BAKU DIALOGUES

POLICY PERSPECTIVES ON THE SILK ROAD REGION

Vol. 4 | No. 2 | Winter 2020-2021

The Second Karabakh War: Initial Thoughts & Reflections

Appraising the Present, Forecasting the Future

Between Russia & China: Perspectives on the Silk Road Region

Profile in Leadership

Baku Dialogues Interview

ISSN Print: 2709-1848
ISSN Online: 2709-1856

UNIVERSITET • UNIVERSITY ADA

BAKU DIALOGUES

POLICY PERSPECTIVES ON THE SILK ROAD REGION

Vol. 4 | No. 2 | Winter 2020-2021

UNIVERSITET • UNIVERSITY
ADA

BAKU DIALOGUES

POLICY PERSPECTIVES ON THE SILK ROAD REGION

bakudialogues.ada.edu.az

Published by

ADA University
Baku, Azerbaijan

Under the editorial direction of

Mr. Fariz Ismailzade, Editor-in-Chief
Executive Vice Rector, ADA University

In conjunction with

Mr. Damjan Krnjević Mišković, Senior Editorial Consultant
Director of Policy Research and Publications, ADA University

And through the counsel of
the Editorial Advisory Council of *Baku Dialogues*

H.E. Dr. Hafiz Pashayev, chairperson
Mr. Nasimi Aghayev
H.E. Mr. Hikmet Çetin
H.E. Mr. Tedo Japaridze
Prof. Dr. Jeffrey D. Sachs
H.E. Mr. Sodik Safayev
Prof. Dr. Samad Seyidov
Prof. Dr. S. Frederick Starr
Mr. S. Enders Wimbush

Mr. Fikrat Malikov, Layout and Print Production
Creative Services Manager, ADA University

Mrs. Kamilla Zeynalova, Marketing, Internet, and Social Media Development
Marketing Manager, ADA University

Please direct all inquiries, submissions, and proposals via email to Baku-Dialogues@ADA.edu.az. Submission guidelines are available on the *Baku Dialogues* website: bakudialogues.ada.edu.az.

Table of Contents

Vol. 4 | No. 2 | Winter 2020-2021

Essays

Profile in Leadership

Interview

A Most Significant Geopolitical Development

Strategic Benefits and Strategic Focus

Matthew Bryza

The November 10th, 2020, trilateral agreement signed by Azerbaijani President Ilham Aliyev, Armenian Prime Minister Nikol Pashinyan, and Russian President Vladimir Putin could become the most significant geopolitical development in the South Caucasus since the collapse of the Soviet Union—perhaps even more than the establishment of the Baku-Tbilisi-Ceyhan oil and Baku-Tbilisi-Erzurum natural gas pipelines. But it is not yet clear that key actors in the Transatlantic community appreciate this opportunity, especially Washington and Paris, who along with Moscow, comprise the Co-chairs of the OSCE Minsk Group, the supposedly impartial mediating body of the Nagorno-Karabakh conflict.

The trilateral agreement defines a peace settlement in line with the framework unofficially agreed by the leaders of Armenia and Azerbaijan over a decade ago, and thus stands a good chance to hold. The so-called "Basic Principles" or "Madrid Principles" were originally tabled by the American Russian, and French Co-chairs of the Minsk Group in November 2007 at a meeting of OSCE foreign ministers in Madrid.

Land for Peace

The Madrid Document consists, *inter alia*, of the following elements: the return of the Azerbaijani territories surrounding Nagorno-Karabakh and occupied by Armenia to Azerbaijan's control; an interim status for Nagorno-Karabakh providing guarantees for security and self-governance; a corridor linking Armenia to Nagorno-Karabakh; future determination of the final legal status of Nagorno-Karabakh through a legally binding vote of Nagorno-Karabakh's residents; the right of all internally displaced persons and refugees to return to their former places of residence; and international security guarantees that would include a peacekeeping operation.

Matthew Bryza *currently resides in Istanbul, where he runs a Turkish-Finnish environmental solutions joint venture, serves on the Boards of energy companies based in Turkey and the UK, and is a Senior Fellow at the Atlantic Council. He is a former U.S. Co-chair of the OSCE Minsk Group, Director for Europe and Eurasia on the National Security Council Staff at the White House, Deputy Assistant Secretary of State for Europe and Eurasia, and Ambassador to Azerbaijan.*

The underlying bargain was that Azerbaijan regains its seven occupied districts in exchange for security guarantees for the Armenian residents of Nagorno-Karabakh and a temporary legal status for Nagorno-Karabakh other than being unambiguously part of Azerbaijan. The Madrid Document thus strikes a balance among three key principles of the 1975 OSCE Helsinki Final Act: territorial integrity of states; non-use and non-threat of force; and self-determination of peoples. The final legal status of Nagorno-Karabakh is left to be determined in the future, with Armenians immediately able to claim the region is no longer part of Azerbaijan and Azerbaijanis able to claim the opposite. In this way, constructive ambiguity is used to enable agreement on the above important elements despite irreconcilable differences between the two sides on final legal status.

> *The trilateral agreement could become the most significant geopolitical development in the South Caucasus since the collapse of the Soviet Union. But it is not yet clear that key actors in the Transatlantic community appreciate this opportunity.*

Though not initially embraced by either Azerbaijan or Armenia, this general approach was unofficially accepted by the then-President of Armenia Serge Sargsian and President of Azerbaijan Ilham Aliyev in January 2009, following a year of fine-tuning by the Minsk Group Co-chairs. I personally witnessed their oral agreement in my capacity as the U.S. Co-chair of the Minsk Group at the time.

This "land for peace" formula remained the framework for negotiations in subsequent years, as the Minsk Group strove to help the leaders of Armenia and Azerbaijan resolve their differences on several details, which were not serious.

Those specific issues were never fully worked out, however, because the leaders of Azerbaijan and Armenia realized they were willing to accept compromises that their general publics were not yet prepared to embrace. The Minsk Group nevertheless came close to finalizing modified versions of the Basic Principles during meetings with the presidents of Azerbaijan and Armenia in Prague in June 2009 and Kazan in June 2011; Putin then offered a promising refinement following a resurgence of fighting in April 2016.

It is therefore not surprising that throughout the Second Karabakh war, both Aliyev and Putin repeatedly called for negotiations to resume according to the framework of the Basic Principles. Indeed, Aliyev and Putin compelled Pashinyan to recommit to the Basic Principles in their October 10th ceasefire agreement, though that truce lasted only a few hours.

In a remarkable November 17th interview with the Rossiya 24 television channel, Putin recounted how on October 19th and 20th—in the wake of Azerbaijan's dramatic military breakthrough along the Iranian border—he tried to convince Aliyev and Pashinyan to end hostilities in accordance with the Basic Principles. According to Putin, Aliyev was willing to stop, with Azerbaijan's forces remaining outside Nagorno-Karabakh itself, as long as internally displaced Azerbaijanis could return to their former homes inside Nagorno-Karabakh, especially to the town of Shusha, which is of great cultural importance to both Azerbaijanis and Armenians. Putin said he was surprised when Pashinyan said he perceived the return of displaced Azerbaijanis as a threat, explaining,

> I do not quite understand the essence of this hypothetical threat, I mean, it was about the return of civilians to their homes, while the Armenian side was to have retained control over this section of Nagorno-Karabakh, including Shusha, and meaning that our peacekeepers were there, which we have agreed upon both with Armenia and Azerbaijan. At that point, the prime minister told me that his country could not agree to this, and that it would struggle and fight.

Pashinyan's refusal to accept this deal proved to be extremely costly for Armenia. Azerbaijan immediately resumed its offensive, regaining control of its districts of Qubadli and Zengilan, then moving into Lachin District and onward to Nagorno-Karabakh itself. Azerbaijan's main goal was to regain Shusha, whose population before the First Karabakh War was overwhelmingly Azerbaijani and which

is situated on the commanding heights above Nagorno-Karabakh's capital, Khankendi (or Stepanakert, for Armenians). By regaining Shusha, Azerbaijan would cut off the road connecting Armenia to Nagorno-Karabakh, enabling Baku to end the military phase of the war from a position of extreme negotiating strength.

And this is exactly what happened.

Drifting Back to War

Following four days of intense fighting in the forested hills surrounding Shusha—often involving hand-to-hand combat—Azerbaijani special forces scaled the cliffs beneath the city and regained control of it on November 8th. Despite popular sentiment for the Azerbaijani military to carry the fighting into Khankendi/Stepanakert and then beyond to liberate all of Nagorno-Karabakh by force, Aliyev exercised strategic restraint, realizing that Azerbaijan had won the war and could consolidate its victory at the negotiating table with no further loss of life.

Despite popular sentiment for the Azerbaijani military to carry the fighting into Khankendi and beyond to liberate all of Nagorno-Karabakh by force, Aliyev exercised strategic restraint, realizing that Azerbaijan had won the war and could consolidate its victory at the negotiating table with no further loss of life.

The trilateral agreement followed two days later. It incorporated most of the Basic Principles, including the return of Azerbaijan's occupied districts to Baku's control, as well as the right of return of all displaced persons and refugees, but with three significant changes to Armenia's severe disadvantage: *first*, the omission of any mention of a possible change in Nagorno-Karabakh's legal status; *second*, a new transit corridor connecting Azerbaijan's exclave of Nakhchivan with the rest of Azerbaijan via Armenian territory; and *third*, the return of Shusha to Azerbaijan's control.

The November 10th trilateral agreement has been met with violent protests in Yerevan. In one instance, a mob stormed the Armenian parliament and severely beat its Speaker. Days later, the country's security services announced they had foiled an alleged

plot to assassinate Pashinyan. And President Armen Sarkissian has called for snap elections.

At the time of writing (early December 2020), thousands of demonstrators continue to gather daily in Yerevan, blocking streets and demanding that Pashinyan resign. Whether Pashinyan is able to survive politically is unclear. What is certain, however, is that his reckless approach to relations with Azerbaijan—including his abandonment of the Basic Principles—precipitated a war that produced Armenia's greatest strategic defeat in over a century.

Pashinyan's reckless approach precipitated a war that produced Armenia's greatest strategic defeat in over a century.

Pashinyan's premiership did not begin this way. His rise to power via Armenia's "velvet revolution" in May 2018 initially generated widespread hope that he might reinvigorate the Nagorno-Karabakh peace process. This was true even among my interlocutors at the highest governmental level in Baku. After all, Pashinyan had ousted Armenia's old political regime, which had been led for 20 years by former leaders of Nagorno-Karabakh.

And this appeared to be happening in late 2018 and early 2019, thanks to three constructive meetings between Pashinyan and Aliyev. These discussions produced a new communications channel and an unprecedented joint commitment "to prepare the populations for peace." This latter point was particularly significant, given the aforementioned reluctance of Pashinyan's predecessor, Serge Sarkissian, as well as that of Aliyev, to confront public opposition to almost any compromise in their respective countries.

During the first half of 2019, however, Armenia's popular prime minister began to shift his approach. In March 2019, Pashinyan declared that Nagorno-Karabakh's ethnic-Armenian authorities must participate in negotiations. Couching this demand in conciliatory language, he claimed to seek a fresh approach in pursuit of a settlement that was acceptable to the peoples of Armenia, Nagorno-Karabakh (the unrecognized "Republic of Artsakh"), and Azerbaijan. In reality, however, this demand would undermine the logic of the Madrid Principles by granting Armenia up front the primary concession it sought from Azerbaijan—namely a changed legal status for Nagorno-Karabakh equivalent to that of Azerbaijan and Armenia—but without giving anything in return to Azerbaijan.

Pashinyan's shift seemed to result from political weakness. Lacking a strong political organization of his own, the new prime minister struggled to consolidate his political authority and implement his promised reforms. He faced severe opposition from the previous political elite, comprised of the former "Karabakh Clan" and business oligarchs based in Yerevan and Moscow, supported by vocal and wealthy diasporas in Russia, France, and the United States. Armenian nationalists—especially the Armenian Revolutionary Federation (or Dashnaksutyun)—rejected the "Basic Principles" and the notion of surrendering any land to Azerbaijan, dreaming instead of recreating antiquity's "Greater Armenia" by carving out territory from present-day Turkey, Syria, Iraq, Iran, Georgia, and Azerbaijan. Thus, in January 2019, Dahnaksutyun's U.S. chapter, the Armenian National Committee of America (ANCA), urged Yerevan to repudiate the Madrid Principles as an empty formula of "land for paper."

Pashinyan's drift away from the Basic Principles accelerated in the spring and summer of 2019. In May, he and his minster of defense, David Tonoyan, declared that the Madrid Principles' approach of "land for peace" had been replaced by a new doctrine of "new wars for new territories." That same month, Pashinyan publicly repudiated the Basic Principles. Finally, in August 2019, Pashinyan traveled to Stepanakert/Khankendi and announced, "Nagorno-Karabakh is Armenia. Period," leading public chants calling for Nagorno-Karabakh's unification with Armenia.

Clearly Not A Peacemaker

After the Armenian leader walked away from the longstanding framework for a Nagorno-Karabakh settlement, the Minsk Group process was effectively dead. During the first half of 2020, however, the COVID-19 pandemic froze the deterioration of Armenia-Azerbaijan relations, as both countries struggled to contain the new coronavirus.

As the rate of COVID-19 infections flattened in summer, tensions between Armenia and Azerbaijan heated up again. In July, the two countries exchanged heavy artillery fire along the Armenia-

Azerbaijan border, relatively far from Nagorno-Karabakh but close to the hydrocarbon pipelines, rail and road links, and fiber-optic cables that are essential to Azerbaijan's independence, economic vitality, and strategic significance. Because part of the fighting spilled from Azerbaijan onto Armenian territory, Pashinyan eyed an opportunity to invoke the Russian-led Collective Security Treaty Organization (CSTO) pledge that an attack on one member state is an attack on all.

Yerevan therefore requested an emergency session of the CSTO, which it then quickly withdrew in response to an evenhanded CSTO statement, issued on July 14th, that criticized the "violation of the ceasefire agreed by the leaderships of [both] Armenia and Azerbaijan." This failure to elicit a statement of support from Armenia's military allies should have served as a warning to Pashinyan that Putin would not allow Russia to be drawn into fighting on the territory of Azerbaijan. Yet the Armenian leader continued to ratchet up tension with Azerbaijan.

Russia and Turkey filled the diplomatic vacuum left by the U.S. and France following the July clashes: Moscow called a snap military drill with Armenian forces and Russian troops stationed at Russia's 102nd army base in Gyumri, Armenia; Ankara reciprocated with joint Turkish and Azerbaijani military exercises in Azerbaijan. As tensions rose, many observers feared Turkey and Russia could be drawn into a regional war on opposing sides.

Rather than seeking to calm tensions, Pashinyan instead reopened a deep historical wound in Turkey. On August 10th, he publicly commemorated the centennial of the Treaty of Sèvres—the agreement between the Allied Powers of World War I and the Ottoman Empire that signaled the start of the Ottoman Empire's dismemberment. That accord called for the transfer of several regions of eastern Anatolia to the new, independent state of Armenia. Though never fully implemented and eventually supplanted by the Treaty of Lausanne in 1923, any mention of the Treaty of Sèvres stirs nationalist emotions and fears of irredentism in Turkey to this day. Ankara thus viewed Pashinyan's move as reckless and hostile, and raised its political and military support to Baku to unprecedented levels.

This string of provocations led Steven Sackur, the host of the BBC's "Hardtalk" program, to observe during his August 14th interview with Pashinyan, "You came to power talking about finding a path to peace but [...] your nationalist position on Nagorno-Karabakh [...] doesn't seem to have a meaningful peace element." Sackur further noted that Pashinyan's visit to Stepankert/Khankendi one year earlier, coupled with his abandonment of the Basic Principles, led him to conclude, "you clearly are not a peacemaker."

Pashinyan nevertheless continued barreling toward armed confrontation with Azerbaijan. In late August 2020, the prime minister's wife, Anna Hakobyan, participated in a military training course in Nagorno-Karabakh with 15 female residents of the region. This occurred just after their son, Ashot, had completed his two-year military service in Nagorno-Karabakh

Finally, on September 19th, the de-facto leader of Nagorno-Karabakh, Arayik Haratunyan, announced plans to relocate the legislature of Nagorno-Karabakh to Shusha. At this point, Baku concluded that any chance to recover its occupied territories via negotiations had evaporated.

The Second Karabakh War began eight days later. Azerbaijan relied heavily on Turkish (and Israeli) unmanned aerial vehicles, coupled with innovative, battle-tested Turkish military tactics, to decimate Armenia's army and bypass its heavy fortifications. By mid-October, Azerbaijan's battlefield victories were so dramatic and so rapid as to surprise even the country's top leaders.

What Went Wrong

Looking back at my own experience working with his predecessors, Pashinyan's approach to the Nagorno-Karabakh conflict was disturbing. Though conventional wisdom held that previous Armenian presidents Robert Kocharian and Serge Sarkissian were hardline leaders of the "Karabakh Clan," in practice they and their foreign ministers were constructive and creative. For example, during my first visit to Yerevan as the U.S. Co-chair of the Minsk Group in June 2006, then-Foreign Minister Vartan Oskanian proposed a tradeoff involving Nagorno-Karabakh's legal status and the return of the Azerbaijani territories surrounding Nagorno-Karabakh, which I had independently been thinking about in Washington and believed Baku might accept.

During the next three and a half years, my fellow Minsk Group Co-chairs—Russia's Yuriy Merzlyakov

and France's Bernard Fassier—and I built on this constructive Armenian proposal. Oskanian's successor, Eduard Nalbandian, and his Azerbaijani counterpart Elmar Mammadyarov, worked with us in a collaborative albeit competitive spirit. We also enjoyed active support from Russian Foreign Minister Sergey Lavrov and then-Russian President Dmitriy Medvedev. During a lunch for the Minsk Group Co-chairs hosted by Lavrov in September 2008—a month after Russia invaded Georgia—I observed that, as misaligned as Washington and Moscow were on Georgia, we were equally aligned with regard to the Nagorno-Karabakh conflict.

Our joint efforts culminated in the unofficial agreement to the Madrid Principles by Aliyev and Kocharian's successor, Serge Sarkissian, in January 2009.

Seen in this context, Moscow was understandably unimpressed by Pashinyan's rejection of the Madrid Principles. Complicating matters further was the fact that he had come to power via popular protests and, having overthrown an entrenched regime, made promises to undertake sweeping democratic and anti-corruption reforms—a scenario that represents Putin's worst political nightmare. In response to Pashinyan's repeated pleadings for direct Russian military support, Putin thus made clear that Moscow's CSTO obligation to defend Armenia was valid only if Armenia's territory was attacked, whereas the Nagorno-Karabakh war was being fought on the territory of Azerbaijan.

Washington and Paris, in contrast, did not share Moscow's appreciation of the threat to peace posed by Pashinyan's provocations and his stated policy of "new wars for new territories." Pashinyan's dire warnings that Turkey and Azerbaijan aimed to "continue the Armenian genocide" proved to be false but nevertheless resonated among many U.S. and European analysts.

Some prominent U.S. experts continue to argue that Azerbaijan and Turkey will conduct ethnic cleansing in Nagorno-Karabakh in the future, even if not yet. Senior U.S. officials seem to share this disdain for Turkish and Azerbaijani actions. For example, during a December 2nd video conference of NATO's foreign ministers, outgoing U.S. Secretary of State Mike Pompeo reportedly denounced Turkey for what he viewed as aggressive behavior with regard to the Second Karabakh War.

Top French officials have been even more vocal in supporting Armenia at Azerbaijan's expense, rather than remaining impartial as required of a Minsk Group Co-chair. Just after the trilateral agreement was signed, French Foreign Minister Jean-Yves Le Drian issued a one-sided statement in which he noted,

> France reaffirms its wholehearted friendship with the Armenian people in light of our close human, cultural, and historic ties with Armenia. In these tragic circumstances, we stand alongside it. In particular, we will work to lend it all the humanitarian support it needs, especially for those Armenians who were displaced by the fighting.

Le Drian failed to mention, however, that the November 10th agreement clears the way for Azerbaijanis to return to their former places of residence from which they were displaced during the First Karabakh War. Instead, he warned Baku, "We expect Azerbaijan to strictly uphold the commitments that it has made and to put an immediate end to its offensive," adding, "In this context, we call on Turkey not to do anything that goes against this key priority."

The French Senate went ever further than Le Drian in tilting toward Armenia, issuing a resolution on November 25th suggesting that France recognize the independence of the "Republic of Artsakh." Although riddled with factual errors and having prompted a clarification from the French Foreign Ministry's Secretary of State, Jean-Baptiste Lemoyne, that the Government of France had no intention to recognize the independence of Nagorno-Karabakh, the Senate resolution accurately reflects deep bias among many French authorities against both Turkey and Azerbaijan. The document thus "Condemns Azerbaijan's military aggression, carried out with the support of Turkish authorities" and declares "the expansionist policy led by Turkey is a major factor of destabilization in the Eastern Mediterranean, the Near and Middle East, and now in the South Caucasus."

Four Strategic Benefits

While such biases can be explained by the influence of France's Armenian diaspora in domestic politics, it is more difficult to understand how Paris, as well as Washington, fail to see four strategic benefits to the Transatlantic Community from the November 10th trilateral agreement.

First, the agreement settles the fundamental elements of the Nagorno-Karabakh conflict according to a

general framework that was previously agreed by both Armenia and Azerbaijan, albeit unofficially, which means it is essentially just. The trilateral agreement is therefore likely to endure, and thereby eliminate a regional flashpoint for the foreseeable future. While the Armenian side may eventually insist on a new round of negotiations on the legal status of the portion of Nagorno-Karabakh over which it retains control, the conflict has now been transformed into a nettlesome political and legal dispute—one in which military force is unlikely to play a role. The Nagorno-Karabakh conflict has therefore become more akin to the Cyprus Question than to "a frozen conflict."

Second, by mandating the reopening of all transit links in the region, the November 10th agreement clears the way for the eventual normalization of Armenia-Turkey relations. Having actively participated in negotiations of the previous normalization agreement between the two countries in 2009, it was clear to me then that Turkey's parliament would ratify the so-called Zurich Protocols only if there was a breakthrough in settling the Nagorno-Karabakh conflict. That breakthrough is now a reality. New and positive vectors of cooperation could therefore soon emerge, potentially catalyzing new trade and investment flows and joint infrastructure projects—as well as new forms of political cooperation—that would benefit Armenia, Azerbaijan, and Turkey.

Third, the trilateral agreement mandates a new transportation link between Azerbaijan's exclave of Nakhchivan and the rest of Azerbaijan via Armenian territory. This new road will significantly reduce Nakhchivan's dependence on Iran for the transport of energy and other vital goods.

Fourth, the November 10th agreement provides NATO a military presence in Azerbaijan by virtue of Turkey's participation in peacekeeping operations. From Moscow's perspective, Turkish peacekeepers mean NATO troops, which can now open new geostrategic opportunities for the Atlantic alliance. Moreover, Turkey's peacekeepers balance those of Russia, constraining the extent of destabilizing actions Russian peacekeepers can undertake, as they have often done in Georgia and Moldova.

While the presence of Russian peacekeepers is a geostrategic setback for both Azerbaijan and NATO, as a practical matter, these troops fulfilled an urgent requirement to separate Azerbaijani and Armenian troops

on the battlefield and enable the ceasefire to take hold. Additionally, given Russia's historical role as a protector of Armenia against its Turkic neighbors, only Russian peacekeepers could provide Armenian residents of Nagorno-Karabakh a sufficient sense of security to allow them to return to their homes, and indeed, thousands of Armenians now appear to be returning to Stepanakert/Khankendi.

Azerbaijan, meanwhile, seems committed to encouraging as many Armenians as possible to return to and remain in their homes. As Azerbaijani Foreign Minister Jayhun Bayramov stated on November 27th, "We are entering a new stage, a stage of reconstruction and rehabilitation, a stage of restoration and coexistence."

Maintaining Strategic Focus

As the Government of Azerbaijan now formulates its reconstruction plan for its regained territories, its estimate of the damage caused by recent military operations and destruction by former Armenian residents is over $100 billion. Rebuilding tasks include demining (with three years required before the region's former residents can safely return), shelter, longer-term housing, and the full range of physical infrastructure (including electricity, natural gas, water, sanitation, and roads). Azerbaijan will need to rely heavily on help from the international community to meet these needs. International goodwill and expertise will also be crucial to reducing enmity and restoring a sense of trust required to rebuild communities psychologically, as Armenians and Azerbaijanis eventually become neighbors again in Nagorno-Karabakh.

Azerbaijan can increase its chances of achieving such international support if it maintains the moral high ground. Baku's recent agreement to allow ten extra days for Armenians to depart Kelbajar District and the announcement by Azerbaijan's Prosecutor General of investigations into alleged war crimes by both Azerbaijani and Armenian troops should help attract such assistance.

For now, however, Azerbaijan should expect continued misunderstanding from Paris and Washington, given that time will be needed for a positive post-conflict track record by Baku to be recognized. Meanwhile, Armenians and members of Armenian diasporas will endure a painful period

of soul-searching as they struggle to come to terms with their shocking defeat. Some of these will be thoughtful, as those of Jirair Libaridian, the wise former Nagorno-Karabakh advisor to Armenia's first post-Soviet president. Others will be provocative and disturbing, such as the recent call in a prominent Armenian-American news outlet for Armenia to harvest the radioactive materials from its Metsamor nuclear power plant for a "dirty bomb" to be dropped on Baku.

The trilateral agreement transformed the greatest military victory in Azerbaijan's history into its greatest diplomatic victory.

Throughout this turmoil, Azerbaijan should maintain its strategic focus, as when it stopped its offensive after capturing Shusha, having realized it had won the military phase of the war and could now spare hundreds of Azerbaijani and Armenian lives. While unpopular among Azerbaijanis who wished to see their army regain all of Nagorno-Karabakh by force, this show of strategic restraint reflected the wisdom of the great nineteenth century Prussian military strategist Karl von Clausewitz, who taught the world that "war is the continuation of politics by other means." In other words, wars are fought to achieve political goals, with victory ultimately won at the negotiating table. Military force is a diplomatic tool used to reshape the political space of a peace agreement, rather than as an end in itself.

The November 10th trilateral agreement transformed the greatest military victory in Azerbaijan's history into its greatest diplomatic victory. It is now the responsibility of all Azerbaijanis to consolidate these national triumphs into a prosperous and peaceful future, with Azerbaijan recognized internationally as restoring the chance for Armenians and Azerbaijanis once again to live side-by-side. BD

bakudialogues.ada.edu.az

Reassessing U.S.-Azerbaijani Relations

A Shared Imperative to Look Ahead

Robert F. Cekuta

The U.S.-Azerbaijan relationship remains important to both countries, but it is time to reevaluate and update how they engage with each other. The Second Karabakh War is the most visible of the reasons for such a reassessment, given Azerbaijan's military successes, Russia's headline role in securing the November 2020 agreement that halted the fighting, and the need to undertake the extremely difficult work of avoiding a new war and building a peace. But China's high profile economic, diplomatic, and security activities across Eurasia, coupled with the results of the November 2020 election in the United States, have also significantly altered the diplomatic environment. Lastly, multinational challenges—such as the economic, social, and other ramifications of the COVID-19 pandemic or the realities of climate change—make the need for revaluation, dialogue, and mapping out new directions in the two countries' relations even more apparent.

Basic, long-standing factors in the two countries' engagement certainly remain valid, but that does not obviate the need for tough, critical analysis of where their dealings stand and for recalibrating how to engage in the time ahead. Sticking to how Baku and Washington have worked together or talked to each other in the past serves neither country, given changing regional and global pictures. While conducting such an analysis presents challenges, developing new patterns in the two countries' relationship presents a strategic opportunity to build up ties that can become both more mutually beneficial and effective.

***Robert F. Cekuta** is a member of the Advisory Board of the Washington, DC-based Caspian Policy Center and a former U.S. Ambassador to Azerbaijan (2015-2018) and, in addition to other positions in the State Department, Principal Deputy Assistant Secretary for Energy (2011-2014).*

Thirty Years of Partnership

Washington has long characterized its relationship with Azerbaijan as a triangle based on three specific points or vectors: security issues, energy and other economic interests, and support for good governance and the rule of law. At the same time, Azerbaijan has sought and valued a strategic relationship with the United States, leveraging it to strengthen its independence and well-being. The overriding interest for Azerbaijanis—officials as well as citizens—has been to build American understanding and support for its position vis-à-vis Armenia in the protracted, painful conflict over Nagorno-Karabakh.

For U.S. policymakers—and for those in other capitals as well—Azerbaijan's unique geographic position is a critical consideration. Azerbaijan is the only country in the world that borders both Russia and Iran. It occupies a central place in a dynamic part of the world where global and regional powers' interests can collide and where conflict and instability are frequently possible. The region's hydrocarbon and other resources have been key additional factors.

Geography makes Azerbaijan, together with Georgia, the bridge that connects Western and Central Europe with Central Asia and further onwards to East and South Asia. This reality makes Azerbaijan essential to the Northern Distribution Network, the pathway from the Black Sea, across the Caucasus, Caspian, and Central Asia, which provides essential, timely access to and from Afghanistan for the United States and NATO. Likewise, the Georgian-Azerbaijani trans-Caucasus route has been important for U.S. allies' and other partners' commercial links with Central Asia and countries both further south and east, providing them with the only path that avoids transiting through Russia or Iran.

This geographic reality means U.S. policymakers should factor Azerbaijan—along with the Greater Caspian Region of which it is an essential component—into a range of foreign policy considerations. The Trump Administration, for example, identified five overriding concerns in its 2017 National Security Strategy: competition from Russia and China; the dangers posed by Iran and North Korea; and threats of terrorism and

violent extremism, international criminal activity, narcotics, and human trafficking. Azerbaijan is an essential component in America's efforts to deal with every one of the concerns listed in this strategy, with the possible exception of North Korea's nuclear ambitions. Indications are these issues will be among those of deep concern to the incoming Biden Administration.

Coming back to the triangle of strategic interests characterizing U.S. relations with Azerbaijan, it is critical to stress that while each is important in and of itself, each of the three vectors are inter-related and mutually re-enforcing. Success in one is needed for success in the other two. From an American point of view, success in these areas also benefits Azerbaijan, strengthening its own independence, stability, prosperity, and well-being in a difficult part of the world.

On the security point, for example, Azerbaijan's support on the ground in Afghanistan as part of the international coalition has been important, as was its earlier support in providing peacekeepers in Kosovo. Azerbaijan's role in the Northern Distribution Network remains key, but Baku has also provided valuable, direct bilateral support to Kabul in its fight to stabilize and rebuild Afghanistan and bring to an end the decades of violence there. Moreover, Azerbaijan is an essential piece of the Lapis Lazuli corridor linking Afghanistan with the West, and providing a way to develop legitimate trade and foster Afghans' economic well-being.

Also within the security dimension, Azerbaijan has been a valued partner in ongoing efforts to combat terrorism and violent extremism. In addition to direct cooperation in international anti-terrorism efforts, Azerbaijan's example as a majority Shia Muslim state where religious and inter-ethnic toleration is a long-established norm is also important. Azerbaijan's strong, positive relations with Israel are very much noted and appreciated in the United States as well. On top of benefiting Israel, these relations may have provided something of an example as the Trump Administration sought to build diplomatic relations between Israel and a greater number of Muslim countries in the Arab world.

Azerbaijan's geostrategic position has been especially pertinent in what may be the most widely known example of bilateral cooperation with the United States: the further development of Azerbaijan's and the Caspian Basin's crude oil and natural gas

reserves and the transport of those resources to parts of Europe and beyond, which significantly boosted regional and global energy security. Azerbaijan's energy resources, whether as exports of crude oil to Israel or natural gas to Europe, have been factors in helping countries stand up to those who would use energy supplies for coercion.

The United States was a visible, active partner with Azerbaijan in realizing the "Contract of the Century." Signed in 1994, that historic agreement directly led to development of the Azeri-Chirag-Gunashli oilfields in the Caspian as well as the construction of the Baku-Tbilisi-Ceyhan (BTC) oil pipeline.

The 2006 completion of BTC was followed by the Southern Gas Corridor project. That project cost about $40 billion to build and included the development of the giant Shah Deniz II gas field in the Caspian, the construction of one of the largest gas processing facilities outside the Middle East in Sangachal just south of Baku, and the building of a 3,500 km set of gas pipelines from Baku across the South Caucasus, Anatolia, and the southern Balkans to Italy. This project, which will be almost certainly fully operational by the time this issue goes to press, will deliver 6 billion cubic meters (BCM) of natural gas annually to Turkey, 1 BCM to Greece, another 1 BCM to Bulgaria, 500,000 cubic meters annually to Albania, and up to 18 BCM to Italy. Moreover, the Southern Gas Corridor project can be expanded, which would enable the trans-Caucasus and trans-Anatolian portions to carry perhaps as much as 31 BCM of gas from the Caspian region annually while the Trans-Adriatic Pipeline could be expanded to carry 20 BCM. Even in its current configuration, a link could be made across the Caspian to enable gas supplies from Turkmenistan to reach markets in the West.

Such expansions would further enhance energy security in the Balkans and elsewhere in Europe. For the United States, the European Union, and other European countries, seeing the realization of the Southern Gas Corridor and the earlier oil-related projects were strategic keys to diversifying sources of energy and safeguarding against potential disruptions of needed oil and natural gas.

The third vector—the importance of building good governance and the rule of law—has been an area of contention as well as beneficial cooperation. Rule of law is essential to attracting and keeping

foreign business and investment, to making a country more competitive internationally, and to helping keep capital at home and encouraging private enterprises' establishment and growth. Efforts against corruption and having courts and a legal system where companies—foreign or domestic—can be assured of fair recourse in a dispute are essential factors in business managers' decisions on whether, and to what extent, to invest in a country. However, while there have been positive exchanges on these topics, matters of political prisoners and other pieces of Azerbaijan's democratic development have been contentious and colored the overall relationship on many occasions.

For Azerbaijanis, a strategic relationship with the United States has been important in helping the country navigate the region's complicated geopolitics, especially the threats posed by some of Azerbaijan's neighbors. They have deeply valued cooperation on energy security matters and greater economic and business ties.

However, what Azerbaijanis wanted most from the United States was its understanding and support in the protracted conflict with Armenia over Nagorno-Karabakh and the seven surrounding regions. As one of the Minsk Group Co-Chairs, along with France and the Russian Federation, the United States was charged with helping the parties find a way forward. Frankly, patience increasingly wore thin—both within the Azerbaijani public as well as among figures in the country's leadership—over the years due to a lack of progress. Moreover, factors such as Section 907 of the Freedom Support Act passed in 1992, which sought to constrain U.S. assistance to Azerbaijan, raised questions of Washington's impartiality even though successive U.S. administrations used a subsequent amendment to waive its restrictions.

Changes Are Necessary

By the end of 2020 changes in the regional and broader international fabric—some were gradual, others appeared to be sudden, tectonic shifts—underline the need for American and Azerbaijani policymakers to examine and redirect aspects of relations.

One especially important change is China's broadened, more active engagement across Eurasia. China's Belt and Road Initiative is the primary, overarching framework for increasing the network of connections between China and East Asia with the western portions of Eurasia, and includes new transportation infrastructure together with other commercial and economic activities, often financed by China and primarily involving Chinese companies. For Beijing, BRI represents a strategic means for strengthening China's influence and security by, for example, circumventing potential chokepoints such as the Strait of Malacca.

By the end of 2020 changes in the regional and broader international fabric underline the need for American and Azerbaijani policymakers to examine and redirect aspects of relations.

In some ways, BRI parallels and complements initiatives championed by the United States and others to build a New Silk Road for the purpose of reestablishing trans-Eurasian transportation and trade routes and with the intent to boost the economic activity and stability of, in particular, the greater Caspian region. The new road and rail links, for example, can cut travel time for surface transport from Shanghai to western European commercial centers from six weeks to a fortnight.

However, as BRI moved forward concerns arose that arrangements for obtaining Chinese investment funds and other support could come with hidden or higher than expected costs and with terms that translate into Chinese control and ownership. There have also been instances of heavy-handed Chinese political engagement accompanying BRI projects. Moreover, China has injected a military security dimension into how it has engaged some countries in Central Asia within the framework of BRI. The United States and other governments have become particularly concerned and outspoken on the dangers of such predatory lending and business practices, and there are instances in which countries' politicians and domestic populations have opposed or demonstrated against deals reached with Chinese entities.

Azerbaijan's own successful focus on developing its own transport and communications infrastructure and furthering connections with the rest of the Caspian region and beyond is a second important development. Connected with, yet separate from, China's BRI, Azerbaijani efforts over the past decade have also yielded positive results in its relations with the United States.

Especially noteworthy in this regard has been the new port of Alat and its associated free trade industrial zone located about 75 km south of Baku on the Caspian Sea, as well as the construction of the new Baku-Tbilisi-Kars railway that was inaugurated in October 2017. Their realization, along developments on the eastern side of the Caspian in Kazakhstan and Turkmenistan, advance the vision of a modern Silk Road and significantly help overcome the Caspian region's poor interconnectivity. To date, the Caspian region has been one of the least interconnected areas of the world, a factor holding back its economic growth and prosperity.

The Alat and related transportation infrastructure works are also key to the country's efforts to diversify its economy and to create industries and jobs. Another Azerbaijani-led project to boost regional connectivity is the laying of a new fiber optic cable across the Caspian and the Caucasus that will increase and strengthen Internet and international telecommunications capacity across Eurasia.

Reducing dependence on hydrocarbon exports is a longstanding, necessary goal for Azerbaijan. Establishing new companies and business sectors are even more critical given the country's growing population and youth bulge, with perhaps two-thirds of the population born in 1990 or the following years—a situation Azerbaijan shares with many others in the Caspian basin—and the fact the hydrocarbon sector is highly capital intensive and employs comparatively few workers. Seeking to create around 200,000 jobs annually means encouraging the fostering of new enterprises and the growth of existing ones.

By completing these infrastructure projects, Azerbaijan is shaping an environment that can create and grow new productive activities as well as strengthen regional connectivity. These infrastructure projects; the associated efforts to digitalize operations, eliminate regulatory, and processing barriers; and the region's economic expansion also mean opportunities for American manufacturers and s ervices providers.

A third factor changing the context of U.S.-Azerbaijan relations has been the overall tenor of American foreign policy under President Donald Trump. Although much less engaged in many aspects of international relations than its predecessors, the Trump Administration's focus on Iran and its maximum pressure campaign drew attention to the need to engage Azerbaijan. Then National Security Advisor John Bolton's visit to the region in October 2018 underlined this point. The Trump Administration also continued American engagement on energy matters, supporting completion of the Southern Gas Corridor and seeing it as a means to provide a broader range of countries in the Balkans with needed natural gas and thus increased energy and national security. Moreover, the Trump Administration strongly supported the project to build a Trans-Caspian pipeline, which would enable Turkmenistan to develop and sell its immense natural gas resources to Western consumers while also diversifying its slate of customers.

To its credit, the Trump Administration developed and published a policy on Central Asia—one of very few such policy statements it produced. The document focused on the five former Soviet states east of the Caspian plus Afghanistan, with an eye on the roles of Russia and China there as well as having in mind the importance of reaffirming American support for the independence, sovereignty, and territorial integrity of the countries of the region.

The document, however, failed to spell out the necessity for the South Caucasus to be factored in if the U.S. strategy were to be fully successful. The geographic realities of the South Caucasus as the bridge to the region were not appropriately addressed. At the same time, Trump's focus on drawing down in Afghanistan and a general pullback of America's international commitments raised concerns over where the United States might be heading. Human rights dropped off the agenda, except where the overall context of bilateral relations was worsening or difficult, e.g., in the case of statements over the treatment of China's Uighurs or abuses in Iran. Empty chairs in federal agencies made high-level contacts more difficult and disrupted formulating policies and messaging.

Recent Game-changers

Two especially important game-changing developments in 2020 further altered realities in the region as well as the framework of U.S.-Azerbaijan relations. The first was the outbreak of the COVID-19 pandemic and its social—and especially its economic—impacts. The second was the renewed warfare between Armenia and Azerbaijan that began with a limited conflict in July 2020 and culminated in early November with Azerbaijan retaking Shusha and other territories Armenia had

occupied since the early 1990s, which resulted in a Moscow-brokered armistice agreement with Yerevan.

Moving across countries with differing intensity and returning at different times, the COVID-19 pandemic has forced shutdowns and disrupted travel, trade, and supply chains. The resulting global economic slowdown—which came on top of a fight between major oil exporters Russia and Saudi Arabia—produced substantial global surpluses of crude oil as well as severe drops in oil prices for other producers, including Azerbaijan. Countries instituted strict restrictions on entry to control the virus' spread. Trade and distribution systems were disrupted worldwide and citizens working abroad found themselves either unable to return home or to their jobs. At the same time, health systems were severely strained, education was disrupted, tourism dried up, and families suffered income losses and other pressures as necessary lockdowns were instituted.

While almost every country expects to end 2020 with negative GDP growth numbers, the uneven nature of the pandemic's impacts and the differences in impact mean countries will emerge from the pandemic and their economies will return to pre-coronavirus levels at different times and at different speeds. For Azerbaijan this situation may mean challenges resulting from, say, Turkey recovering at one point and Russia at another. Different countries recovering at different paces will also have impacts on oil and natural gas markets—again with potential impacts for Azerbaijan and other hydrocarbon exporters. Moreover, while advanced industrialized economies can draw on reserves or incur national debt increases to institute large fiscal stimulus programs to help their citizens and business sectors, emerging and developing country economies generally lack such capacity. Furthermore, emerging economies and developing countries may be hit with the need to repay or reschedule international loan commitments even as their economies remain in recession. A further reality is that economic recovery will follow vaccines and medical advances in treatment, enabling individuals safely to resume their activities. At this writing, many of the vaccines that show promise require ultra-cold storage measures and two injections to be effective.

These factors, which in addition to costs and the logistics of production and delivery to hundreds of millions of people worldwide, suggest global recovery from the virus remains some months out, while its harmful social, economic, and health effects continue. Like other countries, Azerbaijan will need to navigate this situation and make conscious policy decisions on how best to shape and rebuild systems; post-coronavirus realities will not simply snap back to what they were before the onset of the COVID-19 pandemic.

The final and most dramatic factor necessitating new thinking regarding U.S.-Azerbaijan relations is Azerbaijan's successful military campaign to regain control over most of Nagorno-Karabakh and the surrounding territories Armenia occupied since the early 1990s.

In less than two months Azerbaijan achieved militarily much of what it had long sought diplomatically for more than two decades.

In less than two months Azerbaijan achieved militarily much of what it had long sought diplomatically for more than two decades. It pushed the Armenian forces out of most of the territories surrounding Nagorno-Karabakh and regained control of much of Nagorno-Karabakh itself. Although each of the heads of state of the three Minsk Group co-chair countries called for a ceasefire, and their foreign ministers repeatedly engaged Armenian and Azerbaijani counterparts, it was Russia—with President Vladimir Putin's direct involvement—that brokered the November 10th statement that ending the fighting.

The November statement halted the kinetic conflict; left Azerbaijan's government in control of the areas it had recaptured; and provided for Armenia to vacate K elbajar, Aghdam, and Lachin. However, it also included provisions for 1,960 Russian peacekeepers to be present in the region for five years, with a provision for them to remain for an additional five years provided neither Armenia, Azerbaijan, nor Russia oppose extension. In addition, Russia will monitor the Lachin corridor between Armenia and a portion of Nagorno-Karabakh that falls within the Russian security zone and previously occupied by Armenian troops.

The surface route between Azerbaijan's mainland and its Nakhchivan exclave will also be reopened for the first time since 1992, but with Russian FSB personnel monitoring the four crossing points.

United Nations agencies were charged with overseeing the return of refugees and the internally displaced. Turkey, which sent F-16s to Ganja following Armenia's missile attacks on the city and strongly supported Azerbaijan diplomatically, was recognized as having a presence in the headquarters of the Russian monitoring mission.

The impacts of this Second Karabakh War and the Russian-brokered ceasefire are still emerging and various necessary follow-up arrangements are being worked out. However, some points have already become apparent. One is that Azerbaijan showed effective military planning and warfare capabilities. Azerbaijanis were also able to reassert sovereignty and control over portions of its territory that Armenia-backed forces had occupied since the early 1990s. Another is that once again Russia showed it is not afraid to capitalize on opportunities to take an assertive role and to show itself an influential actor on the global stage. Azerbaijan was long proud of the fact that, unlike others in the former Soviet space, there were no foreign troops on its soil; now Russian troops are on Azerbaijani territory as peacekeeping monitors while also looking to be seen as guarantors of Armenian security.

Russian troops, as General Ben Hodges recently wrote, are now in all three countries of the South Caucasus. For Armenia, the situation represents an unforeseen defeat on the battlefield. Yerevan will need not only to reappraise its situation but also to determine how best to ensure its long-term security. Finally, Turkey showed both a willingness and the ability to advance its own interests in the South Caucasus, strengthening its image as a rising regional power to be taken into account.

Five Points of Reappraisal

Given these changes as well as their long-term interests, Azerbaijani and American officials need to reevaluate and recalibrate both what they say to each other and how they say it. Again, each country has long-standing interests that remain valid and sit at the core of their respective national security and foreign policies. However, changes in the region, the maturing and growing self-confidence of Azerbaijan and other states that emerged (or re-emerged) out of the Soviet Union thirty years ago, and the range of contemporary issues the world faces all require Washington and Baku to reappraise how they approach each other and establish a different tone in their bilateral dialogue.

Azerbaijani and American officials need to reevaluate and recalibrate both what they say to each other and how they say it.

Given the nature of the U.S. policymaking apparatus, these reappraisals on the Washington end in the context of the incoming Biden Administration will most likely take place within the interagency framework of broader strategic analyses of, say, Russia or Asia, although some bilateral recalibration may take place in specific Azerbaijan- or Caucasus-focused discussions.

A reappraised bilateral relationship should—at least from a U.S. point of view—include at least the following five points: actively engage with Azerbaijan in addressing Russian, Chinese, and Iranian ambitions; build peace between Armenia and Azerbaijan; harness Azerbaijan's capacity to serve as a key to greater regional connectivity; build on years of cooperation on energy matters; and address governance concerns through more effective dialogue. Each will be examined in turn.

First, *actively engage with Azerbaijan in addressing Russian, Chinese, and Iranian ambitions*. Azerbaijan's geostrategic importance remains great as does the country's need to navigate the complications arising from bordering Russia and Iran, along with China's push for trans-Eurasian transport, economic, and political linkages. President Putin has frequently said he sees Russia as having a privileged position or a special sphere of influence over the former Soviet space, a claim the United States has continued to reject as it fosters the independence, sovereignty, territorial integrity, and prosperity of the states of the Caspian region and elsewhere that were once part of the Soviet Union. Contemporary Russian ambitions on this front, however, include utilizing protracted and other conflicts to advance its stature and influence. China, which is challenging freedom of navigation and other long-standing U.S. interests in the Pacific, is pursuing an ambitious agenda to its west that aims at boosting its prosperity and global stature. Iran's nuclear program, support for terrorism, and history of meddling in Syria, Yemen, Iraq, and elsewhere mean it will be a continued challenge to international stability and security. As we have seen, Azerbaijan's location and interactions with each of these

players makes it a key piece in a broader puzzle for constructively dealing with these geopolitical realities.

Besides appreciating Azerbaijan's stability as an important asset in advancing U.S. interests in the Caucasus and Central Asia and also to keep the region from becoming an arc of crisis, the United States should continue to help Azerbaijan act as a needed partner in fighting international drug trafficking, trafficking in persons, and other multilateral threats. This cooperation must include combatting the proliferation of weapons of mass destruction, a program which has been highly successful. While there may be calls at home to cut back on U.S. security cooperation—which has long included America's refusal to supply military support that could be used in a war with Armenia—pulling back on security cooperation in areas where Azerbaijan is a needed partner would be a mistake.

The incoming Biden Administration should also boost direct contacts between Washington officials and Azerbaijani partners at all relevant levels. Russia and others have often bested American diplomacy in the frequency, intensity, and effectiveness of direct contacts between capitals. The frequent phone calls, congratulatory messages, and high-level visits between Moscow and Baku—and between Moscow and other capitals—pay off in terms of increased influence. Washington has been comparatively stingy in terms of such contacts. However, COVID-19 has shown effective conversations can take place electronically. Yes, there are security concerns, but 2020 proved officials can engage comfortably and with needed effect using electronic media. These conversations should not just focus on bilateral issues, but should also look at information-sharing and advancing engagement on broader regional and multilateral issues for a number of good reasons, including the fact that Azerbaijan currently chairs the Non-Aligned Movement. For example, Azerbaijan could be useful in developing a new relationship with America's key NATO ally and growing regional player Turkey.

Second, *build peace between Armenia and Azerbaijan*. The November statement halting the kinetic conflict between Armenia and Azerbaijan is silent on the future of Nagorno-Karabakh. Although the armistice ends the fighting, it does not establish peace. Moreover, in addition to concerns that Armenian anger over its defeat will lead to revanchism and future conflict, there is also the sense that Russia will want to utilize and benefit from further animosity between Armenia and Azerbaijan, as it has with other protracted conflicts.

It is important that the United States and other countries actively engage both Armenia and Azerbaijan to help them build real peace. Emotions are high on both sides, but for the good of both countries Yerevan and Baku will need to find ways to live together in peace, security, and prosperity. It will not be easy, but it can be done. After all, there was no guarantee in 1945 that there would not be another Franco-German war and it is well worth noting that any list of close, strong U.S. allies includes countries like the United Kingdom, Germany, Italy, and Japan—each of which fought bloody, vicious wars against the United States in the past.

The United States has considerable experience, capabilities, and expertise in peace-building around the world. Americans should bring these resources to bear in working with both Armenia and Azerbaijan in finding ways to rebuild understanding, live together peacefully, and shape a future that benefits both peoples. Moreover, America has the capacity to convoke international meetings to engage other countries in the peace-building effort, including to help encourage the investment and other economic engagement that will be needed. The incoming Biden Administration should assume a substantial role, engaging Armenians and Azerbaijanis to solicit their input and buy-in in moving forward to realize an effective, and greatly needed peace-building process.

Third, *focus on Azerbaijan as a key to greater regional connectivity*. America's Central Asia strategy document restates U.S. interests in the region's development and prosperity, which includes encouraging connectivity in Central Asia and between Central Asia and Afghanistan. The United States has also supported the Three Seas Initiative to facilitate interconnectivity on energy, infrastructure, and digitalization projects in Central and Eastern Europe, seeing it as a way to reduce these countries' dependence on Russian and Chinese economic overtures. Moreover, the United States has long encouraged the Lapis Lazuli corridor to expand Afghanistan's trade and other links with the west as well as construction of a Trans-Caspian pipeline to enable Turkmenistan to expand the range of customers for its natural gas and also to boost further European energy security. A land bridge across the South Caucasus is crucial for the success of each of these projects.

The United States should engage Azerbaijan more vigorously in boosting such interconnectivity. In addition to the realities resulting from Azerbaijan's geographic position, there is also the fact that Azerbaijan takes the initiative in building such interconnections. The further expansion of the new port at Alat is one example. Another is Azerbaijan's engagement with Georgia, Kazakhstan, Turkey, and Turkmenistan in building the needed infrastructure and systems that are key to boosting the interconnection the United States advocates and that the region's prosperity and stability need.

Moreover, the focus on interconnectivity includes digitalization and expanding communications and internet links. Azerbaijan has worked with Kazakhstan and seeks to work with Georgia to realize a Trans-Caspian fiberoptic cable that would connect to Germany as well as China. This would improve connectivity globally as well as within the region. The fact that Azerbaijan used its hydrocarbon dividends rather than turning to China for financing—as others in the region have done—is also noteworthy.

Each of the aforementioned projects present commercial opportunities for U.S. firms. Thus, for commercial as well as foreign policy reasons, the United States should be sitting down with Azerbaijan and discussing efforts to boost interconnectivity.

Fourth, *build on years of cooperation of energy matters, including to foster stronger U.S.-Azerbaijan business and economic ties*. Strong U.S.-Azerbaijan communication and cooperation in the energy sector—and the important contributions to energy and regional security they have produced—should be broadened into a more vibrant and mutually beneficial set of economic and business relationships. Strong business ties not only promote prosperity, they also produce constituencies in each country interested in and looking to further build stronger bilateral relations.

Even as much of the discussions in international fora, government agencies, and various think tanks focus on climate change and the need to reduce greenhouse gas emissions, Azerbaijan's oil and natural gas reserves will remain important to Israel, much of Europe, and other regions home to U.S. allies and partners. Action to address climate change is crucial, but at the same time, the world will continue to depend on oil and oil-derived products in the coming years as well as look to natural gas as a needed, cleaner energy source. The latter, in particular, is seen as a transition fuel for electricity generation as well as feedstock for needed chemical products.

In other words, a transition will take place, but not overnight. The United States will almost certainly continue to look to Azerbaijan as a source for diversified, secure energy for Italy, Turkey, the Balkans, and others, even if this topic is not the headliner it was in previous years. Moreover, another Russian move to cut off Ukraine or others could quickly catapult European energy diversification and security back into the forefront of regional and global diplomatic and security discussions.

The growing populations of the Caucasus and Central Asia, these countries' mineral and other resources, and the development of the region's economies all mean commercial and other economic opportunities. Washington has had a history of good bilateral discussions with Azerbaijan on economic and business matters, including on what is needed to build a stronger, more attractive commercial environment. Those talks should continue, but with heightened direct input from the business community and other stakeholders. Sparked by concerns over Chinese intentions and examples of predatory business practices, in the past few years the United States reenergized agencies such as the Export-Import Bank (EXIM) and created the new Development Finance Agency (DFC). These agencies should keep a focus on Azerbaijan and others in the region.

A further area for bilateral engagement is supporting economic reforms. Reforms in Azerbaijan, based on sound free-market principles, remain essential for diversifying the country's economy; fostering innovation and the establishment and growth of new businesses; and enabling Azerbaijani businesses to attract capital in an increasingly competitive global financial environment and marketplace. American and other potential foreign business partners will be watching Azerbaijan's efforts to fight corruption, strengthen the integrity and fairness of its courts and legal environment, and how it looks to reshape and strengthen its economy as it emerges from the COVID-19 pandemic with the economic contraction it has induced, and brings into motion plans to rebuild its newly-liberated territories.

Finally, *address governance concerns through more effective dialogue*. It is premature to speculate in much detail on the new administration's foreign policy,

but U.S. experts generally agree that the Biden Administration will again have a strong focus on human rights and democratic development. The President-elect, for example, has already talked about a democracy summit, with more initiatives likely to follow.

The human rights component of the bilateral relationship does not have to be handled as it was in the past; rather, both Baku and Washington should learn from that experience. Each side knows where the problems lie. As in other areas of effective bilateral engagement, quiet and reasoned discussions, in which each side shows respect for the other, have had—and will have—greater beneficial impacts than "naming and shaming" or "billboard diplomacy."

Better Engagement

For the United States, a presidential transition traditionally represents an opportunity to re-examine issues, review priorities, and design new approaches. Events—ranging from the challenges to the rules-based international system and the revived competition among some key global actors to the COVID-19 pandemic, the Second Karabakh War, and the need to address the new situation in the South Caucasus—make this a time ripe for both re-evaluation and deliberation on new ways for the United States and Azerbaijan to engage.

For the United States, this review will probably take place in the course of examination of the numerous broad challenges the Biden Administration will need to address. However, even without a specific U.S.-Azerbaijan policy review, U.S. officials should step back, look at where relations stand, and consider how we can better engage one another.

Baku, too, should use this moment to revise how it engages with the United States, including in light of recent developments and extant challenges in its region.

Both sides could also use this moment to identify some long-standing matters of little strategic importance and sweep them out of the way. Doing so would allow each to concentrate on matters where cooperation can considerably advance both countries' interests in ensuring stability, prosperity, and a peaceful, secure region. BD

While You Were Sleeping

Winds of Change in the South Caucasus

Alper Coşkun

The flaring up of active combat in the Southern Caucasus in late September 2020 between Azerbaijan and Armenia initially seemed to catch many by surprise. An immediate upside of this turn of events was seen in the rekindled interest it generated in the three decade-old conflict in and around Nagorno-Karabakh, which was often misleadingly labeled as being "frozen." It also acted as a crude reminder of the need for consistency in advocating respect for a rules-based international order.

Numerous analysts and experts old and new scrambled to explain the reasons behind the military escalation, seemingly driven by a quest to identify the culprit or the perceived instigators. While they focused mostly on the timing of the events and the broader geopolitical dynamics, they failed to notice that the crux of the matter lay elsewhere.

The clock in Nagorno-Karabakh had, in essence, been ticking increasingly loudly for some time, and for good reason. This unfortunately went unnoticed. The convenience of a mistakenly reassuring assumption that this was a "conflict on ice" was consequently shaken up as a new reality dawned on those who were not paying sufficient attention, in the form of active combat between Azerbaijan and Armenia.

The continuing occupation of Azerbaijani territories and the consequential plight of one million displaced civilians has been a longstanding simmering sense

***Alper Coşkun** is a career Turkish diplomat who served as Ambassador to Azerbaijan (2012-2016) prior to becoming Director General for International Security at the Turkish Ministry of Foreign Affairs (2016-2019). The opinions expressed in this essay are those of the author and are not of official nature.*

of frustration not only among the Azerbaijani leadership, but also for ordinary citizens in the country. I personally bore witness to these rising emotions while serving as the Turkish Ambassador in Baku for four years, between 2012-2016. Regrettably, this understandable resentment never caught enough attention in international eyes.

In practice, all efforts, including those of the OSCE Minsk Group Co-chairs, mostly prioritized the "management" of the conflict, and thus fell far short of facilitating a just, durable solution. This greatly undermined trust in the mediation process which, as was often stated by President Ilham Aliyev, "had led to nowhere."

The clock in Nagorno-Karabakh had, in essence, been ticking increasingly loudly for some time, and for good reason.

In fact, the perpetual lack of progress through negotiations bolstered the perception that the opportunistic use of force by Armenia in the early 1990s that resulted in its occupation not only of Nagorno-Karabakh, but also of adjoining Azerbaijani territories, had yielded concrete results for Yerevan. As a corollary to this argument, four UN Security Council resolutions (822, 853, 874, and 884), as well as a subsequent General Assembly resolution (62/243) calling for Armenian forces to withdraw were relegated to nothing more than empty words on paper.

This stark contrast cast a shadow on what should have been the uniform application of international law, and, by extension, undermined confidence in the notion of a just international order. Moreover, this suboptimal situation did not sit comfortably for an increasingly aspirant and self-confident Azerbaijan, justifiably yearning to liberate its occupied lands. Meanwhile, challenges emanating from the Armenian side in the context of this dispute were left unaddressed. It was clear that, as things stood, Yerevan believed it held the initiative and did not feel the urge to work constructively toward a peaceful and lasting solution on the basis of established norms and principles of international law.

This stalemate had been traditionally further burdened by the fact that Armenia is beholden to a self-inflicted entrapment, solidified through a strict nationalistic narrative both on this issue and more broadly in relation to

Azerbaijan and Turkey. The Armenian mindset, prevailing political discourse, and the defining sentiments of its influential diaspora are all heavily tainted in this regard and as time has shown, Prime Minister Nicol Pashinyan is no exception.

Despite the fact that when he first assumed office on a popular tide Pashinyan was heralded as a potential breath of fresh air in comparison to the traditionally intransigent "Karabakh clan," he too did not tarry in joining the same nationalistic bandwagon. He manifested this vividly through irredentist rhetoric toward Turkey, as well as by advocating the recognition of Nagorno-Karabakh as an independent entity. He went even further during a visit to Khankendi (Stepanakert) in August 2019, where he notoriously declared, "Nagorno Karabakh is Armenian. Period." Meanwhile, his equally unconscionable (now former) defense minister outlined the updated Armenian strategic doctrine as "new war, for new territories," ostensibly aimed at ridding Armenia of a constant state of defense and projecting military action further into Azerbaijan. Among other adventurist implications, this was a clear rejection of the Madrid Principles developed under the auspices of the OSCE Minsk Group, and mirrored Pashinyan's attitude on the matter.

The increasingly radical messaging from Pashinyan (and his team) came to exceed even those of his hardline predecessors and was ultimately seen in Baku as a clear sign that Armenia had crossed the Rubicon. This tarnished what were at best modest expectations in Azerbaijan that Pashinyan could in fact turn out to be a responsible partner on the road to peace. It severely undermined any hope that the conflict could be resolved through negotiations. Azerbaijani indignation was evident in the words again of President Aliyev during the first days of the Second Karabakh War, when in an address to the nation, he reminded listeners of Pashinyan's provocative declaration in Khankendi and after citing the territories liberated by Azerbaijani forces at the time, went on to meaningfully ask, "Where is Pashinyan now?"

The armistice was nothing less than a decisive capitulation of Armenia that marked the beginning of a new geostrategic chapter in the South Caucasus

The reasons behind Pashinyan's hardening stance are probably multifold and can be attributed, among other things, to his reading of political realities within Armenia, as well as to overbearing pressure from the Armenian diaspora. For an unorthodox political actor like Pashinyan, lacking a traditional, hardcore base to confidently rely on, it is quite possible that the obligation to revert to a nationalistic and unrelenting rhetoric was the only path to political survival—or so, Pashinyan thought.

Irrespective of the reasons, though, as time has shown, his inflammatory discourse accompanied by occasional acts of military escalation proved to be a fateful miscalculation. It eventually created the conditions under which Azerbaijan was able to take the initiative and level the playing field for the first time in the history of the Karabakh conflict. In a matter of six weeks, Azerbaijan was able to reclaim most of its occupied territories and oblige Armenia to agree to a cessation of hostilities, mostly on Baku's terms. The ensuing armistice that the parties signed together with Russia was nothing less than a decisive capitulation of Armenia that marked the beginning of a new geostrategic chapter in the South Caucasus, and one in which Armenia seems to be lacking in leverage.

Rules-based International Order?

A theme of growing interest for scholars of international relations has for some time now been related to the notion of a rules-based order, both with respect to its nature and the perceived challenges affecting it.

A Hobbesian international security landscape is certainly not something to which one should aspire, given the risks and challenges that rule-less competition and a potential state of endless confrontation could inflict upon even the strongest of state actors. Therefore, while its contours may vary, the premise of the need for a rules-based order, as well as the logic of defending it, are sound and clear.

But the sustainability of any such endeavor hinges first and foremost on the uniform application of its basic principles. It is incumbent upon responsible state actors to advocate and uphold these principles without exception, and to do so in each specific context, in a standard and balanced manner.

The steadfast support that the international community overwhelmingly provides to Georgia and Ukraine, for example, by

unequivocally standing up for their territorial integrity and sovereignty has been consistent, correct, and meaningful. It serves as a perfect example of how the international community at large can and should stand united in the face of egregious violations of international law. Turkey has been at the forefront of these efforts in both cases and has energetically displayed its solidarity with both Tbilisi and Kyiv, including through enhanced bilateral cooperation and unwavering support for their Euro-Atlantic integration aspirations.

Azerbaijan, on the other hand, has faced a different reality as far as the degree of international support to its territorial integrity is concerned, with Turkey's unwavering position being the exception. And this despite four UN Security Council resolutions dating back to the early 1990s wherein, among other things, the occupation of Azerbaijani territories had been identified as a source of concern and calls had been made for the immediate evacuation of Armenian forces, with responsibility attributed to Armenia, and open support voiced for the territorial integrity of Azerbaijan. The fact of the matter is that it has mostly fallen upon Azerbaijan to remind the international community of this historically important legacy, and the ensuing need to restore its territorial integrity by ending the ongoing occupation. This continued to be the case in the run up to the outbreak of hostilities in late September 2020.

Of course, as experts often rightfully point out, finding a mutually acceptable solution to this complex issue through negotiations has proven to be easier said than done. This objective reality has plagued the Minsk Process, as a result of which the conflict passed the thirty-year mark with no visible inertia toward a solution.

It is against such a backdrop that the Second Karabakh War began and where Turkey, traditionally an outspoken advocate for Azerbaijan, was seen to be even more vocal in its support for Azerbaijan's legitimate aspiration to end the occupation without further delay. The nature and degree of Turkey's support was immediately put under intense scrutiny, accompanied by a clear effort on the part of Armenia and some other actors to depict a concocted version of Turkey's involvement. Ironically, these targeted efforts at times inadvertently unveiled flagrant inconsistencies in other quarters.

A clear case in point was Armenian President Armen Sarkissian's press conference at NATO Headquarters with Secretary General Jens Stoltenberg at the height of the conflict. In his assessment of the situation, Sarkissian squarely blamed Turkey and then went on to enthusiastically endorse the idea that there could be no military solution to the problem. This was quite an act, given the fact that Armenia itself is the recognized culprit for the occupation of Azerbaijani territories through the unlawful use of force in the first place. The same element of irony was evident in assertions that Turkey is biased due to its kinship with Azerbaijan, that at the same time conveniently overlooked the special interests and affinity that Russia, France, and the United States enjoy with Armenia.

The need to end the occupation of Azerbaijani territories and to restore its internationally recognized territorial integrity has always been paramount

That said, even if, for argument's sake, one were to single Turkey out and debate its eligibility as an honest broker, it has always been difficult to challenge Ankara's longstanding insistence on the need for meaningful action to end the occupation of Azerbaijani territories on the basis of relevant UN Security Council resolutions.

Indeed, experience has shown that in the absence of a strong political dynamic guided by the requirements of international law and aimed at achieving a just and lasting solution, fragile cease-fire attempts between Azerbaijan and Armenia have at best deferred the problem. They have in most cases been short-lived, as we witnessed again during this latest phase of the conflict, where three such futile ceasefire attempts were all promptly broken by Armenia and immediately rendered meaningless.

It has always been clear in Ankara's view that if any peace-oriented attempt is to be durable and successful, it cannot afford the luxury of complacency in calling for the enforcement of relevant UN Security Council resolutions. In other words, the need to end the occupation of Azerbaijani territories and to restore its internationally recognized territorial integrity has always been paramount. The international community, and most notably the Co-chairs (and members) of the OSCE Minsk Group, carried the moral and practical burden of taking a clear stance on the matter. It was up to them to make

it known beyond any doubt that the forceful and illegal occupation of Azerbaijani lands could not stand, much in the same way that the international community had overwhelmingly done in the cases of Georgia and Ukraine. In the absence of such international push-back, Armenia grew comfortable with the prevailing circumstances, whereby it believed to hold an advantage. This false sense of achievement, which has always been nurtured by the Armenian leadership, captivated the Armenian population at large. The utter sense of disbelief and anger that was seen in the streets of Yerevan after Armenia conceded to the armistice and agreed to withdraw from the remaining occupied Azerbaijani territories was in many ways a function of this mindset. Pashinyan, it seems, had also been swept away by this alternative reality that led him into grave miscalculations.

Two States, One Nation

The Second Karabakh War triggered a great amount of interest, accompanied by a near sense of surprise in some circles about the enhanced degree of bilateral military and defense industry cooperation between Turkey and Azerbaijan.

Having been directly involved in the diversification and overall deepening of bilateral relations between the two countries, I found this to be a belated revelation, and one that I could only attribute to a lack of attention to critically important historical realities, as well as to prevailing trends in Turkish-Azerbaijani relations.

One must remember first that Azerbaijan is the eternal resting place for more than 1100 Turkish servicemen. These soldiers made the ultimate sacrifice while helping their kinsmen in their quest for independence in 1918. Their cemeteries, scattered all over the country, including in Nakhchivan, serve as a testament to the eternal bond that tie Azerbaijan and Turkey together, as reflected in the often-quoted dictum, "two nations, but one people." And this legacy goes both ways, in view of similar sacrifices and displays of support made by Azerbaijanis during Turkey's defense of the Dardanelles in 1915 as well as its war of liberation in the aftermath of World War I that led to the birth of the modern day Republic of Turkey.

The sense of unqualified and absolute solidarity between Azerbaijan and Turkey is not the simple function of a political choice but is rather the outcome of natural and mutually felt grassroot sentiments. Bilateral cooperation between the two countries have steadily been improving on the basis of such a unique foundation ever since Turkey became the first country to recognize modern-day Azerbaijan in 1991.

During Azerbaijan's fledgling first years of independence in the early 1990s, Turkey naturally pulled most of the weight in terms of investments and initiatives geared to developing these relations. But this changed over time as Azerbaijan consolidated its independence, accumulated wealth, and grew in economic strength. So much so that today Azerbaijan stands among the top ten leading sources of foreign direct investments in Turkey. For its part, Turkey is the leading foreign investor in Azerbaijan.

The sense of unqualified and absolute solidarity between Azerbaijan and Turkey is not the simple function of a political choice but is rather the outcome of natural and mutually felt grassroot sentiments.

Meanwhile, transborder transportation and energy schemes, which also involve Georgia, have successfully been implemented and are operational with potential for future growth.

In their joint effort to develop their engagement in all fields, Ankara and Baku have also focused on enhancing their military and defense industry cooperation, as recent events have promptly brought under the limelight. With its strong credentials as a capable NATO ally, Turkey has from the outset volunteered its support to Azerbaijan's military modernization efforts and to its participation in NATO's partnership activities. This cooperation has been comprehensive, ranging from facilitating Azerbaijan's contributions to NATO operations and missions to enhancing the interoperability of its forces with those of Allied nations.

An important dimension has had to do with enhanced training and exercise activities that have served to create a new and more capable defense and warfighting culture within the Azerbaijani armed forces. Joint exercises in different formations and locations in both countries have arguably constituted the most salient aspect of Turkish-Azerbaijani engagement, attracting attention in Yerevan and beyond. The spread of the

COVID-19 virus has posed a challenge to the intensity of these activities but has not prevented them from being continued.

Meanwhile, concurrent advancements in Turkey's indigenous defense industry capabilities came at an opportune time for Azerbaijan in helping meet its growing appetite to procure state-of-the-art military hardware. While among numerous procurers, Israel has been credited with the highest volume of military sales to Azerbaijan in recent years, even surpassing those from Russia, Turkey has steadily matured into a competitive and maybe most importantly, reliable supply source.

Experiences in the operational domain during the Second Karabakh War suggest that Azerbaijan has been able to capitalize on its quest to modernize its military capabilities, including through intensified collaboration with Turkey.

Experiences in the operational domain during the Second Karabakh War suggest that Azerbaijan has been able to capitalize on its quest to modernize its military capabilities, including through intensified collaboration with Turkey. The absence of inertia in the mediation process, coupled with escalatory trends with Armenia, seem to have been driving Baku to plan for the worst for some time now, and to be prepared for a worst case scenario. The active combat operations that took place in 2016, as well as the more recent clashes in July 2020, were in many ways manifestations of the slippery slope this so-called "frozen conflict" rested on, and, in hindsight, were clear precursors of what was to come.

The nature and depth of the military and defense industry cooperation between Azerbaijan and Turkey, which is being scrutinized with intensity today, is neither a new paradigm, nor is it a sudden outcome. It can be better explained and understood in the context of a long-term strategic vision shared by Baku and Ankara that represents linear growth in collaboration. A striking characterization of its current state of play has been made by military analyst and expert Can Kasapoglu, who aptly recoined the traditional dictum defining the relationship between Azerbaijan and Turkey in this context as "two states, but one smart power." It is clear from statements coming from both sides that authorities in Baku and Ankara are equally satisfied with the mutually rewarding nature of their cooperation and can be expected to further deepen it in the years ahead.

Nakhchivan

Maps say a lot when it comes to geostrategic realities and a quick glance at Nakhchivan's location clearly shows its importance for Turkey as well as, obviously, for Azerbaijan. It also displays the additional challenge it most probably constitutes for Yerevan in terms of military planning and strategy.

Nakhchivan has historically been referred to as "the path to the Turkic world," which is why the rupture of continuity between this autonomous republic and the rest of Azerbaijan during Soviet times has always been the source of considerable debate among strategists and scholars.

Another reason that makes Nakhchivan unique is the fact that in the past Turkey has been associated with the status of the autonomous republic, by virtue of various international instruments which have also defined the eastern borders of Turkey.

It is against this background that ever since the onset of hostilities in and around Nagorno-Karabakh, Turkey has been sensitive to their potential implications for Nakhchivan. This was again evident in the prompt reaction Ankara showed to an Armenian attack on the settlement of Ordubad in Nakhchivan in mid-October 2020.

As an autonomous republic that is an integral part of, yet geographically separated from, the rest of Azerbaijan, Nakhchivan constitutes the only land border between Turkey and Azerbaijan. This makes it politically and strategically important for both sides.

Under the terms of the armistice, Armenia has committed to enabling transport links between Nakhchivan and the rest of Azerbaijan. This is a milestone development that will serve not only the interests of Azerbaijan and Turkey, but also bears the real potential of contributing to regional prosperity and well-being by stimulating economic and commercial activity.

Time for Sustainable Peace

The November 2020 armistice marks the end of an anomaly: the illegal occupation of Azerbaijani territories is fast becoming a thing of the past.

While the way ahead is fraught with numerous challenges, the focus now needs to be on consolidating the opportunity for a peaceful and stable future for all. This process will need to be consistent with the requirements of international law and be guided by a proper mindset that aspires for a new and mutually beneficial state of affairs in the region.

The South Caucasus holds an untapped potential for regional cooperation schemes. These could in turn enhance interconnectivity and catalyze a shared sense of interest in continued stability in the region. Azerbaijan and Georgia have made great strides in this regard through cooperation involving Turkey. Under the right conditions, the same can hold true for Armenia, which could in turn help its embattled leadership address the many challenges burdening the country's economic livelihood.

Importantly, this is a prospect that has not been ruled out by Baku or Ankara. During a press conference in Baku a few days after the signing of the armistice, Turkish foreign minister Mevlüt Çavuşoglu stated that the process that had been put in motion for lasting peace on the basis of Azerbaijan's territorial integrity under international law will help restore peace and stability in the region, and benefit the people of Armenia as well. He went on to highlight the importance of the opening of transport corridors which would be of relevance for all countries of the region, including Armenia.

A negotiated, peaceful, and lasting solution is the right way to end the prevailing history of conflict and humanitarian suffering in the region. This prospect, along with the need to uphold universally recognized norms and rules, requires energetic action on the part of the international community.

The basic parameters of such a sustainable solution will have to meet the requirements of international law, as reflected in the relevant UN Security Council resolutions and further elaborated within the context of the negotiation process under the auspices of the Co-chairs of the OSCE Minsk Group. Now is the time to seize the moment and find an honorable and mutually-acceptable solution.

Such an occurrence could potentially set in motion a broader positive momentum in the South Caucasus. This is not destined to remain a lofty dream that is beyond reach. All difficulties notwithstanding, the fact is that seemingly unattainable goals can only be reached through visionary persistence, and by aspiring towards them with a sense of realistic determination. BD

Special, Exceptional, and Privileged

Azerbaijani-Turkish Relations

Ayça Ergun

The bilateral relationship between Azerbaijan and Turkey is special, exceptional, and privileged. Both countries assign the highest value and importance to their relationship at both the state and non-state level. The motto "one nation, two states" has been used quite frequently in this context, and it rings true. First pronounced by Heydar Aliyev, it is frequently used by the political and intellectual elites of both countries and strongly supported by the public in both nations. A strong pattern of friendship, fraternity, brotherhood, and unity characterizes the bilateral relationship, which presidents Recep Tayyip Erdogan defined in September 2010 as that between "two fraternal countries bound together by bonds unseen elsewhere in the world" and Ilham Aliyev described minutes later as having "reached the level of alliance."

In this essay I will analyze the nature of the multifaceted bilateral relationship between Azerbaijan and Turkey while focusing on the content, quality, and meaning attributed to this special partnership. I will start by identifying the sources of the bilateral relationship and continue with a discussion of its political contours. I will then follow up with an examination of the state of inter-societal dialogue and level of cooperation in culture and education. Next, I will turn to an examination of the only period of turbulence in the relationship, which was caused by Turkey's ultimately unsuccessful outreach to Armenia more than a decade ago. Finally, I will explore Turkey's position vis-à-vis the Second Karabakh War and show how it exemplifies the exceptional and still deepening level of strategic cooperation between Ankara and Baku.

***Ayça Ergun** is an Associate Professor of Sociology at Middle East Technical University (METU) and Vice-chairperson of the Center For Black Sea and Central Asia (KORA).*

The Azerbaijan-Turkey bilateral relationship is important, perhaps crucial, for securing stability and security in the South Caucasus. It is based on mutual trust and relies on mutual interdependence. The mutuality in both support and solidarity that the two countries extend to one another is unconditional.

A strong pattern of friendship, fraternity, brotherhood, and unity characterizes the bilateral relationship

This strategic relationship also has a significant economic dimension, particularly in the field of energy and transportation, which continues to provide both countries with opportunities to get well-integrated into wider networks of economic relations through projects such as the Baku-Tbilisi-Ceyhan pipeline and the Trans-Anatolian gas pipeline as well as the Baku-Tbilisi-Kars railway line. Investments in both directions have also been strong and are growing. This creates a mutual dependence in both countries for the representation of economic interests and profit maximization.

Economic cooperation supports significantly the foreign policy priorities of both countries. They should therefore not be understood as a mere trade and investment relations, but as a constituent part of a common, forward-looking vision to connect future generations.

Thus, their emotional and historical bonds correspond seamlessly to their shared security and economic interests. This in fact goes beyond interests: Turkey and Azerbaijan have common development and security *agendas*.

For Azerbaijan, the image of Turkey is well-rooted in historical memory. Atatürk famously said, "Azerbaijan's joy is our joy; its sorrow is our sorrow." And in the immediate post-Soviet period, two cornerstone decisions taken by Ankara at the time continue to resonate particularly well in Baku, at both elite and popular levels: *first*, Turkey was the first country to recognize the modern-day independence of Azerbaijan; *second*, Ankara's refusal to build-up diplomatic relations with Yerevan until the Karabakh conflict is resolved to Baku's satisfaction. This was soon followed

by Turkey's support to Azerbaijan in both regional and international fora and organizations.

For Turkey, the collapse of the Soviet Union opened up the way to determine new foreign policy priorities, formulate new policies, and develop new tools vis-à-vis the Turkic world to its east. Through the rediscovery of commonalities—particularly in culture and language—between two close nations that had been almost entirely cut off from one another for decades, Azerbaijan quickly came to be seen by Turkey as its closest ally in the former Soviet space. Azerbaijan also became, in many ways, a jumping-off point for Turkey to seek opportunities to develop new economic relations in other Silk Road region emerging markets, including those centered on energy projects.

For Turkey, the collapse of the Soviet Union opened up the way to determine new foreign policy priorities, formulate new policies, and develop new tools vis-à-vis the Turkic world to its east.

While the relationship between Azerbaijan and Turkey was and continues to be enthused in emotional motives, grounded in historical ties, and rooted in both ethnic and cultural affinities, it has become institutionalized through official visits, the signing of agreements, and the provision of continuous mutual support in all contexts: bilateral, regional, or multilateral; political, security, or socio-economic.

Patterns of cooperation coupled with large doses of strategic goodwill dominated the immediate post-Soviet period. By the time Azerbaijan was able to consolidate its statehood and sovereignty, this largely emotional basis was replaced by a more goal-oriented approach that deepened the two countries' strategic alliance and partnerships. As of late 2020, both countries view the relationship as being one between equals in which both sides benefit from their mutual interdependence.

Sources of Commonality

The origin of, and basis for, the "one nation, two states" motto that perfectly describes the Turkey-Azerbaijan relationship lie in four commonalities. *First*, Azerbaijan and Turkey share common historical, cultural, religious, and linguistic attributes.

Although one cannot deny the veracity of shared cultural patterns and the mutual intelligibility of the dialects spoken by the two peoples, the underlying factors highlighting these commonalities are to some extent constructed (but not imagined).

Both communities did not interact at all during the Soviet period (from the early 1920s to the late 1980s). As a consequence, both the perception and the image each has of the other is not the product of an organic, uninterrupted evolution. This is not to imply artificiality but rather a certain idealization.

The national memory of the Azerbaijanis thus glorifies the image of Turkey as savior, at least with regards to events that took place in the first decades of the twentieth century. Generally, the shared past is infused solely with positive connotations. There is much to be said for this narrative. For instance, the interaction between Azerbaijani and Turkish intellectuals during the *fin-de-siècle* period into the early 1920s, and the fact that they shared almost the same vision of a would-be state—with particular emphasis on Turkism and modernization—underlines the intellectual and ideological basis of the special relationship between Turkey and Azerbaijan, especially from the latter's perspective. Turks, on the other hand, without necessarily having substantial information, consider language as the main proof of common ancestry. In this respect, both countries' perceptions are at once authentic and constructed—although loaded with meaning—in the aftermath of the collapse of the Soviet Union. Memory is there, preserved and revived, and has resulted in shared feelings, real bonds, and strategic depth.

Second, both countries share a common enemy. Armenians historically constitute the main Other for both societies. Historical grievances that could not been overcome have been revived by the Karabakh conflict. In other words, the fact of a common enemy helped to bring Azerbaijanis and Turks closer together. Turkey's unconditional support for Azerbaijan in the Karabakh conflict also has been tied to the issue of sharing a common threat. Although the level of threat perception is not the same both countries, it has constituted one of the main challenges in shaping Turkey's relations with the West (both Europe and the United States) and Azerbaijan's conception of territorial integrity and sovereignty, as well as both nation- and state-building.

In this respect one could even argue that "shared memory" is less important than "shared enemy" with respect to forging and deepening commonalities. The fact that hostilities (or hostile intent) have continued provides the sense of "shared enemy" with a certain permanence with respect to both Turkey and Azerbaijan. The actual conflict—understood to refer particularly to the Second Karabakh War—has further contributed to the revitalization of a sense of shared memory, albeit converted into a sort of collective identity or collective consciousness among Azerbaijanis and Turks.

The Second Karabakh War has both accelerated and deepened existing trends in this most privileged of bilateral relationships, thanks to the unwavering moral and political support extended to Azerbaijan by Turkey.

Third, Azerbaijan and Turkey share a common profit-making interest that manifests itself primarily in the economic field. The initiation of energy and transportation projects, along with increased investment opportunities, have created a source of economic interdependence between the two countries, which has reinforced their respective foreign policy priorities, as noted above, and thus represent a constituent part of a common, forward-looking vision.

Fourth (and finally), the Turkey-Azerbaijan bilateral relationship goes beyond elite visions, initiatives, choices, and policies. Rather, it has a strong societal basis, as evidenced by the fact that the political elite's preferences are supported by both publics, which in turn guarantees its preservation, deepening, and consolidation. This implies that both countries' societies would react in the event that one or both nations' elites were to exhibit reluctance in pursuing common ground. The importance of the human dimension is such that it is likely to remain a driving force behind the choices of both elites in the time to come.

These four sources constitute the basis for the bilateral relationship, which later evolved into a more privileged partnership that served to deepen the unity between Azerbaijan and Turkey and, more recently, has been transformed into a strategic partnership with commonly developed security priorities

buttressed by increased inter-societal dialogue and achieved through an increase in both the depth and breadth of educational exchanges, media linkages, growing trade, expanding tourism, and other tools of cooperation.

The Second Karabakh War has both accelerated and deepened existing trends in this most privileged of bilateral relationships, thanks to the unwavering moral and political support extended to Azerbaijan by Turkey. The continuous dialogue between Ilham Aliyev and Recep Tayyip Erdogan, as well as their respective foreign and defense ministers, represents strong evidence of this new deepening. Turkey's presence in Azerbaijan will definitely increase through participation in what the November 10th armistice agreement called a "peacemaking center to oversee the ceasefire" as well as the likely role Turkey will play in helping to rebuild Azerbaijan's liberated territories.

Societal Dialogue

The backbone of the bilateral relationship between Azerbaijan and Turkey is the societal dimension. The perceptions and feelings among both countries' publics are extremely positive, which is why they are most likely to endure well into the future. The level of mutual awareness is also uncommonly high. This is exceptional for a number of reasons, not the least of which is the fact that it developed and blossomed largely without governmental incentivization.

The reasons informing this exceptionalism for Azerbaijanis and Turks are different. For instance, the level of knowledge of, and first-hand experience in, Turkey or anything Turkish is much higher among Azerbaijanis than vice versa. Azerbaijanis follow domestic and foreign policy issues in Turkey, watch Turkish news and television programs, support Turkish football teams, and travel to Turkey quite frequently either for business or touristic purposes. In this respect, societal literacy about Turkey is Azerbaijan in not comparable with that of Turks about Azerbaijan.

In contrast, Turkish attachment to Azerbaijan is more emotional and, one could even say, intuitive. Turks are neither very aware nor follow Azerbaijani domestic politics. Their strong sensitivity and support for Azerbaijan's position regarding Nagorno-Karabakh is likely due to perceptions of Armenia and Armenians. In opinion polls, the Turkish public considers Azerbaijan its closest and most

reliable ally, year in and year out. Although most Turks have neither first-hand knowledge of, or experience in, Azerbaijan, notions of collective memory, cultural affinities, and linguistic proximity condition these perceptions. Thus, Azerbaijani and Turkish public opinions share both joy and sorrow—to refer back to Atatürk's famous formulation.

A further increase in societal literacy on Turkey in Azerbaijan would open even greater potential for further collaboration. But improving the other side of the ledger is more pressing: increasing Turkish societal literacy with respect to Azerbaijan. Turkish public opinion's sympathy with Azerbaijan originates in the notion of shared memory, largely constructed with reference to a common enemy. Thus, it is highly responsive to emergency situations and becomes highly visible and vocalized when the need arises. During the Second Karabakh War, media coverage in Turkey was comprehensive. However, Turkish encounters with Azerbaijanis in Azerbaijan remain limited, since its South Caucasus neighbor is not a popular tourist destination.

Increased cultural interaction will not only contribute to an increase in familiarity between the two societies but also consolidate the societal dimension of the bilateral relationship. The Yunus Emre Institute and the Atatürk Center of Turkey can play critical roles in this process.

Educational and Cultural Cooperation

The field of education is one of the liveliest domains illustrating both the political and societal aspects of the patterns of cooperation between Azerbaijan and Turkey. In 1992, Turkey initiated the Great Student Project, which provided young people from the Turkic world of the former Soviet Union with the chance to study in Turkey at the undergraduate level. This visionary project aimed to provide an opportunity for the first post-Soviet generation to receive a quality education in a time of political uncertainty, societal transition, and economic turmoil that largely characterized the early years of independence.

In the first decade of the Great Student Project program, more than 17,500 scholarships were offered to students from Turkic countries, including to more than 3,650 Azerbaijanis. These students represented a core cultural link between the two societies, having had the opportunity to form a realistic picture of what Turkey was truly about, which allowed them to elaborate an informed perception of its culture, society, politics, and much else besides.

Ankara also worked hard to the building up of a pro-Turkey political, intellectual, and business elite in Azerbaijan. This soft power integration model has helped to foster a sense of commonality by establishing a shared social background in which trust, sympathy, and affinities are considered as given. The very presence of a large Turkish university alumni community in Azerbaijan is a critical niche for the further consolidation of the bilateral relationship.

A Period of Turbulence

The exceptional ties between Azerbaijan and Turkey were challenged, for a time, by Turkey's attempt to normalize diplomatic relations with Armenia in 2008-2009. Although Turkey's relations with Armenia have been (and continue to be) conditioned to the full restoration of the territorial integrity of Azerbaijan, the issue of Turkish-Armenian relations has become occasionally a topic for pressuring Turkey in international fora.

Historical hatred fueled by the absence of bilateral relations constitute a hurtle for Turkish foreign policy to deal with internationally. The attempt at rapprochement (or even reconciliation, as some thought possible) between Armenia and Turkey began with football diplomacy. In September 2008, Turkish president Abdullah Gül visited Yerevan to watch a football World Cup qualifier match at the invitation of Armenian president Serzh Sargsyan. The Armenian head of state was later invited to the Turkish city of Bursa to watch the sequel match.

At the time, the symbolism was rather exaggerated, although it later came to be viewed as the first step in the attempt to normalize relations between Ankara and Yerevan: the outcome of these face-to-face presidential meetings opened the way to the signing up of the Zurich Protocols in October 2009 between the countries' foreign ministers. Of the two documents signed, one concerned the establishment of diplomatic relations between Armenia and Turkey whilst the other focused on the development of bilateral relations. Although these Protocols were not been ratified by the legislatures of either country, they had a considerable impact on the Azerbaijan-Turkey relationship.

It did not help Ankara's case in Baku that the Zurich Protocols made no mention of Nagorno-Karabakh; prior to their signing, Erdogan appeared to indicate otherwise. In April 2009, for example, he had announced that "unless Azerbaijan and Armenia sign a protocol on Nagorno-Karabakh, we will not sign any final agreement with Armenia on ties. We are doing preliminary work but this definitely depends on resolution of the Nagorno-Karabakh problem." Four weeks later, during an official visit to Azerbaijan, he said that "there is a relation of cause and effect here. The occupation of Nagorno-Karabakh is the cause, and the closure of the border is the effect. Without the occupation ending, the gates will not be opened." And yet, for a time it seemed as though they would—assurances to the contrary notwithstanding.

The exceptional ties between Azerbaijan and Turkey were challenged, for a time, by Turkey's attempt to normalize diplomatic relations with Armenia in 2008-2009.

At bottom, the exceptional type of relationship enjoyed by Turkey and Azerbaijan is based on trust. Turkey obviously miscalculated the potential gains of the nascent normalization process. It also underestimated its own domestic grassroots opposition to the Zurich Protocols as well as the extent to which these could potentially disturb both Azerbaijan's elite and public opinion. Ankara did not do itself any favors by opting not to consult with Baku prior to initiating the normalization process. All this produced a real rupture between Turkey and Azerbaijan.

Although constructive dialogue at high levels resumed—as did reciprocal official visits along with a resurgence of popular support in each country for the other—the damage had been done: the crisis was overcome, but not forgotten. For some period of time thereafter, the Azerbaijani government embraced a more cautious stance towards Turkey: the restoration of trust was hardly instantaneous.

The breakthrough came about a year later with the signing of the Agreement on Strategic Partnership and Mutual Support between Turkey and Azerbaijan and the establishment of the Azerbaijan-Turkey High-level Strategic Cooperation Council (and the holding of the first meeting of the latter mechanism in October 2011). This can be interpreted as symbol of the quick restoration of disturbed relations as well as a further institutionalization of the Ankara-Baku alliance. What is also remarkable is that this new mechanism formally incorporated a security dimension. Both countries pledged to support each other "using all possibilities" in the event of a military attack or "aggression" against either of them. The Joint Declaration that established the aforementioned Council also contained provisions to upgrade hardware for joint military operations, cooperation in "military-technical" areas, and joint military exercises and training sessions.

The Karabakh Conflict

Turkey's refusal to establish diplomatic relations with Armenia until the return of the occupied territories of Azerbaijan is considered by Baku to be of fundamental importance. One can argue that although Turkish moral and political support during the Second Karabakh War is a natural continuum of the discourse, the latest developments provided yet another opportunity for the bilateral relationship to intensify and deepen.

Between July and September 2020, the two countries conducted joint military exercises that were qualitatively more serious in comparison to those that had taken place in the past, which made their unconditional relationship more visible. This can also be interpreted yet another example of overlapping political, economic, security, and strategic interests.

Azerbaijan's military operations on its own territory were unequivocally supported by a very high-level declarations. Erdogan stated that the Turkish nation stands by its Azerbaijani brothers "as always and with all its resources." Foreign Minister Mevlüt Çavuşoglu declared that "Azerbaijan will, of course, use its right to legitimate defense to protect its people and territorial integrity. In this process, Turkey's full support for Azerbaijan is complete and its solidarity is unwavering. We will stand with Azerbaijan in any way it wants." Çavuşoglu again: "We stand with Azerbaijan in the field and on the table." Turkey's defense minister, Hulusi Akar, added the following, for good measure: "we will stand with our Azerbaijani Turkic brothers and sisters until the end with all our means in the struggle to protect the integrity of their land." During one of his wartime visits to Baku, Çavuşoglu said

that Turkey and Azerbaijan can even be "counted as one state when necessary."

The Turkish public was glued to their screens, watching the news coverage of the war that was more extensive of Azerbaijan in comparison to any other period since Azerbaijan's independence. Even a cursory examination of Azerbaijani social media accounts lead to the realization that Azerbaijanis frequently use the Turkish flag emoji alongside their own. The number of Turkish flags hanging side by side with Azerbaijani ones in cities and town across the country would be impossible to count, so great is the number. Public celebrations after the armistice was signed on November 10th were held with both Azerbaijani and Turkish flags. And Erdogan was the guest of honor for the Victory parade that took place on December 10th in Baku.

Turkey has already been supportive of Azerbaijan in all regional and international fora, in accordance with the strategic nature of the bilateral relationship. There was nothing new in this. But by the start of the Second Karabakh War, Turkey's stance had become more proactive, assertive, and involved. Ankara in effect made a total commitment of support for the war effort (Azerbaijan reportedly drew the line regarding Turkey's offer of direct military involvement on the battlefield).

It should be noted, however, that the Turkish army and its military academies have been providing training to their Azerbaijani comrades in arms for a couple of decades. This has obviously contributed to the formation of a well-equipped and strong Azerbaijani military, which has vastly improved in comparison with the 1990s. And generations of the military elites of the two countries have trained side by side.

During one of his wartime visits to Baku, Çavuşoglu said that Turkey and Azerbaijan can even be "counted as one state when necessary."

The postwar period represents a test for Turkey—especially in the context of its immediate neighborhood. Ankara has what may be a truly historic opportunity to strengthen its role in the region while becoming a more prominent security actor. The balance of power in the South Caucasus will largely be determined by the nature of the relationship between Russia and Turkey that has aptly been defined as a competitive partnership.

Further Consolidation

The bilateral relationship between Azerbaijan and Turkey remains exceptional and has been further deepened as a result of the Second Karabakh War. The will and policies of the ruling elites are fully supported by the publics of both states. With respect to the question of further consolidation and enhanced institutionalization, important initiatives can be considered—particularly in non-political fields. The diversification of policies and tools would eventually contribute to the further strengthening of a unique set of bilateral ties. Three will here be mentioned briefly.

The balance of power in the South Caucasus will largely be determined by the nature of the relationship between Russia and Turkey that has aptly been defined as a competitive partnership.

First, civil society dialogue, which is one of the least developed dimensions of the bilateral relationship. Although Turkish civil society organizations are neither donors nor fund-generating entities, they still have the capacity to transfer their knowhow through jointly-created initiatives. This can be very inspiring for Azerbaijani civil society, given the considerable experience of Turkish NGOs in voluntary activism.

Second, developing and strengthening relationships between universities and research centers. Almost all the first- and even many second-tier universities in Azerbaijan and Turkey—both public and private—signed cooperation agreements with each other years ago, but relatively few have satisfactorily fulfilled their stated aims in practice. Faculty, student, and staff exchanges, along with joint research initiatives and the organizations of workshops and conferences, would significantly contribute to the development of an interactive academic milieu. The establishment of Turkish and Azerbaijani studies centers and academic departments, operating under relevant institutional frameworks, would not only contribute to knowledge production but also to heightened scientific analysis of the multiple dimensions of the bilateral relationship. Supporting such new academic initiatives would

necessitate an investment on the part of both governments.

Third, alumni organizations should also be supported. States can support their activities when doing so would make sense, certain in the knowledge that university graduates are the best potential representatives of each nation in terms of entrenching the continuity of an exceptional and deepening bilateral relationship.

The Second Karabakh War brought the relationship between Turkey and Azerbaijan to an even higher level. In the time ahead, its contours will remain the same whilst the substance will continue to grow and deepen. One can therefore easily expect more institutionalization, a diversification of joint initiatives, and stronger commitments by both sides. Based on historical ties and cultural proximity, and inspired by common interests and benefits, the bilateral relationship will continue to be supported and preserved at the societal level in both countries. This rare asset—this true alliance—should be not taken for granted so that its true potential may be revealed. BD

bakudialogues.ada.edu.az

Understanding Armenian Narratives

An Azerbaijani Perspective on A Shared Post-conflict Future

Rovshan Ibrahimov and Murad Muradov

On September 27th, 2020, a fierce new war between Azerbaijan and Armenia erupted over the region of Nagorno-Karabakh and seven adjacent districts that constitute the internationally recognized territory of Azerbaijan but had long been under Armenian occupation. A period of 44 days of uncompromised fighting ended with the Russian-negotiated tripartite ceasefire statement signed on November 10th, 2020, by which time Azerbaijan had already restored its sovereignty over the Fizuli, Jabrayil, Zangilan, and Qubadly districts as well as the southern part of the former Nagorno-Karabakh Autonomous Oblast (NKAO) that had existed during the Soviet period, including its symbolic and strategic heartland—the city of Shusha.

The tripartite agreement stipulated the complete withdrawal of Armenian forces from the remaining three occupied districts (Kalbajar, Lachin, and Aghdam), while the remaining part of the former NKAO, together with the narrow corridor around Lachin that connects the former NKAO to Armenia, were to constitute a special zone guarded by a 1,960-strong Russian peacekeeping force for a period of at least five years. Both Azerbaijani and Armenian refugees and IDPs are to be returned to the conflict zone under the supervision of the UNHCR, and all transport communications between the countries are supposed to be re-opened.

The armistice agreement is the first step, not the end of the journey: the deep conflict around Nagorno-Karabakh still remains unresolved. The Second Karabakh War may have come to an end, but a lasting, sustainable peace still remains to be secured.

This essay aims to understand Armenian claims over Nagorno-Karabakh in light of both history and international law. It also aims to consider possible trajectories of the negotiation process to come and lays out proposals for building an alternative, non-conflict vision for the future of both peoples and countries. Engagement is hard, objectivity harder, introspection harder still. But both sides need to start doing more of each for lasting peace to take hold. This essay, which is far from perfect, represents our initial thoughts and reflections on this critically important subject for both nations.

The armistice agreement is the first step, not the end of the journey: the deep conflict around Nagorno-Karabakh still remains unresolved. The Second Karabakh War may have come to an end, but a lasting, sustainable peace still remains to be secured.

Politics and History

The First Karabakh War was fought in the shadow of the break-up of the Soviet Union. It started from an appeal by activists of the "Karabakh committee"—a proto-democratic nationalistic organization that had just emerged—to the Soviet leadership to conduct "reunification" of the NKAO—an autonomous region of Soviet Azerbaijan predominantly populated by ethnic Armenians—with Armenia.

From the very beginning, the historic aspect played a crucial role in the narrative the Armenian side was carefully building and using to justify its claims over territories belonging de jure to Azerbaijan. This narrative rested on the three major arguments: the ancient history and ethnography

Rovshan Ibrahimov *is an Associate Professor in the College of Oriental Studies of Hankuk University of Foreign Studies in South Korea, and a former Head of the Foreign Policy Analysis Department of the Baku-based Center for Strategic Studies.*
Murad Muradov *is Senior Economist at the State Oil Fund of Azerbaijan (SOFAZ) and Co-founder and Deputy Director of The Topchubashov Center, a non-profit think tank for analysis and discussion of international politics in the South Caucasus and beyond. The views expressed and the position adopted in this essay are entirely those of the authors and do not necessarily reflect those of the organizations or institutions with which they are affiliated.*

of Nagorno-Karabakh; the trauma of the 1915 Armenian "genocide" that took place on the territory of the Ottoman Empire; and the allegedly unfair inclusion of the region into the borders of the Azerbaijan SSR by the Soviet government.

Engagement is hard, objectivity harder, introspection harder still. But both sides need to start doing more of each for lasting peace to take hold.

The first argument stipulates that Karabakh—or "Artsakh," as the Armenian side would start to call it later (ironically, this very name is most probably not of Armenian origin but is the aberration of the initial name "Orkhistena")—is the historic cradle of the Armenian nation and the only place in which Armenian statehood flourished virtually uninterrupted. These claims are predominantly based on the strong concentration of medieval Christian monuments in Nagorno-Karabakh, as well as on several written sources (many of which turn out to be rather dubious after being closely scrutinized).

This argument has been instrumentalized by Armenians in order to claim "moral rights" over this land. For most of its ancient history, however, Karabakh was populated by various tribes that trace their origins back to the Caucasian Albanian people that inhabited a continuous stretch of territory that included other parts of northern Azerbaijan. The peculiar and somewhat isolated development of Karabakh from the eighth century onwards is related to the fact that its mountainous parts remained mostly Christian for many centuries afterwards, while the surrounding regions underwent deep Islamization.

However—and this is a crucial moment for dispelling the Armenian narrative—the Christians of Karabakh were predominantly of Caucasian Albanian origin. As a matter of historical record, the Caucasian Albanian (or Aghvank) Church preserved its ecclesiastical distinctiveness from the Echmiadzin Catholicosate until 1836—that is to say, decades into imperial Russian rule over the Caucasus; for some time, the two churches even had separate seats within the territory of the Gandzasar monastery—the best evidence that they had been clearly distinct from each other. However, growing theological similarity as well as the gradual displacement of the original Caucasian Albanian script by the more widely used

Armenian one, led to a creeping Armenisation of the Christian population of Nagorno-Karabakh, which was finalized after Russia consolidated its conquest of the region. Afterwards, Caucasian Albanian heritage was mostly erased and forgotten, which paved the way for the general acceptance of the Armenian narrative as regards local history.

However, since claims based on ancient history are hardly enough to justify ethnic separatism in the twenty-first century, the proponents of Armenian irredentist claims (it has a special term, *miatzum*, in the Armenian language) also eagerly pointed to the traumatic events of the twentieth century that, as they believe, constitute irrefutable evidence about the primordial and intractable character of the Armenian-Turkish/Azerbaijani conflict.

This narrative is based, first, on the 1915 events in the Ottoman Empire that are recognized as the "genocide" of Armenians by the parliaments of several dozen countries around the world. It must be noted that the "genocide" issue is viewed by official Yerevan largely through a political, not historical lens—one reason why Armenia has consistently referred to Turkey's offer to establish a joint fact-finding commission of historians as unacceptable. The "genocide" issue is a "sacred cow" of contemporary Armenian statehood, which has defined its strategy and political orientation since its onset. The cultivated memory of the "genocide" has also instilled a semi-official Turkophobia in Armenia, which is most vividly expressed in Armenia's unconcealed hostility to Azerbaijan and Azerbaijanis, who are often referred to derogatively as "Turks."

Thus, prior to and especially during the Second Karabakh War, Armenian state propagandists constantly referred not only to 1915 but also engaged in baseless and unfounded speculation about the imminent launch of an ethnic cleansing campaign against Armenians living in Azerbaijan-proper as well as in Nagorno-Karabakh. The point, of course, was to claim that the independence of "Artsakh" represented the sine qua non for the security of Armenians.

At the same time, in order to delegitimize the Soviet period in the history of Nagorno-Karabakh, the Armenian side has claimed that Moscow—through a 1920 decision of the Caucasian Bureau of the Communist Party—*handed over* this region to Azerbaijan. However, the

Russian original of the text unequivocally states, "Nagorno-Karabakh shall be *retained* within the borders of the Azerbaijan SSR," which reinforced the unbreakable political but also socio-economic ties between this region and the rest of Azerbaijan.

Based on this narrative, the irredentism advocates claim that Karabakh has never been part of an officially recognized independent state named Azerbaijan and hence had no obligation to respect the latter's territorial integrity. This view, while disguised in the parlance of international law, is in fact purely political—ideological, really—and simply tries to paint over a "moral right" claim that has no credence in the liberal international order.

This historical-political narrative in favor of Armenian irredentism has had recourse to randomly-selected and sometimes false or misrepresented chunks of history to establish an artificial security dilemma that precludes the peaceful existence of an Armenian community within Azerbaijan (the fact that more than 30,000 ethnic Armenians live in Azerbaijan—or, for that matter, more than 100,000 ethnic Armenians still live in Turkey—is conveniently ignored). With very few exceptions, Armenian politicians have consistently insisted that the security of Armenians is predicated on the grant of self-determination—understood in its extreme form as independence—for the "people of Karabakh," defined exclusively as ethnic Armenians from Karabakh, thus excluding the Azerbaijani population from the narrative, which is consistent with the awful fact that they were ethnically cleansed down to zero in the First Karabakh War by Armenian forces.

The issue of the cultural ownership and heritage of Nagorno-Karabakh and the seven surrounding territories is today subject to widespread debate—but not widespread appreciation of the historical facts. It cannot be disputed that both Azerbaijani and Armenian, Christian and Muslim, history and culture have run deep across this region for a millennia and a half. Naturally, the farther back we delve into history, the more likely that it becomes subject to mythmaking.

Unfortunately, unbiased scholarship and thinking have fallen prey to the politicians' desire to heavily load the discourse of Armenian nationalism with a narrative of a historic injustice and conspiracy, helping to radicalize and mobilize Armenians against numerous "enemies."

Legality

The Armenian-Azerbaijani conflict has been historically so laden with bitter inter-ethnic and personal hostilities that its international law aspect has been inevitable pushed to the back burner. Since it was the Armenian side that, beginning in 1988, committed an actual aggression against the legally recognized status quo, this omission served to create the false impression of "equating" both sides—the aggressor and the victim—which suited Yerevan very well.

The new rules of interstate behavior that were elaborated during, and entered into force after, World War II prohibited the "use of force against the territorial integrity or political independence of any state"—to quote from Article 2 of the UN Charter—and excluded war-making as a legitimate instrument of international politics. At the same time, in order to prevent possible future aggression against any member state, the "inherent right of individual or collective self-defense if an armed attack occurs against a Member of the United Nations" was clearly spelled out in Article 51.

On this basis, various UN organs, including the General Assembly and the Trusteeship Council, made it clear that only former colonies have the right to achieve independent statehood through a process of what the UN Charter called "self-determination." To avoid any possible ambiguity, the UN even issued a list of territories that were supposed to enjoy this right, many of whom have since become independent states. Nagorno-Karabakh was not on that list, or any similar one. Thus, from the point of view of this cornerstone document of international law—namely the UN Charter—Nagorno-Karabakh does not have the right to independence, since it was not listed by the UN as ever having been a colony.

Moreover, international law does not provide for any other legal option for the emergence of new states. In present times, the emergence of new states can be possible only if such a possibility is provided by the state itself (within the framework of domestic law), as has been the case of the Soviet Union and Yugoslavia with respect to their constituent republics, or on the basis of a state's consent to self-disintegration, as was the case with Czechoslovakia and Sudan (with respect to South Sudan but not, notably, Darfur).

As this essay concerns itself with the topic of the possible legality of the self-determination of the former NKAO, the legal framework of the Soviet Union must be

considered. According to Article 72 of the USSR Constitution, the right to self-determination was given to the 15 Union Republics, including Azerbaijan SSR and Armenia SSR. Using this right, Azerbaijan and Armenia ultimately became independent and sovereign subjects of international law. They were recognized as independent states by the international community and became UN member states. It is a simple matter of legal fact that Nagorno-Karabakh, which was nothing more than an autonomous region (*oblast*) within Azerbaijan, did not enjoy such a right under the USSR Constitution.

The Armenian position runs contrary to this. According to this narrative, the acquisition of independence by Nagorno-Karabakh was in fact achieved in accordance with the Law on Procedure for Resolving Questions Connected with a Union Republic's Secession from the USSR, which was adopted by the Supreme Soviet on April 3rd, 1990. On the basis of this Law, NKAO's ethnic Armenian authorities announced that a referendum on independence would be held on December 10th, 1991.

However, the holding of such a referendum at the *oblast* level was not envisaged either in the USSR Constitution or the Constitution of SSR Azerbaijan. Thus, the April 1990 Law was unconstitutional, and on more than one ground. For instance, Article 3 of the Law grants the right of autonomous entities within Union Republics to hold a referendum separately on "remaining [...] within the USSR or within the seceding Union Republic, and also to raise the question of their own state-legal status." This directly contradicts Article 78 of the USSR Constitution, which states that the "territory of a Union Republic may not be altered without its consent" and thus made Article 3 of the aforementioned Law unconstitutional. If an appeal had been made to the Soviet Constitutional Court (Committee for Constitutional Supervision of the USSR), then it would have determined the unconstitutionality of this Law. But no such appear was made, the Armenians point out.

Fine. But two weeks before the referendum in NKAO was to be held, Azerbaijan's Supreme Council passed a law abolishing the NKAO as an administrative-territorial unit. This legislative act was made in accordance with Article 79 of the USSR Constitution, which states that a Union Republic "shall determine its divisions into territories, regions, areas, and districts, and decide other matter relating to its administrative and territorial structure" (there are corresponding articles in the Constitution of the Azerbaijan SSR, as well). Thus, even if one (a dubious proposition, at best) interprets the April 1990 Law to be compatible with the USSR Constitution, no referendum could have been legally held on the territory of NKAO on December 10th, 1991, for the simple reason that NKAO had ceased to exist legally a fortnight prior to that date.

After Azerbaijan and Armenia both regained their independence, each was recognized by the international community within the borders in which the countries existed as part of the Soviet Union on the basis of the international law principle of *uti possidetis juris*, which provides that emerging sovereign states should retain the borders that their preceding dependent area had before their independence. That is why—notwithstanding the former NKAO's unilateral declaration of independence and the result of its illegal referendum—Nagorno-Karabakh has not been recognized by a single UN member-state, including its sponsor and defender Armenia.

There is, therefore, only one legal route by which Nagorno-Karabakh could become as an independent state, and that is by securing the consent of Azerbaijan. Given the bloody history of Armenian occupation over the past thirty years, it is hard to imagine a situation in which that consent could be forthcoming.

Post-conflict Trajectories

The November 10th Russia-brokered trilateral armistice agreement managed to effectively put a stop to the armed hostilities. While Azerbaijanis celebrated their military and diplomatic triumph, the mood in Armenia was understandably dour. Armenians were initially shocked by what they felt was a national humiliation, but seem to be gradually coming to terms with the new situation.

The armistice agreement is neither a peace treaty nor a blueprint for reconciliation. It leaves open the major issue of peacebuilding and normalization between the two rival states.

The armistice agreement is neither a peace treaty nor a blueprint for reconciliation. It leaves open the major issue of peacebuilding and normalization between the two rival states.

What could be the further development of events in the Karabakh conflict? Various hypotheticals rise to the mind.

One option for maintaining a version of stability would be the continuation of the "renouncing relations with the other" policy, which has been the prevailing reality since the 1994 ceasefire. Given both societies' deep trauma and mutual mistrust—and the fact they see each other almost exclusively as sworn enemies—this solution does appear attractive at first glance. It would enable both Yerevan and Baku to remain within their comfort zones whilst abstaining from hard peacebuilding work.

Should relations remain in deep freeze, Azerbaijan and Armenia would each feel compelled to fortify their thousand kilometer long border, which mostly runs across high, mountainous, and difficult terrain.

However, objective circumstances make this scenario hardly plausible. Should relations remain in deep freeze, Azerbaijan and Armenia would each feel compelled to fortify their thousand kilometer long border, which mostly runs across high, mountainous, and difficult terrain.

In some places, one side or the other could even opt to build a wall like the one the Trump Administration began constructing along its border with Mexico or Israel did with its security barrier. Enormous costs aside, total isolation would be impossible anyway because of the Lachin corridor issue. This strip of Azerbaijani land, located in the narrowest place between Armenia and the former NKAO territory, has always been a key issue in all the peace-resolution plans and today is within the Russian peacekeeping zone. The corridor's long-term status will inevitably be one of the major topics in future talks. So, the option of burning all the bridges is hardly viable. Similar arguments could be made with respect to the other corridor—the one envisioned to link Nakhichevan and the rest of Azerbaijan across Armenian territory along the Aras river, just north of Iran.

So what is the alternative? Since signing the November 10th agreement, Azerbaijan's President Ilham Aliyev has repeatedly stressed in interviews and public statements that sustainable peace with Armenia is both a desirable outcome and the best security guarantee for Azerbaijan in future. He has also underscored the point that Azerbaijan concentrated its fighting on the battlefield, neither intentionally striking Armenian civilian targets nor retaliating against population centers in the wake of repeated shelling by Armenian forces of Azerbaijani cities like Ganja and Barda, located far from the combat theater of operations. Aliyev also stressed that ethnic-Armenian citizens of Azerbaijan should be able to peacefully to live in their places of residence, like all other citizens of the country.

The contrast between the actual conduct of the Azerbaijani military and the public messaging of the country's leadership, on the one hand, and the baseless and often quite feverish predictions by some international media outlets and expert analysts of the "inevitability of ethnic cleansing" of Karabakh Armenians, on the other hand, is quite striking.

The contrast between the actual conduct of the Azerbaijani military and the public messaging of the country's leadership, on the one hand, and the baseless and often quite feverish predictions by some international media outlets and expert analysts of the "inevitability of ethnic cleansing" of Karabakh Armenians, on the other hand, is quite striking. Baku consistently demonstrated strategic restraint and made a conscious choice to abstain from pursuing military operations beyond those that involved the liberation of the symbolic city of Shusha. Unlike the hundreds of thousands of Azerbaijanis who remained refugees or IDPs as a result of the First Karabakh War for nearly 30 years, the Armenians from Karabakh who left their homes during the Second Karabakh War are already returning without impediment. All this provides hope that a full-fledged peace process will be possible in the foreseeable future.

Of course, mutual material interest is most often the best element that helps to surpass deep enmities and guarantees the rejection of violence. The November 10th agreement thus contains an important clause about the unblocking of all the regional communications, including the aforementioned overland corridor between mainland Azerbaijan and Nakhichevan through the territory of Armenia.

This is without doubt a very significant declaration of intent that will need to be followed up with a detailed roadmap on restoring cooperation. For example, Armenia could finally become a part of lucrative regional energy and transport projects, or purchase natural gas from an alternative source at more affordable prices. This economic integration argument was extensively made by President Heydar Aliyev during his negotiations with Yerevan in the 1990s when the Baku-Tbilisi-Jeyhan pipeline project was still under discussion, but back then Armenian society was too overwhelmed with its military victory in the First Karabakh War to agree on compromises.

It seems that the Armenian leadership has begun to understand the opportunities opening up by the end of the Second Karabakh War. It is encouraging that a recent speech by Prime Minister Nikol Pashinyan emphasized that the opening of communication will activate the route from Armenia to Iran via Nakhichevan. Equally encouraging is the fact that the newly-appointed Minister of Economy, Vahan Kerobyan, has begun to hint at an opportunity to export Armenian goods to Azerbaijan and Turkey in the (near) future.

The resolution of the conflict can thus become the basis for opening two critical borders of Armenia: the one with Azerbaijan and the one with Turkey (Ankara closed borders with Armenia in April 1993, after the occupation of Kalbajar, falling just short of an agreement in 2009).

In order to develop peaceful neighborly relations, it will be necessary to conclude a long-term agreement. The agenda forming the basis of such an agreement will need to be determined, as the previous one—centered on the Madrid Principles established by the Co-chairs of the OSCE Minsk Group—has been largely overtaken by events and is thus no longer relevant.

In other words, the outcome of the Second Karabakh War is such that the Madrid Principles have either already been implemented—whether through gains on the battlefield or by the terms of the trilateral agreement—or are no longer applicable. Thus, a new basis for negotiations will need to be conceived and a new roadmap to peace will need to be established. This time, it will be impossible for Armenia to continue challenging the territorial integrity of Azerbaijan.

Not only has the Azerbaijani side repeatedly continued to stress the inadmissibility of discussing the independence of the former NKAO in any negotiating context, but so has the guarantor of the November 10th agreement, Russian president Vladimir Putin: "Karabakh is the internationally recognized territory of Azerbaijan," he stated in an interview in the wake of the armistice. Moreover, it would be absurd now for Armenia to continue insisting on old solutions, since it was the Armenian foreign minister who, in April 2020, had refuted Russia's Sergey Lavrov by confessing that there was no real conflict-resolution plan on the table back then; or, to go back a little further, given that Pashinyan had explicitly rejected the "land for peace" formula by publicly proclaiming that "Karabakh is Armenia. Period."

However, should the question of status for Karabakh again arise in the negotiations to come, Armenia will need to develop new proposals that may be attractive to Azerbaijan. Therefore, if Yerevan insists on championing enhanced political autonomy for the ethnic Armenian citizens of Azerbaijan, what can Armenia offer in return?

A substantive proposal could include, for example, the offer of a symmetric status for Azerbaijani refugees from the Zangezur region of Armenia, which is administratively divided into two sparsely-inhabited provinces (Syunik and Vayots Dzor) that together separate mainland Azerbaijan and Nakhichevan. This would accord with one of the November 10th agreement's principles guaranteeing the right of return of IDPs and refugees, and is also consistent with the Madrid Principles.

Consider in this context the fate of Azerbaijanis who were forcibly removed from Armenia in 1988 and thus became refugees at the very start of the conflict (this includes the aforementioned Zangezur region). Throughout the Minsk Group-led talks, their status was not considered in detail. Yet, until that year, 182,000 ethnic Azerbaijanis, 18,000 ethnic Kurds, and 1,000 ethnic Russians lived in a territory of about 8,000 square kilometers in 261 settlements, of which 172 were exclusively populated by ethnic Azerbaijanis. The number of Azerbaijani refugees from Armenia was, by the most conservative figure, 250,000. By 2015, that number, according to the same source, had grown to 350,000 (taking into account demographic growth). To this day, many settlements in Zangezur are virtually empty, since Armenia does not have sufficient human resources to populate these lands.

Thus, Azerbaijan could make it clear that a discussion on the status and level of autonomy for Armenians in Karabakh can be considered only in the context of the return of Azerbaijani refugees to Zangezur (coupled, perhaps, with a consideration of their status). Such a solution could stimulate the formation of vested interests in both countries for peaceful coexistence. It would also meet the interests of Armenia itself, as Azerbaijan would surely be ready to underwrite the restoration of the settlements where Azerbaijanis lived compactly before the conflict and decrease infrastructure costs by creating shared facilities, and so on. Finally, should such a self-reinforcing positive feedback cycle be established, the return to Azerbaijan of Armenian refugees could be guaranteed at a later stage.

Azerbaijan could make it clear that a discussion on the status and level of autonomy for Armenians in Karabakh can be considered only in the context of the return of Azerbaijani refugees to Zangezur (coupled, perhaps, with a consideration of their status).

Another important item on the agenda for peace is the issue of compensation and reparations from Armenia for the cities, towns, and villages that were destroyed during the occupation of Azerbaijani territories. The Armenian side left virtually no stone undisturbed in the occupied territories. A demonstration of peacemaking goodwill in the form of extending an offer to compensate Azerbaijan for damages incurred during thirty years of occupation would go a long way towards indicating Yerevan's true intentions of goodwill and contribute to broader reconciliation efforts.

The issue of reparations and compensation must also be considered both within the framework of international common law, at the interstate level, and through international private law: in the latter category, reference is made to the judgment of the European Court of Human Rights in *Chiragov and Others v. Armenia* (2015). The case involved the forced eviction of Azerbaijani Kurds from their places of residence, with the Strasbourg Court holding that Armenia "exercises effective control over Nagorno-Karabakh and the surrounding territories" and is thus responsible for the "flight of practically all Azerbaijani citizens, presumably most of them Muslims, from Nagorno-Karabakh and the surrounding territories, and their inability to return to these territories." Naturally, the European Court of Rights thus ordered Armenia to pay pecuniary and non-pecuniary damages to cover legal costs and expenses to each plaintiff involved in the case.

Finally, for a conflict resolution process to succeed and reconciliation to take hold, a change of narrative must be pursued. In this essay we have engaged with the major arguments to which the Armenian side has appealed in order to defend its claim over the territories of Azerbaijan, which built heavily on an allegedly perennial security dilemma, as we have seen. For a long time, Yerevan has been caught in a trap of a self-centered, maximalist view of its position and interests in its neighborhood. As recently stated by the reputable historian and former senior adviser to Armenia's then-President Levon Ter-Petrosyan, Gerard Jirair Libaridian:

> Our problem is the way we looked at the Karabakh conflict and the way we framed the questions related to its resolution: we started by the conclusion that corresponded to our dreams, and then asked only those questions that confirmed our conclusions and did not challenge our assumptions and logic. Our problem is our political culture that relies on dreams rather than hard facts; the way we strategize, the way we easily set aside what the outside world and our antagonists say and do if these disturb any of our prejudices and predetermined beliefs. We adjust political strategy to our wishes, to what will make us feel good about ourselves rather than take into consideration the simple facts that collectively make up the reality around us. Our problem is the way we allow our judgment to be obscured by the highest, noblest and ideal solutions of our problems, our illusions. Our problem is the way we insist on overestimating our capabilities so that we would not question our strategy and compromise our dreams. We thought that our strategy "not give an inch back" was the right one because our cause was just. And we believed we could bend the will of the enemy and of the international community and have them think and feel the way we do.

In order to overcome the sort of harmful ways of thinking identified by Libaridian, new regional arrangements must be fixed in such a way that would bind the countries of South Caucasus to the existing security order and promote the inclusive vision of their history and identity.

At the dawn of the independence of Azerbaijan, Armenia, and Georgia in the early twentieth century, each state was fortunate to have produced visionary leaders like Alimardan Topchubashov—he served as ambassador to Armenia and Georgia, then foreign minister, and then speaker of the Azerbaijan Democratic Republic's parliament—who championed the idea of a united Caucasus as the guarantee of its independent and successful development.

We could draw on positive examples in the two nations' history as well: stress the legacy of Armenian-Azerbaijani co-existence in Karabakh in the eighteenth and nineteenth centuries; emphasize the intensive cultural exchanges and intellectual enrichment that took place in Tbilisi (the traditional cultural capital of the Caucasus); and champion the thinking of prominent figures in Armenian history like Hovhannes Katchaznouni, the first prime minister of the first Republic of Armenia who, in his memoirs, warned his nation against waging conflicts with neighbors and underscored how this mistake had already cost the young nations of the South Caucasus their independence.

Although conditions on the ground are obviously very different after more than thirty years of hostility—and much time will be needed to heal the wounds caused by conflict—the latest events in the region demonstrate convincingly that Armenia's aggressive nationalism has only brought war and destruction, ultimately failing to deliver on the promises made in a time no longer suited to present realities and future possibilities. Truly, it is time to start writing a new chapter in our common history. BD

Three Decades of Missed Opportunities

Was the Second Karabakh War Inevitable?

Lala Jumayeva

The conclusion of the Second Karabakh War provides an opportunity to reflect upon the question, at least in a preliminary way, of whether three decades of missed peace opportunities were necessary prolegomena to the armistice signed by the parties in early November 2020. After all, the conflict parties to the Nagorno-Karabakh disputes had been engaging in peace talks for nearly 30 years, with mediation roles initiated in the early 1990s prior to the end of the First Karabakh War.

At the time, a number of actors has volunteered to assume the function of potential peace-broker: Russia, Kazakhstan, Iran, Turkey, and finally, the Co-chairs of the OSCE Minsk Group, which in 1992 initiated and later became engaged in the peace process with the aim of helping the parties to draft a mutually-acceptable formula to reach a final settlement.

Taking into account both the political chaos and the economic burden that the First Karabakh War put on the shoulders of the parties involved, signing a ceasefire appeared to be the best possible trade-off for both Armenia and Azerbaijan at that time.

During the decades-long peace process, there were a number of times when Armenia and Azerbaijan came close to a breakthrough. However, each time a final peace settlement remained just out of reach, despite the existence of a potential rapprochement between the disputants. Consequently, each failed negotiation attempt

***Lala Jumayeva** is Assistant Professor of International Affairs at ADA University.*

perpetuated the unresolved state of the conflict and ultimately led to the resumption of large-scale military operations that resulted in significant military gains by Azerbaijan and the onset of a Russian-brokered armistice. Widely labeled a "frozen conflict," it suddenly but not unexpected became a "hot zone" on the map of the world before settling back into a state of affairs that all would agree did not result in the end of the conflict.

Inevitable?

We can begin by asking whether the Second Karabakh War was inevitable. In order to answer this question, we need first briefly to shed light on those failed moments of potential breakthrough and analyze a number of content and context factors that served as destabilizing elements in the negotiation process.

To start with, for the whole period of the Minsk Group-led process, a number of negotiation rounds that can objectively be labeled as missed peace opportunities. The first round of the negotiations, which took place in the 1992-1994 period, was, on the one hand, the most successful since the parties ended up signing a ceasefire agreement that established a line of contact and ended military hostilities; on the other hand, during this period Armenian forces not only occupied Nagorno-Karabakh but also seven adjacent territories in Azerbaijan-proper and successfully ethnically cleansed those territories of their Azerbaijani population. This was the only period when both Armenia and Azerbaijan felt a sense of urgency to end the violence and, in order to avoid further catastrophe, signed a ceasefire agreement that was supposed to pave the way for the conflict issues to be discussed at the negotiation table. Nevertheless, this period laid the foundation for the indeterminate future of the conflict's destiny and set the negotiation process into a deadlock.

Another round of missed opportunities is traceable back to the 1997-1998 period, when the Minsk Group came up with several proposals for a stable peace settlement to the conflict. To be precise, the Co-chairs of the Group (Russia, France, and the United States), operating under the institutional framework of the OSCE, offered three proposals: the "package" plan, the "step-by-step" or "phased" plan, and, finally, the "common state" proposal. None of these were seen as mutually-satisfactory or mutually-acceptable by the parties to the conflict. The main factor that

prevented a breakthrough in the peace process during this phase was the expressed concern of the parties with respect to the final status of Nagorno-Karabakh and the Lachin corridor. Consequently, the parties chose to compromise and refused all three settlement proposals.

The Key West talks that took place in 2001 under the leadership of the George W. Bush Administration represented another opportunity to break the deadlock. Expectations were high in the run-up to the start of these talks. The proposal put forward in this round was largely based on the Goble Plan that had been initially offered back in 1999 and contained provisions for territorial swaps between Armenia and Azerbaijan. This idea was initially considered by the leaders of both sides, but, due in part to internal disapproval of the respective elites of Armenia and Azerbaijan, ended up being rejected by both sides.

The face-to-face meetings between senior officials from Armenia and Azerbaijan that started in 1999 did not achieve expected results. The Prague Process that took place in 2003-2004 involved a new methodology whereby Armenia, Azerbaijan, and the Minsk Group Co-chairs agreed to engage in a free discussion on any issue without any preset agenda, commitment, or negotiation. It seemed that this new model might lead to some progress within the Minsk Process. Even though the parties failed to reach any positive outcome during this period of negotiations, the Prague Process nevertheless laid a foundation for the development of what came to be known as the Madrid Principles.

The year 2006 was viewed as a golden year for the negotiations due to the absence of elections in both countries, with many policymakers suggesting that the right time for an agreement was at hand. The Co-chairs formally presented a set of Basic Principles for the Peaceful Settlement of the Nagorno-Karabakh conflict only in 2007, however. These Madrid Principles combined elements of both "step-by-step" and "package" methodologies, which helps to explain, in part, why they attracted significantly more attention than previous proposals. The Madrid formula initially fostered a hope that the proposal would be minimally acceptable to both Armenia and Azerbaijan. Nevertheless, although initially supported by both conflict parties, the proposal was later ignored by the Armenian side, which refused to provide a concrete response to it and ultimately failed to formally respond to peace proposal.

Virtually from the moment the Madrid Principles were put forward by the Co-chairs, both sides (and both foreign ministries, in particular) engaged in rounds of destructive condemnation, blaming each other for wanting to unilaterally revise various parts of the document. By the end of 2008, the momentum had waned and it once again became clear that a resolution to the Nagorno-Karabakh conflict remained out of reach. The standard line that began to be heard from both Baku and Yerevan was that they accepted the Madrid document "in principle" without ever clarifying what "in principle" actually meant in practice.

In 2010, high-level representatives from both sides anchored their hopes on the talks that took place on the margins of the OSCE Astana Summit under the aegis of the Kazakh Chairmanship-in-office, although this too came to be seen as a "vivid example of the fiasco of the peace talks," in the words of Fariz Ismailzade, now ADA University's Executive Vice Rector. The Astana Summit talks brought to the surface the incompatibility of visions regarding the conflict, the unwillingness of the parties to compromise, and the absence of a catalytic moment that could have resulted in a breakthrough. Notwithstanding the Astana Summit's failure to achieve substantive progress, the parties continued to negotiate, meeting at the heads of state level in Sochi in March 2011 and again in Kazan in June 2011 under the leadership of Russian president Dmitry Medvedev, and with active engagement of the presidents of the other two Minsk Group Co-chairs. But it came to naught once more.

After the Kazan meeting, the Nagorno-Karabakh peace process entered a phase of turbulence. Armenia, in particular, projected confidence that its wartime gains were being consolidated by a lack of progress at the negotiating table. For instance, the country's 2012 and 2017 parliamentary elections demonstrated how the Nagorno-Karabakh factor has lost its place in domestic discourse.

A further attempt by the Minsk Group to get the conflict sides to renew dialogue in 2013-2014 also failed to bring any development to the peace process. Despite the continued lack of progress, the Madrid Principles remained on the table as the basis for a comprehensive settlement and showed that the parties continued to be interested in arriving at a peaceful settlement to the conflict. Thus, various attempts to reach an agreement based on the Madrid Principles continued in the following years, albeit without

much diplomatic achievement. During this period, the negotiation process was limited to a number of meetings between the heads of state and foreign ministers of Armenia and Azerbaijan that ended, predictably, with expressions of disappointment with regards to the failure to overcome the diplomatic logjam.

One consequence of the four-day war that took place in April 2016, which resulted in limited territorial gains by Azerbaijan, was that it again drew high-level attention—by the international community in general and the great powers in particular—to the unresolved nature of the Nagorno-Karabakh conflict. Still, little momentum was gained and substantive talks did not materialize. In fact, as an International Crisis Group report argued, the April 2016 war showed that both Armenia and Azerbaijan seemed ready to have recourse to arms for the first time since the 1990s—that, in other words, both countries were willing to consider the military option as a way forward to break free from the status quo. After the 2016 escalation, tension in the region constantly increased even though there was no clear sign of an approaching full-scale war.

Despite the lack of momentum to negotiate a peace deal in 2016, a number of positive improvements between the conflict sides were registered. In 2018, Baku and Yerevan launched a military hotline to manage more effectively ceasefire arrangements on the line of contact. Furthermore, Armenia and Azerbaijan managed to issue a joint statement in 2019 whereby the parties agreed to prepare their respective populations for peace. And in the wake of a colored revolution in Armenia that brought Nikol Pashinyan to power in the country, Azerbaijan seemed to exhibit high hopes that the deadlock could be broken—in part because the newly-elected prime minister did not belong to the country's "Karabakh Clan" and was thus seen as a potentially more constructive leader in the quest to attain peace. Yet, the situation started to deteriorate in 2019 when a number of provocative statements and actions taken by the Armenian leadership led to the resumption of not only a new military operation in July 2020 but also the onset of a full-scale war in September 2020.

Right up until the start of the Second Karabakh War, the expectation that the conflict parties would remain committed to the ongoing peace process was high—not only among representatives of what some call the international community but also among the publics of both countries as well as their respective political elites. Ironically, this expectation was maintained notwithstanding the increasingly bellicose rhetoric emanating from both Baku and Yerevan. Azerbaijan's leadership, in particular, quite transparently stated that in case mediation efforts remained ineffective, the Azerbaijani side would consider the military option for settling the dispute, thus taking upon itself the task of implement the four UN Security Council resolutions that had called for the withdrawal of Armenian troops from the area.

Bearing in mind all of the aforementioned instances of ineffective mediation and the demonstrably provocative attitude of Armenia, for Azerbaijan the Second Karabakh War was consequential. However, it could have been avoided by a more constructive approach of the parties to the dispute as well as by a demonstration of greater impartiality and problem-solving attitude on the part of the Minsk Group Co-chairs. The post-April 2016 war period could have served as a catalyst for generating momentum for the renewal of serious negotiations. But it didn't. Instead, the results of the Second Karabakh War are such that they dictate a new set of geopolitical realities that have come about since the signing of the armistice.

The results of the Second Karabakh War are such that they dictate a new set of geopolitical realities that have come about since the signing of the armistice

This brings us to being able to shed light on the substantial reasons that account for the failure of diplomatic efforts over the past thirty years. Once the peace talks resume, it will be important to ensure the mistakes made in the past are avoided by all concerned.

Intra- or Inter-state Conflict?

After Armenia's occupation of Azerbaijani territory in the early 1990s, the UN Security Council adopted four resolutions—822, 853, 874, and 884—that demanded the immediate and unconditional withdrawal of Armenian armed forces from Azerbaijan as well as the return of refugees and internally displaced persons to their homes. Notwithstanding the binding nature of these resolutions

on the conflicting parties, the Armenian side consistently ignored them (with the tacit approval of the Co-chairs), which ensured that none of the demands they contained were able to be fulfilled. Until the onset of the Second Karabakh War, almost 20 percent of Azerbaijani sovereign territory remained under Armenian occupation, with approximately 1 million Azerbaijanis remaining the victims of ethnic cleansing and officially classified as internally displaced persons or refugees.

Armenia escaped the implementation of the Security Council's four resolutions on the basis of a legal argument that it did not recognize itself as a party to the Nagorno-Karabakh conflict. Armenia, in other words, viewed the dispute as an intra-state conflict—that is to say, as an internal affair of Azerbaijan and a secessionist entity. Azerbaijan, of course, held the oppositive view, maintaining since the onset of hostilities that it had been in a state of war with Armenia.

Even though Armenia denied its direct involvement into the Nagorno-Karabakh conflict, in the wake of the November 1989 abolishment of Soviet direct command, the Armenian Supreme Soviet took what Svante Cornell called the "historical decision to promulgate the incorporation of Nagorno-Karabakh into the Armenian Republic." It was thus Armenian irredentist "Karabakh" forces that occupied the whole territory of Nagorno-Karabakh as well as the seven surrounding territories of Azerbaijan-proper. And it was Armenia that had engaged in a campaign to fully ethnically cleanse the Azerbaijani population.

Today, not a single ethnic-Azerbaijani is to be found on the territory of Armenia, and prior to the November 2020 armistice not a single ethnic-Azerbaijani was to be found on the territory controlled by the self-proclaimed "Nagorno-Karabakh Republic."

Today, not a single ethnic-Azerbaijani is to be found on the territory of Armenia, and prior to the November 2020 armistice not a single ethnic-Azerbaijani was to be found on the territory controlled by the self-proclaimed "Nagorno-Karabakh Republic." This stands in stark contrast to the fate of ethnic-Armenians in Azerbaijan, where, as of today, at least 30,000 of them live in areas

under the sovereign control of the authorities in Baku as it was understood prior to the end of the Second Karabakh War.

In the early 1990s, Armenia's economic instability was a result of its direct humanitarian and financial support to secessionist entity. Through the occupied Lachin corridor, Armenia not only sent massive shipments of food and other materials, but also covered virtually all of what came to be known as the so-called Nagorno-Karabakh Republic's budget deficits. During the Second Karabakh War, notwithstanding the fact that the de-facto "Nagorno-Karabakh Republic" had its own army, troops from Armenia were the ones that were largely fighting the Azerbaijani military in the occupied lands. To this we can add, at a minimum, the shelling of Azerbaijani areas outside of the conflict zone from positions within Armenia during the Second Karabakh War.

Hence, the untenability of Armenia's position of neither being a conflict party nor of taking responsibility for decades of violations of the sovereignty and territorial integrity of Azerbaijan. Otherwise, Armenia's pre-Second Karabakh War demand to Azerbaijan to recognize the so-called Republic of Karabakh made no sense, notwithstanding the fact that Yerevan itself had not extended recognition to it.

However that may be, the fundamental point is that the period between the end of the First Karabakh War in 1994 and the end of the Second Karabakh War in 2020, no one had come up with a winning compromise formula for peace through diplomacy. This represented a main aspect hindering a potential rapprochement between the parties.

Apple of Discord

As a result of a population exchange carried out by the Russian empire in the nineteenth century, a huge number of Armenians that had lived in the Persian and Ottoman empires were settled in Russia's newly-conquered Caucasian territories, especially in the western territories of what is now known as the South Caucasus. According to Russian census data as researched by Svante Cornell, before the onset of St. Petersburg's population exchange policy in 1823, 9 percent of Nagorno-Karabakh's population was Armenian whilst the remaining 91 percent was registered as Muslim. By 1932, the Armenian population had increased to 32 percent and by

1880 it had reached a majority of 53 percent. By 1987, Armenians in Nagorno-Karabakh made up 74 percent of Nagorno-Karabakh's population.

This demographic argument was emphasized by the communist authorities in Yerevan in 1989 when they attempted to illegally annex Nagorno-Karabakh to the Armenian Soviet Socialist Republic, as it was then known. After this failure, their strategy changed. In the early 1990s, their main argument shifted to extending support to Nagorno-Karabakh's ethnic-Armenian population in their struggle for self-determination on territory that Armenia itself, together with the rest of the world, recognized as belonging to Azerbaijan from the point of view of international law.

The beginnings of a shift in position came to be seen in August 2019 when Armenian prime minister Nikol Pashinyan called for the unification of Nagorno-Karabakh with Armenia. It is important to note here that this represented a fundamental shift in Yerevan's position in a number of senses, including the fact this implied an Armenian admission that it now was, in fact, a direct party to the conflict.

From the onset, Azerbaijan has understood the conflict to be about the occupation of its internationally recognized sovereign territory—Nagorno-Karabakh and the seven surrounding regions—by Armenian military forces. According to Baku, Armenian support for the establishment of a second Armenian state (or its annexation and subsequent incorporation into Armenia) at the expense of the violation of territorial integrity of Azerbaijan is against the norms of international law and can never be supported by any lawful political regime. Indeed, if this would not have been the case, many UN member states would have felt free to recognize the existing regime of the so-called "Nagorno-Karabakh Republic."

Hence, the conflict issue for Armenia does not seem to be centered on the self-determination of the ethnic-Armenians of Nagorno-Karabakh because the Azerbaijani leadership has always emphasized its readiness to grant the highest degree of autonomy to Nagorno-Karabakh. Rather, it is about claiming the sovereign territories of Azerbaijan and an insistence on recognition of the so-called "Nagorno-Karabakh Republic."

Prior to the armistice that ended the Second Karabakh War, the apple of discord between the conflict

parties was presented within the framework of the two basic principles of the UN Charter, namely the principle of self-determination and the principle of territorial integrity. Consequently, the determination of the status of Nagorno-Karabakh, which has been the most defining part of the peace talks between Armenia and Azerbaijan, can be solved either based on the principle of self-determination understood as being equivalent to an avowed right of secession, or the principle of territorial integrity.

In general, the aim of all universal principles is to maintain peace and security in the world; however, the degree of prevailing importance of the aforementioned principles has been subject to extensive debate. The principle of territorial integrity is an important objective of international law that has played a tremendous role in maintaining stability and security at the global level. Meanwhile, the principle of self-determination has come to be seen in some quarters as constituting a fundamental collective human right.

Now, since Armenian support for the establishment and recognition of the so-called "Nagorno-Karabakh Republic" represents a clear claim on sovereign Azerbaijani territory, this brings to light the concept of what Italian legal scholar Salvatore Senese and others called "external self-determination." Senese defined this as the "recognition that *each people* has the right to constitute itself as a nation-state or to integrate into, or federate with, an existing state." Thus, Senese argues, any case of a claim to external self-determination involves a simultaneous claim to territory.

To guide us in understanding these two principles we can turn to UN General Assembly resolution 1514 from 1960 entitled "Declaration on the Granting of Independence to Colonial Countries and Peoples." While it does stipulate that "all peoples have the right of self-determination" it also indicates that "any attempt at the partial or total disruption of the national unity and the territorial integrity of a country is incompatible with the purposes and principles of the Charter of the United Nations."

The unambiguous conclusion to be drawn from this seminal text of international law is that the principle of territorial integrity denotes that no claim to secession can be justified by referring to the principle of self-determination. Furthermore, we know from the practice of international relations that, as a general rule, neither states nor international organizations favor

the establishment of new states from territories of already existing sovereign entities. The key point here is that the doctrine of classical self-determination, which is misinterpreted today by partisans of secession, was extremely narrow: namely, to allow for the establishment of new sovereign entities within the context of decolonization. (The UN even made a list of colonial possessions that were understood to quality for independence on the basis of self-determination. It goes without saying that Nagorno-Karabakh was not on it.) Thus, a sovereign state may consider the principle of self-determination of a people to supersede the cornerstone principle of territorial integrity only if the term "people" means the entire population of that state. This is evidently not the case in the context of Nagorno-Karabakh, for the legitimization through recognition of the so-called "Nagorno-Karabakh Republic" would in fact constitute the establishment of a second nation-state of the Armenian people, which already has a sovereign home in the Republic of Armenia.

Armenia's real goal was not to secure the self-determination of Nagorno-Karabakh's ethnic-Armenians but rather to legitimize Nagorno-Karabakh as a territory and thus to establish a second Armenian state carved out from the sovereign territory of Azerbaijan, in violation of international norms.

Azerbaijan's position, which it had maintained throughout the period of Minsk Group-led peace talks, was centered on a recognition of the Armenians of Nagorno-Karabakh as citizens of Azerbaijan enjoying equal rights and obligations as any other citizens of the country, and had responded to irredentist Armenian claims by indicating a readiness to grant the highest level of autonomy to Nagorno-Karabakh within Azerbaijan.

From this we can conclude the following: Armenia's real goal was not to secure the self-determination of Nagorno-Karabakh's ethnic-Armenians but rather to legitimize Nagorno-Karabakh as a territory and thus to establish a second Armenian state carved out from the sovereign territory of Azerbaijan, in violation of international norms.

These diametrically opposite views go a long way towards explaining why for close to 30 years no mediator had been able to come up with a winning compromise formula for peace through diplomacy.

Wither the Madrid Principles?

From 2007 up until the start of the Second Karabakh War, the negotiations had been based on the formula contained in the Madrid Principles, according to which the sides agreed to solve the dispute based on their implementation. Ironically, as Thomas De Waal has pointed out, this formula was, in its essence, an updated version of the peace plan that Armenia's founding president Levon Ter-Petrosyan had supported in 1997—principles that had led to his ouster. As political scientist Thomas Ambrosio has pointed out, this explains why Ter-Petrosyan's successors were "far less enthusiastic [about the Madrid Principles], largely because these principles reportedly envisage the province [Nagorno-Karabakh] remaining at least de jure within Azerbaijan."

One main problem with the Madrid Principles, as indeed with other possible deals that had been put on the table prior to the Second Karabakh War, were the mutually-incompatible perceptions by the conflict sides regarding the final status of Nagorno-Karabakh and the Lachin corridor, which is located in Azerbaijan-proper and provides the only road link between the territory and Armenia.

Another was the failure to overcome the longstanding disagreement between the Armenian and Azerbaijani sides on the sequence of the implementation of proposed principles, notwithstanding the fact that the parties had initially accepted it. Up until the start of the Second Karabakh War, Armenia was reticent to acknowledge the need to withdraw in the first stage from five of the seven occupied territories surrounding Nagorno-Karabakh as it would have meant relinquishing its main bargain point, notwithstanding that it would not have had to immediately relinquish the northwest territory of Kelbajar or the western territory of Lachin—two buffer lands sandwiched between Armenia and Nagorno-Karabakh. One reason for this is that had negotiations on the basis of the Madrid Principles failed at a later stage, Armenia would have been unable to reclaim these same five territories, having returned them initially to Azerbaijan. Thus, a later-stage failure of talks would have been interpreted as a defeat by Yerevan. The risk, in other words, was too high, from the Armenian perspective, for the immediate return of

the five territories would have granted Azerbaijan a great tactical advantage in the sense that it would have received direct access to Nagorno-Karabakh itself, which would have, in turn, made it easier to retake the rest of the occupied territories by force.

And yet the outcome of the Second Karabakh War has rendered many of the Madrid Principles moot. The seven surrounding areas are now firmly under the control of Azerbaijan again. Some were liberated by military means, others without a shot being fired. Russian peacekeeping troops, under the terms of the armistice, provide a perimeter around parts of Nagorno-Karabakh and ensure a 5-kilometer wide corridor linking Armenia to Nagorno-Karabakh via Lachin. The same armistice provides for the establishment of a land corridor across Armenia—also guaranteed by Russia—along its border with Iran, which will provide for a link between Azerbaijan and its Nakhichevan exclave. Azerbaijan also managed to return to its control a number of villages located in the Tovuz district—located far away from the Karabakh region, along the Armenian-Azerbaijani border—that were also occupied by Armenian forces in the early 1990s.

This is now the new status quo, and it seems to have changed the rules of the game. The political setting in the South Caucasus has been updated. In a nutshell, this translates into the following.

First, Russia proved that it still remains the host of the region.

Second, Turkey proved that regardless of existing deep contradictions between itself and Russia on many political issues, Ankara and Moscow can still bargain and act together when needed.

Third, both the European Union and the United States have lost much of their substantial political influence in the region.

Fourth, Armenia has lost the game. At least three important points derive from this point. One, it seems that neither internal nor external conditions are likely to serve its political or economic recovery for the foreseeable future. Two, the trauma of the Armenian nation caused by its defeat on the battlefield in the Second Karabakh War and enshrined in the armistice agreement drafted by Russia will take a long time to heal, if this ever happens. Three, having in mind the collective historical memory of the Armenian nation, its destructive stance towards "Turks" will deepen even further.

And fifth, Azerbaijan has emerged as the victor of a three decades' old dispute whilst demonstrating its strong commitment to international norms, which brought about the restoration of just claims for both its nationhood and statehood.

Russia's Trump Card

Thomas De Waal's description of the Nagorno-Karabakh conflict as "nobody's front yard, but everybody's backyard" perfectly depicted the attitude of the mediators towards the peace process. Although the Nagorno-Karabakh conflict has been intensively meditated since 1992, the self-oriented character of each of the go-betweens represented a hurdle to the achievement of a breakthrough in the peace process. The composition of the Minsk Group has always been a topic for debate in the disputing countries, since it was believed that the U.S., the EU, and Russia had chosen to enter into in the process for the sake of advancing their own (mainly geostrategic and energy-related) interests. The mediators were accused either of not being interested in peace in the region or of being interested in a particular type of settlement. Obviously, such accusations did not represent the sole obstacle to peace, yet they did play a significant role in what had been observed in the region for the past three decades.

Thomas De Waal's description of the Nagorno-Karabakh conflict as "nobody's front yard, but everybody's backyard" perfectly depicted the attitude of the mediators towards the peace process.

The environment in which the Karabakh conflict was embedded for the last three decades had not only determined the state of the problem but also set the conditions under which this problem got to be addressed during the Second Karabakh War. These factors were mainly a product of dynamics particular to the region itself: the geopolitical and strategic interests of the major powers with interests and ambitions in the South Caucasus: Russia, the United States, the EU, Turkey, and Iran.

The ignorant attitude of the mediators along with the constraints imposed by Russia, in particular, set the rules of the peace talks game. Russia has undoubtedly been playing the main role in the region of the South Caucasus: by keeping Armenia under its control,

Moscow could use the Karabakh conflict as a leverage towards both Armenia and Azerbaijan. The existence of the Karabakh conflict in the region has always managed to benefit Russia. Moscow managed to preserve its regional oversight function while benefitting from the sale of military equipment to both parties to the conflict.

For instance, according to the Stockholm International Peace Research Institute (SIPRI), during the period of 2010-2015, 85 percent of Azerbaijan's arms purchase were imported from Russia. It is also a fact that since the early 1990s, military supplies of Russian arms and equipment to Armenia facilitated military action between the parties to a large extent. Russia wants all three South Caucasus states to acknowledge it as the region's power-broker and, hence, accept its supremacy. War in the region is only possible if Russia does not object to it. Only because of Russia's green light did the April 2016 war broke out; and only because of Russia's rejection of Armenia's leadership and its consequent non-interference in the resumption of hostilities was the Second Karabakh War allowed to continue until one of the parties to the dispute wins the war. A number of international events—along with the internal developments in both Armenia and Azerbaijan—may have influenced the timing of Azerbaijan's successful launch of defensive military operations on September 27th, but not decisively so.

Russia wants all three South Caucasus states to acknowledge it as the region's power-broker and, hence, accept its supremacy.

Russia's stance towards the Second Karabakh War—which is regarded, rightly or wrongly, as support in Azerbaijan and betrayal in Armenia—served foremost to protect and promote its national interests. One of the provisions of the peace agreement drafted personally by Vladimir Putin—the deployment of Russian peacekeepers in the liberated territories—was of a particular concern for Azerbaijani public, an example of less than full trust in the Kremlin's intentions.

It is worth noting that it was with Russian support that the Armenians were able at first to settle and then to claim for the Nagorno-Karabakh region. And it was Russia that has been consistently supporting Armenia since the 1990s in the form of free armaments deliveries, loans, and free training of Armenia's military. For instance, in 1997, Russia delivered to Armenia $1 billion worth of weapons, including tanks and missiles; at the beginning of the 2000s, Russia was openly allocating loans to Armenia, which made up more than 60 percent of Armenia's budget. Russia still has two military bases in Armenia and Russia's military troops guard Armenia's borders with Turkey and Iran. Consequently, in the past Yerevan perceived such support by the Kremlin as a guarantee of its security against Turkey and Azerbaijan in case war with the latter resumes.

Russia's unconditional support to Armenia since the collapse of the Soviet Union was understood—wrongly, as it turned out—by the current Armenian leadership as a constant instead of a variable.

Russia's unconditional support to Armenia since the collapse of the Soviet Union was understood—wrongly, as it turned out—by the current Armenian leadership as a constant instead of a variable. The stance Russia took during the Second Karabakh War disappointed Armenia and was regarded by the Armenian public as its strategic partner's betrayal. Pashinyan's strategically irrational steps in both domestic and foreign policy cost the Armenian nation thousands of lives and resulted in its military and diplomatic defeat.

Once a new war erupted, Russia made it clear that it would only intervene on the side of Armenia against Azerbaijan on the basis of its commitments under the terms of the Collective Security Treaty Organization unless Azerbaijan attacked Armenia. Armenia attempted to bait Azerbaijan a number of times during the war, to no avail, by indiscriminately shelling a number of Azerbaijani cities located outside the conflict zone—as a result of which around 100 Azerbaijani civilians were killed, including women, children, and elderly people.

Even though Armenia lacked Russia's support in the Second Karabakh War, it nevertheless welcomed the deployment of Russian peacekeepers to the region in its aftermath—regarding it as a security guarantee for the Armenians willing to return to the region. Taken into account the role of Kremlin in drafting the armistice and the terms

that were agreed (particularly those authorizing the presence of Russian peacekeepers), even a resolved Nagorno-Karabakh conflict could still remain one of Russia's trump cards in the region.

Why it Became Possible?

In addition to the Russia variable that made this large-scale military operation possible in the first place, one other important variable needs to be taken into account in order to explain how Baku turned this possibility into a long-awaited victory: the strengthening presence of a popular urge in Azerbaijan to settle the Karabakh conflict

Until recently, the absence of an urge to settle the conflict in both Armenia and Azerbaijan had also contributed to the failure to achieve a breakthrough in peace process. For decades, the status quo seemed to have benefitted both sides.

Armenia, as the winner of the First Karabakh War, had managed to occupy not only Nagorno Karabakh itself but also the seven adjacent territories. It was sitting pretty: its strategic posture was not predicated on the imperative for compromise. Prior to the Second Karabakh War, Armenia was not much interested in pursuing a solution that did not presuppose Azerbaijan's recognition of the independenceoftheso-called"Nagorno-Karabakh Republic."

As for Azerbaijan, it used the post-First Karabakh War period to improve its smart power, without which it would not have been possible to make strides in achieving a just outcome to an unjust situation characterized by the occupation of 20 percent of its territory and the presence of one million refugees and IDPs within its free borders. The urge was naturally created for Azerbaijan when, after three decades of ineffective mediation efforts, the Armenian leadership started openly demonstrating a provocative attitude regarding the Karabakh conflict and disregarded Azerbaijan's political willingness and ability to force the issue by military means. Russia's non-interference policy coupled with a Turkish commitment to unconditionally support Azerbaijan in its liberation effort contributed to an already ripe moment for Azerbaijan.

It is still not clear which side struck first in both July and September 2020: each side blames the other. It does not much matter. What is more important is that—notwithstanding the predictions of a few analysts—the resumption of hostilities was quite an unexpected development for both publics. To this should be added that the popularity of the military option had been growing steadily for the past few years, among both the political elite and the public in Azerbaijan. Both the "urgency" factor and the "military option" factor can be explained by recourse to a number of developments manifested by Armenia such as Pashinyan's unprecedentedly aggressive rhetoric and various recent decisions taken by the Armenian leadership.

Pashinyan's call for unification of Karabakh with Armenia in 2019 during his visit to the occupied territory caused a huge discontent in Azerbaijan. The inauguration of the president of the so-called "Nagorno-Karabakh Republic" in Shusha as well as the announcement of the transfer of its parliament to the same city were met with anger in Azerbaijan, for it represented a unilateral change in the status quo perpetuated by the Minsk Progress, which did not react in any serious way to any of this. Naturally, this was disappointing to the people of Azerbaijan as well as to its government.

> *Azerbaijan regarded its military counter-attack to take back its own territories as a peace enforcement operation through which it was fulfilling four Security Council resolutions that have been ignored by both Armenia and the international community for almost three decades.*

To this can be added the start of construction of a new highway connecting Armenia and the occupied lands, but also the resettlement of Lebanese Armenians that began in August 2020. Both were strongly condemned by Azerbaijan and less forcefully by the international community, although there seemed to be a general agreement that these constituted violations of international law.

These developments, when put alongside stagnation or even reversal with regards to the peace process, as well as the apathetic attitude of the international community to violations of international norms all served as triggers for the start of the Second Karabakh War. This was not all. Presidential elections in the United States, a growing discontent directed at Russia's foreign policy, and the possibility of Moscow-Ankara cooperation in the South Caucasus made the Second Karabakh War feasible.

Azerbaijan regarded its military counter-attack to take back its own territories as a peace enforcement operation through which it was fulfilling four Security Council resolutions that have been ignored by both Armenia and the international community for almost three decades. For its part, the Armenian leadership rejected to return to the negotiation table and implement those same resolutions, thereby leaving Azerbaijan with no other reasonable choice but to continue its peace enforcement operation until Yerevan was ready to accept full defeat. Had a settlement to this conflict been achieved by different means, it would have been easier to imagine a moment in time in which reconciliation between Armenians and Azerbaijanis would be at hand.

What is next?

After 30 years of ineffective peace talks and a number of missed opportunities to settle the conflict without having recourse to arms, Armenia and Azerbaijan once again signed a Russian-brokered document that this time not only put to an end military operations but also settled the dispute itself.

For Armenia, this peace agreement is a complete capitulation that seemed to be unexpected for the Armenian public, having been fed with false information and spurious updates from the battlefield. The political situation in the country still remains tense and is likely to spiral downwards until Pashinyan leaves office—voluntarily or not. Of course, this will change nothing with regards to the war's outcome. Quite the opposite, in fact: a new government will have to take on all the burdens the defeat put on Armenia. The means by which this conflict has been resolved will deepen the existing animosity between the two nations. In particular, in the Armenian collective memory there exists a historic animosity that creates a hostile attitude on the part of Armenians towards Azerbaijanis, who are equated with and disparagingly called Turks. This racist attitude points to two things: that both the support provided to Azerbaijan by Turkey in the Second Karabakh War and the participation of Turkish soldiers in the activities of the peacekeeping center established as part of the armistice agreement underpin Armenians' already deeply-rooted mistrust of "Turks." Under such conditions it would be exceedingly naïve to hope for a quick reconciliation of the two nations.

The means by which this conflict has been resolved will deepen the existing animosity between the two nations.

For Azerbaijan, this was a long-awaited glorious victory that overturned a fundamental injustice, restored the nation's territorial integrity, and provided an opportunity for the return of about 750,000 IDPs to their homes. Under current conditions, there could not have been a better peace deal for Azerbaijan. On the one hand, the public looks askance at the deployment of Russian peacekeepers to the region; on the other hand, the presence of Turkish peacekeepers on the ground seeds hope in the fairness and balanced approach of the present peacekeeping operation. Azerbaijan also managed to secure a corridor uniting its mainland with the Nakhichevan exclave, which shares a land border with Turkey.

As a result of the Second Karabakh War, Turkey has managed to claim its soft influence in the region. More importantly, Russia seemed to make a conscious choice not to try to eliminate Turkey's role in the theater of operations either during the war or since the armistice statement was signed. Hence, the influence of Turkey in the region has relatively strengthened, which is likely to benefit Azerbaijan to a great extent. It remains to be seen whether Russia will ever make room for Turkey to fully stand alongside Russia in determining the geopolitical rules of the game in the South Caucasus.

It seems most likely that the postwar developments in the region will be primarily controlled by Russia only. This fact, automatically, abolishes the involvement of any other interested party in determining the region's post-conflict destiny. It seems likely, therefore, that the Minsk Group will no longer be a factor and may even be disbanded by the OSCE. For it has clearly proven its ineffectiveness in times of both peace and war for nearly long thirty years. BD

bakudialogues.ada.edu.az

The Caspian Sea as Battleground

Second Karabakh War as Cause or Consequence?

James M. Dorsey

Populated at the time by fluent Hebrew speakers, the Israel desk of Armenia's foreign ministry waited back in 1991—in the immediate wake of the collapse of the Soviet Union—for a phone call that never came. The ministry was convinced that Israel, with whom Armenia "shared an experience of genocide", were natural allies. The ministry waited in vain. Israel never made the call. That shared experience could not compete with Armenia's Turkic nemesis, Azerbaijan, with which it was at war over Nagorno-Karabakh, a majority ethnic-Armenian enclave on Azerbaijani territory.

"The calculation was simple. Azerbaijan has three strategic assets that Israel is interested in: Muslims, oil, and several thousand Jews. All Armenia has to offer is at best several hundred Jews," said an Israeli official at the time.

Azerbaijan had one more asset: close political, security, and energy ties to Turkey, which was supporting it in its hostilities with Armenia. As a result, the pro-Israel lobby and American Jewish organizations with longstanding ties to Turkey for years helped Ankara defeat proposals in the U.S. Congress to commemorate the 1915 mass murder of Armenians.

That has changed in recent years with strains between Turkey and Israel becoming more strident over issues such as the status of East Jerusalem, held by Israeli since 1967's Six Day War, the Palestinian question, Iran, political Islam, and President Recep Tayyip Erdogan's touting of implicitly antisemitic conspiracy theories.

James M. Dorsey *is Senior Fellow at the S. Rajaratnam School of International Studies of Nanyang Technological University, Senior Research Fellow at the National University of Singapore's Middle East Institute, and Co-director of the University of Würzburg's Institute of Fan Culture in Germany.*

What has not changed is Israel's close ties to Azerbaijan that puts it on the same side as Turkey in renewed animosity between Armenia and Azerbaijan following the former's defeat in the Second Karabakh War. This is a reflection of the Caspian basin's inextricable links to the greater Middle East's myriad conflicts and the fluid and fragile nature of regional alliances, partnerships, and animosities across the Eurasian landmass. Writing in the previous issue of Baku Dialogues, Svante Cornell emphasized this important point, noting the "gradual merger of the geopolitics of the South Caucasus and the Middle East" and going so far as to say that Azerbaijan, in particular, is "more closely connected to Middle Eastern dynamics than it has been in two centuries."

What has not changed is Israel's close ties to Azerbaijan that puts it on the same side as Turkey in renewed animosity between Armenia and Azerbaijan following the former's defeat in the Second Karabakh War.

Turkey, which has opportunistic partnerships with Russia and Iran, both littoral Caspian states that pushed for a ceasefire but were seen as empathetic to Armenia, and Israel, with its close ties to Moscow, rank among Azerbaijan's top arms suppliers. (A top aide to President Ilham Aliyev confirmed that the Azerbaijani military was using Israeli and Turkish-made killer drones in the Second Karabakh War that began in late September.)

Straddling Divides

If Israel and Turkey seem strange bedfellows, Saudi Arabia and the United Arab Emirates appear to be in a bind. The two Gulf states have invested in Azerbaijan to counter Iranian influence in the Caspian but seem inclined to favor Armenia because of their animosity towards Turkey, which they accuse of interfering in internal Arab affairs. Saudi Arabia signaled where it stood by backing Armenian calls for a ceasefire within the first two days of the renewal of hostilities and giving voice

to Armenia rather than Azerbaijan's side of the story in state-controlled media.

By the same token, Israeli ties to Azerbaijan, which has worked hard to deepen its ties to Iran, potentially put it at opposite ends with the UAE and Bahrain with which it recently established diplomatic relations in order to strengthen their alliance against Iran and Turkey. Nonetheless, this may be one instance in which finding Gulf states and Israel on different sides of a divide may work in the Jewish State's favor. Israeli sources suggest that the Second Karabakh War potentially creates an opportunity for backchannelling in which Israel could try to drive a wedge between Turkey and Iran.

"The arms shipments to Azerbaijan and the flare-up in Nagorno-Karabakh is a reminder that the periphery alliance may not be entirely dead," said prominent Israeli commentator Anshel Pfeffer in early October 2020. Pfeffer was referring to the Israeli policy prior to the opening of relations with Arab states to maintain close relations with its neighbors' non-Arab neighbors in the absence of official Israeli ties to its Arab neighbors.

With ethnic-Azerbaijanis, who account for up to a quarter of Iran's population and are influential in the country's power structure, Tehran, often perceived as empathetic to Armenia, walked a fine line calling for a ceasefire in the Second Karabakh War and offering to mediate an end to the fighting. Supreme Leader Ayatollah Ali Khamenei is of ethnic-Azerbaijani decent. Iranians in nearby border areas stood on hilltops to watch the fighting in the distance. Security forces clashed with demonstrators in various cities chanting "Karabakh is ours. It will remain ours." Iran, in line with international law, has long recognized Nagorno-Karabakh as being a part of Azerbaijan. Yet, the demonstrations serve as a reminder of environmental protests in the Iranian province of East Azerbaijan at the time of the 2011 popular Arab revolts that often turned into manifestations of ethnic-Azerbaijani nationalism.

Naval Posturing

Even before the hostilities between Armenia and Azerbaijan erupted on the northwestern inlands of the Caspian, Iran had stepped up its naval posturing on the basin's southern coast. Analysts like Jamestown's Paul Goble and Russian conservative writer Konstantin Dushenov, as well as Iranian naval commanders, raised the specter of enhanced U.S. sanctions-busting military cooperation between Moscow and Tehran in the Caspian and beyond.

These and other analysts—in what appeared to be a repeat of unconfirmed reports of closer Chinese-Iranian cooperation that stretched credulity but circulated for an extended period and were discussed widely in policy circles—suggested that Russia and Iran were planning extended military collaboration, including naval exercises in the Caspian as well as in the Gulf and the Strait of Hormuz.

The analysts, including the aforementioned Dushenov, who was reportedly jailed a decade ago on charges of antisemitic incitement, claimed further that Iran had offered Russia naval facilities at three ports—Chabahar, Bander-Abbas, and Bander-Busher—on the Islamic Republic's Gulf coast, a move that would violate its foundational principle of no foreign presence on its soil. It would also contradict Iran's proposal for a regional Middle Eastern security architecture that would exclude involvement of non-regional powers.

Nevertheless, raising the specter of a more assertive attitude, senior Iranian commanders stepped up visits to naval facilities and a shipyard on Iran's Caspian coast where a destroyer is being repaired and modernized. The officials, including Iranian navy commander Rear Admiral Hossein Khanzadi, his deputy, Admiral Habibullah Sayari, and Admiral Amir Rastegari (who reportedly oversees naval construction), stressed the importance to Iranian national security of the Caspian on tours of facilities on the coast.

They also urged closer cooperation and joint naval exercises with other littoral states like Azerbaijan and Turkmenistan. "The Caspian Sea is the sea of peace and friendship and we can share our military tactics with our neighbors in this region. We are fully ready to expand ties with neighboring and friendly countries," Khanzadi said.

The Iranian moves are about more than only strengthening the country's military presence in a basin that it shares with Russia, Azerbaijan, Turkmenistan, and Kazakhstan. A 2018 agreement among the littoral states, made necessary by the collapse of the Soviet Union, barred entry to the basin by military vessels of non-littoral states but failed to regulate the divvying up of the sea's abundant resources.

Closer naval ties with Caspian Sea states would allow Iran to leverage its position at a time that Central

Asians worry about greater Chinese security engagement in their part of the world. The engagement threatens a tacit understanding in which Russia shouldered responsibility for regional security while China focused on economic development. Increased Chinese engagement raises the specter of the export of aspects of the People's Republic's vision of the twenty-first century: an Orwellian surveillance state amid widespread anti-Chinese sentiment in countries like Kyrgyzstan and Kazakhstan as a result of China's brutal crackdown on Turkic Muslims in the troubled northwestern province of Xinjiang.

Closer naval ties with Caspian Sea states would allow Iran to leverage its position at a time that Central Asians worry about greater Chinese security engagement in their part of the world.

Hard hit by the economic fallout of the coronavirus pandemic, Central Asians are torn between wanting to benefit from Chinese willingness to reinvigorate projects related to the Belt and Road Initiative and their concerns about the way that enhanced Chinese influence could impact their lives. Popular sentiment forced Kyrgyzstan early on in the pandemic to cancel a $275 million Chinese logistics project. The Kazakh foreign ministry summoned the Chinese ambassador to explain an article published on a Chinese website that asserted that the Central Asian country wanted to return to Chinese rule. Kazakh media called for China and the United States to leave Kazakhstan alone after the Chinese foreign ministry claimed that the coronavirus had originated in U.S.-funded laboratories in the country.

Iranian efforts, boosted by the Indian-funded deep sea port of Chabahar that serves as a conduit for Indian exports to Central Asia, benefit in the margin from big Asian power rivalry, has opened the region, including the Caspian basin, to greater competition with the Islamic Republic's chief Gulf opponents, Saudi Arabia and the United Arab Emirates.

Iran hopes that geography and Central Asian distrust of past Saudi promotion of its ultra-conservative strand of Islam will work to its advantage. That hope may not be in vain. Tajik foreign minister Sirodjidin Muhriddin, despite past troubled relations with the Islamic Republic, opted a year ago to ignore a Saudi invitation to attend an Organization of Islamic Cooperation conference in the kingdom and visit Iran instead.

Iran has since agreed to invest $4 billion in the completion of a five-kilometer-long tunnel that will link the Tajik capital of Dushanbe with the country's second-largest city, Khujand. That, however, has not put a halt to recurring strains. In September 2020, Iran summoned the Tajik ambassador in Tehran in protest against the broadcast of an anti-Iranian documentary on the Central Asian's state's state television channel.

Saudi Arabia and the UAE have fared somewhat better in Azerbaijan and Uzbekistan. Saudi utility developer ACWA Power, in which China's state-owned Silk Road Fund has a 49 percent stake, and the UAE's Masdar or Abu Dhabi Future Energy Company agreed to invest in Azerbaijani renewable energy projects. ACWA Power also signed agreements in Uzbekistan worth $ 2.5 billion for the construction of a power plant and a wind farm.

Perhaps Iran's strongest trump card is that by linking the Caspian to the Arabian Sea it can provide what the Gulf states cannot: cheap and short access to the Indo-Pacific.

Perhaps Iran's strongest trump card is that by linking the Caspian to the Arabian Sea it can provide what the Gulf states cannot: cheap and short access to the Indo-Pacific. Already, Iran is written all over Uzbek President Shavkat Mirziyoyev's transportation infrastructure plans. A decree issued in late 2017 identified various corridors as key to his plans, including the extension of a rail line that connects Uzbekistan's Termez to Afghanistan's Mazar-i-Sharif to the Afghan city of Herat from where it would branch out to Iran's Bandar Abbas port, Chabahar; and Bazargan on the Iranian-Turkish border.

"As Tashkent seeks to diversify its economic relations, Iran continues to loom large in these calculations. For Uzbekistan, not only do Iranian ports offer the shortest and cheapest route to the sea, but several future rail projects cannot be accomplished without Tehran's active participation," wrote Central Asia analyst Umida Hashimova in January 2020.

Iran, together with Russia and India, has been touting a sea and rail hook-up

involving Iranian, Russian, and Indian ports that would link South Asia to northern Europe as a viable alternative to Egypt's Suez Canal and constitute an addition to China's Belt and Road Initiative.

In July 2020, Iranian and Indian officials suggested the route would significantly cut shipping time and costs from India to Europe. About a month earlier, Senior Indian Commerce Ministry official B.B. Swain said the hook up would reduce travel distance by 40 percent and costs by 30 percent.

The Iranian-Indian-Russian push is based on a two-decades old agreement with Russia and India to establish an International North-Sout-Transport Corridor (INSTC) as well as more recent free trade agreements concluded by the Russia-dominated Eurasian Economic Union (EAEU) with Iran and Singapore.

The agreements have fueled Central, South, and Southeast Asian interest in the corridor even if the EAEU itself groups only a handful of countries: Russia, Belarus, Armenia, Kyrgyzstan, and Kazakhstan, another Caspian Sea state. Exploiting the momentum, Russia has been nudging India to sign its own free trade agreement with the EAEU while the grouping is discussing an accord with ASEAN, which, as it happens, has just signed a Regional Comprehensive Economic Partnership with China, Japan, South Korea, Australia, and New Zealand.

If successful, the Iranian push, backed by Russia and India, would anchor attempts by Iran to project itself—as opposed to Saudi Arabia and the United Arab Emirates—as the key Middle Eastern player in Russian and Chinese ploys for regional dominance. Leveraging geography and Central Asian distrust of past Saudi promotion of its ultra-conservative strand of Islam, Iran expects that kick-starting INSTC will give it a significant boost in its competition with Saudi Arabia and the UAE for the region's hearts and minds. INSTC would also strengthen Iran's position as a key node in BRI on the back of a two-year old rail link between western China and Tehran that runs across Kazakhstan, Uzbekistan, and Turkmenistan.

The INSTC would link Jawaharlal Nehru Port, India's largest container port east of Mumbai, through the Iranian deep-sea port of Chabahar on the Gulf of Oman, which is funded by India to bypass Pakistan, and the Islamic Republic's Caspian Sea port of Bandar-e-Anzali to Russia's Caspian harbor of Astrakhan at the mouth of the Volga and onwards by rail to Europe. The Iranian push was boosted in by an agreement in March 2020 between Russia and India that would enable the shipment of goods through the corridor on a single invoice, a requisite for shippers to persuade banks to issue letters of credit.

Armenia's humiliating defeat at the hands of an emboldened, Ankara-backed Azerbaijan is likely to turn the Caspian basin into one more battlefield in multiple power struggles across the greater Middle East aimed at shaping a new regional order.

History Repeats Itself

Invoices and letters of credits may not make the difference as long as Iran asserts itself, and Russia seeks to fend off a Turkish challenge in the South Caucasus, its Chechen Muslim soft underbelly, and potentially among Russia's Turkic Muslim minorities, as well as Central Asia's former Soviet republics, territories Moscow has long considered as its preserve.

"If it turns out that [...] we just hum and dither and do not force our southern neighbor to swallow his insolence along with his own teeth [...]; and if [it turns out that] we take sixteenth place in Azerbaijan, while Erdogan is number one; then what is our position in Kazakhstan, in Central Asia, in [...] Ukraine (considering Crimean Tatars and military supplies)? And what will our position be in Tatarstan, in Bashkiria, in Yakutia and Altai, where Turks also live? This is not theory, it is reality," said in October 2020 prominent Russian commentator and head of the Moscow-based Middle East Institute Yevgeny Satanovsky.

That is a question being posed not only in Moscow but also Yerevan. As in the early 1990s, Armenia waited in vain during Second Karabakh War for a crucial phone call—this time from Moscow rather than Tel Aviv In contrast to three decades ago, Russia's failure to make the call has had fatal consequences for Armenia, even if Yerevan was on the wrong side of international law. Armenia's humiliating defeat at the hands of an emboldened, Ankara-backed Azerbaijan is likely to turn the Caspian basin into one more battlefield in multiple power

struggles across the greater Middle East aimed at shaping a new regional order.

The Azerbaijani and Turkish sense of moral and military victory, coupled with Erdogan's assertive regional policies, bodes ill for the need for Azerbaijan to balance its success with gestures and magnanimity that will rebuild confidence in Azerbaijani assurances that the safety, security, and rights of the Armenian population in Nagorno-Karabakh will be safeguarded amid their fears of renewed displacement or even ethnic cleansing. It also throws into doubt longer-term relations between Russia and Armenia, where many feel betrayed by Moscow's refusal to come to Armenia's aid under a defense pact between the two countries. (Russia maintains a couple of military bases in Armenia under the pact.)

Turkey's inevitable role in any negotiations to resolve the Armenian-Azerbaijani conflict adds to the balancing act that Russia and Turkey are performing to ensure that their alliance is not undermined by multiple regional conflicts in which the two countries back opposing sides.

Russia is likely to worry about pan-Turkish and nationalist voices demanding that Turkey capitalize on Azerbaijan's success to increase its influence in Central Asia, a region of former Soviet republics with ethnic, cultural, and linguistic links to Turkey.

The pan-Turkic daily *Türkiye*—a newspaper with the fourth largest circulation in Turkey—urged the government to leverage the Azerbaijani victory to create a military alliance of Turkic states: "The success in Karabakh has brought once again to the agenda one of the West's greatest fears: the Turan Army. Azerbaijan, which has become stronger with the military training, joint drills, and support with armed drones that Turkey has provided, has broken Armenia's back. This picture of success that has appeared has once again brought to life the hopes concerning a Turan Army, that would be the joint military power of the Turkic states," *Türkiye* said. ("Turan" is the term used by pan-Turkists to describe Turkic Central Asia.)

So far, Turkey's bet that history would repeat itself appears to be paying off. The South Caucasus is the latest former Soviet region, after political crises in Belarus and Kyrgyzstan and the electoral defeat of pro-Russian forces in Moldova, in which Moscow's ability to maintain stability is being challenged.

For now, Erdogan has strengthened his position in what will lead inevitably to a rejiggering of the balance of power in the Caucasus between not only Russia and Turkey, but also Iran, at a time that the trade-off for Israeli support of Azerbaijan is believed to be the Jewish state's ability to operate surveillance of the Islamic republic. "The message sent from Tel Aviv to Tehran is very clear: 'Syria is my backyard, and I will be in Azerbaijan, your backyard,'" said Sadik Öncü, a Turkey-based international relations analyst, referring to Iranian support for Syrian President Bashar al-Assad. BD

bakudialogues.ada.edu.az

Eurasia 2040

S. Enders Wimbush

Can we imagine the geopolitics of Eurasia in 2040 to be radically different from today's? How could it be otherwise? Change will be rapid, the result of dynamics already visible but further accelerated and deformed by radical changes in different parts of Eurasia. Change will also be highly interactive; new, permanent, and transactional realignments will occur among Eurasia's actors, who will each frame new objectives and strategies for achieving these same objectives. Unpredictable outcomes will flow from unprecedented risk-taking that can no longer be constrained.

The distinct outlines of all of this geopolitical movement are already evident, though far from predictable or even forecastable. Russia is failing. Europe is breaking. America is withdrawing. China is stretching assertively. India is rising. Japan is arming. Iran is pre-revolutionary (again). Turkey is in therapy. The Middle East is, well, the Middle East. From all this churning, a Eurasia that is likely to be startlingly different will emerge by 2040.

Russia

A number of powerful geopolitical forces will drive this change. Of these, Russia's decline will prove to be the most consequential. What was once speculation of a few prescient strategists is now solid analysis built into the strategic planning of virtually all of Eurasia's important states, and indeed many states beyond Eurasia. The evidence is now so overpowering that it cannot be wished away or denied. The question is not how long the Russia we know will last, but rather what a Russia suffering from multiple pathologies will look like in various stages of failure and collapse, how deftly it will seek to prevent its own demise, and how other actors will factor into their own strategies the consequences of Russia's undisguised decline.

S. Enders Wimbush *is President of StrateVarious Inc. and a Distinguished Senior Fellow at The Jamestown Foundation.*

When the Soviet Union collapsed, a Russian state remained among the many new states of the former empire. That state was incongruous, at best. It stretched across more territory than its authorities could control. It contained large blocks of non-Russians, whose demographic growth often outpaced that of ethnic Russians by orders of magnitude, while these peoples entertained visions of independence from Russia that were barely suppressible under the thin blanket of Moscow's remit. Rural Russia was disappearing from neglect, depopulation, and environmental breakdowns. Its economy could not overcome dependence on dwindling hydrocarbon revenues, while its military could not develop or adapt next generation technologies and capabilities without those revenues. Its best and brightest human capital fled in droves to more attractive and imaginable futures in the West and elsewhere.

From all this churning, a Eurasia that is likely to be startlingly different will emerge by 2040.

Russia cannot now align itself out of these dilemmas. It has no strong history of sustainable alignments with any of Eurasia's other powerful actors. To the contrary, its legacy of creating resentments from temporary partners it has sought for advantage, or more open hostility from states on its periphery that have experienced Russia's imperial designs, is lasting. The economic and political institutions Russia created or supported to harness its former borderlands—for example, the Collective Treaty Security Organization or the Eurasian Economic Union—have done little to advance Russia's brand or secure its geopolitical foothold. Russia has fought a relentless battle to immunize itself against Chinese influence by undermining organizations like the Shanghai Cooperation Organization, composed of most of the region's key players, often at the expense of Russia's longer-term interests. Looking back from 2040, one will see that from Europe to China, and from the Arctic to India, Russia had no permanent friends.

Experts tell us the Soviet Union collapsed for many reasons, including the country's lousy economy, over-extended political control, and the population's rejection of KGB excesses. All true, but these pathologies had existed for decades prior to 1991, and

Russia's Soviet empire had still held together. Only when the borderland peoples called it quits did the USSR come apart, much to the astonishment of political scientists, intelligence analysts, and think tank regional specialists who had insisted ad nauseum that so many "stakeholders" in Soviet rule precluded such an outcome.

History is repeating itself. The Soviet Union is gone, but the turmoil along Russia's periphery extending some 11 time zones is intensifying and accelerating. Russia is again coming apart at its edges, but with another twist. In the 1980s, ethnic issues and regional issues often conflated. Today's Russia still has divisive ethnic issues, but its regional challenges in places dominated by ethnic Russians may matter as much or more. The combination of ethnic and regional resistance to Russian rule makes a post-Russia world both imaginable and increasingly probable.

The recent massive demonstrations against Moscow's rule in Khabarovsk on Russia's Pacific rim may be 5500 kilometers away from the capital, but this highlights three important features of the unrest. First, Moscow's authority stops well short of its claim to embrace these far-flung territories. Second, the protests are fueled largely by ethnic Russians, not non-Russians, whose identity is associated more closely with their region than their ethnic roots. Their call to re-establish the Far Eastern Republic, a nominally independent region established in that part of the country after Russia's civil war in 1920-1922, underlines both this regional identity and its distance from Moscow's version of what Russia is, which is punctuated by flying a regional flag. And third, expect to hear echoes among Russia's Slavic Siberians, who have a long history on the fringes of, but distinct from, mainstream Russian culture; the history of their separatist instincts is, indeed, just about as long. The infection potential is powerful, with millions of Russians following events in Khabarovsk on the internet.

Further west, tensions in Buryatia on Russia's border with Mongolia have risen dramatically because of Russian slights of Buryats' distinct culture and politics. "How long will Buryatia remain a colonial republic fed with crumbs from the Czar's table?" a resident asked recently on Facebook.

Tatarstan and Bashkortostan, Muslim nations associated ethnically and religiously with the new states of Central Asia and situated close to now-independent Kazakhstan, are resurrecting heroes from independence movements that flourished before Lenin's Bolsheviks could extinguish them. They are doubling down on their respective claims of sovereignty within the Russian Federation in the face of Moscow's efforts to walk back power sharing arrangements with both that were agreed in the wake of the Soviet Union's collapse. Tatarstan asked for UN recognition of its independence in 2008, and this desire has intensified, not abated. These are also among the Russian Federation's most economically important regions, whose loss would be grievously felt.

The North Caucasus running along an important part of Russia's southern boundary has been steadily, often violently, distancing itself from Moscow's rule for several decades. Chechnya is ruled by a nominally Moscow-affiliated strongman, but this is little more than a fig leaf for allowing Chechens to exercise unfettered authority over their own affairs in exchange for not drawing Russia back into another devastating war. The neighboring Ingush are intensifying their opposition to Moscow's efforts to control their politics, rights, and concerns, and some have called for independent statehood. Circassians, who seek to prevent their territory being amalgamated with Russian territories, have removed a memorial to conquering tsarist forces in Sochi, which both copies and provokes efforts of others along the periphery to rid themselves of Russia's imperial imprint. "North Caucasians, Siberians, and others view Moscovite conquerors as Africans and Asians do their colonizers," trumpeted the editors of a leading Russian newspaper recently.

Even Kaliningrad, a small exclave between Lithuania and Poland that has been part of Russia since only World War II but has no land attachment to it, is the object of forces seeking to reattach it to Germany or achieve outright independence from both countries.

The former Soviet borderlands, now mostly independent states, have put more distance between themselves and Russia, despite Russia's efforts to stop the consequences of a fractured Soviet Union through interventions, intimidations, and coercion. Georgia is gone from Russia's sphere of influence, and basing Russian troops in territories it captured from Georgia in 2008 will not reverse this dynamic; rather, it has intensified it. Ukraine, too, has lost a substantial part of its territory to vengeful Russia, but it appears to be increasingly more distant from any reconciliation that gives Russia

hegemonic influence over Ukraine's Western-looking population.

At this writing, Belarusians are threatening to evict their Soviet-era leader —a move Russia may yet attempt to prevent, but without any hope of convincing that state's citizens that unification with Russia is desirable. And Central Asia's new states have watched Russia's influence decline in the face of China's more relentless economic diplomacy.

Armenians tossed out their traditionally Russia-first governments in 2018, while Azerbaijan has aligned itself heavily with Russia-wary Turkey. Russia's seemingly adroit move to offer its troops to separate Armenian and Azerbaijani combatants following the latter's striking victory in the Second Karabakh War is seen by some as a successful Russian gambit to reinsert its influence along Russia's vulnerable southern frontier, but on closer examination it has a scent more of desperation than strategic opportunity. If Russia cannot control the South Caucasus, its security perimeter is the volatile North Caucasus, a vision Moscow cannot welcome: reason enough to seek stability in the region.

But Russian troops in Karabakh will not enhance the Kremlin's inability to deter Armenia's slow slide out of Russia's orbit or Azerbaijan's realignment with Turkey—let alone reverse Georgia's strong commitment to a transatlantic future. To the contrary, they will accelerate these dynamics because Russia cannot provide a solution to Karabakh's densely insoluble geopolitical conundrum. While it is popular to assume that Russia's new role has improved its strategic position, this is far from clear, especially now that Turkey is a key player in the dispute. Russia's options are now more limited and its risks enhanced, with little evidence that its intervention can slow its decline.

At the nexus of so many powerful intersecting fault lines, it is hard to imagine Russia successfully reclaiming its lost former hegemony across much of Eurasia through any planned restoration of its imperial project. To the contrary, it is easily imaginable—easily, because we have already seen the broad outlines of Russia's geopolitical neurosis—that Russia will lurch this way and that as its window of opportunity to assert itself closes. The danger is not Russian imperial overreach, which it cannot sustain. Rather it is Russia miscalculating risks it feels it must take to remain competitive against other forces seeking their own opportunities in the context of Russian decline.

China

Russia's decline is already creating a vacuum at the center of Eurasia, and China has moved steadily into it. An increasingly popular scenario for post-Russia Eurasia features China chalking up gain after gain through its economic diplomacy. In the aftermath of the COVID-19 crisis, this scenario will likely have even more traction, as states whose economies were devastated by the pandemic seek economic assistance from China's apparently robust checkbook. Some inland economies of Eurasia that seek to strengthen logistic supply chains also will seek China's help as the solution. (But not everyone. Uzbekistan has agreed to use Pakistan's major sea ports for its trade, a clear hedge to China's omnipresence.)

At the nexus of so many powerful intersecting fault lines, it is hard to imagine Russia successfully reclaiming its lost former hegemony across much of Eurasia through any planned restoration of its imperial project.

China is either the first or second largest importer for most Central Asian states (Turkmenistan is an exception), and the first or second export destination for most (Kyrgyzstan, Afghanistan, and Azerbaijan are exceptions.) It is strong in the South Caucasus, as well. Georgia is a particular target of Chinese interest. The two have signed a free trade agreement, and China has undertaken a number of infrastructure projects in Georgia. It would be unsurprising if China were to make a play for the stalled Anaklia deepwater port project, which would bid an essential part in its larger national security ambitions. This would add another piece to China's "string of pearls"—port facilities it owns or controls—stretching from the South China Sea to Europe, and it would add another layer of economic integration to investments related to the Belt and Road Initiative across the region. For its part, Georgia might in this way secure some immunity against an aggressive Russia, which might consider an intervention that endangers China's investment to be a risk it is unwilling to take.

China's investment is not welcomed everywhere in Central Asia, and the security forces China often imports to protect its investment are deeply resented. A short time ago, China faced former

Soviet republics struggling to find sovereign traction across the border, but today it faces fully independent states with defined political, economic, and security interests. Most exercise developed foreign policies and diplomatic relations around the globe that have broken the Central Asians' isolation. These Central Asians view China's campaign to "re-educate" its own Uighur population by confining them to prison camps as evidence of China's weakness, not of its strength. The Chinese campaign clearly is not intended to woo the confidence and affection of the ethnically and religiously related citizens of Uzbekistan, Kazakhstan, Kyrgyzstan, and the other Central Asian states. To the contrary, it reveals China's fear that the winds of change blowing across the border, have the potential to infect Xinjiang and beyond, deep into China.

If one were simply to project today's visible trends into the future, a China-dominated Central Asia would loom large. China would—little by little, deal by deal, loan by loan—take over Russia's role as Central Asia's acknowledged hegemon. But this kind of trend following and linear projection often misses the driving forces of futures that ultimately emerge. A China-dominated Central Asia could be wrong-headed for a number of reasons. A growing body of research argues that China will become more fragile than robust in the next few decades, as its economy struggles, human capital deteriorates, technological aptitude sputters, and ability to innovate founders. The China we know already is characterized by powerful tensions that intersect across its political, economic, regional, ethnic, demographic, social, and cultural fault lines. So it is appropriate to ask: What if China fails? And what if China's failure and Russia's decline coincide, and their interaction intensifies the dynamics of both?

What if China fails? And what if China's failure and Russia's decline coincide, and their interaction intensifies the dynamics of both?

No part of Eurasia would be unaffected by such a scenario. One does not have to assign probability to it to agree that it is plausible and, hence, possible.

Iran

Of more immediate geopolitical significance is China's budding alliance with Iran. Discussed between the parties since 2016, this alignment was recently codified in a 25-year pact beginning in 2020. It will harness the two powers economically, militarily, and politically. In many ways, this connection, if successful, could be one of the more permanent building blocks of 2040's potential geopolitics and serve as one of the most powerful drivers of other actors' strategies.

The linkup could be a lifesaver for Iran, which otherwise is trending once again toward internal revolution resulting from an economy collapsing from state mismanagement, low energy prices, and Western sanctions. At no time in recent history has Iran been willing to sacrifice so much of its sovereignty to avoid this outcome, an indication of how serious the Iranian regime assesses its situation to be. As reported, the agreement tethers Iran's energy industry to China, as the latter invests $280 billion in developing Iran's gas, oil, and petrochemicals, while offering Chinese energy companies first right of refusal in developing them. Another $120 billion of Chinese investment will go into Iran's transport and manufacturing sectors with similar concessions, while development of Iran's 5G telecommunications network also falls to China.

If the China-Iran strategic partnership—hinged to China's existing strategic relationship with Pakistan—works as its partners envision...

The injection of Chinese "security personnel" into Iran—at least 5000 strong, with still others to guarantee shipment of energy to China overland or via the Persian Gulf—are a central part of the agreement, which logically points to China linking to and supplying weapons and technology—and perhaps nuclear capability—to Iran's Revolutionary Guards and military. Payment in soft currencies will allow the parties to avoid using American dollars, thus hedging against sanctions. A new Silk Road connecting Urumqi to Tabriz via Kyrgyzstan, Uzbekistan, Kazakhstan, and Turkmenistan is envisioned, probably with, yet perhaps without Russia's acquiescence, which will become less necessary as Russia declines, in any case.

China's embrace of Iran brings Beijing closer to many cherished objectives. It will empower China to weave Central Asian states more deeply into its geoeconomics web, increase its flanking of India in the north and west, create a largely proprietary energy supply at

highly favorable prices from Iranian fields whose output is boosted by Chinese investment and companies, successfully transport and store Iran's energy in the face of American sanctions and prohibitions, and plant China's military in the pivot of Eurasia.

A deep and sustainable China-Iran alignment should be a powerful driver of scenarios for Eurasia's future. If the China-Iran strategic partnership—hinged to China's existing strategic relationship with Pakistan—works as its partners envision, it is hard to imagine another coalition of powers with equal potential for radically transforming not just Eurasia's geopolitics but arguably the geopolitics of the Middle East, South Asia, and Europe, too. Arab states would likely move more rapidly to ally with each other—and even with Israel—to thwart Iran's new swagger. India might overcome its strategic reluctance to go full into a security alliance with the United States, Japan, Australia, and others in Asia to offset China's extended Eurasian footprint. Central Asian states that have employed Russia's influence to balance China will find this gambit less effective as Russia declines and the China-Iran connection solidifies. The European Union, with no coherent policy towards change in Eurasia and no military to enforce one even if it could manage to pound one out, would likely deepen its accommodation of China while supporting Iran against the United States.

And lastly, with a powerful China-Iran combination threatening to dominate its neighborhood, Turkey might finally solve its national identity crisis: East or West or Ottoman. Its efforts to balance this challenge, or bandwagon with it, would undoubtedly influence Eurasia's strategic dynamics decisively.

Turkey

Turkey's aspirations and growing capabilities will add an additional layer to any complex scenario of Eurasia's geopolitical horizons. In almost every imaginable scenario, Turkey is a critical uncertainty. It has flirted at one time or another with all of Eurasia's key players, sometimes as friend and sometimes as adversary. By 2040, we may plausibly assume that it will benefit substantially from recent energy discoveries in the Black Sea, including energy independence from Russia. This may or may not allow Turkey to put its financial house in order and rescue its troubled banking system. But it will certainly whet the appetite of Turkish strategists who envision a significant expansion of Turkey's regional influence; a reconsideration—and perhaps a reordering—of Turkey's relationship to Europe and the United States; and a resource base to build Turkey's military to support these objectives. If the Turks conclude that China will or might contribute to Iran's nuclear weapons ambitions, a nuclear Turkey will not be far behind.

In Syria, Libya, the Eastern Mediterranean, and even in the Karabakh theater, Turkey showed yet another instrument that it is no longer reluctant to use beyond its borders: its powerful modern military. Russia, in particular, can no longer harbor illusions that the Turks can be bluffed and coerced to abandon their interests or ambitions to placate Moscow. Among Russian military planners, who struggle to develop the next generation of weapons for their own military, the specter of Turkey's drones defining the battle spaces in which they operate must be a powerful attention grabber. Turkey is now capable—and apparently willing—to call Russia's bluff. A Turkey capable of projecting power credibly becomes a potential game changer for any scenario of Eurasia in 2040.

> *In almost every imaginable scenario, Turkey is a critical uncertainty. It has flirted at one time or another with all of Eurasia's key players, sometimes as friend and sometimes as adversary.*

But what do we know about how Turks think about their future? What is their national vision of themselves? Can they be simultaneously oriented to the West; neo-Ottoman; a Central Asian, Caucasian, and Balkan power; a modern Muslim democracy; a member of NATO and (sometimes) of Europe; or any number of other things? Is the Hagia Sophia a mosque, a cathedral, or a historical monument? Perhaps Turkey is all of these things and that its seemingly fractured strategic profile can never be fit together in any coherent pattern. Perhaps the Turks themselves don't know. Perhaps Turkey's central geography, with direct borders with seven countries and strategic proximity to many more via long coastlines on the Black Sea and the Eastern Mediterranean, makes it impossible to pin down the mix of Turkey's historical experience, vital interests, shared aspirations—that is, what Turks see as their destiny—more concretely. Perhaps, perhaps, perhaps. Clearly unraveling the critical uncertainty of "whither Turkey?" logically

should begin by understanding what Turkey sees itself to be, but also what it sees itself becoming. But is anyone doing this work?

2040

Scenarios that attempt to imagine Eurasia in the next 20 years should be heavily informed by the following kind of research and thinking: who are the players, to what do they attribute the sources of power in their nationhood, and where, as nations, do they see themselves located amongst other players whose own sense of national power and destiny might collide or converge with their own?

Yet today's most common discussion of geopolitical scenarios is about the return of competition between great powers, almost to the point of cliché. It is hard to imagine where great power competition could take place in the Eurasian heartland if one formerly powerful state—Russia—has been reduced to a regional power at best; while the United States, a true great power, remains confused or ambiguous about its own national interests in Eurasia, has no strategy for Eurasia, and invests its efforts further east; and the European Union, which likes to think of itself as a great power but has neither the cohesion, the aspiration, or the capability to be one continues its naval gazing in search of its transcendent "values." China is likely to be the only large power of any heft with a vision of its dominance in Eurasia in concert with its vital interests. That is, unless China fails.

If this surmise has value, it should be to focus scenarios in a somewhat different direction, namely toward competition below the "great power" threshold. How will Iran deal with its growing economic and military subordination to China? Will this be a comfortable relationship, and for how long? How might China's sway over much of Eurasia's strategic space affect Turkey's own expanding Eurasian vision—and its growing military capability to pursue it? Where will Russia seek support against the strong probability that it will be reduced in potential, power, and, especially, geographic size? Who else might come into this competition? India is a Eurasian state with growing global ambitions and military power, and, lest it be forgotten, a strong resistance to China's incessant efforts to flank it. How does New Delhi play its hand, and can it attract other outside powers to assist it—Japan or the United States, for example? In this sense, does great power competition come to Eurasia's heartland as a result of outsiders combining their capabilities to get inside?

Scenarios that feature lesser but capable powers within the Eurasian space aligning and realigning to increase their strategic traction—even if China's heavy weight is hanging over them—are likely to reveal dynamics that portend futures about which we currently give little thought. Great Power competition is a familiar analytical paradigm, but because it is familiar, embracing it uncritically risks intellectual laziness. Eurasia-in-2040's dynamics will not be so easy to characterize, and the range of alternative futures arising from surprises is likely much wider than we now imagine. BD

bakudialogues.ada.edu.az

Right or Left Economic Recovery?

The Wrong Question to Ask

Farid Shafiyev

It is high time to begin looking in earnest around the corner, past the present disruption—even devastation—caused by the COVID-19 pandemic to the all-important question of economic recovery. From its onset, nearly a year ago, many policymakers in the Silk Road region and around the world have reflected on the ways in which their respective governments should address the health and ensuing economic crises. Some scholars point to the success of China, Singapore, Vietnam, and other countries with controlled political systems; other experts highlight the achievements of New Zealand, Germany, South Korea, and similar states.

The effectiveness of national governments in their responses to the COVID-19 pandemic and the economic crisis has gained considerable prominence in the current discourse on the subject. Public health concerns raise the question of larger state policy with regard to the economic and social dimensions of the crisis. While it is clear that governments should, in many cases, help businesses to recover, and they are doing so on a global scale from the United States to China, a heated debate about post-pandemic "rightist" or "leftist" policy preferences is raging on political podiums in many countries. Outgoing American president Donald Trump has vowed to save the country from "leftist radicals," whereas in more social-democratic Europe many parties are demanding more vigorous state involvement.

***Farid Shafiyev**, a former Azerbaijani ambassador to Canada and the Czech Republic, is Chairman of the Center of Analysis of International Relations (AIRCenter) and Adjunct Lecturer at ADA University.*

Here we are facing the already quite old dilemma between a laissez-faire approach or a Keynesian-style intrusion into the national economy.

I argue that this perennial question is fundamentally the wrong one to ask. Left or right, social-democratic versus conservative policy—these are both outdated concepts for the simple reason that humanity has already entered into a new post-industrial world. The Fourth Industrial Revolution that we are experiencing has already altered the way we live, work, and earn. It is also affecting national authorities. Our discussion should go beyond the nature of production and consumption and focus on human-to-human and human-to-government interactions.

Some History

At this point, we need to make a short excursion into the history of relations between state authorities and the market to determine the future of policy choices. Since the birth of modern political economics in the nineteenth century, the focus of classical economists has been on the relationship between the market and the authorities. Hence, a goal of the discipline of economics was to tune government policies to govern national economies in the most efficient way possible. Pre-industrial agricultural societies were believed to have had limited market interactions and the role of government authorities, operating within mostly monarchical regimes, was limited to collecting taxes and ordering some public activities, such as building palaces, religious sites, or roads.

With more sophisticated market relationships and the arrival of large production chains, the need for better regulation to provide governmental supervision over the national economy led to the emergence of two basic concepts. The first was a redistributive model based on an interventionist vision of the role of government, or a leftist policy. On the right side of the spectrum we had the protagonists of limited governmental interference in the market. This is, of course, a rather simplistic description but, for the time being, we will stick to these two models to advance the discourse in this article.

The advocates of conservative political thought have relied upon the ideas of Adam Smith, who believed in the "invisible hand" of the market, which regulates itself in the best possible way based on human self-interest. His concept evolved over time into laissez-faire capitalism—an economic system

that protected the operations of individuals and businesses from government intervention and involved only the minimum level of taxes, regulations, and subsidies. Extending Adam Smith's theories, another British economist, David Ricardo, advanced the labor theory of value and the idea of free trade.

Countering the trend in favor of laissez-faire capitalism, Karl Marx asserted that an unfettered market privileges those with wealth and facilitates the exploitation of the poor, which causes class struggle. To resolve this problem, Marx recommended removing wealth from the relatively small number of owners and distributing it among all people. His theory had a tremendous impact on global developments, but a political result of his doctrine was the totalitarian command economy, which, moral and political consequences to one side, ultimately reached a dead end in terms of economic theory—as manifested in the collapse of the Soviet system. Hence its abandonment by most political economists.

At the beginning of the twentieth century, political activists developed the concept of social democracy that abandoned Marxist political radicalism but developed a theory of social justice combined with mixed economies that had the market as their foundation, but with redistribution of wealth at the top. The terror that characterized the 1917 October Revolution and the Soviet system thereafter appalled many social democrats and turned them away from a radical egalitarian vision of society. The foundation of modern European social democracy came to rest on the vision of the welfare state, first developed in the 1920, which promotes liberal democracy and wealth redistribution through taxation and other instruments.

The Great Depression of the 1930s further shook the edifice of the free market. In response, yet another British economist, John Keynes, developed a theory for measured and appropriate state interference in a market economy. Keynes advocated the use of various monetary instruments and employment policies to mitigate the negative effects of a depression. He advocated more robust government interference in market relations, and this was in time adopted by many capitalist governments.

During the 1930s and 1940s, at the height of Soviet repression and Nazi ideology, two Austrian-born British philosophers, Karl Popper and Friedrich Hayek, came to the defense of liberal democracy. Popper laid the electoral and competitive foundation for the political edifice of the state, while Hayek wrote about the economic fundamentals of democracy. Hayek believed that the guarantee of personal freedom is based on private property and "small" government, which limits its interference into the market, and argued that there was a threat of totalitarianism emanating from central economic planning.

In the 1970s, when many Western capitalist countries were faced with economic stagnation, political leaders such as Ronald Reagan in the United States and Margaret Thatcher in Great Britain ushered in a new era of laissez-faire economics, labeled as neo-liberalism. American economist Milton Friedman criticized Keynesianism and offered monetary policy as an alternative for the regulation of the economy. Friedman favored minimalist interventions by the state and large-scale privatization. For him, a certain level of unemployment was healthier for society and the economy compared with the zero level that was targeted by Keynes. The end of the Cold War, the collapse of the Soviet Union, and the apparent victory of the free market, gave an additional impetus to the principle of unfettered competition. International trade agreements such as NAFTA and the European common market followed the trend.

The End of History and the Pandemic

Euphoria regarding the free market economy lasted until 2008, when a deep financial crisis broke out. The expert community voiced its collective concern over unregulated market forces. Even before this, the Asian crisis of 1998 and many instances of corporate fraud should have raised concerns about weak and inadequate regulation.

Neoliberal scholars had blinded themselves with their own narrative of scientific progress and the "end of history." On paper, the fundamentals of the prevailing economic theory, with its elegant supply and demand curves, rules of competition, comparative advantage, free trade, and so on, appeared ideal. However, in reality neo-liberalism's idealistic picture was shattered by the crisis, high unemployment, and income inequality. This led to the formation inter alia of the Occupy movement as well as helped precipitate the rise various types of populist forces across the political spectrum.

Moreover, the success of the Chinese model over the past two decades has reinvigorated the debate on the choice between political

control and economic interventionism, on the one hand, and liberal democracy and the laissez-faire economics, on the other.

In past and current discourses about leftist or conservative policies, the political and economic choices (democracy vs. authoritarianism; market vs. command economy) were sometimes mixed. For example, Chile's Augusto Pinochet advanced both dictatorship and market reforms. Scandinavian countries, in general, opted for political liberalism and heavy state regulation. The economic advancement of politically centralized China is based on the move from a planned to a market economy.

The fathers of laissez-faire economy such as Adam Smith and Friedrich Hayek also envisaged certain obligations of the state to render essential public services to the population. Much more moot is the question of the effectiveness of a politically controlled society. Here, the debate became complicated by new political trends: the Russian "sovereign democracy" narrative, the European far-right, and the American "alt-right" assault on liberal democracy.

This short and simplistic excursion into the history of political economy manifests that there is no single "right" or "left" policy that could address all the complexities of the development of modern states and markets.

The COVID-19 pandemic once again reivigorated the debate about the role of government control, protectionism, income redistribution, and various state instruments in regulating the market.

Thus far, countries with liberal democratic forms of government have manifested much better performance in the advancement of economic and social welfare than authoritarian ones. However, in the economic domain, the choice between a conservative laissez-faire model and a social-democratic redistributive and interventionist policy is not backed by definitive statistics for success either way. Scandinavian countries can boast about their ratings in the UN Human Development Index, but the United States, the UK, and South Korea are also close to the top of the list, and excel in technology, science, and higher education.

The COVID-19 pandemic once again reivigorated the debate about the role of government control, protectionism, income redistribution, and various state instruments in regulating the market.

The question of the relationship between government and market remains at the core of the current debate. In the eighteenth century, with the rise of manufacturing and machines, the market, capital accumulation, and production developed without much government intervention except for limited regulation through taxes. The state apparatus was rudimentary and revolved around the power of the monarch. In the twentieth century, unregulated market forces and the exploitation of labor caused a chain of revolutions and uprisings. The administration of the state became a new scientific discipline. National governments realized the necessity of rendering essential public services, such as education, health, and unemployment and retirement benefits, in order to avoid revolutions. In part, this development rested on more sophisticated modes of production. Meanwhile, democracy empowered the voices of ordinary citizens by expanding the franchise in response to demands for more public services and benefits from governments.

Too much government intervention into the market caused stagnation, as witnessed in the UK and many other European countries in the 1970s. Leaving market forces unregulated, however, led to the crises of 1932-1933, 1997-1998, and 2008-2009.

Contemporary Trends

People's self-interest dictates that they compete for resources and income, and, if they can, they make every effort to enhance control over desirable resources and diminish competition. Unregulated, both companies and individuals tend to remove competitors and create monopolies and bubbles, whereas too much intervention destroys incentives to work and develop. Today, most countries adhere to more or less centrist policies.

This generally centrist approach should be continued as we enter a new era of production and consumption. There are several trends that are radically modifying the centuries-old structure of market relations. As a result, current state instruments, developed from the mid-nineteenth century up to the beginning of the twenty-first century, will be insufficient to address future challenges.

First, the robotization of production means that millions of jobs will be, and are already being, lost. The

future of production with minimum human labor is no longer science fiction. This revolution puts pressure on governments to provide a basic income to large segments of their populations. Thus, we come to interventionist and redistributive policies.

Furthermore, with the rise of artificial intelligence, automatization, and other related digital technologies, the cost of production will become minimal from the current standpoint. Demand for low-skilled workers is diminishing, while the search for highly skilled specialists is on the rise. This will highlight the importance of education and talent over capital. Thus, the duty of governments to provide, at a minimum, a strong enabling environment for contemporary educational opportunities so as to better prepare their respective populations for the job market of tomorrow will undoubtedly become an increasingly important factor in ensuring the success of national economies in transformational times.

In the meantime, many pundits have raised concerns over the overwhelming power of national governments to surveil and control their populations through the development of digital technologies. It is believed that the COVID-19 outbreak may lead to the introduction of systems by which citizens may be totally monitored by the state, thus creating a threat to human rights. Famous Israeli historian Yuval Harari writes about this in apocalyptic tones. However, the problem of a "superstate spy" already exists, regardless of outbreaks of coronavirus or other infections. Famous French philosopher Michel Foucault wrote about the threat of general surveillance back in the middle of the last century, using the concept of "panoptism," the roots of which go even deeper into history (recall, for instance, the famous project of an ideal prison, the "panopticon" of eighteenth- and nineteenth-century British philosopher Jeremy Bentham). Supervision is a characteristic feature of all modern states, including both democratic and authoritarian ones, both of which make use of constantly-evolving technologies. The market economy, with its credit cards, mobile phones, applications, and social networks, which billions of people use completely voluntarily, is constantly pushing the envelope in this regard.

The aforementioned trends will undoubtedly increase the role of government. At the same time, however, opposing trends are also appearing around the corner.

One such revolutionary change is related to the system of payment. Human civilization has witnessed several previous revolutions—from barter to coins, and from coins to paper money. The use of credit cards and wire transfers is still pegged to currencies issued by national governments. However, the time when money issue was the exclusive privilege of national authorities has already gone. With the volatility of many currencies and the question of the sustainability of the world's largest economy, namely the United States, and its currency, namely the U.S. dollar, many are now talking about the growing power of digital currencies. Bitcoin has already become popular in many countries where people do not trust the local government. We have yet to fully comprehended the implications of digital currencies outside the control of national governments. It is quite likely that digital currencies will become more widely circulated and that governments will not be able to contain this phenomenon, although the arguments of economist like Nouriel Roubini against their mainstreaming potential will need to be factored into the equation as well.

In 2005, Thomas Friedman published The World is Flat, in which he argued that the forces of globalization make borders increasingly irrelevant and that global supply chain dictates national policies. Despite the fact that, since the publication of this seminal book, globalization has been threatened by nationalism and protectionism, which has become especially acute during the COVID-19 pandemic. The specter of technological bifurcation due to the growing rivalry between America and China is something Friedman did not see coming. Nonetheless, some of his arguments remain valid.

After all, no country can survive by shutting down borders in the long term. From an economic point of view, global production and trade is unstoppable, and it has its own effect on the movement of people and ideas. Similarly, in the political domain, with all its surveillance mechanisms, the digital space also provides opportunities for various non-governmental actors to operate—both legitimate businesses and NGOs, and illegal crime syndicates and terrorists. The battle between government surveillance mechanisms and personal freedoms and people's free movement is still ongoing, but the "flat world" is likely to remain preferable over closed societies.

Taking into account all these developments, I tend to believe that, in the economic domain, policymakers across the Silk Road region and beyond should gear their recovery measures somewhere toward the center—fostering market development through carefully chosen distributive and regulatory instruments. BD

Universal Dead-end in a Global Wormhole

The Need to Regulate Modern Communications

Andrey Bystritskiy

It seems to me useful to underline, at the very onset, that this text is not directly devoted to the problems of the South Caucasus or Central Asia. But at the same time, everything that it discusses certainly applies to those parts of the world. Moreover, it is especially applicable there due to their rapid development. Perhaps what I describe and suggest will be interesting for people specializing in the problems of what some call Eurasia and others call the Silk Road region.

A summary of my thesis—its lead paragraph, as it were—could be understood thusly: today, those who must deliver accurate and unbiased information often claim to be masters of minds. As a result, modern man is practically deprived of the opportunity to consume more or less reliable information. This modern man is an object of manipulation in the interests of one or another political or social force. And the impact of this situation is being felt far and wide. And this same impact could represent a grave and growing danger to the future of this same modern man.

Indeed, we face what is perhaps the main challenge of our time: our inability to use information. We talk about fake news, informational confusion, and the cognitive dissonance experienced by a large segment of the population due to the inability to distinguish truth from lies; but this, for all its significance, is just the tip of the iceberg. With respect to information and communication, the current situation in the world resembles the one in which humanity found itself when nuclear weapons first appeared. The power and destructiveness of new communications are comparable to the power of nuclear energy.

Andrey Bystritskiy *is Chairman of the Board of the Foundation for Development and Support of the Valdai Discussion Club and Dean of the Faculty of Communications, Media, and Design at Russia's National Research University–Higher School of Economics.*

Oddly enough, nuclear weapons, which are able to destroy humanity, have become a kind of guarantee of human survival. The fear of total annihilation has played an important role in keeping the peace. New communications and the rapidly emerging new world of information technologies has turned out to be a fantastic weapon of power.

More than 70 years ago, mankind needed to regulate the use of nuclear weapons; this system of regulation gradually led to the prohibition of ground-based nuclear tests and of the deployment of nuclear weapons in space as well as to the limitation of the proliferation of such weapons. Today we are faced with a new, albeit somewhat similar challenge: there is a need to regulate the communications sphere, to a large extent, at the international level. Otherwise, it would seem that the greatest achievement of our time—the amazing world of new communications—could turn out to be a path to the self-destruction of civilization.

With respect to information and communication, the current situation in the world resembles the one in which humanity found itself when nuclear weapons first appeared. The power and destructiveness of new communications are comparable to the power of nuclear energy.

The evidence of this threat is endless. The recent elections in the United States, the Second Karabakh War, trade disputes, and much else are all immersed in a new information and communication space. Back in Soviet times, there was a joke about how various historical figures would stand on the platform of Lenin's mausoleum on Red Square, the traditional vantage-point of the head of the Soviet Union, during the annual November 7th parade: Genghis Khan, Alexander the Great, and Napoleon. Genghis Khan admires the armored personnel carriers, saying that if he'd had them, he would have been able to take all of Europe. The conqueror from Macedon is delighted with the missiles: if he'd had them, he'd have

taken the whole of Eurasia. Napoleon, for his part, reads *Pravda* and notes that with such a media outlet, no one would have known about his defeat at Waterloo. Napoleon really understood the role of the press and actively used it. But today, the most daring desires of the great Corsican have been surpassed dramatically. The world is completely confused about what is truth and what is falsehood. And this is combined with modern technologies, including military ones, which bring us all to the edge of survival. New threats can turn the existing information chaos into general chaos.

there is a need to regulate the communications sphere, to a large extent, at the international level. Otherwise, it would seem that the greatest achievement of our time—the amazing world of new communications—could turn out to be a path to the self-destruction of civilization.

Arabian Nights

The most striking example, however, is not the aforementioned election or various wars, but the COVID-19 pandemic. It was hard to imagine that all of us—from ordinary citizens to the most influential people in the world—would be forced to wander practically in the dark, unable even to understand what certain doctors, epidemiologists, politicians, and public figures were saying. It is difficult to find any reliable information, for example, about the effectiveness of masks or gloves, to mention nothing of vaccines.

The stories about the methods of treatment are reminiscent of the eight-volume collection of the *Arabian Nights* fairy tales, in which a new Scheherazade appears on every page, knowing nothing about the previous one. Recently, the British magazine *The Spectator* noted that the number of allegedly scientific publications on the coronavirus has grown 60 times since last year, but only three of them attempted to understand the effectiveness of masks; and there was still no clear answer. However, I will make a reservation right now: masks definitely need to be worn, if only because there is little harm from this whilst there can be a lot of benefits.

The situation with vaccines is even more striking. It seems that in the media, especially the more popular outlets, all kinds of bloggers are trying not so much to help us deal with this and related issues—by providing us with the information we need to make the right decisions—but rather to confuse us, to compromise any positive expectations. As soon as some encouraging information appears, we hear irritating cries that everyone is being deceived, that nothing can be trusted, that dangers are ever-present, and that honest media warn about them.

Alas, this often leads to completely monstrous consequences, like the killing of millions of innocent minks. To be honest, I feel sorry for the minks. But still, I wonder what kind of fraud did the minks fall victim to? Inaccuracies in information? Or is there a conspiracy of manufacturers who deftly manipulate public opinion in favor of certain fur entrepreneurs? Lord knows; but it is certain that we're facing either irresponsibility or callousness, which only benefits certain traders in pelts and the like. Prices have quadrupled as of this writing.

Actually, I am not against—and I am even "for"—an approach rooted in this sort of criticality, for this is, after all, one of the roles of the media. But it is worth remembering that such criticality is a tool for finding out a more or less reliable picture of the world—that, in other words, this criticality is a means and not an end in itself. Later in the text we will have cause to return to what is happening with the modern media. But for now, let us turn to COVID-19, which clearly revealed, in my opinion, a much more important, even fundamental thing. The world has not only changed, it has bifurcated, as it were, if not multiplied in a more complex way.

Double Reality

So what had to happen, happened. Humanity has moved to a new world. More precisely, it turned out that now we live in two worlds at the same time: a real, physical one in which we act through our corporeal bodies; and a cyber or virtual one in which our physical presence is minimal—reduced to the effort necessary for the manipulation of an electronic device. Something like wiggling a finger or giving a voice command. There are, of course, prerequisites for integrating a computer directly into the human brain, but this is still the stuff of gimmickry. In theory, this is possible, but still doubtful, if only because, so far, we have been unable to cope with the pandemic, not to mention cancer, strokes, and heart attacks—despite all the enthusiasm regarding the possibilities of extending life. Biology is still an elusive area of regulation.

My point is that COVID-19 ignited what can be called the emergence of the virtual world. Of course, a clear border between these worlds will not appear in the foreseeable future, but it is already obvious that virtual reality has shifted from being a "dessert" to a proper communication system, becoming something quite comparable to the world of relatively "real" communications.

It turned out that now we live in two worlds at the same time: a real, physical one in which we act through our corporeal bodies; and a cyber or virtual one in which our physical presence is minimal—reduced to the effort necessary for the manipulation of an electronic device.

Virtual space today plays the same role that physical territory used to play in the past.

Columbus discovered new lands in the Americas. Then, centuries ago, it did not matter fundamentally whether one grew bananas or tobacco. Land was a universal commodity, "flexible" and adaptable to whatever was in demand. Frequencies play that role today. It doesn't matter which ones, by the way. The digital solution is universally applicable to everything that people use for communication, no matter whether they exchange real goods or services.

In general, the emergence of the virtual world has become a fact. And this means that we need to reproduce a certain set of institutions regarding human communication in the virtual world. However, everything is already there—shops, cinemas, factories, and so on. The "experience economy," as it is being increasingly called, is only a part of this virtual world; it makes no sense to consider it outside the new double reality or new globality. The success and despair of the Internet of Things is a perfect illustration of this duality.

If we assume that the idea of the emergence of a parallel virtual world is correct, then a lot of questions arise. First, how can we regulate those relations—those subjects that arise in the virtual world? At the same time, how do we compare regulation in the "real" world (let's call it world-1) with regulation in the virtual world (let's call this world-2)?

In the "real" world, for example, it is not quite so easy or devoid of consequence for people to insult each other, for no one is anonymous in world-1. In world-2, relative anonymity is fairly common. Of course, with some effort, identities can be easily exposed. But still, efforts need to be made, which not everyone can do. World-1 has a huge number of institutions—police, courts, national jurisdictions, and so on. At present, there is nothing like this in world-2. And although theoretically the subjects of world-2 (whether they are people or institutions) are reachable with the help of the institutions of world-1, this is achieved with significantly greater difficulties and obstacles. And in some cases, the institutions of world-1 are not at all able to cope with the new challenges as, for example, in the field of copyright, defamation, and so on.

How do we compare regulation in the "real" world (let's call it world-1) with regulation in the virtual world (let's call this world-2)?

The point is that we need new institutions in a new world; moreover, these new institutions should be somehow associated with the institutions of our familiar, "real" world.

we need new institutions in a new world; moreover, these new institutions should be somehow associated with the institutions of our familiar, "real" world.

In the Virtual World...

If we proceed from the model of parallelism and the alignment of virtuality with reality, we need to reproduce in the virtual world something like internet citizenship and internet taxes in order, for example, to fund from the public purse the maintenance and availability of what is in the public domain—reference and educational sites, libraries, and so on. And we also need to figure out how to organize and finance something like an emergency alert system. And all this without even getting into questions regarding judiciary and executive power in the virtual world.

Moreover, in the virtual world, we also need an information hierarchy. In conditions where fake news predominates, and amidst the simple lack of reliable information, we need to maintain trustworthy information institutions. At one time, when the first electronic

media appeared, about a century ago, for example, they did so in the form of "public service broadcasting," with the BBC playing a vanguard role. The goal, then, was extremely simple—to create a source of information controlled by society, independent of advertising and other private interests, a source whose task was to broadcast the most reliable information to the whole of society.

It is clear that in the virtual world this kind of media cannot be reproduced. But one might think about how to do something similar. For example, a kind of news aggregator controlled by society and maintained at the expense of internet users, for example, paid for with an imposed general tax on each user. The management of these taxes, incidentally, would be completely transparent.

the various communities of people involved in the creation and distribution of content are turning into a separate social group, a kind of mediocracy. And this rather large group claims its own role in society. This is somewhat reminiscent of the partocracy in the Soviet Union.

In my opinion, the problem of reliable information is especially important, because under the influence of "virtuality" and new competition, we have lost the distinction between what is called the media and what is called, for example, a community, a party, a corporation, and so on. The general mediatization that has taken place in which any supermarket is a media that releases news about sausage and cheese has led to a situation whereby the media—whose purpose is to provide the public with accurate information—is drowning in a sea of pseudo-media with the goal of promoting their views or products, which, in a sense, are the same thing.

Evidently, a mutation has begun within the seemingly professional media. Huge human markets for the consumption of all kinds of information, as well as political competition, have resulted in many media outlets becoming a kind of political party or branches of parties. There can be no talk of any impartiality; CNN, for example, is the mouthpiece of the Democratic Party in the United States.

Moreover, the various communities of people involved in the creation and distribution of content

are turning into a separate social group, a kind of mediocracy. And this rather large group claims its own role in society. This is somewhat reminiscent of the partocracy in the Soviet Union. In that time, people who were supposedly called upon to serve society turned into its masters. Today, those who must deliver accurate and unbiased information often claim to be masters of minds. As a result, modern man is practically deprived of the opportunity to consume more or less reliable information. He is an object of manipulation in the interests of one or another political or social force.

Getting Worse and Worse

In general, it should be noted that the problem of the relationship between virtuality and reality is completely non-trivial. Already now, the conflict of the coexistence between reality and virtuality is obvious. For example, problems of borders and sovereignty arise. The formal limitlessness of virtuality is unequivocally contradictory to nation-states and jurisdictions.

I want to emphasize that we are not talking about what is better or worse: virtuality or reality. Rather, the question is about interaction and coexistence. Endless talk about interference in internal political processes, elections, and so on have their roots precisely in the contradictions between the ways people behave in these two worlds.

There has been a lot of talk about the rules of such mutual interference, which boils down to the fundamental problem of the relationship between the "old" and "new" spaces. In the very near future, this state of affairs will only get worse thanks to a combination of things like the emergence of global broadband internet (Elon Musk's Starlink), automatic linguistic translation that makes use of elements of artificial intelligence, and the strengthening of the Internet of Things. All told, such developments will be able to change significantly the balance of forces in the man-society-state system. Things won't end there. This will affect many aspects of life and the global economy, which by construction will affect all our national economies as well.

In addition, since it will never be possible to separate world-1 and world-2—at least unless or until artificial intelligence destroys humanity—it will be necessary to understand and then manage the changes that the "new" world brings to the "old" one. Much has already been mentioned, but the impact will go much deeper.

For example, problems arise with respect to applying laws in the virtual world. A person lives and dies, eats and drinks, sleeps and does sports physically, in the real world. Consequently, the virtual world becomes a tool for influencing the real world. The transformation of the media into political parties and communities has already been mentioned above. But there is also the opposite. For example, NEXTA—a Belarusian public organization based in Poland—is trying to present itself as a media outlet, although it is in truth a fully-fledged mechanism of manipulation, controlling the behavior of the masses in favor of certain political forces.

In other words, the subjects of the virtual world are trying to change the real world. And since these same subjects live in that same real world, it becomes possible or tempting to change the hierarchies of world-1 according to their own ideas.

Of course, social media networks are champions at rebuilding the modern world. There is no need to draw attention to the gross manipulation by Twitter, Facebook, and less mainstream players. The recent American elections are replete with examples of manipulation. Even the President of the United States is subject to censorship, not to mention ordinary individuals, or certain points of view.

It turns out that this is very characteristic: virtual spaces that seem to have been created for free communication have suddenly turned into information ghettos; any attempt to escape from them is punishable by ostracism—an old, even ancient way of getting rid of those with whom one disagrees. It seems to me that the sphere of social media should be civilized and transformed from wild information prairies with the rule of a strong moderator who for all intents and purposes, serves the owner of said social media, into some sort of socially regulated space. By the way, I would like to note that, in general, the obvious arbitrariness of the owners of social media should be regulated not only by laws in relation to social media themselves, but also by the equipment manufacturers with the help of which these social media are operated.

Society and private citizens should have the right to both create any virtual community they wish and have access to networks controlled by society as such. One could say that we need antitrust laws for the internet. In some respects, it is not a bad idea to recall the example of plumbing. One apartment building cannot have

100 water pipe systems at once. Therefore, this issue is not a matter of pure competition.

In one way or another, the largest modern social networks, which are sometimes called the Big Five, have become a very serious and dangerous tool for the rule of the minority over the majority, a way of imposing new hierarchies and crudely manipulating consumers in favor of often-unknown patrons. At one time, the inhabitants of a still-young Soviet Union could witness with their own eyes how a cultural, anti-hierarchical revolution was taking place, the end of which turned out to be so bloody that it absorbed most of those who were involved in the anti-hierarchical coup itself.

Physics uses the concept of quantum wormholes: something that connects different universes together in a nonlinear way. In this sense, the virtual and real worlds in which we now live are also connected by what could be likened to wormholes.

Hierarchies and Wormholes

Humanity lives in a world of hierarchies. Often they are probably not entirely fair. But this is what makes the existence of people sustainable. In culture, by the way, this is especially noticeable. Leo Tolstoy or Charles Dickens or Rabindranath Tagore are at the top of the cultural hierarchy. Columbus' merits are significant. But today, as many times in the past, an attempt is being made at a global revision of hierarchies. Incidentally, we see this taking place in the United States. But in contrast to past years, those who are seeking a place under the sun have a new, previously undeveloped instrument. Virtuality allows for both the construction of new hierarchies and for them to be implemented through the impact of virtuality on reality.

Physics uses the concept of quantum wormholes: something that connects different universes together in a nonlinear way. In this sense, the virtual and real worlds in which we now live are also connected by what could be likened to wormholes. In essence, these wormholes are people and their associations; they connect human civilization into a kind of complex, intricate structure solely by laying the aforementioned wormholes. And this makes the current situation

extremely interesting, but at the same time terribly dangerous. Hundreds of millions of sites, aggressive and manipulative social networks, attempts at establishing mediocracy carried out by numerous supposedly journalistic communities, and new technologized and ideologized communities striving for power (and much more) all make the virtual world a competitor and a threat to the real world. But in essence, this is a fratricidal struggle—the most dangerous amongst all possible types of war.

In some general sense, this has happened before, for we are facing an extremely alarming challenge: the challenge of a global conflict, a kind of global civil war. It would be impossible in a direct form without a new virtual world—a world in which there are no rules yet, no boundaries, no established hierarchies, not even a single language. But the development is rapid, and we may not be able to keep up with it; and this will lead to chaos.

There are a lot of challenges. Here you find the political state of countries and the world, and mutual influence. Here you find war: real, actual, physical wars. It is obvious that a part of all this has successfully moved into the virtual world, and that from there strikes out at real, living people and turns them into corpses. There is also a terrible challenge to private life, the consequences of which are not yet fully understood. For example, what will happen to sexual relations in the near future? How much will they be mediated by virtuality? And what will constitute violence in the virtual world?

In general, I repeat, there are a lot of questions. But the most important challenge we face, from my point of view, is the disintegration of information hierarchies, the chaos of the space in which humanity lives. This can lead to terrible shocks, to wild violence and, in the future, to the degradation of civilization.

The most important challenge we face is the disintegration of information hierarchies, the chaos of the space in which humanity lives.

In my opinion, there is an urgent need for the most decisive approach to establishing principles of regulation of this already-existing virtual world. Otherwise, we will in fact become like moles, and blindly, chaotically make holes in the world in which we live. And this can easily come to be done so badly that everything collapses.

At the beginning of this essay, I compared the power of modern communications with the energy of nuclear weapons. And the threat of nuclear weapons, for all its reality and riskiness, ultimately turned out to be a means of preserving global peace. New communications are, of course, a great blessing too. They can and are already providing incredible benefits. The truth of this statement is so evident that there is no need to talk anymore about it in detail. But everything in the world is dual-natured and ambivalent. If we miss the moment, especially given the aggressive and contradictory nature of human beings, we could engender a destructive evil instead of harnessing great good.

The peaceful coexistence of all worlds is necessary. BD

bakudialogues.ada.edu.az

Grand Strategy Along the Silk Road

The Pivotal Role of Keystone States

Gregory Gleason

The concept of "great power competition" is a focal point of all thinking about grand strategy in international politics. Throughout history, the rise and fall of nations, victories and defeats in the great internal contests, and the praise and rebuke garnered by great leaders has always been the product of what is called power competition. Great power competition is the jockeying for position, influence, advantage, and control by those states that rank high in the lists of economic, political, and military standing.

Because great power competition has always been the focal point of major shifts in global politics, it has also always been natural to think in terms of the shifts in standing among the leading powers to be the product of a combination of the power and volition of the leading states. Textbooks told the history of diplomacy in terms of the outcome of the competition of great powers but, significantly, also tended to represent the history of great power competition as though those powers were acting alone. From the eras of Cyrus the Great and Alexander of Macedon in antiquity to the days of strategic competition in the modern Westphalian nation-state system, the popular view sees history as shaped exclusively by the deeds of the leaders of the most powerful and celebrated nation-states—the great powers.

This popular view of international politics was never entirely accurate and is probably growing less so as the world grows ever more intricately connected and interdependent. To the extent that security was indivisible in the past, in today's era of globalized connections, digitally empowered mechanized warfare, and widespread mutual vulnerabilities to phenomena such as pandemics and global environmental disarray, security is less divisible than ever before.

The indivisibility of security in the present era implies that the great powers—measured by their economic standing and their force and influence in the world of advanced weaponry—wield the capacity to inflict enormous damage. But, asymmetrically and strangely, the great powers do not appear to exercise proportional capacity to generate equal measures of consensus and deliver equal measures of benefit. This is particularly important for the many countries that fully participate in international processes but do not rank high on the list of measures of power and influence. Textbooks of international relations spend a great deal of time measuring the power and might of great nations and tend to glide over or entirely ignore the influence of those countries which are not represented at the table in the negotiating conventions of the great powers. Textbooks rarely even have a name for those other than the great powers. "Small states"? "Lesser Powers"? "Middle Powers"?

Often those states that do not seem to be determining the outcomes of interactions merely because there are not the states that announce outcomes of grand-scale negotiations are thought of as being secondary, derivative, and essentially reactive in their foreign policies. Often analysts tend to attribute highly constrained prerogatives to lesser powers, arguing that the second order powers behave either as vassals of a great power (the "bandwagoners") or exercise a swing influence by shifting their allegiances to in a way that alters a balance of power (the "balancers").

What this mainstream approach to international politics fails to appreciate is that in critical points in history, key states among the lesser powers have made all the difference in the outcome of great power competitions. Writing in the previous issue of *Baku Dialogues*, Nikolas Gvosdev accurately and succinctly drew attention to Azerbaijan's pivotal position in the current situation by pointing out that "the Silk Road region—with Azerbaijan at its geopolitical center—is located at the seams of the global system and is positioned to serve as a critical mediator between different major powers, acting as gateways between different blocs of states, regional associations, and civilizational groupings."

***Gregory Gleason** is Professor Emeritus at the University of New Mexico and Professor of Security Studies at the George C. Marshall European Center for Security Studies, a partnership between the German Ministry of Defense and the U.S. Department of Defense. The views expressed in this article are those of the author.*

As Gvosdev rightly argued, the role of keystone states is not only the function of "balancing or band-wagoning" in the calculations of the great powers; it is also a role the includes essentially shaping the outcome of diplomatic interactions. Gvosdev draws attention to the proposition that at critical points in history, it is often the lesser states that play the most significant role in orienting the direction of diplomatic relations and shaping the changes in the character of world order. The present set of circumstances is just such a moment in history. Azerbaijan is just one such a state in a pivotal position that makes its policies crucial in influencing changes in the contemporary world order.

In critical points in history, key states among the lesser powers have made all the difference in the outcome of great power competitions. One such pivotal state is Azerbaijan.

The concept of a "keystone state" has been analyzed in the pages of *Baku Dialogues* from a variety of methodological and policy vantage points. This discussion has begun to influence the way that others, scholars, analysts, and practitioners comprehend the present dynamic period of global order. It can be expected that the influence of this concept and the strategic leverage exercised by keystone states will increase as discussion involves an increasingly large community of scholars, analysts, and diplomats.

From my perspective, the role of Azerbaijan as a keystone state in influencing the international community is amplified by three important factors. *First*, the current climate of political change and the search for new forms of political equilibria—meaning a "new world order." *Second*, new trade and transport integration efforts such as Beijing's Belt and Road Initiative—meaning a "grand inversion." And *third*, the impact of the transition to fixed-system infrastructures for transport and communication particularly in the period of the information stage of the industrial revolution—meaning something very different than the ancient Silk Road. Each will be examined in turn.

New Equilibria

The concept of "great power competition" had been absent in much of the literature and dialogue of international discussion in recent decades, reemerging only recently as a central focal point in thinking and discussion about international relations. The U.S. National Security Strategy announced in December 2017 and soon followed by the U.S. National Defense Strategy in 2018 explicitly articulated the competition among the world's contending great powers, namely China, Russia, and the United States.

The recalibration of America's foreign policy posture is a response above all to two recent trends. First, it represents a response to Moscow's invasion (Georgia), annexation (Crimea), and clandestine occupation (east Ukraine) of neighboring countries. Moscow's revisionist policies toward the prevailing European security order provoked a reassessment of the east-west balance of power. Moreover, Moscow's efforts to use increased economic integration throughout the former Soviet space to provide a justification for the re-creation of a politico-military bloc called into question the assumption that the resolution of Cold War ideological competition would be followed by an enduring peace and stability.

Second, the change of American foreign policy is a result in Beijing's shift from the principle of "peaceful rise" to the elaboration of a new, extended prosperity sphere, driven by financial investment and gain. The Belt and Road Initiative is rhetorically presented as a policy platform designed to advance mutual economic interests and but also features a grand geostrategic program designed to fuse the economic interests with the political ones of a network of states across East Asia, Southeast Asia, the Silk Road region (Eurasia), East-Central Europe, and the Middle East.

The stakes are high in great power competition. In the midst of today's disputatious discussions of international politics, one of the few things that seem to unite everyone is the recognition that the prevailing world order lacks the consensus support it has enjoyed for the last seven decades. We may not all agree on the rationale, grounds, or justification of the international disagreements in which we find ourselves, but we can at least all agree that the level of disagreement is unprecedented in recent decades.

What, then, explains the failure of security institutions, multilateral economic institutions, and the foreign policy postures of the world's great powers to forge and sustain a stabilizing and forward-oriented consensus on a global level?

The spectrum of views is broad. Similar to many historical periods of power transitions, there are status quo powers and revisionists. There are those who favor strengthening existing international institutions, and those who favor completely abandoning those same institutions or replacing them with entirely new institutions. There are proponents of enhanced hegemonic stability and binding international agreements, and proponents of multilateral balances of power, multipolarism, and self-reliance. And there are proponents of the introduction of new competing or even contesting leading institutions with the idea of shifting the focus of international negotiation to new forms of activism on subjects ranging from distributive politics to global environmental issues.

All of these debates over security, equity, representation, the environment, and now, given the most pressing immediate challenges of the modern era—responding to pandemic disease—raise questions about why the institutions of the past have lost the ability to resolve the problems of the present.

Have the major institutions of international cooperation of the past become merely fatigued, or has the contemporary world itself changed in such a way that these institutions are no longer capable of ensuring stability and promoting peace and prosperity? If indeed structural adjustment is a necessity, why has *world order* not simply reestablished itself?

One school of modern thought maintains that the so-called liberal international order that crystallized at the end of World War II and was buttressed for the past 75 years by the major Western states under the de facto leadership of the United States is best understood in historical context and a broad, global perspective. This school of thought runs roughly along the following lines. In the pivotal period of 1945-1949, the United States took steps which led it to assume an international role of guarantor-of-last-resort for international stability. The United Nations and the family of economic, political, and cultural institutions associated with the UN became the basic structural foundation for the postwar order. The United States was not acting alone, but America did bear most of the direct cost burden for this role for decades. To the extent that the United States grew into the role of supplying hegemonic stability, this was seen as being less a product of an international design of America's political system than the fact that the United States was swept into this role by the consequences of the actions of other states.

The liberal international order based on the nation-state system and market-oriented commercial relations was challenged by the communist system based on the elimination of the Westphalian nation-state and relied upon Communist Party-directed international commerce. The great bulk of the globe's population—what came to be known as the developing countries or the Third World—was not explicitly counted as belonging either to the "first world" of the advanced Western industrial countries or the "second world" of the communist countries. When the Soviet Union fell in 1991, the bipolar system came to an end and the "first world" (increasingly termed the "developed world"), with the United States as its de facto leader, gained a new position of prominence. The idea of the "unipolar moment" drew attention to the unusual historical circumstances. Now, three decades later, the international situation is very different. If the United States is no longer willing or able to provide that stabilizing role of a guarantor, should not some other instrument or mechanism of world order simply be substituted to reestablish world order?

Scholars and diplomats in traditional schools of thought tend to look to the lessons of history in coming to terms with the challenges of the future. To the extent that a unipolar moment existed at all, it was fleeting. Natural economic, social, and political changes make unipolar moments unlikely and not long-lasting. The globe is by nature spherical and the world's politics are by nature multifaceted. A multipolar system of politics of the global community is inevitable. This has brought many people to argue that we should look back into history to find examples of successful formulas.

Can we expect that a multipolar balance of power is the most stable and equitable formula for the new international order? Can we not simply return to the noble agreements of the balance of power period that established a "concert of nations" with stability and equity to the states which adopted them?

Some strategists argue that we will mislead ourselves if we exaggerate romanticized versions of the stability of the past. In his compact and yet encyclopedic one-volume analysis of international politics entitled *World Order* (2014), Henry Kissinger offers a wealth of information and insight on the idea of global order in the past. Two

positions stand out in the book that are crucial in helping us to comprehend today's world. One simple but particularly important thesis of the book concerns the very idea of world order. Kissinger notes that scholars and practitioners speak comfortably about the structure of the global community as referring to a set of rules and responsibilities that created a stable relationship among countries that we regard as "world order."

Kissinger sees this as an oversimplification of the past, pointing out that, in reality, "there never has been a real world order." Kissinger asserts that what was often construed as the vaunted architecture of enduring stability was in little more than a de facto patchwork of limited agreements. Those agreements might have promised Valhalla, but in fact offered only limited, practical, and specific solutions to a concrete set of urgent problems. To the extent that such institutional arrangements were effective, they succeeded by restraining overweening powers and propping up the defense of basically defenseless societies. These de facto arrangements served general goals even if they did not derive from the universal acknowledgement of natural law. Kissinger's argument is that the "balance of power" among the European great powers was more of a series of temporary fixes than the creation of a concert of great powers.

Kissinger argues that what passes for world order today day is derived from an arrangement devised in Western Europe nearly four centuries ago at a peace conference in the German region of Westphalia and conducted without the involvement or even awareness of most other continents or civilizations. The Peace of Westphalia reflected a practical accommodation to reality, not a unique moral insight. The stability of the system relied on a network of independent states mutually agreeing to refrain from interference in each other's domestic affairs and checking each other's ambitions through a general equilibrium of power. The Westphalian system endured, despite its many flaws, to become the foundation for many of the assumptions of the international system that were exemplified by the principles of the UN Charter, institutions of global governance, and in general the idea of a liberal international order.

A second important thesis that Kissinger puts forward is that world order was never well-fitted to the political expectations of the Westphalian logic—not then, and even less now. At the time the Westphalian principles were first articulated, not all societies around the globe shared these same assumptions, or at least did not interpret them in the same way. The Westphalian system worked to the extent that it did *in Europe*. But at the opposite end of the Eurasian landmass from Europe, China was the center of its own hierarchical and theoretically universal concept of order. This system had operated for millennia—it had been in place when the Roman Empire governed Europe as a unity—and based itself not on the sovereign equality of states but on the presumed boundlessness of the emperor's reach. In this Eastern concept, national sovereignty in the European sense did not exist, because the emperor held sway over "all under Heaven." Moreover, in much of the geography between Europe and China, Islam's different universal concept of world order held sway, with its own vision of a single divinely sanctioned sphere of governance uniting and pacifying the world. Meanwhile, the emergence of the New World in the eighteenth century added a new set of civilizational principles in which the American vision rested not on an embrace of the European balance-of-power system but on the achievement of peace through the spread of democratic principles.

The leading institutions of the international security architecture in present circumstances—the UN, the World Bank, the IMF, the IAEA, and countless other regional security institutions—derive their legitimacy from the basic legalistic principles set forth by Dutch jurist and philosopher Hugo Grotius that serve as the "axioms" of the post-Westphalian system. The urgent problems of world order today, if one follows this realistic interpretation of international politics, are related to challenges that arise from competing visions of how the world can and should be governed and how disputes can be resolved. In the logic of the situation of today's world, the states and regions that are situated territorially or conceptually between the competing visions of world order are of pivotal significance. Keystones states are significant for this reason.

The Grand Inversion

In the days before the Peace of Westphalia—from the point of view of the necessities of trade and movement from place to place—the world did appear to be flat for most people. Long-distance enterprises involving cooperation and conflict were conducted on what appeared in those day to be essentially a plane. In antiquity, the Silk Road gained its name from the trade of silk from China to points west, north, and south. As early as

the days of Han dynasty in China (approximately 200 BCE) long-distance commercial trade was based on silk but also included many other scarce and valuable commodities such as paper, gunpowder, and spices. The Silk Road grew to become a channel of cultural, political, and military expansion as well. With its publication in 1300, Marco Polo's book *Marvels of the World* brought cross-land trade routes to the attention of the Mediterranean basin. The growth of east-west trade along the Silk Road greatly spurred economic and political development along various east-west corridors leading through Central Asia and the Caucasus—what is now termed by some as Eurasia and others as the Silk Road region.

The shift to maritime traffic, which started the "Age of Discovery," disproportionately reduced dependence upon cross-land trade routes. A "great transition" took place with the advent of maritime traffic for commercial development and imperialist expansion. Bartolomeu Dias' travel to the Indian Ocean in 1488 was followed by Ferdinand Magellan's circumnavigation of the world in 1522. As the cost advantage of maritime trade over cross-land trade grew, the incentive for military extension of power proportionally increased as well. Land traffic was easily contested by brigands and local competing political forces. Maritime passage was less easily contested and became the domain of major European powers. The principle of freedom of the seas was based on the idea that national sovereignty only applies to a geographical territory located on the land surface and the bodies of water which are within the bounds of the territory. The concept of the freedom of the seas, or *Mare Liberum*, was first articulated by Grotius in 1609. This remarkable Dutchman argued that the use of the seas as a matter of first principles was a common space which could be enjoyed by all.

For the past four centuries countries have interpreted the principle of freedom of the seas in various ways, often coming into disagreement regarding the use of waterways adjoining sovereign land, the right to the use of resources, the use of fisheries and minerals, the use of underground watercourse traversing sovereign land, and the right to innocent passage for commercial or other purposes through physically restricted and heavily used passageways such as the Bosporus. Since its inception, the principle of freedom of the seas has led to contestation among great powers, which have sought to use sea lanes for military and strategic goals. Great powers have sought to exert dominance over portions of the sea by encouraging privateers and even pirates to corner or block trade markets. Innocent passage through highly congested and contested chokepoints such as the Strait of Hormuz and the Strait of Malacca or the so-called South China Sea grew to be more contested as the shift from land to sea routes became more significant.

For a little more than four decades, a historically unparalleled transition in global trade patterns has been taking place in the context of the emergence of China as a major and rapidly climbing power. In a little more than a generation, China has transformed itself from a backward economy into one of the world's largest, most competitive, and most forward-looking industrial economies. China's initial advantage in east-west trade was based largely on the cost advantages of Chinese imports made possible by three factors: first, extensive state-financed support for export-oriented industrial goods; second, the cost-advantage of maritime freight over land freight; and third, significantly lower labor costs.

For a little more than four decades, a historically unparalleled transition in global trade patterns has been taking place in the context of the emergence of China as a major and rapidly climbing power.

At present, all three of these factors are changing significantly and rapidly. Economic growth in China has lowered the difference in labor costs between China and other countries and, even more importantly, the labor component is diminishing in relation to other components in production costs. Technological changes are increasing energy efficiency and the digitization of manufacturing is reducing the advantage of large, centralized production facilities. At the same time, advances in transportation are reducing the cost-advantage of maritime freight over land freight. These factors—in combination with great power efforts to nationalize maritime trade routes—are combing to have the effect of reducing the advantages of the maritime trade routes first established in the Age of Discovery over older, more traditional land trade routes.

China's turn to economic reform began in 1978 under the leadership of Deng Xiaoping. A recalibration of China's foreign policy soon after the turn of the century was exemplified by the concept of China's

"peaceful rise." Policies predicated on this concept became the driving force behind the rising tide of the "Asian Century," with China becoming once again the engine of development for much of Asia. China's economic change brought hundreds of millions of people out of dire poverty in a single generation. During the early stages of this economic transformation, immense infrastructure development transformed transportation, energy, and communication systems in China and across Asia. The world's leading public international financial institutions—the World Bank, the International Monetary Fund, the Asian Development Bank, and others—have sought to mobilize capital for development throughout the Asian region and, at the same time, establish a virtuous circle of economic change promoting good governance, fiscal accountability, environmental protection, human rights, and social equity. Despite progress, the leading international institutions were criticized for not working boldly and swiftly enough to meet Asia's mounting development challenges.

Under the leadership of Jiang Zemin and Hu Jintao, China's infrastructure development projects extended throughout the Asian region and beyond. China's rapidly growing foreign infrastructure projects in highways, rail, energy systems, and communication infrastructure were financed through China's government controlled financial institutions such as the China Development Bank and the China EXIM Bank. The agreements behind these investment mechanisms was almost exclusively framed in terms of China's bilateral agreements with partner countries.

Since 2013, China's leadership under Xi Jinping has greatly widened and deepened the foreign economic influence of China through multilateral foreign projects. China's leading role in establishing the Asian Infrastructure Investment Bank (AIIB) signaled a new era in this dynamic transformation. China's proposal to extend its influence through an unprecedented and massive foreign development framework, initially referred to as One Belt, One Road, was unveiled to finance and politically endorse development projects to recreate a modern form of east-west commerce along what was often described of as the ancient Silk Road trading routes between China and Europe.

This strategic infrastructure initiative—later renamed the Belt and Road Initiative—sought to expand to include a large number of "special economic zones" and strategic cooperation agreements in an effort to link the economies of

Europe, Russia and its former-Soviet periphery, the Middle East, and Africa to China and much of the rest of Asia into a massive single, coordinated Eurasia-centered supply-chain network—hence the revival of the term Silk Road region. Once the new trade network is in place, its planners envision that the Chinese national currency, the RMB, will rise in importance to become a major reserve currency in international trade.

BRI implies a set of economic activities that also suggest a geostrategic importance in terms of recalibrating relations among the great powers. As Dean of the George C. Marshall European Center for Security Studies Andrew Michta has argued, BRI is essentially drafting a new set of policies and practices that amounts to a "grand inversion." Just as the shift to maritime trade routes in the Age of Discovery transformed the land trade routes shifting from land to sea, BRI is envisioned to result in an "inverted" transformation to a new framework that amounts to a restoration of the significance of the Eurasian land bridge and a reduction in the importance of maritime traffic and sea-based trade flows.

If fewer countries are directly reliant on maritime traffic, they may grow less concerned about the principle of the freedom of the seas and more willing to accept Chinese overtures to privatize strategic bodies of water like straits or whole portions of various seas and oceans. In referring to a "grand inversion," Michta has argued that Beijing is calculating on replacing the maritime supremacy in favor of the land domain that for four centuries favored the interests of the Western world. In such a scenario, Michta states, the European Rimland would cease to be the transatlantic gateway to Eurasia, becoming instead the terminal endpoint of a China-dominated Eurasian empire.

The geostrategic significance of BRI is already illustrated in terms of its effects. China's assertion of sovereign control over maritime trade routes in the South China Sea—a major trade channel between East and West—created great consternation in government chancelleries throughout Southeast Asia. After China seized a strategic reef off its coast, the government of the Philippines appealed for remedy to the Permanent Court of Arbitration in The Hague. In April 2016 the court found in favor of the Philippines. But its ruling came at roughly the same time that presidential elections in the Philippines brought in new political leadership under Rodrigo Duterte. The

new Philippine administration recalibrated, indicating its acceptance of the terms of China's claims over sovereign control of the South China Sea.

A principal goal of the Belt and Road Initiative is certainly to bring about the restoration of the cross-land transit corridors. To the extent that technology, finance, and international politics all trend in that direction, the states located at the seams of shifts in the global system are positioned to serve as critical mediators between different major powers. These states are of increasing importance, and Azerbaijan is just such a state.

Road and Regimes

Logic—no matter how clear and how compelling—does not always guide politics. In politics, sometimes matters of principle and logic are important, but calculations of self-interest get in the way. The early stages of development in the post-Soviet space after the disintegration of the Soviet Union provides a good example. When the founding meeting of the Commonwealth of Independent States took place in Alma-Ata, Kazakhstan, in December 1991, one of the few things that all the political leaders could agree upon was the idea of maintaining a "common economic space" throughout their geography. To all of those present at the first post-Soviet negotiations, the perpetuation of cooperation in economic and commercial relations was uniformly desired because existing economic relationships were seen to be practical and the idea of maintaining a "single economic space" was expected to be easily achievable. But, in fact, the collapse of the Soviet Union was not followed by the emergence of graceful economic cooperation. Instead, the period was characterized by a great deal of economic one-upmanship and protectionism driven by narrow interpretations of self-interest.

In the immediate years following the Soviet collapse, dedicated efforts by the negotiators representing post-Soviet countries to coordinate currency, customs, trade, and investment policies produced far more cooperation on paper than in practice; an enduring diversity and incompatibility of standards, policies, and practices slowed integration and harmed trade within the entire Eurasian region. Successful agreements to negotiate even limited cooperative economic relationships among the post-Soviet states took more than a decade. These economic integration efforts in Eurasia should draw attention to the dialectical tension between national sovereignty and trans-national cooperation.

Many large BRI infrastructure projects are now in their first stages of implementation throughout the Silk Road region. The coordination of the "software" of government policies with the "hardware" of a fixed systems—e.g. the interconnections of rail, road, port facilities; power grids and airspace control; fixed electronic communication systems including transmitters, relay towers, and receivers—are projected for development throughout the entire Silk Road region, overcoming geography and drawing East and West together in an intricate network of linkages.

These projects raise two questions. Can the construction of the new BRI "hardware" of infrastructure projects in transportation, energy, and telecommunication create a new framework for cooperation in the greater Silk Road region? Will the "software" of government policies and practices sync with this "hardware," or will government policies lead to inefficiencies and even conflicts? To the extent that these fixed infrastructure projects can offer greater operational efficiencies, will these also introduce inflexible geostrategic implications? Will an enlarged prosperity zone also result in a parallel security sphere?

Fixed physical distribution systems such as roads, railways, oil and gas pipelines, water distribution systems, irrigation systems, electrical distribution grids, and fixed telecommunication networks often come with the features of a natural monopoly. Commodity markets are economically most efficient where there are many producers and many consumers, and when competitive pricing principles determine the terms of exchange. These features describe the standard market model. Natural monopolies do not share all these market features. Fixed distribution systems tend to fail in conforming to efficient market conditions, particularly if there is low diversity of producers and consumers.

The case of a single oil pipeline between the producer and the consumer illustrates the problem of a natural monopoly. If the consumer side is offered only a limited number of suppliers—as is usually the case with pipelines—the price of the commodity will tend to be determined not by a market equilibrium but by the supplier's determination of what constitutes a "fair" price. Oil and gas consumers served by transport pipelines with a limited number of alternative

sources or substitute energy fuels are familiar with the problems of energy dependence and the results of price gouging, shortages, and disruption. The energy dependence of consumers is a common complaint. Consumer energy dependence frequently is drawn to people's attention because it is often a public concern. Producer energy dependence, in contrast, is less often discussed. But producer dependence is also a major factor in shaping the national policies of energy producers and the governments that rely or even depend upon them as a major source of state revenue.

Electrical power transmission provides another important example of the distorting effects of natural monopolies on prices. One of the traditional constraints of electric power systems is that production needed to be closely linked to consumption. New electric storage capabilities are rapidly expanding with technological changes and large-scale electric storage costs are coming down rapidly. Traditionally, however, electricity has not been storable in large volumes. Consequently, production needed to be flexibly scaled in order to meet fluctuation in demand. This has been a source of great difficulties for large regional electric transmission projects. Due to these market features, electricity distribution systems tended not to be organized in terms of supply and demand but rather organized in terms of the engineering aspects of the facilities for production, transmission, and distribution.

The inflexibilities of fixed transportation, energy, and communication systems require, for all these reasons, a high level of regulation. A high level of regulation, in turn, requires a high level of political oversight and the political control that this implies. Fixed infrastructure facilities create a framework that may be seen as the "hardware" of international affairs. For the hardware to work effectively, it requires the "software" of government regulatory policies. Large public infrastructure projects are designed to improve the prosperity and stability of all actors, but those that are located in the nexus points in the physical infrastructure network are likely to play a pivotal role in the functioning of the systems. Again, Azerbaijan is located in just such a nexus point.

Competition Along the Silk Road

The idea of the restoration of the ancient Silk Road in the present set of circumstances is indeed a beguiling idea. It seems to champion the great advances in civilization that were prominent along the routes of the Silk Road ages ago but were displaced by the Age of Discovery and were lost to animosities which swept over the Silk Road region hundreds of years ago.

The contemporary quest to restore the ancient Silk Road is inaccurate and even distorting when understood out of its historical context and without proper attention being paid to the differences inherent in our contemporary situation. The Silk Road that linked east and west in the days of Marco Polo was not a road at all. Trade routes throughout Central Asia the Caucasus and what is today called the Middle East were not roads in any modern sense of the word. There were mountain passes; there were fertile oases; and there was busy maritime traffic along the Caspian to be sure. But the area between the many stopping points along the Silk Road typically involved a great expanse of desert and difficult natural terrain, not fixed by any factors other than the shifting fortunes of the natural elements.

All along today's Silk Road region signs of significant change are on the horizon. This is nowhere more apparent than in Baku.

Tomorrow's fixed infrastructure systems of highways, railways, electric grids, and telecommunication relay facilities constitute a new level of intricate linkages, implying a new level of coordination and a new format of political deliberation, consultation, and decisionmaking. This is fast becoming a Silk Road of a type vastly different than the transportation routes of antiquity.

Today's Silk Road is immeasurably more efficient and effective than the desert trails of the past. It is also subject to control and manipulation for political objectives in a way that the ancient Silk Road never was and could never be. The Silk Road of the past was successful to the extent that it constituted a rationale for local political leaders to cooperate so as provide protection against medieval brigands and highwaymen who sought to plunder trade and transportation corridors.

In other words, the ancient Silk Road only functioned effectively because it was supported by what we would today call a collective security community. The classical Silk Road was not a road: it was, rather, what political economists today would call a "regime." More precisely, it was a set of political arrangements among local leaders that created a mutual protection

community, freeing commerce from manipulation by brigandage and plunder.

Today's Silk Road is a fixed infrastructure network that requires a complex system of state-to-state political relationships to prevent natural monopoly features from overwhelming the technical and operational efficiencies of modern technology. All along today's Silk Road region signs of significant change are on the horizon. This is nowhere more apparent than in Baku. Baku is located at the geographical center of the twenty-first-century Silk Road, linking East and West and North and South. Baku, in other words, is a strategic hub by virtue of being situated at a critical geographical fulcrum point of rapidly expanding transport and communication infrastructure.

Competition, as sages tell us, creates dynamics that lead to opportunities and threats. Opportunities and threats are two aspects of the same thing; which of these two aspects prevails depends above all else on how diplomats negotiate and maneuver the dynamic factors inherent in all competition. BD

bakudialogues.ada.edu.az

Central Asia and the Belt and Road Initiative

Djoomart Otorbaev

For us Central Asians, it is especially important to understand what is happening seven years after the Belt and Road Initiative was first announced. During an official visit to Astana, the capital of Kazakhstan, in early September 2013, China's president Xi Jinping proposed that China and Central Asian countries build an "economic belt along the Silk Road," thus sowing the seed of a trans-Eurasian project designed to deepen cooperation and expand development across the Silk Road region.

This essay will attempt answer a number of questions in this regard, including: How has it been received by the Central Asian countries? What has been the reaction of the external world to this initiative? What is happening in Central Asia in the context of BRI?

It is important, even fundamental, that no one has ever officially defined the scope of BRI's geography. All the maps that have been published only present interpretations of official statements or documents. Most maps do not even show national borders, but rather various corridors, regions, and cities. Some are puzzled and keep asking when such a map will appear. But I believe the absence of any geographical allocation or association with any territory was and remains the right approach.

China is moving fast. Since Xi's announcement, thousands of BRI events have been organized all over China and several BRI-specific research institutes have been established all over the country. In March 2015, the government set up "special leading group" under the National Development and Reform Commission (NDRC) to oversee the coordination and implementation of different projects under the BRI framework. To my mind, there are three main elements of this Initiative.

***Djoomart Otorbaev** is a former Prime Minister of the Kyrgyz Republic (2014-2015).*

First, quite prominent emphasis is given to the inclusiveness of the initiative and the chance to create win-win cooperation that is beneficial to all participating entities. The major goal is to strengthen trust and connectivity between the cooperating partners.

Second, the recommendations refer to many recently announced multilateral investment banks or funds like Asian Infrastructure Investment Bank (AIIB), the New Development Bank (formerly known as BRICS Development Bank), and the Silk Road Fund. Support is also organized through China's own financial institutions like the Export-Import Bank and the China Development Bank.

Third, BRI has a prominent domestic socio-economic dimension, with increasing focus being placed on China's landlocked and borderland regions like Xinjiang, Fujian, Guangxi, and Yunnan, which should strengthen cooperation with their neighbors.

Even when they were announced, none of the three elements were new to Chinese politics. What was new was the fact that diverse areas of political activity (domestic, foreign, regional, etc.) were combined under a single hat and set within the overarching framework of a single flagship initiative.

Prospects, Challenges, Achievements

Without any doubt, the Belt and Road Initiative will become the global phenomenon of the modern world. Its very scale shows that this still-new, China-led framework for economic and political cooperation will be truly geopolitical, for BRI will form a huge network of highways, railways, airways, oil and gas pipelines, power grids, transmission, and communication networks. It is clear that along with all this connectivity infrastructure, various types of industrial clusters and services networks will also be developed. BRI's ambition is clear: to form an integrated land area stretching from the Pacific to the Atlantic and thus to establish a direct land link between two major global economic powers: China and Europe.

This unprecedented, China-led free trade cooperation framework will certainly have an enormous impact on global economic development, forming the foundation for a new and more predictable political and economic order.

The construction of this intercontinental infrastructure system is being designed to serve as the basis for the creation of strong regional economic integration and enhance the free flow of goods, labor, and capital. All of this will create, in the long run, a single Eurasian market. This unprecedented, China-led free trade cooperation framework will certainly have an enormous impact on global economic development, forming the foundation for a new and more predictable political and economic order.

Currently, 90 percent of world industrial production is concentrated in three geographic regions: North America, Europe, and Southeast Asia. Pragmatic considerations have driven Beijing's approach to the design of BRI: connect by land two centers of the world economy: China and Europe. An unavoidable consequence of this logic is that the countries of the Silk Road region will themselves reap benefits from the Initiative. Thus the "win-win" slogan heretofore popularized by BRI advocates will soon be transformed into a "triple win" formula.

The Initiative is likely to encounter significant challenges along the way, not the least due to its virtually global scale. The biggest risk for the Silk Road region countries will not only be in figuring out how to deal with the enormous differences in the economic, political, cultural, social, and legal systems found amongst the countries along its routes. There also will be, as Alexis de Tocqueville put it, the "interests of the big." With regards to the Eurasian land route, China must deal with Russian interests, due to the latter's historically strong links with Central Asia and the South Caucasus. The Initiative will face an additional challenge from the United States, the current global leader.

The biggest risk for the Silk Road region countries will not only be in figuring out how to deal with the enormous differences in the economic, political, cultural, social, and legal systems found amongst the countries along its routes. There also will be, as Alexis de Tocqueville put it, the "interests of the big."

BRI should not be viewed as China's "grand strategy." On the contrary, the Initiative should be interpreted as a proactive Chinese response to the growing complexity of our world. In the positive scenario, this response has the potential to turn into a new concept of how international order could be organized in the future. Three points rise to the mind.

First, BRI is mainly about building up and strengthening cooperation among participating countries. It should be understood as a joint "road to prosperity, and a belt of peace." Its goal is to create networks of cooperation in many areas and on many different political levels.

Second, BRI is likely to continue being flexible, inclusive, and open. Its geographic scope remains to be determined. Those who are willing to join are joining; those who are not ready still have some time to think through their options. The fact that the Chinese leadership still has not published an "official" BRI map further underscores its global openness and inclusiveness. And this is the right concept. Every country that has an interest in one of the institutions related to BRI can become part of it. And "invitation" really is the right word. The success of the establishment of the AIIB was related to the same flexible method of inclusiveness. In addition to this inclusive orientation, the success of BRI and its related institutions also relies on the diversity of the participating countries. This concept is truly a grand invitation; it is neither pressure nor enforcement.

Third, the main task remains the building up of a comprehensive economic and political network to promote the various connections between the countries involved in BRI, including those in the Silk Road region. In this regard, BRI comprises all sorts of actors both within China and well outside its frontiers: central, provincial, and city governments, certainly, but also private sector players, NGOs, think tanks, and universities—to name the most obvious.

Security considerations also inform China's decision to initiate BRI. In this essay we can focus on just one example: energy security.

At present, China imports from abroad about half of the crude oil it requires. Of this amount, more than a half is delivered from the Middle East by sea. Just from these two sentences, it becomes obvious that a key Chinese national security issue centers on being sure to have safe and reliable maritime transportation routes between its seacoast and one of the world's most unstable regions. In the best of times, the risks are high; in the event of a regional or global conflict, they are likely to rise significantly. For example, the

great maritime powers can simply block the delivery of hydrocarbons by sea to China.

Thus, China needs to diversify oil imports with an obvious alternative—namely Eurasia: the Silk Road countries. Chinese growth rates may not be what they were, but they are still quite impressive. And the nature of all that growth is likely to be such that energy consumption will increase at a higher rate than growth. This gap could be partly but not insignificantly covered by additional imports from Central Asia and Russia. By 2030, these countries could supply an additional 30 percent of China's additional energy requirements.

How have economic relations between China and Central Asian countries changed over the few years of BRI's existence? According to data provided by China's Ministry of Commerce, in 2018 FDI flows from China consisted of $3.8 billion to Kazakhstan, $1.98 billion to Turkmenistan, $412 million to Uzbekistan, $316 million to Tajikistan, and $47 million to Kyrgyzstan. There have also been what appear at first blush as dips: for instance, total Chinese investments in Kazakhstan fell from $19.7 billion in 2013 to $14.5 billion in 2019. But what is critically important to underline is that the structure of Chinese investment to Kazakhstan and the rest of Central Asia has been changed for a better. Chinese businesses started to invest not only in the energy sector but in technology, processing, and manufacturing. As of July 2019, China had invested $2.16 billion in Kazakhstan's industrial sector, whereas in 2013 the number was literally zero. Uzbekistan is also prioritizing Chinese investments in its industrial development. Most of the 46 projects agreed in 2018 between the two countries—worth a total of $6.8 billion—are focused on processing and manufacturing.

Exports from the Central Asia countries to China have also increased: they totaled $14.64 billion in 2013; in 2019, they totaled $18.83 billion. China's share of total exports from Central Asia grew from 17 percent to an impressive 23 percent in the same period.

The growing Chinese market has become increasingly important for the Central Asia economies, as well. That being said, over the past few years, imports from China to Central Asia have slightly declined, going from $15.42 billion in 2013 to $14.35 billion in 2019. China's share in the region's imports fell from 28 percent to 21 percent. This might be related to new tariffs and

duties that were introduced in the Eurasian Economic Union countries, as well as to the economic transformation of the region.

Demand-driven Approach

BRI has been clearly explained in official documents as well as and numerous unofficial books, papers, and commentaries. One must admit that the main part of research regarding BRI has been conducted and published by Chinese and Western scholars. Due to a lack of capacity and fewer resources, much less analysis and fewer publications have been produced by scholars from Eastern Europe, the Silk Road region, and Russia. One point of agreement within the scholarly community—irrespective of nationality—is that BRI is not a one-way road but rather a multi-ways one. This is a reflection of the fact that live in a multipolar world, wherein the Initiative rose from one of the poles.

Until very recently, China needed to import knowledge, technology, and capital. And it did so successfully. Now the reverse is happening: it is China that is delivering knowledge, technology, and capital beyond its own borders to foreign soils near and far. And this is proving to be much more complicated. Successful outwards investment requires not only money, knowledge of foreign laws, regulations, and business practices; it also requires understanding and recognition of diversities, appreciation of differences in cultures, ethics, habits, customs, and so on.

Until very recently, China needed to import knowledge, technology, and capital. And it did so successfully. Now the reverse is happening: it is China that is delivering knowledge, technology, and capital beyond its own borders to foreign soils near and far. And this is proving to be much more complicated.

One of the "must-do" characteristics of BRI as it is coming to be understood is going to have to be a thoughtful acknowledgment of those differences. The Chinese way of thinking and doing business differs from, for example, the Western or Islamic way. One should not automatically bring or apply any preconceptions while acting in a new political and economic environment. And one should never automatically insist on the application of previously known norms, rules, or

principles. Practical steps must be adjustable and made to be compatible with different environments. All actions should lead to deepening trust, building bridges, and constructing a sense of joint ownership. BRI should not divide but unite people and nations.

How will the Initiative be received by others—China's neighboring Central Asian countries, for example?

The key question to be answered is the following: what to do and what not to do while planning, acting, and communicating between potential partners during the implementation of a given project. The key advice here is that BRI should be considered by the countries and their communities as a responsible and demand-driven process, which would build a profound sense of ownership at the local level.

BRI should be considered by the countries and their communities as a responsible and demand-driven process, which would build a profound sense of ownership at the local level.

Building trust between new partners should come first and become the highest priority. As Confucius famously said: "I wouldn't know what to do with someone whose word cannot be trusted."

This will not be an easy task. For example, the Soviet Union tried to harmonize its multicultural and multiethnic societies within its own boundaries for three-quarters of a century. In some cases, there were successes, but in others, there were failures. China also knows that this is not an easy process.

One must be prepared for the fact that in many BRI countries there is a more than even chance that "resistance groups" will pop up—factions whose interests are in contradiction with those of globalization and BRI's ideas and goals. Among them will be nationalist, populist, ethnic, environment, and various other lobbyist forces. Such groups are political or economic beneficiaries of status quo policies and rhetoric.

Only openness, inclusiveness, and efficient communication will improve exchanges and mutual understanding between peoples and ethnic groups, which will in turn lead to a lowering of the temperature of historical, economic, environmental, and political disputes. As BRI drives countries towards prosperity—and ordinary people's wellbeing continues to improve—the anti-BRI lobbying groups will find it more difficult to influence the population; this will threaten the basics principles of not only their support but also their existence. With the success of BRI, their social influence will decline.

Thus, upon working in foreign soils one must avoid any careless step that could potentially ignite nationalistic, ethnic, or environmental hysterics under the expected common slogan "Chinese invasion."

Artificial Tensions

The apparent lack of readily-available, reliable information about China's real plans and intentions in Central Asia has created a favorable ground for speculation and provocations among various interest groups.

I will cite several cases of unrest in Central Asia, caused by completely artificial and far-fetched reasons. Pure speculations and the falsifications of facts produced by controversial nationalist groups were the main reasons for each of the cases elaborated below.

I begin with an example from the Kyrgyz Republic. Not so long ago, Kyrgyz villagers entered the site of a mine operated by a Chinese company and fought with its Chinese workers. The source of a conflict was minor and artificial. But it did take place and it caused significant damage to the investment climate in the country. Another source of conflict? The frequent speculation that Chinese workers are marrying Kyrgyz women in large numbers. How large are those numbers? Only 60 such marriages were recorded from 2010 to 2018.

Many critics of China speculate on a large influx of Chinese immigrants to Kazakhstan, although the actual numbers in this example are also quite low. According to official data, between 1995 and 2014 Kazakhstani citizenship was granted to 73,800 individuals from China in total. Of these, only 13 percent were Han Chinese, which make up 92 percent of China's overall population.

Another example from Kazakhstan. At the end of May 2016, the country experienced unexpected protests sparked by proposed amendments to the Land Code that was originally adopted in 2014. The amendment was about to enter into force in June 2016 when the tumults started. The proposed changes would have allowed foreigners to rent agricultural land for 25 years, instead of the previous

ten. Following protests, the Kazakh government postponed the amendment's introduction. But how large was the size of this great peril? According to Kazakhstan's Ministry of Regional Development, at the time only 32 Chinese citizens had rented a total of 4,750 hectares—that comes out to 0.0002 percent of the country's agricultural area.

To stay on this last example: there was some misunderstanding as well with regards to the false propaganda of interest groups over the assumption that the amendments would allow foreigners to own land, which the officials did not explain properly. Then the protests erupted. Everyone understood that these proposed changes weren't the real cause of the protests. They instead reflected underlying discontent with the state of the national economy, income and social benefit reductions, and a sort of popular, general fear of growing Chinese economic influence in the country.

Naturally, the main blame for a case like this is to be placed at the feet of those in the central and local governments—as well as the intelligence services—who had been unable to explain to the public the real ideas behind the proposal. It was not done properly, and the "opposition" used these cases quite skillfully.

A conclusion to be drawn from this case is the following. Amendments to the national law that were made in the interest of the country were artificially and opportunistically used by unscrupulous interest groups and political forces to build resistance to a valuable initiative.

Another example, also from Kazakhstan. A few years ago, people began to read in the local press about inter-governmental consultations on the transfer of factories from China to Central Asia—a way to deal part of the excess capacity that exists in the Chinese manufacturing sector. The press published this news without any description of what it would all mean, and without informing the public which sort of enterprises were expected to be transferred.

Immediately after that announcement, some lobbying groups and media outlets started to spread misinformation about "environmentally dirty, dangerous, and unhealthy" industries. Finally, thanks to the government's idleness and ignorance, public opinion turned against that initiative.

Many such examples harmed the status and image of Chinese companies—both in Central Asia and around the world. The short conclusion from those

cases: disregard of problems, lack of transparency, and ignorance of key details creates an atmosphere of mistrust and suspicion.

In all the examples outlined above, the public did not get the sense of real ownership. In each case, it was as if someone was insisting on making it happen. The whole approach was not designed to be a demand-driven process. Good intentions led to the opposite result, and, at the end of the day, public opinion turned against perfectly healthy investment opportunities. These examples also show how easy it is to capitalize on "anti-Chinese sentiment" in some places. This is dangerous and could lead to a potentially destructive output that may, sometimes, destroy not only the particular project in question but even cause harm to the entirety of a bilateral relationship.

Can such artificially-created tensions be avoided? Surely yes, but only by applying seriously, and in advance, full and transparent public consultations. Three ideas spring to mind.

First, a government should launch transparent public debates on each subject. *Second*, a government should organize tailor-made public-private dialogues on what is required by the relevant country and its economy; to consult with society on the kind of potential benefits and challenges each particular project could bring to the country or region in question. And *third*, only upon reaching full public consensus on a particular matter should the government in question place an open request on a specific and targeted investment. That way, these "artificial problems" can be outflanked.

Avoiding Various Traps

Perhaps it would be a good idea to create a special educational institution that would teach and train businessmen on how to work in foreign countries with different political and economic environments. That is what already happening in China on a large scale.

"Think globally but act locally" is a business slogan that is fully valid in such cases. Local people and societies must be fully included and involved in all processes—from initial planning to final practical realization. Each phase and every action should be well-planned with weighted tactics, precise strategies, and well-executed implementation steps. Of course, these must be accompanied by transparent communication, with full inclusiveness and connectivity. The real goal of these

steps is to build a sense of local ownership. Again, a fully responsible demand—not supply-driven actions—is what is required.

In other words, we all must work more closely with each other on "what to do and what not to do" matters. In official BRI documents, it is clearly stated that China will promote cultural, academic, and individual cooperation and exchanges, which would make its contribution to building the public trust and mutual understanding and would reduce the risks of public discontent.

The real goal of these steps is to build a sense of local ownership. Again, a fully responsible demand—not supply-driven actions—is what is required.

It is also clearly stated that China will work not only at the official levels but also on the "experts to experts" (E2E) level. The aim? To offer not only scientific advice but also deliver straight-to-the-point recommendations to policymakers. Such an approach is required to build trust and avoid sometimes costly mistakes and errors, which can lead to opposite results.

Each policy discussion should have inputs from both researches and practitioners. That is why in the final part of this essay it would be important to comment on connections between fundamental and applied research and development.

As a professor of physics, I was an active scientist in the former Soviet Union. At that time, the country was strong in fundamental research. The country had survived the arms race with the United States even though its military budget was vastly lower. However, everyone knows that the Soviet Union could not compete economically with the West, partly because of a poor capacity to implement the results of fundamental research onto practical and commercial applications.

Though our subject belongs not to natural but to social science, we all must first acknowledge that the problem I have discussed exists, and, secondly, we all must work in concert on figuring out how to avoid the various traps that may be laid.

We have—both here, in Central Asia, and in the outside world—an enormous amount of fundamental studies, which creates great foundations for practical follow-up projects. Now it is critically important to focus on the details of the practical implementation of such recommendations—and of course, as always, the "devil will be in the details." An expert community should be prepared so that this process can become more than just general, mainly theoretical research. Not only in generating papers, but practical, pragmatic, and "straight-to-the-point" policy recommendations, which will be actively used by both politicians and practitioners in their daily work. This must be the goal. The time is now to focus on overcoming challenges for the execution of the idea of better cooperation and greater connectivity.

Politicians and policymakers are similar everywhere. For instance, as a rule, they do not read papers—even brilliant ones. But they sometimes listen. Let us get them to listen. More multicultural debates between expert communities and policymakers—with the direct involvement of Eurasian, Chinese, and European scholars, thinkers, and politicians—should target the creation of very specific "roadmaps" from the initial planning of various projects to their final implementation.

Surely, this can help all of us in the Silk Road region grasp the meaning of the Belt and Road Initiative. BD

bakudialogues.ada.edu.az

Russia and China's Digital Silk Road

Jeff Schubert

The focus of this essay is on Russia-China technology relations and the Digital Silk Road part of China's Belt and Road Initiative (BRI) as it applies to the central Eurasian land mass, or to what some have taken to calling the Silk Road region.

As the relationship of both Russia and China with a number of other major powers—most notably the United States—has deteriorated, their own bilateral relationship at the leadership level has strengthened. But over the past two years or so, the biggest change has been in the attitude of China, which has found itself and some of its own political policies and economic sectors under attack.

According to Carnegie Moscow's Dmitri Trenin, "Russia has 'pivoted' itself, as a major independent player, with China its key strategic partner. Russo-Chinese relations rest on a formula: never against each other; not necessarily always with each other. This combines reassurance with freedom of maneuver."

However, this situation is not without risks for Russia. Moscow-based researcher Vasily Kashin has noted that "Russia doesn't feel threatened itself, because right now China can ill-afford to alienate a neighbor that's an important military and resource power in its own right. Still, Russia's government and experts have of course noticed a significant change in Chinese diplomacy and behavior, which sped up during the last several months and especially during the COVID-19 crisis," noting potential for greater risk-taking to create problems in Russia's relations with third countries.

***Jeff Schubert** is Professor of International Business at the Baikal School of BRICS of the Irkutsk National Research Technical University (INRTU) in Russia*

In mid-2020, two U.S. analysts, Samuel Bendett and Elsa Kania, compiled an extensive and impressive looking list of publicly known technology projects and agreements between Russia and China. It may not be well-known that we are now, in official terms, in the Year of Russian-Chinese Scientific, Technical, and Innovation Cooperation, and that the particular focus is on the digital and aerospace spheres. We can put this together with the findings of a recent Russia-China Dialogue report published by the Russian International Affairs Council (RIAC) that says the present period is "intended to serve as an incentive to strengthen ties between representatives of the scientific and technical circles of the two states, exchange skilled personnel, and deepen pragmatic project-based cooperation." Targeted areas include "all key areas of the bilateral science, technology, and innovation dialogue: basic research, artificial intelligence, big data, new energy resources, new materials, ICT and the internet, biotechnology, aerospace, nuclear energy, agriculture, and environmental protection."

In reality, the situation is less positive than suggested by Bendett and Kania. The RIAC Russia-China Dialogue report says that the development of science, technology, and innovation cooperation is "negatively affected by circumstances common to all areas of cooperation between Russia and China. At the technical level, there is a shortage of competent specialists with sufficient foreign language skills, a lack of accessible information about markets and opportunities in both countries, and similar issues." Moreover, "according to Chinese experts, the investment climate in Russia is not favorable enough. In particular, the country's foreign investment protection and dispute resolution mechanisms seem to be ineffective." The report also finds that "Chinese partners are wary of the problems of Russian scientific and business counterparties that arise from the specifics of local business culture and government regulation. Some of the most annoying factors noted by the Chinese side are the focus on quick results instead of long-term partnerships, overpricing (often also a consequence of the short-term focus), and the use of 'grey' schemes." The report also points out that, as it says, "at the same time, the focus of interactions is often shifted to the simple purchase and sale of products or, in rare cases, to a one-time transfer of technologies instead of conducting joint work in strategically important areas."

The RIAC report continues: "for Russian companies, traditional constraints include the limited access of

foreign companies to a number of important segments of the Chinese market, the leak or transfer of valuable intellectual property to local companies, difficulties for foreigners with no business experience in China in establishing business relations and complying with a set of national and regional regulations, and the hiring of personnel." Lastly, the report also indicates that "the problems of legal support and project management remain: many agreements, both at the government and corporate level, are not sufficiently thought out, which leads to many arrangements staying unfulfilled."

However, the most significant and widely-touted high-tech cooperation project between Russia and China is mired in difficulties.

As it happens, this list of problems is almost identical to those I wrote about in my 2017 report entitled *New Eurasian Age: China's Silk Road and the EAEU in SCO Space.*

In terms of particular sectors and companies, there have been some recent successes. There is an agreement between Alibaba Group, Mail.ru Group, MegaFon and the Russian Direct Investment Fund to create AliExpress Russia, as well as agreements of MTS and VimpelCom with Huawei on 5G in Russia. Huawei is also undertaking various research in cooperation with Russian research entities and universities. My own university (INRTU) is working with the Alibaba Cloud Venture Fund to search for promising technological start-ups.

However, the most significant and widely-touted high-tech cooperation project between Russia and China is mired in difficulties. The CR929 wide-bodied aircraft project between Russia's United Aircraft Corporation and China's COMAC, with a price tag of between $13 billion and $20 billion, continues to face delays. One senior Russian manager in July 2020 attributed this to "difficulties in working together with Chinese partners."

My own interactions within Russia, as well as the findings of previously-published reports, have suggested that such "difficulties" are not new. The Russian side has suspected that China would not open-up its domestic market to jointly manufactured aircraft despite Russia equally sharing development costs, while the Chinese have been annoyed by Russian "arrogance" on technology issues that they feel that their "superiority" is becoming clear.

In September 2020, Russia's Minister of Industry and Trade reportedly alleged that the "Chinese were bent on snooping on Russian experts and getting hold of core, proprietary technology and solutions while refusing to open up their domestic market," and that there were "counter-accusations from some COMAC employees who took to the social media and forums popular among technicians to say Russia was only interested in selling parts to China without the goodwill to swap and share vital technology."

Finally, it is worth mentioning that over the last year or so a number of Russian scientists, generally retired, have been charged with spying for China.

Russia-China Technology Cooperation?

According to the RIAC Russia-China Dialogue report, "experts point to the opportunities that Russia-China cooperation will develop through the alignment of the Eurasian Economic Union (EAEU) and China's Belt and Road Initiative and the creation of the Greater Eurasian Partnership."

But how real are these "opportunities"—particularly in relation to the Digital Silk Road?

The Digital Economy section of Russia's own official domestic National Projects documentation indicates a 2021 goal of an "integrated information system for handling the common processes of the governments of EAEU member countries." However, it makes no mention of China's Digital Silk Road.

In 2016-2017, the EAEU officially emphasized "digital transformation" as a "key factor of development" and partnered with the World Bank to "conduct a joint study to research the international experience, and develop recommendations to maximize the economic impact of the development of the digital space and the implementation of the Digital Agenda of the EAEU." Not unexpectedly, it "concluded that it was important to develop a common coordinated approach to the framework of digital development at the national and union levels." The report also makes no mention of China's Digital Silk Road ambitions.

The RIAC China-Russia Dialogue report concluded that "scientific and technical cooperation could also contribute to the co-development" of the EAEU and BRI, but

then adds that "no significant results have been achieved in this area so far." There is no mention of the Digital Silk Road in this report and, in my view, no "significant results" can be expected in the future.

As far as BRI is concerned, there have been changes in the way it is being both presented and seen.

From the beginning, various Chinese businesses, organizations, as well as regions and regional officials have sought to brand as many projects as possible as BRI-related. As well as adding credibility to projects along the land Silk Road Economic Belt (SREB) part of BRI, it also often ensured that funding was available. Part of the result was much corruption and resentment within SREB countries, which forced Beijing to ensure that the BRI brand is not used by anyone who wanted to, and to begin publishing official BRI-related project lists.

The Western view of the essence of BRI has also been changing. Accusations were initially levied that China was attempting to entrap various countries in debt to China on a large, organized scale. These were said to be done by promoting and lending money for essentially economically unsustainable projects. A thorough examination of two projects in Sri Lanka and Malaysia (even though not on the SREB part of BRI) by political scientists Lee Jones and Shahar Hameiri highlighted the extent which recipient countries have sought funding from Chinese entities for their own—often vain or corrupt—purposes. The reality is that China is not essentially engaged in debt-trap lending.

The reality is that China is not essentially engaged in debt-trap lending.

Essentially, BRI remains what it always has essentially been: a PR idea that sparked the imagination of others who then worked for various reasons to more exactly define it and give it real form—and with some success!

Russian pride means that it does not want to be seen as a SREB country, and certainly not as a "bridge" between China and Europe. Moreover, it only wants the SREB to succeed if it is in partnership with its own EAEU.

The idea of Eurasia or Greater Eurasia as an entity beats in the heart of a considerable number of Russian thinkers and leaders.

Yaroslav Lissovolik, writing for the Valdai Discussion Club in September 2020, said that "this year Russia celebrates the one hundredth anniversary of Eurasianism, a school of thought that emphasized the uniqueness of Eurasia as a continent characterized among other features by extreme distances of its inland regions from coastal lines and trade routes." He wrote that "from today's vantage point Eurasia's geography of unique continental expanses and the prevalence of landlocked countries rather than being a hindrance to development may harbor tremendous economic potential related to connectivity projects." He then went on to detail how he thought Eurasia can be brought to fruition as some sort of unique entity.

The idea of Eurasia or Greater Eurasia as an entity beats in the heart of a considerable number of Russian thinkers and leaders.

In his pre-recorded video address to the seventy-fifth session of the UN General Assembly in September 2020, Vladimir Putin extolled "Russia's initiative to form a Greater Eurasian Partnership involving all Asian and European countries without exception" as contributing to solving some of the world's problems. Here it should be noted that the inclusion of "all Asian and European countries" is really the broader Putin PR version of the Eurasia to which Lissovolik refers.

The reality is somewhat different to what Lissovolik and Putin would like to see. Andrey Kortunov of RIAC says that, "sadly, the Eurasian continent continues to be disjointed or, rather, split into a host of large and small fragments. This applies to Eurasian security, the Eurasian political space, the Eurasian economy, and science and culture. Right now, the concept of 'Eurasian identity' does not even exist, and the numerous attempts to construct one have not brought anything particularly promising." Kortunov continues: "Even though the idea of the 'Greater Eurasian Partnership' was first put forward about five years ago, we are still in the very beginning of a lengthy historical project. At the moment, we can only talk about some very preliminary pencil sketches of the very complex Eurasian structure of the future. These sketches contain more questions about the future of our continent than they do answers."

Russia has seen a role for the Shanghai Cooperation Organization (SCO) to contribute to the security and political—but not economic—aspects of its Eurasian vision. Prior to BRI, China had wanted the SCO to be more greatly involved in economic issues but Russia had resisted this—preferring to try to develop the EAEU as the main Eurasian supranational economic organization working as a "partner" with China.

China's confidence in BRI eventually reduced its interest in the SCO as a vehicle for economic issues, and the admission of India and Pakistan to the SCO greatly increased its diversity of thinking and interests. The SCO is now little more than a leader's discussion club.

In summary, not much has really changed since I wrote my report entitled, New Eurasian Age: China's Silk Road and the EAEU in SCO Space in 2017. Therein I stated that "the SREB, the EAEU, and the SCO are very different things in any institutional or organization sense" and that "the EAEU and the SCO are each close to the peak of their influence and relevance." I concluded that "significant cooperation between the EAEU, BRI and the SCO—or even between any two of these—is highly unlikely" and that "the idea of Greater Eurasia is a fantasy."

Digital Silk Road Concept

China has several programs to promote its technology development and influence. Made in China 2025 aimed at making China an international leader in manufacturing various types of advanced technology. Internet Plus aims to promote the use of cloud computing, big data, and the Internet of Things (IoT) in order to advance other sectors of the economy. China Standards 2035 will aim at promoting Chinese technology standards to the world in areas such as telecommunications, AI, IoT, blockchain, and the use of these in such things as "smart cities" and telemedicine.

China's confidence in BRI eventually reduced its interest in the SCO as a vehicle for economic issues, and the admission of India and Pakistan to the SCO greatly increased its diversity of thinking and interests.

BRI's initial focus was very much on transport infrastructure and trade networks, but technology has become more prominent with increased emphasis on the Digital Silk Road.

The concept of a Digital Silk Road was contained in a Chinese white paper released in 2015, which built on work done at Fudan University. It initially did not garner much attention because at the time the major focus of BRI projects and discussion related to major infrastructure projects. Moreover, as with the wider BRI idea, the Digital Silk Road is best understood as an "umbrella branding effort and narrative." It is, in other words, a way for China to promote its global vision and standards across a range of technology areas.

A March 2015 article in China's official state press Xinhua News Agency defined Digital Silk Road as "five connectivities and three communities": connectivity in infrastructure, trade, finance, 'people's hearts' and policy; and the community of interest, destiny, and responsibility. It thus remains a rather abstract idea in many ways, and has even been described as a "mindset."

In practical terms, infrastructure essentially means cross-border optical cables and telecommunications, and Beidou satellite navigation; trade means supply chains and e-commerce; people's heart's means media and on-line education; and policy means digital governance.

Xi Jinping is a more ideological leader than his recent predecessors and has increasingly sought to ensure that private businesses and its leaders are working in the interest of the Communist Party of China (CPC). In September new instructions were given by the CPC Central Committee that reinforced this tendency. Business was reassured that it could continue to exist and prosper if it aligned its overall goals with those of the CPC to achieve "socialism with Chinese characteristics." This is inevitably going to flow through to a continued tightening of what it is permissible for Chinese entities to do under the official BRI umbrella—including the Digital Silk Road.

As with the wider-BRI, Chinese entities attempt to curry political favor and receive funding by claiming numerous technologies as part Digital Silk Road. While large state-backed Chinese financial organizations such as the China Development Bank and the Industrial and Commercial Bank of China have played major roles in the wider BRI because of the huge funding requirements, the Digital Silk Road requires a different approach because much Chinese technology ability and capacity is held by its private

tech-giants such as Baidu, Alibaba, Tencent, and Huawei.

The more influence China and its tech-giants have on setting such international technical standards, the greater will be international compatibility with domestic Chinese systems and the greater the extent of Chinese economic power, as well as social and political influence in the world. It is the interests of both China and its technology companies that these companies seek to build influence in such organizations as the International Telecommunications Union, which leads in setting standards for 5G. In addition to telecommunication product producers such as Huawei and ZTE, Chinese state-backed mobile carriers such as China Mobile, China Telecom, and China Union can only benefit from such influence.

In essence, the Digital Silk Road broadly reflects China's efforts to expand its technology sphere of influence across BRI participating countries by going from a standards-taker to a standard-maker.

Despite the general desire to advance the interests of China, its technology companies are not easy to manage in any centralized coordinated manner to achieve such government aims. As noted by Harvard Business School's Meg Rithmire, "the Chinese government's heavier hand in the economy in recent years does not mean that its intentions always translate into reality." Big-tech companies such as Alibaba and Tencent compete fiercely within China, and it should not be expected that they will easily cooperate in achieving government aims when working outside of China.

Digital Silk Road Technologies

Finally, it worth reflecting on whether the "road" word in the term "digital silk road" has any similar meaning to the "road" or "belt" terms in the One Belt, One Road terminology used before it became the Belt and Road Initiative. This, I should add, is not merely linguistic tinkering, for it points to something more substantial.

This is only likely to be the case if technology competition between the U.S. and China results in non-Indian Eurasia having separate 5G telecommunications standards to that of much of the remainder of the world, because 5G is a basis for much of what is proposed in the new digitally-orientated world. But even if this is ultimately the case, it will not happen quickly.

5G networks are expensive to deploy, especially in less populated areas—as in much of central Eurasia—because the radio wave signals travel a comparatively short distance compared to earlier generations of telecommunications. This means that many more cell boxes need to be deployed in an area in order to connect to the network.

5G is now being rolled out in many areas of China, but even there some questions are being asked about its present usefulness because of the absence of other technologies such as autonomous vehicles to take advantage of it. For example, a former Chinese finance minister recently warned of over-investment in 5G: "We are getting ahead of ourselves. The 5G technology isn't ready, but tens of billions have already been invested, raising costs for users and debt for public institutions."

the Digital Silk Road broadly reflects China's efforts to expand its technology sphere of influence across BRI participating countries by going from a standards-taker to a standard-maker.

In addition to a clear and well-defined task, AI systems need large accurate databases from which to search for patterns and thus make decisions and recommendations. One set of data on any issue and in any one country is likely to be of little use in another situation. Nevertheless, some countries seem to fear that apps such as TikTok can be used to collect user data in their country and consequently be used to facilitate unwanted influence of their citizens.

Outside of China, verbal-hype about the Digital Silk Road is likely to run ahead of reality for quite a few years. For example, according to the Reconstruction and Development of Agency of Armenia (ADKARS) Chinese entities will finance the construction of a "Smart Science City" in Armenia costing about $10-15 billion over 15 years beginning in 2021. ADKARS says that "after signing, we must create a group that will consider what joint projects are interesting to develop, in what areas, and in parallel with the construction of the city, these projects will be carried out." However, it expects "the main directions are artificial intelligence, medical neural networks, the production of new materials, new drugs, machine learning, the Internet of smart things (a completely new direction in science and technology) and much more."

It is difficult to know how seriously to take this agreement, but it would be very surprising if it came to much given the huge amount of money compared to the size of the Armenian population and the fact that it is basically a project looking for a reason to exist rather than a reason existing for a project.

China has been working on a Central Bank Digital Currency in the form of a e-Renminbi. Unlike cryptocurrencies such as Bitcoin, it will be controlled by a state and not decentralized. Such a digital yuan, with the help of China's tech-giants and big state-owned banks, could replace the U.S. dollar in international transactions along the SREB that occur with Chinese entities. This could be considered a Digital Silk Road project, but is certainly not dependent on it.

Little Significant Change

Little has significantly changed over the last three years in terms of Russia-China technology relations, the EAEU, the SCO or the idea of "Eurasia."

China will work hard on maintaining a good general bilateral relationship with Russia, but has little interest in these multilateral formats and ideas favored by Russia. Russia will continue to try to figure out what it can do to hold its position in central Eurasia and—unrealistically—engage in EAEU and Greater Eurasia dreams about how it can enhance it.

BRI (including the land SREB part) has been exposed as a nice PR stunt that has consumed large amounts of money and brought China little economic benefit. The Digital Silk Road has emerged as the most discussed part of BRI, in no small part due to the increasing technology competition and antagonism between China and America, as well as some other Western countries.

5G and AI are very impressive technologies, and they offer the potential for significant changes in ways that societies operate and are managed; thus, they are the two technologies of most significance for the Digital Silk Road. However, the ways in which this will occur will ultimately depend on human decisionmakers. There is an element of mystery to both technologies that causes some fear. The reality is that neither is the over-powering technology that some imagine. How this will come to affect the Silk Road region in strategic terms thus remains an open question. BD

Navigating the Great Powers

China's Entry in the South Caucasus

Rachael M. Rudolph

To undertake a journey on a road never before traveled requires character and courage: character because the choice is not obvious; courage because the road will be lonely at first. And the statesman must then inspire his people to persist in the endeavor.
– Henry Kissinger

For ages power has been the topic of countless articles, books, and newspaper columns. Analysts, practitioners, specialists, and theoreticians alike have thoroughly discussed its different types (hard, soft, smart); the nature of its distribution at the global and regional levels; and how large, medium, and small states behave (e.g. accommodate, balance, remain neutral) when there are both shifts in power and changes in international order.

These age-old discussions are ever-present in the minds of policymakers and the global public today because of the shift in the international system from a quasi-unilateral order dominated by a single major power (the United States) to a multipolar order that is in the process of being reconstituted by major, rising and reemergent powers; the relative decline of America's ability to project her power as a result of that shift; new types of geoeconomic and geopolitical competition among powers in key strategic regions and countries across the globe, including among traditional allies (e.g. between America and European major powers) and rivals (e.g. between America and western European powers and Russia); and, U.S.-China competition and the Trump Administration's shift from a more cooperative engagement approach with Beijing toward one combining competition, confrontation, and cooperation on key economic and political issues. Great power competition with China will continue under the Biden Administration, but there is likely to be a greater emphasis placed on multilateral engagement and less on executive-level confrontation. Confrontation is more likely to be led by U.S. congressional foreign policy entrepreneurs on foreign policy issues such as trade, technology, and investments in the time ahead.

Rachael M. Rudolph *is an Assistant Professor of Social Science for a joint program between Bryant University and the Beijing Institute of Technology-Zhuhai based in Zhuhai, Guangdong, China. The views expressed and the position adopted are those of her own and do not per se reflect those of the organization or institutions with which she is affiliated.*

Needless to say, the current period facing nation-states is filled with uncertainty. Both statesmen and stateswomen are pondering the past, looking at the present, and exploring new courses of action for ways to wisely and safely navigate their state and people toward an undefined, unknown future.

Both statesmen and stateswomen are pondering the past, looking at the present, and exploring new courses of action for ways to wisely and safely navigate their state and people toward an undefined, unknown future.

The South Caucasus region, as will be highlighted in the first part of this essay, is no stranger to the aforementioned competition and confrontation. Since gaining (or regaining) independence thirty years ago, each South Caucasus state has had to navigate a geopolitical jungle comprised of regional powers—Russia, Turkey and Iran, the United States, and major western European powers—all of whom have competed for influence and confronted one another either directly or indirectly since the end of the Cold War.

Armenia, Azerbaijan, and Georgia have formed alliances with key regional powers, established a web of economic, political, and security relations with both regional and major powers, and advanced their own foreign policy agendas to promote growth, development, and security. When China entered this jungle and showed individual attention to each state it was welcomed with open arms. Not even the major Western powers expressed concern at the time. A review of transcripts and other news material including speeches, congressional

hearings, interviews, and news articles published by government officials in *States News Service* and *U.S. Federal News*, which provide coverage to American news media outlets and are picked up by the *Associated Press International*, find that Sino-South Caucasus relations in general and China's relations with the specific South Caucasus countries were not major concerns for Western policymakers. From the period of the announcement of the Belt and Road Initiative in 2013 to the present, the majority of the references to Sino-South Caucasus relations were made within the context of Russia's role in the region. References to China's relations with specific South Caucasus countries, on the other hand, simply mentioned them within a larger focus on issues of concern to lawmakers including democracy (or the lack thereof), the Nagorno-Karabakh conflict, energy developments, and economic security concerns.

Despite the lack of specific concern expressed by Western policymakers, they have raised concerns about China's growing global influence and the impact of that on both U.S. and Western interests. Some have even called for economic and political pressure to be applied towards smaller states to counter Beijing's growing influence. Though the South Caucasus region is well acquainted with such geostrategic games, experts on the South Caucasus are divided as to whether they will have a significant impact on the region and each country's relations with China.

This essay explores Sino-South Caucasus relations, focusing more specifically on China's trade relations, investments, and military relations (or the lack thereof) with Armenia, Azerbaijan and Georgia. In doing so, it draws on the larger debates to discuss potential ways forward for the region in this period of geopolitical uncertainty. Although the nature of relations between China and the region's countries have grown, they are still insignificant to pose a challenge to either the aims and interests of regional or other major powers *at this time*. And, as Yu Hongjun wrote in the previous edition of *Baku Dialogues*, there is much potential for cooperation between China and the countries in the region, but they must be pursued in the spirit of perseverance given the many challenges facing the region and the global community.

The Geopolitical Jungle

Within the geopolitical jungle of the South Caucasus, the geopolitical codes of the major and long-term stakeholders have been oriented toward the level(s) in which they are engaged. Russia, Turkey, and Iran vie for influence not only in the South Caucasus but also in the Middle East—a region that has been the exclusive operational ground for America up until the last few years. Russia, an actor that strives to rekindle its great power status, competes with both America and the EU for influence in the European geography and other regions. The United States and the EU—two traditional allies in promoting and maintaining a Euro-Atlantic dominated international order—compete for economic and political influence in certain countries and regions despite their coordination to counter the perceived threats to instability within the Atlantic Alliance and the growing regional and global influence of Russia and China.

China, a relatively new actor to the geopolitical game, is a competitor for the United States and a geo-economic competitor for Russia and the EU despite its stated desire not to be considered as such. Experts suggest Beijing's growth in the South Caucasus will depend not only on Moscow's but also the Euro-Atlantic bloc's acceptance of its role. They also suggest the West has the potential to block or contain China's growth, given the South Caucasus countries' dependence on the European market.

As will become evident later in this essay, these experts are correct, but only to a degree. China's relations are insignificant at the present time to either compete with or pose a challenge to the regional countries' relations with either Russia, the United States, or the major EU countries. However, restrictions imposed by the EU on the re-export of goods and products sold in its market and the oversight of investment projects could potentially have an impact on and limit future Sino-South Caucasus economic relations. The actual impact will also depend to some degree on how EU-China relations evolve.

Regional powers Russia, Turkey, and Iran have the greatest stake in the region's political and economic development, given two factors: their geographical proximity to Armenia, Azerbaijan, and Georgia, and how instability in the region impacts on their national security. Russia is considered by scholars to be the most important regional actor, while Turkey is considered to be the second most important actor. Iran rounds off the list.

All the South Caucasus countries depend to some degree on Moscow for communications, transportation, supply-chain, and other networks that either pass through Russian

territory or are under full Russian control. As will be highlighted below, China's economic relations neither compete with nor challenge Russia's economic relations in the region. Some experts suggest that they, in fact, complement them; thus raising the concern by some analysts and Western policymakers of a potential China-Russia-Iran axis that could challenge or replace American and EU influence in the region. Such an axis, however, is unlikely given the shift in the regional power dynamics following the conclusion of the Second Karabakh War.

Baku has pursued a completely independent foreign policy, seeking to balance both regional and other major power actors. Armenia and Georgia do not have the same luxury, given the nature of their dependencies. China has neither given preference to nor does it have a special relationship with any specific country in the region, as do Russia and Turkey.

Beijing's relations similarly compliment Turkey's aims and interests in the South Caucasus. Armenia is Moscow's traditional ally, and the country that is most dependent on Russia for its economic, political, and security relationships. It has been a traditional Iranian ally as well. Georgia, on the other hand, has turned to Turkey, NATO, the U.S., and the EU to counterbalance Moscow's military and security primacy and reduce its economic and energy dependencies. Azerbaijan is Turkey's traditional ally—and increasingly so, as it turns out. However, Baku has pursued a completely independent foreign policy, seeking to balance both regional and other major power actors. Armenia and Georgia do not have the same luxury, given the nature of their dependencies. China has neither given preference to nor does it have a special relationship with any specific country in the region, as do Russia and Turkey.

Moscow's aims in the region include minimizing U.S. and NATO military encroachment and EU influence, maintaining military and security primacy, and minimizing instability by expanding good neighborly relations for the purpose of reestablishing itself as a major global player. Some experts suggest the signing of the armistice agreement between Armenia, Azerbaijan, and Russia that marked the end of the Second Karabakh War solidifies Moscow's military and security primacy and effectively contains western relations to the economic realm. That may be. More interestingly, it opens the door to Moscow serving as meditator in any future tensions between Ankara and Tehran.

Turkey and Iran have long competed for soft power influence in both Azerbaijan and Georgia. Ankara's aims in the region include promoting soft integration through economic, energy, and infrastructure projects; finding alternative energy sources and market opportunities; developing civil society, sociocultural, and commercial relations, including tourism promotion; and enhancing its security cooperation with Georgia and Azerbaijan (given the importance of their economic and energy cooperation and the need for stability in the region).

Tehran seeks to bolster its economic, political, and cultural ties with each of the countries, and has long sought to maintain the status quo in the Nagorno-Karabakh conflict. Experts on Iran-South Caucasus relations say that the conclusion of the war reduces Tehran's regional influence, while others suggest it opens the door to a different type of regional tension due to it bringing Ankara closer to the Iranian border and the fact that both actors have ties to competing non-state actors operating in the larger Central Asia and MENA regions.

However, Moscow is unlikely to allow any sort of tension between the two to develop in the short-to-medium term because of the impact it would have on the new balance of power Russia had a primary hand in establishing at the conclusion of the Second Karabakh War. Although relations between Russia, Turkey, and Iran affect stability, it is Turkey-Russia relations that have the most significant impact on the distribution of power in the region. The U.S., NATO, and the EU—coupled with their tensions with both Ankara and Moscow—factor into these dynamics as well.

American interests in the region have evolved. Initially, the United States was concerned with supporting and strengthening each South Caucasus country's economic and political independence and territorial sovereignty. Then, in the mid-1990s, energy security became the driving force. The U.S. sought to deny any one country from having a monopoly on the transportation of Caspian natural resources, facilitate energy diversification for Europe, and reduce the region's economic and energy

dependence on Russia. The U.S. shifted its main focus from containing Russia in the post-9/11 period in order to balance its global security objectives with other concerns by seeking support for the global war on terrorism and logistical assistance for operations in Afghanistan. Military and security cooperation with Armenia, Azerbaijan, and Georgia—and their participation in NATO's Partnership for Peace program—increased during this period, commensurate with the aforementioned shift. American economic assistance and infrastructure investments also have been important components of U.S.-Caucasus relations. The Overseas Private Investment Corporation (OPIC) has invested around $1 billion in the South Caucasus. As will be highlighted in the following sections, China's relations neither compete with nor challenge American economic relations in the region. The only area where some sort of competition exists is in consistency.

A lack of American consistency in its foreign policy approach toward the region has been a long-held complaint among the South Caucasus countries. Experts highlight the fact that the U.S. has a well-developed strategy for Central Asia but is lacking one for the South Caucasus region. China's BRI, on the other hand, offers the region a stake in Beijing's vision and room for the countries to create their own visions for economic growth and development. The aforementioned review in *States News Service* and *U.S. Federal News* finds that Western policymakers recognize this issue in the nature of U.S.-South Caucasus relations and why BRI has been well-received. Experts and lobbyists have highlighted a need for the United States to provide countries with economic alternatives to those which are provided through Sino-South Caucasus economic relations.

All three South Caucasus countries have provided valuable support to NATO-led operations by contributing forces to NATO-led missions in Kosovo and Afghanistan and the U.S.-led coalition in Iraq. Terrorism, WMD proliferation, energy security, and protracted regional conflicts are the traditional security agenda items corresponding to each country's security agenda, while border security, cyber security, and disaster preparedness and response are non-traditional security issues where cooperation with NATO is welcomed. The Atlantic Alliance's engagement with the region is limited to these areas as well as to working with each country on defense sector reform, military education, and training due to divisions within NATO itself and a lack of will among the South Caucasus countries for the Alliance to play a greater role in the region.

None of them want to see increased Europe-Russia tensions, which would definitely result from a change in the present role NATO plays. Georgia is the only country with an expressed interest in, and a declared intention to, become a NATO member. Armenia and Azerbaijan have limited their engagement to participation without membership. This is viewed by each, for different reasons, as the best way to counterbalance Russian military and security primacy and transform regional security dynamics. Similarly, as will be highlighted later in the essay, limited military relations with China are seen as simply an attempt to diversify their military partners.

The EU's relations are conducted via its Eastern Partnership program (EaP) and European Neighborhood Policy (ENP). The EaP seeks to provide support in the countries' transformation process and to bring them economically and politically closer to the EU, while the ENP seeks to promote prosperity, stability, and security in the countries and to the European geography as a whole.

Economic and political development, energy security, and the protracted conflicts are the three key areas of concern for EU member states in the context of the South Caucasus. Georgia is the only country that has openly declared its intent to become an EU member (an unlikely prospect in any reasonable time horizon); both Armenia and Azerbaijan seek only a closer connection to, rather than membership in, the European Union. Experts suggest that the EU is likely to continue playing a minimal role, deferring instead to the U.S., NATO, and the engagement of the EU-3 (France, Germany, and Italy) in a non-EU capacity in promoting relations and advancing both European and transatlantic agendas.

EU-Russian relations shape the EU's engagement (or the lack thereof) as well as member states' divisions on the EU's approach to EU-Russian relations. Sino-South Caucasus relations, as will become evident in the next section, are complimentary to both the EaP and ENP, and they neither compete with nor challenge the EU-3's bilateral relations with countries in the region. Nonetheless, it should be kept in mind that there are European actors who have been working in concert with some U.S. policymakers to counter China's growing global influence, and this could

have a later impact on Sino-South Caucasus relations.

China is a relatively new comer to the geopolitical jungle of the South Caucasus. Beijing has expressly stated it has no geopolitical or geo-economic objectives despite claims made by some Western policymakers. Some suggest Beijing intends to challenge U.S. primacy in global politics; alter the rules-based transatlantic order that has defined and managed relations between states since World War II; and use its economic power to influence countries' behavior in domestic, regional, and global politics for the purpose of advancing its own foreign policy agenda. A few of them even go so far as to posit that Beijing's economic and military or security relations in certain regions and with specific countries are a national security challenge and/or a potential future threat to regional and global security. However, when Sino-South Caucasus relations are examined, these concerns just simply appear to be (at least at this time and within this context) nothing more than hyperbole.

China's relations with each South Caucasus country have grown since the introduction of the Belt and Road Initiative in 2013. BRI aims to promote connectivity, establish and strengthen partnerships with countries along the various land and sea routes, and facilitate sustainable development at the domestic, regional, and global levels by building on and advancing existing economic, energy, and transport infrastructure initiatives.

The South Caucasus countries each view China as a distant, alternative major power that has no interest in interfering in their domestic affairs or using them to influence or alter regional or global power dynamics; a potential economic and political counterweight to both Russia and the West; and an actor that has demonstrated its willingness to invest in projects in other countries and regions where the conditions are not ideal

Armenia, Azerbaijan, and Georgia have each welcomed BRI and increased economic cooperation with Beijing, with both Chinese state-backed and private investments taking place in these countries. The South Caucasus countries each view China as a distant, alternative major power that has no interest in interfering in their domestic affairs or using them to influence or alter regional or global power dynamics; a potential economic and political counterweight to both Russia and the West; and an actor that has demonstrated its willingness to invest in projects in other countries and regions where the conditions are not ideal (i.e. where there are higher levels of instability). Each country also seeks to diversify its economy and sources of foreign direct investment in order to reduce their economic dependency on some of the major actors, while both Armenia and Azerbaijan seek to diversify their military and security cooperation beyond their traditional partners. As will be highlighted toward the end of this section, regional military and security relations have not yet been a major focus for Beijing in its relations with Baku, Tbilisi, and Yerevan.

Sino-South Caucasus Economic Relations

In his aforementioned *Baku Dialogues* essay, Yu Hongjun writes that there is much potential for economic and development cooperation between China and the South Caucasus countries and for them to combine existing cooperation into a wider framework. Their existing cooperation primarily takes the form of trade and investment.

According to Yu Hongjun, China is Azerbaijan's fourth largest trading partner, third largest export partner; and Georgia's third largest trading partner. Although its trade with Armenia has stagnated over the past couple of years, China is still among the top five of Yerevan's trade partners. An analysis of the 2018-2019 Import-Export data available from the Global Trade Database finds that China's trade relations with the South Caucasus countries consists primarily of trade in manufacturing (62.95 percent), industrial (20.43 percent), consumer (17.58 percent), and agricultural goods (.04 percent). And of that trade, 55 percent is with Azerbaijan while the remainder is split almost equally between Armenia (22 percent) and Georgia (23 percent).

There is, of course, variation across the countries in the goods traded. For example, in manufacturing goods, 60 percent is traded with Azerbaijan, 20 percent with Armenia, and 19 percent with Georgia. For industrial goods, 47 percent of the trade is with Azerbaijan, 22 percent with Armenia, and 31 percent with Georgia. In consumer goods, trade with Azerbaijan consists of 43

percent while the remainder is almost equally split between Georgia (29 percent) and Armenia (28 percent). Finally, in agricultural goods, 60 percent is traded with Georgia and 31 percent with Armenia. There was no reported agricultural trade with Azerbaijan. The Chinese leadership has consistently expressed its readiness to both expand the import of high-quality agricultural products from Armenia and help Azerbaijan with its agricultural renovations.

Manufacturing goods comprise the majority of the region's exports to China; and, of the total amount, 37.47 percent consists of natural resources and raw materials. The majority of these exports come from Azerbaijan (68 percent); they consist of mineral, fuels, distillation products, lac, gums and resins, inorganic chemicals, precious metals and isotopes, and copper. Ores slag and ash are also exported to China from Armenia and Georgia. These natural resources and raw materials are important for Beijing's economic development and are much needed for its continued economic growth. Though the total amount of its imports from the region are relatively small in comparison to what it receives from Asia or Africa, they should be interpreted as part of Beijing's strategy to diversify and strengthen its trade relations across BRI's geography.

Like in trade, China's investments in the South Caucasus have increased since 2013. An examination of available open source data on Chinese investments finds that they have specifically targeted projects in manufacturing and energy in Azerbaijan and Armenia; transportation infrastructure in Armenia and Georgia; finance and real estate in Georgia; and agriculture in Azerbaijan. These investments neither pose a real or perceived threat to Western interests in the region nor do they have the potential to alter regional power dynamics or policy behavior. Nonetheless, Chinese investments in energy and transportation infrastructure are two areas where Western policymakers have expressed concern in their public remarks with respect to China's growing global influence.

Energy has been a major target for Chinese investment in the BRI countries, including in Armenia and Azerbaijan. A 2018 study conducted by Zhongsu Li, Kevin P. Gallagher, and Denise Mauzerall from the Global Development Policy Center in the United States found that countries falling within the scope of BRI's geography comprise 48 percent of the Chinese energy investment portfolio covering various technologies including coal, gas, oil, hydro power, wind, solar, and biomass power. In Armenia, Chinese investors have targeted thermal nuclear energy production capabilities and discussed the development of hydroelectric and solar capabilities. A focus for Chinese investment in Azerbaijan have been renewable energy including mobile energy stations for Nakhichevan, the dispatching of installation specialists, and the building of greenhouse complexes. Experts suggest the region's energy imbalance poses future difficulties for ensuring the stability of energy transport.

Transportation infrastructure is another area of interest for Chinese investors because of its impact on economic growth. According to Yu Qin of the National University of Singapore, infrastructure investments bring economic prosperity, affect the distribution of economic activities, reduce poverty, and promote economic integration in the targeted country. Chinese investment in the region's transportation infrastructure has been limited even though Beijing has encouraged investors to play an active role in the construction of BRI transit corridors. Investors have instead concentrated on indirect opportunities surrounding each country's planned and actual transport infrastructure projects. For example, in Georgia, they indirectly aided the country's transportation infrastructure development by targeting business opportunities involved in the construction of bypass tunnels and railway goods, market and commercial facilities, and residential districts. These have included investments in the industrial zones, container cranes, and other heavy equipment needed for construction, management, and operations. In Azerbaijan, Chinese railroad workers contributed to the development and expansion of the Trans-Caspian International Transport route. As Taleh Ziyadov pointed out in the previous issue of *Baku Dialogues*, China also transferred the technology needed to enhance cargo capacity at the Port of Baku and to strengthen the country's overall role in regional trade and logistics. In Armenia, Chinese investors enabled the construction of a portion of the North-South corridor connecting Gyumri to the Georgian border. All the countries seek FDI in transportation infrastructure. As the Azerbaijan government has highlighted, interconnectivity will boost development and economic cooperation in the region and enhance the global economy by creating more economic opportunities around the world.

China's economic relations with the South Caucasus countries pose no immediate challenge or threat to major powers or

regional power dynamics, and it is unlikely that growth in them will result in a power realignment or accommodating behavior on their part.

Four reasons rise to the mind. *First*, Sino-South Caucasus economic relations (at least at this time) are relatively insignificant when taking into consideration the region's economic relations with Russia, France, Germany, and the United States. *Second*, the nature of China's trade relations and investments complement rather than compete with or challenge major powers. *Third*, regional connectivity through transport infrastructure, the nature of Euro-Atlantic and Euro-Asian trade linkages, and the complex webs comprising the South Caucasus countries' bilateral economic relations promote economic and political development and regional stability. *Fourth*, China has *thus far* recognized and respected the complex nature of the region's power dynamics and Chinese investors have been selective in their investments so that they complement rather than compete with or challenge each of the major stakeholders' interests.

A lack of direct investment in Azerbaijan's transport infrastructure projects is a case in point. Direct investment by China or a monopoly held by other non-Western entities could have triggered a fear that has been raised before by Western policymakers, namely of the potential blocking of key transport routes and critical infrastructure (e.g. ports) in the future, which, in turn, could hinder oil and food supplies to core areas in Eurasia and Japan where there is a heavy U.S. military presence. This fear, coupled with the perceived security threat of a dominant power in either Europe or Asia setting conditions for American access to vital natural resources, have long provoked strong resistance to Eurasian connectivity from some Western policymakers.

China's economic relations with the South Caucasus countries pose no immediate challenge or threat to major powers or regional power dynamics, and it is unlikely that growth in them will result in a power realignment or accommodating behavior on their part.

Finally, the aforementioned examination of material in *States News Service* and *U.S. Federal News* indicates that although Sino-South Caucasus economic relations are

mentioned, they do not appear, at this time, to be a major concern among policymakers who are concerned about both the rise and economic and political influence of China across the globe. As was highlighted above, Western policymakers have raised concerns about Chinese investments in energy and transport infrastructure, but the nature of those investments in the South Caucasus do not seem to be an issue at this time.

Military and Security Relations

China has a growing stake in securing its overseas economic and energy interests and protecting its growing diaspora community, particularly given that the security environments where they are located are often plagued by a combination of traditional and non-traditional security threats. Experts highlight Beijing's armament sales, military-technology and security agreements, and both its military presence in Africa and actions in the South China Sea as signs of its growing military footprint. They also underscore intelligence and satellite communications networks, dual-use ports and infrastructure projects, and the use of private or host-nation security forces to protect strategic commercial and human assets to highlight its growing global security footprint.

Recognition of this and reflection on its potential implications has led some Western policymakers to raise concern over whether its growing military and security roles in specific countries and regions across the globe will challenge and/or replace U.S. military and security primacy. Some have even questioned whether it could potentially challenge Russian military and security primacy in its own area of influence like the South Caucasus; and, if so, whether it would create a degree of regional instability that would necessitate U.S. or NATO intervention. Others experts, including those from the Rand Corporation, argue that because of Beijing's own "renouncement of military aggression, lack of international allies, and limited power projection capabilities," it presents neither a direct nor an indirect military and security challenge or threat at this time. As will be highlighted below, Beijing also poses no threat to major power stakeholders in the South Caucasus region.

China's military and security footprints in the South Caucasus is relatively light, with its relations being limited to Armenia and Azerbaijan. In Armenia, military relations consist primarily of high-level

military-to-military personnel meetings and limited weapons sales and non-lethal technological assistance. Some experts have proposed the expansion of Sino-Armenian military-technological assistance to include the creation of a joint military-industrial center for the production of military robots, drones, and other military technology. However, Beijing has not overtly expressed an interest in such an expansion of their relations. Sino-Armenian security relations consist of security cooperation agreements on anti-terrorism, cyber security, and BRI security. In Azerbaijan, relations consist primarily of military armament sales. Baku has purchased Chinese-licensed tactical weapons from Turkey and a multiple rocket-launch system that was jointly designed by China and Belarus.

Like Yerevan, Baku has also expressed an interest in expanding military, military-technological, and military-educational cooperation with Beijing. Both Armenia and Azerbaijan see Beijing as a potential alternative military supplier and security assistance provider. Beijing, however, remains reticent to expand its military-security cooperation with either country because of the nature of its economic relations with both countries, the military and security role played by Russia, Turkey, the United States, and NATO in the region, and its own relations with these powers.

Beijing has little to gain by entering the geostrategic security game, and doing so would only reinforce the fears and concerns expressed by some policymakers and experts of a potential China-Russia-Iran axis that could compete with and challenge Western interests and influence in the South Caucasus.

Thus, Sino-South Caucasus military and security relations at this time present no military or security challenge to either the United States (and by extension NATO) or Russia. As was highlighted in the previous section, the nature of the security environment in the region is already quite complex, given the nature of relations between the major power stakeholders and each country in the region. Beijing has little to gain by entering the geostrategic security game, and doing so would only reinforce the fears and concerns expressed by some policymakers and experts of a potential China-Russia-Iran axis that could compete with and challenge Western interests and influence in the South Caucasus. And the latter itself, as will be recalled, runs contrary to the interests and aims of the region's countries that do want limited military and security cooperation with the West.

To that end, the limited Sino-South Caucasus military and security relations should be seen within the larger context of BRI and as part of Beijing's intention to offer incentives for participating countries and to simply diversify the nature of its relations with them rather than as an intent to compete with or challenge the established major power stakeholders in the region.

Navigating the Way Forward

The relative decline of and the role played by America, the ongoing shift from a unipolar to a multipolar system, and the emerging (yet to be defined) new international order resulting from the rise of new and reemerging powers at the regional and global levels have each contributed to small and mid-size states making choices to search for alternative partners to meet their economic, development, and security needs.

As has been highlighted in this essay, Armenia, Azerbaijan, and Georgia look to China—an emerging global power but not a rising power in the South Caucasus region per se—as an alternative source for their economic and development needs. Only Armenia and Azerbaijan have expressed a desire to explore and enhance their military and security relations with Beijing. The level and nature of Beijing's economic, military, and security relations do not in any way pose a challenge to or threaten to alter the distribution of power in the South Caucasus region. As was highlighted in the first part of the essay, Russia and Turkey are major regional powers and have greater influence on the exercise of economic and military power in the region, and both the United States and the European Union play (lesser) roles in that dynamic. Also, for America and the EU, Russia rather than China remains the larger security concern for the transatlantic bloc, although Turkey appears to be running a close second in some circles (e.g. France).

All this means that as long as Beijing's relations continue to enhance the aims and interests of the region's major stakeholders and the nature of their relations with the

South Caucasus countries, then it is unlikely there would be any external coalition formed in the short-term for the purpose of targeting Sino-South Caucasus relations.

Also, the fact that Beijing is not a rising power in the region per se is an extremely important point to keep in mind, given that much of scholarship examining small and mid-size state behavior in periods of great and major power competition finds that it is the regional rather than the global distribution of power that matters more.

Small and mid-size states are more conscious of the distribution of power within their vicinity (i.e. the South Caucasus) rather than the larger region (i.e. Europe, broadly understood) or global competition (i.e. U.S.-China global competition). Beijing has also demonstrated its reticence to get involved in regional disputes, as was demonstrated both by the July four-day flare-up in and around Nagorno-Karabakh and the Second Karabakh War; and tensions between Russia and Turkey in North Africa, which has implications for the two competitors in the South Caucasus region, as Svante Cornell discussed in an essay that appeared in the previous edition of *Baku Dialogues*.

This implies that there is unlikely to be any change in the behavior of Armenia, Azerbaijan, and Georgia toward their relations with China under present circumstances. Rather, each are more likely to remain inclined to keep enhancing their respective economic relations with Beijing, given the existing competition between the major stakeholders in different regions. Even if Beijing were to increase its economic relations with these countries, research by experts finds that economic capabilities of a rising power (should Beijing reach that level in the South Caucasus in the future) are not alone sufficient to generate a change in small and mid-size state behavior. Rather, it is only a threat to their security that is likely to induce such a change, whereby they turn to the state or a coalition of states that can best provide for their security. Each country's behavior will continue to be situationally determined.

Each South Caucasus country views its participation in BRI—as well as its bilateral relations with China—as an opportunity to bring greater development to themselves, prosperity to their own people, and enhance the strategic role of their region to the global economy.

The bottom line is that the economic, development, and security needs of Armenia, Azerbaijan, and Georgia will almost certainly continue to be defined and dictated by the nature of their relations with the region's major stakeholders. Looking ahead, this will certainly include China.

Each South Caucasus country views its participation in BRI—as well as its bilateral relations with China—as an opportunity to bring greater development to themselves, prosperity to their own people, and enhance the strategic role of their region to the global economy. The leaders and policymakers of the South Caucasus have proven themselves to be adept in navigating great power competition at both the regional and global levels; so even if some aspects of their relations with China—such as those that have been raised as a concern by some Western policymakers—are targeted in the future, they are likely to navigate the conflictual currents with expertise and sophistication. Nonetheless, they should be cognizant of, and plan for, ways to overcome any points of tensions in the future. The shifting world order itself and the uncertainty that it brings will require both character and courage; for the future of the South Caucasus will be determined by how its statesmen and stateswomen weather the storms of global, regional, and domestic uncertainty. BD

Profile in Leadership

Shev's Way and the History of Europe

Tedo Japaridze

I can think of no more fitting introduction to this profile in leadership on Eduard Shevardnadze than to share how I felt at that moment in between the end of the recollection and note-taking phase and before the onset of the phase in which one begins to actually write. I intuited right away that I could not hope to draft a full-on, comprehensive portrait of Georgia's "Babu" (Grandfather) or, as Westerners called him, the "Silver Fox." He remains too grand of a figure—an exalted member of the pantheon of great statesmen: architects of world affairs, people who made an outstanding impact on international relations. Such people are titans of world politics, true leaders one and all.

People like Eduard Shevardnadze—or Shev, as those of us who were fortunate enough to work closely with him called him between ourselves—helped launch the world into that complex, comprehensive, and yes, frequently tumultuous process of coming to grips with the end of the Cold War and the beginning of something new and better. Unsurprisingly, in doing all this, people like Shevardnadze never overlooked the strategic interests of their own countries and of their respective political and ideological systems, clashing and harshly debating over them with each other but still trying to keep an essential balance. In so doing,

Tedo Japaridze *is Vice Chairman for International Relations of the Ankalia Development Consortium and a former Chairperson of the Foreign Relations Committee of the Parliament of Georgia, Secretary-General of the Organization of the Black Sea Economic Cooperation (BSEC), Foreign Minister of Georgia, National Security Adviser to the President of Georgia, Foreign Policy Adviser to the Prime Minister of Georgia, and Ambassador of Georgia to the United States.*

they were able to provide not just a foundation but a substantive context for the value-based principles, standards, and practices that continue to inform the world of today.

So no, this portrait will not be comprehensive. I hope, rather, and in sincere humility, that what follows will come to be considered as a reflection and reminiscence on some episodes in the life of this unique individual—concrete events and developments that I either personally witnessed or in which I participated by virtue of the positions I held at the time.

As a consequence of all this, in the profile that follows my biases ought to be made clear at the onset: I liked and admired the man; Shevardnadze was my mentor, a person who introduced me to the art of diplomacy and the quintessence of foreign policymaking of a sovereign Georgia and, in general, of how to properly and realistically harness Georgia's capacity, potential, and resources. And he did all this—I learnt all this, or at least as much as I could—in a fully confused and misbalanced world order that emerged after the collapse of the Soviet Union; and he was able to do all this because he understood he could not change (much less oppose) those new realities and perspectives, but only work from them as givens in order to find an appropriate and applicable niche so as to make Georgia's capability—and its institutional or collective memory—valuable, useful, and convenient for partners and allies alike.

Shevardnadze was my mentor, a person who introduced me to the art of diplomacy and the quintessence of foreign policymaking of a sovereign Georgia and, in general, of how to properly and realistically harness Georgia's capacity, potential, and resources.

Shevardnadze conveyed meticulously to his counterparts and associates that Georgia could not survive alone—that regional security and stability are indivisible, interconnected, intertwined, and interdependent. Shevardnadze was always reminding those of us who worked closely under him to stay realistic, rational, and pragmatic—to never lose our sensitivity to the geopolitical circumstances in which we found ourselves. In other words, Shevardnadze continuously insisted that we keep our wits about us and look into Georgia's future with a clear sense of our own legacy combined with a Realpolitik assessment of our perspectives.

Once, in an address to the UN General Assembly, Shevardnadze described Georgia as a country "crucified at its geopolitical crest." The reasoning that had gone into that description led him to urge us unceasingly to keep in mind Georgia's "special geography," as he put it: our own neighborhood and its vicinity, as well as our centuries-old own collective and institutional memory—deeply-imbued in our genetic code—that had preserved, even saved, the Georgian people in its dealings with the outside world.

However, Shevardnadze—who continuously instructed us in how to think through the consequences of our history and heritage—always endeavored to steer his countrymen in a direction that looked to the future. He spoke of the importance of materializing our national legacy—of leveraging and building on it—while always paying heed to resist the temptation to drag Georgia back into a modern-day pursuit of what he once called "glorious historical triumphs" that appear here and there throughout our unbridled history. Instead, the accent was always on applying that legacy to navigate Georgia *ahead*—towards the future—and to do so by way of well-calculated steps and decisions.

A historical review of Shevardnadze's legacy—a profile of his leadership—is never a purely academic, disinterested endeavor. Shevardnadze has been different things to different people. For the Soviets, for instance, he was a Caucasian making it through the ranks of the party nomenklatura, punching a bit above his weight to strengthen his grip on his personal power, like Georgians (and not only them) often did in those times.

Shevardnadze rose to be the First Secretary of the Central Committee of the Communist Party of Georgia and was, as observers admit, a more capable economic steward and a more liberal autocrat (as far as Soviet republic-level secretaries went) than those who preceded or succeeded him. For example, he served as a skillful interlocutor between the Soviet leadership and Georgian protesters in 1978, who demanded that Georgian remain the sole language within Georgia, with Shevardnadze succeeding to outmaneuver and persuade the Kremlin leadership.

Then, in 1985, he rose to become the Foreign Minister of the Soviet Union, resigning abruptly in December 1990 before briefly taking the post up again in late 1991. A few months later, in March 1992, he returned to the

fountain of his local power to build a new narrative as a national leader—a co-author of Georgia's rediscovered independence.

Shevardnadze left Moscow for Georgia to lead a country that was very much taking toddler's steps in a new world. I remember how, at the time—at the beginning—most of us walked around pretending that we knew what we were doing; and I also remember there were a few who actually had the conviction that they did, in fact, actually know what they were doing. Obviously, Shevardnadze fell into the latter category: he had the audacity, the courage, the experience, and perhaps the cheek to act as if he was actually competent. Georgia needed such confidence and, frankly, all of us who worked around him needed it too.

I first met Shevardnadze on April 1st, 1992. On that very day he asked me whether I was willing to move from the position of First Deputy Foreign Minister to become his foreign policy adviser.

I guess the expression on my face betrayed how stunned I felt at the proposal, that had (to my mind, at least) come out of nowhere. "I hope you didn't take my offer as an April fool's joke," he said. I never looked back.

Shevardnadze chose his new team—myself included—not because we were similar but because we were not. He knew the world was changing, he was too confident to be afraid, and he filled his cabinet with people who would help him learn, accommodate, and shape the future for the benefit of Georgia.

I will never forget Shevardnadze's first "instruction"—a pronouncement, really—that he shot out spontaneously to us right at the start: "Don't worry, we'll work together, for we have a big strategic agenda. Yes, it will not be an easy time—too many challenges, too many risks. So, I will need fresh ideas and concepts to navigate Georgia safely from its disastrous situation! Therefore, try to find young and knowledgeable people, engage them into different brainstorming sessions, and introduce them to me."

I call to mind one other "instruction" that Shevardnadze gave us soon thereafter: "Georgia will never be safe, stable, prosperous, and, in the end, sovereign and independent if, for example, Azerbaijan and Ukraine are not either. That's why Georgia will need to take delicate care to nurture its relations, specifically with Azerbaijan," he continued.: We need to do this

in more than the usual nuanced way. We need to help and support each other, and we need to recognize that if Georgia succeeds, this will represent a triumph for Azerbaijan as well, and vice versa," Shevardnadze concluded.

One way this "instruction" was carried over into our diplomatic work was in writing letters. Heads of state write untold letters to their fellow world leaders. Some administrations take this more seriously than others (the same can be said about composing speeches). For our part, we always made sure the letters that went out with President Shevardnadze's signature were never pro forma. At his insistence, each letter went through multiple revisions until we were all satisfied it was ready to be sent out. Almost without fail—and in particular with respect to the letters we sent to U.S. presidents and leaders of other major Western powers—we included a well-crafted paragraph or two about Azerbaijan and Ukraine, emphasizing the importance of assisting those states and noting the latest Georgian initiatives in doing the same, but also what they were doing to help us.

The letter writing example helps to illustrate how Shevardnadze identified and communicated Georgia's strategic foreign policy agenda that has remained valid into the present—an agenda that from the moment he took over the reins of the country looked squarely to the future.

Shevardnadze was ambitious, and then some. I remember a joke that went around in the 1970s in Tbilisi: two men are dragging a statue of Shevardnadze up a steep hill. "Why do you bother?," a passerby asked. "Just leave him down below, and he'll climb up himself."

But ambition is the stuff of which consequential people are made. Shev's well-developed ambition was not simply about engendering a personal drive to acquire and hold power. For him, personal success was never an end in itself. It was a means to an end. And that end—that goal—was always about the betterment of others. No one who ever worked for him failed to feel an enormous sense of responsibility. This feeling, which comes to inform everything you do and all the duties you perform, cannot take hold if the end is merely power.

As the foreign minister of a superpower, Shevardnadze made his mark by the execution of what came to be known in some circles as the "Sinatra Doctrine"—the art of doing things "His Way," which meant leaving behind Andrei Gromyko's "executive-style" of foreign policymaking that he had developed over nearly three decades as the Soviet Union's foreign minister. Shevardnadze stood by Mikhail Gorbachev as he disengaged from a bloody and costly war in Afghanistan, which paved the way towards the instauration of change in East-Central Europe, then Germany, then the Soviet Union itself, and then, inevitably, his Georgian homeland.

He continuously went where no Soviet foreign minister had gone before. And he made it look easy—charmingly so—even effortless. He had a crushing sense of humor and, even when travelling abroad, he somehow was able to create an atmosphere that made it seem as if he was the natural host of every conversation.

No one can comment on Europe's present, especially with regards to the independent states that emerged from behind the Iron Curtain, without referring to Shevardnadze.

Invariably, Shev left in his wake more enemies than he made friends—especially in Moscow, and concretely among the military and intelligence communities. As it turned out, this was not forgotten.

For 30 years now, I have become accustomed to disagreeing with people over Babu's true nature with people who confuse knowledge (or opinion) of what happened with the courage it took to make it happen. But there is one point of consensus: no one can comment on Europe's present—especially with regards to the independent states that emerged from behind the Iron Curtain—without referring to Shevardnadze.

Another preliminary point: by virtue of having been a Soviet statesman, Shevardnadze became a global leader. And this carried over to his time as President of Georgia. And no one has come close since. Shevardnadze is literally the last Georgian who was endowed with the capacity for global outreach, possessed a global network, and who was capable of expending cultural and political capital on behalf of his small country on a global scale.

As Foreign Minister of the Union of Soviet Socialist Republics, Shevardnadze played a pivotal role in the reunification of Germany and, therefore, of Europe. In part due to the fact that Vladimir Putin keeps evoking the "Great Patriotic War" in his nationalist rhetoric, the West has become desensitized to the 27 million people who were lost in the war with Nazi Germany. But in 1985, when Shevardnadze rose to head the Soviet

Foreign Ministry, he was a minister of a people that still had vivid memories of that war. Indeed, the memory of the Second World War was fundamental to why citizens of the Soviet Union referred to themselves as "a people," if they did at all. To get the Soviet people to accept German reunification was difficult enough, given this fact. But it should be recalled that Shevardnadze did much more than make this historic concession. He went much further: he championed it. I remember in 1993 he visited Germany as the Head of State of Georgia, and during a fully packed gala reception in Berlin he exclaimed: "What a life! One Georgian dismembered Germany and another one has unified it. It sure looks like nothing in this world happens without the meddling of Georgians!"

I think the reason why his West German counterpart, Hans-Dietrich Genscher, referred to Shevardnadze as "one of the significant and outstanding statesmen of the twentieth century" was that he actually made a positive case for a united Germany. After all, it was not the Soviet Union but Great Britain that most fiercely resisted its former enemy's reunification, with British prime minister Margaret Thatcher—known to supporters and detractors alike as the Iron Lady—going so far as to visit Moscow to try to convince Gorbachev and Shevardnadze to reverse their position. This was a classic "balance-of-power" move that was more reminiscent of London's thinking when it had been hard at work in building a coalition against Napoleon than the actions expected of a Euro-Atlantic partner and ally in the waning years of the Cold War.

That is not to compare the qualities of Shevardnadze with those of Margaret Thatcher. The kneejerk reaction of that quintessentially Conservative politician was in line with her nation's traditions. For the British, the Americans were, systemically, the perfect missing piece in an elaborate game of alliances that had remained imbalanced for decades, perhaps for centuries. After all, who can forget the classic formulation of Lord Ismay, NATO's first Secretary General, that the Alliance was all about keeping "America in, Russia out, and Germany down." The reunification of Germany meant it was no longer down and that the Russians were not quite out. At least Thatcher and Shevardnadze agreed—in the context of negotiating the terms of the post-Cold War settlement—that the complex question of German reunification was not of "red line" importance so long as the Americans stayed in, for this meant that even a unified Germany could be held in check (if not held down), and, it was

assumed (or hoped), Russia could be brought into the fold, perhaps even assimilated (instead of being kept out in the cold).

Now, of course, we can play the "who was right" game in which historians like to dabble. Much depends on the passage of time and one's perspective. What appeared right in the immediate aftermath of the Cold War can be reviewed and reassessed three decades later. But one should always keep in mind that the benefit of hindsight is the prerogative of the scholar rather than the diplomat; for the diplomat, "being right" in the long term is less of a concern. The point for the diplomat is to play a role in driving his side's foreign policy narrative: "there was no other logic," Shevardnadze went on to write in his memoirs, with regards to the question of reunification.

To come back to the Iron Lady for a moment more. Thatcher and Shevardnadze had very different roles to play and operated in the context two different narratives. The Silver Fox stood by Gorbachev as he was trying to disengage the Soviet Union from the captive half of Europe in order to pave the way towards a new and hopefully united Europe. That would have been a Europe with no victors and no vanquished—a Europe in which the Soviet Union would become an integral part of a new order rather than a defeated adversary.

More than almost any other factor, it was the August 1991 attempted coup in Moscow that set in motion events that put an end to that vision.

Shevardnadze understood that making friends in the West (and with the West) was Realpolitik. Thatcher saw things differently. She viewed herself as the latest in a string of British leaders who stood on the right side of history, claiming her rightful seat at the table around which the future of Europe was to be discussed and decided.

She understood this claim as the third great vindication of Britain and British grand strategy in less than a century—of course, not Britain alone, but Britain acting in concert with the same small, core group of allies. And to her credit, she did seem to have based her position not just on a halcyon glance back at history but also on a look towards the future—to twenty or thirty years hence and the systemic challenge that could be posed by a resurgent and powerful Germany standing tall at the center of a new European state system.

Sure, the idea of a United States of Europe encompassing Germany and Great Britain was the takeaway line from a famous speech Thatcher's hero Winston Churchill had delivered in Zurich in 1946; but that speech is one of the few spoken by the great Englishman that was quoted far more on the Continent than in Albion. And as we know today, the idea never quite resonated with Lady Thatcher. But for Shevardnadze, the modern-day version of Churchill's vision made strategic sense.

Shevardnadze bought into Gorbachev's idea that it was possible to dissolve an empire of unequals and join a common project as an equal. Shevardnadze was willing to entertain a rather romantic vision (a German vision, one could even say) of a Europe ruled on the basis of values and principles rather than naked power. In such a Europe, "blood and iron" would take a back seat and the Soviet Union would not be defeated and dissected but rather re-conceptualized and re-integrated in what Gorbachev called a "common European home."

Shevardnadze bought into Gorbachev's idea that it was possible to dissolve an empire of unequals and join a common project as an equal.

That is why the question of "who was right—Thatcher or Shev?" is immaterial. Without the benefit of an oracle, the best a leader can do is act with clarity, conviction, openness of heart, and strength of mind. In the world Shevardnadze imagined, it was possible for country like Georgia to exist *with* Russia but not *in* Russia. That dream defined Shevardnadze's successor generation, my own.

After the dissolution of the Soviet Union, Shevardnadze was reborn. But this re-birth was of his own choosing. He *chose* not to remain in Moscow, but rather to become the president of a war-torn, dilapidated, and dismembered country. And this choice, as I've already mentioned, had its consequences: some of Shevardnadze's foreign policy *successes* as the Soviet foreign minister ricocheted back to him when he returned home: the old Soviet military and security apparatus—having made a seamless turn to serve a "democratic Russia"—retaliated against the Silver Fox without hesitation: *their* choice was to carve out the Tskinvali region and Abkhazia, two historical Georgian territories. It should be noted that this carving represented the first Moscow-backed military operation in a former Soviet republic after the collapse of the USSR.

Many still remember the moment when Shevardnadze—who had spent two weeks in Abkhazia's capital, Sukhumi, which had been shelled and encircled by separatists forces and units of the Russian army—exclaimed that he wished to die rather than witness the surrender of Georgian lands to the adversary.

And so Shevardnadze began to reach out to Western capitals—to his personal friends with whom he had worked hand-in-hand in the attempt to build a new world. I remember how he traveled to Germany to remind the leadership of very recent facts and even more momentous decisions that could have gone the other way. And I remember how deftly, seamlessly, he segued to asking for concrete support, which included a request for the provision of immediate material assistance.

I attended that meeting in Bonn with a stunned Helmut Kohl. Was this gambit of Shevardnadze's a bit inflexible? Perhaps it was. But Tbilisi was not Moscow, and Georgia was falling apart: breadlines stretching for a kilometer or more, electricity cuts, no running water, looting, and civil war. Having *chosen* to run a bottomless ship in a stormy sea—to trade in his role of global leader for that of national leader in a country that was struggling to become a state in more than name alone—Shevardnadze was going to give it his all. He was ruthless in meeting the requirements of his role, every role. And he would do what it took. Survival is a dirty business. Kohl yielded. Germany delivered. And Georgia lived on to fight another day.

Shevardnadze's evocation of the past was in truth a comment on the present. He had brought with him from Moscow three very important resources. *First*, a Soviet dowry in the form of Western contacts: the cultural and political capital of the man who helped reunify Germany and prevented bloodshed in East-Central Europe. *Second*, the moral authority of the Soviet Union's last foreign minister—the one who allowed the Berlin Wall to come crumbling down without falling on the head of a single European, especially those who came from the former Warsaw Pact countries. And *third*, his little black book of jottings and his little black box of favors—the sorts of things one invariably gains as the foreign minister of a superpower.

Shevardnadze was determined to carve out a role for a small state on the periphery of Europe—a state that most people in the West could not locate on a map. Georgia could easily have become one of those countries that was small and poor and irrelevant enough to be stepped on by its giant neighbor

with impunity and without commanding even an hour's worth of prime-time television in the United States. That it did not was almost entirely Shev's doing. He could command attention, he could demand and receive an audience. He could speak persuasively and firmly enough to make heads turn. Sure, he used his "Soviet stool," but it was one that had been built of hard Georgian oak, and it was one on which he stood tall—seen and heard by all. His critics in Georgia would throw all that back into his face, as if his Soviet past was a liability.

But that was balderdash. In my ambassadorial capacity, I was ever-grateful for his charisma, sure, but no less for his Rolodex and the favors he could call in at a moment's notice. This was due to his Soviet past. So fine, it was *Soviet*. But it was *past*. And that Soviet past was put to new uses to help build a Georgian future. Period.

Of the many meetings with foreign leaders and conversations Shevardnadze had over the course of our years working together, three rise to the mind as useful to convey in this essay. I recall, first, an episode punctured by gunfire.

Georgia could easily have become one of those countries that was small and poor and irrelevant enough to be stepped on by its giant neighbor with impunity and without commanding even an hour's worth of prime-time television in the United States. That it did not was almost entirely Shev's doing.

The first senior American official who visited Shevardnadze in his office soon after he returned to Georgia in March 1992 was Richard Armitage, who had been sent by President George H.W. Bush to arrange the delivery of tons of grain to feed a famished nation. Shevardnadze thanked Armitage and promised that this was an investment and that, one day, the American taxpayer would be reimbursed. At that very moment, a shooting volley from the nearby street disturbed the conversation. "Mr. President," Armitage noted with a semi-sarcastic smile on his face, "It appears that you have more friends in Washington than here, in Tbilisi." However, that was not quite true: even those shooting towards Shevardnadze would not have known what to do in a world without him.

I still remember distinctly another part of that conversation with Armitage—a conversation that turned into a friendly disquisition on

Georgia's geopolitical situation that still remains fully valid to this very day.

"I would like you to deliver this message back to my friends in Washington," Shevardnadze said—again, this was back in 1992. "We'll do our best to make Georgia a functioning and resilient democracy in this part of the world. I know it won't be easy, just the opposite in fact: it will be an uphill and tumultuous journey, and there will be mistakes and zigzags. But Georgia will plough through all its difficulties, and we'll become a normal, institutional, and functioning democracy one day. This we will do for ourselves, and we will also consider it our reimbursement to our American friends: a democratic and successful Georgia; an island of democracy in this part of the world," Shev continued. "But," he added, "Georgia will also become a regional actor and a facilitator, because Georgia's security and stability will be strongly contingent on the stability and security of its immediate neighbors, first of all Azerbaijan and Ukraine," he exclaimed.

And then, the Silver Fox came to his last point: "Always keep Russia on your mind. Even a 'democratic Russia,' which, as I understand, is currently one of America's strategic priorities, and which will keep unbroken her imperial agenda, especially in her immediate neighborhood; and Russia will continue to attempt to keep our area weak and dependent on the Kremlin; to dominate and control that region, and thus promote their own interests." How prophetic.

I come to the second conversation, which took place a little over a year after the first. Shevardnadze traveled to Kyiv for a state visit to Ukraine that was very successful. I remember an informal lunch hosted by President Leonid Kravchuk at which he and Shevardnadze had the opportunity to engage in casual conversation about various international issues as well as discuss their respective domestic challenges.

Babu calmly said, as if he were thinking aloud, "Naturally, we all need to have a peaceful and stable Russia as our neighbor, and we also need to take into account the interests of Russia in our part of the world; but only if Russia also would admit that Georgia, Azerbaijan, Ukraine, Moldova, the Central Asian states—every former Soviet republic—are now independent and sovereign. The problem is that the Russians still confuse the notion of 'interest' with the meaning of 'influence,' and so they still want to control and dominate the neighborhood."

"I know, dear Leonid Makarovich," Shevardnadze continued, "that you are knotted up with Westerners and Russians over very complex and painful negotiations"—a reference to what eventually became the famous (or infamous) Budapest Memorandum on Security Assurances on Ukraine, signed on the margins of the OSCE Summit in December 1994. "And I know that these are very rough and hand-wriggling negotiations. And I know how much pressure the Westerners are putting on you. I have seen, as a member of Politburo, thousands of memoranda and reports regarding nasty plans that detail how and by what means the Kremlin prearranged to keep control over the republics, including by provoking direct conflicts among different ethnic entities on the territory of the USSR. We must remember," he added, "that great powers— especially imperial ones—appreciate strength as an instrument of deterrence. I know that from my own experience at the Soviet Foreign Ministry," he continued.

"So I have been thinking: what if Ukraine is able keep just one nuclear missile in its military arsenal—naturally, just for deterrence! I understand that it's no more than wishful thinking, but were it possible, it would strengthen Ukraine's capacity to defend its independence and sovereignty. A strong and capable Ukraine is so vital for Georgia's independence and sovereignty," Shevardnadze concluded.

The third conversation involving Shevardnadze begins in Prague. During an April 1992 visit to that wonderful Central European city, I had the privilege of meeting Luboš Dobrovský, who at the time was serving as the Head of Václav Havel's Presidential Administration. We were talking about the then new and now notorious Russian concept of the "near abroad."

Dobrovský calmly admitted to me, "Tedo, if the West had not immediately countered and discouraged Russia on what nowadays they call their 'near abroad' concept, tomorrow we would have become the 'middle abroad,' and, eventually, we might have become the 'faraway abroad.' I do not mean to declare a war on Russia but rather to stay steadfastly with her, protecting our own independence and sovereignty," added Dobrovský.

I remember how upon my arrival back to Tbilisi, I had related the exchange to Shevardnadze. He smiled back at me in that particular way of his and said, "it's easy to equivocate with these kinds of metaphors when you sit in Prague, Warsaw, Berlin, or Paris. Bring your friend Dobrovský just for one day either to Tbilisi or Baku, and substitute Havel's problems for just one day with mine or Aliyev's. Your friend would forget his allegories instantly. Russia's policy toward Georgia has been the same since the days of Ivan the Terrible, when Russia started assembling its empire. Peter the Great, Stalin, Yeltsin—in their essence, they've all pursue the same policy towards us: create chaos and weaken us to the point that their troops are called in on some pretext or another to 'keep the peace.'"

Shevardnadze had the realism to be utopian. He had a Hegelian (or Marxist) conviction in the inescapability of a better future that impressed Americans and inspired enough Georgians to keep us going when times were really tough. We needed to believe in order to get on with it. And we needed the Americans and Europeans to believe in us and to give us a hand. And we would have gotten neither without the Silver Fox leading us on, sometimes by the sheer force of his spirit.

I then reminded Shevardnadze of Paul Goble's famous crack regarding Russia's "peacekeeping" capacity—a play on words that works perfectly in English: "piecekeeping," Goble called it: by which he meant keeping or grabbing one or another piece of land here and there. Shevardnadze laughed passionately. "Indeed, Russian habits die hard," he remarked.

In recalling these and many other conversations, it struck me that it was not so much what Shevardnadze did that made him irreplaceable. It was his ability to be completely realistic and down to earth, and yet, at the same time, to believe in and articulate a future that had no material foundation.

Shevardnadze had the realism to be utopian. He had a Hegelian (or Marxist) conviction in the inescapability of a better future that impressed Americans and inspired enough Georgians to keep us going when times were really tough. We needed to believe in order to get on with it. And we needed the Americans and Europeans to believe in us and to give us a hand. And we would have gotten neither without the Silver Fox leading us on, sometimes by the sheer force of his spirit.

It seemed to me at the time that Europe and America had more of a post-Soviet mindset than Shevardnadze ever did. When the Democrats won the White House in November 1992, Eduard Shevardnadze dispatched me and my colleague (and good friend) Gela Charkviani to

Washington to meet the new foreign policy team of the incoming Clinton Administration.

At the State Department we met with a transitional interagency foreign policy and security group, and later that day we met with Strobe Talbott, who had been nominated but not yet confirmed as Ambassador-at-Large for the Newly Independent States. We met Strobe in the cafeteria, located somewhere on the ground floor of the State Department, if memory serves. Strobe greeted us, his hands full of unpacked boxes and files.

Strobe and I were old friends, having met when he was a journalist and I was an analyst at the USA and Canada Studies Institute in Moscow. So the unsettled and informal nature of the meeting suited us fine, and it also allowed for an agenda that was broader than usual—more "reflective," in a sense. The three of us talked about the "Newly Independent States" or NIS—the term used in the West for all the post-Soviet republics before we grouped together to became the Commonwealth of Independent States, or CIS. One acronym replaced another, but the reality stayed the same.

Naturally, the discussion gravitated towards Russia and its "democratic perspectives." Of course, we had no idea that the incoming Clinton Administration had been quietly developing a new paradigm towards our part of the world that later came to known as the "Russia First" policy. I remember suggesting to Strobe that rather than focusing on Russian democratization, it would be better to help the NIS countries establish themselves as democratic regimes in their own right. "Why not focus on creating a 'democratic belt' around Russia?," I asked. "That would make it easier to build democracy in Russia," I suggested.

That's when Strobe muttered into his coffee that "they wouldn't like the idea of a 'belt' around them."

Indeed, anything resembling the idea of encirclement seemed quite beyond the spirit of the day, week, month, year, and even century—from the Russian perspective (from ours, too, I might add). For a country that stretches from Europe to the Far East, Russia's intolerance of interference in its "near abroad" is problematic. Half the world's landmass is near Russia, lest we forget. Another other issue is that Russia favors exclusive relationships. That was quite clear to a Georgian, a Lithuanian, or an Estonian in

the early 1990s—or, come to think of it, in the early 1890s, or even the early 1790s. But in the West, the dominant idea at the time was that it was possible to build on a clean slate—think back to how even serious people took seriously the "end of history" hypothesis and the "unipolar era" paradigm—and that Europe would no longer works on the "blood and iron" principle.

But that's not what happened. certainly not in our world. We knew we were racing against the clock, and that the objectives of building a country and finding a role for ourselves in the world were intrinsically linked. While Shevardnadze has been accused by some at home of being too much of a "post-Soviet" leader, he was the first to realize that if Georgia was to build a state that was substantively independent, we would have to build a narrative of relevance from the ground up.

We wanted in on the redesign of the European energy map; we wanted in on the redefinition of trade routes. And we wanted in with regards to joining the EU and NATO. Georgia had to make the case for its instrumentality. Of course, Shevardnadze understood that Georgia's journey to NATO would take a long time. But he did not want us to stand forever under the arch that held NATO's "open door." It reminded him too much of revolving doors: you're kind of in and then you're instantly out. When he read that NATO Secretary General Javier Solana had once again delivered his almost ritualistic pronouncements on the Atlantic Alliance's Open-Door policy, Shevardnadze cracked in his usual way: "If one stays too long in an open door, one might catch a nasty cold and die from exposure."

Europe today is quite a different place from what we imagined it would become: Russia is not quite out, the Americans are not quite in, and the Germans are not quite down. But Georgia is now more like the country Shevardnadze imagined than the country he ruled.

Europe today is quite a different place from what we imagined it would become: Russia is not quite out, the Americans are not quite in, and the Germans are not quite down. But Georgia is now more like the country Shevardnadze imagined than the country he ruled.

Shevardnadze was ruthless enough to remain relevant and amiable enough to make a difference. People like Shevardnadze do not work on the assumption of clarity. They create the clarity we take for granted. From

Babu and Thatcher, to Genscher and Baker, we judge leaders as if they act out a script. But the truth is that they don't: they improvise. If we notice they're improvising, then they're doing something really wrong; if we don't, then they don't get the credit. Yet Shevardnadze managed to get enough credit to hold onto power when the stakes were really high and use it to make a difference.

As a senior non-Russian member of the Soviet nomenklatura, Shevardnadze competed with Heydar Aliyev, the founding father of modern-day Azerbaijan, for decades during the last decades of the Soviet Union. But in paving the way for their respective countries to emerge from the Cold War into the brave new world of independence and sovereignty—liberating their nations from the shackles of the USSR—the two leaders stretched their hands out to one another other, got their nations to do the same, and in the process dragged Berlin, Brussels, and Washington into the region, pretty much for the first time in history.

Shevardnadze competed with Heydar Aliyev for decades during the last decades of the Soviet Union. But in paving the way for their countries to emerge from the Cold War into the brave new world of independence and sovereignty, the two leaders stretched their hands out to one another other, got their nations to do the same, and in the process dragged Berlin, Brussels, and Washington into the region, pretty much for the first time in history.

Under Shevardnadze's stewardship, Georgia worked with Turkey and Azerbaijan to implement the Baku-Tbilisi Ceyhan oil pipeline and its natural gas equivalent, the Baku-Tbilisi-Erzurum pipeline.

I clearly remember those long and tumultuous negotiations, the Kremlin's fierce reaction, and the direct, brutal, and physical danger to which Shevardnadze and Aliyev were constantly subjected, including assassination attempts on their lives. Despite all the brutalities and the immense political pressure they felt, Shevardnadze and Aliyev, together with Turkey's Süleyman Demirel, succeeded in realizing those truly strategic projects. "Shevardnadze and Aliyev are unique leaders who place their own national interests over realizing the interests of the entire region," admitted Richard Morningstar, the Special Envoy of the U.S. Secretary of State for Eurasian Energy. Georgia and Azerbaijan also started building the Transportation Corridor Europe-Caucasus-Asia (TRACECA). And together we articulated a narrative of strategic relevance that resonates to this

date. That was how Georgia acquired choices it may not have otherwise had and came to build up its strategic posture.

At the 1999 OSCE Summit in Istanbul, Russia and Georgia released a joint statement that Russia would withdraw from its military bases in Georgia. This was right around the time a certain Vladimir Putin was coming into office. And I recall that the Clinton Administration was trying to manage the bruised ego of an economically stagnating Russia, and that some American policymakers and analysts made suggestions to Shevardnadze that now President Putin would object to Georgia's Western trajectory.

For instance, I remember Shevardnadze's meeting with U.S. Secretary of State Madeleine Albright in the suite of rooms on the top floor of New York's Waldorf-Astoria Hotel that served, until a few years ago, as the Official Residence of the United States Permanent Representative to the United Nations. Albright posed a question that was very typical of the sorts of inquiries Shevardnadze was asked to address at the time: "Eduard, tell me, who's Putin?"

Shevardnadze looked straight into her eyes and said, "Who's Putin? I don't know, dear Madeleine. I've never met him. But what I can tell you is that there are many 'Putins' in Russia; but Georgia, Ukraine, Azerbaijan—all the former Soviet republics—should follow their own way." His statement was not an exercise in senseless bravado. Shevardnadze saw Georgia as part of what he called "South-Eastern Europe," defining it as a region stretching from Vienna to the Urals, the Balkans to the Caspian. And he was determined to make history, not change it.

Shevardnadze never overperformed his roles. He did not pretend to be a world leader as he sat at the helm of a small country somewhere on a peripheral crossroads between East and West. He was a diehard realist and a doer, but he was also a politician who—as any politician, anywhere in the world—cared about state power but also about his personal standing as well as his ability to exercise power.

On the other hand, it was Shevardnadze who propelled a younger generation of Georgian politicians into the political arena, those same who—due to certain objective reasons and factors—stirred up the 2003 Revolution of

the Roses against corruption and rigged elections. Reflecting back on the events that led to his resignation, Shevardnadze later said, "I was promoting the new generation [...]. They were my pupils. This generational change could have happened in a much more violent way—with bloodshed—but I would not let this happen! The transfer of the power [...] did not impede the trajectory of development and the democracy-building process."

The transformation of Georgia launched by Shevardnadze has never been a linear process—there were mistakes, blunders, drawbacks, and zigzags. But Georgia has never deviated from that way set by Shevardnadze. The country has kept on moving steadily onward, firmly and resolutely.

In literally creating a new democratic Georgia—predicated on the belief that doing so was the best option for Georgia's future—Shevardnadze had to teach himself, and the country, the ABCs of democracy. He sometimes simplified its vibrant context. At other times, he maneuvered or sought compromise within his diverse team composed of "old-timers" and reformers, while at the same time trying not to lose his personal grip on power. But at the end of the day, he never wavered from navigating Georgia forward. And that remains Shevardnadze's main national accomplishment—his legacy for future generations. Perhaps that is why American journalist Susan Glasser—while acknowledging the contributions of Mihkeil Saakashvili, Zurab Zhvania, and Nino Burjanadze during the Revolution of the Roses—admitted that the hidden hero of the Revolution was Eduard Shevardnadze, who rejected the use of force and chose to transfer his power peacefully. People with a tenth of his achievements have done the same since.

> *Shevardnadze was a little bit of everything: a Communist, an Atlanticist, a Soviet, a European, an internationalist; maybe a little bit of a fox, but never a chicken. He was all Georgian, and always a patriot.*

I can end with this: Shevardnadze never rested until there was no doubt who was the main protagonist in the room. If he could not be the center of attention, he did not play; and one needs to admit that he was a brilliant political actor. He was a little bit of everything: a Communist, an Atlanticist, a Soviet, a European, an internationalist; maybe a little bit of a fox, but never a chicken. He was all Georgian, and always a patriot. Whatever he did, he did it "his way" or no way at all. BD

Interview

A Higher Level of Openness and Engagement

Uzbekistan's New Foreign Policy

Abdulaziz Kamilov

Baku Dialogues:

Mr. Minister, we would like to begin with the obvious, namely that most great powers look at Central Asia and conclude that they have intrinsic national security and economic interests. And yet there is tension between those same great powers in terms of how they each define their respective interests in your part of the world.

And irrespective of the fact that—if we may put it this way—the regional meta-narrative is that Central Asia is no longer a mere object of international relations, the great powers still can't help looking at it through a Great Game lens. From such a perspective, Uzbekistan is seen as a particularly important geopolitical object: your country has the largest population in the region and a truly storied history; it's the only country to border with all the other Central Asian states, including Afghanistan; and just a few years ago it launched a spectacular string of reform initiatives.

Uzbekistan's leadership is obviously aware of this sort great power posture and the risks associated with this. Uzbekistan's foreign policy appears to taken a number of effective counter measures, so to speak. The first question is a stock-taking one with respect to Uzbekistan's foreign policy, of asking you to discuss how you have implemented a "balanced, mutually beneficial, and constructive foreign policy"—to quote from the document that lays out a national five-year development strategy, slated for completion in 2021.

Kamilov:

> Due to a number of historical, geopolitical, demographic and economic factors, Uzbekistan is one of the backbone regional states that play a key role in maintaining stability and security, as well as in the sustainable socio-economic development of its region.
>
> The importance of Central Asia has indeed always been historically important as a region of the Silk Road, the crossroads of world civilizations, active trade and economic interaction, scientific and cultural relationships. The contribution of Central Asia, including the states that existed on the territory of Uzbekistan, to the world heritage is colossal.
>
> Today we are standing witness the revival of this historical role of our region. And one of the decisive factors of this, in our opinion, is the strengthening of the Central Asian states as independent, self-determined, full-fledged international entities with a unique Central Asian identity and a vision of the development of their region as a single civilizational space.
>
> An important factor for the realization of the huge economic and human potential that the region possesses is also profound reforms and transformations in Uzbekistan. The ongoing processes of political and economic liberalization, structural renewal of the economy, public administration, scientific and educational sphere, lay the foundation for a new era—the "Third Renaissance," as President Shavkat Mirziyoyev has called this historical period.

Abdulaziz Kamilov *is Minister of Foreign Affairs of Uzbekistan.* *The interview was conducted in writing in mid-November 2020 through the good offices of the Embassy of Uzbekistan in Baku. The provided answers, reproduced verbatim below, have undergone no editorial intervention by* Baku Dialogues*, as requested.*

In the conditions of hard-to-predict processes taking place in the modern world, Uzbekistan realizes its special responsibility for maintaining the comprehensive and dynamic development of Central Asia. This is achieved by pursuing a sound, pragmatic and constructive foreign policy strategy that developed in order to best meet the goals of minimizing risks and threats to regional and international security, creating a conducive environment for maintaining peace, stability, friendly relations between peoples, and ensuring their prosperity.

Speaking about the difficult external conditions in which domestic reforms and the new foreign policy of Uzbekistan are being carried out, I have in mind, first of all, that the instability of the world economy, the growth of international competition, as well as the difficulty of adapting both developing and developed countries to global climatic, technological, informational, social and other changes. Many of these processes have manifested themselves most tangibly during the current pandemic, which entails long-term consequences that can change, and are already changing various aspects of the internal and international development of states, and, in general, the development of mankind.

The Government of Uzbekistan, when shaping the domestic and foreign policy of the state, deeply analyzes and takes into account all the mentioned trends. More to the point, that the President of the Republic of Uzbekistan Shavkat Mirziyoyev from the outset of his presidency foresaw many of those world events that today directly affect the interests and the state of both our region and most countries of the world.

Speaking in January 2018 at the meeting on the country's diplomacy, the President of Uzbekistan drew particular attention to the need to develop and conduct an active foreign policy aimed at effectively achieving national interests and strengthening the state's ability to adequately respond to emerging challenges and risks: "We are aware that the current difficult times present us with more and more rigid conditions," said the Head of the country. "In such extremely difficult and alarming

conditions, we will not be able to achieve our goals without a strong foreign policy."

The Strategy of Action for the five priority areas of development of the Republic of Uzbekistan for 2017-2021, developed on the initiative of the President, includes modernization of the public administration, the judicial and legal system, economic liberalization, reforms in the social sector, as well as the principles of foreign policy and security policy. This is a program of real renewal, the foundation of which is the principle of "Human interests are paramount," and it is already being actively implemented.

The strategy provides for a balanced, mutually beneficial and constructive foreign policy aimed at strengthening the independence and sovereignty of the state, creating a belt of security, stability and good-neighborliness around Uzbekistan, and strengthening the country's international image.

Through the implementation of this course, fundamental positive changes have been taking place in Central Asia since 2017. An atmosphere of mutual trust, friendship and respect has been created in relations among the states of the region, as well as open cooperation in the implementation of regional and international initiatives that are in the interest of all the countries of Central Asia. The regular Consultative meetings of the Heads of State of Central Asia initiated by President Shavkat Mirziyoyev were a common achievement in the region to jointly seek solutions to region-wide issues.

In the last four years, Uzbekistan's mutual trade with Central Asian countries has increased fivefold. The current pandemic crisis has not been able to break the new trend towards the mutually beneficial trade, economic, investment and humanitarian links between our countries. On the contrary, good-neighborly relations between our countries are being strengthened continuously through solidarity and mutual support.

Uzbekistan's new foreign policy includes active assistance in overcoming crises and establishing stability, including in neighboring Afghanistan, which is part of our region. The high-level Tashkent conference on Afghanistan, held in March 2018, marked a new stage in mobilizing the international community's efforts to resolve the Afghan problem peacefully and involve the country in regional economic cooperation.

As the President of Uzbekistan emphasized during the seventy-fifth session of the UN General Assembly, "today Central Asia has a major policy challenge which is to ensure deep integration of our region into global economic, transport and transit corridors." These and other important international initiatives of Uzbekistan mark our country's entry into a new level of foreign policy openness, encourage foreign investments, technologies and interregional interconnection to the region.

As you have justly noted, the major world powers have interests in Central Asia, including in Uzbekistan, which necessitates a high level of foreign policy competition. However, today, I think it is clear that the time of the "Great Game" is over, it is in the past of our region and empires fought for influence in this strategically important part of the world. Nowadays, attempts to revive the zero-sum geopolitical game could lead to great losses for all parties and must be well aware.

The processes we are witnessing today in the region demonstrated the contrary: each of the world's major forces, including, of course, Russia, China, the United States, the European Union, as well as regional powers—India, Pakistan, Iran, Saudi Arabia, Turkey, are interested in increasing the region's participation in global economic and political processes.

The open policy of Uzbekistan has allowed to strengthen and deepen the relations of the strategic partnership with all the above-mentioned states, active international actors. This is one of the evidence that, in addition to the well-known contradictions that exist among them, these states certainly have

common interests in this part of the world. Such interests are to support the state sovereignty and independence of the Central Asian states, continue their multi-dimensional foreign policy and the path of civilized democratic development, and integrate consistently into the global economy. The interest of each of the world's powers is in strengthening the capacity of the Central Asian countries to confront new threats and prevent conflicts and crises that have a broad destabilizing effect beyond one region.

Baku Dialogues:

Let's start with a discussion of the United States—a country you know well—in view of the recent presidential elections. You served there as the ambassador of Uzbekistan for about seven years, arriving at the height of the War on Terror when Uzbekistan played a unique role in the fight against violent extremism. Since then, the bilateral relationship has evolved—we can say that neither country is now as it was when you served in Washington—but so has America's relationship with the entire Silk Road region, in light of the January 2020 release of its formal strategy document on Central Asia. In the context of its promotion, America's Principal Deputy Assistant Secretary of State for South and Central Affairs Alice Wells referred to both "historical openings" and "enduring opportunities" while emphasizing that America sees Central Asia as a "geostrategic region of importance in its own right."

So how do you assess, Mr. Minister, Uzbekistan's bilateral relationship with the United States evolving in the time to come? And, more broadly, what sort of contribution do you think America can make to Central Asia's development?

Kamilov:

Cooperation with the United States is one of the priorities of the foreign policy of Uzbekistan. This is reflected in the Concept of Foreign Policy of the Republic of Uzbekistan and the Declaration on the Strategic Partnership and Cooperation

Framework with the United States of 2002. During President Mirziyoyev's visit to the U.S. in May 2018, a Joint Statement of the two heads of states "The United States and Uzbekistan: Launching a New Era of Strategic Partnership" was adopted. I would like to underline that the relations between Uzbekistan and the United States are comprehensive, long-term and multifaceted.

Uzbekistan stands ready to continue developing cooperation with the United States on the principles of mutual respect and consideration of each other's interests. We are interested in strengthening partnership in all areas of the bilateral agenda. In the political arena, this can be achieved through further intensification of mutual high-level visits. The visits of Secretary of State Michael Pompeo, the U.S. Secretary of Commerce Wilbur Ross, members of the Congress and other high-ranking representatives of the U.S. administration to Uzbekistan over the past years have been very successful. We hope that this positive trend will continue.

One of the important objectives for the near future is revitalization of the "Congressional Uzbekistan Caucus" in the House of Representatives, which was established at the end of 2018. In our view, the intensification of the dialogue with the U.S. Congress representatives and senators is very important for strengthening the understanding in the United States of the comprehensive reforms carried out by our Government.

Cooperation with the U.S. in the fields of trade, economic and investment is a priority direction of our partnership. The coronavirus pandemic has affected the bilateral trade, which previously showed rapid growth and almost doubled in 2019. In this regard, the primary goal, in our opinion, should be to restore the dynamics of trade and economic relations. Today, Uzbekistan has created favorable conditions for attracting foreign investments, including the American investments, into the infrastructure development, agriculture, energy and other sectors. Maintaining the trade

preferences between our countries, which was recently announced by the U.S. administration, will help expand trade turnover.

We are planning to establish another campus of the Webster University in the city of Fergana in the near future. We will actively expand the sister city relationships between cities and maintain close contacts with our compatriots residing in the U.S.

Uzbekistan intends to continue active dialogue with the United States within the "C5+1" framework (five Central Asian countries and the United States), which was launched in November 2015 in Samarkand. This platform has proved to be an effective mechanism for discussing important issues of the region, contributing to the alignment of positions in the spheres of economy, infrastructure and environmental protection.

Peace in Afghanistan largely depends on the United States. In this context, it is important to continue the dialogue within the "Uzbekistan-U.S.-Afghanistan" format. The work carried out in its framework contributes to strengthening of cooperation in the development of practical proposals aimed at promoting the peace process and reviving the Afghan economy.

Uzbekistan is interested in the involvement of the U.S. private and public investments in the implementation of strategically important projects—such as the construction of the Surkhan-Puli-Khumri power transmission line and the railway routes from Mazar-i-Sharif to the seaports of Pakistan. We intend to continue developing a dialogue with the United States in this direction.

Interaction within the Trade and Investment Framework Agreement (TIFA) facilitates the development of economic cooperation between Uzbekistan and the United States and the countries of Central Asia. Uzbekistan also maintains partnership with the United States in the framework of regional infrastructure initiatives designed to stimulate the flow of long-term foreign investments into projects that meet international development standards.

Baku Dialogues:

Let us now turn to China and Russia. As it happens, Uzbekistan is one of only three countries in the Silk Road region—the others are Armenia and Turkmenistan—that does not share a land border with either Russia or China, or both. And yet Moscow and Beijing figure most prominently in Uzbekistan's foreign policy posture. So how does the view from Tashkent look like, Mr. Minister, with regards to relations with China and Russia? Or to re-phrase the question this way: both in terms of bilateral relations and regional affairs, what do Moscow and Beijing each bring to the Central Asian table?

Kamilov:

The relations with Russia take an important place in the priorities of Uzbekistan's foreign policy. The Russian Federation is our traditional, reliable partner, cooperation with which is actively and productively developing in all areas on the basis of the Treaty on Strategic Partnership in 2004 and the Treaty on Allied Relations of 2005.

In recent years, thanks to the friendly, trusting dialogue between the presidents of Uzbekistan Shavkat Mirziyoyev and Russia Vladimir Putin, as well as regular exchanges of high-level delegations, inter-parliamentary ties, the Uzbek-Russian relations are developing dynamically.

Russia is one of the leading foreign economic partners of Uzbekistan with an almost 16 percent share in the foreign trade turnover of our country. Due to the "green corridor" system, a special order of phytosanitary control, and a reduction in VAT, conducive conditions have been created for increasing the export of agricultural products from Uzbekistan to the Russian market.

The Russian Federation is also a leading investor in the country's economy with over $10 billion in investments.

The reforms being implemented in our country are supported by Russia since they are opening up the new prospects for intensifying bilateral ties and implementing mutually beneficial projects in trade, energy, infrastructure, transport, technology, science and education—in all areas of mutual interest.

We closely cooperate in the field of education, information, as well as the development of the Russian language in Uzbekistan. There are branches of the Moscow State Institute (University) of International Relations (MGIMO), Lomonosov Moscow State University, Plekhanov Russian Economic University and other authoritative Russian universities in Tashkent, which we consider as an important investment in youth development.

Both Uzbekistan and Russia confirmed their commitment at the highest level to deepening strategic relations in political and diplomatic, trade and economic, humanitarian and other areas, where, as we see concrete results have already been achieved.

Along with this, our relations with China are developing dynamically and characterized as a comprehensive strategic partnership. The People's Republic of China (PRC) is our time-honored partner, which invariably supports the way of independent development and the reforms being carried out in Uzbekistan.

In recent years, the Uzbek-Chinese cooperation, which covers various areas, has been filled with new practical content. A solid foundation for this was created through a trustworthy dialogue between the President of Uzbekistan Shavkat Mirziyoyev and the President of the PRC Xi Jinping, close interaction between foreign policy and foreign economic institutions, contacts between parliamentarians, business, academic and expert communities.

Today, China is the leading trade, economic and investment partner of Uzbekistan and acts as a participant in the programs for structural modernization of economy.

Tashkent and Beijing are actively cooperating within the framework of the United Nations, Shanghai Cooperation Organization (SCO), the Conference on Interaction and Confidence-Building Measures in Asia (CICA), constructively interact on the issues of regional and global security, implementation of sustainable development goals.

The vision of further development of relations with China was clearly unveiled in the recent speech of the President Shavkat Mirziyoyev at the opening ceremony of the third China International Import Expo. The head of Uzbekistan has proposed five key directions for the development of cooperation between the two countries, in particular, the liberalization of foreign trade relations, including investments in projects for organization the production of high-demand goods in our markets; development of transport and transit potential, formation of an effective system of the land communications in the region; industrial development—the adoption of a program of industrial cooperation and the stimulation of the implementation of specific projects using the instruments of joint investment funds; digitalization of the economy, as well as strengthening cooperation in the fight against pandemic.

Baku Dialogues:

Interconnectivity, in the broadest sense, is critical to fostering trade in the twenty-first century. We all speak now of financing and building transportation and communications infrastructure of all sorts—from road and rail networks to internet cabling—and we all have discussions about regulatory compatibility and standard setting. And of course there is the strategic issue of energy security, one aspects of which is the implementation of regional pipeline projects throughout the Silk Road region, pointing outward in all directions.

Over the past two decades, both the EU and the United States has put forward various initiatives, proposals, and plans in this regard; but by far the most ambitious is the Belt and Road Initiative. Launched in 2013 by China, BRI's grand economic strategy—whatever else it may or may not

be—aims to reconnect three continents, cover a population of 4,4 billion people, and provide a total investment output in the neighborhood of $20 trillion, by some estimates.

BRI's economic attractiveness is evident for a country like Uzbekistan. If implemented properly, BRI could fundamentally transform the economic destiny of not just your nation but that of the entire Silk Road region. On the other hand, China's flagship development initiative has not exactly been greeted with unconditional enthusiasm by some of the other great powers. This does not seem to have discouraged Uzbekistan, and much of your neighborhood, from engaging actively within the framework provided by BRI. So with this in mind, Mr. Minister, what role do you see Uzbekistan playing in the development of the Belt and Road Initiative in the time to come?

Kamilov:

Uzbekistan supported the initiative of the President of China Xi Jinping "One Belt One Road" (OBOR). President Shavkat Mirziyoyev took part twice in the OBOR forums in Beijing.

In its approaches of cooperation within the framework of the OBOR, Uzbekistan proceeds from its own national interests. Particular importance is attached to the high-quality development of joint investment and infrastructure projects within the framework of this initiative ensuring their financial stability and economic efficiency.

The Leadership of Uzbekistan pays a great attention to the projects on the creation of new multimodal international transport corridors, including those connecting the railway systems of Central and South Asia. The implementation of proposals put forward by President Shavkat Mirziyoyev in this area at the OBOR and UN forums will contribute to the development of the "One Belt One Road" initiative in accordance with the interests of the countries of our and neighboring regions.

The formation of promising interregional transport routes, in particular the implementation of the project for the

construction of the "Uzbekistan-Kyrgyzstan-China" railway, as well as the creation of new economic corridors, such as "China-Central Asia-Western Asia," will ensure the interconnection of the land transport system of the Eurasian continent and economies of the participating countries to a new level of development.

It would be economically feasible to establish the pass-through tariff for rail transportation along the OBOR routes passing through the Central Asian region.

The projects for the development of transport and logistics potential, modernization of the agro-industrial sector, energy, tourism, "green economy," introduction of new technologies and innovations are on the focus of our attention.

In this, we see the basis not only for cooperation with China, but also for expanding the international cooperation with other interested states.

In this regard, it is worth noting the prospects for linking the OBOR with the Eurasian Economic Union (EAEU), which can stimulate the processes of regional trade, economic and transport connectivity with the participation of Russia, other EAEU and SCO member states. Although Uzbekistan is not a member of the EAEU, our country is developing a close mutually beneficial cooperation with the member states of this union.

Uzbekistan also supports the European Union Strategy for Central Asia adopted in 2019, which is based on the European notion of regional connectivity. The Strategy includes harmoniously bounded transport, digital, communication, energy and humanitarian links, as well as the certain rules and standards. We are looking forward to signing the draft Extended Partnership and Cooperation Agreement with the EU, which will allow us to expand our political, trade, economic and investment cooperation, and will contribute to strengthening ties between Central Asia and Europe.

In general, Uzbekistan supports the search for optimal models of joining various regional initiatives and national strategies for economic development, which would allow opening up new opportunities for the enhancing of trade, attracting investment, facilitating business activity, cooperation, and the implementation of large-scale transcontinental projects.

Baku Dialogues:

Mr. Minister, Central Asia—which in your reckoning includes Afghanistan, as you mentioned—has been, is, and will evidently remain a priority for Uzbekistan. Perhaps the key to secure prosperity for the region lies in figuring out how to maintain equilibrium but not equidistance between China and Russia. And in the view of one member of the Editorial Advisory Council of *Baku Dialogues*—who is widely seen as one of the world's foremost experts on the Silk Road region—an even more important piece of the puzzle that's missing is the lack of a regional framework comparable in scope to ASEAN or the Nordic Council. And it's no secret that some important steps have already been taken in the direction of establishing structures for regional cooperation. Now, in the considered view of our Editorial Advisory Council member, Uzbekistan is particularly well-positioned to credibly take the lead in spearheading what would surely amount to a generational endeavor—a truly game-changing, ambitious enterprise to anchor the region's five countries more closely together. So the question is this: can you envision Central Asia heading in that sort of institutional direction? Is a Central Asian version of ASEAN or the Nordic Council on the horizon?

Kamilov:

The President of Uzbekistan Shavkat Mirziyoyev has clearly defined that the country's main foreign policy priority is to pursue an open and constructive policy towards its neighbors, tackle the Central Asian problems on the basis of equality, mutual consideration of interests and search for reasonable compromises. The goal of this strategy is to transform Central Asia into a region of stability, security and prosperity.

Achieving these tasks, as well as ensuring sustainable and dynamic development of our entire region, largely depends on how close and harmonious the interaction between the states of Central Asia will be.

Strengthening political trust and good-neighborly relations between Uzbekistan and the countries of Central Asia in recent years represents a positive milestone in the modern history of the region.

The initiative of the President Shavkat Mirziyoyev to organize regular Consultative Meetings of Heads of State represents great importance for the continuation of these positive trends. This initiative for the first time was put forward on November 10, 2017 in Samarkand during the international conference "Central Asia: Shared Past and Common Future, Cooperation for Sustainable Development and Mutual Prosperity."

Uzbekistan understands that there is a real need today for a joint search for ways to solve regional problems. It is necessary to unite the efforts of the countries of the region on the basis of the principle of shared responsibility.

As the President of the Republic of Uzbekistan has emphasized, "we are not talking about the creation of a new international organization in Central Asia or any integration structure with its own charter and supranational bodies. The activities of the regional platform for dialogue will be aimed exclusively at "synchronizing watches" on the key issues of regional development."

The initiative of Uzbekistan was fully supported by the leaders of the Central Asian countries, who stressed that the Consultative meetings will be a dialogue platform for open and trustworthy discussion of relevant issues of regional cooperation.

At the meeting in Tashkent, the heads of state have agreed to develop a dialogue and partnership in priority areas, using

enormous economic potential of the region, continue active cooperation in creating a regional system of efficient economic and transport corridors.

In addition, Tashkent became a platform for a thorough exchange of views on regional cooperation in the field of joint water use, mitigating the effects of climate change and countering environmental challenges, including in the Aral Sea region, attracting innovative technologies to the region, introducing a "green economy," and preventing desertification.

Presidents have agreed to maintain active interregional contacts, the programs to promote common values and traditions that unite the peoples of the region.

Today, the process is underway to form broad opportunities for deepening and building up interregional cooperation, bringing it to a qualitatively new level. The Central Asian states have opened up a new page in the centuries-old chronicle of friendship, good neighborliness and mutual support.

Thus, we can say that in the near future the countries of the region will interact with each other on the basis of regular contacts within the framework of the Consultative meeting, taking into account mutual interests and reasonable compromises.

Along with this, the analysts in the region and beyond are talking about the prospects for the emergence of a structure for a new format of regionalism in Central Asia. In our opinion, it is too early to talk about the creation of such a structure.

Undoubtedly, the experience of ASEAN and the Nordic Council, which demonstrate the sustainable regionalism in difficult geopolitical conditions, is being studied in Central Asia. Some of their aspects can be applied to promote regional cooperation and future integration processes.

However, it is necessary to understand that each of the existing regional organizations like ASEAN was formed on the basis

of already established interstate relations, with specific conditions and in a certain historical period. For Central Asian states, the experience of such structures is valuable not as a "tracing paper," but in terms of studying the possibilities of deepening the political, trade and economic interaction of countries with different levels of development, forming their relations with world powers and other regional structures.

Baku Dialogues:

Let us stay on the topic of regional affairs. Uzbekistan joined the Turkic Council as a full member in 2019. And for those of us based in Azerbaijan, it was a fortuitous sign that this happened at the organization's Baku summit, which, as it happened, coincided with the tenth anniversary of the adoption of the landmark Nakhichevan Agreement. Joining the Turkic Council is obviously an issue of identity and a sense of belonging that touches upon history, language, culture, and so much else. And it is also about practical cooperation, as we have seen in the way the Turkic world came together to combat the coronavirus pandemic in the wake of the extraordinary summit meeting that was held in April. The question has two parts, Mr. Minister. First, can you speak to the concrete benefits for Uzbekistan that membership in the Turkic Council has accrued since your country joined? And second, can you say something about Uzbekistan's strategic vision for the future of the Turkic Council—looking ahead to the twentieth anniversary of the Nakhichevan Agreement?

Kamilov:

Uzbekistan's accession to the Cooperation Council of Turkic-Speaking States (CCTS) last year was a logical continuation of the country's new foreign policy course. The cooperation of the member states in this organization is based on the common history, language, culture and traditions of the fraternal peoples. Considering that our country was one of the cradles of the civilizations of the Turkic-speaking peoples, its participation in the Turkic Council is an objective process.

Despite the consequences of the pandemic, in the current difficult period, the Council manifests itself as a dynamic interstate structure. The Turkic Council was one of the first among international structures to respond to the pandemic crisis: on April 10 this year on the initiative of Azerbaijan, as Chair of the organization, the Summit was held in the video-conferencing format. As a result, the leaders of our countries, unanimously showing solidarity in the fight against the pandemic and its negative consequences, have agreed to develop and implement practical measures for cooperation in the context of a pandemic – from interaction in the healthcare sector to facilitating transport links.

Uzbekistan is an active participant in the process of deepening cooperation between the countries of the Turkic Council. Therefore, during the video summit held on April 10 this year, President Shavkat Mirziyoyev put forward a number of initiatives in the areas of healthcare, trade, investment and transport. They are already under practical implementation. Thus, the Coordination Committee for Combating the Pandemic was created within the CCTS, which plays an important role in expanding cooperation between the healthcare institutions sharing experience in the treatment and prevention of coronavirus and developing vaccines.

Another important initiative voiced by Tashkent was the signing on September 11, 2020 of the Memorandum of Understanding on Cooperation between the Turkic Council and the World Health Organization (WHO).

Also, on the initiative of the Uzbek side, a Working Group of Transport Ministers was created within the Organization and its first meeting was held. This mechanism makes it possible to promptly agree on the schemes for the delivery of humanitarian goods and the uninterrupted transportation of essential goods during a pandemic among the CCTS member states.

The Turkic Council is a young regional organization with good development prospects. Modern international and regional

processes necessitate the strengthening interconnectedness in the field of economy and transport. The member states of the Council have enormous potential for economic, transport and transit, scientific, technological and human development. Together we have to realize these great opportunities.

Baku Dialogues:

In his address to the UN General Assembly in September, President Mirziyoyev advocated expanding the competencies of the World Health Organization and proposed the development, under UN auspices, of an "international code of voluntary commitments of states during pandemics." Mr. Minister, can you say something more about this—how, in your view, this proposal could play an important role in restoring much-needed trust, without which multilateral diplomacy and international cooperation is much harder to engender?

Kamilov:

The global crisis caused by COVID-19 has affected all spheres of public life and economic development of states and revealed a number of global problems in the pandemic response system. By and large, it showed the absence of a global action plan for such emergencies.

Based on the need to enhance the principles of common responsibility, close international coordination in countering global threats to human health and security, the President of Uzbekistan speaking at the seventy-fifth session of the UN General Assembly has initiated the adoption of the International Code of Voluntary Commitments of States during Pandemics under the UN auspices.

The aim of this initiative is to consolidate the minimum voluntary obligations of states, both to their citizens and to international partners, in the political, social, economic, humanitarian and human rights spheres based on the relevant

UN resolutions, recommendations of the World Health Organization and universal multilateral instruments.

The pandemic poses a serious risk for the world community in achieving the goals and objectives of the 2030 Agenda for Sustainable Development. In this regard, the Code will consolidate voluntary obligations of states to support the health system, raise awareness and sanitary and hygienic culture of the population, and ensure social protection, maintaining food security and supply chains, and strengthening international cooperation and mutual assistance in the fight against pandemics.

The endorsement and adoption of such a Code by the international community will contribute to the elaboration of framework and reasonable approaches. Such approaches mean:

First, determination of the temporary nature of restrictive measures with mandatory guarantees of observance of citizens' rights and freedoms. Such measures should be proportionate to the risks, should not impede international trade and efforts to support socially vulnerable groups of population; Second, development of systemic, timely and effective measures of prevention, forecasting, containment at early stages, counteraction to epidemics and their consequences; Third, ensuring labor safety, especially in the healthcare system.

We are convinced that the implementation of this initiative will be a step towards the formation of a fair global system that will facilitate an effective and coordinated response of the world community to common challenges.

Baku Dialogues:

The UN's flagship multilateral initiative is the 2030 Agenda for Sustainable Development. The SDGs are unprecedented in their scope and ambition for human progress—a declaration of, and a pathway towards, the comprehensive transformation of humanity, predicated on the

strategic assumption that in the twenty-first century, our economic, social, and environmental affairs are interconnected in unprecedented ways.

As you know, Mr. Minister, achieving the SDGs worldwide is predicated on the assumption of increasing international cooperation; it is also predicated on enough resources being dedicated to achieving the SDGs. We've seen how both of these assumptions have been set back in 2020—the first because of how the world has handled the coronavirus pandemic and the second because of how countries are prioritizing the allocation of funds to quickly get out of the global recession it has caused, sometimes to the detriment of SDG implementation.

Mr. Minister, how has Uzbekistan integrated sustainable development in its domestic policies and the conduct of external relations, and how has the pandemic affected your approach to fulfilling the SDGs?

Kamilov:

> The Sustainable Development Goals adopted in 2015 are of crucial importance for Uzbekistan. The idea behind the SDGs is that economic development must go hand in hand with improved social protection and the inclusion of vulnerable groups in development.
>
> The presentation of Uzbekistan's first Voluntary National Review on progress in implementation of the SDGs was held at the High-level Political Forum under the auspices of ECOSOC on July 15, 2020. The delegation headed by Madame Tanzila Narbayeva, the Chairman of the Oliy Majlis Senate, emphasized the country's strong commitment to the implementation of the 2030 Global Agenda and the promotion of large-scale reform within the Uzbekistan's Development Strategy that are fully consistent with the SDGs.
>
> The work is underway to integrate the National SDGs into national, sectoral and regional development strategies and programs, including the Concept of Comprehensive Socio-Economic Development of the Republic of Uzbekistan and the Poverty Reduction Strategy until 2030, which is being now developed.
>
> The Government of Uzbekistan has taken a number of major anti-crisis measures, including financial, economic and regulatory, to support entrepreneurs, vulnerable groups of population and workers in social institutions in order to mitigate the impact of the pandemic on the SDGs. An anti-crisis fund of $1 billion has been created.
>
> Uzbekistan's leadership has set tasks to further reduce poverty and inequality; improve the quality and equal access to social services, in particular in healthcare and education with a focus on remote regions and vulnerable groups of population; secure sustainable employment, especially among youth and women; achieve a more rational use of water, energy, land and other natural resources. Further strengthening the rule of law, freedom of speech and mass media, increasing transparency and quality of public services, reducing corruption and ensuring gender equality on the principle of "leaving no one behind" are among the important tasks.
>
> Consistent implementation of the ongoing reforms in Uzbekistan, as well as active cooperation with the United Nations and other international partners will contribute to the successful achievement of the sustainable development goals.

Baku Dialogues:

Uzbekistan has a longstanding relationship with NATO—your country joined Partnership for Peace in July 1994, right around the time you were appointed foreign minister the first time around. You have joined, twice, the Collective Security Treaty Organization, but in 2012 Uzbekistan suspended its membership, although it engages with many of the CSTO countries through the CIS. And since the turn of the century, Uzbekistan has been a full and active member of the Shanghai Cooperation Organization: after all, the SCC's Secretary-General is from Uzbekistan—in

fact, he's a former foreign minister. So can you shed light on Uzbekistan's security posture, given these and other facts?

Kamilov:

In the context of globalization the bilateral and multilateral cooperation in the military and military-technical sphere, as well as in the field of security is an important component of stability and ensuring sustainable peace. Uzbekistan actively interacts with partner states, as well as international and regional organizations in these areas based on the national interests. Along with this, Uzbekistan firmly adheres to the principle of security indivisibility since the state of national security and the level of sustainability of the situation of any country, certainly, has an impact on stability at the regional and global levels.

After gaining independence, our country consistently and based on the national interests participates in the NATO Partnership for Peace Program within the annually approved individual programs. Participation in this Program is essential in terms of exchange of experience and advanced knowledge in the military and military-technical fields. Uzbek military personnel regularly participate in Alliance's activities related to military education, training of staff officers, improving language skills, conducting trainings and exercises to combat terrorism and other threats.

At the same time, Uzbekistan develops close cooperation in the military and military-technical sphere at the bilateral level with leading foreign policy partner states based on the interests of national security. Much attention is paid to the development of multilateral cooperation to ensure regional security within the SCO and the CIS.

In particular, Uzbekistan participates in interaction on the issues of combating terrorism in the SCO and in December 2018 ratified the Agreement on the procedure for organizing and conducting joint anti-terrorist exercises by the SCO Member States dated 2008. The Executive Committee of the Regional Anti-Terrorist Structure (RATS) SCO is located in Tashkent.

For its part, the CIS is an important regional mechanism for us to develop mutually acceptable approaches and conformed practical measures to unite the potential of countries ensuring security in the Commonwealth space, including in the field of actions against terrorism, extremism, drug trafficking, illegal migration and human trafficking, organized crime groups and cybercrime.

Along with this, according to the Concept of Foreign Policy Activities of Uzbekistan, the armed forces of our country do not participate in peacekeeping missions and operations abroad. Uzbekistan does not place foreign military bases and facilities on its territory. These principles remain unchanged.

Baku Dialogues:

Our final question. Mr. Minister, is about Uzbekistan's relationship with Azerbaijan and the South Caucasus. Since late September, a central issue for the Silk Road region and beyond has been the reheating of the conflict between Azerbaijan and Armenia.

So our question. Mr. Minister, is not just about Tashkent's position on the Nagorno-Karabakh conflict, although that's obviously a central issue, but also, more broadly, about the bilateral ties between Azerbaijan and Uzbekistan. How do you assess this relationship? And do you see a role for Uzbekistan in bringing Armenia 'back into the regional fold,' so to speak, in the aftermath of the end of the war?

Kamilov:

The relations between Uzbekistan and Azerbaijan are characterized by a high level of trust and lack of disagreements, they have clearly defined strategic priorities and guidelines. We regard Azerbaijan as a brotherly country and a key state in the South Caucasus.

Tashkent and Baku maintain close contacts at the highest and high levels, as well as within regional and international structures. Since 2016, 11 meetings have been held between the leaders of the two countries Shavkat Mirziyoyev and Ilham Aliyev within the framework of international events of the CIS, SCO and CCTSS.

Let me remind you that it was at the Baku summit of the Turkic Council on October 15, 2019 that President Shavkat Mirziyoyev first introduced Uzbekistan as a full member in this organization. The high-level talks held during this visit between the leaders of Uzbekistan and Azerbaijan opened up a new page in the traditionally friendly relations between the two countries, confirmed the commitment of the parties to increase cooperation in trade, economic, investment, transport and communication and other spheres.

At present, over 130 documents have been signed between Uzbekistan and Azerbaijan. Among them the 1996 Treaty of Friendship and Cooperation, as well as the 2004 Declaration on the Further Strengthening of Strategic Partnership.

Over the past three years, more than 40 high-level visits have taken place between the parties, including the visit of the Prime Minister of Uzbekistan Abdulla Aripov to Baku to participate in the opening ceremony of the Baku-Tbilisi-Kars railway (in 2017).

The inter-parliamentary friendship groups actively interact. The Azerbaijan-Uzbekistan inter-parliamentary group has been functioning in the Milli Majlis of Azerbaijan since 1995. In 2018, an inter-parliamentary group on cooperation with the Milli Majlis of Azerbaijan was established in the Oliy Majlis of Uzbekistan.

An important mechanism for promoting bilateral cooperation in trade, economic, investment and other spheres is the Intergovernmental Commission on Cooperation, through which 10 meetings were held.

In Uzbekistan, people are especially proud of the fact that in the center of the capitals of our countries—Baku and Tashkent—the monuments to the outstanding Uzbek poet, educator and statesman Alisher Navoi and the world-famous, greatest Azerbaijani poet and thinker Nizami Ganjavi have been erected. One of the central streets of Baku is named after the great Uzbek scientist Mirzo Ulugbek.

I would also like to note that in 2010 the Azerbaijan cultural center named after Heydar Aliyev was opened in Tashkent, and one of the streets in the capital was named after the national leader of brotherly Azerbaijan.

All this serves as a clear evidence that strong friendship, cultural and spiritual closeness between the Uzbek and Azerbaijani peoples have been and remain the foundation for further strengthening the close and fruitful interstate relations between Uzbekistan and Azerbaijan, and the mutual support in the international arena.

Tashkent and Baku definitely and firmly support each other's positions on various issues and problems.

In this context, I want to emphasize that Uzbekistan has permanently advocated and continues to advocate a peaceful, political solution to the Nagorno-Karabakh conflict, and considers ensuring the territorial integrity and sovereignty of the Republic of Azerbaijan to be the main condition for its settlement.

I would like to draw your attention to the fact that in its official statement of September 27 this year the Ministry of Foreign Affairs of Uzbekistan called on the parties of the conflict to begin diplomatic negotiations with a view to a peaceful settlement of the conflict in compliance with the above principles of sovereignty and territorial integrity. In addition, the Uzbek side, as the chairperson of the CIS, has confirmed "the importance of strengthening relations of friendship, good neighborliness and mutual trust, the peaceful resolution of

controversial issues in the Commonwealth space strictly in accordance with international law."

We fully support the readiness of Azerbaijan to sit down at the negotiating table with Armenia and discuss the conditions for peaceful coexistence of the population on the territory of Nagorno-Karabakh.

We wish the people and the leadership of Azerbaijan the earliest possible achievement of peace and prosperity, the implementation of all creative plans and initiatives.

Baku Dialogues:

Thank you, Mr. Minister, for the interview. BD

bakudialogues.ada.edu.az

BAKU DIALOGUES

POLICY PERSPECTIVES ON THE SILK ROAD REGION