever closer to Russia.<sup>5</sup> Russia is seeking to expand its presence in Armenia,<sup>6</sup> which continues to pressure Russia over the CSTO in response to recent border tensions with Azerbaijan, which have been exacerbated by Yerevan itself to draw external attention. Yerevan sought to activate Article 2 of the CSTO and “launch the mechanism of joint consultations” on a collective response to threats faced by members (Article 4, which is yet to be triggered, would request the CSTO’s military intervention).<sup>7</sup>

Russia’s second security policy towards the South Caucasus relates to its two military bases in Armenia, which were established in the Soviet era and in the 1990s. Gyumri, 120 km north of Yerevan, hosts the 102nd military base, which is part of Russia’s Southern Command. Erebuni Airport, 7 km south of Yerevan, is home to the Russian 3624th Air Base, which hosts MIG-29 fighters and Mi-24 attack helicopters. These are Russia’s only military bases in the South Caucasus, as pro-NATO Georgia and non-aligned Azerbaijan have always opposed hosting Russian military bases.

The third contradictory security policy is that Russia has always been Armenia’s main supplier of weapons and military training.<sup>8</sup> Three times smaller in population than Azerbaijan and without its energy sources, Armenia does not have the financial resources to purchase Western, Turkish, or Israeli military equipment in the same manner as Azerbaijan can. Azerbaijan’s military relationship with Israel, including the purchase of its drones, has taken place over a far longer period than that with Turkey, the security policy of which became more assertive from 2015/2016.<sup>9</sup>

Azerbaijan’s President Ilham Aliyev reacted with incredulity when Russia announced it would assist Armenia in the “modernization” of its

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5 Rącz, A., “In Russia’s Hands. Nagorno-Karabakh after the ceasefire agreement”, *European Union Institute for Security Studies*, Conflict Series Brief 8, April 2021, Available at: [https://www.iss.europa.eu/sites/default/files/EUISSFiles/Brief\\_8\\_2021.pdf](https://www.iss.europa.eu/sites/default/files/EUISSFiles/Brief_8_2021.pdf) (Accessed on June 30, 2021)

6 Reuters, *Armenia seeks bigger Russian military presence on its territory*, February 22, 2021, Available at: <https://www.reuters.com/article/armenia-azerbaijan-russia-base-int-idUSKBN2AM1DY> (Accessed on June 30, 2021)

7 Radio Free Europe, *Armenia Turns To Russian-Led CSTO Amid Border Standoff With Azerbaijan*, May 14, 2021, Available at: <https://www.rferl.org/a/armenia-azerbaijan-putin-troops-border-withdrawal/31254474.html> (Accessed on June 30, 2021)

8 Abay, E.G., “Russia provides 94% of Armenia’s arms in 5 years”, *Anadolu Agency*, October 29, 2020, Available at: <https://www.aa.com.tr/en/europe/russia-provides-94-of-armenia-s-weapons-in-5-years/2023969> (Accessed on June 30, 2021)

9 Kuzio, T., “The Role of Israel in Azerbaijan’s Victory in Nagorno-Karabakh”, *RUSI brief*, June 4, 2021, Available at: <https://rusiueurope.eu/publication/rusi-newsbrief/israel-azerbaijan-victory> (Accessed on June 30, 2021)

armed forces following last year's defeat.<sup>10</sup> Armenia's late-20th century Soviet and Russian weaponry and training proved to be far inferior to Azerbaijan's 21st century weaponry and the NATO-standard training provided for its officers by Turkey.

Russia has not provided the answers demanded by President Aliyev about how Armenia came into possession of the Iskander missile system. One reason is Moscow's embarrassment at how the Israeli-produced Barak 8 air defence system operated by Azerbaijan successfully brought down Iskanders fired from Armenia.<sup>11</sup> Azerbaijan is also suspicious about who fired those Iskanders from Armenia. The technical skills required to fire the Iskander missile, coupled with their high-profile importance to Russian military prestige, could point to Russian personnel from one of its two military bases in Armenia operating the Iskanders.

Russia's fourth contradictory security policy is its force of 1,960 peacekeepers in Northern Karabakh, deployed in the aftermath of last year's Second Karabakh War. Russia's peacekeeping mandate comes with decades of negative baggage from unfulfilled and biased peacekeeping projects elsewhere in the post-Soviet region, where Russia has never sought to resolve frozen conflicts. Russia's interest has always been for these conflicts to continue to simmer, which provides it with a rationale for remaining as a peacekeeper. Believing Eurasia to be its exclusive sphere of influence, Russia has always opposed the UN, OSCE, and other international organizations undertaking peacekeeping operations in the post-Soviet space.

Russia's fifth contradictory security policy rests in the similarity of its approach in eastern and southern Ukraine since 2014 and Azerbaijan since 2020 to hybrid warfare. Russia is turning a blind eye to, and thereby facilitating, the transfer of Armenian military assistance to its proxy forces in Northern Karabakh using vehicles disguised as civilian transportation trucks. Russia has been delivering military equipment to its local proxies in eastern and southern Ukraine in the same manner through "humanitarian convoys".<sup>12</sup>

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10 ITAR-TASS, *Azerbaijani leader says Russia should avoid helping Armenia upgrade its Army*, February 26, 2021, Available at: <https://tass.com/world/1260677> (Accessed on June 30, 2021)

11 Kuzio, "The Role of Israel in Azerbaijan's Victory...", *op.cit.*

12 Zoria, Y., "The hidden invasion: Russia's military convoys to Ukraine since 2014", *Euromaidan Press*, November 6, 2018,

Available at: <http://euromaidanpress.com/2018/11/06/the-hidden-invasion-russias-military-convoys-to-ukraine-since-2014/> (Accessed on June 30, 2021)



On March 1, Azerbaijan's Foreign Minister, Jeyhun Bayramov, warned at the UN: "According to credible information available to the Azerbaijani side, which is also validated by the reports of independent mass media sources, members of the Armed Forces of Armenia, wearing civilian attire, are transferred to the territory of Azerbaijan through the 'Lachin Corridor' in civilian trucks, including disguised inside construction cargo, in an attempt to escape the control procedures of the Russian peacekeeping contingent."<sup>13</sup>

Additional to these deliveries are the controversial political actions of the Armenian government. At the heart of this military and political activity is Armenia's refusal to accept the need to demarcate and

*The similarity between Armenian attitudes to Azerbaijani territories and Russian attitudes towards Ukrainian regions is evident. Armenian and Russian nationalisms are unable to give up territorial claims to Nagorno-Karabakh and Crimea, respectively..*

delimit its border with Azerbaijan and, importantly, accept that all of Karabakh is the sovereign territory of Azerbaijan. Armenia's diplomats, officials and politicians continue to campaign for international recognition of the "sovereignty" (understood by Yerevan as independence) of the quasi-state entity that they fabricated in the Karabakh region.

The similarity between Armenian attitudes to Azerbaijani territories and Russian attitudes towards Ukrainian regions is evident. Armenian and Russian nationalisms are unable to give up territorial claims to Karabakh and Crimea, respectively, or, as seen in Russian President Vladimir Putin's long article about "Russian-Ukrainian unity", the so-called "New Russia" region of eastern and southern Ukraine.<sup>14</sup>

### ***Ukraine, GUAM and the Pursuit of Geopolitical Pluralism in Eurasia***

Since they became independent in 1991, of the South Caucasus states, Armenia has always aligned with Russia; Georgia has pursued a pro-Western foreign policy and, following the Rose Revolution, sought membership of NATO and the EU; while Azerbaijan has pursued

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13 Huseynov, V., "Azerbaijan Warns Against Threats That Might Undermine Peace Process With Armenia", *The Jamestown Foundation, Eurasia Daily Monitor*, Volume: 18 Issue: 44, March 17, 2021, Available at: <https://jamestown.org/program/azerbaijan-warns-against-threats-that-might-undermine-peace-process-with-armenia/> (Accessed on June 30, 2021)

14 Putin, V., "On the Historical Unity of Russians and Ukrainians", *Official website of Kremlin*, July 12, 2021, Available at: <http://en.kremlin.ru/events/president/news/66181> (Accessed on June 30, 2021)

a multi-vector foreign policy as a non-aligned country. Under their respective presidents at the time, Eduard Shevardnadze and Haydar Aliyev, Georgian and Azerbaijani foreign policies were both described as multi-vector and similar to that implemented by former Ukrainian President Leonid Kuchma. Multi-vectorism was a pragmatic foreign policy that consisted of expanding cooperation with the West while also maintaining their relationships with Russia and CIS countries. While President Ilham Aliyev has continued Azerbaijan's multi-vector foreign policy, albeit while preserving close relations with the West, Ukraine and Georgia have adopted the goals of NATO and EU membership.

Because of Russian support for separatism in Ukraine, its officials and pro-Western political parties were sympathetic to Georgia and Azerbaijan, the territories of which had also been occupied by Russia and its ally Armenia, respectively. Ukrainians have always connected Azerbaijan's formerly Armenian-occupied territories to Russian attitudes towards Ukraine's territorial integrity.

There is no ethnic or religious hostility to Armenia in Ukraine. Nevertheless, Armenia has always voted with Russia in the UN and other international organizations against Ukraine's territorial integrity. In Yerevan's eyes, Crimea's "self-determination" was viewed through the lens of its demand for the right of ethnic Armenians in the Karabakh region of Azerbaijan to have "self-determination", contrary to the international principle of the territorial integrity of states.

Ukrainians and Azerbaijanis have a similar distrust of France. In the case of Ukraine, this is because of France's long-standing Russophilia and anti-Americanism. In the 2017 French presidential elections, three of the most popular four candidates (one on the left and two on the right) were pro-Russian. France and Germany seek to reset relations with Russia. In the case of Azerbaijan, distrust is a product of France's long-standing bias in favour of Armenia. In late 2020, both houses of the French parliament voted to recognize the so-called "independence" of the Karabakh region of Azerbaijan.<sup>15</sup> In the two

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15 Independent, *Azerbaijan slams French Senate's vote on Nagorno-Karabakh*, November 26, 2020, Available at: <https://www.independent.co.uk/news/world/americas/us-politics/azerbaijan-slams-french-senates-vote-on-nagornokarabakh-resolution-azerbaijan-government-nagornokarabakh-french-b1762360.html> (Accessed on June 30, 2021); and Ozcan, Y., "French National Assembly approves decision on Karabakh", *Anadolu Agency*, December 14, 2020, Available at: <https://www.aa.com.tr/en/europe/french-national-assembly-approves-decision-on-karabakh/2065200> (Accessed on June 30, 2021)

OSCE Minsk forums devoted to the Karabakh and Donbas conflicts, France’s multi-vector foreign policy supported the contradictory stances of separatism in Azerbaijan and territorial integrity in Ukraine.

*Western double standards on Georgia and Azerbaijan’s right to retake their sovereign territory would presumably also apply to Ukraine if it sought to militarily retake Crimea or send its security forces to liberate the Donbas region.*

Western double standards on Georgia and Azerbaijan’s right to retake their sovereign territory would presumably also apply to Ukraine if it sought to militarily retake Crimea or send its security forces to liberate the Donbas region. Ukrainians remember the 2014 crisis for three reasons. The first is how the UK and US ignored their security commitments to Ukraine under the “Budapest Memorandum”, signed two decades ago which provided (worthless) security guarantees to Ukraine in return for Ukraine’s denuclearization. The second is that the West pressured Ukraine not to resist Russia’s annexation of the Crimean Peninsula. The third is that then US President Barack Obama vetoed sending US military equipment to Ukraine. The European Union continues to oppose Western countries supplying military equipment to Ukraine.

After Russia’s invasion of Georgia in 2008 the West did not introduce sanctions. Then newly elected Obama team rewarded Russia with a “reset” of their relations. The West’s weak response to the events of 2008 sent the wrong signal to Russian leaders that they could get away with invading and annexing Crimea. Tough Western sanctions against

*After Russia’s invasion of Georgia in 2008 the West did not introduce sanctions... The West did little to oppose and resolve Russia’s manufacturing of protracted conflicts and prevent them becoming soft security threats to Europe.*

Russia were only introduced after the July 2014 shooting down of Malaysian civilian airliner MH17, killing 298 passengers and crew. Yet such sanctions were not imposed on Armenia by the West to end former’s occupation of Azerbaijan’s territories, and no pressure was put on Armenia in this context.

The West did little to oppose and resolve Russia’s manufacturing of protracted conflicts and prevent them becoming soft security threats to Europe.<sup>16</sup> Ethnic cleansing of between three quarters and one

16 Kuzio, T. “How Conflict Zones From Afghanistan to the Caucasus Fuel Drug Trafficking”, *The Greater Middle East*, Research and Studies, July 19, 2021, Available at: <https://tgme.org/2021/07/how-conflict-zones-from-afghanistan-to-the-caucasus-fuel-drug-trafficking> (Accessed on June 30, 2021)

million Azerbaijanis from the Karabakh region and seven surrounding districts, and Georgians from South Ossetia and Abkhazia, was ignored by the West. Russia is pursuing the same policy of ethnic cleansing in Crimea by repressing Tatars and pressuring them to leave the occupied peninsula.

From 1991 until the 2014 crisis in Ukraine, pro-Western political parties always supported the sovereignty and territorial integrity of Azerbaijan and Georgia. The key political forces were national democrats such as the Ukrainian Popular Movement (known by its abbreviation *Rukh* [Movement]), Viktor Yushchenko's Our Ukraine, and the Petro Poroshenko Bloc (which was renamed the European Solidarity Party).

Pro-Western political forces in Ukraine supported Baku's mid-1990s initiative to create the GUAM (Georgia-Ukraine-Azerbaijan-Moldova) organization, which brought together four countries remaining outside Russian-led integration projects in the CIS area. Meanwhile, some of its members supported NATO membership (Georgia and Ukraine) while two others opted for non-aligned status (Azerbaijan and Moldova).

In contrast, pro-Russian political forces such as the Party of Regions and Communist Party of Ukraine supported Russia's actions in Georgia (2008) and Ukraine (2014). In 2008, the Party of Regions, Communist Party of Ukraine and Crimean separatists supported Russia's recognition of the so-called "independence" of the Abkhazia and South Ossetia separatist regions of Georgia. A resolution in support of such "independence" was voted down in the Ukrainian parliament but was adopted by the Crimean Supreme Soviet. This was the only instance in Eurasia (outside Russia) of support for the "independence" of these two Georgian separatist territories. Traditionally pro-Russian Belarus and Kazakhstan did not support Russia's stance on separatism.

Since 2014, pro-Russian forces have been marginalized in Ukraine. The Party of Regions no longer exists, and the Communist Party of Ukraine is banned from participating in elections because it continues to use communist symbols that are banned under the country's decommunization laws adopted in 2015. Representation in the Ukrainian parliament of the Opposition Bloc and Opposition Platform – For Life, two successors to the Party of Regions, has collapsed, with only 44 out of 423 elected deputies.

The lack of a pro-Russian political presence inside Ukraine also means that Ukrainian views and policies towards the South Caucasus will not support the “independence” of separatist regions there but will endorse the territorial integrity of Azerbaijan and Georgia and be critical of Armenia voting in favour of Russia within international organizations. All Ukrainian political parties and the Ukrainian media supported Azerbaijan during the Second Karabakh War; the only exception was the two marginal successors to the Party of Regions.

***The US as a Security Actor and Proponent of Geopolitical Pluralism in Eurasia***

Since the 1990s, former US Presidents Bill Clinton and George W. Bush supported security engagement whereas Presidents Obama and Trump were indifferent and passive towards Eurasia and the South Caucasus. The election of President Joseph Biden opens up

*The US could aid Azerbaijani security forces in counterterrorism, countering trans-national criminal activities, and strengthening border security and cooperate in military intelligence activities.*

an opportunity for the US to resume its place as a security actor in the region. A Turkish–Azerbaijani strategic partnership, as witnessed in the Second Karabakh War and Shusha Declaration of June 2021, would support US national interests in the South Caucasus. Acting as a renewed security actor for Eurasia and the South Caucasus would boost Washington’s existing support in Eurasia more broadly to Georgia and Ukraine.

In October 2001, the US Senate amended the Freedom Support Act to permit presidents to waive Section 907. Former US Presidents George W. Bush and Barack Obama authorized the assistance to Azerbaijan, which had proved itself to be an important security ally of the US and NATO and a contributor to military missions in Kosovo, Iraq, and Afghanistan. President Biden should permanently amend the Freedom Support Act so that Section 907 can no longer be used to deny the US military aid to Azerbaijan and integrate Azerbaijan within the US Code’s Section 333 on “Authority to Build Capacity”. The US could aid Azerbaijani security forces in counterterrorism,

countering trans-national criminal activities, and strengthening border security and cooperate in military intelligence activities. Azerbaijan always believed this policy was patently unfair because it was the only country in Eurasia penalised in such a manner. This also sent a signal to Armenia that it was being rewarded for illegally occupying Azerbaijani territory.

Central to the US resuming the role of security actor is Turkey, with which Washington needs to mend its relationship. Turkey is an important member of NATO and possesses its second largest armed forces, larger than that the combined forces of France and the UK. Incirlik Airbase has been important to the US military deployments in Syria, Iraq, and Afghanistan and as a transit hub from other locations. Turkey is the only regional player (other than Russia) with boots on the ground and the willpower to play a geopolitical role in the South Caucasus. Turkey is the only security actor in the South Caucasus that is able to counterbalance Russian support for Armenia. Importantly, Turkey and Russia have different interests in the South Caucasus region and more broadly, as seen in the growing military and security cooperation between Turkey and Ukraine.<sup>17</sup>

The reinstatement of the US as a security actor in Eurasia and the South Caucasus would also assist in acting as a counterweight to Iran, which is Russia's main ally in the region. Turkey is the only regional player with the means, capability, and willpower to take on Iranian proxies, which are active throughout the region. Although the Biden administration is seeking to renew the Iranian nuclear deal, tension between Tehran and US allies in the Greater Middle East will continue.

The US, as a renewed security actor, could take advantage of Azerbaijan's long-term geopolitical cooperation with Israel, the main US ally in the Greater Middle East. Israeli and Turkish drones both played important roles in Azerbaijan's defeat of Armenia in last year's Second Karabakh War.

One aspect of the US reviving itself as a security actor in Eurasia and the South Caucasus could be in

*The US should support a GUAM+ format that includes Turkey thereby promoting Brzezinski's concept of "geopolitical pluralism" in Eurasia.*

<sup>17</sup> Ramani, S., "Turkey's Balancing Act Between Russia and Ukraine", *Circle Foundation*, May 12, 2021, Available at: <https://circlefoundation.org.uk/2021/05/12/turkeys-balancing-act-between-russia-and-ukraine/> (Accessed on June 30, 2021)

supporting the revival of the GUAM regional group. All four countries have been strong supporters of cooperation with transatlantic and European structures. Azerbaijan has developed close relations with NATO and participated in many NATO-led peacekeeping missions. Turkey could be Azerbaijan's bridge to a deeper strategic partnership with NATO.

The US should support a GUAM+ format that includes Turkey thereby promoting Brzezinski's concept of "geopolitical pluralism" in Eurasia. US support would be important in backing Turkey providing a security umbrella to the four countries. GUAM+ could become an important vehicle for promoting transatlantic cooperation with NATO's Partnership for Peace programme. Re-energising GUAM+ would also support US diplomacy in international organizations, such as the UN and OSCE.

Russian military bases in Armenia project power into the South Caucasus and constitute an "endorsement" of Russian foreign policy. Washington's support for Turkish–Azerbaijani security cooperation would be a deterrent against Russian intentions of transforming its

*Russian officials and politicians of all political persuasions have always believed that reintegration of the former Soviet space (what they consider Russia's "exclusive sphere of influence") should be a priority.*

"peacekeeping" mission in Karabakh into a permanent military base.

Another important factor is energy. The US has traditionally opposed European countries relying on Russian oil and gas supplies. That can be avoided by supporting existing Azerbaijani energy supplies through Turkey and Georgia into the European Union and Ukraine and their expansion. Turkish and

Azerbaijani cooperation could be strategically useful to US interests in Central Asia, as Azerbaijan and Turkmenistan have reached an agreement on jointly exploiting gas deposits in the *Dostluk* (Friendship) field in the Caspian Sea. Azerbaijani oil and gas became a real alternative for easing Europe's dependence on Russian energy supplies and thereby reducing Moscow's influence over EU and NATO members. In promoting Azerbaijani energy, Washington would be supporting Ukraine and Georgia's energy independence from Russia, which has long been a US objective.

## *Conclusions*

Russian officials and politicians of all political persuasions have always believed that reintegration of the former Soviet space (what they consider Russia's "exclusive sphere of influence") should be a priority. Russian officials and political parties have devoted their energy to building unions and not a nation state. Since 1991, neither in the Soviet Union or the post-Soviet era has the Russian understanding of "Russia" ever been limited to the country within the Russian SFSR or Russian Federation. Russian and Soviet identity were one and the same and, since 1991, Russian and Eurasian identities are integrated.

Russia's preoccupation with the reintegration of the former Soviet space has competed with the US promotion of "geopolitical pluralism" under Presidents Clinton and Bush and the right of countries such as Azerbaijan, Georgia, and Ukraine to prioritize nation-building over Eurasian integration and pursue independent foreign policies. Ukraine and Georgian leaders understood their national security as being best served by pursuing membership of NATO and the EU. In contrast, Azerbaijan pursued a multi-vector foreign policy of cooperation with NATO while remaining non-aligned. Nevertheless, Azerbaijan, Georgia, and Ukraine have worked together in GUAM.

The years 2014 and 2020 proved to be watersheds in this triangular geopolitical competition among Russia, GUAM, and the USA because of Russia's annexation of Crimea and military aggression against Ukraine, and the entry of a fourth security actor, Turkey, into the South Caucasus. Until 2014, Russia had supported separatism with the goal of creating frozen conflicts in countries that had shown no interest in Russian-led integration projects in Eurasia. Since 2015-2016, Turkey's growing security assertiveness has led it to expand military and security cooperation with Azerbaijan and Ukraine.<sup>18</sup> A GUAM+ format (GUAM plus Turkey) is potentially a new dynamic in Eurasia.

The US administration under Biden should return as a security actor to Eurasia and also in the South Caucasus. The US, in resuming

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18 Kuzio, T., "Time to recognize Azerbaijan as a new regional power: Op-ed", *Hurriyyet Daily News*, May 29, 2021, Available at: <https://www.hurriyetdailynews.com/time-to-recognize-azerbaijan-as-a-new-regional-power-op-ed-165091> (Accessed on June 30, 2021); and Kuzio, T., "Looking Beyond NATO and the EU: The Turkish-Ukrainian Strategic Partnership", *RUSI brief*, July 8, 2021, Available at: <https://rusi.org/explore-our-research/publications/commentary/looking-beyond-nato-and-eu-turkish-ukrainian-strategic-partnership> (Accessed on July 30, 2021)



becoming a security actor, has a ready-made NATO ally – Turkey – that is already active in supporting “geopolitical pluralism” in Eurasia. Turkey complements long-term US support to Georgia and Ukraine, which should be now expanded to include Azerbaijan. Meanwhile, as this article has shown, Russia is stretched thin in the South Caucasus, where it is pursuing contradictory security policies.

# Assessing the Performance of Russia's Peacekeeping Forces in the Karabakh region of Azerbaijan

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Arzu Abbasova\*

The deployment of Russian peacekeepers to the mountainous part of Azerbaijan's Karabakh region has brought with it questions about the performance of these forces, questions that necessitate a detailed analysis. In seeking to assess the operational success of the Russian peacekeeping contingent, this article takes Duane Bratt's criteria and evaluates the Russian peacekeepers' activities based on three of these: their fulfilment of the given mandate, ability to contain conflict and limit casualties, and contribution to facilitating the normalization process. On the one hand, this article argues that the mandate performance of the peacekeepers is unsuccessful owing to the numerous technical breaches and unilateral stretching of the agreement terms. On the other hand, despite noting moderate success in conflict containment, the findings reveal no reduction in casualty numbers after the peacekeeper deployment and highlights the limited steps taken by the peacekeepers to achieve the normalization process between Armenia and Azerbaijan. Note that this paper addresses only the first five months of the peacekeepers' work.

**Keywords:** Azerbaijan, Karabakh, evaluation, performance, Russian peacekeepers.



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### *Introduction*

One of the realities brought by the end of the Second Karabakh War was the deployment of Russian peacekeepers to the mountainous part of Azerbaijan's Karabakh region for an initial period of five years. The 10 November statement that brought an end to the 44-day war that took place in 2020 stipulated that 1,960 Russian peacekeepers will be temporarily positioned in the region (including in the Lachin corridor, a strip of land connecting Armenia to Khankendi) to guarantee stability. Since then, the Russian peacekeeping contingent, which consists of units of the 15<sup>th</sup> motorized Rifle Brigade of Central Military District, has set up 23 observation posts in their area of responsibility to monitor the situation and control the ceasefire. Furthermore, the statement also confirmed the provision of a new corridor linking Azerbaijan to its exclave Nakhchivan to be controlled by the Border Guards of the Russian Federal Security Service. As a result, observers have noted the increased Russian leverage in the region, thus triggering regional geopolitical discussions. Indeed, while the 10 November Statement was nothing but a great success for Azerbaijan, since the start of the activity of Russian peacekeepers, various reactions have been seen from local residents, government officials, media representatives, and other actors; some praising their work, while others have voiced their scepticism. These mixed opinions bring forward the questions: How do we judge the work of peacekeepers? Who decides the criteria? and When is the peacekeeping mission considered successful? These questions demand much-needed answers, as long-term regional stability hinges on the ability of the peacekeepers actually to enforce peace.

Against this backdrop, this article seeks to assess the operational success of the Russian peacekeepers in the mountainous part of Azerbaijan's Karabakh region. The article takes Duane Bratt's criteria as the point of reference and evaluates the peacekeepers' activities based on their mandate performance: the ability to contain conflict, limit the number of casualties, and facilitate the normalization process. The findings vary regarding each criterion. It is argued that, while the breaches of both the technical details and the parameters of the mandate indicate the mission's operational failure in terms of mandate performance and demonstrate how Russia stretches the agreement wherever it can, the overall peacekeeping effort for conflict containment seems moderately

successful. Moreover, the article identifies little to no decline in the number of casualties since the deployment of the peacekeepers and notes very limited efforts to facilitate the normalization process between Armenia and Azerbaijan.

The article is organised as follows. It firstly reviews the literature to identify a framework for assessing peacekeeping success, and then examines three indicators vis-à-vis the case of Karabakh. It should be noted that the article conducts only a short-term assessment of the peacekeeping mission's work and thus makes no attempt to analyse the peacekeepers' activities in terms of transcendent values.

### *Criteria for assessing peacekeeping success*

The difficulty of assessing the extent of a peacekeeping mission's tangible contribution towards achieving peace is still a persistent problem in the literature. Peacekeeping operations mainly take place in highly complex environments where the actions taken might result in varied reactions. Hence, evaluation of the peacekeeping operation cannot be a solely empirical exercise but should rather be guided by an analytical and conceptual framework. Yet the challenges in developing such a framework are significant. They range from identifying the metric of effectiveness to variations between the short- and long-term evaluations or in the political and legal understanding of the concept of success or peace. Also, differences between the definitions of the success of peacekeeping operations by various actors and lack of global congruence add to these concerns.<sup>1</sup> As a result, in the litany of peacekeeping studies, the judgement of the success of the performance of peacekeeping operations has not only been overlooked but also lacks a universally agreed methodology and conceptualization.

The so-called "second wave" of peacekeeping studies has made rigorous attempts to define and measure the effectiveness of peacekeeping missions. In 1988, Diehl published one of the first studies in this regard, identifying two main criteria for peacekeeping success: first, assessing if they limit the armed conflict and second, whether they promote conflict resolution.<sup>2</sup> Brown, along the same lines, proposed that a peacekeeping

1 Winslow, D. "Strange bedfellows: NGOs and the military in humanitarian crises." *International Journal of Peace Studies*, 2002, p.35-55.

2 P. F. Diehl, *International Peacekeeping* (London: Johns Hopkins University Press, 1993).

mission should be judged by whether it fulfilled its actual mandate, reduced conflict, and contributed to peaceful conflict resolution, the latter two aligning with Diehl's vision.<sup>3</sup> Johansen, reviewing the work of Diehl, comes up with two more criteria that, according to him, should be taken into account: researchers should first "assess the effect of peacekeeping forces on local people affected by their work" and second "compare the degree of misunderstanding, tension, or violence that occurs in the presence of UN peacekeepers to the estimated results of balance-of-power activity without peacekeeping".<sup>4</sup> Thus, he emphasizes the need to take a broader perspective and assess how peacekeeping missions contribute to larger values such as peace, justice, or human rights, and proposes also considering "what if" counterfactuals: put simply, the conditions that would be present if the mission had not been deployed. On the other hand, Fetherston argues that there is a need for "peopling" our understanding while evaluating the peacekeeping missions, and he notes that the indicators developed to date sometimes fail to incorporate the societal view.<sup>5</sup>

Although the attempts described above all, arguably, have strong and weak points in their justifications for setting the criteria, recently scholars have claimed that creating a standard basis for evaluating peacekeeping mission might not, in reality, be a useful approach. Indeed, Diehl and Druckman note that different missions might necessitate, at least partly, varying factors for their evaluations depending on their goals.<sup>6</sup> As an example, criteria for evaluating an emergency peacekeeping mission should have measures somewhat distinct from those for evaluating a monitoring or traditional peacekeeping mission, as they have varying end goals. Additionally, each peacekeeping mission is unique owing to the nature of the conflict, mandate type, geographical and political situation, impartiality, and consent of the parties involved; consequently, a one-size-fits-all approach cannot work for defining the criteria.

Nevertheless, Duane Bratt offers new insight and an interesting

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3 Browne, M. A. "United Nations peacekeeping: Historical overview and current issues", *Congressional Research Service*, Library of Congress, 1990.

4 Johansen, R. C. "UN peacekeeping: How should we measure success?", *Mershon International Studies Review*, Vol. 38, No. 2, October, 1994, p.309.

5 As cited in Druckman, D., and Stern. C. P. "Evaluating peacekeeping missions", *Mershon International Studies Review*, Vol. 41 No.1, 1997, p.153.

6 Diehl, P.F and Druckman, D. "Evaluating Peace Operations". In Joachim, A.K, Thierry, T, Norrie. M. and Paul, D.W (eds), *The Oxford Handbook of United Nations Peacekeeping Operations* (Oxford: Oxford University Press, 2015)

reference framework for assessing the success of the peacekeeping missions by combining the earlier efforts of Brown and Diehl.<sup>7</sup> To this end, he focuses specifically on the operational success of the peacekeeping forces (in contrast to many authors who take a broader approach, identifying success at a strategic level) and argues that it can be assessed according to four criteria: mandate performance, facilitation of conflict resolution, conflict containment, and limitation of casualties. His criteria offer a more concise and operationalizable method for assessing the performance of a peacekeeping mission (particularly traditional peacekeeping) and puts forward an aggregated index of various combined indicators for determining the basis of the measurement of success. The rest of this article therefore takes Bratt's approach as the basis for guiding its analysis.

### *Analysis of mandate performance*

The first criterion for assessing the performance of peacekeepers is the alignment of the activities carried out with the mandate they were given. The assessment here will be a straightforward cross-checking of whether the benchmarks and specific tasks reflected in the mandate were achieved and, if so, to what extent. Yet, as Diehl and Druckman correctly note, because the mandates are mainly products of "political deliberation" and, to some extent, compromise, they are, in most cases, vague.<sup>8</sup> Such vagueness in itself creates an operational difficulty for assessing the scope of the mission and identifying the discrepancy between the prerogatives of the mandate and the actions taken on the ground.

Referring to the case of Karabakh, the precise details of the mandate of the Russian peacekeeping forces are seemingly vague. Notably, in a press conference, Sergei Lavrov said that "The issue concerning the peacekeepers' mandate is in the process of being settled."<sup>9</sup> Yet, interestingly enough, although a document regulating the work and activities of Russian peacekeepers was signed by Sergei Shoigu and

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7 Bratt, D. "Assessing the success of UN peacekeeping operations", *International Peacekeeping* 3:4, 1996, p.64-81.

8 Diehl, P.F and Druckman, D. "Evaluating Peace Operations", *op.cit.*, p.8.

9 The ministry of Foreign Affairs of Russian Federation, *Foreign Minister Sergey Lavrov's remarks and answers to media questions at a news conference on the results of Russian diplomacy in 2020*, January 18, 2021, available at: [https://www.mid.ru/en/foreign\\_policy/news/-/asset\\_publisher/cKNonkJE02Bw/content/id/4527635](https://www.mid.ru/en/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/4527635) (accessed: April 3, 2021)

Vagharsak Harutinian, nothing similar has taken place with Baku, which has led to rising concerns about Russian peacekeeping activities.<sup>10</sup> Indeed, the only document publicly available detailing the parameters of the peacekeeper's activities is the 10 November trilateral statement. The third and fourth points of that document clearly set out the technical details relating to the peacekeeping forces:

3. "Along the contact line in Nagorno-Karabakh and along the Lachin corridor, a peacekeeping contingent of the Russian Federation shall be deployed in the amount of 1,960 military personnel with small arms, 90 armored personnel carriers, and 380 units of an automobile and special equipment".

4. "The peacekeeping contingent of the Russian Federation shall be deployed in parallel with the Armenian armed forces' withdrawal. The period of stay of the Russian Federation's peacekeeping contingent is five years and shall be automatically extended by a further five-year period if none of the Parties declares six months prior to the expiration of the period of its intention to terminate the application of this provision".<sup>11</sup>

Starting the assessment with the technical elements of the mandate, it can be seen that the deal is rather specific about the number and type of military equipment that the contingent can use. Yet, the realities on the ground are different. Firstly, while the agreement does not mention the use of helicopters anywhere, two days after the deal the Russian MoD announced the deployment of eight Mi-8 and Mi-24 helicopters to the airfield in Yerevan and stated that these helicopters will be involved in monitoring the peacekeeping operation.<sup>12</sup> Furthermore, the peacekeepers also received Orlan-10 UAVs, again not specifically mentioned in the agreement.<sup>13</sup> Secondly, shortly after the signing of the declaration, Sergey Shoigu stated that, after 250 flights, the deployment of the peacekeeping contingent is complete,

10 Tass, *Defense Ministers of Armenia and Russia sign documents on peacekeepers in Karabakh*, November 21, 2020, available at: <https://tass.com/world/1226353> (accessed: March 30, 2021)

11 President.az, *Ilham Aliyev addressed the nation*, November 10, 2020, Available at: <https://en.president.az/articles/45924>; In fact, website of Russian MFA mentioned "light weapons" instead of "small weapons". See: [https://www.mid.ru/en/foreign\\_policy/international\\_safety/regprla/-/asset\\_publisher/YCxLFJnKuD1W/content/id/4419267](https://www.mid.ru/en/foreign_policy/international_safety/regprla/-/asset_publisher/YCxLFJnKuD1W/content/id/4419267) (accessed: March 28, 2021)

12 Tass, *Russian helicopters to be involved in peacekeeping operation in Nagorno Karabakh*, November 12, 2020, available at: <https://tass.com/defense/1222823> (accessed: March 29, 2021); Malyasov, D., "Russia deploys attack helicopters to Nagorno Karabakh conflict zone", *Defence Blog*, November 12, 2020, available at: <https://defence-blog.com/news/russia-deploys-attack-helicopters-to-nagorno-karabakh-conflict-zone.html> (accessed: March 31, 2021)

13 Tass, *Russian peacekeepers use latest drones, video conferencing systems in Karabakh*, December 2, 2020, available at: <https://tass.com/world/1230533> (accessed: April 4, 2021)

with 1,960 personnel and 552 pieces of equipment in place, which brings forward the question of the excessive quantity of military equipment compared with that allowed. Moreover, as Rácz<sup>14</sup> correctly notes, although the document specifies that the peacekeepers shall carry small arms (in Russian, *Стрелковое оружие*), photographs published by the Russian MoD clearly show personnel using BTR-80 and -82 personnel carriers with turret-mounted 14.55 mm heavy machine guns, which can be categorized as light weapons rather than small arms, thus indicating another breach of the mandate parameters. These clear mandate breaches all demonstrate Russia's methods of stretching the agreement wherever it can.

*..although the document specifies that the peacekeepers shall carry small arms (in Russian, Стрелковое оружие), photographs published by the Russian MoD clearly show personnel using BTR-80 and -82 personnel carriers with turret-mounted 14.55 mm heavy machine guns, which can be categorized as light weapons rather than small arms, thus indicating another breach of the mandate parameters.*

On the other hand, looking at the fourth point of the declaration, which states that the deployment of Russian peacekeeping forces shall take place concurrently with the withdrawal of Armenian forces, another obvious and substantial mandate breach can be observed. What is notable is that not only are Armenian forces still in the region, but also the incentive of the Russian peacekeepers to enforce their exit is highly questionable, considering the fact that the same peacekeepers have several times met with the representatives of the separatist forces.<sup>15</sup> This brings into question the impartiality and neutrality of the peacekeepers (which is one of the crucial factors in any peacekeeping mission), infringes the agreement terms, and threatens the prospects of achieving a positive and lasting peace in the region.

Yet another interesting point is that the actual activities that the peacekeepers are undertaking are much broader and more varied than might be expected from reading the initial agreement and mandate specification. Whereas the mandate notes that 1,960 peacekeepers shall undertake the mission, the media statements published by the Russian MoD have led to growing speculation about whether

14 Rácz, A., "In Russia's Hands: Nagorno-Karabakh after the ceasefire agreement", *European Union Institute for Security Studies*, Brief 8, April 2021, p.1-8

15 Armenpress, 'President of Artsakh' holds meeting with Russian peacekeeping mission chief, November 14, 2020, available at: <https://armenpress.am/eng/news/1034869/> (accessed: April 2, 2021)



the peacekeepers are the only Russian forces “operating” in the region. Indeed, shortly after the announcement of the end of the war, Russian President Vladimir Putin signed an order to create the Inter-Departmental Humanitarian Response Center; it is notable that the centre’s personnel will be representatives of the Ministry of Civil Defense, Emergencies and Elimination of Consequences of Natural Disasters; the Foreign Ministry of the Russian Federation; the Federal Security Service; and other interested federal bodies.<sup>16</sup> It was stated that this centre will support the return of refugees and cooperate with government bodies of both Azerbaijan and Armenia to restore civilian infrastructure and help facilitate a return to normal life.<sup>17</sup> Moreover, Sergei Shoigu announced a few days later that, as part of the Inter-Departmental Humanitarian Response Center, five additional centres have been formed, including centres for humanitarian demining, reconciliation of opposing sides, transport support, medical support, and trade and household support.<sup>18</sup> Besides the fact that the numbers of personnel involved are not disclosed to the public, which has created valid concerns about whether they are included in the peacekeeping mission or not, Moscow’s unilateral decisions to set up centres and create roles speaks of its disregard for the mandate and its limits.

Furthermore, in his 20 November speech, Putin specified that the peacekeepers would assist the safe return of refugees, restore infrastructure, and protect religious sites, none of which is mentioned in the agreed mandate.<sup>19</sup> In contrast, the seventh point of the 10 November agreement clearly states that “*The internally displaced persons and refugees shall return to Nagorno-Karabakh and the adjacent regions under the supervision of the UN High Commissioner for Refugees.*”<sup>20</sup> Hence, although the need for humanitarian assistance and normalization of life in the region should not be downplayed,

16 Tass, *Putin signs order to create humanitarian response center for Nagorno-Karabakh*, November 13, 2020, available at: <https://tass.com/politics/1223523> (accessed: March 23, 2021)

17 President of Russia, *Meeting on resolving humanitarian issues in Nagorno Karabakh*, November 13, 2020, available at: <http://en.kremlin.ru/events/president/news/64409> (accessed: April 3, 2021)

18 Ministry of Defense of the Russian Federation, *Five additional centers have been formed as part of the interdepartmental center for humanitarian response in Nagorno Karabakh*, November 19, 2020, available at: [http://eng.mil.ru/en/russian\\_peacekeeping\\_forces/news/more.htm?id=12325619](http://eng.mil.ru/en/russian_peacekeeping_forces/news/more.htm?id=12325619) (accessed: March 24, 2021)

19 President of Russia, *Meeting on resolving humanitarian issues in Nagorno Karabakh*, *op.cit.*

20 The Ministry of Foreign Affairs of the Russian Federation, *Statement by the President of the Republic of Azerbaijan, the Prime Minister of the Republic of Armenia and the President of the Russian Federation*, *op.cit.*

the activities that Russian peacekeepers are undertaking exceeds the mandate given by the trilateral declaration and has triggered valid scepticism about their actual goals and ambitions. Notably, efforts to enforce the Russian language in the area feed into these concerns.<sup>21</sup>

In sum, analysing both the technical elements and operational activities of the Russian peacekeepers vis-à-vis the mandate that they were given, one can note clear and, in some cases, grave breaches, which leads to the conclusion that the mandate performance of the peacekeepers is unsuccessful.

### *Conflict containment and limitation of casualties*

Referring back to Duane Bratt's indicator, it is also necessary to examine the operational success of peacekeeping work by identifying its contribution to the containment of the conflict and limitation of casualties. To be precise, conflict containment here denotes the idea that the mission prevents any major fighting from occurring and tensions from escalating. Limitation of casualties (both civilian and military) is, meanwhile, assessed by comparing the number of casualties (whether from landmines or military action) before and after the deployment of peacekeepers.

Firstly addressing **conflict containment**, it might be argued that, overall, there have not been many major incidents since the end of the war, except for the fighting in the villages of Chaylaggala and Taghlar that broke out on 11 December and marked the first major breach of the ceasefire. As a result of this incident, one Azerbaijani soldier was killed and Russian peacekeepers entered the area, although it had not been part of their zone of responsibility. The incident was also followed by a controversial and unilateral map changing attempt by the Russian peacekeepers that was frowned upon by Azerbaijan.<sup>22</sup> However, considering the relative stability since, it can be said that, except for the Chaylaggala and

*However, considering the relative stability since, it can be said that, except for the Chaylaggala and Taghlar event, until now the conflict containment efforts have been relatively successful.*

21 Radio Free Europe, *Russian Language To Get Official Status In Nagorno-Karabakh*, March 25, 2021, available at: <https://www.rferl.org/a/russian-language-official-status-nagorno-karabakh/31169752.html> (accessed April 22, 2021)

22 OC-Media, *Russian peacekeepers extend control following skirmish near Hadrut*, December 14, 2020, available at: <https://oc-media.org/russian-peacekeepers-extend-control-following-skirmish-near-hadrut/> (accessed: April 20, 2021)

Taghlar event, until now the conflict containment efforts have been relatively successful.

Nevertheless, evaluating the operational success vis-à-vis the **reduction of casualties**, the results are unsatisfactory. Indeed, before analysing this, it should be noted that comparing casualties before and after the 10 November statement might be difficult in a short-term analysis considering the fact that, at the time of writing, the peacekeepers have been operating in the region for only five months. Nevertheless, a crude attempt can be made. Crisis Group<sup>23</sup> visual data (see Figure 1) illustrate the number of military and civilian casualties during the interwar period from 1 January 2015 until the outbreak of the Second Karabakh War, with the exclusion of the 2016 April War period. In general, the data collected through the reports of the Azerbaijani and Armenian defence ministries indicate that, overall, during this 5-year period, 180 military personnel and 10 civilians were killed, and 58 service people and 12 civilians wounded.

Looking at the reports of the ministries of defence of Azerbaijan and Armenia to identify the number of military and civilian deaths after the signing of the trilateral statement, the data reveal the following. In November, one Azerbaijani serviceman was killed near Sur village. In December, several incidents took place and, in total, three Azerbaijani soldiers<sup>24</sup> and, after their attack on Aghdam village of Khojavend district, six Armenians were killed.<sup>25</sup> Also, on 18 December, a serviceman of the peacekeeping contingent died while demining a road near the town of Shusha,<sup>26</sup> and another peacekeeper was seriously wounded in a mine explosion on 24 November.<sup>27</sup> Landmine-related casualties have been more alarming.

23 International Crisis Group, "The Nagorno Karabakh Conflict: A Visual Explainer", Report, available at: <https://www.crisisgroup.org/content/nagorno-karabakh-conflict-visual-explainer#3>, (accessed March 20, 2021)

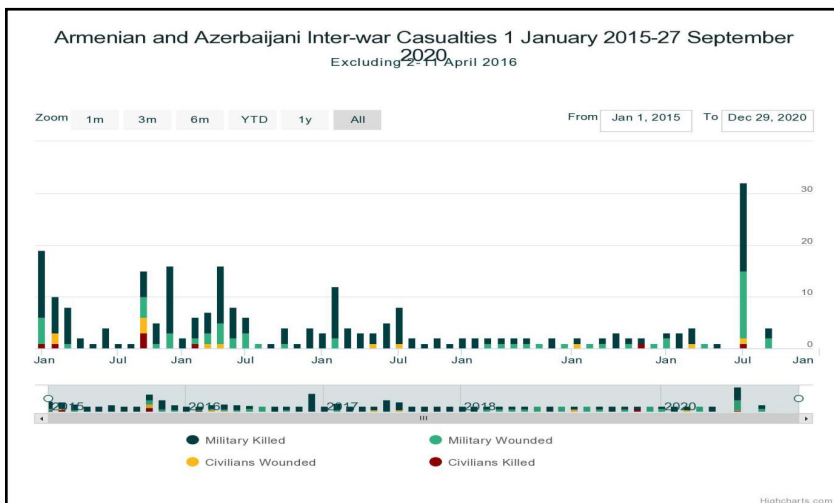
24 Ismayilova, V., "Azerbaijani soldier killed in Armenian sabotage attack in Karabakh", *Azernews*, December 28, 2020, available at: <https://www.azernews.az/karabakh/174418.html> (accessed: April 3, 2021)

25 Aljazeera, *Nagorno-Karabakh: Azerbaijan says one dead in Armenian attack*, December 28, 2020, available at: <https://www.aljazeera.com/news/2020/12/28/nagorno-karabakh-azerbaijan-says-one-dead-in-armenian-attack> (accessed: March 24, 2021)

26 Radio Free Europe, *Russian Serviceman killed clearing mines in Nagorno Karabakh*, December 18, 2020, available at: <https://www.rferl.org/a/russian-serviceman-killed-clearing-mines-in-nagorno-karabakh/31008220.html> (accessed: March 24, 2021)

27 The Moscow Times, *Russian Peacekeeper wounded in deadly Nagorno Karabakh Mine Blast*, November 24, 2020, available at: <https://www.themoscowtimes.com/2020/11/24/russian-peacekeeper-wounded-in-deadly-nagorno-karabakh-mine-blast-a72127> (accessed: March 22, 2021)

Since the end of the war, Azerbaijan has confirmed the deaths of 14 civilians and 5 military servicemen because of the explosion of landmines. In total, 85 citizens have been seriously wounded, including 16 civilians.<sup>28</sup> One Armenian civilian has also died because of a mine explosion.<sup>29</sup> Thus, in total, during the first five months of the peacekeeping operation there have been 15 military and 15 civilian deaths. This becomes interesting when one compares it with any consecutive five months in the past five-year period, as even in the tensest periods the overall numbers of deaths have been about equal to, if not significantly fewer than, 30 people. However, it should be noted that, to argue conclusively, a more long-term assessment is needed as in the initial months of a post-war phase periodic flare-ups are common, and the continuing demining process has also contributed to these numbers. Nevertheless, from a purely operational perspective, these figures bring into question the peacekeepers' ability to prevent deaths.



**Figure 1:** Armenian and Azerbaijani Inter-War Casualties, 1 January 2015 to 27 September 2020. Available at: <https://www.crisisgroup.org/content/nagorno-karabakh-conflict-visual-explainer>

28 Republic of Azerbaijan Ministry of Foreign Affairs, *No:121/21, Statement by the Ministry of Foreign Affairs of the Republic of Azerbaijan on the 4th of April - International Mine Awareness Day*, April 4, 2021, available at: <https://mfa.gov.az/en/news/7277/view> (accessed April 5, 2021)

29 Caucasian Knot, *Nagorno Karabakh resident killed after mine explosion*, January 13, 2021, available at: <https://www.eng.kavkaz-uzel.eu/articles/53369/> (accessed April 7, 2021)

### *Facilitating the normalization process*

The final indicator for evaluating the effectiveness of the peacekeeping mission is whether, or to what extent, the peacekeepers have been able to facilitate the normalization process and have created a stable environment that is capable of preventing any incidents when the peacekeepers leave. Although, as Duane Bratt (1996) mentions, this may or may not be explicitly mentioned in the mandate of the peacekeepers, ensuring the resolution of the intrinsic causes of the conflict is inherent to the goals of any such mission. Indeed, despite the fact that peacekeepers generally do not engage in diplomatic initiatives, they are sent to create conditions conducive for the parties to resolve their differences, initiate dialogue, and prevent any rise in tension. Yet, normalization is a difficult and complex process rather than a single event, which makes its assessment complex, particularly in the short term.

Hence, referring back to the Karabakh case, Russian peacekeepers have arguably done some work to reinforce a favourable environment for stability. As noted above, the peacekeepers have been facilitating the return of the Armenians to the region, and a more or less relevant office, the Center for Reconciliation of Opposing Sides, which operates within the Inter-Departmental Humanitarian Center, has seemingly been collecting information about missing bodies.<sup>30</sup> A special unit of the peacekeeping contingent has been assisting Armenian pilgrims to visit the Xudaveng (Dadivank) and Amaras monasteries,<sup>31</sup> and they have been helping to demine the roads and areas near other infrastructure.<sup>32</sup> Nevertheless, their activities at this point still fall short, as there is a long way to go to ensure security in the area, particularly because of the landmines. Indeed, when Maria Zakharova, a spokesperson for the Russian Ministry of Foreign Affairs, was asked about the high number of mine casualties in the

30 Ministry of Defense of the Russian Federation, *Bulletin of Ministry of Defense of the Russian Federation on the activities of the Russian contingent of peacekeeping forces in the Nagorno-Karabakh conflict zone*, January 11, 2021, available at: [http://eng.mil.ru/en/russian\\_peacekeeping\\_forces/bulletins/more.htm?id=12334121](http://eng.mil.ru/en/russian_peacekeeping_forces/bulletins/more.htm?id=12334121) (accessed April 5, 2021)

31 Ministry of Defense of the Russian Federation, *Armenian pilgrims accompanied by Russian peacekeepers visited the Christian monastery Dadivank and Amaras*, available at: [http://eng.mil.ru/en/russian\\_peacekeeping\\_forces/news/more.htm?id=12350121](http://eng.mil.ru/en/russian_peacekeeping_forces/news/more.htm?id=12350121) (accessed April 7, 2021)

32 Ministry of Defense of the Russian Federation, *More than 1700 hectares of territory cleared of explosive devices by Russian sappers in Nagorno Karabakh*, March 23, 2021, available at: [http://eng.mil.ru/en/russian\\_peacekeeping\\_forces/news/more.htm?id=12350326](http://eng.mil.ru/en/russian_peacekeeping_forces/news/more.htm?id=12350326) (accessed April 24, 2021)

Karabakh region and the need to facilitate the retrieval of the mine maps from Armenia, she clearly stated that this is the task of the peacekeepers and officers of the Russian Emergencies Ministry.<sup>33</sup> Yet, the peacekeepers seem to have done almost nothing to facilitate the dialogue for obtaining the mine maps, and such inaction has been feeding into the growing number of casualties, which brings into question their performance effectiveness.

### ***Conclusion***

In all, in the next five years, the activities of the Russian peacekeepers will play a huge role in the formation of peace in the region. Hence, assessing their performance periodically will be an important task to ensure that their activities are impact-oriented, that previous mistakes are not repeated, and to ascertain their contribution to the overall security situation. Nevertheless, it should be acknowledged that evaluation of the peacekeepers' activities faces definitional, practical, and methodological challenges and, although a single determination of success or the failure of the peacekeeping operation is desired, the complex nature of the work on the ground necessitates a multifaceted assessment.

In the first five months of their deployment, the results of the work of Russian peacekeepers in the mountainous part of Azerbaijan's Karabakh region differ across different criteria. On the one hand, the peacekeepers' defiance of the mandate specification and benchmarks, and unilateral decisions to set up centres or take on additional tasks not specified in the trilateral statement, all lead to the conclusion that, vis-à-vis the mandate, their operational performance is unsuccessful. On the other hand, despite an incident near Chaylaggala and Taghlar, the relative stability continuing to this day marks a success in conflict containment. However, the data show no positive trend in the reduction of casualties since the deployment of the peacekeepers, and the limited efforts to create an environment for the normalization process create doubts about the

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33 The Ministry of Foreign Affairs of the Russian Federation, *Briefing by Foreign Ministry Spokeswoman Maria Zakharova*, Moscow, March 4, 2021, available at: [https://www.mid.ru/en/foreign\\_policy/news/-/asset\\_publisher/cKNonkJE02Bw/content/id/4606704#26](https://www.mid.ru/en/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/4606704#26) (accessed April 5, 2021).

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effectiveness of their work. Yet the task does not end here. There is significant potential for further research and a need for conducting a long-term performance analysis of the Russian peacekeepers and identifying their contribution towards the reintegration and reconciliation processes.

# Azerbaijan: Manoeuvring the Geopolitics of Connectivity

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Eugene Chausovsky<sup>\*\*</sup>

In this post-war period, and in the wake of its gains in the Second Karabakh War, Azerbaijan is in the process of pursuing ambitious infrastructure and connectivity projects spanning the transport, energy, and digital spheres. However, such projects face significant geopolitical complications, with a number of players, both in and beyond the South Caucasus region, acting to challenge Baku's plans. The purpose of this paper is to examine the opportunities and constraints that Azerbaijan faces in pursuing its regional connectivity ambitions. The paper concludes that, for Azerbaijan to advance its goals, careful geopolitical manoeuvring is required that focuses on the functional and mutually beneficial gains of building regional connectivity and mitigating the propensity towards division and zero-sum conflict in the Caucasus.

**Keywords:** Azerbaijan, Armenia, Caucasus, Connectivity, Georgia, Karabakh



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### *Introduction*

Azerbaijan gained a significant victory in the Second Karabakh War, a.k.a. the 44-Day War, towards the end of 2020. Following years of deadlock in negotiations that were overseen by the OSCE Minsk Group, Azerbaijan took matters into its own hands to reclaim substantial territory in and around the Karabakh region. Certainly, external actors played a significant role in shaping the new reality: Turkey was instrumental in providing diplomatic and security assistance to Azerbaijan, while Russia played the chief mediating role to terminate the war, including the deployment of 1,960 peacekeepers to oversee the security situation in this region.

*Azerbaijan's President, Ilham Aliyev has made no secret of Baku's plans and ambitions in the post-conflict environment, which include rebuilding infrastructure in and around the Karabakh region while connecting that infrastructure to broader regional connectivity projects to support Azerbaijan's role as a trade and transit hub between Europe and Asia.*

Now, after the gains that Azerbaijan made last year, Baku faces perhaps an even more daunting challenge for 2021 and beyond: deciding what to do with its newfound territorial and geopolitical position. Azerbaijan's President, Ilham Aliyev has made no secret of Baku's plans and ambitions in the post-conflict environment, which include rebuilding infrastructure in and around the Karabakh region while connecting that infrastructure to broader regional connectivity projects to support Azerbaijan's role as a trade and transit hub between Europe and Asia. Such projects span the transport, energy, and communications sectors, including plans for the development of roads, railways, airports, energy grids, and fibre-optic cables to connect the Caucasus region and far beyond.

However, as with all things in the Caucasus, such plans face significant political and security challenges and obstacles from the region's numerous players. Whether among Azerbaijan's immediate neighbours, the large regional powers bordering the Caucasus, or the global players with interests in the region, Baku finds itself in a complicated position if it is to turn its post-conflict connectivity dreams into reality. All of these players overlap and interact with one another in some way, so, in order to understand what could come of Azerbaijan's plans for the future, it is useful to examine how each of those countries' interests and constraints relate to Baku's strategy for building regional connectivity. The aim of this paper is to analyse Azerbaijan's relations with its immediate

neighbours, regional players, and global powers; the paper concludes by identifying an optimal strategy for Baku to manoeuvre around several geopolitical constraints in order to advance its connectivity goals.

### ***The immediate neighbours: Armenia and Georgia***

Unsurprisingly, the country that acts as the largest and most direct impediment to Azerbaijan's connectivity plans is Armenia. After decades of conflict and animosity, there were initially signs of hope and optimism that the trilateral statement signed on 10 November 2020 by Azerbaijan, Armenia, and Russia to end military hostilities could pave the way for some type of political and economic reconciliation between the two countries in the post-war environment. This was especially the case when Aliyev met with Russian President Vladimir Putin and Armenian Prime Minister Nikol Pashinyan in Moscow on 11 January, when the three leaders discussed the post-conflict environment and agreed to form a commission on joint transport projects in the region.

*Unsurprisingly, the country that acts as the largest and most direct impediment to Azerbaijan's connectivity plans is Armenia.*

However, such optimism soon gave way to scepticism. One particular sticking point has come in the form of the so-called "Zangezur corridor" through the Syunik region of southern Armenia that would be crucial for Azerbaijan to build road and rail connections through Armenian territories along the southern border with Iran to the Nakhchivan exclave (of Azerbaijan) and onward to Turkey. Such a route would not only open a new gateway for westward trade for Azerbaijan but could also give Armenia rail access to its Russian ally from Yerevan through Nakhchivan to Baku and northward to Moscow. Nevertheless, this project has been subject to political infighting and disputes. Armenia's concerns with the project largely relate to the question of sovereignty, with Yerevan opposing relinquishing control of its territory to Russia for the purposes of securing such a route.

The issue of sovereignty is nothing new when it comes to international infrastructure projects. This is something that both Russia and China are familiar with, whether in the form of Russia's control of energy infrastructure in Europe being challenged by the EU's Third Energy Package or disputes over China's control of infrastructure as part of its

Belt and Road Initiative (BRI). In the case of Armenia, relinquishing sovereignty over its territory to Russia is particularly sensitive given Russia's selective neutrality during the recent war.

In the meantime, there has been a continuation of tensions between Armenia and Azerbaijan's armed forces, even after the trilateral statement. Indeed, an increase in ceasefire violations in various locations along their interstate border in the months following the 10 November statement eventually led to the suspension of the work of the commission on joint transport projects. Such violations have taken place not only in and around Karabakh region but also across the Nakhchivan section

*The main issue between Armenia and Azerbaijan now relates to the implementation of the political, economic and security components of the 10 November and 11 January trilateral statements.*

of the Armenia–Azerbaijan border, thereby posing a challenge to future infrastructure development.

The main issue between Armenia and Azerbaijan now relates to the implementation of the political, economic and security components of the 10 November and 11 January trilateral statements. In the meantime, from Azerbaijan's perspective, the conflict is over following the war; nevertheless, Armenia resists this idea by trying to invoke the issue

of the 'status of ethnic Armenians' that remains from the negotiations of the pre-war period. Furthermore, any moves in terms of building connectivity in the economic sphere and seen by the Armenian public as granting concessions to Azerbaijan could endanger the Armenian government. Thus, Pashinyan can be expected to move cautiously, and any engagement on this issue will be performed carefully.

Compared with the situation regarding Armenia, Azerbaijan's relations with Georgia are far more constructive when it comes to the political and economic spheres. There are already numerous infrastructure and connectivity projects that link the two countries, including the Baku–Tbilisi–Ceyhan (BTC) oil pipeline, the Baku–Tbilisi–Erzurum (BTE) natural gas pipeline (which has recently expanded to Europe via the TANAP and TAP projects), and the Baku–Tbilisi–Kars (BTK) railway. Georgia thus serves as a key component of the Southern Gas Corridor route, which Azerbaijan has used to connect to Turkey and further on to Europe.

Moreover, Azerbaijan has pursued the Digital Silk Way project in the

sphere of digital connectivity. This project includes plans to modernize and install new fibre-optic cables across the Black Sea to connect to Europe, and has involved the acquisition of Georgia's Caucasus Online provider by Azerbaijan's NEQSOL holding company. However, Georgia has been seeking to become a digital hub in its own right and has sought EU assistance for such plans.<sup>1</sup> These issues go hand in hand, as Azerbaijan's plans to build digital connectivity are closely related to the expansion of its energy and transport connections.

There is also the question of Georgia's own cooperative relationship with Armenia. Tbilisi is careful not to completely isolate Yerevan and Armenia, and thus potentially serves as a stumbling block to Azerbaijan's plans with Georgia. Indeed, Georgia has offered its own initiatives on regional cooperation. Thus, Baku will have to approach Armenia and Georgia on these issues carefully and collectively and prove that these approaches do not have to be mutually exclusive if Baku wants to advance its connectivity ambitions.

Three regional players – Turkey, Russia, and Iran – combined with the three Caucasus countries have been the subject of cooperation platforms such as the 3+3 initiative. However, because of the delays in reconciliation between Armenia and Azerbaijan, as well as continued tensions between Russia and Georgia over the latter's separatist territories of Abkhazia and South Ossetia, such all-encompassing initiatives are unlikely to make significant progress in the near term. Instead, it could be more useful for Baku to focus on building functional ties on a bilateral, step-by-step basis, and then leverage those ties into broader integration platforms in the future.

### ***The regional players: Turkey, Russia, and Iran***

Beyond the immediate players within the Caucasus, Azerbaijan also has to achieve balance with the region's large and influential neighbours. Of all the regional players, Turkey is the most supportive of Azerbaijan's connectivity plans as well as its broader

*Ankara gains directly from being a destination and transit state within Azerbaijan's connectivity projects, as Turkey's involvement in the Southern Gas Corridor projects has shown.*

<sup>1</sup> Capacity Media, *Georgia's post-Covid connectivity plan targets investments of €3.9 billion*, July 21, 2021, available at: <https://www.capacitymedia.com/articles/3829163/georgias-post-covid-connectivity-plan-targets-investments-of-39-billion> [accessed July 30, 2021]

foreign policy goals. Ankara gains directly from being a destination and transit state within Azerbaijan's connectivity projects, as Turkey's involvement in the Southern Gas Corridor projects has shown. Ankara can also give Baku added leverage in negotiations with Yerevan, including the potential for opening its borders with Armenia or rehabilitating the railway between Kars (Turkey) and Gyumri (Armenia). Indeed, whereas Armenia has bristled at opening economic relations with Azerbaijan for the time being, Yerevan has indicated greater willingness to consider opening up to Turkey, which could end up serving as a building block for Armenia's participation in other projects with Azerbaijan down the line.

Another key regional player for Azerbaijan to consider, and arguably the most influential in the Caucasus, is Russia. Moscow supports the development of regional connectivity projects, but Russia has its own vision for such projects that is intended to advance its own interests. This includes a preference for north-south routes that include Russia, while harbouring scepticism over east-west routes that exclude Moscow's participation. Russia also has to take the interests of Armenia into account, given that Yerevan is a member of the Collective Security Treaty Organization (CSTO) and Eurasian Union, and that Russia has 5,000 troops stationed on its territory (not including the recent deployment of 1,960 peacekeepers in the mountainous part of the Karabakh region). However, Moscow has proven in the past that it is not completely beholden to the most favourable outcome for Yerevan, thus giving Baku some room for manoeuvre when it comes to unlocking Russian opposition to Azerbaijan's connectivity plans.

Finally, Iran also plays an important role when it comes to Caucasus connectivity issues. Iran has served as a stumbling block for some of Azerbaijan's regional infrastructure initiatives, including the construction of a Trans-Caspian natural gas pipeline. Despite a landmark agreement on delimiting the Caspian's seabed by all the littoral states in 2018, Iran's parliament has yet to ratify this agreement. Iran's outlet to Armenia and its own plans to develop the North-South Transport Corridor could be perceived by Tehran as being undermined by the Zangezur route; thus, Azerbaijan will have to engage with Iran and emphasize its constructive involvement in order to convince Tehran of the inclusive and mutually beneficial nature of such projects.

### *The global powers: USA, EU, and China*

Just as Azerbaijan must manoeuvre between its Caucasus neighbours and the larger powers surrounding them, it must also place its connectivity plans within a broader context involving key global players. One such player is the United States, whose view of the Caucasus has changed as Russia and Turkey have become more directly involved in the Karabakh theatre. Previous efforts at mediation of the Armenia–Azerbaijan conflict by the US under the auspices of the OSCE Minsk Group proved ineffective in ending the conflict diplomatically. Moreover, as the USA is drawing down its troops from the Middle East and shifting its focus towards Asia and containing China, it is highly unlikely that Washington will want to get directly involved in the Caucasus from a military perspective.

In this case, the USA has a strategic interest in supporting Azerbaijan’s vision of regional connectivity projects, particularly via the Southern Corridor route. This route serves to connect the region’s energy resources to Europe and bypass Russia, which is in the US interest, and could also enable the USA to temper gains from China’s BRI initiative. Thus, the USA can bring its diplomatic and economic leverage to bear in supporting the development of infrastructure, whether it be in the form of energy projects such as the Trans-Caspian Pipeline or building road and rail connections between Azerbaijan, Armenia, and Turkey to expand the Southern Corridor. However, the influential Armenian-American lobby could serve to limit the extent of US support, thus making Azerbaijan’s careful engagement with Armenia all the more necessary.

The EU has a more complicated role to play in terms of Caucasus connectivity projects owing to the fact that it comprises 27 member states (some of which, such as France, also have influential Armenian minorities). Nevertheless, Azerbaijan’s role in helping the EU diversify its energy supplies from Russia presents a strong foundation on which to build support for further connectivity projects. Baku can also leverage its trans-continental position to attract more attention and investment from

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China, but it must do so in way that does not antagonize the West as it seeks to contain China's rise.

Given these various positions and obstacles, how is it best for Azerbaijan to manoeuvre moving forward in pursuit of its regional connectivity ambitions? The key for Azerbaijan is to work systematically with all of the key players to build leverage for negotiating from a position of strength. To do that, Baku needs a sound strategy, one that consists of creating and balancing several viable options and alternatives in order to advance its desired connectivity projects. To do so, Azerbaijan needs to apply its strategy on three levels – local, regional, and global.

Of course, there are many challenges that still lie ahead. There are tactical issues such as de-mining throughout the Karabakh region and nearby districts that must be completed before resettlement takes place, not to mention the broader geopolitical complexities, including rivalries among some of the larger powers that Azerbaijan is trying to cultivate. It is possible that the political constraints are too great for many of these economic connectivity projects to materialize.

Nevertheless, there are practical steps that can be taken to advance Baku's goals. If Azerbaijan can proceed cautiously and deliberately to address the needs and concerns of its neighbours, for example, balancing Armenia's issues regarding border demarcation with its need for investment, it can build such steps into greater cooperation and larger economic gains. In this way, Azerbaijan can help break the cycle of tension in the Caucasus and move the region towards connectivity.

### ***Conclusion***

This paper has placed Azerbaijan's connectivity goals within a geopolitical context and has explored the various challenges that Baku faces in realizing its ambitions. As discussed, Azerbaijan is at once trapped by its geography and also presented with opportunities by it. It is trapped because it is landlocked. Yet, if it can break through this trap via connectivity projects that span the transportation, energy, and communications spheres, it can simultaneously serve as a major supplier of energy resources to large markets such as the EU while also serving as a key transit hub throughout the Eurasian landmass.

This is precisely the thinking that has driven Azerbaijan's foreign policy in the post-Soviet era, which is distinct from those of its neighbours in the Caucasus. Azerbaijan has avoided integration with exclusive alliances such as those that Georgia has with the EU and NATO, and Armenia has with Russia's Eurasian Union and CSTO, and this has worked to Baku's benefit. As Azerbaijan pursues greater connectivity in the region, it must be mindful of the progress and success it has already made while avoiding the pitfalls of over reliance and over extension experienced by others.

The reality is that connectivity projects do not have to be mutually exclusive; rather, they must carefully balance the various countries and geopolitical forces in play. By engaging with Armenia and Georgia, exploring ties with Turkey, Russia, and Iran, and looping in the West and China, the potential benefits for Azerbaijan can be enormous. The key for Baku is to maximize engagement and avoid alienation in order to reap these benefits, not only for itself but for the region at large.





# South Caucasus: Beyond A History of War Toward Reconciliation and Economic Integration?

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Joseph Hammond\* and Aynur Bashirova\*

Many things have changed since the first Karabakh war (1988–1994), when Armenia emerged victorious. However, the years leading up to the Second Karabakh war in 2020 show that, in the long term, Yerevan lost out on many opportunities owing to the events that unfolded during the first war. At a time when Azerbaijan and Georgia were actively engaged in state and economy building following the fall of the Soviet Union, Armenia became sidelined from most regional economic projects. This has negatively impacted its economy, which is lagging behind those of Azerbaijan and Georgia, and resulted in significant outmigration from the country, thus reducing its population. While joint projects enabled Tbilisi and Baku to become closer and break free of Russian influence, the opposite was true for Armenia. Yerevan had to rely on Russia in many areas, including economic and military. War broke out between Armenia and Azerbaijan once again in 2020; however, this time it was Azerbaijan, using new strategies and new weapons, most notably drones that allowed it to recapture territory occupied by the Armenian armed forces. Now the war is over, there is a glimpse of hope for peace, and the United States can play the role of facilitator, as it did for Israel and Egypt during the Camp David Accords (1979). The Armenian economy needs to recover, and peace can start from there if Baku can be convinced to offer a helping hand to Yerevan and the latter to accept that help. However, there remain many other issues to be resolved before we can talk about cooperation; the most paramount being addressing Armenia's irredentist claims and the preparedness of both societies for mutual acceptance of one another.

**Keywords:** Azerbaijan, Armenia, Caucasus, Connectivity, Georgia, Karabakh



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### *Introduction*

In 2020 a renewed 44-day war broke out between Armenia and Azerbaijan in the [former] Karabakh conflict zone. This was the first war in which drones were used in large quantities by conventional armies; and it is arguably the first “frozen conflict” in the post-Soviet space to be won by a state through its own means. The First Karabakh War was fought in 1988–1994. In that war, Armenia emerged as the victor, even though no country recognised the “independence” of the “Nagorno-Karabakh region”. Baku regained control over its formerly occupied territories in the second war in 2020. The aim of this paper is to highlight two aspects of this conflict. First, we will show what societal changes following the first war led to the second ending with a different result. In other words, what happened in those 26 years contributed to a different outcome? Second, we will look at possible avenues for future peace between Azerbaijan and Armenia. We will see whether there is an area of interest that can serve as a roadmap to peace.

Although Armenia had won the war by 1994, in many ways it lost the peace, becoming increasingly isolated on the world stage. Armenia’s victory was, perhaps, surprising, given that none of the 15 Soviet Socialist republics was allowed a military force independent of the Red Army. Azerbaijan was, however, the first country from which the Soviet Union withdrew its military forces in the late 1980s, meaning that the Azerbaijani side had a deficit of available armaments. Nevertheless, Armenia’s overwhelming victory cannot simply be chalked up to material considerations. Azerbaijan saw political turmoil during the

*Armenia’s “victory” alienated it to some extent not only from its neighbors in the region throughout the 1990s, but also the wider world.*

first, guerrilla phase of the war from 1988–1992 and during much of the conventional battle phase from 1992–1994. The Armenian side was comparatively politically united and motivated from the start. Many Armenians framed the conflict in the context of the earlier conflict between Azerbaijan and Armenia from 1918–1922, which can, in retrospect, be considered

the first Armenia–Azerbaijan conflict.

Armenia’s “victory” alienated it to some extent not only from its neighbors in the region throughout the 1990s, but also the wider world. Conversely, the newly independent states of Azerbaijan and Georgia developed an important political friendship and were far more

successful in leaving Moscow’s orbit. Closeness between Tbilisi and Baku developed owing, in part, to similar concerns over their respective separatist regions. In the case of Georgia these were the South Ossetia (Tskhinvali) and Abkhazia regions. These were occupied by Russia during the 2008 Russo–Georgian war.

The collapse of oil prices in the late 1980s was as important as any other factor that led to the fall of the Soviet Union. Consequently, it became of vital interest to the United States and its NATO allies to ensure that Central Asian oil and gas reserves would no longer be dominated, even indirectly, by Moscow or, to a lesser extent, the Islamic Republic of Iran. Indeed, an interview between one of the authors and former Azerbaijani national security adviser Vafa Guluzade suggests that then-U.S. President Bill Clinton played a direct and personal role in helping to “diversify” Azerbaijan’s oil exports.<sup>1</sup>

The resulting “deal of the century” between Azerbaijan, BP, and a number of other Western oil companies paved the way for Azerbaijan to become one of the world’s most pivotal oil and gas exporters under the direction of the State Oil Company of the Azerbaijan Republic (SOCAR). Closer to home, SOCAR became the highest investor and taxpayer in Georgia, thus helping to solidify the political and economic partnership between the two countries and ultimately reduce Moscow’s control over Tbilisi and Baku. Yet, with this came shared risks as well.

On August 5, 2008, an attack, allegedly by members of the Kurdistan Workers Party (PKK), closed the pipeline. Although the attack was blamed on the PKK, two sources within BP, with inside knowledge, told one of the authors that the attack was actually initiated by Russia; a claim that has also been published in the international media.<sup>2</sup> Whatever the truth, Russia and Georgia plunged into war just three days later.

Throughout this period Azerbaijan, along with other neighbors, was reluctant to allow Yerevan to participate in regional projects. Armenia remained dependent on Russia, while its neighboring countries were more vocal in their ambition to break free of such bonds. With few options in the years since 1994,

*Armenia remained dependent on Russia, while its neighboring countries were more vocal in their ambition to break free of such bonds.*

1 Interview with Vafa Guluzade.

2 Robertson, J. and Riley, M., “Mysterious ‘08 Turkey Pipeline Blast Opened New Cyberwar”, *Bloomberg*, December 10, 2014, Available at: <https://www.bloomberg.com/news/articles/2014-12-10/mysterious-08-turkey-pipeline-blast-opened-new-cyberwar> (Accessed: June 16, 2021).

Yerevan has been drawn into Moscow's orbit, even reluctantly joining the Russia-led Eurasian Economic Union. Armenia faithfully purchased the majority of its military equipment from Russia, despite superior systems being available, believing that such purposes helped ensure

*France, which is home to a large Armenian diaspora population, gave political and moral support to Armenia during the 2020 conflict.*

Russia would support its position in a crisis.

Iran, also in need of friends, became an ally of Armenia over fears that Tehran's large Azerbaijani population might soon prefer Baku's rule to Tehran's. Such policies have so far proved to be a dead end as neither country has intervened to assist Armenia in its current

war. Indeed, Russia reiterated its support for Azerbaijan's territorial integrity on the basis of international law.<sup>3</sup> France, which is home to a large Armenian diaspora population, gave political and moral support to Armenia during the 2020 conflict. French President Emmanuel Macron's criticism of Azerbaijan not only plays to Armenia voters in France, but it also serves another domestic political purpose: It allows President Macron to play up his Muslim-bashing credentials at a time when his centrist party faces pressure from Marie Le Pen and the far right. The French National Assembly and Senate voted to "recognize Nagorno Karabakh" during the war, through the French government did not ratify this decision. Such incidents within France have led many in Azerbaijan to doubt France's neutrality as a member of the Minsk Group, created in 1992, and chaired by the trio of Russia, the United States, and France, to facilitate peace talks and lead to a peaceful resolution of the conflict.

Armenia's fate is perhaps symbolized by the Metsamor Nuclear Power Plant. It was opposition to this facility on environmental grounds that led to some of the largest protests in the history of the Soviet Union by Armenians in 1987. The Metsamor plant was built to an outdated design and was eventually deemed too dangerous to operate by Soviet authorities owing to seismological factors. The facility was shut down in 1988—not long after a 6.9-magnitude earthquake that struck just 75 km from the facility. Its closure was hailed as a victory and served as inspiration for Armenian patriots to dream of a future without communism. The role of the anti-nuclear movement as a catalyst for Armenian nationalism cannot be understated and was a relatively progressive view given the politics of the era.

<sup>3</sup> Kremlin.ru, *Otveti na Voprosi SMI po Situatsii v Nagornom Karabakhe*, November 17, 2020, Available at: <http://kremlin.ru/events/president/news/64431> (Accessed: July 16, 2020).

Yet, Armenia was forced to reluctantly reactivate the facility just five years later. Armenia, once a cause célèbre for anti-nuclear activists, now became a cause for concern. No less a publication than National Geographic wondered aloud, in 2011, whether it is the world's most dangerous nuclear reactor, despite being just 30 km from the Armenian capital of Yerevan.<sup>4</sup>

By 2016, Armenia had fallen seriously behind in its rivalry with Azerbaijan, both economically and militarily. A case in point is the 2016 “April War,” which saw Azerbaijan launch a limited counter-offensive to recapture territory occupied by Armenia. The conflict was short and bloody, with hundreds killed in just four days of fighting. Azerbaijan captured a couple of strategic heights and a few hundred acres. Though it received little attention at the time, in hindsight, the conflict is noteworthy for three reasons. Of these, and the one that received the most contemporary attention, was that the conflict created the first change in the line of contact since 1994, though sniping and occasional shelling had continued off and on throughout that period. Second, it was the first time in history when two conventional armies deployed drones against each other. Given the role that drones would play in the war between the two states in 2020, the lack of attention this received at the time is telling. In contrast, Azerbaijan saw this conflict as a dress rehearsal for the reconquest of its Karabakh region.

Indeed, the most recent war saw drones used on a much larger scale. The disparity in military and economic capabilities, a stark contrast to the early 1990s, gave Azerbaijan an advantage in combat. Turkish-and Israeli-made or designed drones played an important role in Azerbaijan's war plans. Israeli political commentator Seth Frantzman has gone even further, stressing that this is how the wars of the future will be fought, and all the drone-operating countries need to closely watch and analyze the 44-days war of 2020.<sup>5</sup>

*Indeed, the most recent war saw drones used on a much larger scale. The disparity in military and economic capabilities, a stark contrast to the early 1990s, gave Azerbaijan an advantage in combat.*

4 Lavelle, M. and Garthwaite, J., “Is Armenia's Nuclear Plant the World's Most Dangerous?”, *National Geographic*, April 14, 2011, Available at: <https://www.nationalgeographic.com/science/article/110412-most-dangerous-nuclear-plant-armenia> (Accessed July 16, 2021).

5 Frantzman, R., “How Azerbaijan's Drones Show What the Future War Looks Like”, *Newsweek*, October 7, 2020, Available at: <https://www.newsweek.com/how-azerbajians-drones-show-what-future-war-looks-like-opinion-1536487> (Accessed July 16, 2021).

Many Armenians took the opposite lesson from 2016: that their military could still inflict enough cost in human lives on Azerbaijani forces in a defensive war to deny Azerbaijan an outright military victory. Russia's apparent willingness to attack the Baku–Tbilisi–Ceyhan (BTC) pipeline in 2008, which had as much impact on Azerbaijan as it did on Georgia, was also interpreted by Armenia as a sign that Russia was still willing to protect Armenia's occupation in a future conflict.

On the economic front there were additional, troubling signs for Armenia. Many Armenians, to use Lenin's famous phrase, have, in the decades since 1991, voted for peace with their feet and left the country. Although this has been a problem in other post-communist nations, it has been more acute in Armenia. Alone among the Caucasus countries since 1991, Armenia's population has actually declined. More worrying is the fact that citizens of the other countries are also now richer than Armenians in per capita terms, if international data can be trusted. Indeed, Azerbaijan's oil wealth helped to ensure the highest standard of living in the South Caucasus region according to the 2017 EU Eastern Partnership Index:

Azerbaijan scores the highest among the EaP countries on sustainable development... According to the World Bank, Azerbaijan entered the top three in the Europe and Central Asia region in the Global Doing Business 2018 rating... Azerbaijan ranked third among emerging economies in WEF's annual Inclusive Development Index 2018.<sup>6</sup>

According to the 2019 United Nations population census, Armenia's population is 2,957,731, Georgia's is 3,996,765, and Azerbaijan's is 10,047,718. In addition, according to the World Bank's 2019 report, Azerbaijan's GDP is calculated at US\$48.05 billion, Georgia's at US\$17.48 billion, and Armenia's at US\$13.67 billion.

Yet, Armenian leaders either failed to correctly read the nation's changing geopolitical fortunes, assumed that they held a Russian "Trump card," or believed that tough talk could compensate for their lack of military preparation. In an unfortunate irony, given the country's anti-nuclear history, as recently as 2016, a former prime minister claimed Armenia had developed its own nuclear weapons. In 2019, one year before the 2020 Second Karabakh War, Armenia's then Defense Minister, David Tonoyan, proposed a doctrine of "New Territories in the Event of New

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<sup>6</sup> Eastern Partnership Civil Society Forum, "Eastern Partnership Index 2017: Charting Progress in European Integration, Democratic Reforms, and Sustainable Development", December, 2018.

War” to be used as potential bartering chips. As bellicose as that might sound, inherent in that logic was the idea that Armenia would eventually have to settle for a negotiated settlement.<sup>7</sup>

In July 2020, about two months before the beginning of the second war, clashes erupted in the Tovuz district of Azerbaijan.<sup>8</sup> That region has no relationship with the previously occupied areas and does not even share a border with them. However, it is home to critical energy and transportation routes, such as the BTC oil and Baku–Tbilisi–Erzurum (BTE) and Trans-Anatolian (TANAP) gas pipelines, and the Baku–Tbilisi–Kars (BTK) railway connecting Azerbaijan, Georgia, and Turkey to Europe and providing the latter with energy security. Two months later, on September 27, 2020, the second Karabakh war started, with each side blaming the other for being the initiator of the hostilities.

Azerbaijan won the war and liberated the bulk of its formerly occupied territories. The long-term consequences of this victory remain to be seen, but it may well pave the way for more economic integration in the region—even between Armenia and Azerbaijan. That might seem unfeasible at present, but it would have been similarly ludicrous to assume that just a few decades after World War II the European powers would reach toward a common economic platform. The European Union was forged, in part, out of concerns regarding Russia’s foreign policy. A similar situation may also develop in the Caucasus.

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Indeed, initially, the 10 November Statement leading to a complete ceasefire and cessation of all hostilities<sup>9</sup> was seen as a Russian victory. Yet, the truth is far different. The conflict proved that Russian military hardware was not as effective as Israeli and Turkish weapons. Despite the lesson of the previous conflict in 2016 between the two states, and Russia’s own experience in its invasion of Ukraine, Armenia was woefully unprepared for the war.

7 Asbarez, ‘New Territories in the Event of New War’, Says Defense Minister, April 1, 2019, Available at: <https://asbarez.com/178701/new-territories-in-the-event-of-new-war-says-defense-minister/> (Accessed July 16, 2021).

8 Kucera, J., “Armenia, Azerbaijan resume Fighting”, *Eurasianet*, July 13, 2020, Available at: <https://eurasianet.org/armenia-azerbaijan-resume-fighting> (Accessed July 16, 2021).

9 President.az, *Statement by the President of the Republic of Azerbaijan, Prime Minister of the Republic of Armenia, and President of the Russian Federation*, November 10, 2020, Available at: <https://cspjournal.az/static/guideline-for-authors-26> (Accessed July 16, 2021).



Already there are murmurings in the Russian Duma that Russian President Vladimir Putin has produced little in the South Caucasus but an expensive debacle. Indeed, the new realities in the Caucasus suggest that the Russian model of generating “frozen conflicts” in the post-Soviet space may not be a foreign policy asset. Russia conspired to create the situation in Azerbaijan’s Karabakh, Moldova’s Transnistria, and Georgia’s South Ossetia and Abkhazia regions, and Ukraine’s Crimean Peninsula as a way of keeping leverage over the former Soviet Socialist Republics. In essence, frozen conflicts represent the “divide and rule” politics of the 20th century: A political approach that, historically, leads empires to ruin.

Azerbaijan is arguably the first post-Soviet country to win a “frozen conflict” through its own military and economic capabilities – albeit with the aforementioned Israeli and Turkish military-technical assistance.

In fact, given present conditions on the ground, a future Yerevan government may still find it easier to make a deal with Azerbaijan than Moscow, which proved itself a fair-weather friend when Armenia’s chips were down and Russia was the last and only card it had left to play.

Armenia’s seclusion in its own region has lasted for more than twenty-five years and negatively impacted its economic and social life. To a lesser degree, this situation has also had an impact on the general development of the region. Now the conflict is over, and Armenia’s economy needs to recover. Concerning Yerevan, it is not impossible to

*However, there is no other option in the long-term except reconciliation, which has the potential to bring economic prosperity and peace, and strengthen the independence of the South Caucasian states.*

imagine a situation in which, economically speaking, Armenia can be reintegrated into the South Caucasus.

This would require incentives and hard negotiations on the part of the regional states, but it is not an unattainable goal. First of all, unlike the situation of the 1990s, Azerbaijan today has the strongest economy and military in the region. Hence, it should be relatively easier to convince Baku to reach out to

Armenia and offer it a hand of cooperation.

Armenia could be more difficult to convince, as it suffered the most from the First and Second Karabakh wars, even if it was the winner of the first. The economic and social situation was already painful owing

to the Coronavirus-related lockdown and rising unemployment. After the war, the political turmoil started, which saw protests and mass arrests. However, there is no other option in the long-term except reconciliation, which has the potential to bring economic prosperity and peace, and strengthen the independence of the South Caucasian states.

Azerbaijan and Georgia need to be persuaded about the benefits of such a partnership and reassured that Armenia would not have further territorial claims. Armenia has had historic border disputes with Georgia and many Armenian nationalist make claims to “Mount Ararat” (“Ağrı/ Aghri” in Turkish) and other sites in Turkey. Yerevan also needs to be persuaded that, as a landlocked country without natural resources or production capabilities, joining projects with neighbors is an investment in its future.

Essentially, Armenia has a chance to be reintegrated into the region, but it will take more than mere token actions in this direction. The sides have to be willing to cooperate and exchange reassurances about each other’s intentions. The trilateral 10 November statement signed between Armenian Prime Minister Nikol Pashinyan, Azerbaijani President Ilham Aliyev, and Russian President Vladimir Putin and ending the war stipulates the opening of transport and economic links, which is a good point to start from.

Much will also depend on how the Azerbaijani government treats its new, ethnically Armenian nationals. The Azerbaijani government has already acknowledged that the Karabakh region’s Armenian population are Azerbaijani citizens and promised them the same rights enjoyed by the other citizens of the country. Azerbaijani internally displaced persons (IDPs), forced out by the First Karabakh War, will also be able to go back to their territories on a voluntary basis. Formerly occupied districts lack the necessary infrastructure to provide suitable living conditions owing to years of neglect and destruction by Armenia: Baku has pledged to develop these areas and has already started building roads and attracting investment.

*Contemporary Azerbaijan, regardless of any shortcomings, is a multicultural society home to Muslims, Jews, and Christians. Peace will require the vision and leadership to look to the future, not the past.*

Contemporary Azerbaijan, regardless of any shortcomings, is a multicultural society home to Muslims, Jews, and Christians. Peace will

require the vision and leadership to look to the future, not the past. Even excluding the Karabakh, region tens of thousands of local Armenians call Azerbaijan home. As do communities of orthodox Christians and Jews, in addition to a wide spectrum of other beliefs and ethnicities.

A moment from America's diplomatic history also can be instructive. At the Camp David Accords in 1979, then-U.S. President Jimmy Carter forged a historic agreement between Egypt and Israel. One of the terms of that agreement was energy trade between the two nations. A similar mandate in a treaty between Armenia and Azerbaijan could compel the latter to sell petroleum products to energy-poor Armenia and work to ensure that surrounding states open their borders to Armenian trade. A potential short transit of natural gas to Armenia through Azerbaijan could be a good start. Russian Gazprom and Azerbaijani SOCAR signed a short-term transit agreement in March that would allow Russian gas to flow to Armenia while the traditional route through Georgia is closed for several weeks for maintenance activities. This would be the first time since the collapse of the Soviet Union that such trade is conducted between the two countries.<sup>10</sup>

If such projects are realized on a larger scale, the dream of shutting down the Metsamor Nuclear Power Plant, envisioned by Armenians back in 1987, might today finally become a reality—as may their aspirations for a more prosperous homeland, as well as the dream of peace.

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10 Agayev, Z., "Armenians to Get Gas Via Azerbaijan for First Time in 30 Years", *Bloomberg*, March 17, 2021, Available at: <https://www.bloomberg.com/news/articles/2021-03-17/armenians-to-get-gas-via-azerbaijan-for-first-time-in-30-years> (Accessed July 16, 2021).

# BOOK REVIEW:

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“Russia’s Interventions in Ethnic Conflicts: The Case of Armenia and Azerbaijan” by James J. Coyle.

**REVIEWED BY NAGHI AHMADOV**



**Russia's Interventions in Ethnic Conflicts: The Case of Armenia and Azerbaijan** by James J. Coyle. *Palgrave Macmillan, 2021, 175 pp.*

*Reviewed by Naghi Ahmadov*

After seeing that diplomatic efforts had not yielded any meaningful results for three decades, Azerbaijan, by using force, liberated seven regions outside the formerly Armenian-occupied Nagorno-Karabakh region and the town of Shusha. As a result of the 44-Day War, Azerbaijan also gained control over the entire length of the Azerbaijani–Iranian and Azerbaijani–Armenian borders. De-occupation of the Azerbaijani territories has, in brief, transformed the geopolitical reality in the South Caucasus. It has opened up new opportunities for the region. However, some questions and concerns, such as landmines and border delimitation and demarcation, still remain. Moreover, the fact that some radical circles in Armenia are still eager for revenge cannot be disregarded. Azerbaijan, differing from Armenia, is determined to unblock all transport and communication links in order to create an environment for sustainable peace. James J. Coyle's latest work is definitely an invaluable resource for understanding the conflict.

The conflict between Armenia and Azerbaijan has evoked academic interest and received ample scholarly attention. Still, most of the works regarding this conflict have resulted from one-sidedness or 'bothsidesism': the authors have tried to create a false equivalence between an occupier and a side subjected to occupation. In this sense, James J. Coyle's *Russia's Interventions in Ethnic Conflicts: The Case of Armenia and Azerbaijan* fills this obvious gap by being impartial and unbiased. James J. Coyle is a well-known international consultant on security and foreign policy based in California, USA. As a diplomat of 24 years, he has held a variety of positions, including Director of Middle East Studies at the US Army War College. He is the author of *Russia's Border Wars and Frozen Conflicts* (2018) and a frequent contributor to *The Hill*. He has taught at several universities in Southern California. He is also a senior non-resident research fellow at the Atlantic Council. Coyle speaks and reads Turkish, Persian, and French in various degrees of proficiency.

In *Russia's Interventions in Ethnic Conflicts: The Case of Armenia and Azerbaijan*, James J. Coyle updates and expands his earlier work,

*Russia's Border Wars and Frozen Conflicts*. Coyle's research is unique in the field of conflict studies, and regarding the former Armenia–Azerbaijan conflict in particular, because of his ‘evidence-based’ approach.

There are six sections to the book: one on the roots of the conflict; subsequent chapters describing it through military, political, economic, and diplomatic lenses; and a final chapter with analytical conclusions.

In the introductory part, the author explores the roots of the conflict by presenting the geography and demographics of the region and takes a brief look into the 20<sup>th</sup>-century history of both countries. Coyle has documented the historical evolution of the conflict, emphasizing an examination of how structural vulnerabilities, in this context geography, contributed to the Armenian–Azerbaijani conflict. He asserts that Armenians arrived relatively recently in the “Nagorno-Karabakh region” after the 1828 Treaty of Turkmenchay and the 1829 Treaty of Adrianople. According to a census conducted by the Czar's representatives in 1805, only 8% of the population of Karabakh and the surrounding regions were Armenian before these treaties (p. 4). As stated by Coyle, the Sumgait incident was double-edged: it triggered a mass population exchange between the two Soviet Socialist Republics and, later, a larger Armenian massacre of Azerbaijanis at Khojaly on its anniversary (p. 16).

*Chapter two* details the military face of the conflict and clearly describes the armed hostilities and the post-war periods. In the immediate aftermath of the collapse of the Soviet Union, Coyle opines that Azerbaijan was relatively defenceless against the Armenian aggression. While Baku had remained loyal to the Kremlin and relied on Soviet military support, in contrast, the Armenians had been organizing their own militias and paramilitary groups for some time (p. 31). Furthermore, Russian soldiers took part in military operations on both sides of the conflict. Coyle contends that this was not a conscious decision on the part of the Kremlin, but the result of the physical location and makeup of the ‘Russian’ troops (p. 33). Eyewitness testimony of survivors indicates that the 366th Motorized Rifle Unit was involved in the Khojaly Massacre, one of the bloodiest incidents committed by Armenian forces against Azerbaijani civilians (p. 35). The author states that the Armenians did not give the civilians safe passage. In fact, the ‘humanitarian corridor’

was a field of fire. He adds that the Russians and Armenians opened fire on fleeing civilians trying to reach the relative safety of Aghdam (p. 35). Armenians insinuated that this was ‘a great victory for Armenians’ and ‘[t]he massacre was revenge for the anti-Armenian pogrom in Sumgait four years earlier’ (p. 37). Future Armenian president Sargsyan bluntly told British journalist Tom de Waal that the Khojaly massacre was an intentional attack on the civilian population to prove the willingness of Armenian forces to wage a total war: ‘I think the main point is this, before Khojaly the Azerbaijanis thought that they were joking with us, they thought that the Armenians were people who could not raise their hand against the civilian population. We needed to put a stop to all that. And that’s what happened’ (p. 38).

Despite Moscow’s professed commitment not to arm either side in the conflict, it violated the UN arms embargo by sending weapons to Armenia (p. 39). In September 1992, Azerbaijani forces captured six members of Russian special forces (*Spetznaz*), part of the Russian Seventh Army assigned to Yerevan. The Russian state asked Azerbaijan to deport them for trial in Russia; however, Azerbaijan categorically refused and insisted that they were mercenaries. The capture of these *Spetznaz* troops was the first concrete proof of direct Russian involvement in the conflict (p. 40).

Coyle underlines that Armenians looted and burned the invaded villages. He claims that some of the looting, such as in Aghdam (it has been destroyed to such an extent that it is sometimes called a ‘Ghost Town’ or the ‘Hiroshima of the Caucasus’), was organized and planned by the Armenian authorities (p. 42).

After the Ceasefire Agreement concluded in Bishkek in 1994, low-level skirmishes along the border and military preparations continued on both sides. The Four-Day War, in April 2016, showed that the *status quo* could not last forever. As a result of the April clashes, Azerbaijan achieved its goals by taking control of strategic territory on the ground and changing the line of contact: ‘The victory helped restore the morale of the Azerbaijan army, and shocked Armenia who considered their army to be the descendent of Soviet generals while Azerbaijan’s came from cooks and dishwashers’ (p. 52). The Four-Day War demonstrated that Russian security guarantees to Armenia were subject to the

Kremlin's interpretation and did not extend to Karabakh. But it did lay down some red lines that Azerbaijan could not cross. Coyle posits that Moscow signalled to Baku that military action concerning Karabakh could not expand into Armenia (p. 53). In May 2018, immediately after Nikol Pashinyan achieved office, Azerbaijani troops regained fire control of the Yerevan–Goris–Gafan–Lachin highway without fighting by moving troops in Nakhichevan. The defence minister of Armenia at the time, David Tonoyan, said there would be strategic changes in the country's defence policy, stating that the Armenian Armed Forces were moving from a passive to an active defence and calling for 'a new war for new territories'. In August 2019, Armenian Prime Minister Pashinyan visited Khankendni ('Stepanakert') and stated, 'Artsakh is Armenia, and that's it.' In doing so, Pashinyan confirmed his commitment to '*miatsum*' (unification in Armenian), the goal of Armenian nationalists since it was first voiced in February 1988 (p. 90). Such provocative statements clearly demonstrated that the Armenian leadership was constantly ramping up aggressive rhetoric and actions that impeded the negotiation process.

Starting at noon on 12 July 2020, fighting broke out across the Armenia–Azerbaijan international border in the direction of Tovuz district, far from the line of contact but near the Caspian oil and gas pipelines to western Europe (p. 58). On 27 September, the conflict flared up again. In the six-week war that followed, Azerbaijan recaptured three of the seven provinces surrounding the Karabakh region as well as the city of Shusha. Russia brokered a ceasefire in November that solidified an Armenian retreat. It also introduced 1,960 Russian peacekeepers to the war zone (p. 59).

With regard to weapons purchases, Coyle remarks that Russia arms both sides in the conflict. Nevertheless, Azerbaijan purchases weapons from Russia at market price, while Armenia receives Russian weapons as either military aid or at discretionary prices (p. 59). While Armenia may have been Russia's favourite in the conflict, Moscow supports Azerbaijan to gain a stronger position with both sides (p. 122). The author underscores that Russia's continued sale of weaponry to Azerbaijan was met with considerable hostility in Armenia (p. 61). He affirms that,



while Russia's principal allies in the Armenian government lost power in 2018, that did not stop Moscow from continuing to be Armenia's primary arms supplier (p. 63). Azerbaijan's arms purchases are not limited to Russia. Israel, Turkey, Belarus, and some other countries also sell Azerbaijan new weaponry worth billions of dollars. Coyle claims that hydrocarbon wealth enabled President Aliyev to expand his defence budget. Military spending went from \$175 million in 2004 to an estimated \$3.1 billion in 2011, exceeding Armenia's entire national budget (p. 111).

In the chapter *The Politics of Frozen Conflict*, Coyle explores the trajectory of political development in Armenia and Azerbaijan in parallel with the conflict. The author writes that political figures in both Armenia and Azerbaijan have paid a heavy cost for the war. In Armenia, a president had to resign because he was perceived as too willing to compromise for peace. In Azerbaijan, two presidents lost their jobs because of their inability to defend their country adequately (p. 65). He maintains that Armenia consciously used the cause of "Nagorno-Karabakh" to build its sense of identity (p. 90). Thus, they turned this issue into an instrument of nation-building (p. 66).

In *chapter four*, Coyle seeks to assess the impact of military conflict on both countries' economies. He claims that the Armenian economy is the story of an agrarian country trying to survive in a hostile environment. Over time, Russia has purchased all of Armenia's major assets (p. 91). According to Coyle, Azerbaijan, in contrast, became a regional economic powerhouse (p. 91). The final indicator of Armenia's total economic subservience to the Kremlin, the author professes, is the story of how Armenia joined the Eurasian Economic Union (EEU) (p. 95). Referring to Manvel Sargsyan, the director of the Centre for National and International Studies in Yerevan, Coyle evaluates this as a process of gradually ceding sovereignty to Russia (p. 98).

*Chapter five* draws attention to the various aspects of diplomatic negotiations. The author explores the context of peace talks in which varying proposals, such as the so-called 'package' deal, 'step-by-step' or 'phased' proposal, 'common state' proposal, etc., were taken up. The Armenia–Azerbaijan conflict is of considerable

interest to the surrounding countries: Russia, Turkey, and Iran. Europe and the United States have also played a diplomatic role. However, Section 907 of the FREEDOM Support Act adopted by the US Congress, which prohibits direct US government aid to Azerbaijan, was, according to the author, so completely one sided that it hurt US-Azerbaijani relations for many years (p. 128). To Russia, the Caucasus and all the countries of the former Soviet Union still belong to it (p. 115). Coyle surmises that, after Russia seized Abkhazia and South Ossetia in 2008 and the Crimea in 2014, it became obvious that the West was limiting its involvement in the Caucasus (p. 153) and Washington has ceded the Caucasus to Russia's sphere of interest (p. 132). He believes that Russia has attempted, over the years, to push the international community aside (p. 119) and monopolize work related to the settlement of the conflict (p. 157). Moreover, he presumes that, except for votes at the United Nations, the rest of the world ignores the conflict. The UN respected the sovereignty and territorial integrity of the states in the area and reaffirmed the inviolability of international borders. It reinforced the inadmissibility of the use of force for acquiring territory. All four UN resolutions demanded a ceasefire and peace talks, as well as a withdrawal from the occupied territories. Coyle declares that missing from all four was a critical element: any enforcement mechanism to compel the parties to obey the resolutions (p. 124).

The central point of contention between Armenia and Azerbaijan is that Armenia believed the principle of international law that should determine the Karabakh region's status was self-determination. Azerbaijan, in contrast, believed that the overriding principles were state sovereignty and the inviolability of international borders (p. 143). The fact that self-determination requires the approval of both sides of the conflict still remains. Multiple UN resolutions have reaffirmed the inadmissibility of acquiring territory by force. There is a general principle in international law, however, that a people can only secede if both the secessionists and the recognized state agree (p. 166).

In conclusion, Coyle asserts that the war between Armenia and Azerbaijan is a created conflict: 'Russia supplied the weaponry to create a hot war in 1992, and it has supplied the diplomacy that has

kept the conflict “frozen” but not resolved ever since.’ As a result, Russia has troops stationed in Armenia, it owns the commanding heights of the Armenian economy, and it is Azerbaijan’s major weapons supplier. Now, it will have peacekeepers on Azerbaijani territory until 2025 (p. 165). This view is the overarching thesis of Coyle’s book. Ultimately, Coyle ends his book with a condemnation of the international community, saying that it has done nothing to enforce international law concerning this conflict (p. 168).

By virtue of Coyle’s incisive observations and astute insights, *Russia’s Interventions in Ethnic Conflicts: The Case of Armenia and Azerbaijan*, like his earlier book, deserves to be widely read in the field of conflict studies. In other words, the policymakers who engage in conflict resolution would be wise to read Coyle’s impressive book in order to advance the state of their knowledge on this issue. One of the strengths of Coyle’s work is that it introduces lesser-known facts throughout the book, which enrich his narrative. Like any masterpiece, Coyle’s book is also not perfect in all aspects. Some of his arguments are insufficiently explained or inadequately sourced. Another drawback of the book is its theoretical weakness. Put differently, this study is based on an empirical approach and findings more than on theory. Moreover, greater emphasis could be placed on the 44-Day War. Although the author mentions Russia’s illegal arms sales to Armenia in the 1990s, the facts of intensified military shipments by the Russian Federation to Armenia in the wake of the border skirmish in the Tovuz region in July, and later during the six-week war in autumn 2020, receive no mention in this study. Aside from these criticisms, there is so much more to commend in Coyle’s well-conceived and well-researched book, one of the finest overviews of this subject. Overall, this seminal study contains critical insight and empirical richness on the topic and represents a welcome addition to the shelf of policymakers and scholars seeking a nuanced analysis of Armenia–Azerbaijan conflict.

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- Obstacles and challenges to the peace-building and regional security environment
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