

Geopolitical Challenges of European Security in the South Caucasus and Ukraine

Frederic Labarre and George Niculescu (Eds.)

Study Group Information



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Geopolitical Challenges of European Security in the South Caucasus and Ukraine

19th Workshop of the PFP Consortium Study Group
“Regional Stability in the South Caucasus”

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Preface

George Niculescu and Frederic Labarre

This Study Group Information (SGI) booklet reflects the proceedings of the 19th workshop of the Regional Stability in the South Caucasus Study Group (RSSC SG) of the Pfp Consortium of Defense Academies and Security Studies Institutes on “Geopolitical Challenges of European Security in the South Caucasus and Ukraine”, held on 11-14 April 2019, at the Head-office of the “Dialogue of Civilizations Research Institute”, Berlin (Germany). It also includes the full version of the Policy Recommendations drawn up from the debates and agreed by workshop participants.

The 19th RSSC SG workshop picked up from where the 17th RSSC SG workshop left off in discussing the geopolitical pressures on the South Caucasus. Whereas in Minsk the discussion focused on what kind of European security architecture could be engendered by geopolitical challenges, in Berlin the role of external actors in stabilizing (or not) the South Caucasus was debated.

The purpose of this workshop was twofold:

- 1) To widen the scope for appreciation of new actors (or competitors) who may have entered the geopolitical scene in the South Caucasus**, a region which hitherto had been torn between the normative attraction of the Russian Federation, on the one hand, and that of the EU, NATO, and the Euro-Atlantic structures, on the other hand. What would be the situation when other actors started competing for influence in what was for centuries Russia’s and Turkey’s battleground, and Europe’s and the U.S.’ most recent ambition for reforms to “Westernization”? Since not every influence was beneficial, the potential for further regional destabilization was also considered. In particular, the workshop attempted at tracing links between the efforts for conflict resolution in Ukraine and in the South Caucasus, which was broadly welcomed among the speakers and participants.
- 2) To assess developments in the European security since the April**

2018 RSSC SG workshop in Minsk, and to discuss steps towards building a new regional order in the Eastern European neighbourhood. We thought that a new regional order should be underpinned by a joint Russian-Western commitment to respecting the current membership of existing institutions, and joint efforts to define a framework for the regional integration of non-member states, as well as a template for how both Russia and the West can relate to such a state without producing conflict.

Since this workshop aimed at enabling presenters to make their case for the soothing or disturbing *potential* of external *actors*, we thought that having a prior common understanding on what was meant by “*potential*” and “*actor*” was essential. In this vein, we suggested that “*potential*” was both a matter of foresight, and a matter of quality. Speakers were asked to give an appreciation of external actors’ eventual influence in the South Caucasus which could directly or indirectly influence the process of stabilization already at work in the region. If this influence was seen by traditional regional players, were there grounds to fear an adverse reaction from one or some of them? For instance, how would Russia view the Belt and Road Initiative (BRI): a bridge-building exercise of an exclusively commercial character, or a normative pole of attraction for the South Caucasus? While nominally speaking the BRI should yield mostly benefits, its very existence – or the insistence of its sponsors to push it through – may be interpreted as an audacious geopolitical move.

Also, an “*actor*” can have many definitions. For example, the actor could be China, but it could also be the BRI itself. Actors could also be non-state; what would happen if the South Caucasus actors grew tired of a pointless work by the OSCE Minsk Group or within the Geneva process? Would the parties in dispute seek mediation elsewhere? What would that mean for the reputation of traditional large powers having interests in the South Caucasus (such as Russia, Turkey and the U.S., for instance)? Actors can also be multilateral institutions, such as the OSCE or the EU, but they can also be individuals singly or in groups. The level of analysis adopted was basically left to the discretion of each speaker.

We have also suggested that “*actor*” might also be interpreted as factor. For instance, the conflict in Ukraine cannot be seen in isolation from the unresolved conflicts in the South Caucasus. What would be the common points

between them all? All conflicts were different, but commonalities existed in all, such as the extreme pressure brought to bear by Russia's physical presence in or near the disputed territories of Abkhazia, Crimea, Donbas, Nagorno-Karabakh or South Ossetia. Should it be understood that the resolution of one or more conflicts in the South Caucasus necessarily entailed or required the resolution of the Ukrainian conflicts?

With those theoretical definitions in mind, first couple of panels looked in detail at external actors (who entered the scene besides Russia, Turkey and the West) and at how individual regional states could respond to the inroads made by those external actors. Should external actors be included in attempts at balancing traditional regional powers via multi-vector policies? Should regional states bandwagon regional powers in the hope of getting protected against traditional great powers' politics? Or should they stay neutral, i.e. at arm's length distance from external actors to avoid annoying regional hegemony?

Looking at the same topics from a different perspective, the last panel was actually meant to trace links between the attempts at conflict resolution in Ukraine and in the South Caucasus, thereby assessing recent, and aiming to forecast future, developments in European security.

The source of the current Western geopolitical confrontation with Russia is highly controversial, even among Western scholars, let alone the Russians. On the one hand, there is a large score of analysts who blame Moscow's expansionism. For example, Jan Bugajski is persuaded that the primary objective of Moscow's foreign policy is to restore Russia as a major pole of power in a multipolar world. Moscow's overarching goal would be to reverse the predominance of the United States within Europe and Eurasia. On the other hand, Professor John Mearsheimer contended that the outbreak of the Ukrainian crisis of 2014 could not be blamed entirely on Russia. He pointed instead at the triad of Western liberal policies in Ukraine, and more broadly in EU's Eastern neighbourhood, i.e. NATO's enlargement, EU's expansion, and the promotion of democracy. Mearsheimer further explained Russia's aggressive reaction in Crimea and Donbas from a geopolitical perspective where great powers would always be sensitive to potential threats near their home territory. Mearsheimer suggested that the United States and its Allies should consider making Ukraine a neutral buffer between NATO and Russia

instead of striving to Westernize it. The goal would be to have a sovereign and independent Ukraine that falls neither in the Russian nor in the Western camp.

Irrespective of the reasons of the current crisis in Western-Russian relations, this could only come to an end by agreeing upon a new European security model, hopefully reflecting a ‘new European security deal’. Such a new model should re-balance the international system at both global and at European levels and should reintroduce predictability in international relations by means of new international law or other political, economic or military tools. For example, a 2018 RAND Study on “Rethinking the Regional Order of post-Soviet Europe and Eurasia”¹ proposed the negotiation of a new East European security deal based upon a possible compromise consisting of both Russia and the West agreeing to establish a regional integration area, resembling to a buffer zone in Eastern Europe, that would: complement the existing institutions (NATO, EU, CSTO, and Eurasian Economic Union – EAEU) while freezing their current membership; establish non-conflictual patterns of interaction with both Russia and the West for the regional states.

However, diverging perspectives of relevant actors on the nature, scope, and rules of a new European security mode prevented so far from implementing such a vision. Although all regional and external actors would benefit from strategic dialogue and from opening targeted cooperation avenues with each other, major geopolitical divergences on how to effectively manage the common neighbourhood have stood so far in the way. The states “in-between” are seeking security guarantees that would require a new regional order, and are keen to diversify their trade, foreign investment, and other economic opportunities with the involvement of external powers. Ukraine, Georgia, Armenia, and Azerbaijan clearly want to further diversify their foreign policy and economic engagements.

Although the challenges posed by external powers are different for various regional powers in the South Caucasus and in Ukraine, they are strongly affecting their economic and security interests in the common neighbourhood. That is why they need to look for concrete ways for mutually acceptable

¹ Charap Samuel, Shapiro Jeremy, Demus Alyssa: “Rethinking the Regional Order of post-Soviet Europe and Eurasia”, Santa Monica, CA: RAND Corporation, 2018.

power sharing and for keeping their stand-off over the common neighbourhood under tight control against dangerous conventional, hybrid or even nuclear escalations.

Following the panels and the first interactive discussion, three breakout groups (one for the Western South Caucasus, the other for the Eastern South Caucasus, and one for overarching great powers' relations in Ukraine) examined in more detail recent overtures in order to provide advice on how to develop opportunities for stabilization and conflict resolution (such as the new Armenian-Azerbaijani hotline and the idea of a dedicated conflict resolution platform for these two actors, or the peace offering made to Sukhumi by Tbilisi) or propose avenues for stability in the context of geopolitical competition.

At the end of this booklet, the full version of the Policy Recommendations summarized the discussions in each part of the workshop and introduced “umbrella” and “actionable” recommendations that had been unanimously agreed (by silence procedure that ended on May 2nd, 2019) by all workshop participants.

At the end of the day, there was a broad agreement shared by most workshop participants that conflict management and resolution in the South Caucasus and in Ukraine were increasingly difficult to achieve due to the currently worsening shape of European and global security, and due to the absence of clear signs for their prospective recovery. There were a few recurring reasons highlighted throughout the workshop that explained those negative implications for regional stability;

- Economic weaknesses and local oligarchs prevented or slowed down state building throughout the post-Soviet space;
- The rise of nationalism spoiled relations between neighbouring states, and negatively affected internal politics and the ability of political leaders to support compromise solutions;
- The rise of the security dilemma in Russia-West relations has raised the stakes in the protracted conflicts for regional great powers. They were

currently more often aiming at getting relative gains against their adversary to the detriment of potential concrete gains for the local actors or for the region as a whole;

- Geopolitical tensions in neighbouring regions (i.e. in the Middle East) have further intensified rivalries among great powers, which repeatedly attempted to attract local actors into unwanted fights with their neighbours, with little regard for their actual trade, energy, infrastructure or even security interests;
- The end of the “liberal world order” driven by multilateral institutions and negotiations, the prevalence of international law and the limited use of force for peace, humanitarian or anti-terror operations, and its gradual replacement with a new world order driven by great powers’ rivalries, unilateralism, “zero-sum” games, strongman politics are inducing growing uncertainty and unpredictability in the international system. This process of transition from one world order to another is increasingly affecting the South Caucasus regional stability as well. Consequently, all South Caucasus actors and Ukraine should review their national security strategies, including on conflict management and resolution.

In this changing global and European context, external actors could hardly play a significant role or exert major influence on the South Caucasus states and Ukraine in their efforts to respond geopolitical challenges to (global and) European security system(s) struggling in disarray. For example, several speakers explained that the BRI was largely driven by Chinese and West European economic and investment interests and that its implementation strategy aimed to avoid conflict zones so that its operational requirements were not affected by the ups and downs of stability in the areas of conflict. Nevertheless, some saw an opportunity in having China develop the BRI as *targeted economic stabilizer*, that is more involved in supporting peace-building economic stabilization in the post-Soviet space in tight political-diplomatic coordination with other relevant actors (including Russia, EU, OSCE and the U.S.). On the other hand, some speakers have expressed concerns with the recognition by the U.S. of the annexation of the Golan Heights by Israel, which might have set a potential precedent for other interested actors to request the recognition of their own annexations of disputed territories in the

South Caucasus and in Ukraine, thereby helping delegitimize the principle of respecting the territorial integrity of states while rewarding conventional and hybrid warfare strategies with potentially destabilizing regional effects.

However, we believe that the conclusions of the 19th RSSC SG workshop have also reinforced and broadened the findings of Laurence Broers on the ongoing conflict between Armenia and Azerbaijan to the whole South Caucasus region and to Ukraine:

External actors can help by building out a broader peacebuilding infrastructure as a new space for intermediate agreements, new kinds of regularized interaction or specific ‘win-win’ transactions that contribute to a web of interactions beneath and beyond the Minsk Process. With a networked infrastructure within which the principle of inclusion can be managed and implemented, the entire process would be less hostage to volatility when leaders come and go.²

It remains to be seen though which external actors would be willing and able to rise to this daunting challenge posed by building a stable, secure, and prosperous future for the South Caucasus region.

The editors would like to express their gratitude to all authors who contributed papers to this volume of the Study Group Information (SGI). They are pleased to present the valued readers with the proceedings and recommendations from the 19th RSSC SG workshop and would be happy if the enclosed Policy Recommendations could help in developing a comprehensive and inclusive networked infrastructure to support peacebuilding within the existing political-diplomatic and civil society frameworks, and beyond them.

² Broers, L. Armenia and Azerbaijan: Leadership Rapport Is No Substitute for a Deepened Peace Process. London: Chatham House, 2018, <<https://www.chathamhouse.org/expert/comment/armenia-and-azerbaijan-leadership-rapport-no-substitute-deepened-peace-process?fbclid=IwAR0k7Q5g8dNcjAfpj3lclXffzP8gspGHo2DcvE-UNik4MBHXXclaHbmTfi0>>.

Nevertheless, we (the editors of this SGI booklet and Co-chairs of the RSSC SG) have sought to maintain as much as possible the intent of the contributors and did our best to avoid significant changes of meaning against what was presented by the authors. To that end, we have sought to present the papers in the best light possible, with minimum repetition, maximum clarity, and adequate style. In the end, the content of the contributions is that of the signatories, and in no way reflects the position of the Austrian Ministry of Defence, or of the PfP Consortium of Defense Academies and Security Studies Institutes. We are very much looking forward to proving this publication most beneficial and inspiring to its readers.

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Work of this scope would not have been possible without the support of the Austrian National Defence Academy, the Dialogue of Civilizations Research Institute (DOC/RI) as well as the contribution of the authors and participants. Too often we neglect the graceful facilitation offered by those who work in the background. We therefore want to recognize here Ms. Klara Krgović of the Austrian National Defence Academy for helping make this event and the resulting Study Group Information (SGI) possible.

Furthermore, the workshop on which this SGI is based explored recent South Caucasus peace initiatives. The co-chairs want to salute all those from the region whose courage make such steps possible.

Abstract

The PfP Consortium Study Group “Regional Stability in the South Caucasus” held its 19th workshop at the offices of the Dialogue of Civilizations Research Institute (DOC/RI) in Berlin, 11-14 April 2019. It gathered academic representatives of Armenia, Azerbaijan, Georgia, Russia, Ukraine, and people from the territories of Abkhazia and South Ossetia, as well as several international experts. The aim of the workshop was to discover similarities between geopolitical conflicts in the South Caucasus and in Ukraine, and to see if common solutions could be applied to stabilize the situations or resolve the disputes altogether. The Study Group concluded that European security structures and rules needed renewal, that regional economic cooperation needed to be stimulated, that the development of common interpretations of history could help reduce tensions, and that inclusiveness of local and geopolitical actors (of Russia in particular) was a *sine qua non* condition of effective regional stabilization, and it was essential in coming up with pragmatic solutions to the intractable discussions on status, borders, refugees/IDPs and compensation and restitution issues. This Study Group Information publication, as a compilation of all written contributions of the speakers, therefore, provides a broad view of the expert dialogue at this workshop and of the conclusions that were reached on that occasion.

Keynote Address
The End of the Post-Modern Dream:
Europe and Germany's Return to Realpolitik?

Peter W. Schulze

The unravelling of post-modern illusions

Germany still enjoys a relatively secure place amidst an apparently chaotic environment. This is in spite of the turmoil of shifting constellations of international systemic power and despite being confronted with intra-EU troubles like the lingering financial crisis of some Mediterranean countries, the unresolved refugees and migration crisis of 2015, terrorism, the seemingly never-ending story of Brexit, and uncertainties over security guarantees for Europe by the former hegemonic power, the U.S.

Economic growth rates have been rock-solid. Despite confusion about looming trade wars between the U.S., China, and the EU, Germany's export-driven economy has been booming. Unemployment figures have been down to pre-unification levels, and recent populist election gains have been met with a grand coalition of established democratic parties. Surrounded by friendly EU member states, any threat of aggression or military intervention from the outside seems absurd.

In other words, both German society and its political spectrum have seemed soundly consolidated.

This encouraging environment makes Germany one of Europe's last bastions of a highly cherished post-modern dream. The dream was that democracy could be successfully projected east and south to transform formerly authoritarian-ruled countries; furthermore, the nation-state as the foundation of civil societies was seen to be either gradually withering away or at least submitting its functions to supranational institutions created in the wake of European integration.

As predicted in the Maastricht and Lisbon Treaties, integration was to finally move towards political and social dimensions. The new Europe, based on normative consensus, would act as an internationally respected civil power, eliminating the risk of war in Europe, while arbitrating military conflicts further afield through dialogue and political negotiations.

This post-modern dream is deeply embedded in contemporary German political culture. Historically, it is anchored in the anti-militarist and pacifist beliefs that war should never again originate from German soil.

However, Germany's gruesome fascist past has blocked the conversion of the country's anti-war policies into a realist political stance and has obstructed the pursuit of sovereign national interests.

Berlin's post-modern policies, supported by a broad coalition of left-liberal and green parties, NGOs, social movements, media, and churches, have been unable to counter external challenges. Immobilised by internal power struggles and suffering a loss of authority, Berlin has lost credibility as an anchor of European stability and as an engine of further integration. Given Berlin's dominant economic and political position within the EU, this immobilisation has of course had an impact on the rest of the union.

As a consequence, the EU's position as a mediator of conflict resolution in and beyond Europe has become seriously troubled.

Since 2015, exposed to a conflux of internal and external factors, a slow but essential shift of paradigm has occurred in German politics. As I wrote earlier this year,

...in contrast to the standstill in German politics, an open ... debate has suddenly materialized in Germany's political community to define the position of not only Germany itself, but also Europe, amid the accumulating challenges of the international arena. ... In retrospect, 2018 may come to be seen by future historians as the watershed year in which the political and expert community of Germany realised that the free ride in security guaranteed by the United States during the bipolar era is over. (Schulze, 2019, p. 27)

Across the political spectrum, from the left to the conservative parties, a chorus of elder statesmen have raised their voices to criticise the degree of immobilisation and the lack of political will, both in governments of leading EU member states and in Brussels.

The collective verdict seems to be that Europe and Germany have arrived at a 'crossroads' where a balance between moral politics and Realpolitik must be established. They charge that the post-modern design and pursuit of objectives in German foreign and security policies amounts to a variant of political escapism.

Initiatives to deal with unresolved crises in Eastern Europe, the Caucasus, or elsewhere are missing. In apparent contrast to the prevalence of stability and security, the re-emergence of national interests deriving from the transient and volatile state of the present international system has rendered basic tenets of the post-modern apparatus incapable of dealing with today's reality.

Numerous demands have been formulated and constitute a broad consensus in the expert community and among the afore-mentioned group of elder statesmen.

- The European Union should enact substantial structural and institutional reforms;
- France and Germany should exercise common leadership for enhanced and deeper integration, eventually transforming the EU into a Core Europe with multiple integration speeds;
- The EU and its dominant member states, particularly Germany, must shoulder more responsibility and be ready to participate in international missions to prevent or terminate conflicts and war-like situations;
- European self-assertiveness should work towards a role as a respected and important geopolitical actor among the dominant forces of the emerging new world order: China, the U.S., and Russia;
- Europe's relationship to the main actors in the new world order should be balanced and realistically interest-driven. On one hand, the balance must underline Europe's commitment within the transatlantic community without jeopardising its sovereignty or blocking its pursuit of objectives. On the other hand, steps to normalise the EU's relationship with

Russia are a precondition for stability, security, and welfare throughout Europe.

- Constructive relations with Moscow should be pursued as essential to Europe's role as a sovereign power in the emerging new global order. Europe cannot achieve its goal of self-assertiveness or a status as a reputable international actor without peaceful coexistence with, or even better, partnership, with Russia. This objective would foster a political and security-orientated dialogue between the EU and Russia. Practical steps are necessary to build trust, including an easing of the visa regime and an enhancement of cultural and academic exchange programmes.
- The creation of a European Security Council, including Russia, would be an indispensable element in the restoration of cooperative relations between the EU and Russia. This could function as a clearing medium to resolve the frozen conflicts in the Caucasus and particularly to offer a basis for the end of the Ukraine conflict.
- The EU will only be able to fulfil these objectives if it is committed to building trust and countering antagonistic narratives and violations of international law. Above all, Europe must be recognised as geopolitical actor and civil power *sui generis*. However, given the political reality in its leading member states, this is far from being achieved.

There is a significant gap between the afore-mentioned demands of Germany's various elder statesmen, the political performance of the EU itself, and that of its national governments. The rise of protest movements throughout Europe indicates a general public distrust of political establishments. Significant portions of the protest movements are shifting towards extreme-nationalist and anti-European attitudes, opposed to greater integration.

Neither Paris nor Berlin seem to be capable of responding accordingly.¹ Although proposals for EU structural reform were put forward and debated, the essential issue of a comprehensive security and peace concept for Europe, including Moscow, is not in sight. Antagonistic narratives and the lack of an open discourse have destroyed the once intensive and cooperative dialogue between Brussels and Moscow, which lasted for nearly two decades after the collapse of the Soviet Union. Consequently, both sides are deeply entrenched in some variety of bloc mentality that obstructs the search for agreeable solutions, particularly an end to the Ukraine war and any resolute involvement in peaceful settlements to the Caucasus' frozen conflicts.

Feelings of insecurity and concerns over possible conflicts are spreading among European citizens. The threat of war is haunting Europe again. Internationally, and even within Europe, regional, interstate, or civil wars are now seen as increasingly possible. There is widespread fear that EU member states could be drawn into such conflicts.

A wake-up call for Europe?

In the context of remarkable challenges to European security from the south and the east, the Friedrich Ebert Stiftung (FES) presented an opinion poll of seven European states in early 2019.² It examined both the public assessment of Europe's present security situation as well as the views of a focus group of consulting experts in each country.

The study, *Security Radar 2019: Wake-up call for Europe*, was presented at the Munich Security Conference in February 2019. It argues that the "selection of the seven countries for participation in the poll was based on their value for European security". Some findings may have differed if a neutral country like Finland or one of the Mediterranean countries had been involved in the

¹ See the sharp critiques by Horst Teltchik, the influential former adviser to Chancellor Helmut Kohl and one of the architects of German unification, of the lack of leadership and passivity of the Merkel government. Teltchik accuses Merkel of being responsible for the strained relations between Moscow and Berlin. In *Der Spiegel* (2019a) and *Contra Magazine* (2019b).

² The surveyed countries are Germany/DE, France/FR, Latvia/LV, Poland/PO, Serbia/RS, Ukraine/UA and Russia/RU.

study. Nevertheless, the study offers a comprehensive view of public anxieties, hopes, and opinions regarding the respective countries, often in contrast to official state and media narratives.

The study connects the unpredictability of international developments and the transient state of the emerging multipolar global order with the prevailing conditions in the surveyed European populations. Evidently, the volatile relationships between the major actors in the international system – the U.S., China, Russia, and the EU – are seen as influencing regional and even domestic perceptions of the respective countries’ political and security futures. In summary, “the security situation is seen as fragile in both West and East” (FES, 2019, p. 6). What seems to be even more disturbing is that although we know who the currently dominant global actors are, there is a high degree of uncertainty as to what constellation of power will finally emerge as the new order. Furthermore, who is going to pick up the pieces of the old order and assemble them into a multipolar form?

The rivalry between the powers and the incompatibility of their geopolitical concepts could create a power vacuum and prolong the “anarchy” (Waltz, 1979) of the international system. Neither Beijing nor Washington has the capability or the preparedness to dominate the international order, either alone or in alliances.

However, there has been a noticeably fundamental change in U.S. policies. The objective of achieving ‘regime change’ remains but today’s instruments are different. The Trump administration focuses on economic and financial weaponry, using the overriding international position of the U.S. Dollar. The use of hard power or military interventions plays more of a secondary, supportive role. Fiscal, economic, and technological sanctions, tax regimes, trade restrictions, and threats of economic warfare are the new instruments to exert pressure and project power.

Beijing and Moscow lack the capacity to create a solid alliance system. Both are rather isolated and follow different means of spreading their influence. So far, all three foreign policy concepts of Moscow have failed. The first one, to integrate into the Western sphere of institutions and alliances, was rejected by the West. The second one, the attempt to build a ring of friendly and

cooperative CIS states in the post-Soviet space has not been completely successful either. And the third one, to eventually transform the relationship with Beijing into a more solid and integrated alliance, is far from becoming a reality. The relationship is more in favour of China than Russia.

Brussels lacks the capability to significantly shape the emerging new global order in accordance with its own set of interests. As a civil power, it may act as a conflict mediator in a limited capacity. For the foreseeable future, it will remain within the transatlantic community and operate as a junior and dependent partner of Washington. However, both the EU and Moscow will be more objects than subjects in the evolving power struggle between Beijing and the U.S.

Some voices even argue that Europe is in a worse situation today than during the Cold War, because the bipolar consensus on avoiding nuclear war at any cost seems to have vanished. This fear is due to the weakening of security guarantees and international arms reduction treaties, and confusion over the value of certain alliances. Initiatives for the projection of democratic projects have been weakened. The search for stability and security dominates the political agenda in most European states, resulting in significant divisions in public opinion across the continent.

Countries which border Russia or have traumatic historical memories of Soviet occupation are more inclined towards war-mongering policies, seeing hard-power options as solutions to the security dilemma of potential invasion or war. Within NATO and the EU, these countries form a strong transatlantic and nationalist bloc, supported by the UK, Scandinavian countries, and the US in opposing policies of rapprochement with Moscow.

Shifting Threats: Sanctions and the Russian Factor

Some of the FES findings should be highlighted because they are crucial to an understanding of the present mood of European citizens within and beyond the surveyed countries.

Beginning with an affirming, positive point, 87 percent of all surveyed citizens agree that their country is part of the European cultural sphere. Even in Russia, despite its supposed pivot to the East and towards Eurasia, 74

percent share the same opinion.³ Furthermore, 79 percent of those interviewed support the idea that Europe has its own unique culture and that it should grow together as a community. This view is shared in Russia (78 percent), being even more popularly held than in Ukraine (76 percent). Astoundingly, only 66 percent of French respondents support this idea, and the figure is even lower in Germany (59 percent). About 80 percent of respondents demanded more protection for European culture.

Perceptions of physical threats like conflicts, war, military interventions, or the use of hybrid instruments and terrorism are astoundingly similar across all the surveyed countries. An average of 78 percent of participants is either 'somewhat worried' or 'very worried' about present and future challenges, especially wars and conflicts. International terrorism ranks highly on the list of threats (75 percent average).

On the question of whether war and conflicts will affect one's own country, the data point to the old dividing line between East and West. While public opinion in Germany seems to be almost evenly split – 51 percent fear such threats while 48 percent disagree – in France, the difference is even more telling in that only 37 percent see the country affected by military actions and 59 percent of the interviewed do not share such a fear. Not surprisingly, perceptions are entirely different in Poland, where 79 percent are worried, and in Ukraine the figure amounts quite understandably to 87 percent.

The pattern of responses is repeated when asked about a likelihood of war between Russia and the West. For Germans such risk borders on the absurd. Only 24 percent are fearful of such an eventuality and this outlook is shared

³ Dmitri Trenin makes some interesting points in 'It's Time to Rethink Russia's Foreign Policy Strategy'. Contrary to a generally held view in Russian expert circles, Trenin doubts that Russia has undertaken a real pivot towards the East, i.e., towards Eurasia. He argues that the changed international constellation of forces did not force upon Russia such a turn. The pivot was "not to the East, but to itself ... Such a step is entirely logical. Post-Soviet developments have made clear that Russia will not accept US global leadership, a stance that necessarily closes the door to its integration into Western-led structures. It has also become clear that the United States does not intend to tolerate an independent Russian foreign policy, while the EU does not intend to tolerate Russia's domestic political order. This has not only put the issue of Russia's integration into the expanded West to rest, but also created the conditions for the return of great-power rivalry and a clash of values".

in France (34 percent).

Climate change is rated as a severe threat by an average of 70 percent of respondents. The highest figures of 83 percent, 80 percent and 72 percent were found respectively in France, Germany, and surprisingly in Ukraine.

In regard to uncontrolled immigration, the figures are also telling. Although Latvia (70 percent worried), Poland (66 percent), and Russia (70 percent) are less affected by immigration, popular concerns about immigration are greater than in both Germany (51 percent) and France (58 percent). In Serbia, the level of concern is as high as in Latvia, probably due to the country's location along the former 'Balkan route'.

An average of 68 percent of participants is concerned about economic stress, while disagreement and conflicts within the EU are perceived as less threatening (54 percent).

On the influences on European-Russian relations, an overwhelming majority of respondents point to the Ukraine conflict and to the resulting sanctions against Russia.⁴ The eastward expansion of NATO and the EU is also seen by a majority of participants as a factor contributing to the strained European-Russian relations.

The question of whether the eastward expansion of NATO poses a threat to European security shows remarkable differences. Opinions are split within both Germany and France: half of Germans see NATO's expansion as a threat to European security while 42 percent disagree; similarly, in France, 35 percent see NATO's move towards Russia as a threat and 38 percent disagree. Here we can see a gap between official government statements and public opinion. This is even more remarkable because of the enduring nega-

⁴ It is rather surprising that nearly the same quota of responses point to the fact that Russia's interference in Western states and the EU's interference in Russia are also causes for the strained relationship. Of course, if we take a look at the various countries, the picture is more differentiated. Poland, Latvia, and Ukraine lead in negative attitudes towards Russia. The ratio of responses which point to the fact that the US is profoundly influencing the relationship of the West with Russia is shared in all countries by an average of 68 percent (FES, 2019, p. 14-15).

tive image of Russia presented in Western media (FES, 2019, p. 23). Disagreement with this idea that NATO movement towards Russia threatens European security is higher in Poland (51 percent) and Latvia (42 percent).

Views of solutions to the Ukraine crisis differ widely among participating populations. Amazingly even a majority in Poland (54 percent) agrees with expected prevailing views in Russia (64 percent) and Serbia (74 percent) that the Ukraine conflict results from domestic matters and should be solved by Ukrainians themselves. A majority of respondents across all countries besides Serbia (where 62 percent think otherwise) believe Russia cannot resolve the conflict.

A 90 percent majority across all countries agree that a diplomatic solution should be found to resolve the Ukraine crisis, but a 'blue helmet' UN mission is less desirable. The overwhelming majority of all respondents agree that their countries should not intervene militarily in the conflict (80 percent).

A majority of 60 percent holds Russia responsible for the escalation of the Ukraine conflict, with 57 percent of respondents also seeing separatists as responsible. Ukraine is held responsible too (50 percent) and the US seems to be seen as a hidden influence on the conflict (44 percent). The idea that the EU bears responsibility has contrasting responses: while Western partners regard the EU as less responsible for the conflict, Russia (57 percent) and Serbia (57 percent) differ.

Opinions on the Western sanctions' regime are divided in ways one might expect but there are also splits in the Atlanticist camp; 59 percent of Latvian respondents object to the widening of sanctions, whereas stronger sanctions are agreeable to 62 percent of surveyed Poles. Surprisingly, in midst of media and political campaigns against Russia, Germans object to the widening of sanctions with a 75 percent majority and only a third of French participants are in favour of expanded sanctions (FES, 2019, p 29).

Unexpectedly, the findings reveal a noteworthy divergence between official government statements and public opinion on concrete security threats to Europe. In Germany and France, 50 percent and 44 percent respectively see the U.S. as a threat to Europe while majorities in Poland (62 percent) and

Ukraine (59 percent) disagree. In Latvia, opinion is balanced (49 percent disagree and 47 percent agree).

When Russia is considered as a potential threat to European security, the data are more perplexing: a third of Germans agree that Russia might be a threat but 65% disagree; in France, the situation differs slightly as half disagree that Moscow is a threat while 40 percent agree. In Poland, 77 percent of respondents see Russia as a threat, followed by 67 percent of Ukrainians and half of Latvians (FES, 2019, p. 24).

Participants were asked about the international influence and status of Western and Eastern institutions and the data show that the EU and NATO are rated as those with the highest impact on international developments. The UN is seen as less important but still more influential than the OSCE. Eastern organisations like the CSTO and the Eurasian Economic Union (EAEU) are not yet seen as playing a decisive role internationally.

Survey respondents view the power, influence, and status of their own countries very differently. These disparities in perception, wrongly or rightly, do influence the respective countries positions in international affairs by impacting the design and objectives of foreign and security policy. With this in mind, it is interesting that 56 percent of Russian respondents believe that their country does not have the international status it deserves. This figure is even higher in Serbia (85 percent) while 71 percent of Germans and 59 percent of French respondents state that their countries *do* have the status they deserve. Furthermore, 69 percent of Russian and three quarters of Serbian respondents believe that other countries are actively preventing their country from achieving the global status they ought to have (FES, 2019, p. 21).

Loss of Trust in Government and Political Elites

The relationship of the surveyed states to Russia is pivotal for security, cooperation, and stability in Europe. This view is shared by 56 percent of all respondents. As expected, the data differ from country to country, but even in Poland 52 percent argue for improvement of relations. An unexpected 27 percent of Ukrainian respondents also support this view. In Germany and France, more than half of respondents advocate better collaboration with Moscow.

Connecting the survey's findings with the afore-mentioned demands of elder German statesmen, we can conclude that there is a gap between official statements and political attitudes of governments and the expectations of the public.

Agreement on the value of pursuing the national interest is shared by 77 percent of all respondents. Furthermore, in Germany (68 percent) and France (63 percent), as well in Poland (62 percent), majorities believe their country should take more international responsibility and assist other countries, albeit not militarily. Russia represents a sharp deviation from this trend. Only 39 percent of Russians argue for more international responsibility, the lowest figure in the sample.

However, the demand to shoulder more international responsibility runs counter to the public's trust in social and political institutions. In total, 63 percent of respondents do not trust the media – the largest majority with this view is in Russia with 70 percent. Political parties, essential intermediaries between civil society and government, rank lowest in terms of public trust in each country. Only an average of 18 percent finds political parties trustworthy. Contrary to such negative attitudes, the military enjoys a high and solid positive ranking, even in Germany (58 percent). The average is 72 percent.

Longing for Stability and Assurances: The Search for Pragmatic Relations with Russia

Political leadership and readiness to shoulder international responsibilities in relevant EU member states is needed in order to achieve structural reforms. Furthermore, the EU must reconstruct a moderate, pragmatic, and goal-driven relationship with Russia. In this respect, the old social democratic proverb of German Ostpolitik is as up to date as ever: peace and security in Europe cannot be achieved without or in opposition to Russia.

However, it seems that restoring a constructive relationship with Russia is only a priority for a few countries in the EU. Improving the state of affairs with Russia is a thorny and divisive issue within the EU. To achieve a goal like this, the comfortable motto of present German foreign policy, to operate ‘inclusively within a European context’ will be questioned.

Even a convoy needs direction, guidance, and leadership. Given the lack of consensus and deep divisions in the EU about the design and goals of its Ostpolitik, Germany, together with like-minded partners, must take the lead. When Germany steps up, all efforts will be needed to convince other member states – which will be an uphill battle – that Berlin is not seeking a ‘special relationship’ with Moscow.

European self-assertiveness towards attaining a status as a recognised geopolitical actor among the dominant powers of the emerging new world order, i.e., China, the U.S., and Russia, depends on its state of affairs with Russia. In this regard, the encouragement of a dialogue driven by political and security objectives could be supported by practical steps to build trust from below: an easing of the visa regime and enhanced cultural and academic exchange programmes. Last, but not least, it could be worth retrieving elements of the reflections held in Meseberg in June 2010 between the then Russian President Dmitry Medvedev and Chancellor Angela Merkel. The Meseberg memorandum is still a valid option and could stimulate a dialogue on a comprehensive European security treaty. Furthermore, Berlin should seize the initiative and set in motion a process to mend the defunct Partnership and Cooperation Agreement (PCA) between Moscow and Brussels. In St. Petersburg in 2003, elements of a follow up to the PCA were agreed. A consensus was reached on the three dimensions of cooperation. To amend, renew, and/or activate them under present conditions would definitely improve the relationship between the EU and Russia.

Eventually a dialogue between a self-assertive EU and Russia could end up creating a European Security Council. Including Russia, a body like this could function as a clearing medium to resolve the frozen conflicts in the Caucasus and particularly to offer a basis for an end to the Ukraine conflict.

All these findings reveal that the shift towards a more interest-based foreign

and security policy which focuses on the accomplishment of national objectives and which opposes external influences is gaining momentum among European societies. The shift towards Realpolitik is well underway, and hopefully the wake-up call for Europe will do the trick to awaken some governments from the post-modern dream-world that has insulated them against the reality of present and future challenges.

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**PART I:
EXTERNAL ACTORS IN PERSPECTIVE**

The “Other Third Powers” in the South Caucasus Geopolitical Landscape (Speaking Notes)

Abmad Alili

Introduction

The geographical area between the Caspian Sea and the Black Sea – the South Caucasus – lays on the historical cross-path of the empires and nations, moving from the East to the West, and from the North to the South. The modern-day territories of three different nations, specifically Armenia, Azerbaijan and Georgia, have dependably been on the edges of various domains since the beginning – Sassanids, Byzantine, Arab Caliphate, Seljuks, Mongol realm, Safavids, Ottomans, Tsarist Russia and lastly the Soviet Union. The area was constantly changing its focus from one political-cultural centre to another. Hence, throughout their history, the nations in the region imported models of administration and training, as well as ethnic and religious outfits.

The current ‘great’ neighbours – Russia, Turkey, and Iran – have been in charge of the region at least for the last 300 years, excluding the period after the fall of the Soviet Union.

The presence of these solid political and social actors, “third powers” in the region, has not left any open door for the South Caucasian states to rise and reinforce as geopolitical powers. For most of their history, the locals lived under the dictate of remote rulers. The most recent one was the Soviet Union/Russia.

Since the collapse of the Soviet Union, Russian influence in the region is fading away. The Kremlin tried its best to hold its position in the region, and to be a partner of the first instance for all three South Caucasus countries, while it utilized various instruments to counter the efforts of the other geopolitical centres. However, the events over the last decade have revealed another trend: while Russia remained a powerful player, its position has been constantly challenged.

The economic contacts with the European Union and USA, oil contracts

signed by Azerbaijan in the mid-1990s, the multilateral groupings in the region, Georgian Roses Revolution, Armenian diaspora connections, and the recent Velvet Revolution in Armenia created an environment which further challenged the capacity of the Kremlin to advance the old, but restored dream of the Eurasian Union.

The recent developments in the South Caucasus countries have raised new questions: how will the Eastern Europe neighbourhood look like in the upcoming decade? What kind of role the 'other third powers' are going to play in the new geopolitical landscape of the South Caucasus?

Hence, in this paper, we are excluding the role of Russia, Iran, Turkey, EU, and the U.S. in the geopolitical landscape, and will try to understand the role of newcomers: China, Israel, ISIS, Kazakhstan-Belarus and others.

China

Among the power centres, who we listed as 'other third powers', China is the one, who gets most attention.

China's financial resources are attractive for all the countries in Central and Eastern Europe. Following the economic expansion to Central Asia, Beijing is interested to gain a platform in the South Caucasus, and advance further to the west.

The South Caucasus plays an important role for Beijing also; it is a central passage-away in its Belt and Road Initiative (BRI). Using this incentive, in essence, China tries to lure the local countries to the project and also use its economic potential to win the sympathy of the South Caucasus nations.

Up to the mid-2000s, the South Caucasus nations were not politically attracted by China. Despite the financial resources transferred to the region, the Chinese influence in Central Asia and the South Caucasus were not reasonable to compare. Russia and the EU were still quite powerful players in the region, assisting the regional countries with the economic and financial resources. The South Caucasian nations, which consider themselves as progressive, either centred around the Eurasian or European Union and did not exhibit any genuine enthusiasm for China. However, China has created a

niche for itself in terms of a reputation as a safe-lender and economic player in the region.

China's Belt and Road Initiative (BRI) has changed the landscape. The project was followed by Chinese financial assistance. Considering the troubled times for the economies of Russia, Iran, and Turkey, the rise of Chinese financial influence was not surprising at all.

The locals – especially Azerbaijan – have started their own projects, which helped the realization of the BRI initiative. For example, the Baku-Tbilisi-Kars (BTK) railroad and the Azerbaijani Alat Port at the Caspian Sea will increase the capacity of BRI initiative. In some cases, the local countries-Georgia and Azerbaijan – teamed up to deliver region-wide projects. For example, the Trans-Caspian International Transport Corridor (TITR). The local economies have brought in new elements to the China-South Caucasus relationship. In its turn, there is evidence that China's monetary impact on the South Caucasus can generate additional geopolitical outcomes.

It should be also noted that a calm examination of the local developments reveals that, despite Beijing's powerful economic influence, China is still not ready to take an active part in regional politics and take a stand on the regional conflicts. On the other hand, the South Caucasus nations are looking to increase their political and business ties with Beijing, in order to advance their own strategic agendas.

China tried to build its presence in the region also through other international organisations and incentives. In 2016, the Chinese led Asian Infrastructure Investment Bank (AIIB) decided to support the development of the gas pipeline transporting natural gas from Azerbaijan to Turkey and Southern Europe. The AIIB loaned USD 600 million to the Trans-Anatolian Natural Gas Pipeline Project (TANAP).

In Georgia, China has also had clear advancements. The two nations were building their relations since the end of the Soviet Union; by 2017, the sum of Chinese investment in Georgia was around USD 1 billion. Following the presence of Turkish and Azerbaijani investment in Georgia, China has become the third important economic player in the country.

In Armenia, China also has significantly increased its economic presence, and

in 2018, the financial presence of Beijing in Armenia was around USD 350 million. In addition, since 2012, China has sent Armenia financial assistance and different goods, which were worth around USD 40 million. Thanks to China, Armenia has received many emergency vehicles and different transportation means. China also invested around USD 10 million into the Armenian education sector.

Chinese cultural centres are present in all three South Caucasian countries. In addition, various universities and educational facilities host language courses for students who want to learn Chinese. The number of students who wish to learn Chinese has increases over the recent years.

Nevertheless, the mere share of the region in the global economy downplayed the interest of China towards the region. Despite of that, foreign affiliations of regional countries created an additional impetus for China to build its presence in the region: for example, Armenia's membership to the Russian-lead Customs Union and Eurasian Economic Union, and Georgia's Free Trade Agreement with the European Union increased Chinese appetite to the region.

In this regard, Azerbaijan's well-established links with Turkey plaid a negative role in the development of its ties with China. Turkish active foreign policy to protect the human rights of Uighurs in China has been a factor of frustration for China. Hence, it affected Azerbaijani – Chinese relations too. This factor created an additional impetus for Beijing to develop a stronger friendship with Yerevan, given the historical enmity between Turkey and Armenia.

Israel

The South Caucasus media is also keen to track the activities of Israel in the South Caucasus. The Jewish state has a particular interest toward one of the South Caucasus countries – Azerbaijan. Azerbaijan has unique qualities, in which Israel is very interested: It is a Shia-Muslim majority country, located at the northern borders of Iran, which is friendly toward Israel.

There are a few countries in the world, who share the same qualities. Azerbaijan and Kazakhstan are the only Muslim countries, who built their foreign relations with Israel based on cooperation and understanding. Mostly this was because of the large Jewish diaspora from the former Soviet Union, who had settled in Israel, and had not forgotten their 'second homeland'.

Azerbaijan and Israel have built highly developed cultural ties. The Jewish settlement in the northern parts of modern Azerbaijan was established more than 2000 years ago. Many well-known Russian billionaires from Azerbaijan share Jewish origins as well.

The South Caucasus countries are also a market for the Israeli weapons. The biggest purchaser of the Israeli weapons in the region is Azerbaijan. According to publicly available information, the volume of military contracts signed between Azerbaijan and Israel is more than USD 5 billion. Due to the infamous 907th Amendment, the purchase of weapons from USA is prohibited for Azerbaijan. Azerbaijan tried to compensate this loss, by the purchase of Israeli weapons.

Georgia is also among the Israeli weapons' export destinations. Up to 2008, the Georgian army acquired innovative weapons from Israel, which it used during the 2008 Georgian-Russian August war. Israeli investors have also played a significant role in job creation in Georgia.

Georgia's Black Sea ports were also objects of mutual interest: they might be used for business and for military purposes.

For the past 10 years, Israeli-Armenian relations were mostly stable and unnoticeable. Since the collapse of the Soviet Union, Israel has developed solid ties with Azerbaijan and its ties with Turkey were the reason blocking the advancement of Israeli-Armenian connections. Nevertheless, in recent years, one might notice an increased number of high-ranking Israeli diplomats and decision-makers' visiting Armenia. Since Armenia also shared a border with Iran it has also become a reason for Israeli interest.

Israeli military shipments to Azerbaijan have also played a negative role in Armenian-Israeli relations. The Israeli weapons played a significant role dur-

ing the military clashes between Azerbaijan and Armenia in April 2016. Israeli-produced 'Harop' suicide drones and 'Spike' systems helped Azerbaijan to effectively neutralise the Armenian infantry and tank attacks and to hold their position.

It is also believed that Azerbaijan has purchased Israeli produced 'Iron Dome' air-defence systems, which might be effectively used against advanced Russian attack rocket systems, which Armenia purchased. This caused additional frustration among decision-makers in Yerevan.

The above-indicated points show that Israel's relations with each of the three South Caucasian states rely upon explicit financial and military interests constrained by a more complex setting. Each state has its very own relations with its bigger neighbours, Russia and Turkey. Israel is interested to use this feature in its own favour.

However, the main motivation behind Israel's strategy toward the countries in the region is because of their common borders with Iran.

Belarus-Kazakhstan

Both countries – Belarus and Kazakhstan – used to be part of the former Soviet Union, and now they are active members of the Russian-led economic, political and military organizations. Therefore, it would be natural to expect that both countries are going to have friendly relations with Armenia - another member of Russian led initiatives.

However, both countries decided to keep friendly relations with Azerbaijan, the geopolitical rival of Armenia. This situation caused frequent clashes among the Armenian, Belarussian and Kazakh leaderships.

In many instances, Belarus and Kazakhstan might act as a duo. Within the Russian-led initiatives, pragmatism led them to form an alliance within the alliances.

In addition to the ties between the Belarus-Kazakhstan duo with Armenia, both countries have established a fully cooperative environment with Azerbaijan also. Azerbaijan is taking an active role in Belarussian military and energy projects. With Kazakhstan, Azerbaijan shares many common economic

and policy agendas. Azerbaijan is a country who also links Turkey to the wider Turkic-speaking countries.

Belarus-Kazakhstan duo has the potential to play the role of mediators in conflicts. Both countries have extensive experience in doing so. Recently, Belarus hosted the Minsk process aimed at stabilising the situation between Ukraine and Russia; Kazakhstan became a platform for the Astana process, which was launched to bring peace and stability to Syria.

The Belarus-Kazakhstan duo has the potential to play a similar role for the Armenian-Azerbaijani conflict in Nagorno-Karabakh. Both countries maintain well-established links with both Armenia and Azerbaijan, and they do not share the geopolitical ambitions of Russia toward the region. Hence, Baku and Yerevan might accept Belarus-Kazakhstan as more ‘neutral’ countries, and work together with them in the Nagorno-Karabakh peace process.

Conclusion

The South Caucasus nations – rich in history and culture – have been faced with the rivalry of the ‘third powers’ throughout their history. For the most part of it, Armenia, Azerbaijan and Georgia were parts of larger geopolitical centres. Mainly, these centres were Iran, Turkey and Russia – the current neighbours of the region.

Currently, recent developments indicate that the region became attractive for the “other third powers.” Among the latter, there are China, Israel and the Belarus-Kazakhstan duo. These countries are following their own agendas in the region and their mere presence creates competition to the traditional power centres, who see the region as their game area.

China, mostly, sees the region as an extension of Central Asia. Following the Chinese investment flow to Central Asia, Beijing wants to set foot to the western shores of the Caspian Sea. In a short period of time, China could become a significant economic player in the region. However, China’s “economy first” policy limits its political influence in the region. The rise of the economic presence of Beijing in the region did not affect the European aspirations of Georgia, the Eurasian affiliation of Armenia, and Azerbaijan’s pro-Turkish stand in the Turkey-China diplomatic battle over Uighurs in

China.

Israel has its own unique agenda in the region. First of all, some South Caucasus states share borders with Iran. In addition, in its search for Muslim countries which are cooperative with the Jewish state, Israel is satisfied with its relations with Azerbaijan. Israeli-Azerbaijan relations are mutually beneficial. Israel is one of the major arms suppliers of Azerbaijan and Georgia. Due to its good relations with Azerbaijan and Turkey, Israel tended to keep its contacts with Armenia at a minimum.

Belarus- Kazakhstan is a new ad-hoc duo in the international affairs. They have played a role as a neutral platform or as mediators in recent conflicts, such as in the Ukrainian and Syrian conflicts. Both countries have established relations with Azerbaijan and Armenia. Hence, they can also contribute to the peace process in the South Caucasus region.

In conclusion, globalisation has created an environment where countries from the continents and nations far away from each other can cooperate. Hence, the South Caucasus nations' foreign policy agendas are going to face a new reality; "the other third powers." These newcomers are going to bring new opportunities. Nevertheless, they might also create new challenges for Armenia, Azerbaijan and Georgia.

How Can the Frozen Conflict in Ukraine further Impact Europe?

Mykola Kapitonenko

Introduction

After five years the conflict in Eastern Ukraine is far from resolved. With the death toll exceeding ten thousand, the struggle between the Ukrainian government and the Russia-backed separatists is not only about Ukraine's integrity. It is about the future of European security. Some call it "frozen", expanding the title of a series of protracted post-Soviet conflicts in Moldova, Georgia, and Nagorno-Karabakh, unified by the strong Kremlin involvement. At the same time some argue, that there's no frozen conflict in Ukraine; just a Russian invasion. Debates of this sort are highly emotional in Ukraine, a country that has suffered dramatic losses in what has become Europe's utmost hot spot.

No matter how labeled, the conflict is *de facto* frozen in two ways. First, there's no possible compromise in sight. Russia wants to recover control over Ukraine and holds the Donbas as an instrument. Ukraine wants its territories, including occupied Crimea, back. Ukraine also wants freedom in setting its foreign policy agenda, something Russia can't accept. In five years since the conflict broke out, there wasn't any movement towards any zone of possible agreement. Second, as the Kremlin makes use of the conflict for protecting its perceived national interests, escalation is always possible. Conflicts of this type are highly instrumental and may escalate any moment Moscow finds appropriate. Parties are entrapped in what is known as a security dilemma. Worst expectations are shaping policies, while lack of trust feeds uncertainty. Cooperative strategies are dominated by competitive or openly hostile. Both Ukraine and Russia have got used to live, albeit quite poorly, with a lasting military conflict. Decision-makers in Kyiv and Moscow accepted its high price, and even learned how to extract certain political benefits. Can the same be said about Europe?

Unlike Ukraine and – to a lesser extent – Russia, Europe does not bear direct costs from the conflict, which, by the way, only in 2016 dropped down from a “war” to a “minor armed conflict” according to SIPRI database.¹ At the same time Europeans bear costs of the anti-Russian sanctions regime, non-direct losses due to an ongoing military conflict in the neighbourhood. A conflict of that type and caliber also means Europe is no longer safe. That hardly implies that Russian tanks are going to roll into European capitals. Russia’s ability to wage a major conventional interstate war is much exaggerated. Moreover, there are no goals on Russia’s wish list to be attained by applying military force on a large scale. European security will be further undermined in a quite different way.

Russia’s decision to occupy Crimea went against fundamentals of the world order. Major international “rules of the game” did not survive this geopolitical earthquake. As a result, the level of trust has significantly dropped. Europe is no longer a place where interdependence is widely believed to outweigh self-interested security calculations. This leads to growing suspicion among states and the rising importance of relative-gains calculations in foreign policy decision-making. In other words, countries will be less inclined to long-term security commitments and more skeptical about perspectives of a lasting institutionalized cooperation. Brexit for instance, is not about Kremlin’s hand in Britain, it’s about shaking foundations of established European architecture.

Rising nationalism, especially in Eastern Europe, where historically it used to be irrational, ethnic, and filled with symbols, is another part of the same puzzle. Division lines of different kinds are suddenly gaining popularity in an uncertain security environment, and ethnic division lines are easiest to recognize. Elites find out that playing with national history or mythology is the easiest way to get popular support. They could be right on that, but ethnic nationalism is also a short path to regional hostility. Feeding nationalism has never been in the Kremlin’s intention, but Moscow has nevertheless created this effect. Demand for it will grow as long as the conflict in Ukraine continues. A deficit of democracy naturally follows. The “de-democratization”

¹ SIPRI Yearbook Online. Armaments, Disarmament and International Security. SIPRI Yearbook 2016, <<http://www.sipriyearbook.org/view/9780198787280/sipri-9780198787280.xml>>, accessed 06.04.2019.

trend in the region started well before 2014, but it is now gaining momentum. Frozen conflicts and authoritarian tendencies go together well.

Restoration of a full-scale geopolitical rivalry is another danger Europe may face. A frozen conflict on Ukrainian territory creates uncertainty for the Kremlin as to what it can or cannot achieve in a new European turmoil. Bets are raised, while time is hardly on the Moscow's side. That combination may stimulate risk-taking decisions, the very expectation of those doing much harm to European security. Keeping in mind negative effects, created for the whole region by the conflict in Eastern Ukraine, Europeans should be aware of difficulties of conflict management in a corrupted, not-so-democratic environment. Unfreezing the conflict won't restore European security automatically. Long-term challenges, arising from damage to major international institutions, will remain. But settlement of Europe's most dangerous conflict would certainly signal positive changes and transform expectations and perceptions among Europeans.

Resolving or Managing the Conflict in Donbas?

In Ukraine the conflict in Donbas continues to dominate the security agenda. Numerous formats of dealing with the conflict do help contain violence and make things more predictable. But they do not bring about conflict resolution and are unable to address key interests of the parties.

A strategy of conflict management, allowing Ukraine to win time and be more prepared for conflict resolution when the moment is right, is worth considering given the current dynamics. One of the ways to manage the conflict is put forward in a Law on of Ukraine "On Peculiarities of the State Policy on Ensuring the State Sovereignty of Ukraine in the Temporarily Occupied Territories in Donetsk and Luhansk Regions", adopted by the Ukrainian Parliament. It aims at broadening the arsenal for managing the conflict, but at the same time provides the president with more influence and control over military operation. This is quite far from positive conflict management, the idea of which is to create a zone of possible agreement to make violence less likely. There is a growing demand for a more long-term strategy, built on the assumption that the conflict is more likely to continue

in a semi-frozen stance, than to be quickly resolved. A nation-wide dialogue

on the possible policies towards Donbas is becoming a necessity.

Modern armed conflicts are mostly hard to deal with. They are uneasy to resolve, transform or, generally speaking, manage. The international community in most cases lacks institutions, resources, power, or will to systematically engage into complicated conflicts, most of which are intrastate. In some cases, however, they must; intrastate conflicts tend to generate regional spillovers, undermine security and prosperity of neighbouring states, lead to a rapid increase in numbers of refugees, internally displaced persons (IDPs), as well as illegal human traffic, smuggling and other forms of transnational crime. International interventions, either coercive or not, are of limited success. Armed conflicts in today's world are mostly long-lasting, protracted, with complicated structure and high stakes.

The best thing one can do with a conflict is to resolve it. Resolution implies addressing and transforming deep-rooted sources of a conflict, changing its structure, behaviour, and mutual perception of the parties.² A successful resolution brings a conflict to an end. The second-best thing is settling a conflict, if bringing it to an end is unattainable. Conflict settlement implies reaching a mutual agreement among the parties so as violence is no longer applied. That does not mean the conflict is transformed in any significant way, nor that it's over. A settled conflict may re-escalate again, although some of them persist without reopening of violence for years and decades. Settled, but not resolved conflicts on the post-Soviet space are often referred to as "frozen conflicts."

Finally, a conflict may be contained, either by peacekeeping or imposing of peace. Conflict containment is meant to limit the scale of violence and/or deescalate a large-scale war. Unlike conflict settlement, that does not bring violence to an end, however it may significantly downgrade it if successful.

All these positive approaches to handling a conflict may be referred to as conflict management or conflict regulation. For a variety of reasons, conflict resolution is currently out of reach in Donbas, a region of Ukraine, where

² Ramsbotham Oliver, Woodhouse Tom, Miall Hugh. *Contemporary Conflict Resolution*, 2nd ed. Cambridge: Polity Press, 2007, 29.

separatist forces, strongly supported by Russia, have established self-proclaimed Donetsk and Lugansk People's Republics (DNR/LNR). This is not only a large-scale battlefield and a place of projection of Russia's huge military potential, but also a source of transnational threat to neighbouring countries and a factor which negatively impacts regional security as a whole.

A fundamental obstacle to resolution is the absence of a possible agreement space among the parties, most notably Ukraine and Russia. While the former wants to restore its full territorial integrity and ensure freedom of choice in foreign policy, the latter would like to keep Crimea and prevent Ukraine's further move toward NATO. That deadlock endures since 2014. The parties are paying the price for the conflict, but are not modifying their core interests. Ukraine can hardly do that in principle, while Russia perceives the situation as a challenge for its regional status. The conflict in Donbas is both a complex set of contradictions in and around Ukraine, and an instrument for the Kremlin to keep Ukraine under at least some influence. That tactic has been implied by Moscow on a post-Soviet space for almost three decades.

Chances for conflict resolution have been further undermined by the deterioration of security institutions. Russia's decision to annex Crimea brought about a profound lack of trust and increase in negative-scenario thinking. States perceive each other much more as rivals or enemies, than as friends and partners. The deficit of trust and negative perceptions dismiss some of the ways of resolving the conflict, which theoretically could have been achievable. Russia is deeply engaged in the conflict. Issues important for Moscow are at stake; security and influence in the so-called "near abroad", geopolitical rivalry with NATO, transit routes, Black Sea security. Russia seems ready to pay much for a continued control in the East of Ukraine. The Ukrainian-Russian balance of power is far from equality, and will remain so. Under such conditions military options may be ruled out. Conflict management is predominantly undertaken in the diplomatic and political realms. With resolution of conflict being out of reach for some time, conflict settlement is gradually coming into focus. Presuming that some very fundamental contradictions will remain, would it be possible to stop violence? If so, how the management of conflict could look like?

Assessing Transnistrian Experience of Conflict Management

The conflict in Transdniestria, almost three decades long, is often referred to as the most stable among all post-Soviet conflicts. In many ways it resembles the conflict in Donbas. In both cases self-proclaimed republics – DNR/LNR in Ukraine and PMR (Transnistrian People’s Republic) in Moldova – are supported by Russia with the view to protect its interests in parent states, Ukraine and Moldova. There’s no ethnic background in both conflicts; neither Transnistrian, nor Donbas ethnicities exist. However, in both cases identity is constructed around language and interpretations of history. Russian military has played an exceptionally important role in the initial phases of both conflicts, and in both cases sustainability of self-proclaimed “republics” is of importance for Moscow.

Far from resolution, the Transnistrian conflict nevertheless generated no violence after de-escalation in 1992, and thus may be seen as a model for stabilization of post-Soviet conflicts. One important reservation is to be made, however; there is no common border between Transdniestria and Russia, while there is one between Russia and Donbas.

The current conflict stability seems to be resulting from a multifold balance of interests. No party is in a position to be better off by applying force. There is no strong public pressure in Moldova for resolving the conflict either by reintegrating a breakaway territory or by abandoning it. Only about 1 percent of Moldovans believe the resolution of conflict should be the state’s main priority.³ The figures may be compared to 62 percent of Ukrainians placing resolution of the conflict in Donbas at the top of their wish lists.⁴

One of the consequences of the Transnistrian conflict being settled is the low level of Moldova’s military spending. It is only about 0.4 percent of the

³ Secieru Stanislav. The Transnistrian Deadlock: Resolution Impalpable, War Improbable // Carnegie Moscow Center, <<https://carnegie.ru/commentary/74803>>, accessed 08.04.2019.

⁴ Українці вважають війну на Донбасі однією з найголовніших проблем – КМІС, <<https://www.ukrinform.ua/rubric-society/2455793-ukrainci-vvazaut-vijnu-na-don-basi-odnieu-z-najgolovnisih-problem-kmis.html>>, accessed 08.04.2019.

country's GDP,⁵ one of the lowest levels in Europe. One could hardly expect such low figures in a country with a protracted conflict on its territory, but if military option is ruled out, it is possible for both sides to stick to minimum levels of military expenses. The distance between Russia and Transnistria is crucial role – a factor missing in Ukraine, where spending on security is about 5 percent of GDP and rising.⁶ It should be noted that even under condition of military stability, Ukraine still would have to spend much on defense – another negative long-term impact of the annexation of Crimea by Russia.

Protracted conflicts in both Moldova and Ukraine are instrumental for Russia, and Russia is paying a high price for building up sustainability of break-away territories. However, there's also another level of explanation: both countries are ineffective, corrupted, and poor. A combination like that creates favourable conditions for flawed democracy, state weakness, and internal conflicts. The fact that the Transnistrian conflict has been frozen, i.e. settled, but not resolved for so long, can partly be explained within this framework and should certainly be taken into account by Ukrainians.

The Transnistrian conflict generated a specific international environment for Moldova, just as the conflict in Donbas has done for Ukraine. On the one hand, risks – in Ukrainian case with more emphasis on security and in Moldovan case on the economic flavour – are multiplied. Both states find themselves in a more vulnerable position and, most likely, their chances for integrating into Europe and joining NATO are significantly lowered. At the same time both Ukraine and Moldova utilize secession conflicts to press the West for more support. The EU, in turn, encourages and supports by different means the development of economic ties between Transnistria and the rest of Moldova. The DCFTA with Moldova could become another powerful instrument with that regard, taking into account Transnistria's strong desire to get more access to European markets. That creates an interesting di-

⁵ Moldova – Military Expenditure (Percent of GDP), <<https://www.indexmundi.com/facts/moldova/indicator/MS.MIL.XPND.GD.ZS>>, accessed 09.04.2019.

⁶ Оборонний бюджет України на 2018 рік – 5% від ВВП – Український мілітарний портал, <<https://mil.in.ua/oboronnyy-byudzheth-ukrayiny-na-2018-rik-5-vid-vvp/>>, accessed 09.04.2019.

lemma; on the one hand economic ties positively influence the conflict, lowering probability of violence; but on the other hand, they enhance the economic sustainability of a self-proclaimed “republic”, contributing to the strengthening of existing status quo.

Ukraine may also face this dilemma. Is settling the conflict still preferable if that would mean freezing it for years or decades? What are the realistic alternatives, given that military option is ruled out? As the Transnistrian experience indicates, time is not playing on the side of reintegration. Without successful reforms in the parent state, secessionist status quo remains tempting. At the same time conflict settlement generates a set of specific problems and long-term issues which would require a strategic approach. In other words, a strategy of conflict settlement would be different from both the strategy of reintegration and conflict resolution.

The stance of settlement – meaning “stabilization” in the sense of this Study Group’s understanding, or something in between resolution and open armed conflict – may be the most realistic scenario for Ukraine in a mid-term perspective. That does not imply that conflict resolution should be forgotten. The conflict in Donbas should be addressed in a complex way that would enable resolving crucial contradictions, transformation of social structures and mutual perceptions of all parties to the conflict. That would require time and specific approaches of post-conflict management and reconciliation.

Before that becomes a realistic perspective, efforts should be taken to contain violence. Transnistrian lessons should be learned; a conflict can be settled, but the price may be high. The strategy of Transnistrian conflict settlement has been aimed at enhancing interdependence, economic and social ties between Transdnistria and the rest of Moldova as a prerequisite for lasting peace. Reintegration has always been kept in mind, but required successful reforms at the very least. Difficulties and mistakes in transforming the country allowed Russia to keep a significant and at times decisive influence. However, military escalation has not been in the Kremlin’s interest.

Ukraine’s experience, although resembling Moldovan in some respects, is different. The conflict in Donbas is much closer to a zero-sum game, and a zone of possible agreement is still absent. That makes the issue even more urgent; do we want conflict settlement to be achieved and at what price? Or,

put differently, is a plan of conflict settlement better than no plan at all?

Security Challenges and the Foreign Policy of Ukraine after the Elections

The world is changing. Institutions of multilateral cooperation and international law are losing efficiency, while demand for hard power is rising. States are less willing to trust each other and more often inclined to take international politics as a zero-sum game. Non-traditional threats are multiplied, while traditional ones are becoming more pressing.

Under such circumstances Ukraine is gradually losing influence over regional – let alone global – processes. Room for maneuver is reduced, while resources are depleting. In the last five years Ukraine worsened its positions in almost all key areas, including conflict with Russia, dialogue with Western partners, and relations with most neighbours. No major foreign policy and national security problem has been resolved during that time; NATO membership is as distant as ever; European values are hardly being implemented; resolution of the conflict in Donbas is blocked; Russia is in firm control over Crimea; and foreign assistance is not enough to overcome Ukraine's systemic drawbacks. If the trend continues, Ukraine will firmly reside in the “grey zone of security” in Europe for decades.

Ukraine's foreign policy can be successful only after overcoming institutional weakness, introducing systemic reforms, reducing corruption, supporting economic growth, and improving standards of living. Otherwise it will continue to be an instrument of holding power. Another prerequisite for a successful foreign policy would be an adequate assessment of security environment, threats, challenges, and available resources. Strategic planning of foreign policy and diplomatic initiatives will require considerable resources and should be in the center of attention from society, media, and the expert community. One of the requirements for a high-quality foreign and security policy would be a correct assessment of the strategic environment.

The international environment has significantly deteriorated and will likely remain unfavourable to Ukraine for a while. Violation of fundamental norms of international law and principles of international security by Russia caused deep crisis of trust and erosion of normative foundations of international system. The use of military force against Ukraine, the occupation of parts of its territory, the violation of the Budapest Memorandum's provisions regarding the territorial integrity of Ukraine, the violation of the Treaty on Friendship, Cooperation, and Partnership between Ukraine and the Russian Federation have generated new, much more dangerous conditions for Ukraine's foreign policy.

Resulting challenges may be outlined as follows;

1. Security challenges.

- Russia's actions are undermining international security and creating a new attitude towards international law. International treaties can be violated at low cost. The link between legal and political areas is weakened. Medium-term trends of international politics will be defined by a crisis of the world order, return to national interests' hegemony, and a corresponding security deficit.
- Recourse to military solutions for political crises is on the rise, as well as the number of participating states. Regional and bilateral conflicts, internal conflicts are accompanied by rise of tensions and lack of trust. International terrorism, including state-sponsored, as well as other forms of asymmetric violence remain top challenges to international and national security.
- International law is further eroding and being replaced by "might is right" principle. The erosion of non-proliferation and conventional weapons control regimes are especially dangerous. It may lead to regional arms races, growing number of nuclear powers, and rising probability of the use of nuclear weapons. Besides, there's a danger of non-state actors, e.g. terrorist networks, acquiring access to weapons of mass destruction (WMDs).

- Terrorism remains a key security challenge. At national level it is a threat to statehood. Global terrorist networks are a destabilizing factor. The current phase of international terrorism is characterized by the globalization of its agents, the expansion of political demands, the merging of terrorist structures and state institutions, and the rise of state-sponsored terrorism. Europe is no longer safe from terror. Ukraine faces similar challenges.
2. Weakening of international institutions.
- The current international order is characterized by high instability, the growing importance of hard power and the weakening of international institutions. Fewer international conflicts are resolved at the table of negotiations. New conflicts of more complex or hybrid nature arise, and they are harder to tackle.
 - A vision, within which most of the states carried out their security policies in the recent twenty years, is gone. A world of common values, interdependence, and without large-scale violence, has been jettisoned. Many states are institutionally weak. Fragile states bordering aggressive neighbours are facing additional risks. Revisionism is gaining more weight in national foreign policies, by states unhappy about how security and cooperation is arranged.
 - Inefficient state institutions and the democracy deficit have become serious threats to international security. The quality of state governance is decreasing; democratization is replaced by the opposite process. States with weak institutions are at additional risks of internal instability, security challenges, and narrowing opportunities.
3. Crisis of regional security.
- Slowdown of integration, decrease of mutual trust, and return to political confrontation can be observed in Europe. All those trends are changing the security landscape on the continent, especially in Eastern European and Black Sea sub-regions.

- Instability in the neighbourhood will become a challenge for the EU requiring much more resolute steps than the current policy indicates. EU is facing a threat of losing its major competitive advantage in world politics, i.e. normative power. Devaluating of the EU's normative capabilities will weaken its influence over neighbouring states. At the same time organizations like the Council of Europe and the OSCE are demonstrating their limited capacity to resolve international conflicts. NATO is not ready to extend security guarantees to non-members.
- As a result, there is a security vacuum in Eastern Europe, which materializes in a “grey zone”, to which Ukraine is a part. It is important for European security to find a formula of cooperation between Euro-Atlantic institutions and their neighbours, a formula which would turn regional security into a common goal.

Ukraine's capabilities and resources to influence trends of world politics are rather limited. However, the ability to correctly assess the influence of these trends upon national security is a prerequisite for planning and carrying out an effective foreign policy.

Threats for National Security of Ukraine

The abovementioned trends combined with Ukraine's foreign policy inertia generate the following risks;

1. Security threats.
 - Ukraine risks losing its sovereignty. Current trends of global development point out that capacity to withstand external threats, sustainability of state democratic institutions, and orientation towards systems of collective security will be the basis of Ukraine's security in a long-term perspective. Possible loss of statehood and inability to protect state borders are the biggest threats. In 2013 Ukraine ranked 117th in fragile states index, while today it ranks 87th.⁷ The higher a state is placed in this rating,

⁷ Fragile State Index 2018 – Annual Report, <<https://fundforpeace.org/2018/04/24/fragile-states-index-2018-annual-report/>>, accessed 10.04.2019.

the closer it is to institutional collapse. Lack of legitimacy, external threat, and fractioned elites are the most important negative factors.

2. Institutional challenges.

- Ukraine remains a poor state with weak institutions. In 2013 Ukraine's share of world's GDP was about 0.23 percent. Today it is down to 0.18 percent.⁸ A country with such a low economic potential can't be aiming at a regional status and is incapable of influencing international "rules of the game." Given the current dynamics, it may also soon face a lack of resources to sustain basic political institutions. Inter alia, a country with such serious economic problems has extremely low chances to build an effective democracy; in a global democracy index Ukraine ranks 84th among hybrid regimes. In 2012 Ukraine was in the same group, placed 80th. To put it shortly, Ukraine's resources in the world are shrinking, while fundamental problems remain unresolved. Meanwhile the security situation got worse; the occupation of territory and the open conflict with Russia generated numerous long-term risks.

3. "Multivectoral risks".

- Ukraine's position in the world and in Europe is constantly getting weaker. We're turning into a weak partner in all bilateral relations without possessing skills of managing asymmetric relations. As a result, conflicts with neighbours and non-neighbours have multiplied. Ukraine may be finding itself on the threshold of a new multi-vector era of weakness. At the same time, Ukraine remains a de facto non-block state; against the rhetoric surrounding NATO, the EU, and regional alliances we're seeing no reliable allies. The West wants Ukraine committed to real European values, not to slogans about NATO and the EU. These values – rule of law, democracy, effective economy, protection of the minorities – remain out of reach.

⁸ International Monetary Fund. World Economic Outlook Database, <<https://www.imf.org/external/pubs/ft/weo/2019/01/weodata/index.aspx>>, accessed on 10.04.2019.

4. Russian Challenge.

- Lack of long-term policy towards Russia is a challenge. Ukraine finds itself in a geopolitical trap; it has to confront Russia without enough resources and allies. The occupation of Crimea has created a totally new environment for bilateral relations and laid out a fundamental question for Ukraine's foreign policy; what to do with Russia? A strategy implemented today is too "hybrid" and opens up space for informal agreements, common tactical interests, and utilizing the conflict by elites of both countries in internal contexts. To a certain extent Ukraine is becoming a convenient enemy for Russia – and vice versa. Such state of affairs may be extended, which would be a way to poverty and assured non-block status. It would be extremely hard to find a point of agreement with Russia; however too many issues are dependent on Ukraine's long-term strategy towards Russia.

5. Asymmetry of relations with the West.

- Relations with the West may also pose hard dilemmas. For instance, given the controversial dynamics in relations between the EU and the US, Ukraine may face a choice between them, something we're absolutely not ready for. Moreover, one of the possible outcomes of the current policy may be the turning of Ukraine into an instrument for protection of other states' interests in the region.

The world around Ukraine is changing. Foreign and security policy, based on traditional slogans, is not properly functioning today and will not tomorrow. At a certain point a foreign policy becomes a policy of imitations, moving into a parallel reality, distant from the situation on the ground and the urgent needs and challenges of Ukrainians.

Conclusion

The Ukrainian crisis is affecting the whole context of regional security in several ways. First, it undermines trust among states, making them focus on relative gains and worst-case scenarios. Secondly, under such conditions international institutions are becoming ineffective or even obsolete. International regimes – like non-proliferation– are also under threat. International

organizations lose credibility and are mostly unable to effectively handle emerging security threats. Along with shifting security paradigm, the conflict in Donbas has direct negative consequences for human security, economic potential, and environment. At its current stance, the conflict is a threat for Ukraine, Russia, neighbouring countries, and the EU.

Dealing with the conflict is a common responsibility. Including it into a wider context of security architecture in Europe is a necessary step, just as the restoration, at least at minimal levels, of trust among all parties.

External Actors in the South Caucasus: Perspectives on the Karabakh Conflict Settlement and the Role of Russia

Benyamin Poghosyan

In short term perspective (over five years), the South Caucasus will face a growing increase of Russian influence while witnessing a decrease of Western involvement. However, all three internationally recognized regional states will do their best to keep at least some Western involvement in the region, using it as leverage against Russia and as a source for financial and technical support. Chinese influence will increase, but China will not be able or willing, to seriously challenge Russia's position.

The South Caucasus is a part of the Post – Soviet space. Its geopolitical future is mainly determined by the overall developments in that part of the world, which also includes Central Asian republics as well as Ukraine, Belarus, and Moldova. Three key factors will influence the region's geopolitics in short – term perspective;

- Growing Russian efforts to regain full control over the post – Soviet space as a buffer zone against alleged Western strategy to weaken and dismember Russia.
- Relatively lower Western interests and involvement in the region due to political upheavals in the U.S. and the EU. Specifically, in the U.S. as a result of president Trump's (re-)election, and in the EU, as a result of the ambiguity of Brexit, the migrant crisis and a growing influence of political forces that do not see further enlargement of the EU as a viable option.
- The emergence of China as a global power with a consistent strategy to expand its influence in former Soviet space.

Resurgent Russia is back

Since Vladimir Putin's ascent to power in 2000, Russia has significantly increased its capacities to project power in its immediate neighborhood and beyond. Russia's actions in Ukraine and Syria have proved that Russia, at least militarily, has returned into the ranks of the global powers.

Meanwhile, Russian actions have created a backlash from the West. NATO significantly increased its defense capabilities on the Eastern Flank and the U.S. launched the European Reassurance Initiative which later transformed into deterrence initiative.¹ The U.S. and the EU imposed economic sanctions on Russia and any hopes for a breakthrough in Russia's relations with the West have become a remote possibility.

In this tense environment, Russia's primary goal is to regain control over former Soviet Republics in order to use them as a buffer zone against alleged Western pressure on Russia. Key tools in this strategy are the Russian led military and economic integration projects – Collective Security Treaty Organization (CSTO) and Eurasian Economic Union (EAEU).²

Russia-Azerbaijan

Russia has various tools at its disposal to pursue this goal. Russia will attempt to use the Nagorno-Karabakh conflict as leverage in its negotiations with Azerbaijan. Other options may include an exploitation of Azerbaijan's vulnerability as a result of the Shia and Sunni radical movements. Russia will also seek to manipulate disagreements with Western institutions over the worsening human rights and rule of law situation in Azerbaijan to pull Baku closer to Moscow. Another dimension of Russia-Azerbaijan relations is the economic cooperation aimed at launching a North-South transport corridor to connect India with Northern Europe via Iran, Azerbaijan and Russia.³ However, Azerbaijan will not be happy with Russian meddling. Baku needs

¹ European Reassurance Initiative Shifts to Deterrence, <<https://dod.defense.gov/News/Article/Article/839028/european-reassurance-initiative-shifts-to-deterrence/>>.

² Geopolitical Future of the South Caucasus, <<https://dod.defense.gov/News/Article/Article/839028/european-reassurance-initiative-shifts-to-deterrence/>>.

³ The International North-South Transport Corridor (INSTC): India's Grand Plan for Northern Connectivity, <<http://polarconnection.org/india-instc-nordic-arctic/>>.

to have a partnership with Russia to upgrade its army through large scale purchases of Russian modern weaponry; and given the level of influence Russia exerts on Armenia, good relations with Moscow are vital for the settlement of the Karabakh conflict. Meanwhile, in the mid-term perspective, it is unlikely that Azerbaijan will be ready to enter either the CSTO or the EAEU. Azerbaijan seeks to keep a balance between West and Russia and wants to increase its geopolitical significance for the West through launching the Southern Gas Corridor which will bring some 10 billion cubic meters (bcm) Azerbaijani gas to Europe starting of 2020.

Russia-Georgia

Given the issues of Abkhazia and South Ossetia, the direct inclusion of Georgia into the Russian sphere of influence is problematic. However, Russia will seek to use its capabilities to discredit Euro-Atlantic institutions in Georgia and prove the uselessness of the Georgia-EU Association Agreement as a pivotal tool to make changes in the lives of ordinary citizens. Discussions about the possibility of creating a confederative Georgia as an EAEU member, with the inclusion of Abkhazia and South Ossetia as the only possible way to restore Georgian territorial integrity, may be additional leverage Russia can exploit to expand pro-Russia sentiments within Georgian society. However, given the recent history of Georgian-Russian relations, especially the 2008 war, this type of radical shift in Georgian foreign and defense policy is unlikely.

Russia-Armenia

Russia exerts a high level of control over Armenia. A Russian military base is deployed there, Armenia's borders with Iran and Turkey are controlled by Russian border guards, and the two states have established a joint military unit and a joint air defense system. As for now, the Velvet revolution of 2018 has not brought about any significant changes in Armenian foreign policy. The new five-year government program confirmed by the Parliament in February 2019 emphasizes the importance for Armenia to keep its strategic alliance with Russia and deepen Armenia's involvement in both the CSTO and the Eurasian Economic Union.

Looming Disengagement of the West

The collapse of the Soviet Union brought the South Caucasus into the realm of Western institutions. In the 1990s and during the first decade of the 21st century, the U.S., the EU, and to a lesser degree NATO were actively involved in the region. They supported the transition from a totalitarian past to a democratic future by assisting regional states in their efforts to implement political, judicial, and economic reforms. Energy was also another key factor influencing Western policy in the region. The South Caucasus was perceived as both a source of, and a transit route for, Caspian gas and oil flow into Europe.

However, in recent years Western enthusiasm has declined significantly. Neither the EU nor NATO will be able, or willing, to offer membership perspectives to Georgia in the foreseeable future. Thus, the Association Agreement with the EU and the establishment of the NATO-Georgia commission, as well as Substantial NATO-Georgia package are the highest possible results for Georgia's decades long Euro-Atlantic aspirations, as the country is facing tough Russian pressure with no clear vision forward.

The Velvet Revolution in Armenia brought the country into the hot spot of international focus. Armenia may be perceived as a success story of peaceful democratization especially given the overall decline of democracy including even in some EU member states. However, US current administration is less enthusiastic on democracy promotion in the world and thus is not in a hurry to support Armenia. Prime Minister Pashinyan during his speech in Parliament on March 28, 2019 emphasized that US provided zero reaction to the Velvet Revolution.

The key goal of the Trump administration in the South Caucasus is the involvement of Armenia and Azerbaijan in the U.S. "maximum pressure" campaign against Iran. Not surprisingly, Iran was top priority during the U.S. National Security advisor John Bolton's visit to the region in autumn 2018.⁴ However, neither Azerbaijan nor Armenia are ready to put on hold their current partnerships with Iran. Armenia's Prime Minister's visit to Tehran in

⁴ Bolton visits Caucasus amid anti-Iran campaign, <<https://eurasianet.org/bolton-visits-caucasus-amid-anti-iran-campaign>>.

February 2019 and statements on Armenia's willingness to deepen partnership with Iran have proved Armenia's interest not to jeopardize its relations with Iran.⁵

Hopes of Caspian energy resources breaking the EU's dependence on Russian gas have also disappeared. Starting of 2020, Azerbaijan will only be able to pump 10 billion cubic meters (bcm) of gas per year to Southern Europe, which will not make a strategic shift in the EU's energy balance.⁶ The idea of the TransCaspian pipeline bringing Turkmenistan gas to the EU via Azerbaijan has very little chance of implementation due to Iranian and Russian objections, as well as the growing demand for Turkmen gas by China who imported some 33 bcm of gas from Turkmenistan in 2017.⁷

The 2009 Eastern Partnership (EaP) program initiated by the EU was a step to increase European involvement in the South Caucasus. However, after 10 years of implementation, the EaP has not brought about significant changes. Only Georgia has signed the Association Agreement and there are no visible options for eventual EU membership. Meanwhile Armenia, after successfully finishing negotiations opted instead to join the Eurasian Economic Union. The signature of Armenia-EU Comprehensive and Enhanced Partnership Agreement in November 2017 is an interesting case proving that both EU and Russia are ready for experimentation.⁸ However, the CEPA will not bring any substantial geopolitical changes and Armenia will continue to be firmly anchored in Russia's zone of influence. Although the EU is ready to increase its support to Armenia within the Comprehensive and Enhanced Partnership Agreement, Armenia still has little priority for the EU within the Eastern Partnership, in spite of the outcomes of the Velvet Revolution. Azerbaijan has been skeptical about the Association Agreement from the

⁵ Nikol Pashinyan, Hassan Rouhani made statements for mass media representatives; documents have been signed, <<http://www.primeminister.am/en/press-release/item/2019/02/27/Nikol-Pashinyan-Hassan-Rouhani-Joint-Statement>>.

⁶ Barroso hails final decision to bring Azeri gas to Europe, <<https://www.euractiv.com/section/energy/news/barroso-hails-final-decision-to-bring-azeri-gas-to-europe>>.

⁷ China May Face Competition For Turkmen Gas, <https://www.rfa.org/english/commentaries/energy_watch/china-may-face-competition-for-turkmen-gas-10292018102513.html>.

⁸ Everyone is happy with the new Armenia-Russia-EU threesome, <http://commonsplace.eu/index.php?m=23&news_id=4437>.

very beginning. Both sides launched negotiations in February 2017 to sign a new agreement which may be initialized later in 2019. However, the inability of Azerbaijan to play a critical role in EU energy diversification policies has also decreased EU's interests in Baku.

Given the EU's internal problems and challenges with Brexit, the growing threat of terrorism, a lack of a clear solution to the migrant crisis, and the issues in Catalonia, the upcoming years most likely will see diminishing EU involvement in the region.

China: New Kid on the Block

Since the beginning of the 21st century, China has passed through tremendous transformations due to its rapid economic growth and increasing geopolitical ambitions. The advent to power of China's current President, Xi Jinping in 2012-2013, gave China additional momentum. The harbinger of China's global ambitions was the launch of the "One Belt, One Road (OBOR) initiative." The allocation of over one trillion USD to infrastructure projects across the Eurasian continent to establish new routes connecting China with Europe is a clear sign that China has entered the global stage with new ambitions. In the post-Soviet space, China has concentrated its efforts mainly on Central Asia, where Beijing has already outpaced Russia economically.⁹ However, the South Caucasus is also part of the expanding zone of Chinese influence, in contrast with the West, which mostly focused its assistance on the implementation of political and economic reforms.

Georgia signed a Free Trade Agreement with Beijing in May 2017 and has already secured a \$114 million USD loan from Asian Infrastructure and Investment Bank for road construction projects near Batumi, positioning itself as a transit route for Chinese goods to be delivered to Europe. The China-Kazakhstan-Caspian Sea-Azerbaijan-Georgian Black Sea/Turkey-to-Europe route is actively being advertised by both Georgia and Azerbaijan. Baku itself secured a 600 million USD loan from OBOR funds for the con-

⁹ Charting a Course. Washington, DC: National Defense University, 2016, <<https://inss.ndu.edu/Portals/68/Documents/Books/charting-a-course/charting-a-course.pdf?ver=2016-12-08-154300-120>>.

struction of the Trans-Anatolian gas pipeline. The launch of the Baku-Tbilisi-Kars (BTK) railway on October 30, 2017 is another argument for Baku to deepen its economic relations with China. BTK may be used for the transportation of Chinese goods via Kazakhstan and Azerbaijan to Turkey and then either to Europe or to the Middle East.

Armenia has its own plans with China. In 2016, negotiations were launched to establish the “Persian Gulf-Black Sea” multimodal transport and transit corridor to link Iran with Europe via Armenia and Georgian Black Sea ports. If Armenia succeeds in connecting the China-Iran sea transportation route with the “Persian Gulf-Black Sea” project, one of the main OBOR routes linking China with Europe will pass through Armenia.¹⁰

On December 15, 2017 the Meghri Free Economic Zone (FEZ) was officially launched in Syunik region of Armenia, near the Armenia-Iran border. Armenia, as a member of the Eurasian Economic Union (EAEU), enjoys tariff-free exports to the EAEU markets. Simultaneously, Armenia has access to the EU “Generalized Scheme of Preferences +” system and is able to export goods categorized under the 6.400 tariff lines to the EU with zero, or reduced, tariffs. Armenia is currently negotiating with several Chinese companies to secure their involvement in the Meghri FEZ.¹¹ Armenia has proposed the use of this FEZ as a launchpad to enter the Iranian market with zero tariffs given the interim Free Trade Agreement, which was signed between the EAEU and Iran. Another opportunity for Chinese companies is to export products with zero tariffs from Armenia to Southern Russia, given the geographical proximity of Armenia to the North Caucasus regions of Krasnodar and Stavropol.

However, the South Caucasus is not among China’s top foreign policy priorities. It will take years, if not decades, for China to seriously compete in the region with Russia. Though growing, China is unlikely to strategically shift the geopolitical balance of the South Caucasus in the coming years.

¹⁰ The Seventh Corridor of the Belt and Road Initiative, <<https://www.indrastra.com/2019/03/Seventh-Corridor-of-Belt-and-Road-Initiative-005-03-2019-0001.html>>.

¹¹ Armenia pins high hopes on Meghri Free Economic Zone, <http://commonsplace.eu/index.php?m=23&news_id=4458>.

Turkey-Iran

Both Turkey and Iran view the South Caucasus region as a part of their spheres of interest. Given the anti-Iranian rhetoric of the U.S. administration, Iran's main goal is to prevent the South Caucasus from being used as a launchpad for any type of anti-Iranian activities by the U.S. or Israel. The cornerstones of Turkey's policy in the region will remain its alliance with Azerbaijan, isolation of Armenia, and the growth of Turkish economic involvement in Georgia. Given the deepening cooperation among the Russia-Iran-Turkey triangle in Syria as well as growing tensions between Turkey and the U.S., both Tehran and Ankara tacitly accepted the increasing role of Moscow in the region.

Perspectives of Karabakh conflict settlement; the View from Armenia

Since the victory of the May 2018 "Velvet Revolution" in Armenia the key foreign policy issue facing the new Armenian authorities has been the Karabakh conflict. The negotiation process has been stalled since the failed Kazan summit in June 2011, and the April 2016 four-day war made any possible movement forward even less likely. The negotiations after April 2016 were focused on the launch of confidence building measures including the establishment of the ceasefire violations investigation mechanisms and the increase of the OSCE monitoring mission personnel. However, even these modest goals were difficult to achieve as Azerbaijan was urging for a start of "substantial" negotiations on issues of territories and status, otherwise perceiving the confidence building measures as a way to cement the current *status quo*.

The formation of the new government in Yerevan created some hope within the international community, as well as probably in Azerbaijan, that Armenia may be more inclined towards compromises than before the revolution. It's difficult to assess on what facts such belief was based, as no one from the new Armenian government was ever on record in the past criticizing the former government for not making compromises or expressing willingness to be more accommodating on issues such as territories or status.

It should be noted that immediately after coming to power Armenia's new Prime Minister made a clear statement that he had no mandate to negotiate on behalf of Nagorno Karabakh and that Nagorno-Karabakh Republic should be returned to the negotiation table as one of the main sides in the conflict. This was not welcomed with cheers in Azerbaijan, however, during the first months after the revolution there were signs of optimism from the Azerbaijani leadership that in 2019 negotiations could bring some breakthrough.

The first informal meeting between the new Armenian Prime Minister and the Azerbaijani President took place in late September 2018 during the CIS summit in Dushanbe, and a verbal agreement was reached to reduce tensions and establish a military-to-military hot line, in conformity with recommendations made by this Study Group. The agreement was honored by both sides, and of course this was significant, enabling Prime Minister Pashinyan to show his ability to get concrete results and secure a sharp decline in incidents and related casualties, thus boosting his position before the snap Parliamentary elections. As for President Aliyev, he may have thought that by doing a gesture towards Pashinyan he would raise the possibilities of successful (from an Azerbaijani point of view) negotiations to be launched in 2019. The second meeting took place in January 2019 in Davos with little information available on results.

Meanwhile, despite some hopes in Azerbaijan that Prime Minister Pashinyan's rhetoric on Karabakh was addressed to the domestic audience aiming to defend his image against accusations of being weak on Karabakh before Parliamentary elections, the Prime Minister steadily continued to articulate his position that without Karabakh participation there are few if any chances for successful negotiations. This message was once more emphasized by Pashinyan during his speech at the joint session of the Security Councils of Armenia and the Nagorno-Karabakh Republic, held on March 12 in Stepanakert. Even more, the Prime Minister raised the issue of clarification of principles and elements of settlement set forward in 2007, adding that Azerbaijan's interpretations were not acceptable for Armenia.¹²

¹² A paradigm based on the Madrid principles is not acceptable, neither for Armenia nor for Karabakh, <http://commonsplace.eu/index.php?m=23&news_id=5104>.

The first official meeting between Pashinyan and Aliyev under the OSCE Minsk Group auspices took place on March 29, 2019 in Vienna. The joint statement of the co-chairmen and the Armenian and Azerbaijani foreign ministers emphasized that the two leaders underlined the importance of building up an environment conducive to peace and taking further concrete and tangible steps in the negotiation process to find a peaceful solution to the conflict, recommitted to strengthening the ceasefire and improving the mechanism for direct communication. They also agreed to develop a number of measures in the humanitarian field.¹³

It should be noted that since the mid-2000s the negotiations on the settlement of the Karabakh conflict have been conducted in the framework of three principles and so called six elements, also known as Madrid Principles, which envisage the return of territories around Nagorno-Karabakh to Azerbaijan, granting interim status to Karabakh, providing guarantees for security and self-governance and the determination of final status through a legally binding expression of will without fixing any precise date as well as modalities for a future referendum. All working documents prepared since 2007 – the Kazan document, the updated Kazan document, the so called Lavrov plan, and so on – have all been based on this paradigm.

Obviously, this paradigm cannot be accepted in either Armenia or in Karabakh, and one must have a really vivid imagination to believe that any leadership in Armenia and Karabakh could sign an agreement based upon these principles. Thus, from Armenian perspective, as long as negotiations were conducted within the Madrid principles paradigm, the only tangible result could be the prevention of large-scale hostilities. There are few if any chances that the future Pashinyan-Aliyev meetings, and the continuation of the current negotiation process, will bring the sides closer to the signature of an agreement.

Role of Russia in the Karabakh Conflict Settlement

Obviously, Russia plays a significant role in the Karabakh conflict settlement. Not surprisingly, immediately after their March 29, 2019 Vienna meeting,

¹³ Joint Statement by the Foreign Ministers of Armenia and Azerbaijan and the Co-Chairs of the OSCE Minsk Group, <<https://www.osce.org/minsk-group/415643>>.

both Prime Minister Pashinyan and President Aliyev called President Putin and discussed the details of the discussions. The Azerbaijani Minister of Foreign Affairs Elmar Mammadyarov met Russian foreign minister Sergey Lavrov on April 5, 2019 in Moscow and had detailed discussions on the Karabakh conflict.¹⁴ On April 15, the trilateral meeting of Armenian, Azerbaijani and Russian foreign ministers took place in Moscow with the participation of the OSCE co-chairs.¹⁵

In general, the discourse on the Russian role is focused on Russia's unwillingness to solve the conflict, as in that case Moscow would allegedly lose its key leverage over both Armenia and Azerbaijan. According to that logic, Russia was not allowing the sides to reach a solution. However, it should be noted that the conflicting sides are not able to reach the solution not because of Russia or any other foreign actor, but because of contradicting vital national interests, which, at least in a mid-term perspective, makes any peaceful lasting solution of the conflict unrealistic. Russia understands this dynamic quite well. Meanwhile, Russia is absolutely not interested in resuming hostilities over Karabakh. Any major resumption of war may quickly spread over the Republic of Armenia territory, thus putting Russia in front of an unpleasant dilemma; to implement its legally binding obligations towards Armenia and militarily intervene against Azerbaijan, thus effectively ruining the Russia-Azerbaijan strategic partnership and creating problems with Turkey, or to keep neutrality and thus prove that Russian words, guaranties and signatures as well as the CSTO mechanisms are only on paper.

Obviously, Russia is not interested in making a choice between those two bad options. Meanwhile, Kremlin is well aware that chances for a lasting peaceful, mutually accepted solution of the Karabakh conflict are close to zero. Thus, the main goal of Russia in the Karabakh conflict is to prevent the resumption of hostilities. But this does not mean that Russia will support the current *status quo*. Moscow may calculate the *status quo* is not reliable and

¹⁴ Lavrov will attend next Armenia-Azerbaijani meeting, <http://www.panarmenian.net/eng/news/267337/Lavrov_will_attend_next_ArmeniaAzerbaijani_meeting>.

¹⁵ Meeting of Foreign Ministers of Armenia, Azerbaijan and Russia with the participation of the OSCE Minsk Group Co-Chairs and Personal Representative of the OSCE Chairperson-in-Office, <https://www.mfa.am/en/press-releases/2019/04/15/nk_meeting/9391>.

making the resumption of hostilities more likely. This narrative, which is actively being put forward by Azerbaijan (*status quo* inevitably will lead to war, and that is why anyone who is interested to avoid a new war should make efforts to change it) may compel Russia to make efforts to change the *status quo* to keep the peace. Or, Russia may believe, that the best way to keep the peace for foreseeable future is the preservation of current *status quo* and make efforts towards that direction. In any case, we may conclude that Russia is not interested in the resumption of hostilities and that it will take action to secure the peace.

The Role of China in the Frozen Conflict Mediation of the South-Caucasus

Polina Vershinina

Introduction

The proposed research aims to explore the potential effects of China's Belt and Road Initiative within the contemporary political dynamics of the South-Caucasus, and specifically the Nagorno-Karabakh conflict. The basic hypothesis is that China may be establishing itself as a kind of indirect conflict-resolution agent in the region because of its tendency to direct investments away from the fault-lines of conflicts, a fact clearly not lost on local political leaders.

The specific research question this paper seeks to address is: How did China's efforts to establish global economic influence and its pattern of regional investment influence Armenia's willingness to begin negotiations with Azerbaijan over the rights to the Nagorno-Karabakh region? The research relies on a political economy approach to the recent breakthrough in relations using insights from hegemonic stability theory (HST), and hopes to open an avenue for further research generalizable to conflicts in other countries seeking to avoid being shut out of Chinese investment projects. Moreover, this paper will address the structural changes in the region and their possible consequences.

Literature Review and Theory

The Nagorno-Karabakh conflict was previously approached primarily through the analysis of actors involved in the process, both directly (Armenia and Azerbaijan) and indirectly (Russia, Turkey, and others).

The most popular approach for analyzing this ethnic conflict are regional qualitative studies with the main emphasis placed on cultural, ideational and historical components. This theory has proven to be relevant for highlighting the reasons for the conflict and the claims of the groups involved. Scholars

employing this method criticize geopolitical approaches to conflict. They claim that “it is more important than ever to recognize messy geopolitical particularity – and acknowledge the views of those on the ground in contested territories.”¹ However, this theory has limitations in giving a systemic overview and backing up the findings with insights from other cases. It also neglects structural issues. Quite close to this framework is a discussion focused on civil society and demonstrations. For example, Tabib Huseynov believes that one of the ways to resolving conflict might be strengthening support for people-to-people initiatives and civil society dialogue to mitigate the negative impact of the protracted conflicts for all people in the region.² Even though such contacts reveal the internal processes comprehensively in terms of clans and their economic and political interests, they are limited in showing the external pressures and decision-making processes under these conditions.

Another widespread theoretical framework is the realist theory of international relations. It gives tools for showing how the conflict arose as a result of power competition and conflicting interests. Its shortcomings are associated with identifying critical moments of change, as national interests and relevant states’ spheres of influence are stable through time. This theoretical framework is especially popular among Russian scholars. For example, in the publications of the Russian Academy of Science there are often normative statements that the West as well as China should not strive to replace Russia’s key role in the South Caucasus region.³ Based on this perception, and the current changes in the economic structure of the region, Russian experts share a fear that Russia will lose its sphere of influence due to the entry of Chinese investments.

¹ O’Loughlin, John, Kolossov, Vladimir and Toal, Gerard: Inside the Post-Soviet de Facto States: A Comparison of Attitudes in Abkhazia, Nagorny Karabakh, South Ossetia, and Transnistria. *Eurasian Geography and Economics* 55 (5), 2014, 423-456.

² Huseynov, Tabib: Challenges of the Everyday: Evolving Community Security Trends in ShidaKartli. London: Saferworld. 2012. Saferworld: Putting People First: Reducing Frontline Tensions in Armenia and Azerbaijan, and Nagorny Karabakh. London: Saferworld. 2012.

³ Glinkina, Svetlana, Kulikova, Natalia, Yakovlev, Artem: The Chinese factor in the development of the countries of the Russian neighborhood belt: lessons for Russia. Scientific report. Institute of Economics, Russian Academy of Sciences. 2018.

In general, although all the above-mentioned theories do not bar the possibility of a new actor entering the regional dynamic, they are still limited in explaining how a new actor could start the process of systemic change in the region, and what could be the drivers of this change. But at the same time, it is clear that the existing state of affairs has become stagnant, and that the South Caucasus countries may be open to significant change; they do not necessarily have vested interests in maintaining the *status quo*.

Considering all these dynamics, it seems that international political economy is a better theoretical framework to account for potential shifts in actor interests and change in their structural environment, and for incorporating the rational choice assumption that countries are seeking not just security but also increased wealth, namely through foreign direct investments and increased international trade.

More precisely, this project is embedded in hegemonic stability theory (HST). For a long time, HST had not been the main focus of scholars in the field of international political economy due to the enduring central role of America in international economic relations and the apparent compatibility of its dominance with other powerful liberal economic blocs (the EU, Japan, etc.). However, the last decade's rise of China drew attention to the possibility of changes in the unipolar world order and raised the possibility of China eventually displacing the USA,⁴ or at least diminishing its role. The theory essentially holds that an open global economy requires a hegemonic power at its core. This method portends that "large dominant states possess strong preferences for free and open international exchange. They coerce, induce, or persuade other states into opening their markets to foreign trade and investment."⁵ On the other hand, a more multipolar world is associated with protectionism and relative economic closure or regional trading blocs.

In order to avoid an overly future-oriented approach by using this theory, I will not claim that China will necessarily become a world hegemon, even though this theory has been widely used for describing the rise of China by

⁴ William A. Callahan: China's Strategic Futures: Debating the Post-American World Order, *Asian Survey* 52, 4/ 201, 617-642.

⁵ Gilpin, R: *U.S. Power and the Multinational Corporation: The Political Economy of Foreign Direct Investment*. New York: Basic Books, 1975, xii, 291.

other scholars. The focus of this research is not on global leadership and the balance of power, but rather on indirect systemic shifts in relations between relatively weak countries due to the rise of a new power.⁶ Even in its current state, a globally-oriented actor like China is capable of producing some of HST's predicted shifts towards liberalization and political alignment with the (would-be) hegemon's interests.

The contribution of this article is seen in the connection between a potentially hegemonic China and ethnic conflict resolution. I find this theory useful to show that China has the potential to replace the deadlocked, multi-power order by becoming the single dominant economy in the South Caucasus. Given its mass-scale infrastructure projects under the heading of the Belt and Road Initiative (BRI), China can increase its political influence through its economy. Though it still does not possess the amount of power which would be enough to stabilize the global economy under its system, it can influence regional decision-making through granting or denying access to its economic projects, depending on domestic political considerations. Another advantage of this theory is that it gives an answer as to why regional hegemons are unable to solve the conflict so far; that countries in the South Caucasus remain caught between competing political-economic orders. Thus, the theory of hegemonic stability will be a good framework to describe the process that might occur in the South Caucasus with the entry of China as a new actor.

Research Design

The proposed research aims to explore the potential effects of China's Belt and Road Initiative within the contemporary political dynamics of the South Caucasus, and specifically the Nagorno-Karabakh conflict. The basic hypothesis is that China may be establishing itself as a kind of indirect conflict resolution agent in the region because of its tendency to direct investments away from the fault lines of conflicts, a fact clearly not lost on local political

⁶ Yong, Wang, Pauly, Louis: Chinese IPE debates on (American) hegemony, *Review of International Political Economy*, 20:6, 2013, 1165-1188, also Zhang, Yongjin, Buzan, Barry: The Tributary System as International Society in Theory and Practice, *The Chinese Journal of International Politics*, Volume 5, Issue 1, Spring 2012, 3-36, and Hungerland, Nils Hendrik: Does the hegemonic stability theory explain the rise of China?, Munich, GRIN Verlag, 2018.

leaders.

The specific research question this paper seeks to address is: how did China's efforts to establish global economic influence and its pattern of regional investment influence Armenia's willingness to begin negotiations with Azerbaijan over the rights to the Nagorno-Karabakh region? The research relies on a political economy approach to the recent breakthrough in relations using insights from HST, and hopes to open an avenue for further research generalizable to conflicts in other countries seeking to avoid being shut out of Chinese investment projects. Moreover, this paper will address the structural changes of the region and possible consequences of it.

The analysis will move in four successive steps; a theoretical examination of the BRI and its relation to hegemonic stability theory, a general overview of recent updates in the political environment of the region, analysis of economic pressure on Armenia and room for a bigger role of China, and concludes with an appreciation of the overall impact of having China as a new actor in the region.

Methodology

As the Nagorno-Karabakh conflict has a long history, I will start with a brief historical explanatory analysis of the main positions and concerns of countries involved. In order to observe the changes in the conflict dynamics I will use a process-tracing method,⁷ emphasizing recent critical junctions in regional politics. Finally, as this research is mainly interested in Chinese economic involvement, I will look at trade data over time, namely the growth of trade surpluses with different major economies and then will use graphical visualization of these time series indicators.

Overall, the focus of the paper will be on qualitative methods with the support of quantitative empirics. The reason for choosing this particular methodology is the small sample size available for the research as it is a specific case study. To explore global trade dynamics over time I will use the raw

⁷ Beck, Nathaniel: *Is Causal-Process Observation an Oxymoron?* *Political Analysis* 14, no. 3 (June 20, 2006): 347–352; and Bennet, A. and Checkel, J.T.: *Process Tracing: From Metaphor to Analytic Tool*. Cambridge University Press. 2015.

trade data on goods derived from countries' reporting to the United Nations Statistical Division (COMTRADE). I acknowledge that one of the limitations of the research is the lack of reliable data for Nagorno-Karabakh as it is disputed and not recognized as part of Armenia.

Case Selection

The focus of this research is on four polities of the South Caucasus: the two sides of the conflict Armenia and Azerbaijan, Georgia which does not have direct input for the conflict but still affects relations with major powers in the South Caucasus, and the disputed territory of Nagorno-Karabakh. I will also pay attention to the actions of two external powers present in the region; Russia and China. In the majority of cases I will neglect Turkey and the EU, which also pursue their interests in the region, but are evidently not capable of playing a critical role in conflict resolution. I will also not be focused on the frozen conflicts between Russia with Georgia such as South Ossetia and Abkhazia as I do not expect the Chinese factor to be as strong there as in the Nagorno-Karabakh case.

Theoretical Examination:

The Belt and Road Initiative as a Subordinate Actor

It is very tricky when scholars try to distinguish China from the BRI and claim that it can be treated as an independent actor. Quite often the infrastructure contracts which countries sign formally list a private company as contractor and guarantor (one of the most famous is for example China Merchant Port Holdings). Another appealing fact is that the debt is underwritten by Asian Infrastructure Investment bank, also a seemingly independent agent. However, the specifics of the political regime in China should be taken into account along with the history and role of the BRI.

First of all, the BRI idea was announced by President Xi Jinping in 2013. Afterwards the BRI was included in an amendment to the constitution of the Chinese Communist Party, stating: "following the principle of achieving shared growth through discussion and collaboration, and pursuing the Belt and Road Initiative." Finally, the BRI projects open a lot of new opportunities and challenges for China as a state. Some experts say that the BRI is a tool of so-called "debt-trap diplomacy", in which China contributes to the

external debt of developing countries and uses it to control and create dependency on China.⁸ In addition, most of the BRI projects are built by Chinese construction workers and therefore with the expansion of the BRI to the developing world, Chinese authorities are often under pressure to protect their citizens and maintain security.

Strategic Pattern Behind Belt and Road Initiative

Historically, China has been very cautious in its international affairs and has tried to avoid being involved in major conflicts, especially where other strong powers have high priority interests. Deng Xiaoping's famous dictum "hide one's strength and bide one's time" describes the Chinese attitude to foreign affairs for much of the country's long history.

Recently, China has become more ambitious and decisive in international relations, but it seems that in some way this cautious strategy is still in place. The planned symbolic reestablishment of the legendary Silk Road through the infrastructure of the Belt and Road Initiative has recently become one of the indicators of the evolution of China's role in the world. Nevertheless, the Chinese role in global governance in the area of security is still limited. Combined with the heritage of the "hide and bide" strategy, there is no evidence that China has pretensions to conflict resolution around the globe. Instead, China's growing economic clout may make it prone to a more passive role as a regional hegemonic stabilizer in areas of targeted investment. Growing dependence on Chinese investments and trade among developing countries increase China's bargaining power in economic negotiations, but are also an indirect consideration within regional political dynamics. As a major global economic force, it is often easier for China to change the target of its investments than for developing countries to find another source of foreign capital.

China pursues not only economic, but also security objectives when it acts abroad, at least to the extent that it takes steps to ensure that its investments will be protected. This has clear implications for the BRI projects, which are concentrated in the developing world and many of which cross (or, as it were,

⁸ Bautman B, Yan H: Trade, Investment, power and the China-in-Africa Discourse. *Asia-Pacific Journal: Japan Focus*. 28.12.2009.

take detours around) zones of political conflict. As an owner of massive infrastructure, China wants to protect both its assets and its citizens involved in the construction works and their maintenance. As each regional plan forms part of a broader global infrastructural route, the Chinese side obviously wants to make sure that these projects will not be subjected to political risks stemming from power shifts and violent conflicts. Otherwise, it could bring a crash in the global system of economic exchange between China and its largest markets in the West. For these reasons, China has acted pragmatically and avoided unstable territories. In South Asia India was avoided in favour of a route through Pakistan alone. In Central Asia overland transport infrastructure goes through western Tajikistan but not through the country's unstable eastern regions, nor through Afghanistan. Even in Europe, the BRI projects pass Serbia and western Russia, but avoid Kosovo and Ukraine. The South Caucasus has not been an exception for this tactic, which will be discussed in more detail in a following section.

The BRI is an ideal case of application of hegemonic stability theory. Chinese efforts to globalize create new economic, political and even cultural environment for developing countries. There is no other state in the world that would share the same global vision of national foreign policy and also had means to implement ambitious plans into reality.

The Conflict in a Changing Political Environment

Cases of “frozen conflicts” are widespread in the post-Soviet space. In Georgia, Moldova, and Azerbaijan, regional conflicts resulted in the eventual establishment of four breakaway regions, the *de facto* states of Abkhazia, South Ossetia, Transnistria, and Nagorno-Karabakh.⁹ More recently, the Donetsk and Luhansk regions have followed a similar pattern. With the partial exception of Transnistria, the conflicts share an ethno-territorial dimension. The Nagorno-Karabakh conflict is not an exception. It has its origins in long-standing ethnic tension, but escalated into a war in the early 1990s. The two sides of the conflict – Armenia and Azerbaijan – are claiming their right to the *de jure* Azerbaijani territory, in which primarily ethnic Armenians live.

⁹ O'Loughlin, John, Vladimir Kolossov, and Gerard Toal: Inside the Post-Soviet de Facto States: A Comparison of Attitudes in Abkhazia, Nagorny Karabakh, South Ossetia, and Transnistria. *Eurasian Geography and Economics* 55 (5)/ 2014, 423-456.

Currently this territory is under effective Armenian control but is known as the self-declared “Republic of Artsakh”, and all peace negotiations so far have not been successful.

But this region is not only a site of conflict for South Caucasus countries themselves, but also a meeting point of regional powers’ areas of influence. Russia has consistently backed Armenia, Turkey has a close relationship with Azerbaijan, and Georgia has become a place of interest for NATO and the EU after its color revolution and war with Russia in the previous decade. But none have managed to solve the Nagorno-Karabakh conflict.

As members of the Collective Security Treaty Organization (CSTO), Russia is nominally obligated to ensure Armenian security in the event it is attacked. Armenian groups have influential political coalitions in Russia, where current estimates suggest there are from 1,7 up to 3 million Armenians are living, a figure close to the population of Armenia itself. The Armenian diaspora is seen as one of the most influential ethnic minorities in Russia. Therefore, Russia’s capacity for acting as a neutral party to the conflict is quite limited, and as such it cannot push Armenia to make concessions.

It is not only Armenia that now enjoys protection from a regional power. Turkey has also exercised all the tools to push the conflict from the deadlock. The two-decade-long economic blockade that Turkey has been imposing on Armenia has crippled the latter’s economy and stymied its development. Nevertheless, it was not enough to influence Armenian policy-makers. Its ethnic and cultural kinship with the Azeri people and historically poor relationship with Armenia mean that Turkey too is in a limited position to act as a neutral agent of conflict resolution.

Furthermore, neither Russia nor Turkey is willing to jeopardize their own bilateral relations over Nagorno-Karabakh. These factors create sufficient constraints on their opportunities for mediation and involvement in resolving the conflict. The EU, too, has shown limited capacity as a security actor in general and does not seem likely to intervene in the conflict as a mediator nor to take any particular side.

Taking into account the inability of Russia, Turkey, and the EU to solve the conflict, China has a number of advantages to become a stabilizer in this region. First of all, it does not have strong sympathies to either side of the

conflict. Secondly, it is a new actor in the region, which helps it to sustain its independence and distinctive role as a neutral party. Finally, China potentially can bring a lot of new benefits, expressed primarily as money, goods and technologies.

Opportunity for Bigger role for China

Recently, new political changes have happened in the South-Caucasus which emphasized the volatility of the region and its frozen conflicts. In Armenia the so-called “Velvet Revolution” took place in 2018, and as result lead to political upheaval and early parliamentary elections, while presidential campaigns happened in Georgia and Azerbaijan, bringing continued control by the Aliyev family in the latter. Other events affected the regional state of affairs as well, for example, the resignation of the Georgian prime minister over police abuse, the peace deal offered to Abkhazia and South Ossetia, and recurring demonstrations in Tbilisi and also in Nagorno-Karabakh.¹⁰

Regional transportation and energy projects such as the launch of the Baku-Tbilisi-Kars (BTK) railway on October 30, 2017 and other recent developments in the Trans-Caspian International Transport Corridor (ITTC) project have brought new dynamics to China’s relationship with the region.

The BRI’s BTK rail route crosses Kazakhstan, ships across the Caspian Sea to Azerbaijan (Baku), before heading west through Georgia via Tbilisi and then into Turkey at Kars, but does not cross the territory of Armenia.¹¹ This route shapes a curve type railway, leaving Armenia out of it and intentionally going around Armenia even though the expenses of crossing its territory directly would presumably be much less. Most likely the reason for such strategy is simply cautious geopolitics of China, that avoids the conflict zone in the South Caucasus the same way as it does in other parts of the globe.

¹⁰ For greater detail on these occurrences, please consult the Study Group Information booklet of the 18th Regional Stability in the South Caucasus Study Group workshop by Labarre, F. and Niculescu, G., eds. South Caucasus: Leveraging Political Change in a Context of Strategic Volatility. Vienna: Landesverteidigungsakademie, Band 5/2019, April 2019.

¹¹ Devonshire-Ellis, Chris, Baku, the City to Watch as China’s Belt and Road Divides the Caucasus. Silk Road Briefing. June, 2018.



Figure 1: The South Caucasus section of the BRI (Source: Der Spiegel)

Unsurprisingly, Armenia is not satisfied with this state of affairs and wants to attract Chinese investments the same way as its neighbours are doing. It remains the most stagnant economy in whole Post-Soviet space. Generally speaking, it did not enjoy any economic growth since 1991. It might be strange that economic vacuum of this country was not fulfilled by regional powers. However, what we see today is not only the incapability of states not only to resolve the conflict but also to create drivers of Armenian economic growth. Russia and Iran remain under sanctions which dramatically increases their potential of acting abroad, Turkey also experiences deep stagnation and the EU overall economy is out of steam, gradually becoming less and less competitive in the modern world with such economic giants as China or the USA. Despite all these factors and appearance of window of opportunities for China, the BRI did not fill the economic space.

Armenian motivations can be highlighted by official rhetoric and economic statistics. China is gradually becoming one of the biggest topics in political discussions in Armenia. Prime minister Nikol Pashinyan said in an interview with Chinese Phoenix TV that “China is a very important partner for us. We actually have very good relations, but I think they should become even stronger and more productive. We hope to see new investments coming from China into the Armenian economy.” By framing China as a benevolent investor, Armenia expects to get support in the construction of new roads, its textile industry and developing high technology. Sometimes this rhetoric

reaches an absurd degree. For example, in August 2018 the first Chinese language school was opened in Yerevan, and leaders of both countries gave speeches on how easy it would be for Armenians to learn Chinese language, hinting at mysterious historical connections between the two countries.¹²

This pattern in the recent political agenda is backed up by economic statistical data. For example, over the last ten years Armenia has constantly increased its export to China, reaching double the amount of Georgian export to China and triple the amount of Azerbaijan's (as a share of total exports). The main share of exports for all three countries is natural resources: copper ore for Armenia and Georgia and petroleum for Azerbaijan.¹³ Despite the fact that Russia and the EU are still dominating in both Armenian export and import, relations with China appear to have much bigger potential for further growth. This is particularly relevant given the general stagnation of the Armenian economy since the financial crisis of ten years ago.

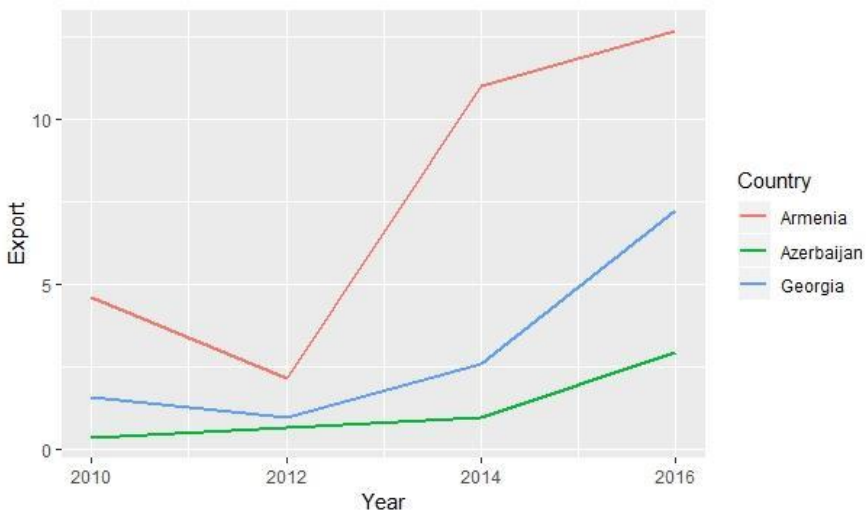


Figure 2: Export fluctuation in South Caucasus (Source: COMTRADE)

Armenia remains the poorest country in the region. Despite developed economic relations with both Russia and the EU (these two economic partners

¹² There is no known linguistic relationship between Mandarin and Armenian, which are classified as belonging to wholly separate families.

¹³ According to the United Nations Statistical Division (COMTRADE).

account for up to 60 percent of the total share of Armenia's total trade), this has not been enough to boost Armenian economy. Combined with the still-standing Turkish sanctions, it has few options but to look to China.

These details explain the changing incentives for conflict resolution. Peace could potentially rejuvenate the Armenian economy and provide the country with a much-needed lifeline of support from China and possibly Turkey. This is also true of Azerbaijan, which has become the dominant economy of the South Caucasus.

China also becomes more and more interested in peace building and even direct mediation in the region, because of its economic interests. Driven by its expanding push for natural resources and more recently the planning of the BRI, it has shifted the focus of its mediation efforts to Asia, the Middle East and East Africa – regions that are strategically important for the Chinese economy and the BRI. For example, China has conducted several mediation-projects in Africa; in Sudan (2007-2008), South Sudan (2008-2011, 2013), DRC-Rwanda (2008), Zimbabwe (2008), Djibouti¹⁴ (2017), and Yemen (2011).¹⁵ China is taking over Africa both economically and politically, so it is not surprising that it also pursues its interests in contributing to the security of this region. Other efforts have been noticed in the Middle East; in Syria and Iraq (2014), Israel-Palestine (2002), Afghanistan (2014, 2017), Iran (2018), India/Pakistan (2008).¹⁶ All these observations fit into a geopolitical view of the world, showing China raising its influence in the southern corridor of the “middle ground” between Beijing and the West. The case of Nagorno-Karabakh seems to be a logical continuation of this geopolitical and economic march of China to the West and the peace-building initiatives that have accompanied it.

¹⁴ China also retains its sole official overseas military installation in Djibouti, another reflection of China's stake in the developing world.

¹⁵ Legarda, Helena, and Hoffmann, Marie L. “China as a conflict mediator: Maintaining stability along the Belt and Road.” MERICS (August 2018) <<https://www.merics.org/en/china-mapping/china-conflict-mediator>, accessed on 1.04.2019>.

¹⁶ Ibid.

Russian view of the Belt and Road Initiative

To understand better the Russian perception of the BRI and Chinese involvement, it can be useful to see the relations of two powers in Central Asia. There appears to be so called “division of work” according to which China is influencing economy of the countries while Russia remains the exclusive guarantor of security and thus have bigger political influence.¹⁷ The situation in South Caucasus is moving towards the same direction. This “division of work” also shows that in case China wants to become a mediator it still can be seen as an interference in an area sensitive for Moscow. Perhaps that could be the explanation of unsuccessful Chinese attempts to mediate the conflict. Since 2008 Armenia and Azerbaijan joined The Shanghai Cooperation Organization (SCO) with the status of Dialogue Partners. Some scholars predicted that this new platform could substitute The OSCE Minsk Group. Today it becomes clearer that this initiative did not have any significant impact.

¹⁷ Eder, Thomas: China’s March West. Emergence in Central Asia and Afghanistan. Federal Academu for Security Policy. Security Policy Working Paper, No. 13/2018.

Based on these observations, one can make a statement that China's impact in economic side is much stronger than in political and meanwhile untargeted hegemonic stabilization through economic triggers can be a solution which all countries would accept, including Russia.

Conclusion

This paper was pursuing a theory-building goal. Therefore, it leaves the room for theory testing and empirical verification, even though it is not very intuitive how it could be done in the sense that all the processes described in the paper are happening in real time. Another limitation of this paper was its future oriented approach, as most of the arguments were based on assumptions and predictions.

To counter the aforementioned limitations and constraints, future research should be conducted. Adding a quantitative component as well as new country cases e.g. Myanmar, Pakistan, and Sudan could help to generalize and build a stronger argument of the BRI pattern in providing security for developing countries and ethnic conflicts resolutions. Another aspect of the future direction is getting new information. As time goes by, there will be clear results of building the Baku-Tbilisi-Kars road and based on these empirics it will be able to check the theory developed in this paper.

In conclusion, resolution of the Nagorno-Karabakh (NK) conflict can become the first significant step on the way towards more general tendency of solving the frozen conflict in the post-Soviet Space. This is also an interesting case when entrance of a new actor in the region does not necessarily contradict interests of other countries. It seems that there more benefits for Russia, Turkey and the EU than shortcomings as it might bring peace in the region and make it more economically developed.

The Effectiveness of the Actions of International Organizations in Regulating Conflicts in the South Caucasus and Georgia (Speaking Notes)

David Alania

The main and central phenomenon of the last decade of the 20th century can be considered disintegrated processes in the former USSR and Eastern Europe.

The collapse of large states in Europe (USSR, Yugoslavia), the struggle for national-state unity in Central and Southeast Asia (Turkey, Afghanistan, Tajikistan) caused the quality of instability in these regions of the world and in some cases conflicts began.

The reasons for the beginnings of armed conflict are diverse. They can imply political, economic, national-ethnic, social, religious and other contradictions.

Despite the fact that each particular conflict is characterized by a special, corresponding logic and is created as a result of its goals, four main groups of factors that are common to all of them can be singled out: national, economic, political, social, and only military. They, in accordance with historical experience, are characteristic of the conditions for the creation and conduct of armed conflicts.

The conflict is opposed not only by the regular armies, but also by armed citizens who act undisciplined and do not have an exact command structure. Again, civilians are the main victims.

Other characteristics of such conflicts are the disruption of state institutions, especially judicial systems and police, which causes paralysis of governance, disintegration of justice, general chaos and destruction. In consequence today's conflicts are a gross violation of human rights and humanitarian law.

In some countries not only the economy, systems and structures, but also

industrial funds and physical infrastructure have been destroyed.

After the Second World War, internal conflicts caused the most massive displaced migrations of people. Today, there are several million refugees in the world, including people who have displaced each other within their own country.

Conflicts and wars require resources that in other cases could be used to educate, protect health, build, and develop other areas. In some very poor countries, military spending exceeds the budgets for education and health protection.

Therefore, one of the most important tasks is the manifestation of the causes of the development and creation of conflicts and the development of military-political measures of a non-force character, which will be effective not only in this situation, but also in general, in resolving the conflict.

Despite the great efforts of the international community, in situations where the crisis cannot be resolved, peacekeeping operations (military contingents, police and city personnel) are carried out in the crisis area through defense missions with an agreement with the parties to the conflict.

The “traditional” principles of peaceful protection left room for complex, integrated operations that require consistency in political, military, and humanitarian action.

Today’s peacekeeping operations are much more complicated and require great strength. Some of them include: holding democratic elections and monitoring the situation in the field of protecting the rights of people, controlling the repatriations of refugees, disarming the opposing sides, resuming the destroyed infrastructures after the war, and humanitarian aid. Earlier peacekeeping operations, as a rule, between recognized and legitimate parties were conducted after lengthy negotiations. Today it is not always the case. In such conditions, the preservation and protection of the world is much more complicated and more expensive than in cases where the tasks are mainly determined by the control of buffer zones with the agreement of the states in conflict and the observation of a cease-fire. In today’s conditions, the preservation of peace is associated with a constant danger.

International organizations represent the most developed and diverse mechanisms for the normalization of international life.

When talking about the role of international organizations in the normalization of conflicts, it is imperative to take into account the strongest international organizations that participate by various means in regulating conflicts. Today, the most important international organization is the North Atlantic Treaty Organization, which, as a military connection, is undoubtedly the most developed and full-fledged structure.

As for the UN, it occupies not only a central place in the system of organizations among states, but also plays a special role in modern international political developments. The goal of the universal international organization established in 1945 is to support the creation of guarantees for peaceful and international security and the development of cooperation among states.

As for conflicts in the South Caucasus, it includes ethnic autonomous territories, whose leaders are trying to wrest them from the control of the respective central government.

Political and social processes in the region hinder the preservation of international security and peace. Accordingly, these problems always face the danger of starting a war. Solving such problems can lead to genocide, war, and other worse problems. Therefore, the resolution of conflicts and problems is important enough for the world.

The creation of the conflict in the South Caucasus and the entrance to the escalation (especially it concerns the conflicts in the territories of Georgia) concerns the official Moscow policy. Through conflicts, Russia tried and is trying to maintain control in the South Caucasus.

From a formal point of view, until August 2008, the conflicts of Abkhazia and the Tskhinvali region represented internal state conflicts, where the parties were, on the one hand, the central Georgian state, and on the other hand, the *de facto* states. In August 2008, after Russia carried out a large-scale military aggression and occupation of the territories of Georgia, the conflicts of Abkhazia and South Ossetia suffered a so-called transformation and took the face of the Georgian-Russian conflict.

From the point of view of international law, the most important general

characteristic of the three conflicts of the South Caucasus is that each of them is connected with the principle of non-destruction of internationally recognized borders and territorial associations of sovereign states, and on the other hand with the wrong interpretation of the principle of self-determination. An example is separatism.

The main factor that unites the conflicts of the South Caucasus is that, unfortunately, the resolution of none of them has become possible so far. The fact that reciprocal and multilateral negotiations related to the regulation of this “frozen” conflict does not give the desired result, and the peace process is actually stymied.

As for the distinctive signs of conflicts in the South Caucasus, from a formal point of view, until August 2008, conflicts between Abkhazia and the Tskhinvali region represent intrastate conflicts, where, on the one hand, the central state of Georgia was opposed, on the other hand, the *de facto* states. In August 2008, after Russia carried out a large-scale military aggression and occupation of the Georgian territories, the conflicts of Abkhazia and South Ossetia suffered a so-called transformation and got the look of the Georgian-Russian conflict. Accordingly, starting from this period to today, Tbilisi officially discusses conflicts as among state. The same is said about Abkhazia. As for the armed oppositions of Armenia-Azerbaijan, it was an interstate conflict and this remains to this day.

I would also single out one of the factors hindering regional stability in the conflicts of the South Caucasus.

One of them is differing foreign policy priorities. A distinctive foreign political orientation has been taken from the states of the South Caucasus, which makes it practically impossible to establish a unified and firm system of regional security.

The negotiation processes related to the peaceful regulation of the three conflicts in the South Caucasus are held in completely different international formats.

In the case of the Armenian-Azerbaijani conflict, the OSCE Minsk Group operates.

As for the conflicts of Abkhazia and the Tskhinvali region, until August 2008 the negotiation processes were based on the following international formats;

- a) Conflict in the Tskhinvali region. The Joint Control Commission (JCC), which until August 2008 represented the only permanent format for conflict resolution, and the OSCE was presented as a process facilitator;
- b) The conflict in Abkhazia; until August 2008, the main format of the peace negotiations processes was the UN Geneva process. In addition to the Georgian and Abkhaz parties, they were attended by Russia (as a supporting party), the special representative of the UN Secretary General in Georgia, also the “Friendship Group” (with the status of observer) and OSCE (with the status of the observer). In the framework of the Geneva processes, it is true, formally, and still the format of a coordinated society with its working groups operated. In parallel with the Geneva process, since 2003, the so-called “Sochi Process” (format of Sochi groups).

In October 2008, after the August war, the so-called “Geneva talks” format was created. Negotiations are held between Georgia, Russia and the United States, before the organizers (the UN, EU and OSCE). Russia is trying to give official participation to representatives of Abkhazia and South Ossetia.

The prospects for political stability in the South Caucasus depend both on the desire of the states of the region and on international factors. Considering that the security of the South Caucasus is directly related to a wide range of problems, with several states and international organizations, a decision should be made only on a multilateral basis. Only unified solutions can get practical results. And those countries, the disconnection of which will be realized from this process, will definitely try to create problems in the future.

Georgia, as can be seen from the political course of Georgia, for its part gives more attention to cooperation with international organizations in the preservation of peace, security, democratic and economic development and the protection of human rights. The role of international organizations is very important, including in the development of the country and the successful provision of democratic reforms, the de-commissioning of the country's territories and the peaceful resolution of the Russian-Georgian conflict, the resumption of territorial unity of Georgia, the resumption of trust among Georgian citizens separated by war and the creation of mechanisms to protect security and human rights in the occupied regions.

The priority of Georgia in the international arena is the preservation in a multilateral format of the discussion of topical issues in the world and related to Georgia and increasing the role of international organizations to solve these problems.

**PART II:
ADAPTING TO OUTSIDE PRESSURE**

Armenia's Delicate Balancing Act and Responding to Outside Pressure

Anahit Shirinyan

Armenia has long declared the intention to maintain a balanced, multi-vector foreign policy. In practice, however, this policy has faced lots of constraints, periodically clashing with the need to handle outside pressure. An assertive Russia, even if formally a strategic ally, is usually the top challenge for Armenia, while Washington's hawkish policy towards Iran is now emerging as a new potential sore point for Yerevan.

Armenia operates in a delicate geostrategic environment where its top priority is security. Due to the security challenges emanating from the unresolved conflict around Nagorno-Karabakh as well as a closed border with Turkey, Armenia has developed significant defensive-military gravity in the region. A potential slide-down to war is prevented primarily by the relative military balance across the Armenian-Azerbaijani divide. If the Armenian military capacity declines, the next war in the South Caucasus is inevitable. Some other actors such as Russia, Iran or Turkey can have positive or negative impacts on the regional balance. Excessive outside pressure on Armenia may wreck the delicate balance of power in the region.

Potential Pressure from Moscow

Pressure from Moscow has traditionally aimed at influencing Armenia's sovereign decision-making one way or another. Armenian reaction to this pressure has been a mixed bag. The stereotype is that Armenia usually caves in to Russian pressure, but this is not always true. For example, after the August 2008 war, Yerevan resisted Moscow's demands to recognize the independence of Abkhazia and South Ossetia. In contrast, in 2013, Armenia made a U-turn away from signing the long-negotiated Association Agreement with the EU, as it had to adapt to the Russian pressure and join the Eurasian Economic Union instead.

Between 2015 and 2017 Yerevan resisted pressure from Moscow in the context of the Karabakh conflict to agree to an arrangement – known in the

expert community as the ‘Lavrov plan’ – that would most likely see the deployment of Russian peacekeepers in the conflict zone, while not bringing a comprehensive solution to the conflict. This pressure on Armenia from the part of its formal strategic ally played a destabilizing role in the region, as it created an impression of Armenia’s vulnerability and indirectly contributed to the four-day war in Nagorno-Karabakh, in April 2016. A crisis of confidence in Yerevan-Moscow ties ensued, while Armenian public perceptions have turned more skeptical towards Russia as a result.

Following the Velvet Revolution, Armenia has adopted a more assertive posturing in defending its interests inside the Russian-led Collective Security Treaty Organization.¹ It has also defied Kremlin’s attempt to intervene into Armenia’s domestic affairs and influence the criminal case against ex-President Robert Kocharyan – an ally of Russia’s President Vladimir Putin.² But in a bid to assuage Moscow’s suspicions towards the new Armenian government, Yerevan also agreed to deploy a small de-mining mission in Syria within the Russian contingency group.³ This mix of band-wagon and resistance is likely to remain in Yerevan’s playbook.

Potential Pressure from Washington

When the U.S. National Security Adviser John Bolton visited the South Caucasus in October 2018, he made it clear that Washington views the region predominantly through the prism of curbing Iran. Bolton tried to push the three countries to join Washington’s efforts to isolate Iran, but he also targeted Russia.⁴ This presents a double challenge for Armenia.

¹ Jamnews.net: Scandal brewing between Armenia and other members of CSTO military alliance (21 November 2018). <<https://jam-news.net/scandal-brewing-between-armenia-and-other-members-of-csto-military-alliance/>>, accessed on 30.04.2019.

² Jamnews.net: Yerevan answers Moscow – criminal cases not connected to foreign policy (2 August 2018). <<https://jam-news.net/yerevan-answers-moscow-criminal-cases-not-connected-to-foreign-policy/>>, accessed on 30.04.2018.

³ RFE/RL: Armenia Sends Deminers To Syria As Part of Russia-Backed Mission (10 February 2019). <<https://www.rferl.org/a/armenia-deminers-russia-mission-syria-aleppo/29761527.html>>, accessed on 30.04.2019.

⁴ Kucera, Joshua: After Bolton takes aim at Russia and Iran, is Armenia the collateral damage? (30 October 2018). <<https://eurasianet.org/after-bolton-takes-aim-at-russia-and-iran-is-armenia-the-collateral-damage/>>, accessed on 30.04.2019.

Armenia considers the Iran nuclear deal and lifting of sanctions crucial for tapping on the potential avenues of diversification that Iran offers, particularly in energy and security fields. Yerevan also views Tehran as a potential balancer of Russia, but one that would not cause as much unease in Moscow as Yerevan's ties with the West usually do. But following the Velvet Revolution, the Armenian government also wanted to deepen ties with the West. Washington reinstalling sanctions against Tehran is negatively affecting Yerevan's plans and is putting Armenia in a challenging position.

The U.S. has also criticized Armenia's deployment of a de-mining mission in Syria within the Russian contingent.⁵ These instances have created a bit of a tension in Yerevan-Washington ties. The Trump administration's policy calculus is not understandable to Armenian officials, as Washington seems to be demanding acknowledgement of U.S. interests vis-à-vis Moscow and Tehran – both key allies for Yerevan – while not offering anything substantial to Armenia in return. Washington has few levers over Yerevan to exert serious pressure, and the latter will not bandwagon and will not join the anti-Iran coalition. Yerevan will still try to maneuver its way out of the dilemma and stay in good terms with both Washington and Tehran, and possibly even negotiate waivers on engaging with Iran.

Overall, Yerevan now probably has a higher threshold of resisting outside pressure. The Velvet Revolution has installed a new, legitimate government that doesn't rely on any external actors – its sources of legitimacy are exclusively domestic. This is a much more empowered government that is trying to protect the country's sovereignty in relations with other actors – be that Moscow or Washington – albeit constraints remain. The government enjoys high popularity, which also means that any foreign pressure, if it gets serious, will result in a public backlash against that foreign actor. If Yerevan acts smartly, its maneuvering space in pursuing its own interests will increase.

⁵ The Armenian Mirror-Spectator: U.S. Takes Armenia to Task for Sending Non-Combat Mission to Syria (21 February 2019). <<https://mirrorspectator.com/2019/02/21/us-takes-armenia-to-task-for-sending-non-combat-mission-to-syria/>>, accessed on 30.04.2019.

The March towards Freedom – Where Does it Leave Abkhazia?

Rustam Anshba

The recent protests in Georgia illustrate its diverging narratives around the conflicts it has with Abkhazia, South Ossetia and Russia and Tbilisi's inconsistent approaches. While the Georgians focus their attention on the 'Russian occupation', little room remains to address the grievances between Georgians and Abkhaz. Against this backdrop, more constructive proposals fall on deaf ears in both societies and foster alienation and isolation.

The relatively small region of South Caucasus is one of the most linguistically and ethnically diverse parts of Europe. However, this diversity, when mis-managed, has, tragically, led to animosity and bloodshed. The South Caucasus is home to some of the longest running ethnoterritorial conflicts.

Throughout history the power politics inflamed tensions between the ethnic populations on the ground and put people into artificial borders. The vacuum of power that followed the collapse of the Soviet Union allowed local populations to start implementing their own plans. In many cases these plans overlapped and led to bloody wars of early 90s in Nagorno-Karabakh, South Ossetia and Abkhazia. All three remain unresolved, with all three turning into de-facto states with limited international recognition. Resolution requires a political will and vision which is sadly lacking on all sides, and the old contradiction of territorial integrity versus self-determination remains to the fore. Most experts agree that these conflicts are anything but frozen.

Though far from resolution, the Georgian-Abkhaz conflict has seen a number of changes in its dynamics. The most significant paradigm shift was the five-day war in South Ossetia and the subsequent recognition of the Abkhazia's and South Ossetia's independences by Russia in August 2008. Ever since, Georgia has framed the conflict as an issue of Russian aggression, abandoning bilateral talks with Abkhazia and denying the Abkhaz any kind of aspiration or agency.

What changed in 2008?

Prior to August 2008, Abkhazia had been an equal party in the negotiation process with Georgia. A series of intensive discussions were carried out between sides. Tbilisi even had a post of a President's Special Representative for the Georgian-Abkhaz talks; the lead negotiators from both sides visited the respective capitals and conducted negotiations on issues of mutual concern.

The situation has changed dramatically. A decade on, the negotiation process is in deadlock, without even a clear understanding of who the negotiating parties should be. Abkhazia has been sidelined as Georgia claims that there is no conflict with Abkhazia (or the Abkhaz), only with Russia. Since Russia's recognition of its independence, Sukhum/i and Moscow have made a start on diplomatic relations with a series of bilateral agreements. Georgia claims that Abkhazia is under "Russian occupation", hence its refusal to sign a non-use-of-force agreement with Abkhazia. However, the security concerns of Abkhazia, in face of the non-binding agreement limiting the use of force with Georgia, led to Abkhazia's agreement to host the Russian military bases on its territory. Since the 2008 war, Abkhazia has been tied closer to Russia, although there have been cases and issues where Abkhazia has shown some backbone and stood up to Russia – notably in the proposed liberation of the real estate market and oil production.

Georgia came up with a framework to explain the failure to handle the territorial conflicts. Tbilisi passed a law on the so-called "occupied territories" that virtually cut Abkhazia off from direct international exposure, unless coordinated by Georgia. While Georgians have accepted the 'occupation' narrative and look at conflicts primarily through their grievances of 2008, for the people in Abkhazia, the situation is very different. They have not recovered from the damage of the war in early 90s and are still dealing with the trauma and aftermath of destruction and the long years of blockade and isolation that followed. Two narratives becoming mutually exclusive.

Looking back at the first decade since Russia's recognition of Abkhazia's independence, the economy and the standard of living have improved, and the population of Abkhazia now feels more secure. While for most countries the presence of Russian military bases might be seen as a security threat,

recent history determines otherwise in Abkhazia. However, limited recognition and the geopolitical confrontation between Russia and the West has also made Abkhazia more isolated from the outside world. This, coupled with the sidelining, diminishes chances for a sustainable peace.

Global trends versus regional conflict

Since 2008, Georgia has been placing the Georgian-Abkhaz conflict into the wider Russo-Georgian problem. This has allowed Georgia to shirk some of its responsibilities. But this is also a trap, which is already affecting the Georgian population, many of whom now seem to also believe there is no conflict with Abkhazia. Such an approach, based on the false assumption that Abkhazians are happy to be in the Georgian fold were it not for malign Russian interference, will not help create a sustainable peace. The only thing it achieves on the ground is that the population of Abkhazia becomes even more frustrated by this attitude from Georgia.

This approach could have seen to be effective, until recent protests in Tbilisi. The protests and the riots that filled the streets of Georgia's capital Tbilisi after a Russian MP spoke at the Interparliamentary Assembly on Orthodoxy (IAO) at Georgian Parliament are heading for a new "low" in Russo-Georgian relations. But they also show that the government has lost touch with the population, when communicated on the conflicts it has. Thousands of protestors stormed the Parliament building and forced the Speaker of the Parliament to resign and demanded reforms. Protestors could be seen marching with various anti-Russian government and leadership slogans and billboards, with "Russia-occupant" being one of the most prominent ones. These slogans might be very simple and eye-catching, but what they represent is the result of a decade of Georgia government's approach to its conflicts.

The population in Abkhazia is also being confronted with, conflicting approaches from Georgia. In the last decade Abkhazia has been sidelined from the negotiation table as the object of the conflict between Georgia and Russia. However, last year, Tbilisi presented a plan named "A Step to a Better Future", that outlined a series of initiatives in trade and education to improve the livelihood of the residents of Abkhazia and South Ossetia. Almost sim-

ultaneously, Tbilisi managed to withhold the official publication of the international independent report on “Human Rights in Abkhazia Today” conducted by Thomas Hammarberg and Magdalena Grono.

The study was initiated by the EU’s Special Representative for the South Caucasus and the crisis in Georgia, Ambassador Herbert Salber.¹ Though, the authors claim that the report was a status-neutral one, it was shelved as an internal document in Brussels. Later on, it was published online by the authors and is one of the most comprehensive and complex assessments on human rights in Abkhazia, that could have triggered a wider political debate. All of these actions are seen in Abkhazia as conflicting that undermine and question the sincerity of Tbilisi’s intentions to resolve the conflict with Abkhazia peacefully.

The protests in Georgia and, in particular, a recent statement by Georgian MP Akaki Bobokhidze is seen in Abkhazia as a retain to the militaristic rhetoric of Saakashvili times. He said: “We were killing you in Abkhazia and will do it again.”² Mr. Bobokhidze claims that this was directed only to Russians, however, the Abkhaz have interpreted it as referring to them. As Abkhazia’s ability to project its view is limited, it decided to close the Ingur/i bridge, the only crossing between Abkhazia and Georgia. Official Tbilisi claims that their harsh rhetoric is only directed towards Russia and not Abkhazians. However, at the same time, they deny Abkhazia a position at the negotiation table and have a differentiated approach. In Abkhazia many believe that there is no understanding in Tbilisi; which conflict is which, and how to tackle each of them. This removes any space for discussions with Abkhazia, further questions Georgia’s ultimate intentions and pushes the Abkhazian leadership to stick to a more hardline position.

There are groups in both societies working to prevent the renewal of armed hostilities. However, their work is constantly challenged due to the lack of clarity in political circles.

An additional factor effecting developments on the ground is the geopolitics.

¹ <<https://www.palmecenter.se/wp-content/uploads/2017/07/Human-Rights-in-Abkhazia-Today-report-byThomas-Hammarberg-and-Magdalena-Grono.pdf>> .

² <<https://dfwatch.net/tag/akaki-bobokhidze/>>.

After the developments in Crimea and Eastern Ukraine, Tbilisi was quick to claim that Georgia and Ukraine are a similar pattern. It is only partly true, as the roots and developments of the conflicts are different. The reality on the ground is much more complex: Georgia, in fact, faces three conflicts, not one: Georgia-South Ossetia, Georgia-Abkhazia and with Russia. They are separate but overlapping, it is vitally important not to lump all into one and address each adequately.

The current turmoil in global affairs has the unfortunate side-effect of encouraging further polarization. It seems easier to explain complex issues within a framework of global trends. Global trends cannot, of course, be ignored; but over-generalization and self-serving narratives will not allow Tbilisi to develop a clear vision and strategy on how to deal with its problems closer to home. There is an element of Tbilisi pushing its “occupied territories” rhetoric, to gain western support. The West, in particular, the European Union, should exercise nuanced judgement with this narrative and ensure that Georgia’s disagreement with Russia is not used and abused by Tbilisi in its disagreement with Abkhazia. Global politics do play a role, however, regional powers should avoid capitalizing on this, as that creates further division lines.

Where do these developments leave Abkhazia?

Who in Georgia believes in the value of nuance? Are there any policy makers in Georgia, who understand and accept the needs and aspirations of Abkhazia’s population and who can shape a more tailored and productive approach, rather than shifting all the responsibility to external actors? Russia might be seen by many as a difficult partner, but is a necessary one, as are Western countries. Georgia and its politicians should also understand the need to have a differentiated approach and rhetoric towards all the conflicts it has.

The negotiation process prior to 2008 did not bring about conflict resolution. But they showed that when the sides address issues of mutual concern constructively, they can achieve positive outcomes, such as the joint usage and management of the Ingur/i Hydroelectric Power Station, straddling Abkhazia and Georgia. Both sides accepted their responsibility to deliver. However, today, when Abkhazia is struggling to even be accepted as a party to conflict, and the disagreements between the global powers create deeper division

lines, it is unlikely to expect a positive dynamic in conflict resolution process. Georgia sees its confrontation and its breaking off ties and link with Russia as a 'march for freedom.' However, it fails to understand that Abkhazia look at the last quarter of a century of struggle with Georgia as it is own path to freedom.

It will take political will and commitment to restore direct dialogue between sides, and this will not happen while Abkhazia and its population feel excluded from the rest of the world. The hardships of the past are still very much alive in Abkhazia, affecting daily lives and politics. The disenfranchising policy towards Abkhazia is only creating new divides.

**PART III:
THE WAY AHEAD FOR GEOPOLITICAL COM-
PETITION IN THE SOUTH CAUCASUS**

The Way Ahead for Geopolitical Competition in the South Caucasus: The View from Armenia¹

David Shabnazaryan

The Current Stage of the Nagorno-Karabakh Conflict Settlement Process

The Nagorno-Karabakh conflict settlement process has entered a stage of great uncertainty. After the change of power in Armenia in April, 2018, Armenia's Prime Minister Nikol Pashinyan argued on several occasions that he could not negotiate on behalf of Nagorno-Karabakh, but only on behalf of Armenia, because the people of Nagorno-Karabakh have no say in Armenian politics, hence they should be represented by their own elected representatives in determining their own fate. However, it is obvious that the negotiations proceeded without the participation of the elected representatives of Nagorno-Karabakh. This was confirmed also by a joint statement, issued March 9 by the OSCE Minsk Group co-chairs, in which they welcomed the commitment of Azerbaijani President Ilham Aliyev and Armenian Prime Minister Nikol Pashinyan to meet soon under their auspices. The first official meeting between the two leaders took place on March 29, 2019 in the Austrian capital Vienna.

So, what option for settlement are discouraging the parties to the conflict now? On April 9, Nikol Pashinyan stressed that he and his government started the negotiations for the resolution of the Nagorno-Karabakh conflict not from the point where ex-president Serzh Sargsyan stopped, but from where they thought they should start. Pashinyan is right. A conflict settlement option that was declined by Armenia's previous authorities has reemerged on the negotiations table. This option is supported now not only by Russia, but also by the other OSCE Minsk Group co-chairing countries – USA and France. It calls for the return of several Azerbaijani regions be-

¹ The author is responsible for the correctness of the data and citations stated in this publication. The editors are not responsible for the accuracy of the quotations made in this text.

yond the administrative borders of the former Nagorno-Karabakh autonomous region to the Azerbaijani control, which is to be followed by a future referendum to determine the status of Nagorno-Karabakh.

We would like to recall a very important change that occurred in the Nagorno-Karabakh conflict settlement process. After the so-called four-day war in April 2016 with heavy human losses on both sides, Armenia suggested putting in place a mechanism for investigation of armed incidents on the line of contact. This proposal did not go well with Azerbaijan, which ignored the OSCE Minsk Group co-chairs' calls to accept it. This proposal is no longer mentioned in the OSCE Minsk Group co-chairs' statements.

There is another important change that occurred in the conflict settlement process that we would like to mention - in the past, the conflict management, the observance of the ceasefire, as well as ensuring security was handled by the peace brokers from the OSCE Minsk Group. Now, after the 'famous' meeting between Pashinyan and Aliyev in a hotel elevator in Dushanbe (on the sidelines of a CIS summit), the conflict settlement process has shifted to verbal agreements between the two leaders. By the way, in their statements the Minsk Group co-chairs already referred to the Dushanbe agreements. These realities have significantly slashed the roles of the peace brokers in the conflict settlement process. As a result, such priorities as ensuring security and maintenance of the ceasefire have been undermined.

In fact, the OSCE Minsk Group co-chairs began to deal with the management of the Nagorno-Karabakh conflict after the failure of the talks in Kazan (Russia), where Azerbaijan blocked the deal due to its disagreement with a number of points in the document that was on the table. Realizing that the conflict settlement prospects were not achievable in the near future, the OSCE Minsk Group co-chairs shifted their focus on conflict management, pushing to the forefront the demand for confidence building measures, including the removal of snipers from the frontline.

Now, Azerbaijan seems to be satisfied with the new state of things, continuing to beef up defense fortifications along the line of contact, building new hills, which in fact are to be used for offensive purposes. After the change of power in Armenia in April 2018, Azerbaijani troops deployed in its Nakhichevan enclave have improved and advanced their positions having taken

effective control over 4,000 hectares of Armenian land.

It is not clear yet what Armenia's official position on the conflict settlement is. In this sense, the conflict settlement process is in a limbo. If before the change of power Armenia's ex-president Serzh Sargsyan was saying that he favored a settlement based upon the 'territories for status' formula, now this formula does not exist any longer. This position was stated also by prime-minister Nikol Pashinyan more than once.

The conflict settlement philosophy is laid down in the so-called Madrid Principles, first put on the table back in 2007. They consisted of three basic principles and six elements. The basic principles are based on the Helsinki Final Act (1975) principles of non-use of force, territorial integrity, and the equal rights and self-determination of peoples.

The six elements are the return of the territories surrounding Nagorno-Karabakh to Azerbaijani 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 expression of will; the right of all internally displaced persons and refugees to return to their former places of residence; and international security guarantees that would include an international peacekeeping operation. This document has been preserved for now and was mentioned also in the March 9, 2019 statement by the OSCE Minsk Group co-chairs.

Although Armenian Prime Minister Nikol Pashinyan unveiled the arguments why Nagorno-Karabakh must be brought back to the negotiations table, he does not have a clear-cut strategy and the tactics to achieve it. That is the reason why this idea was publicly denied by the OSCE Minsk Group co-chairs.

The Nagorno-Karabakh conflict settlement has become also a subject of active discussions in the context of Azerbaijan's relations with the European Union. Although the negotiations between Azerbaijan and the EU are nearing the final stage, the three basic conflict settlement principles, which were fixed in the Armenia-EU agreement, have been omitted in the draft Azerbaijan-EU agreement.

The Comprehensive and Enhanced Partnership Agreement (CEPA) between Armenia and the EU was signed at the Eastern Partnership Summit on November 24, 2017. One of the clear-cut achievements fixed in the agreement is that the European Union reaffirmed its commitment to show support to the OSCE Minsk Group co-chairs' efforts and approaches for the resolution of the Nagorno-Karabakh conflict based on the international norms and laws, namely, non-use of force or threat of use of force, the equal rights of people and their right to self-determination and territorial integrity.

The CEPA has a clause referring to the Nagorno-Karabakh conflict settlement, which reads as following:

“Recognizing the importance of the commitment of the Republic of Armenia to the peaceful and lasting settlement of the Nagorno-Karabakh conflict, and the need to achieve that settlement as early as possible, in the framework of the negotiations led by the OSCE Minsk Group co-chairs; also recognizing the need to achieve that settlement on the basis of the purposes and principles enshrined in the UN Charter and the OSCE Helsinki Final Act, in particular those related to refraining from the threat or use of force, the territorial integrity of States, and the equal rights and self-determination of peoples and reflected in all declarations issued within the framework of the OSCE Minsk Group co-chairmanship since the 16th OSCE Ministerial Council of 2008; also noting the stated commitment of the European Union to support this settlement process.”

According to circulating information, apart from removing a similar clause from the draft Azerbaijan-EU agreement, Azerbaijan is trying to incorporate into the agreement a clause that would express European Union's support for its territorial integrity. If the EU-Azerbaijan agreement is eventually finalized with this wording, it would become Yerevan's serious diplomatic defeat. If that happens, one will have all the grounds to accuse the European Union of applying double standards. The absence of the above-mentioned clause in the EU-Azerbaijan agreement would encourage Baku to incite new provocations in the conflict zone.

EU officials' arguments that when preparing the EU-Armenia agreement, the EU did not consult with Azerbaijan do not stand any criticism, because when it comes to the Nagorno-Karabakh conflict, the EU must first of all consult with the OSCE Minsk Group co-chairing states. EU's conflicting

approach to the signing of agreements with Armenia and Azerbaijan will essentially raise tensions.

Competition Trends between Russia and USA in the Process of the Nagorno-Karabakh Conflict Settlement

Russia is now the only member of the OSCE Minsk Group co-chairing countries, which is demonstrating apparent activity in the Nagorno-Karabakh conflict settlement process. Incidentally, if until recently the United States and Russia have had contacts within the Minsk Group format, now both seem to have moved from cooperation to competition.

As a proof, we can refer to a statement made by a deputy Russian foreign minister. During a press briefing in Yerevan on January 30, Grigory Karasin announced that there was an international consensus on the Karabakh conflict settlement, saying that Russia, USA, France and the European Union were unanimous that the use of force to resolve the conflict must be ruled out categorically.

But two months later Russia accused the United States and NATO of military ‘absorption’ of the South Caucasus. The official representative of the Russian Ministry of Foreign Affairs Maria Zakharova announced on April 4, 2019 that

“an unceremonious bid by well-known non-regional forces to redraw the CIS map to their own design can be perfectly seen in the region. We consider the activity of the U.S. and NATO towards the ‘military absorption’ of Transcaucasia as a most serious military and political challenge for Russia.”

On April 15, 2019 the foreign ministers of Armenia and Azerbaijan met in Moscow under the mediation of Russian Foreign Minister, Sergey Lavrov. First Lavrov had separate meetings with his Armenian and Azerbaijani counterparts, Zohrab Mnatsakanyan and Elmar Mammadyarov. Then, the three ministers were joined by the U.S., Russian and French mediators co-

chairing the OSCE Minsk Group and the Personal Representative of the OSCE-Chairman-in-Office.

It has also emerged that the United States has invited Armenian and Azerbaijani foreign ministers to visit Washington, where U.S. Secretary of State Mike Pompeo is expected to make fresh efforts to push for a breakthrough in the Nagorno-Karabakh conflict settlement. This news was announced by Azerbaijani Foreign Minister Elmar Mammadyarov.

The OSCE Minsk Group, the only international body, mandated to help the parties to the Nagorno-Karabakh conflict to forge out a lasting peace formula is a unique format where in recent years the United States and Russia cooperated productively against the backdrop of their tense relations on other fronts. More recently, this cooperation sometimes translated into competition over the Nagorno-Karabakh conflict settlement, which might be reflected in a clash of interests and might signal a new era of instability.

Turkey and the Acquisition of S-400 Anti-Aircraft Defense Systems

Turkey's intention to acquire Russia-made S-400 anti-aircraft defense system has created serious tensions between Ankara and Washington. The United States is categorically against Turkey's plans to acquire the S-400 system arguing that it is incompatible with NATO's united anti-air defense system and poses a variety of problems, both practical and political. Turkey was also to purchase the most advanced warplane in the U.S. arsenal – the F-35, but Washington has suspended deliveries of the aircraft because Turkey acquired Russia's S-400 anti-aircraft missiles.

The U.S. fears that if Turkey operates both the F-35 and the S-400, crucial data might be gathered by the Russians which would enable them to better understand the aircraft's characteristics and thus how best to defeat it. However, Turkey is fighting back saying the S-400 systems will not be integrated with NATO assets and will not be used against a NATO-member state.

Turkey's Treasury and Finance Minister Berat Albayrak, who is President Erdogan's son-in-law, was in Washington earlier this month to discuss bilateral relations. He also brought Erdogan's message to President Trump with Turkey's arguments on why it wanted to acquire the S-400 system. After the

end of the talks in the White House, the Turkish minister announced that the U.S. President Donald Trump took a “reasonable” stance regarding Turkey’s planned purchase of a Russian air defense missile system.

Turkey’s Defense Minister Hulusi Akar also visited Washington to participate in the American-Turkish Council (ATC) Conference that was to look into the prospects for enhancing Turkish-U.S. relations. Rebutting the U.S. argument that the S-400 and F-35 jets cannot be deployed in the same territory, Akar noted that Israel has deployed F-35s near Syria in proximity to Russian S-400 anti-aircraft weapon system.

A similar situation is in play in NATO-member Baltic States, he said. Akar also reiterated that despite Washington’s increasing pressure, Turkey would not abandon plans for purchase the S-400 systems. “Ultimatums, deadlines and threats do not help the matter and run contrary to the spirit of allied relations,” he said, stressing that Turkey’s chief military command has a clear idea where the Russian-made anti-air defense systems will be stationed.

“The S-400 anti-air defense systems will protect the air space of our country’s largest cities- Istanbul and Ankara,” Akar said. According to Turkish media reports, the first battery of S-400 system is likely to be deployed at a military airfield not far from the capital Ankara.

Turkey’s defense minister said also that the delivery of the S-400 systems may happen earlier than expected – in 2019 June. Turkish President Erdogan said a few weeks earlier that the best time for the delivery of the systems is July 2019. By the way, a report on the website of Turkish A-Haver TV channel said that, against the backdrop of disagreements between Turkey and USA, the S-400 systems could be delivered for temporary storage to either Azerbaijan or Qatar. “Turkeys’ defense ministry has also chosen those 100 servicemen, who will first travel to Azerbaijan to participate in war games with the use of S-300 Favorite systems, after which they will head to Russia to be taught how to operate the S-400 systems,” Turkish news reports said.

In early April 2019, NATO marked the 70th anniversary of its establishment. Foreign ministers from all 29-member states were in Washington; however, the gathering lacked a festive mood. Turkey’s moves, namely, its plans to go ahead with the purchase of Russian S-400 systems appeared in the limelight

of the discussions. U.S. Vice-President Mike Pence warned Turkey as well as Germany against the negative consequences of their relations with Russia, describing Turkey's moves as "reckless", and warning Berlin that because of the Nord Stream-2 gas pipeline project it may become a hostage of Russia. "Turkey must choose: does it want to remain a critical partner of the most successful military alliance in the history of the world?" Pence said at NATO Engages, an event hosted on the sidelines of the NATO summit in Washington on April 4. "Or, does it want to risk the security of that partnership by making reckless decisions that undermine that alliance?"

The US and other NATO member states demand that Turkey cancel the S-400 deal with Russia because it is not compatible with NATO anti-aircraft systems and poses threat to F-35 U.S.-manufactured advanced stealth fighters. Pentagon announced recently that it was suspending delivery of F-35 equipment to Turkey. Turkey's decision and response was cutting. Vice-President Fuat Oktay wrote on Twitter that it was the U.S. that had to choose and either remain Turkey's ally or jeopardize their bilateral friendship by joining forces with terrorists.

U.S. Secretary of State Mike Pompeo also warned Turkey against buying Russian anti-aircraft systems. During an April 3, 2019 meeting with Turkish Foreign Minister Mevlüt Çavuşoğlu, in Washington, Pompeo warned against unilateral Turkish military actions in Syria against pro-Kurdish forces, which enjoy Washington's support, and called for the "swift resolution of cases involving unjustly detained U.S. citizens," including local staff from the U.S. consulate in Istanbul.

In an effort to ease the mounting tension Çavuşoğlu suggested creating a joint working group to look into Washington's concerns regarding Ankara's S-400 deal with Russia. However, Çavuşoğlu said also that Washington's arguments that Turkey cannot purchase defense systems from other countries are unacceptable, especially given the United States' refusal to sell such systems to its NATO ally.

Nevertheless, despite these warnings and possible sanctions Ankara stubbornly continued to argue that it was not going to cancel the deal. During a meeting of NATO foreign ministers in Washington in early April, Turkish Foreign Minister Çavuşoğlu said the S-400 was a "done deal" and that Turkey was not going to backtrack on it. President Erdogan in his turn stated

again on April 5 that the U.S. had failed to offer Turkey its alternative Patriot missile defense system at an acceptable price. “The S-400 holds an important place in our talks. The United States’ arguments are very wrong. We finished the S-400 process and our payments continue,” Erdogan told reporters in Istanbul when asked about his planned talks at the Kremlin.

Despite Washington’s very strong opposition to Turkey’s plans to go ahead with acquiring the S-400 anti-aircraft systems and many U.S. experts’ interpretation of Mike Pompeo’s warning as a threat to expel Turkey from NATO, the Alliance does not provide for such a mechanism. Besides, Turkey has no intention to walk out from NATO. A few days ago, Ibrahim Kalin, a spokesman for President Erdogan, made a clear-cut statement saying that Turkey will not allow questioning its NATO membership, adding also that Ankara considers unacceptable a discussion on its expulsion from the Alliance because of its plans to purchase Russian S-400 systems. “We are not an observer [country] there. We are one of the members. We are a country that has a say in all decisions,” he said. “Therefore, we will not allow the questioning of Turkey’s position in NATO.” Kalin also reiterated that Turkey’s relationship with Russia was not an alternative to that of the U.S. or Europe. He noted that it is quite normal for Turkey to develop various relationships in different areas in its foreign policy.

Hence, Ankara’s official position is that its relations with Russia are not an alternative to its alliances with NATO or its partnerships and ambitions with the European Union. Obviously, the high-level Turkey-Russia cooperation will continue. One can insist that Turkey will continue cooperation with Russia in security issues in the Black Sea.

Iran: an Active Regional Player

The United States’ policies in the South Caucasus are largely focused on Iran. Washington’s efforts to forge out an anti-Iranian alliance with Arab countries at an international conference on the Middle East, in Poland’s capital Warsaw this past February turned out to be a failure. The conference brought to Warsaw representatives from more than 60 countries to look into the situation in the Middle East, but the absence of Russia and other European leaders only served to expose the ill-conceived summit and Washington’s isolation. The Warsaw forum was strongly condemned by Iran. Iranian Foreign

Minister Mohammad Javad Zarif labeled the Warsaw event “a desperate anti-Iran circus.”

As for Armenia-Iran relations, Armenian Prime Minister Nikol Pashinyan paid a visit to Iran in late February in an effort to give them a fresh push. An important point of his talks with Iranian officials was the issue of natural gas transit. “Armenia is ready to serve as a transit country for Iranian natural gas,” Pashinyan declared after talks with Iranian President Hassan Rouhani. He added that Armenia was ready to cooperate with Iran in natural gas transit, saying also that creation of energy corridor is important both in terms of bilateral and regional cooperation. He said there is political will to address this issue and one should hope that the process of implementation of the negotiations’ result would be successful.

Iran’s leader in turn said that his country was prepared to increase the volume of natural gas shipped to Armenia. Iranian president Rouhani said: “Regarding cooperation in natural gas deliveries we announced Iran’s readiness to expand the volume of natural gas shipped to Armenia. We are ready also to start a trilateral cooperation for shipping our gas to Georgia.”

However, there are several reasons to think that Iranian gas will not reach Georgia. Georgia is a strategic partner of the United States and will hardly go for it. Second, the State Oil Company of Azerbaijan Republic (SOCAR) secures natural gas shipments to all of Georgia, which makes Georgia’s potential interest in Iranian gas deliveries questionable, given SOCAR’s presence in Georgia and its investment policy there. By the way, earlier this year SOCAR announced a 10 percent rise in the cost of natural gas.

Therefore, we can assume that Iranian gas may be supplied to Russia only through the so-called swap deals; the volume of natural gas Russia ships to Armenia, may come from Iran; instead Russia will try to deliver its gas to Baku-Tbilisi-Erzurum natural gas pipeline, which is to connect later to the Trans-Anatolian Gas Pipeline (TANAP). The Baku-Tbilisi-Erzurum natural gas pipeline is used at half of its capacity now transferring only 10 billion cubic meters (bcm) of Azerbaijani gas.

On 15 April 2019, the Council of the European Union (EU) backed a revision of the EU Gas Directive. The overall objective of the amendment to

the Gas Directive was to ensure that the rules governing the EU's internal gas market applied also to gas transmission lines between a member state and a third country, up to the border of the member state's territory and territorial sea. The directive would force Russian Gazprom to accept a lower permitted ownership share in Nord Stream 2 project.

This means that the pipeline must have an operator independent of Russian Gazprom, and third parties must receive access to the capacities. However, only Gazprom can supply gas to the Russian end of the pipeline, and it is the only company with gas export rights. However, Germany succeeded in pushing through a softened version of the initial draft amendments. The milder version of the amendments envisages temporary exceptions for the pipelines built before the changes' approval by the EU Parliament.

According to European experts' estimates, in this form, the Gas Directive will not allow the cancellation of the construction of Nord Stream 2, but it is likely to create hurdles and uncertainty for investors, particularly delaying the repayment period. Therefore, we cannot rule out the delivery of Iranian gas to Georgia through swap deals, especially given a recent statement by Georgian authorities that they do not rule out the possibility of purchasing Russian gas.

In February 2019, Georgia's Minister of Economy and Sustainable Development Georgy Kobulia said Georgia was negotiating the purchase of Russian gas with Gazprom. He said the talks were centered not only on buying Russian gas, but also on the terms of a swap deal through the territory of Armenia. "We are holding talks with the aim of diversifying our sources of energy supplies, for having not one but several suppliers," Kobulia said.

In the context of these developments, Iran is becoming an active regional player. The importance of Nikol Pashinyan's visit to Iran was reflected in a statement made by officials from Yerevan which says that the Armenian side received a proposal from Tehran to start cooperation with Georgia and Iran for electricity and natural gas transit and that an agreement was reached to convene a meeting of top energy officials from Iran, Russia, Georgia and Armenia in Tehran in April. However, so far there has been no clear information about the planned gathering.

The issue of the North-South international transport corridor is extremely important for Iran. The Iranian side continues viewing Armenia as a key element in the transport corridor that stretches from the Persian Gulf to the Black Sea.

China is another country displaying increasing interest in the South Caucasus, prompted by the commissioning of the Baku-Tbilisi-Kars railway that has increased the importance of Georgia's role as a transit country. China has serious interests in Armenia as well that relate to its One Belt-One Road program, which is a part of its larger Silk Road strategy. China's ambitious strategy is displayed in the geopolitics of the Silk Road Economic Belt (SREB), which, along with the 21st Century Maritime Silk Road (MSR) is collectively known as "One Belt, One Road" (OBOR) initiative. By cooperating with Russia and Iran, China is becoming a regional stakeholder and an active player in the South Caucasus. The new Chinese embassy building in Armenia, now under construction, will be the biggest in the region testifying to Beijing's ambitions in this region.

Russia's Policy in the Region

Russia's policy in the South Caucasus is aimed at strengthening and expanding its influence, which becomes even more consistent against the backdrop of tense relations between Moscow and the West. Russia has ceased all cooperation with the North Atlantic Treaty Organization (NATO) in civil and military areas.

According to the Russian deputy foreign minister Aleksander Grushko, "NATO itself abandoned a positive agenda in its relations with Russia. It doesn't exist any longer." There is no sign yet about how NATO will exit from this deadlock. Official Moscow called NATO's decision to stop normal working ties with Russia 'absurd' saying that Europe's security largely depends on cooperation between Moscow and NATO.

In terms of the West's policy towards Russia, it is important how relations between USA and EU will be unfolding. The EU will have to determine clearly whether Russia is a friend, a neighbor, a partner or an enemy and a threat. There are divergent views on this issue among EU countries. The

stability and security in the South Caucasus depend largely on relations between EU and Russia as well as on relations between Russia and the U.S.

Policies towards Syria have geopolitical influence in the South Caucasus, especially after Armenia joined Russia in sending humanitarian staff to Syria. For example, on February 8, 2019, Armenian Defense Ministry sent 83 medics, demining experts and other servicemen to Syria.

The Prospects of Resolving the Donbas Conflict. Thinking out of the Box

Alexander Dubony

“The process of exiting from the imperial status is always long and painful”¹
Dmitri Trenin.

The annexation of Crimea and the outbreak of the Donbas conflict in 2014 demonstrated that the disintegration process of the former Soviet Union has been fully completed only in formal legal terms. But, from the historical point of view, the legal dissolution triggered “the formation of new state entities and political nations, a process that still continues.”²

The Donbas conflict is the result of a slow disintegration of the post-imperial space. In all cases of the so-called frozen conflicts in the post-Soviet space, there were objective reasons for the conflicts as well as for the formation of the de facto statehood.³ The Donbas conflict shares similar problems with other frozen conflicts and de facto states in the post-Soviet space. At least to some extent all conflicts in the post-Soviet space are the result of the Soviet legacy. They evolved due to protracted territorial disputes, identity problems, metropolitan narratives, complex historical narratives and conflicts of historical memories. Because of that, it would be limiting to reduce the formation of de facto states exclusively to the desire of Russia to secure for itself a geopolitical influence in the post-Soviet space or Western wishes to contain Moscow. According to Sergey Markedonov the question of frozen conflicts and de facto statehood is in the first row about “the inability of the new state elites to pursue national construction without conflicts and in the interests of various ethnic groups

¹ Trenin Dmitri, *Russia and CIS Countries: the Relation is Getting Mature*, in: Evolution of Post-Soviet Space: Past, Present and Future: An Anthology. Moscow: NPMP RIAC, 2017, p. 9.

² Markedonov Sergei, *Goodbye Post-Soviet Space?* in: Evolution of Post-Soviet Space: Past, Present and Future: An Anthology. Moscow: NPMP RIAC, 2017, p. 345.

³ Ibid., p. 344.

and regions”⁴ and not about the interference of Washington, Brussels or Moscow.

At the same time the Donbas conflict differs from other protracted conflicts in the post-Soviet space. There are two central points for understanding the multidimensional character of the Donbas conflict. It consists of two dual external as well as internal layers. On one hand the Donbas conflict is the result of an interstate conflict escalating due to Russian involvement and Russian attempts to prevent Ukraine from joining Western institutions. But it is also a geopolitical conflict which evolved due to the crisis of the post-Cold War European Security Architecture and the conflict of different integrational projects in the post-Soviet space between Russia and the collective West. On the other hand, the Donbas conflict is a civil conflict due to political and ideological reasons, e.g. clash of mutually exclusive views on the future of the Ukrainian state. And last but not least this conflict exhibits a very strong component of a social revolution against inequality and injustice.

The Role of Russia

According to Dmitri Trenin, the Ukraine crisis put Russian foreign policy to a severe test. Due to the fact that for more than two decades prior to it, Russia did not take its largest post-Soviet neighbor very seriously.⁵ The Russian mainstream political view considered “Ukraine’s independence as something unnatural and pernicious, and striving for it as a betrayal not only of Russia’s but also of Ukraine’s own interests”.⁶

As Dmitri Trenin aptly put it:

The main reason for the failures of Russia’s policy toward Ukraine lies in ignoring a fact that is unpleasant for many Russians: almost the entire Ukrainian elite – political, economic, cultural; western, southeastern, or Kievan, albeit to different degrees – is permeated by a spirit of national independence, a dream of completing an age-old independent Ukrainian political project, which foresees separation from Russia. Right up to 2014 there was simply no chance of such a project being implemented

⁴ Ibid., p. 349.

⁵ Trenin Dmitri, *Russia and Ukraine: From Brothers to Neighbors*, carnegie.ru, <<https://carnegie.ru/commentary/75847>, 12.08.2019>.

⁶ Ibid.

within the framework of a Ukraine closely linked economically, socially, and culturally to Russia, not to speak about their tighter integration.⁷

Nevertheless, Russia is and will remain, at least in the next decade, the main stakeholder, the dominant strategic actor in the post-Soviet space. According to Nikolay Silaev this is not due to a deliberate policy, but is simply the result of “overall economic, political and military power.”⁸ According to Sergey Markedonov Russia will play a key role in determining the configuration of the post-Soviet space “*regardless of whether its position grows stronger or weaker.*”⁹ Because of that none of the post-Soviet conflicts can be resolved peacefully and sustainably without Russian engagement. Despite the annexation of Crimea and Russian military involvement in Donbass conflict Moscow experience since mid-1990s has shown that “its tasks in the post-Soviet space can be implemented more effectively in a stable environment.”¹⁰ Lastly as Nikolay Silaev states “Russia is well aware that overall it is weaker than the collective West, and only in exceptional cases can it resort to unilateral action, while hoping at the same time for a swift return to multilateral talks on dispute settlement thereafter.”¹¹

Officially Russia sticks to the Minsk agreements and the territorial integrity of Ukraine (excluding Crimea). Although Moscow does not really believe in the implementation of the Minsk agreements anymore, the Minsk process is seen as an important dialogue platform with the West. From the security point of view of the Russian Federation Ukraine should not join NATO (or even the EU) not least due to the role model character for other post-Soviet countries. In the short to medium term, maintaining the territorial conflict in Donbas remains the easiest way for Russia to prevent Ukraine from joining NATO. But in the long run Moscow hopes that the reintegration of the Donbass would provide an effective means of control and influence on Ukrainian domestic, foreign and security policy.

⁷ Ibid.

⁸ Silaev Nikolay, Resolving the conflicts in the post-Soviet space, in: Frozen Conflicts in the post-Soviet Space, Russia Direct Brief, 23, August 2015, p. 6, <<https://russia-direct.org/catalog/product/russia-direct-brief-frozen-conflicts-post-soviet-space>, 12.08.2019>.

⁹ Markedonov Sergei, Goodbye Post-Soviet Space? In: Evolution of Post-Soviet Space: Past, Present and Future: An Anthology. Moscow: NPMP RIAC, 2017, p. 348.

¹⁰ Silaev, Op. Cit., p. 6.

¹¹ Ibid., p. 7.

At the same time the value of Donbas for Ukraine as well as for Russia remains far too low, but the risks are too high. Ukraine as well as Russia has no plan for the future of Donbas. For Russia as well as for the USA the Donbas remains a bargaining chip at best. As for Kyiv a possible reintegration of Donbas holds just too many internal political risks.

Three scenarios for Donbas

The degree of escalation of the Donbas conflict will strongly depend on three factors: the relations between the USA and Russia, the rapprochement between Ukraine and the West and of course internal developments in Ukraine.

For Moscow an escalation of the conflict is quite unprofitable, especially taking into account the current domestic transformation processes. Such an escalation would lead to further degradation of relations with the West, to new sanction risks and more unpredictability. In the medium-term Kremlin would be interested in “freezing” the conflict or transferring its settlement into the format of direct dialogue between Kyiv and the People’s Republics of Donetsk and Luhansk. From the Kremlin’s point of view the best-case scenario remains the reintegration and transformation of People’s Republics of Donetsk and Luhansk to a kind of analogue of “Republika Srpska” within Ukraine, with clear opportunities for Moscow to influence the internal layout of such a “matryoshka state”. The worst-case scenario for Russia would be a military defeat of the separatists or the destruction of the infrastructure of the two self-proclaimed republics. These developments would form a “red line” for Russia for a direct intervention in the conflict with hardly foreseeable consequences for European security.

The most likely scenario remains however freezing of the Donbas conflict and the maintenance of the “dynamic status quo”¹² in which the Donbas conflict is neither resolved nor completely frozen, including occasional violation of ceasefire. However, the main danger of the dynamic status quo is that the increasing number of incidents may sooner or later lead to an escalation and may develop into a kind of limited military operations of 2014-

¹² Gushin Aleksandr, Dankov Artem, Markedonov Sergei, Rekada Sergei, Konflikty na postsovetском prostranstve: perspektivy uregulirovaniya i rol' Rossii, Working Paper, Russian International Affairs Council, 36, 2016, p. 42.

2015. A similar approach was already observed in August/September 2014 (in the run-up to the Minsk Protocol, “Minsk I”) and in January/February 2015 (in the run-up to the Minsk Agreement, “Minsk II”).¹³

Geopolitical conflicts and the concept of neutrality

Despite the fact that all conflicts are primarily a consequence of the collapse of imperial space, the impossibility of resolving them is a symptom of a deep crisis of the European security system. We should not hope for substantial progress in resolving conflicts without a significant rapprochement between Russia and the West and profound changes in the European security architecture. Today, such a prospect seems rather distant, especially in a situation where the existing world order is crumbling, and the world is moving towards a period of confrontational disorder. As for now, all we can seriously expect is a period of a new world dis-order, confrontational multipolarity and “Great Disharmony of New Regional Powers.”¹⁴

The most problematic point is the geopolitical context of the Donbas conflict. The resolution of the Donbas conflict and the future status of the People’s Republics of Donetsk and Luhansk are closely linked to the geopolitical and geo-economic problems between Russia and the West.¹⁵ Different mutually exclusive narratives and self-perceptions are pushing Russia and the West into a vicious circle of interaction in the post-Soviet area.¹⁶ Too often Russia sees itself only as a neutral arbiter, while the West sees Russia as part of the problem and vice versa.¹⁷ But after the outbreak of the Ukrainian crisis Russia seems to regard the Western involvement in the post-Soviet space as

¹³ Ibid., p. 42.

¹⁴ Dubowy Alexander, *The New World Disorder. A Long Way Back From the End of History*, <<https://eng.globalaffairs.ru/book/The-New-World-Disorder-19715>, 12.08.2019>.

¹⁵ Charap Samuel, Colton Timothy J., *The Ukraine Crisis: Why Everyone Loses*, <<https://www.rand.org/blog/2017/04/the-ukraine-crisis-why-everyone-loses.html>>, 12.08.2019.

¹⁶ Ibid.

¹⁷ Silaev Nikolay, *Resolving the conflicts in the post-Soviet space*, in: *Frozen Conflicts in the post-Soviet Space*, Russia Direct Brief | 23 | August 2015, p. 9, <<https://russia-direct.org/catalog/product/russia-direct-brief-frozen-conflicts-post-soviet-space>>, 12.08.2019.

a zero-sum game, turning towards “traditional territorial imperative”,¹⁸ although historically this was not always the case.¹⁹

Against this background the first step towards conflict resolution in the post-Soviet space would be for both the West and Russia to accept political realities as well as the admission of mutual and in some cases divergent geopolitical and geoeconomical interests. An inclusive dialogue on the regional order could be the first step toward defusing the conflict. Without such a dialogue and, ultimately, a regional order that all parties can accept, efforts to implement the existing Minsk agreements are likely doomed to fail.²⁰

However, we should not expect any fundamental changes any time soon. Just as little we should put our hopes in a new international conference. The confrontation between the collective West and Russia is of a long-term and systemic nature. If history has taught us anything, then it is that chaos in international relations is an indispensable prerequisite for the emergence of a new world order. From the historical perspective the precondition for an international peace conference has always been a major global or European conflict. To put it pointedly: The precondition for a new Vienna Congress are Russian troops in Paris, for a New Yalta Deal Russian troops in Berlin and even for a New Helsinki Conference Russian troops should at least occupy Warsaw.

So maybe it would be best to search for a more satisfactory alternative: A status of permanent neutrality based on international law and guaranteed by international community could be an interesting option for Ukraine as well as for Russia and the West. Although such an option seems to be quite unrealistic due to the lack of trust between Russia and the West. A “new European security deal” is even more unlikely.

¹⁸ Trenin Dmitri, *Russia and CIS Countries: the Relation is Getting Mature*, in: *Evolution of Post-Soviet Space: Past, Present and Future: An Anthology*. Moscow: NPMP RIAC, 2017, p. 17.

¹⁹ Silaev, *Op. Cit.*, p. 6, also Trenin, *Op. Cit.*, p. 13.

²⁰ Charap Samuel, Colton Timophy J., *The Ukraine Crisis: Why Everyone Loses*, <<https://www.rand.org/blog/2017/04/the-ukraine-crisis-why-everyone-loses.html>>, 12.08.2019.

Against this background the almost forgotten concept of permanent neutrality based on international law (re-interpreted as engaged or functional neutrality) might play an important role once again. Under some circumstances, the Austrian concept of neutrality could serve as a role model, especially for the states of the so called “Europe-in-between”, in Eastern Europe, South Caucasus and the Western Balkans.

As Heinz Gärtner from the University of Vienna and the Austrian International Institute for Peace (ÖIIP) stated:

In 1955 Austria adopted an armed neutrality and agreed not to join any military alliance and not to allow any foreign military bases on its territory. In Austria’s early, formative years, neutrality was synonymous with independence. It helped Austria to develop a strong identity for the first time since World War I. At the same time Austria quickly adopted Western values and started a process of integration in the market economy, which led to its accession to the European Union in 1995.²¹

A similar model of neutrality could be an interesting solution for Ukraine and Georgia. Moldova, which declared itself neutral in its constitution, could also consider a neutral status based on international law.

The notion that the concept of neutrality is an antiquated phenomenon of the Cold War, that it cannot adapt to new situations and is no longer a suitable diplomatic option in a multipolar world is false in many ways. The current European security dilemma could possibly be resolved by an implementation of a hybrid cordon sanitaire formed by a belt of neutral states. Finally, the neutrality of these countries would end their in-between-status, which, unsustainable and undesirable, could also facilitate closer economic cooperation between the EU and the EAEU in order to overcome the integration dilemma.

²¹ Gärtner Heinz, Neutrality as a Model for the New Eastern Europe? Centre for Transatlantic Relations, <<https://archive.transatlanticrelations.org/publication/neutrality-model-new-eastern-europe-heinz-gartner/>>, 12.08.2019.

The Way Ahead for Geopolitical Competition in the South Caucasus and Ukraine: the View from France

Maxime Lefebvre

A Deepening Geopolitical Gap Between the West and Russia

Fifteen years ago, the situation was not so dramatic in the former Soviet Union. There were frozen conflicts in Moldova/Transnistria, in Georgia (Abkhazia, South Ossetia), in Nagorno-Karabakh. But the territorial integrity of Georgia was recognized by all international actors and Ukraine was not divided by any conflict.

Fifteen years later, Abkhazia and South Ossetia have fully seceded from Georgia, they have been recognized by Russia as independent states after the Russian-Georgian War of 2008. In Ukraine, following the 2014 crisis, Crimea has been annexed by Russia and Donbass is in the situation of a new frozen conflict.

This is a consequence of the geopolitical competition between Russia and the West, in which the West wanted to make Russia recognize the new international borders after the collapse of the Soviet Union and to extend the normative liberal order to the newly independent States, and Russia wanted to preserve its influence and status quo by means of perpetuating the protracted conflicts and to be recognized as an equal partner of the West within the European security architecture.

The two conflicts in Georgia and Ukraine happened as Russia reacted to perceived changes in the status quo. In Georgia, the war followed the attack launched by President Saakashvili to regain control of South Ossetia. In Ukraine, the annexation of Crimea and the Donbass uprising came after the overthrowing of President Yanukovich's regime.

The EU role was different in the two conflicts. In Georgia, the EU acted as a mediator thanks to President Sarkozy's bold intervention between Moscow and Tbilisi in the role of the EU Presidency. The EU deployed a monitoring

mission which helped observe the withdrawal of Russian troops beyond Abkhazia's and South Ossetia's borders, and was involved in the Geneva peace talks. But it could neither force Moscow to withdraw its troops back to the pre-war lines, nor prevent the decision of the Kremlin to recognize the independence of Abkhazia and South Ossetia.

In Ukraine's case, the EU was not in the role of mediator, but it was party to the conflict, because the conflict originated from the signature of the EU-Ukraine Association Agreement which Moscow opposed. President Yanukovich's decision to refuse the signature of the Association Agreement led to the outbreak of the Maidan demonstrations and the fall of Yanukovich regime. The EU (neither the High Representative nor the President of the European Council) was unable to play any mediation role. The EU set up sanctions against Russia, after the annexation of Crimea and the Donbass uprising, and pushed forward the signing of the Association Agreement with the newly elected Ukrainian government. The mediation role was endorsed firstly within the Weimar Trilateral format (France, Germany, Poland) in an attempt to solve the domestic political crisis in Ukraine, and, after Yanukovich's departure, by France and Germany within the "Normandy format" (created in June 2014) in a diplomatic effort to avoid the escalation of the crisis. The only facilitating role taken by the EU was a (successful) mediation of the European Commission in the Russian-Ukrainian gas crisis.

Today we are in a situation where the geopolitical division has worsened following a kind of "ratchet effect". During the 2000's the reinforcement of the EU-Russia relations was on the agenda through the negotiation of four "common spaces" between 2003 and 2005, and through the opening of the negotiation of a new EU-Russia Partnership Agreement. Since 2014, everything has come to a deadlock. Russia is under EU sanctions and the EU-Russia dialogue is almost frozen. NATO has also taken "deterrence" and "reassurance" measures against Russia to protect its member states, in particular the Baltic States, against any possible Russian threat. And the political-military escalation between the West and Russia continued as the collapse in early 2019 of the INF Treaty has shown.

We now have six "protracted" conflicts in the post-Soviet space: Transnistria (Moldova), Crimea (Russia-Ukraine), Donbas (Ukraine), Abkhazia (Georgia), South Ossetia (Georgia), Nagorno-Karabakh (Armenia /Azerbaijan).

Are there any prospects for improvement?

The New Geopolitical Landscape

The current international context is generally characterized by growing nationalism and, consequently, growing geopolitical tensions.

In this framework, the Western position in the post-Soviet space has weakened for several reasons:

Firstly, the U.S. is not anymore focussed on the region. President Trump has advocated a reconciliation with President Putin, although the U.S. “establishment” has forced him until now to keep to a firm position against Moscow. The U.S. is more concerned, already since Obama’s time, with the growing strategic challenge of China in Asia. The new US administration has also been focussed on Iran and has tended to see the strategic relevance of the region primarily from this angle.

The EU is also weakened as a geopolitical actor. The EU Neighbourhood Policy, launched in 2002-2003, has largely failed in its objective to reinforce prosperity, stability and security in the Eastern and Southern neighbourhoods. Brexit is a huge internal challenge within the EU and the camp most hostile to Russia will lose a prominent supporter. Inside the EU there are growing divisions: countries like Poland, Sweden and the Baltic States will maintain the toughest stances against Russia; countries like Greece or Italy are in favour of lifting or at least reducing the sanctions against Russia; and France and Germany will stick to a balanced policy of firmness and dialogue with Moscow.

This doesn’t mean that the EU will give up in its ambition to transform economically and democratically the post-Soviet countries. But it will become more difficult than ever, as the latest election in Moldova has shown. There was never an agreement within the EU to give clear accession perspectives to post-Soviet states, such as Moldova, Ukraine or Georgia. However, to achieve a successful transformation agenda, as in the Central and Eastern European countries, is hardly possible without the EU offering such an accession perspective.

The NATO enlargement perspective given to Georgia and Ukraine at the

Bucharest Summit of 2008 has clashed with the geopolitical realities. Both post-Soviet countries don't have control on their whole territory inside their internationally recognized borders. What would it mean if they wanted to join NATO? Either NATO would have to take action against Russia to reconquer Crimea and Donbass and the secessionist regions of Georgia.

Or the countries would have to join NATO without a security guarantee for their whole territory, which would indicate they would renounce reunification and would weaken the collective defence clause of article 5 of the Washington Treaty. Moreover, relaunching the NATO enlargement process for these countries would also risk creating new tensions and conflicts in a very fragile region.

From its side, Russia will probably not change its stance on the protracted conflicts as long as it doesn't reach an agreement with the West on the European security architecture along its own terms, or at least along an acceptable compromise. Russia has achieved its strategic goals: preventing an accession of Georgia and Ukraine to NATO, enlarging its strategic control over the Black Sea through annexing Crimea and maintaining a closer strategic partnership with Abkhazia.

Russia has also ensured a quick access of its military forces to the Caucasus through the Roki tunnel which connected North and South Ossetia. It's not sure though whether Moscow wanted to enlarge further its territory by proceeding with the annexation of Donbass for example, which would increase the conflict with the West, but the recent "passportization" of the Donbass conflict (delivering Russian passports to Donbass Ukrainian citizens) has shown that further escalation is not impossible.

China is not a geopolitical actor in the region. The question of including China in the diplomatic formats dealing with the various "frozen conflicts" will probably not gain relevance. However, China plays an increasing economic role, for example by the "One Belt One Road" project which foresees investments in the Caucasus. And the U.S.-China global geostrategic competition will not be without consequences on the region.

Which Options for the Future Geopolitical Competition and for the Resolution of the Conflicts?

Four options could be considered:

A) A global solution, a **“great bargain”** between the West and Russia.

This option is the most ambitious one. It could include:

- an agreement on a neutrality status for Moldova, Ukraine and/or Georgia;
- an agreement on the new international borders (Kosovo, Georgia/Abkhazia and South Ossetia, Ukraine/Crimea) recognized by Russia and the West;
- a settlement of the Nagorno-Karabakh conflict;
- a reconfirmation by all participating states of the OSCE commitments (inviolability of borders, non-use of force, human rights);
- an agreement on the European security architecture (including on disarmament and confidence-building measures);
- an economic partnership including Russia.

This option could be of interest for the West if the West was targeting a new alliance with Russia against the rising threat of China.

However, this option would force the West to compromise on principles which were violated (cf. the change of borders by force) and on the fundamental right of a country to choose its alliances. The question would also be raised on the credibility of the commitments taken (such as respect for territorial integrity) after they have been openly violated by Russia. The question of security guarantees would understandably be of major significance for the threatened countries before they agreed with any loss in their territories.

B) A kind of **geopolitical stalemate** between the West and Russia. Ukraine, Moldova, Georgia, would continue to remain divided. The negotiations would continue in the existing formats: Normandy Format for Ukraine, EU role in Georgia, Minsk Group format between Armenia and Azerbaijan. Some incidents could lead to new tensions (for example in the Azov Sea). Unfortunately, this option seems today the most likely, given the antagonistic positions between the main actors.

C) An attempt to reap **limited political progress** across various frozen conflicts. For example, the Normandy negotiations could lead to a reintegration of Donbass in Ukraine, if the new Ukrainian President could find a compromise allowing an improvement of Kyiv's relationship with Moscow. There could be an agreement with the pro-Russian president in Moldova. The Minsk Group negotiations could come to an agreement on the basis of the "Madrid principles", etc.

However, the basic reasons for which these conflicts developed would have hardly been addressed by this limited approach, and therefore it's highly unlikely that any of these negotiations might come to a breakthrough.

D) The use of the process of **economic reconstruction/stabilisation** to change the political context, to improve confidence, and to facilitate progress in political negotiations.

In this scenario, the growing involvement of China through the "One Belt One Road" project could also be used as a catalyst.

However, it's unlikely that economic changes alone would be able to change the geopolitical framework of the conflicts from the post-Soviet space. Russia has no interest in solving conflicts considered as pawns in its big chessboard game with the West. China has also no interest in reducing the Russia-West antagonism in the context of its own growing rivalry with the West. It's politics, stupid.

There could be no progress in the reduction of tensions without an involvement of Russia and without an agreement with Washington. But the EU could pursue a "pro-active" policy, maintain an open channel of dialogue with Russia, use the sanctions tool in order to exploit any flexibility on the Donbass question, develop a "bottom-up" policy and its practical engagement on the ground, along with the OSCE, in order to improve confidence and to make progress on the humanitarian and economic issues, and in people to people contacts.

Changing the negotiation formats is often proposed as a kind of magic solution. However, this ignores the fact that the stalemates in conflicts do not come from the mediators, but from the conflicting parties themselves.

Changing the mediators would not replace their lack of political will.

What is really needed it is a combination of actions and steps at the political level and on the ground in order to stop escalations, diffuse tensions, improve confidence, and prepare for better geopolitical times.

Ukraine: Geopolitical View of the Interested International Actors¹

Ekaterina Chimiris

The geopolitical position of Ukraine at the current stage of development of international order is complicated and rather challenging. The country is in the zone of interests of USA and Russian Federation and Europe. This makes it the field of struggle between big and powerful international actors.

The first question is why it is so difficult to find a common vision of the conflict? In the discourse of all the sides of the conflict we see the intention to find a solution and to move to peace resolution. The main problem is the lack of trust between the participants of the situation. Lack of trust between Russia and the Western Countries. Trust between Ukrainian elites and Western elites is higher, but also contains some elements of alertness. Trust was destructed from all the sides; as from Russian, and from Western one. The situation is complicated through the fact of misunderstanding of the intentions and proposals.

When we are in the situation of crisis, it means lack of trust between the participants to the conflict. The question is how we can rebuild trust and to further negotiations? The discourse in official media and official statements of the governments show the intention to continue the dialog, but at the same time we see that the dialog is quite difficult.

What is trust? It is an opportunity to predict the behaviour of the trusted partner.² The previous behaviour of the partners is not a good base for trust in the situation of current Ukrainian crisis. Even in peaceful time, each agreement passes through a long and complicated process of negotiations. For example, recurrent gas crises between Russia and Ukraine.

At the same time common values provide opportunity to rebuild a level of trust. How Russia, Ukraine and Western partners can understand, that they

¹ Some ideas expressed here have been presented in other publications, among which Analytical Media Eurasian Studies located at <www.greater-europe.org>.

² Uslaner, Eric: *The Moral Foundation of Trust*. Cambridge University Press 2002.

have common values? The negotiation platforms, on the base of international institutions, such as Organization of Security and Cooperation in Europe (OSCE), provide one example. In this paper, I aim to look at the global structure and the roots of the Ukrainian conflict, in the context of historical, sociocultural and political aspects.

The Typology of International Actors and the Structure of their Interests

The Ukrainian case shows different examples of strategies and frames³ of external politics, used by different types of international actors toward the other state. I will name three types of actors that exist (not taking into account international organizations, international terrorist networks, criminal networks, etc.). In this paper, I will discuss the goals and strategies of nation state, quasi-empire, and nationalizing state. Each of these actors have their peculiarities in creating international politics and agenda, and all of these types are engaged into the Ukrainian situation.

National State

The nation state model is the most wide-spread in the world. It is a phenomenon of the modern period and is considered to be the only viable variant of statehood. The borders of a nation state are strictly defined and are protected by the political regime of that state. The state unity is based on a common nation (state language, citizenship). The nation state “looks inside” itself and tend to protect the borders and the inside unity of the country.⁴

Quasi-Empire Project

The quasi-empire elements in the post-Soviet space are epitomized by the Russian Federation, successor state to the USSR. The Russian Federation still has not constructed the national state in the classical view. But this is also true of the USA. Nowadays we cannot speak about the empires in full

³ Goffman, Ervin: *Frame analysis: an essay on the organization of experience*. Harvard University Press 1974.

⁴ For nation state see: Habermas, Jürgen: *The European Nation-State And The Pressures Of Globalization*. In: *New Left Review*. 235/1999.

sense of the word, but some elements can still be found. Some previous empires are in transition way towards nation state, but the imperial legacy still has its impact.⁵

The borders of the quasi empire are not defined and political elites look at the opportunity to enlarge the territory or to influence somehow the other states and communities. Before the Ukrainian crisis such ideas were rather marginal but the political crisis in the Ukraine moved the issue into the official discourse.

This approach is normal for quasi empire but unacceptable to the nation states. Here is the first point of misunderstanding and lack of trust. Why are quasi empires intervening in other nations' affairs? Because it still does not have a common understanding of its nation. Usually it is a multinational and multi confessional state and needs institutions different from those in nation state.

*Nationalizing State*⁶

Some territories which were under the empires usually become nationalizing states. It is a kind of transition situation (but it can be so for a rather long period of time). Such kinds of states emerge after the collapse of big empires or other states. The nationalizing state is usually moving towards the nation state status so the task is to create a nation and to define the borders.

The nation is also in the process of creation, but usually it is created on ethnic basis. This is where Ukraine and its elite find themselves now (emphasizing Ukrainian language, certain historical myths, etc.), at the same time most of the people who live in the eastern and southern regions are automatically not included in these national criteria. The nationalizing states usually become part of the sphere of interest of quasi empires.

Society without a State

⁵ Kaspe, Svyatoslav: Imperii I Modernizatsiya. Obshaya Model I Rossiyskaya Specifika. Moskva, 2001.

⁶ Brubaker, Roger: National Minorities, Nationalizing States, and External National Homelands in the New Europe. In: Daedalus. 124/1995, 107-132

And since 2014 we also can see a marginal area of Donbas, on which there are developing some unique social and political processes, described by James Scott.⁷ These societies try to escape any kind of hierarchy. Based on cultural flexibility, pragmatism and self-reliance of autonomous communities, these societies will be difficult to reintegrate within a nation state.

In terms of foreign and conflict policies, the behaviour and expectations of a nation state will radically differ from the ones of a quasi-empire. The main aim of a nation state is to protect the borders, which are defined and legitimized. Quasi empires aim at potential territorial or cultural growth. That is why the idea of soft power created in the USA is so popular in the Russian Federation now; these quasi empires would like to influence territories much outside their borders. In this case the external politics of nationalizing states are reactive; they can only react on the impulses from quasi-empires, and struggle for their national identity and borders. The Donbas is in the unique situation as it is not much needed in Europe, or in Russia. Rather, the institutions there are designed to avoid subordination to any outside influence.

That is why Europe blames Russia for annexing new territories, at the same time it is seen in Russia as the historically logical process of state building. And Russia blames the EU and USA for violation of regional security. Both of them blame each other for making Ukraine dependent.

The Ukrainian National Identity and Europeanization

Ukraine first embraced the European path during the 2004 revolution. Institutionally, this path implies the country's aspiration to join the EU and NATO. The recent amendments to the Ukrainian constitution legitimize this drive.

The European identity is historically a superstructure above the national identity. Ukraine's problem is that it is trying to skip the phase of forming its own national identity in its desire to join the European family. Essentially, Ukraine is replacing the notion of Ukrainianism with that of Europeanism. Democratic institutions are paramount for European countries

⁷ Scott, James C.: *The Art of Not Being Governed. An Anarchist History of Upland Southeast Asia*. Yale University Press 2009.

because they use them on a daily basis, thus integrating them into a single commonwealth, whereas Ukraine sees value in the institutions themselves and disregards their content.

As for Ukraine, the very idea of Euro-integration resulted in an escalation and the loss of the country's territorial integrity in 2014. European institutions are partially effective in societies with different socio-cultural backgrounds. For eastern Ukraine, Soviet values have proven to be even more important than they are for Russia itself. In his research on national construction in post-Soviet territories, Vladimir Lapkin demonstrates the phenomenon of post-Soviet secession, with the process being backed by nostalgia for the Soviet past and not a classical nationalist drive. Lapkin says

These 'special separatists', unlike 'classical separatists' who attempt to oppose their ethno-national project to the dominating ethnic nation (or its simulacrum), promoted ideas that were absolutely impossible within the political mainstream of the universally imperial 1990s and 2000s. For lack of a better example, they would often appeal to an 'idealised USSR' or a 'revived Russian state'.⁸

Publicly, Ukraine's European path towards the EU and NATO easily turns into a semiotic myth because it embraces the notional context of a snake oil capable of handling a number of Ukraine's current problems, including those concerning the economy, the social sphere, territorial integrity, and the government's legitimacy. The underlying vector towards European integration and the introduction of European institutions may actually create the potential and motivation for action, but the myth that integration with the EU and NATO may bring about prosperity completely negates all initiative to actually do something.

None of the presidential frontrunners deny that the drive towards Europe could be difficult or even fatal. The concept of Ukraine needing to become part of the EU and NATO due to Russian aggression is a temporary one. It only aims to secure the legitimacy of the current regime and will stop working once Russia has begun mending its relations with the West following

the protracted crisis. Ukraine will once again be faced with the problem of building its statehood.

⁸ Lapkin, Vladimir: Problems of Nation Building in Multi-ethnic Post-Soviet Societies: Ukrainian Case in Comparative Perspective. In: *Polis*. 4/2016, 54-64.

Russian Vision of the Conflict

The global perception of the crisis in Russia is based on the post-Soviet legacy. It is closely connected to the process of creating a Russian identity, defining the borders and strengthening its position as a global player.

Interest towards situation in Ukraine is high among Russians. So the Russian population is keenly following the Ukrainian elections, given the close economic and other personal ties (likelihood of having family between the two countries). Studies conducted by the Russian Public Opinion Research Centre investigated popular opinions within Russia regarding the Ukrainian elections, and the results were quite interesting.

The Russian populations' awareness of the upcoming Ukrainian presidential elections is rather high: 79 percent of Russians have heard of the election campaign including 18 percent who are following it closely.⁹

At the same time, fears of possible manipulations are widespread among Russians, with 68 percent of those polled believing that the election results will be falsified by the Ukrainian authorities and thus won't be representative of the will of the people. More than one and every tenth respondent (12 percent) believes that while there might be certain violations, but they will not influence the overall results. On the whole, the elections do not look very legitimate in the eyes of many Russians.¹⁰

If we take the general attitudes toward Ukraine in Russian society, the radical positions did not change much. One of them is that Ukraine is an example of fair and transparent elections. The other is that Ukraine is a "historical fault."

On Russia's side, Crimea is not an issue for discussion anymore, after Russia feels it has settled questions concerning security in the Black Sea and, more broadly, security for the Russian speaking community. That is why now Russia's main goal is to move towards a peaceful resolution of the current con-

⁹ Elections in Ukraine: Russians' Expectations (January 2019) <<https://wciom.com/index.php?id=61&uid=1633>> accessed on 09.04.2019.

¹⁰ Ibid.

flict with Ukraine, which excludes the Crimea issue from the future negotiation process. Based on my research and observations, I believe Russian interests in Ukraine can be summarized in three key points:

First, Russia is interested in the implementation of the Minsk agreements and reintegration of Donbas in Ukraine. In this case, Russia is concerned about the rights of the Russian-speaking population and their safety, and this issue will rank high on Russia's agenda.

Second, Russia aims at rebuilding its economic ties with Ukraine, since Moscow is still Kiev's largest trade partner: according to World Bank data, in 2017 Ukrainian export to Russia was 3,943,217.84 USD (9.08 percent), for comparison Poland is the second (6.28 percent) and in imports – 7,196,562.10 USD (14.56 percent), while China is the third (11.41 percent).

Third, despite the conflict, labour migration from Ukraine to Russia still exists. Russia is interested in qualified workers and students coming to study. Ukraine remains the main country of origin of migrants to Russia, even if the number has decreased (137,700 in 2018 as opposed to 150,100 in 2017) and there is a trend of more Ukrainian citizens leaving Russia.

I would like to attract your attention to one citation from Russian President Vladimir Putin's speech in front of the Federal Assembly in 2014:

It was an event of special significance for the country and the people, because Crimea is where our people live, and the peninsula is of strategic importance for Russia as the spiritual source of the development of a multifaceted but solid Russian nation and a centralized Russian state. It was in Crimea, in the ancient city of Chersoneses or Korsun, as ancient Russian chroniclers called it, that Grand Prince Vladimir was baptized before bringing Christianity to Rus.

He speaks about the strategic importance, the development of Russian nationhood, and a centralized Russian state. And all of these things are connected now to Crimea. Each country has to have a historical heartland. For the Russian quasi-empire it should be the Kievan Rus, which is now situated in the Ukraine. In fact, Russia and Ukraine struggle for the same territories to be their heartland. This citation shows us a new ideological reality in Russia.

So, the Crimea becomes the centre of civilization for Russian identity. It is a

new ideological reality of internal Russian politics, which should be considered as crucial in taking political decisions. We can see that putting the Crimean issue in the agenda of negotiations will lead to more radical Russian position.

Russian and Ukrainian Struggle for History

The negotiation of an attempted settlement to the East Ukraine armed conflict, a new stage of information and ideological confrontation appears to be unfolding between Russia and Ukraine, this time about their past. In fact, the fabric of the history of the Kievan Rus looks very much like a blanket, with each country trying to pull all of it to its side.

What we have seen so far has been sluggish but definitely intensifying jostling in the media, textbooks, movies and other cultural areas for the exclusive right to interpret the same historical facts. Why can't these two states share a common history and why is it so important to possess a unique past?

In his address to the Federal Assembly (December 2014), President Vladimir Putin mentioned Grand Prince Vladimir of Kiev in the Crimean context, which was perceived by many that the affiliation of the peninsula was being legitimized through the myth of restoration, the historical truth and the preservation of continuity in traditions, culture and statehood. To this end, Moscow will erect a memorial to Vladimir on Vorobyovy Hills to honor the 1000-year anniversary of his death.¹¹ In his turn, Ukrainian President Poroshenko released an executive order to commemorate Grand Prince Vladimir as the “founder of medieval state Rus-Ukraine,”¹² while the

Russian State Duma responded by accusing Kiev of making an attempt to privatize the memory of Russia's Baptizer.

Having made history as the ruler who baptized Rus and bolstered its statehood (the key features attributed to him by history textbooks), Grand Prince

¹¹ Location for Prince Vladimir Memorial Found in Moscow. RIA Novosti. 11.02.2015 <<http://ria.ru/religion/20150211/1047165383.html>>, addressed on 20.05.2015.

¹² Poroshenko Gives Rus'-Ukraine Creator label to Prince Vladimir. Lenta.ru. 25.02.2015 <<http://lenta.ru/news/2015/02/25/poroshenko/>>, addressed on 20.05.2015.

Vladimir has recently emerged as a huge stumbling block for Russian and Ukrainian politicians.

In Russia, the deep-rooted historical legitimacy and continuity of historical epochs have not practically undergone any revisions, with all projects to interpret and describe history (Sergey Solovyov, Vassily Klyuchevsky, Sergey Uvarov's triad of Orthodoxy, Autocracy and Nationality) working to build a single, non-contradictory historical model of development. With some slight variations, this scheme was taught both in the Soviet period and following the disintegration of the USSR. Nobody questions the Kievan Rus as the source of statehood and the Moscow Princedom and later the Russian Empire as its successor.

However, the political decision to annex Crimea had been perceived ambiguously both in Russia and abroad and hence has required additional legitimization. The new mythologem is intended to smoothly integrate the current political reality into the existing legitimization model and provide it with additional fixtures.

As far as Ukraine is concerned, the legitimization of its statehood is a much more complicated affair. The executive order of President Poroshenko to honor Grand Prince Vladimir was meant as a reminder that this relevant period is a part of Ukraine's history. Within the current quagmire of problems over the legitimacy of borders, Ukrainian national identity and diminishing political support, this order was designed to preserve available structures and the legitimacy model. Because of this, the political effect appears quite questionable.

As compared to Russia, historical legitimization is a much more difficult endeavor for Ukraine. En route to statehood, Ukraine felt the impact of the powerful state and ideological machines of the neighboring Russian and Austro-Hungarian empires. And it was Mikhail Grushevsky who launched the construction of the model for a unique Ukrainian history when nation states emerged after the breakup of these empires. His project largely reflected the decline of the Austro-Hungarian Empire and was briefly attempted during the revolutionary reforms in the Russian Empire. The scheme was revived in 2004 by the instigators of the Orange Revolution and incumbent President Petro Poroshenko.

In 1898, Mr. Grushevsky released the first volume of *History of Ukraine-Rus* that contained a compilation of facts intended to substantiate the historical independence of the Ukrainian people by tracing an alternative succession of historical stages. He rejected the unity of eastern Slavs, drawing a line between the Ukrainian-Russian people and Great Russians. Before Mr. Grushevsky, Ukrainian history had one way or another been integrated into the histories of Russia and Poland, the neighbor powers controlling Ukrainian territories. Accordingly, his innovation suggested an alternative model of historical development and a new succession in the continuity of state entities seen as the forerunners of modern Ukraine.

Mr. Grushevsky discarded the Muscovite version of history, insisting that although the Kievan Rus transferred some forms of the socio-political order to the Great Russia lands, there was no full-fledged continuity between the Kievan Rus and Moscow Principdom. The Tatar invasion undermined the socio-political basis of the Kievan Rus. East of the Dnieper River, these traditions were practically ruined, with only some of them preserved on the right-hand side and advanced in the Galitsk-Volyn Principdom and later under the rule of Lithuania and Poland. The version of history developed by Moscow was also unfit for legitimizing Ukrainian statehood because the emergence of the Ukrainians as a separate people was dated to the 14th-15th centuries, something was absolutely unsuitable for Mr. Grushevsky as the ideologue of the Ukrainian statehood.

As before, the key issue still lies in establishing the successor of the Kievan Rus. Prior to the arrival of Mr. Grushevsky's interpretation, the succession of the Kievan Rus and Tsarist Russia had been universally recognized (see V.M. Solovyov, V.O. Klyuchevsky). The incorporation of the Kievan Rus period into the historical roots of a state proceeds from the establishment of a certain state entity through a certain ethnos. Proponents of the unity of the three eastern Slavic peoples agree that the Kievan Rus was set up by the Slavs, who later gave rise to the Russians, Ukrainians and Byelorussians. In his *History of Ukraine-Rus*, Mr. Grushevsky not only substantiated the autochthony of the Ukrainian ethnos's origin but also firmly insisted that the Kievan Rus belonged to the tradition of the Ukrainian statehood. This concept smoothly resonates with the current official Ukrainian debate because it provides grounds for the logical construction of national identity.

Ukrainians assert that Moscow was built on its own, borrowing practically nothing from the Kievan Rus under immense Tatar influence.

Although ancient history, the two historical paradigms are popular in modern politics, with the described myths being only a fracture of the entire mythology arsenal employed in the debate. The history of the Great Patriotic War actually plays the same role, the most cited points being the dichotomy of the Soviet troops and collaborationists on occupied Ukraine territory, the odious Stepan Bandera, Holodomor, etc. The interpretation of concrete events and the formation of myths (as semiotic systems) helps to assign the friends and foes and also validate political decisions.

Conclusion

Although Russian and Ukrainian leaders use the same historical facts surrounding the Kievan Rus, their motivations differ. While Russia wants to add additional legitimacy to its political decision over the voluntary entry of Crimea into the Russian Federation, Ukraine is trying to restore the shattering legitimacy of its state borders and the national identity of its population.

The use of historical facts is a long-applied instrument for fueling an entire political context, usually with quite material consequences. In fact, turning the status of Crimea into the historical center of Russian statehood may create a stumbling block during zero-sum international negotiations. If the partners opt for a more constructive approach to handle other issues, Crimea should be off the agenda. Ukrainian legitimacy appears more threatening. Independent for over 20 years, Kiev has failed to generate a state-wide identity and is now trying to revitalize older models, which have regrettably demonstrated their ineffectiveness after Maidan 2004. The country will face the irreparable loss of its legitimate borders and government, as well as the identity of its population.

In a situation like this, Russia and the West appear to have coinciding interests in handling the issue of Ukraine's legitimacy because neither would like to see a Somalia-style failed state at their borders. This move should be affirmative, shedding the extremes à la "Ukraine is not a state" since this is a field for determined efforts to establish a constructive myth for a state on the verge of breakdown.

Speaking on the possible steps towards the successful nation state for Ukraine: First, Ukrainian politicians need to come up with a uniform set of values and legitimacy that would be relevant to most of the country's population. We could hypothetically suggest the idea of the country's independent economic development. With its favourable geography, Ukraine may well become an economic hub, a target for effective investment, and a growth point for innovative projects. For this to happen, however, the country first needs to shed its dependence on any single strong external actor, be it Russia, Europe, the U.S., or, in the longer term, China. It would be fairly possible to create effective, law-governed economic institutions without joining the EU and NATO.

Second, Ukraine needs to mold its youth in a way that would facilitate negotiating practices and an ability to achieve compromise. No matter how skillful the Western European advisors may be, Ukraine will have a hard time introducing democratic institutions unless society revises its long-standing habits. Introducing brand new institutions is always a complicated process that involves breaking established behavioural patterns. This is primarily the mission of educational establishments. The mere drive towards Europe is not going to unite the nation in any significant way.

Ukraine should also stop picturing Russia, or any other country, as its nemesis because this only works as a short-term solution. Seeking out external enemies is only good as an interim method of legitimising a government and securing public unity. The method has a number of disadvantages. First, consolidating against an external enemy requires a particular exertion of forces; no system is capable of holding out for long under stress. Second, the external enemy's environment may change radically. Third, a country that is defending itself expends much of its strength on defence, not on development.

Russia is a significant international actor for Ukraine, and Kyiv will need to come up with some new kind of format for relations with Moscow sooner or later. This will happen after the frozen conflict has ceased to suit the key decision-making political actors. Prior to the inevitable talks, both parties will have to establish a negotiating position. It would be wise to start the talks with the least painful issues, but searching for such issues poses a special intellectual problem for conflict mediators. It is fairly possible that one of

these steps will involve establishing a dialogue along the lines of Track II expert diplomacy.

Speaking on possible conflict resolution in Donbas, giving Crimea back would involve huge transactional cost, too high a price for the Russian elites. It is impossible in the current political situation, as we see the new nation and state legitimacy model. The connection of Donbas and Crimea issues will lead to more confrontation. If we put the Crimean issue outside the agenda, we can look at the possible variants of future.

1. Donbas as separate state; a type of Transnistria.
2. Donbas as part of Ukraine. Possible only on the basis of wide autonomy. At the same time a process of economic reconstruction is needed.
3. Donbas as part of Russia, which is least likely.

The second variant is considered to be one of the most peaceful for the international community. But we still have the militias of Donetsk and Lugansk that are looking for their own interests. So, for Russia and Europe it will be very important to change the official discourse and start to see not the enemies, but the strategic partners.

**PART IV:
EPILOGUE**

Epilogue

Michael Schmunk

For nearly thirty years now, Eastern Europe has been the post-Cold War arena of the struggle for a new regional, European, if not a new world order. It all began with the break-down of the Soviet empire in 1991 and the formation of eleven new, sovereign states, plus Russia.¹ The new states West and South of Russia, bordering Central Europe in the East, formed an area between Russia and the West, named “in-between states”, physically and geopolitically.² From those, Moldova, Armenia, Georgia, Azerbaijan and Ukraine have suffered since then territorial disputes, territorial occupations and splits as well as territorial annexations. The causes of the respective conflicts have been many-fold. Armenia, in 1992, occupied the Azeri province of Nagorno-Karabakh and other parts of Azerbaijan. Also in 1992, the territory of Transnistria broke away from Moldova, and the territory of Abkhazia from Georgia, both separations were backed and internationally recognized by Moscow. In 2008, South Ossetia, after a first attempt in 1992, resolved by Georgia and Russia, declared itself, in the course of a Georgian-Russian military conflict, independent, with the support of Russia. In 2014, the Russian Federation annexed the Crimean Peninsula and occupied parts of Ukraine’s Donbas region.

None of these territorial conflicts have been resolved so far – they remained frozen or simmering, with deadlocked (multilateral) negotiations. The underlying basic geopolitical fault lines have remained unchanged: the confrontation between the new Russia and the old West; between NATO and the CSTO;³ and between the EU and the EAEU.⁴ The majority of these in-between states do not belong to any of the Western (NATO; EU) or Eastern

¹ Belarus, Moldova; Ukraine; Armenia; Georgia; Azerbaijan; Russian Federation; Turkmenistan; Uzbekistan; Kazakhstan; Kyrgyzstan; Tajikistan. The three Baltic states, on top, regained their former independence.

² Belarus, Moldova, Ukraine, Armenia, Georgia, Azerbaijan.

³ Collective Security Treaty Organization (Members: Armenia; Belarus; Kazakhstan; Kyrgyzstan; Russian Federation; Tajikistan).

⁴ Eurasian Economic Union (Members: Armenia; Belarus; Kazakhstan; Kyrgyzstan; Russian Federation).

(CSTO; EAEU) organizations.⁵ Only Armenia and Belarus joined one of the two collective security and political-economic arrangements, the CSTO and EAEU, indicating that for the time being they do not strive for memberships in the EU⁶ and NATO.

It has been striking that the four countries without any “bloc” affiliation are those that have lost parts of their original territory through violent separation, occupation or annexation: Moldova, Ukraine, Georgia, and Azerbaijan. While, from the perspective of the West, each of these countries should be free to choose memberships in the international alliances and organizations they would prefer, the Russian Federation has made it repeatedly and unmistakably clear that the piece of land formed by the in-between states has been a key part of the post-Soviet space, Russia’s strategic “near abroad”, i.e. its very own area of influence. Any attempt of those countries to join NATO and/or the EU would and will be regarded by Moscow as a hostile act that will not be tolerated. Russia criticized both NATO and the EU sharply for their aggressive policies inviting in-between states to become members of their organizations – claiming that both broke Russian-Western agreements to refrain from such an action: NATO by pushing its Eastern external military borders further and further towards Russia; the EU by its enlargement offers through Association Agreements (AA) and others, with its 2014 AA-offer to Ukraine as the latest “provocation”. In particular, NATO’s open expansionist policy, and its mantra of a “Europe, whole and free” needed critical reevaluation.⁷ Though, as the U.S. and Russian experts Jim Dobbins and Andrei Zagorski underlined in a rare “shared Russian-American perspective”,⁸ although no such “assurances” were formalized in print, it remained that at least (e.g. in the context of the German unification) there had been

⁵ Azerbaijan; Georgia; Moldova; Ukraine; Azerbaijan joined the non-alignment movement in 2011, chairing the organization from 2019-2022.

⁶ Though Armenia became a member of the EAEU in 2017, both Armenia and the EU agreed to continue their rapprochement and cooperation; the EU, in particular, declared to leave the door open for a future Armenian membership.

⁷ Toal, Gerard. *Near-abroad: Putin, the West, and the Contest over Ukraine and the Caucasus*. Oxford, 2017, 299.

⁸ Dobbins, James, Zagorski, Andrei. “Lessons learned from Russia-West Interactions on European Security.” In: Charap, Samuel, Demus, Alyssa, Shapiro, Jeremy (Eds.). *Getting out from “In-between”: Perspectives on the Regional Order in post-Soviet Europa and Eurasia*. Santa Monica, CA: RAND Corporation, 2018, 5-15.

some quiet “political” agreement not “to touch” the other side’s spheres of influence. Nevertheless, it remains a fact of European and Eurasian geopolitics that

“Russia remains deeply concerned about the potential for color revolutions and the accession to EU and NATO of countries within its sphere of influence, fearing that these events could facilitate regime change in Russia and bring NATO to its doorstep.”⁹

To me, since my time in the South Caucasus up until now, it has become more and more obvious that the Russian Federation, in its very own strategic interest, has both smartly, effectively, and, in part, brutally, built a “cordon sanitaire” around its Eastern and Southern flanks with the “bricks” of regional conflicts, territorial disputes, land divisions and annexations. There can be no doubt that the West, both NATO and the EU, have contributed in various ways to the establishment of that stronghold, though the West has never used force or broken international law. If that is true, I have frequently asked myself – as the participants of this workshop have – what would happen to the in-between states who have suffered conflict, that is to say those having to deal with illegally separated, occupied and annexed territories? From the more or less frozen Nagorno-Karabakh conflict to the *de-facto* occupied, Russia bordering Eastern Ukraine, none seems to be resolvable without the goodwill of Moscow. Russia has the main solution code, while the West and the breakaway regions hold the necessary additional keys of political compromise. Moscow claims that it sees itself in a position of “self-defense” against the West’s “aggressive” policy to reduce Russia’s “*cordon sanitaire*” by NATO and EU enlargements. Thus, Russia finds itself forced to answer such Western “provocations”, as it sees them, with forceful counter-measures: “Russia seeks to create autonomous regions, frozen conflicts, or complex federal arrangements to make it difficult for the host country to exercise effective governance or to achieve the requirements of the EU and NATO for accession.”¹⁰ The Russian Federation may have been at least formally one of the key mediators in the so-called peace processes. With its

⁹ Cohen, Raphael S., Radin, Andrew. Russia’s hostile measures in Europe: Understanding the threat. Santa Monica, CA: RAND Corporation, 2019, 65; see also Dimitar Bechev’s study for Russia’s similar approach in the region of the Western Balkans: Bechev, Dimitar. Rival Power. Russia’s Influence in South Eastern Europe. New Haven/London, 2017.

¹⁰ Ibid., p. 93.

unleashing of the Ukraine and Crimea wars though, Moscow has become a party if not a sponsor of the conflict – a qualification that does not easily roll off the tongue of Western politicians and diplomats still warning “not to bedevil Europe’s key neighbour Russia.” From the perspective of the rebel “states” and from that of Russia, a mixture of the principles of self-defense and self-determination has been applied, in conformity with international law. In the nation states’ (“titular nations”) and in the Western view, though, international law has been heavily violated (the sovereignty of the nation state and the invulnerability of its borders), with Moscow’s encouragement and ongoing support, in the region, and on the international negotiation stage.

All the international fora established to deal with them diplomatically have hardly contributed to the resolution of any of those conflicts, but have helped in freezing them and thus stopping both the bloodshed and the fight and eviction. The mantra of the international community has been: stability, stability, stability, a model we have also seen applied in the Western Balkans. From one perspective, the in-between states with areas of territorial conflict seem to have become hostage to the overall “new” East-West divide, to a revival of the “Cold War.” From another perspective, separatist elites in the breakaway and occupied areas seem to enjoy the international diplomats’ and their (former) nation states’ helplessness, enabling them to reinforce the *status quo* of their *de facto* status and to make it harder to possibly reincorporate one day this territory into its former titular nation. The politically promoted alienation between the nation state and the separatist or occupied territory and its populations may grow to such an extent that a reintegration, even though the regional or global political “climate” would allow so at a certain point, might not be possible or make sense anymore.

This, of course, poses a serious, responsible challenge to the free world and in particular to those like the EU, the majority of OSCE and the Council of Europe, who want to see an end to instability and both legal and political order restored. However, given the geopolitical fact that none of the two superpowers being directly or indirectly party to all of these conflicts, Russia and the U.S., can be excluded from regional or international conflict resolution fora, this means at the same time that these territorial conflicts can only be solved if both of them agree. If not, for the time being, the maximum that is possible is to keep the conflict more or less “simmering”, fabricating ac-

tivity and progress by routine diplomatic visits and standardized communiques. The OSCE Minsk Group that has been dealing with the Nagorno-Karabakh conflict since 1992 without achieving any real progress or even any breakthrough has been a typical example of this overall dilemma: “Having the Co-Chairs travelling to and within the region, and afterwards delivering fluffy press statements cannot be sufficient anymore.”¹¹ But this has been mostly due to the antagonist overarching political situation, rather than the negotiation skills of the special envoys.

After years of such more or less diplomatic standstill, opportunities for a sustainable solution acceptable to all parties to the negotiation process have been dwindling: “Plan A”, realistically seen, in particular from a diplomat’s point of view, seems unreachable, at least within the next one, two decades, or so. How about a “Plan B” to meanwhile, if not for good, provide the ethnic, territorial and frozen conflicts’ zone of Europe (and the in-between states located in its center) with more stability, human security, prosperity and concrete livelihood for its people? Given, that the region discussed here has been “highly conflictual”:

“From the Western Balkans to the Caspian Sea we have been confronted with a cohesive area of political instability and economic backwardness. From the periphery reaching far into Europe, this post-imperial area has posed, for the time being, the first and major security challenge to Europe.”¹²

Even from my modest professional experience, I dare to claim: Yearly “consolation communiques” following field visits or meetings of the various international formats very probably will not be sufficient to advance any conflict resolution. Rather, “new” conflict settlement formats and instruments, many of them discussed at this workshop, should be identified, created, and eventually combined and applied as widely as possible. In my opinion, it would be worthwhile to test in this context in particular the proposals brought forward in this workshop, taking into account, that, of

¹¹ See the 18th RSSC SG Workshop’s Policy Recommendations, Reichenau/Rax, 8 to 11 November 2018, Austrian National Defense Academy, Vienna, 2018, p. 4.

¹² Münkler, Herfried: Eine neue Sicherheitsarchitektur für Europa? Einige politikstrategische Überlegungen. In: *Merkur* 72 (2018) 830, pp. 5 -17 (12) (translated from German by the author).

course, “each conflict is different and will require customized conflict management and resolution strategies.”¹³

The New East-West Division: Superpowers’ Competition and Confrontation

My long experience in the field both of the new and old conflicts in Europe and in Eurasia has taught me the lesson that regional and proxy wars, be they ideological and/or territorial – under the impact of the new East-West confrontation that peaked with the Crimea annexation – can only be solved by finding first a sustainable balance of interests between Russia and the West. Though, realistically, for the time being rapprochement between Russia and the West seems unlikely, Moscow and Washington, above all, should be pressured to at least mitigate their geopolitical competition in a way that substantial, serious and solution-oriented negotiations could be opened. This would also need the involvement of the partner states both of the U.S. and of Russia – and their respective military and political-economic alliances and organizations. The OSCE and the Council of Europe should offer their capacities as facilitators and mediators. To kick-start this central geopolitical project of the second quarter of the 21st century, an all-encompassing European-Eurasian conference will have to be set up –comparable for example to the Helsinki process of the 1970’s.

So far, however, the in-between states and the *de-facto* “states” are left in limbo about their political and territorial future. Their populations have no time anymore to wait for the outcome of such a Trans-European project: they need security, stability, prosperity and reliable prospects for their future. The people living in these left-alone areas have the right to expect that the state of uncertainty, which comes at high cost to their everyday lives, will be ended on a practical basis as soon as possible.¹⁴ In the meantime, while political mechanisms are sought to bridge the new confrontation between the two blocs, creative initiatives on a mutual bilateral and regional levels should be designed and applied to simply improve the living condi-

¹³ Toal, *op.cit.*, 299.

¹⁴ See Munich Security Conference Foundation (Ed.): *The Great Puzzle. Who will pick up the pieces?* Munich, 2019, 36 (Chapter “Eastern Europe: State(s) of uncertainty”).

tions for those humans that have had so far to suffer as objects of a geopolitical struggle for zones of influence.

A Bird in the Hand Is Worth Two in the Bush

Both my experience, and even more so, recent history have shown that simply waiting for the “grand solution” only in the rarest cases helps the people affected. In contrast, the mantra of the in-between states and areas should read: leave the sensitive and difficult status-related questions (sovereignty; territory; borders) aside until the overall political rapprochement between the blocs, alliances and superpowers would offer the possibility of tackling them with a realistic chance of progress. It is better to make fruitful use of the interim period to pursue a policy of small steps that improve life in many areas for the people on all sides of the conflict. A model for such an approach can be found in West Germany’s “new Ostpolitik”, which the former chancellor Willy Brandt¹⁵ designed in the years following 1969. In particular, the way the “Grundlagenvertrag”¹⁶ between the Federal Republic of Germany (FRG) and the German Democratic Republic (GDR) handled the question of the status of “two states on common German ground” could be a role model for the territorial conflicts in the in-between-states area, above all in the Southern Caucasus. The idea behind this diplomatic strategy is to establish good neighbourly relations between entities of a formerly unified country, change through rapprochement not excluded. Thus, it came as no surprise, that during the Vienna negotiations on the final status for Kosovo the status and sovereignty model of the German-German Grundlagenvertrag played a vital part.¹⁷

The countries in conflict that this workshop has discussed are in an existentially difficult situation, if not in dire straits. Should they compromise, though

¹⁵ Together with his major advisor for West Germany’s rapprochement with the East, Egon Bahr.

¹⁶ Basic Treaty of 21 December 1972.

¹⁷ The idea was introduced by Germany’s top diplomat, Wolfgang Ischinger, now Head of the Munich Security Conference, MSC. While Kosovo seemed open to the idea, the Serbian government rejected it for various reasons. See, among others, the Deutsche Welle interview with Werner Weidenfeld: Serbien und Kosovo wie BRD und DDR? Deutsche Welle, 2 August 2017, <www.dw.com/de/serbien-und-kosovo-wie-brd-und-ddr/a-39930485>.

the country sees itself confronted with the question of national survival – or rather continue to fight for the restitution of the status quo ante, even if this could mean new bloodshed and an aggravation of the situation? As long as they must acknowledge that consensus between Russia and the West on their future status cannot be reached for the foreseeable future, it could be politically wise to pursue an approach of the politics of the small steps based on principles of (geo-) political neutrality and non-alignment, as hard as that may be. The right to free alliance choice remains, of course, but “Realpolitik” may dictate for such interim periods: maintain equal distance from the West and Russia until things change.

Among the small steps to take, people-to-people relations are at the very head of the list. Existential human needs, cross-border or across lines of contact, can be negotiated directly and on a practical basis – in most cases without the help or interference of the various rulers. Unfortunately, here is the problem: rulers, both of the nation states and the breakaway regions, suspiciously follow and mostly hinder such contacts: they would rather maintain complete control. This is where external neutral actors are needed badly to mediate between the different interests. This, in my opinion, would be a much better job for the above-mentioned multilateral groups and fora, which mainly travel around, producing meaningless communiqués and statements.

All small steps begin with the provision of human security,¹⁸ a meanwhile universally recognized catalogue of basic measures to guarantee basic security, safety, freedom and human dignity. If rulers and governments refuse to lend a helping hand, people should try to agree bureaucratically among themselves – and the international community should assist with advice, mediation and, if necessary, with financial means.

Key for a sound basis of conflict resolution and a future good neighborly “cohabitation” are *joint* truth finding, trust building and reconciliation. This is another very important lesson from my long work in conflict and post-conflict areas (e.g. in South Africa). The optimal outcome of such a people-

¹⁸ See, e.g., the UNDP definition of the Human Security concept: “Freedom from fear and freedom from want”, <www.undp.org>.

to-people process is the formulation of a new, mutually agreed narrative of the conflict, with all its aspects.

This list could be extended, of course, by many more concepts, strategies, tools and instruments. In principle, this is what I have learned and what this workshop has brought to my mind again: a great deal of improvement is possible, measurable improvements for the people directly. What it needs are open minds and political will, and a readiness for compromise, even if it may hurt patriotic feelings.

The Way Ahead

Frederic Labarre

Thought your reading over? It's not! While Michael Schmunk provided a stellar epilogue to this very difficult topic, we must also consider the actual execution of our Study Group workshops. As the reader may have noticed, the character of each workshop tends to a particular theme or topic. Sometimes, the topics are sponsor-induced, and while this does not detract from the general idea of raising greater awareness to the plight of the South Caucasus, the co-chairs remain conscious of the fact that the primary patrons of the Regional Stability in the South Caucasus Study Group have particular policy objectives to meet. One of those objectives is to drive the existing (and expanding) pool of local experts to tackle ever more difficult tasks of providing actionable policy recommendations for PFP Consortium members, South Caucasus capitals, including Russia and Turkey, and major international organizations. More and more, initiatives such as the RSSC SG are required to show value.

As a Track II initiative, the co-chairs are proud to report that the RSSC SG is one of the most successful endeavors in this area. In September 2015, an *in camera* meeting of high-ranking South Caucasus civil servants was held by the George C. Marshall Center in Garmisch-Partenkirchen, based on the recommendations that had been produced from the November 2014 workshop. In 2017, OSCE representatives present at our workshop showed interest in undertaking a feasibility study for the establishment of an energy security management institution for the South Caucasus. In October 2018, the co-chairs learned that recommendations dating back to 2016 seemed to have been implemented in the form of a president-to-president hotline between Armenia and Azerbaijan. I hasten to add that these recommendations are the product of the Study Group participants – not the co-chairs. It therefore follows that it is possible for rivals to work together to develop solutions provided that the appropriate levels of discretion and serenity are maintained.

Another ingredient – one which is provided by the co-chairs – has to do with the topic suggestions. The deeper we delve into the challenges of the South Caucasus (or of the Donbas or any other conflict, for that matter), the greater the odds that Study Group participants will be able to narrow their focus on the true source of conflict there. This will require open-mindedness and courage on all concerned. The discussions in Minsk in 2018, and the needed stock-taking of November 2018 in Reichenau have concluded with this 19th workshop on the geopolitical aspects of third actors' influence on the South Caucasus.

If I may be permitted a metaphor, we can only blame candy manufacturers for the dental health of a population for so long; no single individual can affect the sugar content of candies on the market. Sooner or later, correction to problems has to be implemented individually; go to the dentist, brush your teeth, change your diet. Each of these requires commitment levels ranging from simple discipline to mastering one's fears. So, looking outwards for solution – as far as China – or blaming the geopolitical landscape for narrow national problems will not always do. Pursuing with the oral health metaphor, the RSSC SG shall now resume with its search for answers and solutions by drilling deeper.

The participants of the 19th RSSC SG held in Berlin have produced valiant efforts at looking for solutions to conflicts affecting the South Caucasus and as far and wide as Transnistria. This made sense as we were looking at those conflicts thematically rather than regionally. In that sense, we may chalk up the 19th RSSC SG as a success. But we nevertheless notice that the situation in the South Caucasus remains fragile and unstable. At time of writing, there has been further unrest in Tbilisi, and sniping has resumed on the contact line in Nagorno-Karabakh. Yet, solutions have been proposed by our participants nevertheless.

This is why future workshops of the RSSC SG will focus on narrowing issues. It will be painful, but we hope we can have the complement of experts that we usually rely on and new ones as well. The next workshops will expand on ideas provided by Michael Schmunk (the example of the West German-East German arrangements), Rustam Anshba (who voiced support for managed autonomization), and others, including our own co-chairs. We will rely

on our participants to create new solutions, solutions which will be put forward to the Geneva and Minsk formats, and hopefully will continue to inform policy making and drive forward the stabilization process.

One of the goals of this Study Group should be to rationalize and elevate the debate professionally; that is, to expand it to policy-makers and diplomatic circles (if sponsors allow), while maintaining the Track II character of the exchanges. However, I do not believe this goal should supersede the necessity of looking in detail at possible autonomy management methods, particular aspects of the moribund Madrid principles, peace overtures made by Georgia, and, eventually, repatriation of internally displaced persons, non-use of force, the status of NATO membership options, or even the withdrawal of foreign troops from national territories however conceived. Eventually, when those solutions will have been run to ground, perhaps they will become the example to follow for Transnistria and the Donbas, and perhaps even Kosovo.

The world is changing – that is a cliché – but it isn't changing without us. The same holds true of the South Caucasus societies. They must act now to constructively resolve their differences in their own terms, lest somebody more powerful dictate the terms for them. Acting earnestly in the provision of solutions and ideas is more crucial than ever. F. Scott Fitzgerald once wrote that an artist is someone who can hold two contradictory notions and still function. Artistry in conflict resolution and stabilization; that is what the RSSC SG workshops should achieve. Hopefully, the canvas that are produced will not be hung on the walls in our capitals' ministries, but will be used as road maps on the way ahead.

**PART V:
POLICY RECOMMENDATIONS**

Policy Recommendations¹

Regional Stability in the South Caucasus Study Group

Executive Summary:

The PfP Consortium Study Group for Regional Stability in the South Caucasus held its 19th workshop at the offices of the Dialogue of Civilization's Research Institute (DOC/RI) in Berlin, 11-14 April 2019. It reunited academic representatives of Armenia, Azerbaijan, Georgia, Russia, Ukraine, and people from the territories of Abkhazia and South Ossetia. The aim of the workshop was to discover similarities between geopolitical conflicts in the South Caucasus and in Ukraine, and to see if common solutions could be applied to stabilize the situations or resolve the disputes altogether. After a day and a half of intense presentations and interactive discussions, the Study Group generally concluded that European security structures and rules needed renewal, that greater economic cooperation needed stimulation, that the development of common interpretation of local history could help reduce tensions, that inclusiveness of local and geopolitical actors (of Russia in particular) was a sine qua non condition of effective regional stabilization, and was essential in coming up with pragmatic solutions to the intractable discussions on status, borders, refugees/IDPs and compensation and restitution issues. These general conclusions framed the following targeted policy recommendations.

Targeted recommendations:

- 1) Establish a dedicated (preferably OSCE-based) platform where regional experts operating in a track-2 capacity can discuss the more difficult features of the conflict, examine scenarios for resolution and stabilization, and propose options to official circles.

¹ These policy recommendations reflect the findings of the 19th RSSC Workshop "Geopolitical Challenges of European Security in the South Caucasus and Ukraine", held at the Dialogue of Civilization's Research Institute in Berlin, Germany, 11-14 April 2019, as compiled by Frederic Labarre and George Niculescu. Thanks to Klara Krgović for her help in managing the publication process for this document.

- 2) Pay closer attention to the humanitarian situation in conflict zones.
- 3) Stimulate foreign direct investment across dividing lines, especially concerning infrastructure and energy projects.
- 4) De-ethnicize the conflict, de-escalate hatred by countering aggressive language and hate speech by taking measures to responsabilize the media.
- 5) Accentuate step-by-step demilitarization processes and other confidence-building processes.

Introduction

The 19th Workshop of the Regional Stability in the South Caucasus Study Group met in Berlin to discuss the challenges for European security brought about by increasing involvement by external actors, and the evolving conflicts in the South Caucasus and in Ukraine. The underlying approach to the discussions aimed at discovering common trends and patterns, and propose actionable policy recommendations for both the South Caucasus region and Ukraine. The opening address given by the Dialogue of Civilization's Research Institute's Dr. h.c. Peter Schulze thought that the European Union was an actor desirous of a greater role in global and regional affairs. However, its capability to be a game-changer in the South Caucasus and in Ukraine remains hampered by the rise of nationalism across Europe, the prevailing introspection determined by Brexit, terrorism and illegal immigration, and by the policy fragmentation among member states, resulting in an absence of strategic purpose. To make matters worse, statistics showed that a sizable minority of people in Europe (up to 39 percent) does not view the United States as a force for good anymore. Across the EU, but also in the Russian Federation, there is an increased fear of war, yet a consensus on rebuilding the pan-European security system is not emerging. Amid this somewhat somber outlook, the workshop proceeded to consider the impact of outside powers on the South Caucasus and on Ukraine, allowing a *tour d'horizon* which complemented the 2018 RSSC SG workshops, held in Minsk and in Reichenau/Rax.

External Actors in Perspective

This panel considered the role and impact of countries that have an alleged interest in the South Caucasus (SC) and in Ukraine; these included Iran,

China, Israel, the Persian Gulf monarchies, as well as Belarus and Kazakhstan. Of course, Russia, EU, Turkey, and the United States were deemed as especially interested, but for different purposes. Some panelists argued that all the countries named above play specific roles in the SC region and/or in Ukraine, but considering the presentations made, this does not necessarily suggest that external actors straightly entered the competition with regional powers, but rather that they are at crossroads.

For instance, there is evidence that the Uyghur factor drives Chinese relations with Turkey and Azerbaijan, and that, as far as the South Caucasus is concerned, there remains doubt whether China is powerful enough to impose its writ. So far, the region has educational, research and academic appeal for China, but with regards to natural resources, it is “late”; all the contracts and concessions have been let, and there is little doubt that Russia will jealously guard access to the Caspian oil and gas fields. Another panelist argued that the direction of Chinese interest westward was greatly influenced by the presence of conflict. This expresses a form of “neutrality” for China. It’s Belt and Road Initiative is a graphic demonstration of a project that meanders around contested regions. The advantages of this approach are clear; not only is investment better protected, but it steers clear of direct confrontation with Russia, which is not perceived as an external actor with regards to the South Caucasus and Ukraine. As a result, there is a feeling that a “division of labour” might be emerging whereas China’s role would be mostly economic, and Russia’s responsibilities would focus on security. From this perspective, China could be turned into a “targeted economic stabilizer” of post-Soviet conflicts, thereby Beijing would become more involved in supporting peace building and economic reconstruction, while leaving diplomatic mediation to Russia and the other regional powers.

Iran’s position relative to the South Caucasus is particular, and it is perhaps the greater source of controversies. Whereas one speaker saw Iran as trying to build relations simultaneously with everyone in the region with a view to push larger powers out, as if it tried to develop regional hegemony, another speaker thought that Tehran was operating in the South Caucasus mostly in cooperation with Russia. The ensuing risks cannot be overstated in view of

the continuing Shia-Sunni confrontation, which seeps into the South Caucasus from the North².

The danger is compounded by the amount of Israeli and American attention it attracts; as a result, the visit of John Bolton to the region in late 2018 suggests that the United States requires the South Caucasus to be a potential platform from which to contain Iran. At the same time, this means that added sanctions will necessarily affect Armenian, Georgian and also Azerbaijani economies relative to Iran.

Considering the problem of Ukraine, participants stressed that the lack of resources in that region aggravated the democratic deficit. This creates a drive to secure unilateral advantages and absolute gains, emphasising state-centrism. The new context that emerges actually reflects old conflicts. Old conflicts which are re-interpreted as ethno-nationalist. Internal conflicts are made to look like international conflicts because of a lack of strong central government and institutions. In this sense, another panelist argued that it was pertinent to put both the South Caucasus and Ukraine conflicts under the same theme, because it encourages the perception that the underlying causes of conflict are universal. Some of these causes can be traced to the legacy of Russian internal security dilemmas, and the fact that Russia is considered not as an external actor, but a Eurasian power. On the other hand, all the conflicts, including in the South Caucasus, should be understood as part of adversarial relations at higher levels. In this respect, it should be clear to everyone that NATO's enlargement in the SC and in Ukraine will drive Russia's reaction. Be that as it may, Moscow's position on the Ukraine problem is pretty much nuanced; on Crimea, no discussion is possible. It is treated like a part of Russia. On the Donbas, however, Russia is ready to engage in discussion because it is not part of the Russian worldview.

² Anton Chablin. "Radicalism Seeps through the Border". In Labarre, F. and Niculescu, G., Eds. *South Caucasus: Leveraging Political Change in a Context of Strategic Volatility*. Study Group Information of the RSSC SG, Band 5/2019, Vienna: Austrian National Defence Academy, 2019, pp. 157-162. Available on www.bundesheer.at/publikationen-946.

In other parts of the South Caucasus, although Russia seeks recognition it does not want to absorb new territories (even resisting local calls for re-unification). As for Nagorno-Karabakh, it holds no sway in Russian security and foreign policy documentation. Rather, it is perceived as an Armenian-Azerbaijani dispute, over which Russia's preference is over avoiding large-scale conflict and maintaining a balanced approach to local actors. In this last respect, another participant underlined that Russia wanted to steer clear of making strategic choices because it involved painful conceptual dilemmas for the Kremlin. The bottom line is that all conflicts should be assessed within the wider context of a contested European security.

Adapting to Outside Pressure

In this panel, presenters looked at the means at the disposal for respective actors to navigate the landscape created by actors seemingly external to the conflict. Pressure doesn't always come from external geography, but is sometimes internal. In certain cases, the diaspora is well-leveraged. This is particularly the case of the Abkhaz diaspora in Turkey, which is vibrant and active. Civil society of the Abkhazian region is less interested in what happens in the rest of Georgia. It is not necessarily external actors who create pressure, but rather the contingencies created by competing policies. In this sense, the EU policy of engagement without recognition is hijacked by central powers' policies of "no contact".

Likewise, and as highlighted in the previous panel, Iran's ambitions in the region can create pressures because of greater powers' policies; this explains why Armenia doesn't always bandwagon with Russia – it successfully resisted urgings to recognize Abkhazia and South Ossetia after the 2008 Russia-Georgia war. It further resisted internally during last year's Velvet Revolution. After 2013, it can be said that Russia's clout over Armenia (and Azerbaijan) was significantly reduced, allowing actors in the South Caucasus to develop multi-vector policies aiming at sometimes bandwagoning, other times balancing against, regional and external powers. Hence, their vulnerability against the changing meteorology of regional powers' relations has also increased.

In the case of Armenia, it is thought that outside pressure against the post-

Velvet Revolution government, who enjoys higher legitimacy and public support, may backlash in the future into a broader public support for this government's policies on Karabakh. That is by pursuing widely popular policies, Armenia may immunize itself against possible internal dissent on maintaining the *status quo* in Karabakh.

In the case of Ukraine, outside pressure, it was explained, is more self-inflicted, or rather structurally-inflicted. This is especially true of how the European Union deals with the Ukrainian conflict; refusing to yield on Crimea induces its own pressure and reduces the room for negotiation maneuvering. However, the recognition of the Israeli sovereignty over the Golan Heights may have set a precedent for the recognition of the annexation of Crimea by Russia within the broader context of future negotiations over a new European security system. The problem is, on the one hand, that Russia refuses to recognize Ukrainian statehood, and, on the other hand, that Western policies of NATO enlargement and the ambiguity of EU's strategy against Ukraine are deemed in Moscow as provocative and anti-Russian.

In conclusion, the states "in-between" (Ukraine, Georgia, Armenia, and Azerbaijan) are seeking security guarantees that would require a new regional order, and are keen to diversify their trade, foreign investment, and other economic opportunities with the involvement of external powers. They clearly want to further diversify their foreign policy and economic engagements. Although the challenges posed by external powers are different for Russia and the West, they are affecting the economic and security interests in the common neighbourhood of both. That is why the West and Russia need to look for concrete ways for mutually acceptable power sharing and for keeping their stand-off over the common neighbourhood under control.

The Way Ahead for Geopolitical Competition over the South Caucasus and Ukraine

The Iranian factor will continue to loom large; Armenia would like to develop energy projects with Iran, but may be prevented from doing so by American sanctions. Energy exchanges with Iran could free up Russian gas which could be used towards other markets. This could also make Armenia, in particular, a more autonomous actor in the region. Other participants ar-

gued that we would continue to hear narratives focusing on mutual exclusion. In view of deepening deadlocks, greater expectations would be put on the European Union in the absence of other reliable great power centres. One way out of this dilemma would be to alter the post-Cold War security architecture; some participants even suggested that political and military neutrality compensated with economic integration could be a solution.

It is clear that the region cannot be stabilized through further international organization enlargements; the NATO option is deadlocked and the European Union is currently otherwise occupied with redesigning its future shape and role in the world. Against this background the almost forgotten concept of permanent neutrality based on international law (re-interpreted as “engaged” or “functional neutrality”) may play an important role once again, especially for the “in-between” states. Under some circumstances, the Austrian concept of neutrality could serve as a role model and help to stay out of the spheres of influence created by regional powers. However, while Azerbaijan declares itself non-aligned, other actors in the region are for now skeptical of the security benefits of neutrality, and incentives should be created to persuade them for pursuing strategic changes of tack.

Some participants adopted a macro-societal outlook for eventual stabilization. In particular, it was thought that – contrary to some other participants’ views – conflicts should be differentiated. The Donbas is a different conflict than Crimea, and stems from societal fragmentation. Such fragmentation attracts marginal individuals; they try to find their place by creating new structures in vulnerable areas. Without stimulating an all-encompassing identity the Donbas will become a society without a state; without hierarchy, culturally flexible, but with Soviet values.

Other participants reiterated the need for structured discussions, and perhaps revising existing international organizations. The case of a “OSCE 2.0” was made yet again, as was the idea of a model of interaction free from foreign pressure, and where views are inclusively shared. The aim of this new interaction should be to set long term goals, open dialogue on controversial issues, mediated by impartial observers, and open zones of cooperation on specific areas (yet to be discussed). The overall objectives should be to reduce pressure to join this or that regional organization; focus on arms control and

demilitarization; strengthen the principle of non-intervention in internal affairs; make the DCFIA's compatible with the Eurasian integration to create structures and opportunities for bi-organizational projects; enhance cooperation between research and development institutes; and maintain openness to all actors, and all issues to build mutual confidence.

Interactive Discussions and Breakout Groups

The RSSC SG resumed with its successful method of differentiating issues through breakout group discussions for this workshop. It also engaged in meaningful interactive discussions which enabled the Study Group to come up with umbrella recommendations and actionable items.

The first interactive discussion stressed that Islamic radicalization was a factor of concern for all states in the South Caucasus region. It further re-iterated that the “other territories” of the South Caucasus should be engaged in security discussions. One would assume that the same would be true of the conflict affecting Ukraine. Civil society and fledgling organizations in the two conflict areas should be provided with greater capabilities, especially with regards to education, specialised training, skills building, etc. The issue of political neutrality was also discussed, but the conclusion was that, absent trust, there could be no political neutrality. Still, there is a desire to evade outside pressure; someone even suggested treating the United States the same way that the United States treats Russia; by ignoring it. However, others suggested that incentives for Russia and the United States to find mutually acceptable geopolitical arrangements in the South Caucasus and in Ukraine may be indispensable to regional stability.

Booth breakout group

The Booth breakout group engaged discussion on a variety of topics of interest within the Western South Caucasus (Abkhazia-Georgia-South Ossetia, and Russia). It was argued that there should be no reliance on history, as it tended to stimulate demagoguery. Issues of statuses and borders should be put in brackets while peace proposals should be made more practical and less declaratory. Steps need to be taken. On the one hand, these steps can be made in people-to-people exchanges, while on the other hand, if great pow-

ers have to be materially involved, they should not necessarily hold the ultimate decision in their hands. This breakout group concluded that mutual agreement was a precondition to moving forward on issues. Dialogue between Russia and Georgia could be formalized, but separate from the dialogue between Georgia and its regions that seek independence. Finally, a new development agenda should be elaborated to allow societies to blossom equally, and this, potentially with the material assistance of external actors.

Ford breakout group

This breakout group explored the conflict in Ukraine in greater detail. It concluded that the situation was deadlocked, and anticipated that the status quo would remain, but with low levels of fighting. To break this deadlock, measures to better evaluate the parties' interests need to be developed, while at the same time adhering to the following conditions; maintain ceasefire (and refrain from mine-laying), improve humanitarian situation on the ground, establish an OSCE conference on the Donbas (even though Crimea might not be recognized), stimulate economic exchanges across dividing lines – including foreign direct investment (FDI) and the support of the European Bank for Reconstruction and Development (EBRD), strengthen Ukrainian NGOs, make the Ukrainian identity attractive, and, ease sanctions on Russia according to the steps taken forward.

Lincoln breakout group

This breakout group focused its attention on the Eastern South Caucasus. Discussions there highlighted that, despite the establishment of a hot line in October 2018 which gave hope for a potential rapprochement between Armenia and Azerbaijan, progress in Nagorno-Karabakh conflict resolution was scarce. This courageous breakout group underlined the need to take steps to release political prisoners and allow internally-displaced persons to return (and if not, allow for compensation). Participants therein favoured multi-track diplomacy; fastening on the Madrid principles to feed track 1 diplomacy, as well as on strengthening ties between track 1 and track 2 through increased transparency, and thematic platforms for discussion similar to those in the Eastern Partnership. Developing joint approaches of both governments to mutually prepare their populations for peace, engaging broader civil society groups, challenging the negative conflict narratives

within society (including the use of aggressive language, and hate speech), expanding people-to-people contacts and setting up bilateral dialogue at local administrations and civil society levels, and jointly developing post-conflict scenarios have been unanimously perceived as effective ways to optimize track 2 diplomacy tools in NK conflict management and resolution.

Policy Recommendations

The final interactive discussion was devoted to extracting workable policy recommendations. Umbrella recommendations cap the suggestions made in each of the breakout groups, and are more general in nature, but the policy recommendations themselves speak to precise requirements emanating from the participants, and as they emerged in the broader panel and interactive discussions.

Umbrella recommendations/ Common points:

- 1) Overcoming the current deadlocks in negotiations require not only new (or renewed) formats at Track 1 and Track 2 levels, but also renewed European security structures and rules. The latter should include an unanimous acceptance of the new political and strategic realities.
- 2) Greater economic cooperation is required possibly with the establishment of infrastructure and energy projects.
- 3) Interpretation of history is at issue as conflict stimulant. There needs to be common history projects to build identity and defuse demagoguery.
- 4) Issues of status, borders, refugees/IDP's, and compensations need to be addressed pragmatically, if not administratively.
- 5) Russian Federation participation, and inclusiveness against local and external stakeholders is a *sine qua non* condition of effective regional stabilization.

Actionable recommendations:

- 1) It was generally recognized that a policy recommendation made several times during RSSC SG workshops be re-iterated here; namely, that a special platform be created to bridge track 1 and track 2 diplomacy for the South Caucasus (this can be applied to the Ukraine conflict as well). The discussions during the 19th RSSC SG focused more on the potential of the OSCE than that of the EU in establishing this platform. Nevertheless, we present this recommendation as it appeared in the 18th RSSC SG workshop which took place in Reichenau in November 2018 and earlier: convene a Strategic Peace-building group under the Eastern Partnership (EU) where regional experts (peace scholars) and EU-based conflict resolution professionals could exchange views, share innovative ideas, scenarios, political advice, and corresponding proposals.³
- 2) Parties to the conflict as well as external actors (as defined in this RSSC SG workshop) should pay greater attention to the well-being of populations caught behind (or within) conflict lines and enclaves. Supporting the work of humanitarian organizations and enabling their freer access to vulnerable populations should be the first priority.
- 3) In connection with point 2, above, international financial institutions, donor organizations and other such actors should stimulate FDI, economic exchanges and commerce across conflict lines. This includes greater attention to infrastructure and energy projects susceptible of bringing regions together.
- 4) De-ethnicize the conflict, de-escalate hatred by countering aggressive language and hate speech (through new legislation, as well as ethical, and social media norms). Media reporting and people-to-people exchange mechanisms should be emotionally-unloaded. It was recommended that textbooks and education manuals should be produced outlining the various sides of the conflicts' coin. This applies to the South Caucasus as well as to Ukraine, and, one may add, to the great powers also.

³ See RSSC SG. *Policy Recommendations 18th RSSC SG workshop*. Vienna: Austrian National Defence Academy, 2018.

- 5) Accentuate step-by-step demilitarization processes and other confidence-building processes (this was made in connection with Georgia, but obviously applies to all regional conflicts).
- 6) It was recommended that the 20th RSSC SG workshop would explore the topics of “guided” or “trial separation” from, vs. “autonomy within the territorial integrity” of, SC states as possible ways to consider intractable status and border definitions, move the regional development agenda forward, and ensure local ownership of processes.

List of Abbreviations

AIIB	Asian Infrastructure Investment Bank
ATC	American-Turkish Council
bcm	billion cubic metres
BRI	Belt and Road Initiative (<i>alternative abbreviation: B&R, also: One Belt, One Road, see OBOR</i>)
BTK	Baku-Tbilisi-Kars
CEPA	Comprehensive and Enhanced Partnership Agreement
CIS	Crypto Invest Summit
COMTRADE	Commodity Trade Statistics Database – United Nations Statistical Division
CSTO	Collective Security Treaty Organization
DCFTA	Deep and Comprehensive Free Trade Area
DNR	<i>Donezka narodna republika</i> /Donetsk People’s Republic
DOC/RI	Dialogue of Civilizations Research Institute
EAEU	Eurasian Economic Union
EaP	Eastern Partnership
EU	European Union
FES	Friedrich Ebert Stiftung
FEZ	Free Economic Zone
GDP	Gross Domestic Product
HST	Hegemonic Stability Theory
IAO	Interparliamentary Assembly on Orthodoxy
IDPs	Internally Displaced Persons
INF Treaty	Intermediate Range Nuclear Forces Treaty
INSTC	The International North-South Transport Corridor
ISIS	Islamic State of Iraq and Syria
JCC	Joint Control Commission
LNR	<i>Luganskaja narodnaja republika</i> /Lugansk People’s Republic
MSR	Maritime Silk Road
NATO	North Atlantic Treaty Organization
NGO	Non-Governmental Organization
NK	Nagorno-Karabakh
OBOR	One Belt, One Road (<i>also: Belt and Road Initiative, see BRI or B&R</i>)
OSCE	Organization for Security and Co-operation in Europe

PCA	Partnership and Cooperation Agreement
PfP	Partnership for Peace
PMR	Transnistrian People's Republic
RSSC SG	Regional Stability in the South Caucasus Study Group
SCO	Shanghai Cooperation Organization
SGI	Study Group Information
SIPRI	Stockholm International Peace Research Institute
SOCAR	State Oil Company of Azerbaijan Republic
SREB	Silk Road Economic Belt
TANAP	Trans-Anatolian Natural Gas Pipeline
TITR	Trans-Caspian International Transport Corridor
UK	United Kingdom
U.S.	United States
USA	United States of America
U.S.D	United States Dollar
USSR	Union of Soviet Socialist Republics
WMDs	Weapons of Mass Destruction

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Participants at this RSSC SG workshop were asked to give an appreciation of external actors' (Iran, China, Israel, the Gulf monarchies) influence on the geopolitical processes at work in the South Caucasus region. To discover synergies between the respective stabilization processes, the case of Ukraine was also considered.

There was broad agreement that external actors could hardly play a consistent geopolitical role or exert major regional influence in the South Caucasus. However, they still might affect the regional economic and security interests of traditional powers. Therefore, the EU, the U.S., Russia, and Turkey should look for mutually acceptable power sharing arrangements in the common neighbourhood, and for keeping their stand-offs under tight control against dangerous conventional, hybrid or even nuclear escalations.

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