

GEOPOLITICS OF RUSSIA'S CAUCASUS POLICY AND ITS IMPLICATIONS
FOR THE WORLD

A Master's Thesis

by

GÖKHAN TEKİR

Department of

International Relations

İhsan Doğramacı Bilkent University

Ankara

May 2014

GEOPOLITICS OF RUSSIA'S CAUCASUS POLICY AND ITS IMPLICATIONS
FOR THE WORLD

Graduate School of Economics and Social Sciences

of

İhsan Doğramacı Bilkent University

by

GÖKHAN TEKİR

In Partial Fulfillment of the Requirements for the Degree

of

MASTER OF ARTS

in

THE DEPARTMENT OF

INTERNATIONAL RELATIONS

İHSAN DOĞRAMACI BİLKENT UNIVERSITY

ANKARA

May 2014

I certify that I have read this thesis and have found that it is fully adequate, in scope and in quality, as a thesis for the degree of Master of Arts in International Relations.

Prof. Norman Stone

Supervisor

I certify that I have read this thesis and have found that it is fully adequate, in scope and in quality, as a thesis for the degree of Master of Arts in International Relations.

Assist. Prof. Ioannis N. Grigoriadis

Examining Committee Member

I certify that I have read this thesis and have found that it is fully adequate, in scope and in quality, as a thesis for the degree of Master of Arts in International Relations.

Assist. Prof. Paul Andrew Williams

Examining Committee Member

Approval of the Graduate School of Economics and Social Sciences

Prof. Dr. Erdal Erel

Director

ABSTRACT

GEOPOLITICS OF RUSSIA'S CAUCASUS POLICY AND ITS IMPLICATIONS FOR THE WORLD

Tekir, Gökhan

M.A., Department of International Relations

Thesis Supervisor: Prof. Norman Stone

May, 2014

This thesis examines an overlooked region in the discipline of international relations, the Caucasus. The collapse of the Soviet Union caused the independence of Georgia, Azerbaijan and Armenia, which comprise the South Caucasus. The North Caucasus remained under the control of the Russian Federation but the Russian Federation had to deal with separatist movements in the North Caucasus. Despite military and economic costs, Russia tries to hold on the region.

The withdrawal of Russian rule from the South Caucasus led to the belief that newly established republics would join to the Western camp immediately. The South Caucasus emerged as a big energy prize for the European Union, which wants to diversify its energy transportation routes. However, regional conflicts and Russian presence, which increased gradually has prevented this opportunity. Russia has managed to establish a dominant presence in the region.

This study claims that Russia's Caucasus policy rests upon geopolitical considerations. Russia ensures that the Caucasus will remain under its sphere of influence in order to provide its security and reestablish its great power status in international arena. Russia's goals in the region are frequently challenged by external powers. In order to maintain its hegemonic position in the region, Russia struggles with other external powers.

Key Words: Geopolitics, Russian policy, The Caucasus, Energy

ÖZET

RUSYA'NIN KAFKASYA POLİTİKASININ JEOPOLİTİĞİ VE DÜNYA ÜZERİNDEKİ ETKİLERİ

Tekir, Gökhan

Yüksek Lisans, Uluslararası İlişkiler Bölümü

Tez Danışmanı: Prof. Norman Stone

Mayıs 2014

Bu tez uluslararası ilişkiler alanında ihmal edilmiş bir bölge olan Kafkasya'yı incelemektedir. Sovyetler Birliği'nin çöküşü Güney Kafkasya'yı oluşturan Gürcistan, Azerbaycan ve Ermenistan'ın bağımsızlıklarına neden olmuştur. Kuzey Kafkasya Rusya Federasyonu'nun bir parçası olarak kalmış fakat Rusya Federasyonu Kuzey Kafkasya'da ayrılıkçı hareketlerle uğraşmak zorunda kalmıştır. Ekonomik ve askeri bedellere rağmen Rusya bu bölgedeki varlığını devam ettirmektedir.

Güney Kafkasya'daki Rus yönetiminin çekilmesi yeni bağımsızlıklarını kazanmış ülkelerin Batı kampına dahil olacakları inancını doğurdu. Güney Kafkasya, enerji yollarında çeşitlilik sağlama amacıyla olan Avrupa Birliği için büyük bir enerji merkezi olarak ortaya çıktı. Fakat, bölgesel çatışmalar ve bölgede düzenli olarak artan Rus varlığı bu fırsatın gerçekleşmesini engelledi. Rusya Kafkasya'da baskın bir görünüm kurmayı başardı.

Bu çalışma, Rusya'nın Kafkasya politikasının jeopolitik temelli olduğunu iddia etmektedir. Rusya, kendi güvenliğini sağlamak ve uluslararası arenada büyük güç statüsünü tekrar inşa etmek için Kafkasya'nın kendi etki sahası içinde kalmasına özen göstermektedir. Rusya'nın bölgedeki amaçları sıklıkla diğer dış oyuncular tarafından engellenmektedir. Rusya bölgedeki hegemon pozisyonu devam ettirmek için diğer güçlerle mücadele etmektedir.

Anahtar Kelimeler: Jeopolitik, Rusya politikası, Kafkasya, Enerji

ACKNOWLEDGEMENTS

I am indebted to the Scientific and Technological Research Council of Turkey (TÜBİTAK) for financial support that it provided me during my graduate study.

I express my sincere appreciation to my advisor Prof. Dr. Norman Stone for his guidance, support and encouragement during thesis process.

I express my gratitude to jury members Dr. Ioannis Grigoriadis and Dr. Paul Andrew Williams for the valuable comments and insights that they provided.

I am also grateful for Senior Lecturer Onur Gökçe who assigned me academic tasks which developed my academic skills.

Lastly, I would like to thank my family who has supported me throughout my life.

TABLE OF CONTENTS

ABSTRACT.....	iii
ÖZET.....	iv
ACKNOWLEDGEMENTS	v
TABLE OF CONTENTS	vi
LIST OF TABLES	viii
LIST OF FIGURES	ix
CHAPTER 1: INTRODUCTION	1
1. 1. Research Question	3
1. 2. Hypothesis	4
1. 3. Theoretical Framework	4
1. 4. Methodology	5
CHAPTER 2: GEOPOLITICS.....	7
2. 1. Russian Geopolitics.....	13
CHAPTER 3: RUSSIAN FOREIGN POLICY CONCEPT, MILITARY AND SECURITY DOCTRINES.....	20
3. 1. Foreign Policy Concept	20
3. 2. Military Doctrines of the Russian Federation	22
3. 3. Security Doctrines of the Russian Federation	25
CHAPTER 4: THE GEOPOLITICS OF THE CAUCASUS.....	28
4. 1. Geographical Position of the Caucasus	28
4. 2. Ethnic Composition of the Caucasus.....	31
4. 3. Oil and Natural Gas Resources of the Caucasus	33

4. 4. Pipelines in the Caucasus	37
4. 4. 1. Oil Pipelines	38
4. 4. 2. Gas Pipelines	42
4. 5. Analysis on the Geopolitics of the Caucasus	43
CHAPTER 5: RUSSIA’S SOUTH CAUCASUS POLICY	46
5. 1. Russia-Armenia Relations	49
5. 2. Russia-Azerbaijan Relations	54
5. 3. Russia-Georgia Relations	62
CHAPTER 6: RUSSIA’S NORTH CAUCASUS POLICY	74
CHAPTER 7: RUSSIAN ENERGY POLICY	86
CHAPTER 8: OTHER EXTERNAL POWERS IN THE CAUCASUS	99
8. 1. Regional Powers	100
8. 1. 1. Turkey.....	100
8. 1. 2. Iran.....	108
8. 2. Extra-Regional Powers	113
8. 2. 1. The USA	113
8. 2. 2. The EU.....	118
CHAPTER 9: CONCLUSION.....	123
SELECT BIBLIOGRAPHY	127

LIST OF TABLES

Table 1: Proven Oil Reserves in the Caspian Basin.....	35
Table 2: Proven Natural Gas Reserves in the Caspian Basin	36

LIST OF FIGURES

Figure 1: Russian Expansion Phases	14
Figure 2: Outside Influence on the Caucasus.....	30
Figure 3: Ethnic Composition of the Caucasus.....	32
Figure 4: Baku-Tbilisi-Ceyhan Oil Pipeline	39
Figure 5: Alternatives to Baku-Tbilisi-Ceyhan Oil Pipeline.....	40
Figure 6: Major Kashagan Oil Export Routes	41
Figure 7: The Proposed Nabucco Gas Pipeline	43
Figure 8: Nord Stream Project	96
Figure 9: TAP Route	97

CHAPTER 1

INTRODUCTION

The Caucasus is located between Europe and Asia. It is surrounded by Russia, Iran and Turkey. The Caucasus Mountains divide the region into two parts as North and South. The North Caucasus republics are Adygea, Karachevo-Cherkassia, Kabardino-Balkaria, North Ossetia, Ingushetia, Chechnya and Dagestan. These republics are within the Russian Federation. The South Caucasus republics are Georgia, Armenia, and Azerbaijan.

The Caucasus had been under Russian rule from 19th century to the dissolution of the Soviet Union. After the breakup of the Soviet Union, the South Caucasus states declared their independence. The Russian Federation, the successor of the Soviet Union, retained its sovereignty over the North Caucasus although separatist tendencies have also been strong in the region.

The Caucasus area where three main regional players meet: Russia, Iran and Turkey. Besides these powers, the break-up of the Soviet Union has enabled Western involvement in the region. The European Union and the USA also emerged as actors of the region. Moreover, the ambitions of Armenia, Azerbaijan and Armenia increased the number of players in a very small space. Among all the regions of the world, the Caucasus is among the most potentially explosive (Friedman, 2010).

The dissolution of the Soviet Union was a critical moment for the Caucasus. The South Caucasus states have become sovereign states whereas the North Caucasus remained under the control of the Russian Federation. During and after the breakup of the Soviet Union in 1991, violence in the North Caucasus has increased. Chechen separatism gained power; ethnic clashes among groups in the North Caucasus have become frequent. The South Caucasus also experienced substantial disorder. Interstate and intrastate wars affected the region's stability. The entire region has become center of illegal drug trade, human trafficking, transnational crime and terrorism (Yalowitz and Cornell, 2004).

Another factor that increases the importance of the Caucasus is its energy resources and a linkage between landlocked Caspian Sea resources to international markets. This role has boosted with Baku-Tbilisi-Ceyhan pipeline (German, 2008). The construction of Baku-Tbilisi-Ceyhan pipeline is openly against Russian interest since it challenges Russian monopoly over energy routes towards the West by lessening the viability of Russian energy card as political leverage against Europe. This notion intensifies the competition in the Caucasus.

Despite the endeavors of other powers, Russia retains its influence over the region. In order to protect its interests it does not hesitate to enter into an open conflict in the area. 2008 Russia-Georgia War was good example of this point. Just after the war, Russian President Dmitri Medvedev stated that Russia regards this area as its 'zone of privileged interests' (Kuchins, 2013: 15). Russian forces engaged in two bloody wars in Chechnya in 1994 and 1999 respectively in the North Caucasus. It still tries to hold on in the North Caucasus in which religious and ethnic violence continues. In addition to military engagement Russia diverts economic sources from the federal budget to the North Caucasus. Although the North Caucasus costs Russia economically and militarily, Russian endeavors to keep the North Caucasus as a part of Russia continues.

1. 1. Research Question

In analyzing Russian policy towards the Caucasus after the collapse of the Soviet Union, this thesis will answer the following question:

Why does Russia try to hold on in the North Caucasus, which burdens its economy and military sources and try to expand its influence and control to the South Caucasus?

1. 2. Hypothesis

The hypothesis of this thesis is that if the Russian state concerns about the security of the southern border and the control over the energy routes, then the Caucasus has vital importance for the existence and strength of the Russian state. The Caucasus serves as a buffer zone that separates Russia from other regional powers. Thus, it secures Russia's southern border. By retaining its control over the Caucasus Russia tries to establish dominance over the energy supply routes to Europe. This monopoly over the energy supply routes enables Russia to hold political leverage against Europe. Therefore, geopolitical considerations shape Russia's Caucasus policy.

1. 3. Theoretical Framework

In addressing Russian policy towards the Caucasus this thesis uses geopolitics as a theoretical framework. Geopolitics focuses on geographical factors that shape states' actions. It enables us to consider By analyzing geopolitical forces that shape the Russian attitude to the Caucasus, we can detect security vulnerabilities of the Russian Federation and make assessment and predictions over the conflicts and the competition over the energy routes in the Caucasus.

1. 4. Methodology

This thesis is a qualitative study that attempts to explain Russian energy and security policies towards the Caucasus. The methodology used for this thesis will follow these steps:

- 1- Conducting a literature review about theoretical framework, geopolitics, Russian foreign policy, security, military doctrines, and books, journal articles, and NGO reports concerning the Caucasus region. Moreover, the strategies of other regional powers, Iran and Turkey, and the strategies of outside powers, the USA and the European Union, will be presented.
- 2- Making connections between geopolitical framework with Russian security and energy policies towards the Caucasus by locating strategies and events into the map of the Caucasus.
- 3- The implications of the Russian policies towards the Caucasus will be analyzed in light of geopolitics.

Within this context this study consists of eight chapters. In Chapter 2, I will try to examine geopolitical tradition. I will respectively explore the historical trace of geopolitical thought and how Russian geopolitics has been developed. In Chapter 3, I will analyze how geopolitical thought has been reflected in Russian foreign policy documents. Russian foreign policy documents guide Russian policy makers for especially their conducts in former Soviet space. In Chapter 4, I will introduce the geopolitics of the Caucasus region. This part reveals why Russia gives special

importance to this region. In Chapter 5, I will examine Russia's South Caucasus policy. Russia's bilateral relations with three South Caucasus republics will be analyzed. In Chapter 6, I will examine Russia's North Caucasus policy. In this chapter, I will analyze how Russia responds to ongoing insurgency in the region. In Chapter 7, I will present Russia's energy policy and its place in Russian foreign policy goals. I will analyze the importance of the Caucasus in Russia's energy policy. In Chapter 8, I will present the attempts of other regional and global powers to influence the developments of the Caucasus. By presenting the aims of Russia's competitors in the Caucasus region, the significance of the Caucasus for Russia will be better understood. In Chapter 9, I will draw upon conclusions of the thesis.

CHAPTER 2

GEOPOLITICS

In 1755, an earthquake devastated Lisbon causing the deaths of thousands of people. Voltaire, who is a famous French philosopher, protested the earthquake because it was against reason and intellect. According to Voltaire the earthquake was scandalous dereliction of the nature that destroyed the capital of Portugal (Kaplan, 2013). Voltaire's protest may sound absurd but this statement reflects denouncement against constraints of geography upon the nation's fate which contradict the idea that the endeavors of human agency determine the fate of nations.

Personal and national economic health, prosperity and security are greatly affected by geography. For instance, geography determines which states possess natural resources and which states do not. When the states that possess natural resources raise natural gas and oil resources, other states will pay higher prices (Chapman, 2011). This

gives the political benefit to a nation which possesses natural resources. Nevertheless, to acknowledge geography's role is not to accept humankind is powerless. Kaplan argues that geography serves to qualify human choice with a modest acceptance of fate. Geography must be conceived as first order of reality whereas ideas as second order. Man will initiate but nature will control. Denying the facts of geography only invites disasters which will make states victims of geography (Kaplan, 2009). Human agency might have a role in international setting by acknowledging the opportunities or disadvantages presented by geography.

The term geopolitics was coined by Swedish political scientist Rudolf Kjellen. Geopolitics is defined in Kjellen's works as "the science which deals with the influence of geographic factors on the creation and existence of the states" (Haggman, 1998: 108). Kjellen developed other systems of analysis such as *Demopolitik*, *Economopolitik*, *Sociopolitik*, and *Cratopolitik*. These systems of analysis form the cultural side of the state. *Geopolitik* forms the objective foundation of the state in which subjective creativity of the executive is able to act (Tunander, 2008). The state is a living organism which is able to expand its influence in accordance with geopolitical concerns (Costachie, 2011). Kjellen conceives state borders as permeable which can change.

Friedrich Ratzel, who was a German geographer, used the term of *Lebensraum* to describe a specific amount of territory where the state draws sustenance. He advocates that when a state's *Lebensraum* becomes insufficient, the state needs to expand its territories (Jones et al., 2004). Geopolitical understanding must guide economic and cultural developments in the state to move the state in a more advantageous spatial space

(Costachie, 2011). Ratzel's writings had been influential on political life and provided intellectual justification for the German expansionism.

Kjellen and Ratzel's works laid the foundations of geopolitics. The major debate in geopolitics is centered on the works of Mackinder's heartland theory and Mahan's sea power theory. In Mackinder's theory, the Heartland of the world serves as a pivot area for the control of the World Island which is composed of Europe, Asia and Africa. The Heartland area includes the Volga and Ural basin; the Lena, Yenisei and Obi rivers towards the northern Asia. The area also coincides with Baltic and Black Sea, Asia Minor, Tibet and Mongolia (Mackinder, 1942). He claims that throughout the history Europe had to deal with invasion attempts of the civilizations from the Heartland and that indicates the significance of the Heartland. Eastern Europe served as a linkage for these invasions (Mackinder, 1904). The history of Europe was shaped according to geopolitical imperatives. The Union of Franks, Goths, and Roman provincials against the invaders that came from the Heartland created the basis for modern France (Kaplan, 2009). Mackinder formulizes that: "Who rules East Europe commands the Heartland; Who rules the Heartland commands the World-Island. Who rules the World Island commands the world" (Mackinder, 1942: 106).

Mackinder's theory had predicted the rise of the Soviet Union as a great power. Most of pivot area was controlled by the Soviet Union after the Second World War. By establishing COMECON the Soviet Union had included Eastern Europe in its sphere of influence. Therefore, it was able to exert pressure over Europe. The control of the Caucasus offered the Soviet Union to reach to the Middle East. Now, Russia tries to consolidate its power on the same areas that once the Soviet Union had possessed.

On the other hand, Alfred Mahan articulates the importance of controlling the seas. He suggests that establishing control over seas is necessary condition to become a hegemon. The historical rise of Rome and Britain are examples of this premise. The geographical position gives some littoral states advantage in defending their costs and controlling the seas. For instance, England is placed more advantageous compared to France and Holland because its aim is directed upon the sea whereas the boundaries of Holland and France are continental. He suggested not only building a strong navy but also controlling naval checkpoints throughout the world for harboring and repairing the ships (Mahan, 1918). Maritime shipping, a strong navy, and benefits of seaborne commerce would give naval powers a great advantage over nations whose capabilities are bound mainly to the land (Dueck, 2013).

Mahan's views had an effect on the restoration of the US navy and US expansion on overseas. Secretary of State John Hay, Senator Henry Cabot Lodge, and Theodore Roosevelt read the book and asserted that the USA should abandon its post-Civil War isolationism. These individuals argued that the USA should increase its agriculture and industrial exports to overseas markets. In order to secure global merchant and naval shipping a strong navy must be built (Chapman, 2011).

Mahan's thesis concerning control of sea exerted great deal of influence on US geopolitical thinking. US navy dominance allows the USA to project its power throughout the world. Control over world's oceans is cornerstone of U.S. geopolitical security. As the global naval power, the USA exercises a decisive influence over the principal avenue of both international trade and the world's energy supply security (U.S.: Naval Dominance and the Importance of Oceans, 2008).

Nicholas Spykman compares and evaluates the ideas of Mahan's sea power theory and Mackinder's the Heartland theory. He adds that setting control over air will be important in controlling transportation and communication (Spykman, 1970). Spykman's theory concerning the Heartland differs from Mackinder's theory in terms of the territories included into the Heartland. Spykman asserts that the Rimland comprised of European and Asian coasts encircles the Heartland. The control of the Heartland is related with the control of the Rimland. He makes practical policy suggestion in controlling the Heartland, which mostly corresponds the territories of the Soviet Union, the control over the Rimland is important. (Spykman, 1970). Spykman was convinced that the Heartland was open to cultural and civilizational impulses coming from the Rimland He reworked Mackinder's formula as: Who controls the Rimland controls Eurasia; who rules Eurasia controls the destinies of the world (Petersen, 2011).

Spykman's study is significant because it laid the intellectual foundation of George Kennan's containment strategy during the Cold War. In 1942, Spykman advocated the creation of a common defense organization to secure the Rimland from the Soviet aggression. He suggested that the Soviet Union would be restrained on the flanks (Blouet, 2005). The Soviet Union, an expansionist heartland power, needed to be contained to prevent it from reaching the maritime-oriented Rimland. The defense of Western Europe, Israel, the Shah's Iran, and the wars in Afghanistan and Vietnam was carried out to prevent a communist empire from extending control from the Heartland to the Rimland (Kaplan, 2012).

The Cold War ended with the victory of a sea power over a land power. Although Mackinder backed the wrong side in the battle, he fundamentally understood the nature

of the continued struggle. Colin Gray noted that: “From a geographical perspective the twentieth century with the First and Second Wars and the Cold War, was a struggle to prevent Mackinder’s predictions” (Petersen, 2011: 35). Policy of encirclement was implemented to contain the Heartland power which was the Soviet Union. This constant struggle continued after the Cold War. Keeping Eurasia is divided and restricted is an important element of US strategy in the prevention of the emergence of a potential challenger to the United States (U.S.: Naval Dominance and the Importance of Oceans, 2008). In his famous book *The Grand Chessboard*, Brzezinski contends that Eurasia continues to be a chessboard on which the struggle for global supremacy continues to be played and that struggle contains the strategic management of geopolitical interests. To achieve this goal he advocates strong U.S. engagement into the Central Asia and the Caucasus (Brzezinski, 1998).

Geopolitics remained relevant in international relations after the end of the Cold War. State’s policies are still guided by geopolitical concerns. For instance, according to Michael Klare, the purpose of the war in Iraq is to redraw the geopolitical map of Eurasia to prevent the rise of potential competitors of the USA such as Russia, China, and the European Union. He argues that the new center of competition is south-central Eurasia which encompasses the Persian Gulf area, the Caspian Sea basin, and the surrounding countries of the Central Asia (Foster, 2006). Brzezinski (1998) still views the world as a global chessboard where states compete for gaining advantageous positions. He urges the US leaders to take measures to prevent the emergence of one dominant power in Eurasia. Competition over different regions and spaces suggests that geopolitics will continue to be a valuable theory to understand world events.

2. 1. Russian Geopolitics

The main factor that drives Russian geopolitics understanding is Russia's indefensibility. The core of Russia lacks the natural borders that prevent invasions. The lack of natural boundaries had important consequences. When Russia was weak, nature offered it little protection; but when it grew strong, there were few geopolitical barriers to stop it from projecting its power (Trenin, 2002). In Russian history, the invasions have come from two main directions. The first is from steppes- wide open grasslands that connect Russia to Central Asia- which Mongols had used. The second is from the North European Plain, which brought Teutonic Knights and Nazis (Friedman, 2008a).

Due to the absence of natural barriers of protection, it made strategic sense to Russia to win space to meet the enemy as far as from the core territory as possible. Since the 15th century this strengthening the borders became an axiom to deny territory to a potential adversary (Trenin, 2002). Russia expanded towards the Eastern Europe, the Caucasus and the Central Asia. The tsars of the Russian Empire followed the imperatives of geography to secure the tsardom. Russia expanded to secure its borders against invasions Friedman (2008a) shows the phases of the Russian expansion:

Figure 1: Russian Expansion Phases



The Tsarist's policy of expansion was followed by the Soviet Union although the use of the term of geopolitics was avoided. Geopolitics was demonized during the days of the Soviet Union for allegedly promoting militarism and chauvinism among the masses (Erickson, 1999). Although geopolitics' concerns were not explicitly stated, the Soviet Union tried to expand and maintain its control over Eurasia (Kerr, 1995). This policy attitude could be seen as a continuation of the effect of geopolitics. Like the tsarist empire, the Soviet Union formed several defensive rings. The Soviet Union itself was secure due to these defensive rings. The inner ring consisted of friendly regimes in Eastern and Central Europe: East Germany, Poland, Czechoslovakia, and Hungary. The Brezhnev Doctrine clearly stated that Communist regimes were irreversible, and demonstrated that Czechoslovakia in 1968. The outer ring of socialist countries, extending to the Middle East, Africa, and Latin America allowed for some ebbs and

flows (Trenin, 2002). However, in long term, this Soviet design required enormous sources, which ultimately made it unsustainable. It eventually brought the collapse of the Soviet Union.

The collapse of the Soviet Union created geopolitical confusion. Several questions have emerged concerning Russian position in the world as a result of new geographical realities. Discussion over this issue contains geopolitical content (Brzezinski, 1998). There are several schools of thought that are important in assessing the influence of geopolitics on current Russian foreign policy decision making. These schools of thought are Atlanticism, Eurasianism and pragmatic geopolitical model (Isakova, 2005).

Atlanticism in Russian geopolitical context is associated with the desire to establish warm relations with the Western world. It conceives Russia not only as legal successor to the Soviet Union but also part of the global world. Euro-Atlanticists advocated cooperation with West and adoption of Western institutions. Famous Euro-Atlanticists former Foreign Minister Andrei Kozyrev during Yeltsin's presidency states that: "The country's greatness...is determined not by the scale of its empire but above all by the level of its people's well-being" (Cornell, 2001: 326). Enhancement of people's well-being was thought to be achieved by becoming a partner of the Western world. Brzezinski (1998) claims that the problem with this approach is that Atlanticism is devoid of international or domestic realism. Russia was too weak and backward to be a real global partner. Once differences started to surface, the disproportion in political power, financial clout, and cultural appeal made this partnership seem hollow.

The dominance of Euro-Atlanticists over Russian foreign policy has been eroded due to the belief that the costs of pro-Western policy exceeded its benefits and the linkage between rapid privatization and pro-Western foreign policy. Eurasianists became dominant in Russian foreign policy making (Kerr, 1995). Eurasianism asserts that Russia is the self-proclaimed leading Eurasian state, a special role within post-Soviet space. That Russia's Eurasian *spetsifika* became a common reference for Russian policy makers who represent Eurasian lobby (Morozova, 2009). Eurasianism, however, is not homogenous. Three main groups represent Eurasian thought: New Right, Eurasian Communists and Democratic Statists (G. Smith, 1999).

The prominent figures of New Right Eurasianists are Alexandr Prokhonov and Alexandr Dugin. New Right group emphasize the distinctive civilizational aspect of the Russian Federation (G. Smith, 1999). Dugin is influenced by Mackinder's land domination theory with a cultural element. In order to become advantageous in the geopolitical struggle, Russia should assert its dominance over the Heartland (Dugin, 1999). Dugin emphasizes cultural aspect of domination in which the most important element is Orthodoxy. According to Dugin, this metaphysical dimension and Eurasian geopolitics merge and become indistinguishable in the sovereign presence of Russia (Morozova, 2009). Leonid Ivashov, the vice-president of the Academy of Geopolitical Problems argues that Russia is capable of becoming a leader of the world if Russia occupies the central part of the Eurasian continent. He suggests that Russia should seek allies who share the values of distinct Eurasian civilization (M. Smith, 2005). New Right Eurasianist's evaluations are much more value based rather than objective geopolitical analysis. They represent a strong reaction towards rapid Westernization.

The communist wing of Eurasian thought is represented by Gennady Zyuganov, who is also the head of the Communist Party of the Russian Federation. His geopolitical thought is based on reestablishment of communist Eurasia in order to be a world power (G. Smith, 1999). His theory differs from New Right thinkers in that he also suggests return to communism. Zygunov's perceptions, therefore, appear to have less practical implications.

Democratic statist argue that Russia has distinctive interests and civilization but this situation does not automatically prompt an anti-Western state. Russia is a Eurasian power whose role is to organize and stabilize the Eurasian heartland but it also has to work with the West. It should operate a bridge between Europe and Asia (G. Smith, 1999).

Isakova's conceptualization of pragmatic geopolitical model resembles with Smith's description of democratic statism within Eurasianism. Pragmatic geopolitical model asserts that the unique geo-strategic place of the state provides conditions for its economic revival, opportunities for engaging in the regional institutions. Russia's role as a bridge state between Europe and Asia is emphasized. This approach also contends that Russia has economic, military and political privileges in the former Soviet Union countries (Isakova, 2005).

The pragmatic Eurasianism is much more connected to the reality. It is no longer so much concerned with the development of a Slavic identity but focused on Russia's autonomous development in partnership with the West but reasserting its great power status (Sakwa, 2008). This approach lacks ideational aspiration but it has practical

considerations. Some of these considerations contain economic efficiency, efficient use of the geopolitical resources inherited by Russia from the Soviet Union, extended geopolitics (forward presence, Russian military bases abroad), pragmatism, and maximum use of geo-economic privileges (Isakova, 2005). Bugajski, however, cynically call this approach as pragmatic reimperialization. According to Bugajski, pragmatic imperialism is a useful way to describe Putinist Russia's foreign policy employed to realize specific national ambitions (Bugajski, 2010). However, Russia's expansion, blamed for having imperialist tendencies, is necessitated by geopolitical concerns. The most concentrated assessment of the current Russian understanding of geopolitics probably was summarized by Dmitri Rogozin, ex-chairman of the State Duma III Committee of Foreign Relations:

It is high time to understand that Russia does not have friends; there are only interests. It is high time to understand there is no place in politics for naïve emotions. Our own people should be loved, and the same right should be given to our neighbors. But it is not permissible to love your neighbor's cat more than your child. We live in a tough world and in tough surroundings. All our actions should be determined by the policy of rational national egoism (Isakova, 2005: 19).

In order to reassert the great power status in the eyes of the Western world Russia must have some kind of leverage against Europe. The reassertion of Russian power on former-Soviet space will provide resources to be considered as an equal power with Europe. Thus, Russia will be able to project its power. Moreover, as argued in the beginning of the section, Russia's defining problem is its indefensibility. Russia needs buffer zones in order to protect its borders.

The Near Abroad policy proposed after the dissolution of the Soviet Union responds to this necessity without affirming to reestablish the Soviet Union. In Brzezinski's words, "the 'near abroad' came to be shorthand formulation for advocacy of a policy that would place primary emphasis on the need to reconstruct some sort of a viable framework, with Moscow as the decision-making center, in the geopolitical space once occupied by the Soviet Union" (Brzezinski, 1998: 55). This policy attributes a special position to Russia over former-Soviet space. Therefore, it is also a geopolitical project seeks to prevent the other actors from undermining Russian position in this defined zone. Nevertheless, it should not be confused with extreme Eurasianism which assumes the reestablishment of the Soviet Union. The Near Abroad policy suggests maintaining Russian control over former Soviet Union without changing borders.

Brzezinski (1998) claims that Russia lacks will and attraction to impose its power over post-Soviet space. Thus, Russia should abandon this desire and join into European community. This evaluation is based on the circumstances of the 1990s when Russian economy has collapsed. Russian desire to dominate former-Soviet space is no longer merely a fantasy. It has shaped the minds of Russian policy-makers because of the disillusionment from Atlanticist policies pursued intensively especially in the first years of Yeltsin era. The official documents in foreign policy field reflect emphasis on Russia's special role in Eurasia. These foreign policy documents, security and military doctrines contend that Russia will not concede other parties' involvement in the region which it draws as Russian zone of influence.

CHAPTER 3

RUSSIAN FOREIGN POLICY CONCEPT, MILITARY AND SECURITY DOCTRINES

3. 1. Foreign Policy Concept

The Russian foreign policy concept is a system of views on the content and main areas in the foreign policy activities of Russia (Concept of the Foreign Policy of the Russian Federation, 2013). Russian policymakers and leaders focus on two fundamental aims in foreign policy: Russia's desire to increase its global influence and to see its economic growth continue. (Oliker et al., 2009). The collapse of the Soviet Union forced Russia to answer series of fundamental questions about its relationship to the post-Cold War world system and its own identity as a state. In the early 1990s, Yeltsin presided over a country that appeared to be joining its Cold War enemies in a new, democratic West. By the middle of decade, however, this idea had been replaced by a determination

to restore Russia as an independent international actor. In 2000s, Vladimir Putin pursued a desire to set Russia as a great power in international affairs (Mankoff, 2009).

The current foreign concept of the Russian Federation was approved by the President Putin on 12 February 2013, replacing 2008 foreign policy concept. It consists of five main sections: general provisions, foreign policy of the Russian Federation and modern world, priorities for the Russian Federation to face global issues, regional priorities, development and implementation of foreign policy of the Russian Federation. This document contains of a systematic description of Russian foreign policy, Russian aims and priorities. Foreign policy concepts reflect the desire of upgrading Russia's status in order to establish a multi-dimensional and balanced world order. The document supposes a multipolar environment in international affairs. It emphasizes that positions of Eurasia and Asia-Pacific regions must have equal standing with Europe in preserving stability in the world (Concept of the Foreign Policy of the Russian Federation, 2013). Russia views, thus, international setting as regional groupings in which Eurasia emerges as significant power center as Europe.

Russia considers itself as the main power which is responsible for building cooperation and integration in the post-Soviet space. Russia sees as a priority task of establishing the Eurasian Economic Union aiming not only to make the best use of mutually beneficial economic ties in the CIS space but also to become a model for other states. Russia tries to promote the role of the Collective Security Treaty Organization (CSTO). The task of transforming the CSTO into an organization capable of counteracting current challenges and threats is relevant. The document also emphasizes the deep-rooted civilizational ties with Eurasian states and Russia. Russia will give its

priority to this region while preserving friendly relations with the European Union and the United States (Concept of the Foreign Policy of the Russian Federation, 2013). Russia engages in several projects to accomplish integration with the countries which exist in the post-Soviet space. This notion of the document is coincided with near abroad policy.

Although Foreign Policy Concept of the Russian Federation received little substantial attention in the West because it is perceived as simply bureaucratic formulation, it offers important insight into how Russia views the international environment and how Russia will act according to that environment (Monaghan, 2013). Russia declares that Russia has specific interests and privileges over the post-Soviet space. These interest and privileges entails Russia to initiate economic and political projects in order to bring the countries in the post-Soviet space under Russian umbrella in economic, security and political areas. Security and military doctrines issued by the Russian Federation, therefore, articulate similar points that foreign policy concept does. These documents are in conformity with foreign policy concept.

3. 2. Military Doctrines of the Russian Federation

Although often vague and theoretical, Russian military doctrine reflects the ideas and attitudes of the interested parties within the state concerning military policy. It is a

useful insight into threat perception and policy choices (Brannon, 2009). The first military doctrine of the Russian Federation was promulgated in November 1993. The internal struggles within Russian domestic politics delayed the promulgation of the doctrine until 1993. The desires of becoming role model for CIS countries, to provide guidance for the army and to make the army compatible with the regime were the main motivations behind the doctrine. (Kipp, 2011).

1993 Military Doctrine tries to reach a consensus between Atlanticist approach and Eurasianist approach. 1993 Military Doctrine states that the Russian Federation's military security and its interests depend on resolving economic, political and social problems in the domestic sphere by implementing reforms and developing close relations with its neighbors and the leading powers in the world in foreign policy. Russian Federation is committed to the principle of resolving conflicts in peaceful ways and regards no state as enemy (The Basic Provisions of the Military Doctrine of the Russian Federation, 1993).

On the other hand, in the document, the principle threats were identified as the territorial integrity of the Russian Federation and the territories contiguous to the borders (The Basic Provisions of the Military Doctrine of the Russian Federation, 1993). Military operations in Chechnya and Russian presence in the former Soviet republics were justified with these clauses (Brannon, 2009). The Russian Federation bears the responsibility for the material supply, technical support, training, planning, and operational command of the CIS countries (The Basic Provisions of the Military Doctrine of the Russian Federation, 1993).

Military doctrine promulgated in 2000 emphasized the internal threats that the Russian Federation encounters. The threat posed by ethnic groups, religious extremists and local tribes was emphasized (Russia's Military Doctrine 2000, 2000). Brannon (2009) claims that the most important innovation was the broadening of conflict scenarios under which nuclear weapons could be used. Besides global wars, stated in 1993 doctrine, regional wars are included as the wars under which nuclear weapons could be used. This view signaled that major foreign interference in the 'antiterrorism operation' could precipitate the use of nuclear weapons. In this aspect, 2000 Military Doctrine is more assertive than 1993 Military Doctrine concerning Russia's response to foreign intervention into its perceived sphere of influence.

The latest military doctrine was prepared during Medvedev's presidency term in 2010. In this doctrine, Russian security thinking presents a mixed view. It states that political and military threats are reduced. On the other hand, in some areas military conflicts and threats are intensified (M. d. Haas, 2011). NATO's activities in the areas which are close to Russia, the spread of international terrorism and the activities of international jihadist groups in areas adjacent to the Russian Federation are considered main external threats. Attempts to change the constitutional structure of the state the undermining the sovereignty and territorial integrity of the Russian Federation and the activities of illegal armed groups in the Russian Federation are considered as main internal threats. To respond these threats the CSTO's role is highlighted in the document. Russia will contribute to the CSTO in deterring and preventing armed conflict. (Военная доктрина Российской Федерации, 2010).

2010 Military Doctrine considers NATO's activities in the countries which are contiguous to Russian borders as external threat. NATO enlargement in the post-Soviet space means the loss of buffer zone for Russia. Eastern Europe and Baltic countries have already joined into NATO. NATO has been approaching Russia step by step. From the perspective of Moscow, Western countries seek to restrict Russia within its own boundaries. Thus, Russia's power and influence would be small (Ghaedi et al., 2012). That doctrine reveals Russia will anticipate NATO expansion in the post-Soviet states as a national threat.

3. 3. Security Doctrines of the Russian Federation

Security Doctrines of the Russian Federation offers insight about the existing Russian strategies concerning security issues, Russian threat perceptions and suggestions to counter the threats. Russia's national security conception embraces not only the military defense per se, but also economics and the defense of Russia's cultural and moral spiritual heritage and traditions (Tennenbaum, 2000).

1997 National Security Concept was intended to orient Russian policy makers for the post-Cold War period. It outlined Russian national interests, external and internal threats and established a set of foreign and domestic policy goals to strengthen Russia's statehood and geopolitical position (Brannon, 2009). The document advocates forming a

voluntarily integrated entity of CIS member states. Defending the rights, liberties and dignity of the Russians who live in other countries is listed as a foreign policy priority of the Russian Federation. It mentions NATO's desire of expansion as an external threat (Godzimirsk, 2000).

2000 National Security Concept focuses on the link between economic development and national security. In order to strengthen the state's security, the economic development is vital. Therefore, the document emphasizes that the state would regulate and control financial and credit system. The state will also control strategically key economic institutions. (National Security Concept of the Russian Federation, 2000). Organization of economy was perceived as necessary to build Russia's state power. Tennenbaum (2000) argues that 2000 National Security Concept should be seen as an overriding institutional response to existential threat posed by the combination of economic collapse and geopolitical understanding coming from British-American commonwealth coming from the West.

2000 National Security Concept argued that despite its many problems, Russia remained one of the strongest countries in the world. It insisted that Russia still had the potential to play a leading role in international security (Brannon, 2009). The document states that ignoring Russia's interest would undermine international security, stability, and the positive changes achieved in international relations (Godzimirsk, 2000).

Russia's National Security Strategy to 2020 was endorsed in 2009 by decree of the president of the Russian Federation, Dmitri Medvedev. According to, Medvedev, the National Security Strategy is "a fundamental, system forming document, which is aimed

at the enhancement of the quality of the state control" (Gilles, 2009: 3). In this document, it is stated that in the long term, the attention of international politics will be focused on ownership of energy resources, including Near East, the Barents Sea, the Arctic, in the Caspian Basin, and the Central Asia. In the medium term, the conflicts in Iraq, Afghanistan, North Korea, Africa and the Middle East will exert a negative influence on the international situation (The national security of the Russian Federation until 2020, 2009).

The development of bilateral and multilateral cooperation with the Commonwealth of Independent States is considered as a priority direction of Russian foreign policy. Russia aims at strengthening ties between CIS states and developing integration among these states. The CSTO is regarded as the main instrument for responding to regional threats and challenges. Russia also wants to develop its relations with the European Union. However, the relationship between NATO and Russia will depend on the expansion plans of NATO in countries close to the borders of Russia (The national security of the Russian Federation until 2020, 2009).

The Security Doctrines reveal Russian aspirations in the international setting. Russian policy makers declare that they oppose any intervention and expansion in the areas which Russia considers its sphere of influence. Economy, politics and military are thought coherently to provide Russia's security. The Security Doctrines, thus, reflect the consensus among the state institutions of the Russian Federation concerning Russia's position in the world.

CHAPTER 4

THE GEOPOLITICS OF THE CAUCASUS

4. 1. Geographical Position of the Caucasus

The Caucasus is a largely mountainous region between the Caspian Sea and Black Sea. Running from the west- northwest to the east- southeast are two parallel mountain chains: the Greater (Northern) Caucasus and the lesser (Southern) Caucasus (The Meaning of Place: The Caucasus Flashpoint, 2012). The Caucasus is the bridge between Asia and Europe that comprises an area of 440, 194 km². The northern part is known as the North Caucasus, but is called Ciscaucasia in Russian literature. It comprises the Russian part of the Caucasus except for the Black Sea coastline. The South Caucasus,

also known Transcaucasus, encompasses the territory of Armenia, Georgia, Azerbaijan and the Black Sea coastline of the Russian Federation (Coene, 2010).

The main chain of the Caucasus Mountains extends from the Taman Peninsula on the Black Sea to the Absheron Peninsula on the Caspian Sea. The mountains form a series of high parallel ridges. In the west the mountains rise as low, wooded hills. In the center of range they become granite edifices. In the east they split into two different chains and flatten out, continuing as a mass of high tablelands cut by deep gorges (King, 2008). The Greater Caucasus forms a genuine barrier for outside influence. Although the main Caucasus range is difficult to cross, it does not preclude the many commonalities in the economic and socio-cultural aspects on either side. These mountains can be crossed via several passes. The most important ones are the Mamison Pass (Ossetian Military Road), Roki Pass and the Daryal Pass (Georgian Military Road) (Coene, 2010). The existence of these passes increased the significance of the Russian-Georgian border.

Geographical conditions have affected the settlements in the Caucasus. The High Caucasus possesses a double asymmetry. The steep southern slope plunges directly into the Black Sea. By contrast, the ascent from steppe through piedmont to mountains is gradual on the northern slope, with series of mountains spread out largely in Dagestan. There agriculture is possible between 1,500 meters and 2,000 meters in alternating ridges and valleys. On the other hand, vertical slopes made valleys isolated and highly inaccessible. This highly variegated landscape determines the relative isolation of ethno-cultural groups and their settlements (O'Loughlin et al., 2007). These geographical conditions resulted in a multitude of ethnic groups tucked away in western fastnesses, like the Abkhazians and Ossetians stubbornly resist Georgian rule. In the eastern tunnel,

there is only one area where a deep cut into the South Caucasus by a river: at the mountain enclave known as Nagorno-Karabakh, home of Karabakh Armenians, who have proven to be resistant to Azerbaijan's control (The Meaning of Place: The Caucasus Flashpoint, 2012).

Environmental conditions and geographical qualities contributed to the creation of different socio-economic and cultural life in the different parts of the Caucasus. King comments that: "The Caucasus has never been one place but many, including arid plains, semitropical foothills, craggy gorges, and alpine peaks. Moving through these varied landscapes- crossing rivers or coming down out of the hills- literally meant exiting one world and entering another" (King, 2008: 8). North of the Caucasus the terrain quickly widens, flattens and dries becoming the Eurasian steppe which is the home of the Russians. South of the South Caucasus is not as nearly steep or stark as the North Caucasus and it merges with the rugged highlands of the Anatolian Plateau in the west, the Zagros Mountains in the south and Iran's Elburz Mountains which is the domain of the Persians in the east (The Meaning of Place: The Caucasus Flashpoint, 2012).

Figure 2: Outside Influence on the Caucasus



(The Meaning of Place: The Caucasus Flashpoint, 2012).

The map presented suggests that Iran has more advantageous in penetrating into Azerbaijan and Armenia perplexing Russian fears of the intervention of outside powers into the Caucasus. Narrow coastal strip and mountains hinder Russian and Turkish endeavors to reach to the South Caucasus. Moreover, lack of infrastructure conditions also complicates Russian expedition to the South Caucasus. There are no railroads from the North Caucasus to South Caucasus. The only roads proper are often closed due to heavy snow and rainstorms (O'Loughlin et al., 2007). Throughout the history the South Caucasus has experienced more and stronger foreign trade and influence from the Middle East and the Mediterranean than from the North Caucasus (Coene, 2010). Iran could not exploit its geographical advantages since it is occupied with the developments in the Gulf of Persia but the potential still remains for Iran to influence the Caucasus region. Turkey's eastward accession is hindered by high mountains that exist in Eastern Anatolia. Coastal line of Georgia on the Black Sea is so narrow that it does not give additional advantage to Turkey to use it.

4. 2. Ethnic Composition of the Caucasus

The ethnic structure of the Caucasus is complex and dynamic. There are dozens of national and ethnic groups that exist in the Caucasus. In the North Caucasus, the main national and ethnic groups are Russians, Chechens, Circassians, Dargins, Ingush, Kabardins, Karachays, Kumyks, Laks, Lezgins, Nogays, Ossetians, Tats and Shapsugs.

Only in Dagestan, there are approximately 30 different ethnic groups (The North Caucasus: The Challenges of Integration, Ethnicity and Conflict, 2012). In the South Caucasus, the main ethnic and national groups are Ossetians, Abkhazians, Georgians, Mingrelians, Armenians and Azerbaijanis (O’Loughlin et al., 2007). The most complicating factor is borders of the states and political areas do not coincide with ethnic composition. This situation exacerbates ethnic conflicts.

Figure 3: Ethnic Composition of the Caucasus



(O’Loughlin et al., 2007).

There are geographical and political reasons for this complicated ethnic picture that exist in the Caucasus. Geographically, people preferred to settle in in the plains and the

piedmonts instead of living in harsh conditions in the mountains. The lands which are more suitable for living attracted different ethnic groups. Therefore, population composed of various ethnic groups concentrated in small areas (Coene, 2010).

Another reason was the Soviet engineering via administrative measures. Significant changes in ethnic composition of the Caucasus resulted from the Stalinist deportations of the 1940s. On February 23, 1944, 478.000 Chechens and Ingush were deported to the Northern Kazakhstan. The Chechen-Ingush Autonomous Republic was abolished; its territories were divided between Georgia, the Russian Soviet Federal Socialist Republic and the newly created Grozny Oblast. In 1956, the deportees were rehabilitated and allowed to return their lands but their lands were occupied by other ethnic groups in the Caucasus (Zürcher, 2007). The enmity between various ethnic groups in the Caucasus, thus, was seeded. The status of the administrative units had been changed constantly until the dissolution of the Soviet Union (O'Loughlin et al., 2007). After the end of the Soviet Union, one of Russia's main tools to interfere in the Caucasus's affairs is utilizing ethnic conflicts that had been perpetrated by the Soviet Union.

4. 3. Oil and Natural Gas Resources of the Caucasus

The oil production in the Caucasus concentrated in the South Caucasus. The region around Baku in Azerbaijan was the oldest oil-producing area in the Russian Empire in

the Soviet Union. During the Soviet period, the oil production in the Caspian basin had been limited. After the Second World War, the Caspian Basin never accounted for more than 8 percent of the Soviet oil production (Raballand and Gente, 2008). Nevertheless, the Caspian Sea's oil and gas potential has attracted the attention of the international oil and gas industry since the late 1980s and early 1990s with the break-up of the Soviet Union when the investment to energy resources became possible (Effimoff, 2000). Promising potential concerning oil and gas resources caused the intense interest shown by major international oil and gas companies in the Caspian Sea. Some top officials of the littoral states describe the region as another Middle East, another Saudi Arabia and another Kuwait (Bahgat, 2002). The desire to reduce dependency on the oil reserves in the Middle East created great excitement and expectation in the West. Emphasizing on the importance of hydrocarbon reserves in the Caspian Sea Basin, US Secretary of Energy Bill Richardson argued: "The Caspian region will hopefully save us from total dependence on Middle East oil" (Kumar, 2009: 8). The Caspian Basin was considered as *El Dorado* of the oil production.

On the other hand, proven oil reserves in the Caspian Basin turned out to have less than expected. There is a great disparity between the data provided by the US government and academic institutions. According to Bahgat (2002), this inconsistency reflects an orchestrated effort to exaggerate significance of the region's hydrocarbon wealth. According to the report published by US government's Energy Information Administration (EIA) in 1998, total oil resources of the region are estimated around 218 billion barrels of which 32, 5 billion are already said to be proven. The states of the Caspian Basin also took a buoyant view concerning the reserves to attract foreign

investors (Kumar, 2009). However, serious studies have shown that oil reserves in the Caspian Basin would not be able to compete with the Middle East oil reserves. Caspian oil production can be classified as “important at the margin” (Raballand and Gente, 2008: 10). The proven oil gas reserves in the Caspian Basin are shown:

Table 1: Proven Oil Gas Reserves in the Caspian Basin

	At the end 1992 Thousand million barrels	At the end 2002 Thousand million barrels	At the end 2011 Thousand million barrels	At the end 2012 Thousand million barrels	Share of Total
Azerbaijan	n/a	7.0		7.0	0.4%
Russian Federation	n/a	76.1	87.1	87.2	5.2%
Kazakhstan	n/a	5.4	30.0	30.0	1.8%
Iran	92.9	130.7	154.6	157.0	9.4%
Turkmenistan	n/a	0.5	0.6	0.6	Less than 0.05%
Uzbekistan	n/a	0.6	0.6	0.6	Less than 0.05%

(BP Statistical Review of World Energy June 2013, 2013: 6).

Natural gas has also been discovered in the Caspian Basin. The region’s relative contribution to world natural gas supplies is larger than oil (Emadi and Nezdah, 2011). Shah Deniz discovery was the major breakthroughs in gas discovery after the end of the Soviet Union. In 1999, BP Amoco announced that it had struck natural gas in Shah

Deniz that is estimated contain between 25 and 39 Tcf (trillion cubic feet) of natural gas. This field is being developed by international consortium which comprises companies from the United Kingdom, Norway, Turkey, Russia, France, Azerbaijan and Iran (Bahgat, 2002). This discovery renewed the optimism concerning the potential natural gas resources of the region. According to the report submitted to the Congress, it is expected that with additional discoveries the region's natural gas production will exceed Saudi Arabia's production (Gelb, 2006). Despite this optimism, it is unlikely that the Caspian Basin gas production could reach to the Persian Gulf production. The proven gas reserves in the Caspian Basin are shown below:

Table 2: Proven Natural Gas Reserves in the Caspian Basin

	At the end 1990 Trillion cubic meters	At the end 2000 Trillion cubic meters	At the end 2009 Trillion cubic meters	At the end 2010 Trillion cubic meters	Share of Total
Azerbaijan	n/a	0.9	0.9	0.9	0.5%
Russian Federation	n/a	29.8	32.9	32.9	17.6%
Kazakhstan	n/a	1.3	1.3	1.3	0.7%
Iran	20.7	26.7	33.6	33.6	18.0%
Turkmenistan	n/a	2.3	17.5	17.5	9.3%
Uzbekistan	n/a	1.2	1.1	1.1	0.6%

(BP Statistical Review of World Energy June 2013, 2013).

Oil and gas reserves in the Caspian Basin attracted interest after the collapse of the Soviet Union. The Western countries which wanted to erode their dependency on the Middle Eastern natural resources perceived the region as an alternative to oil and gas reserves in the Middle East. Despite initial optimistic predictions, the Caspian Basin proved to be inadequate to compete with the Middle East region. Nevertheless, oil and gas reserves in the Caspian Basin are certainly significant. The Caspian Basin might not be an alternative to the Middle Eastern energy resources but it presents a diversification opportunity for the Western countries.

4. 4. Pipelines in the Caucasus

Although the Caucasus states have oil and gas resources, the region's importance is linked with the fact that it serves as an energy corridor. Rich oil and gas resources are connected to Europe via pipelines that cross through the Caucasus. The political geography of the region makes it probable that there will be more than one new major export system for oil but it is not like that more than one single new gas pipeline system will be constructed by the West since oil pipelines are easier to build than gas pipelines (Roberts, 1996). The Western countries seek new ways to build new pipelines to elude their dependency on Russia's dominance on energy supply routes.

Pipelines offer significant economic and political advantages to the countries through which pipelines pass. Those countries enjoy substantial income from transit fees. Pipeline construction and operation means jobs and supporting infrastructure important to local economies (Karagiannis, 2002). In addition to economic developments, countries through which pipelines pass gain political leverage. Whoever controls the transportation have control over the flow of the oil.

4. 4. 1. Oil Pipelines

Baku-Ceyhan route was a major development that aims to reduce Russian control over energy routes. The pipeline which transfers oil runs from the Azerbaijani capital Baku on the Caspian Sea up through Georgia, and down to the Turkish Mediterranean port of Ceyhan (Baran 2005). The BTC route does not include Russian territories when transporting Azerbaijan oil to the Western territories. Thus, the BTC has significantly altered the balance of power in the region, strengthened the political and economic autonomy of the states such as Azerbaijan and Georgia, reducing Russian influence (German, 2011). Turkey also gained power by making Ceyhan as the main terminal for crude oil exports. The Baku-Tbilisi-Ceyhan pipeline is shown in the map:

Figure 4: Baku-Tbilisi-Ceyhan Oil Pipeline



(Starr and Cornell, 2005).

The Baku-Tbilisi-Ceyhan is anathema for Russia. Built when Russia was weak, this project bypassed Russia for the energy supply. Today, Russia is a strong country ruled by a strong leader, Putin. Russia wants to decrease the importance of the BTC by strengthening its relations with Azerbaijan (Cagaptay, 2009). Russia tries to enhance the role of the Baku-Novorossiysk pipeline from Baku to Novorossiysk via Grozny and Tikhorest, which opened in 1997 (Karagiannis, 2002). This pipeline route increases the strategic importance of the North Caucasus. Russia's control over the North Caucasus is significant for itself for full control over Baku-Novorossiysk pipeline. After the First Chechen War which ended the defeat of Russia, Russia had to accept *de facto* Chechen independence. Russia concluded another treaty with Chechnya in September 1997 agreeing to pay sums of money to Chechen authorities for Baku-Novorossiysk pipeline (Kandiyoti, 2008). The Second Chechen War which resulted with the victory of Russia

enabled Russia to reassert its authority in the region again. Asserting full sovereignty over the North Caucasus allowed Russia to promote Baku-Novorossiysk pipeline route to challenge Baku-Tbilisi-Ceyhan pipeline route. Increasing the amount of oil that would flow through Baku-Novorossiysk pipeline would reduce the supply of the Baku-Tbilisi-Ceyhan pipeline. Holding Baku-Novorossiysk pipeline as a pipeline that would potentially reduce the amount oil that flows through Baku-Tbilisi-Ceyhan will challenge the significance of the BTC. The map indicates the alternative routes to the Baku-Tbilisi-Ceyhan oil pipeline.

Figure 5: Alternatives to the Baku-Tbilisi-Ceyhan Oil Pipeline

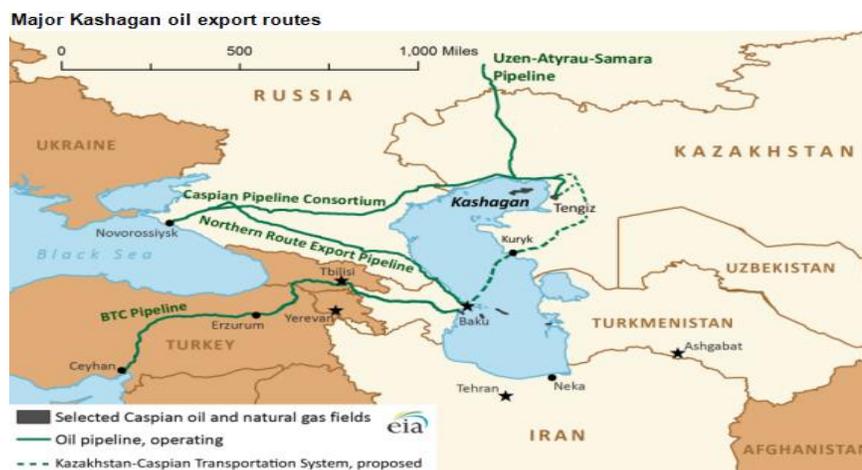


(Varol, 2013: 190).

There is a competition over the transportation route of Kashagan oil sources of Kazakhstan. Tengiz oil field of Kazakhstan is transported through Baku-Novorossiysk

pipeline. Western countries try to promote the BTC for the transportation of Kashagan oil to world market. There are three possible actions considered for the transportation of Kashagan oil. One is to export it through an expanded Caspian Pipeline Consortium or a parallel pipeline to the CPS to Novorossiysk. Two further options require oil to be brought across the Caspian Sea by tanker or pipeline from Aktau to Baku. One is enlarging the capacity of the BTC or building a parallel line to Ceyhan; another is to greatly expand the pipeline from Baku to Supsa (Cornell et al., 2005). These alternative projects to Baku-Novorossiysk pipeline require great deal amount of investment. The South Caucasus's geopolitical importance will further increase by connecting Central Asian oil resources to the Western market. Major Kashagan oil export pipeline is a good example of these projects.

Figure 6: Major Kashagan Oil Export Routes



(Kazakhstan consortium achieves first oil production from Kashagan field, 2013).

4. 4. 2. Gas Pipelines

The Baku-Tbilisi-Erzurum gas pipeline is a pipeline that transports gas extracted from Azerbaijan's Shah Deniz field. It has been built as parallel to the Baku-Tbilisi-Ceyhan oil pipeline. The BTE became operational in December 2006 and has a total capacity of 6 bcm per year. Although this pipeline bypasses Russia as an energy route, most of the gas is exported to Turkey, and only small amount is sent to Europe via transit route through Greece (Badalyan, 2011).

Supply from the Baku-Tbilisi-Erzurum pipeline is insufficient for Europe to meet its gas demand. Thus, Nabucco project is designed to alleviate Europe's dependency on Russia by enabling Europe a direct access to the Caspian oil through Turkey by including Kazakh and Turkmen gas. The parties promoting the Nabucco project will seek out the possibility of building undersea Trans-Caspian gas pipeline. Moreover, there is some expectation that Egypt, Syria, and Qatar would connect their natural gas to Nabucco. Other potential contributors are Iran and Iraq (Aras and İşeri, 2009). The South Caucasus and Turkey are considered transportation centers for Nabucco project.

Figure 7: The Proposed Nabucco Gas Pipeline

The Proposed Nabucco Gas Pipeline



(European Dialogue, n.d.).

The importance of the Caucasus is once more emphasized with this project. Russia would lose its energy card leverage over Europe if a pipeline project that eliminates Russian territories will be realized. In order to realize such a project the South Caucasus states need to act as transit countries to transport Caspian and Central Asian oil and gas resources. Russia needs to exert pressure over the South Caucasus states and to control the North Caucasus in order to maintain its monopoly over the energy routes.

4. 5. Analysis on the Geopolitics of the Caucasus

The maps presented, geographical and ethnic conditions underlie some important considerations. The Caucasus is the area where three regional powers intersect: Russia,

Turkey and Iran. Geography of the region cannot be separated from its politics. Geographical conditions hinder or increase these regional powers' infiltration into the region. The key actors are not the Caucasus states but the regional powers since geography constrains the options of the Caucasus states.

In the South Caucasus, Armenia emerges as a most disadvantageous country due to the fact that it is surrounded by its traditional enemies Turkey and Azerbaijan. Moreover, its landlocked location and closed borders with Turkey hinder its economic development. According to research conducted by Forbes in 2011 based on three year average statistics for GDP growth and inflation, the current account balance, Armenia was considered the second worst economy among 117 countries (Abrahamyan, 2011). Therefore, it has to rely on Russian and Iranian support. Its diplomatic activities are limited. It cannot mobilize Armenian ethnic population in Georgia because it does not have luxury to antagonize another country in the region.

Georgia's ethnic diversity prevents it from imposing full sovereignty over its own borders. Since its independence, Georgia engaged in civil wars with its ethnic minorities. Russia's intervention into these wars has been determinant. In order to free itself from Russian intervention, Georgia needs Western support. It tries to sell its geographic position to the Western countries which seek ways to diversify their energy routes. Alexander Rondeli, who is a senior diplomat in the Georgian foreign ministry, acknowledges this situation: "We are beggars, but we would rather be beggars than live under Moscow's yoke again" (Kleveman, 2003: 31).

Azerbaijan with its geographical position and oil resources has means to follow a balanced foreign policy. It has rich oil resources. It shares borders with three regional powers: Russia, Iran and Turkey. Thus, it can play important role in diversification of energy routes that transports Caspian oil resources. This position of Azerbaijan gives it a bargaining power with its relations with the Russian Federation. Azerbaijan, thus, is able to balance Russian interests. Nakhchivan is extremely important for Azerbaijan because this territory allows Azerbaijan to establish direct contact with Turkey, which is Azerbaijan's important ally in the region. It gains leverage against Armenia and Russia by enabling Azerbaijan to receive more Turkish support with direct border line.

Although the North Caucasus is not rich in terms of natural resources, it is important for Russia to exert pressure upon the South Caucasus and to prevent alternative energy supply routes. Novorossiysk port is an important port on the Black Sea. Russia wants to use Baku-Novorossiysk route as a main transportation route, which would diminish the importance of the Baku-Tbilisi-Ceyhan route. The North Caucasus also provides a buffer zone against infiltration of the regional powers such as Iran and Turkey. Therefore, it secures Russia's southern borders.

CHAPTER 5

RUSSIA'S SOUTH CAUCASUS POLICY

The South Caucasus is of interest to Russia for its security and economy. The main factors why Russia is interested in the South Caucasus are that the South Caucasus borders on the North Caucasus, which generates troubles for Russia's security; the South Caucasus separates Russia from its major southern partners, which are Turkey and Iran; there is potential that the ethnic conflicts in the South Caucasus might have spillover effect in Russia; and the states of the region play important role in the development of the mineral resources of the Caspian Basin (Naumkin, 2002).

After their independence, the South Caucasus states became the part of the Commonwealth of Independent States (CIS), the organization of former Soviet republics that was founded as a result of the initiatives of the Russian government. Russia uses the CIS as a means to set influence over the former Soviet republics. Russia's policies

towards CIS countries, which include the South Caucasus states, have three dimensions: political, economic/energy, and military. On the political side Russia has tried to bolster governments which are willing to establish cooperative policies with Russia. In economic and energy relations, Russia tries to monopolize its control over energy routes in order to maintain its dominant position in the CIS region. On the military and national security side, Russia tries to promote the role of the Collective Security Treaty Organization (CSTO), which grew out of the framework of the CIS for counterterrorism, intelligence, and border security issues. (Kramer, 2008). Russia uses this organization to prevent its former republics from developing an independent military and security organs instead of a pure military alliance.

Although Russia has been involved in the South Caucasus affairs, its policy has been inconsistent. The geopolitical approaches discussed among Russian scholars and statesmen in the 1990s have been responsible for this inconsistency. During 1990s, Yeltsin's presidency, Moscow's foreign policy had two dimensions: the Euro-Atlantic trend, which saw Russia's future in Europe as an equal member of Euro-Atlantic civilized nations and the Eurasian trend, which was unwilling to recognize the independence of former Soviet republics and aimed to establish control over these countries (Abushov, 2009). This dual character of foreign policy affected Russia's policy towards the South Caucasus. While the concentration of Russian forces in Transcaucasia was cut down, Moscow tried to be involved in emerging process in the South Caucasus (Naumkin, 2002). Nevertheless, the foreign policy guidelines and security concepts prepared during Yeltsin's presidency asserted the privilege position of the Russian Federation in the affairs of the CIS countries, which Russia regarded as its

'Near Abroad'. The spillover effect of the ethnic conflicts in the South Caucasus and the need for Russian intervention were emphasized in all statements and official policy guidelines (Abushov, 2009). The South Caucasus remained the sphere of interest of Russia even during Yeltsin's presidency when Westernization policies had been pursued ardently. Russia intervened in the ethnic wars in Georgia and the war between Azerbaijan and Armenia and placed its peacekeeper forces in the region. Thus, it gained military presence which would enable it to influence events in the South Caucasus.

Under the presidency of Putin Russia demonstrated a noticeably renewed interest in the South Caucasus. Appraising the expansion of NATO, Russia fought hard to prevent the integration of the South Caucasus into NATO and EU (Kelkitli, 2008). Russian foreign policy under Putin has been more coherent than that of his predecessor. The strengthening of the Russian international position enabled Russia to initiate large investment projects in the CIS and abroad to increase its economic influence. Russia pursued policies directed at gaining leverage against the South Caucasus states (Abushov, 2009). Ethnic problems offer this leverage to Russia in the region. Russia constantly exploits ethnic problems that exist among South Caucasus republics. Nagorno-Karabakh problem between Armenia and Azerbaijan is good example of Russian endeavors to utilize ethnic problems in the South Caucasus. Russia maintains its military base in Armenia. At the same time, Russia continues to deliver its weapon package supply to Azerbaijan. Achieving a military balance among the Caucasus states is not Russia's primary objective. Rather, Moscow wants to bolster security ties while ensuring Armenia and Azerbaijan remain at odds over Nagorno-Karabakh issue (In the Caucasus, Russia Secures Its Position by Exploiting Regional Tensions, 2013).

Russia has different approaches and relationship levels with three South Caucasus republics. In order to achieve the success in the South Caucasus, Russia adopted a carrot and stick approach-with the stick usually reserved for Georgia, and the carrots for Armenia. In relation to Armenia, Russia uses economic and security cooperation to ensure Armenia toes its line by supporting Armenia against Azerbaijan. On the other hand, Russia set out to teach a lesson to Georgia with 2008 war. (Snetkov, 2013). Azerbaijan with its vast energy sources has leverage against Russia so it tries to follow a more balanced foreign policy. Azerbaijan declined to join the Customs Union, planned to be established among the former republics of the Soviet Union, Russia is concerned with ensuring Azerbaijan would not serve as an energy diversification to Europe (Russia's Customs Union to Eurasian Union: An Evolution (Part 2), 2012). Russia wants to involve in the security issues in the region and to control the routes of energy sources. Russia's South Caucasus policy can be best understood if its relations with the states in the region are analyzed in detail.

5. 1. Russia-Armenia Relations

Armenia has the most disadvantageous geographical position in the South Caucasus. It is surrounded by its traditional enemies and landlocked country. Unlike other South Caucasus republics, it is cut off from strategic transportation routes. These unfavorable conditions caused Armenia to seek foreign support. Russia emerged as an ally for

Armenia in the region. Russia-Armenia relations have historical roots. These relations were founded a common vision of security issues aimed at thwarting the influence of the Ottoman Empire in the key region of the South Caucasus. The bilateral alliance survived the fall of the Soviet Union. This alliance of Armenia and Russia is rooted in distrust of Azerbaijan's policies in the region: pan-Turkism, refusal to join the CIS, agreement with the USA in the construction of oil pipelines bypassing Russia (Minassian, 2008). Early in the independence process, Yerevan considered that Russia is the main power affecting the Caucasus region and concluded that it should ally with Russia to achieve its security and strategic goals. Therefore, Armenia allowed Russia to maintain military bases and deploy troops in its territory (Shaffer, 2010). Russia's influence over Armenia is significant to Russia due to the fact that Armenia provides a natural barrier to Turkey's accession to the Caspian Basin and the Central Asia.

During the disintegration process of the Soviet Union, Moscow's policies aimed at holding on grip on power in Armenia. Not all groups shared the idea that Russia was the best option for Armenia. The Armenian National Movement, formed in 1989, concluded that the Soviet Union was crumbling and the question of liberation of Karabakh, which had been part of Azerbaijan SSR, could only be achieved through an independent Armenia. The most important innovation that the ANM brought in Armenian political thought was that the ANM considered it possible to have normal relations with Turkey and this was the only way to achieve liberation from Armenia's historic dependence on Russia. Soviet troops participated in deportation 10.000 ethnic Armenians from the Shahumian region (north of Karabakh) as a response to the ANM's politics (Cheterian, 2009). This conception of the ANM challenges the idea of traditional enmity between

Armenia and Turkey. Moscow articulated that any rapprochement attempt with Turkey would not go unpunished.

After the independence of Armenia and Azerbaijan, conflict in Nagorno-Karabakh region elevated into interstate level. Nagorno-Karabakh, composed of Armenian majority but part of Azerbaijan's internationally recognized borders, also declared its independence after the dissolution of the Soviet Union. This declaration of independence fuelled the conflict and Armenia and Azerbaijan were at the war. Having understood Moscow's earlier message, Armenia turned to Russia for military support against Azerbaijan. Armenia abandoned its policy of seeking maximal sovereignty and reversed its demand for the withdrawal of Russian bases in Armenia (Abushov, 2009). Russian support to Armenia resulted in several victories against Azerbaijan. Russian assistance was key to creating an air defense system in Karabakh which neutralized the Azerbaijani air superiority. Russia also provided necessary military hardware for the Armenian offensive of 1993 (Cheterian, 2009). Such assistance was not without price. In exchange for Russian support, Armenia allowed Russia to maintain its bases and deploy its troops in its territory (Shaffer, 2010). Russia continued its military alliance with Armenia and support Armenia militarily and economically after the war. The relationship between two countries remained strong during 1990s. Both sides emphasized the Russian role in resolving the Nagorno-Karabakh conflict in the South Caucasus.

During Putin's presidency Russia's preponderant status in Armenia has been strengthened. On September 14, 2001, Russian Defense Minister Sergey Ivanov and his counterpart Serzh Sargsyan signed documents containing agreements over sending Russian military advisors and specialists to Armenia and assuring them favorable

conditions. Furthermore, the 102nd Russian base in Armenia was given a new territory (Kelkitli, 2008). Joint military exercises between two countries became routine events. Russia provided training of Armenian officers and transferred material from Russian bases (Nygren, 2008). The authority of Russian military troops in Armenia was extended over time. On November 11 2003, Sergey Ivanov and his counterpart Serzh Sargsyan concurred on a military cooperation agreement which the Russian military facilities at Gyumri were merged into one base. Ivanov also stated that Russia would continue to supply Armenia with weaponry and military hardware (Kelkitli, 2008). Putin referred the relationship between Russia and Armenia as strategic partnership (Nygren, 2008). This strategic partnership evolved into Russian military domination over Armenia in 2010. According to a military protocol signed in August 2010, the geographical scope of responsibility of the 102nd base in Armenia has been extended to cover the entire territory of Armenia, not just the protection of borders, and the duration of the 102nd base has been prolonged (Minasyan, 2013). Armenia provides the territory where Russia can locate its military troops in the South Caucasus.

The main developments in relationship between Armenia and Russia during Putin's presidency occurred in the economic field. Armenia suffered economic crisis after the end of the Soviet Union. The war with Azerbaijan worsened the economic situation. Russia was the main helper of Armenia. The unequal economic relationship between Armenia and Russia resulted in enormous debt burdened by Armenia. In 2001, an asset-for-debt agreement was signed between Russia and Armenia (Nygren, 2008). This agreement caused the transfer of strategic assets of Armenia to Russia. Especially Armenian energy sector was turned over Russian control. In February 2003, the

financial management Medzamor nuclear power plant was passed to Russia's UES in exchange for paying off Armenia's \$40 million debt to Russian nuclear fuel suppliers. In August 2003, Armenia signed an agreement which turned over the Sevan-Radzansky hydropower plant for the purpose of wiping out the debts. In September 2005, the Armenian government sold Armenia's national power grid by British Midland Resources Holding to Interenergo, a subsidiary of UES (Kelkitli, 2008). Moreover, in 2003 the ownership of six hydroelectric power plants were transferred to Russia and three Armenian research institutes, a thermal power plant and an electric power plant were acquired by Russia (Nygren, 2008). Armenia's energy sector came under the control of Russia.

Russian purchases in Armenia have not been confined in the energy sector. Armenia's various industrial complexes and strategic assets were transferred to the ownership of Russian companies. Communication sector was one of these sectors. On 14 November 2006,- the Armenian government gave its approval for the acquisition of the 90 percent stake of the Armenian Telephone Company (ArmenTEI) by the Russian mobile phone operator VimpelCom. Russia's Comstar Telesystems declared that it had obtained 75 percent of the shares of Armenia's second largest telecommunication group CallNet and the internet service provider, CorNet. Russian telecommunications operator MTS purchased Armenia's largest mobile phone network, VivaCell, from a Lebanese company in September 2007 (Kelkitli, 2008). Armenia's transportation sector was also bought by Russian companies. Russia's Sibir Airline was granted the bulk of the flight rights of Armenian Airlines, after agreeing to assume \$25 million in debts (Danielyan,

2003). Russian South Caucasus Railways obtained the right to manage Armenia's existing railway (Kelkitli, 2008).

Armenia is the most loyal country of Russia in the South Caucasus. It depends on Russia both militarily and economically. Russia has almost absorbed Armenia's economic and security sectors. Armenia's dependence on Russia has deepened after Armenia's decision to join the Customs Union, which is an attempt of Russia to increase its influence over former-Soviet states and to take part in Russia's planned debut of the Eurasian Union. On September 3, 2013, Armenian President Serzh Sargsyan announced that Armenia will join to the Customs Union. Putin said Armenia's decision will be beneficial for both countries (Armenia: Country To Join Customs Union, 2013). This decision indicates that Armenia will remain Russia's sphere of influence in future.

5. 2. Russia-Azerbaijan Relations

Azerbaijan has few geopolitical advantages which allow it to pursue a balanced foreign policy in the South Caucasus. It has a tiny direct border with its ally Turkey through Nakhchivan. It borders the Caspian Sea and has rich oil and gas resources which empower its status. Transportation of these energy resources to the world market offers Azerbaijan power of leverage in its foreign policy. Nevertheless, Azerbaijan is constrained by its external surroundings. It is located between three strong countries:

Russia, Iran and Turkey. Therefore, Azerbaijan has to follow a careful balanced foreign policy. The USA and the EU also diverted their interests to Azerbaijan due to energy resources and its geographical positions. Thus, Azerbaijan is focal point of competition in the South Caucasus. Brzezinski claims that “the independence of the Central Asian states can be rendered nearly meaningless if Azerbaijan becomes fully subordinated to Moscow’s control” (Brzezinski, 1998: 25). Azerbaijan’s energy sources and alternative energy routes would be vital for Europe to diversify its energy supply.

For Russia, Azerbaijan has been strategically important for limiting the alternative source of hydrocarbon supplies to the world market, keeping Turkey and Iran from its borders, preventing secessionist attempts in the North Caucasus, protecting Russia’s coastal areas on the Caspian and the Black Sea, and limiting the West’s attempts to reach to Central Asian resources. These reasons are related with Russia’s claim of being a great power. For Azerbaijan, Russia represents an imperial power which dominated its territory during the Soviet Union (Aslanlı, 2010). Russia seeks to keep Azerbaijan in its sphere of orbit in order to prevent Azerbaijan from emerging as an alternative energy supplier for European countries.

There are several factors that affected Russia-Azerbaijan relations. Russia’s self-perception, Russia’s material interests and Azerbaijan’s foreign policy preferences, which are product of its domestic politics, are three main factors which influenced the relationship between two countries. Russia’s self-perception as a dominant power in Eurasia affects its policy towards Azerbaijan by asserting the eventual integration of the former Soviet republics. Concerning material interests, Russia tries to secure the North Caucasus, which is adjacent to Azerbaijan and avoid Western penetration into the South

Caucasus. Russia also wants to restore its control over natural resources of Azerbaijan. Lastly, Azerbaijan's presidents' orientations affect their foreign policy choice towards Russia (Gül, 2008).

After the first years of the independence, Nagorno-Karabakh war was the main event that determined the course of the relationship between Russia and Azerbaijan. Russian involvement in Nagorno-Karabakh conflict in the Armenian side strained the relationship between Azerbaijan and Russia. The massacre of Azerbaijanis by Armenians in Khojaly with Russian assistance caused an outrage in Baku. Ayaz Mutalibov, who had pro-Russian stance, was forced to resign as a result of demonstrations led by the Azerbaijani Popular Front Party. Abulfaz Elchibey, who had a pro-Turkish stance, became president (Cheterian, 2009). Under the presidency of Elchibey, Baku rejected institutionalized security cooperation with Russia. Azerbaijan refused to join the CIS and called for the removal of troops under Moscow's command from Azerbaijan. President Elchibey assumed that the common Turkic background would serve as a basis for an alliance with Turkey despite the fact that Ankara showed no signs in the early period of wanting to undertake an active role in the region (Shaffer, 2010). Russia's economic interests in Azerbaijan were compromised in Elchibey's presidency. Companies of Western origin became active in Azerbaijan and no shares were allocated to Russian companies in petroleum agreement (Aslanlı, 2010). During this period, Russia's relations with Azerbaijan were at worst. Russia responded Elchibey with two ways. It increased its military support to Armenia, enabling Armenia to occupy Lachin corridor which provided the unification of Karabakh. Russia's second response was its support of the coup headed by Huseinov against Elchibey. Russia's aim was to

restore Mutalibov after the coup but Aliyev acted quickly and took office in 1993 (Gül, 2008). Aliyev drew necessary lesson for his predecessor's fate and pursued a balanced foreign policy and did not try to ignore Russian interests.

During Heydar Aliyev's tenure, Azerbaijan's foreign policy aims at balancing relations with major regional and global powers instead of relying on one power completely. Thus, Azerbaijan adopted a policy of balancing the interests of Russia and the USA, maintaining stable relations with Turkey and Iran (Shaffer, 2010). Aliyev avoided any direct actions that might upset Russia. As soon as he became the president he cancelled all proposed oil deals conducted by the APF government with the Western companies, claiming that these deals were against Azerbaijani national interests (Özkan, 2006). In 1994, the Aliyev government initiated relations with the Western world but Russia's concerns were taken into consideration. On 20 September 1994, an energy agreement entitled as 'Contract of the Century' was signed for extracting Azerbaijani oil to the world. Russian company Lukoil was given %10 of share (Aslanlı, 2010). Russian response to this deal was rather ambiguous. The Russian Energy Ministry and the Russian Foreign Ministry reacted differently to 'the Contract of the Century'. While the Russian Energy Ministry backed by the Prime Minister Victor Chernomyrdin supported the deal, the Foreign Ministry announced that it would not recognize the deal (Özkan, 2006). This disagreement reflects the dual character of the foreign policy towards the CIS countries during Yeltsin's presidency.

There are number of issues that prevented the development of Russia-Azerbaijan relations. The most important disagreement between two countries is Nagorno-Karabakh conflict. Russia used this conflict as a lever against Baku to impose conditions, to force

Azerbaijan to enter to the CIS, to use the resources of the Caspian Sea jointly and to guard the country's borders with Turkey and Iran (Abushov, 2009). The situation in Nagorno-Karabakh continued to affect Azerbaijan's foreign policy formulation. Negotiations continue over Nagorno-Karabakh issue between Armenia and Azerbaijan via the mediation of Russia. Azerbaijan views Russia as a party to the Karabakh conflict. However, Russian support to Armenia created suspicion. Azerbaijani skepticism towards Russian motives has contributed rendering the peace negotiation process difficult and created problems for bilateral relations between Azerbaijan and Russia (Kjærnet, 2009). It is not difficult to understand Azerbaijani's concerns over Russian intentions. Russia acts as both mediator and provider of security of Armenia. Russia seems to do everything as a negotiator to reach a settlement while in reality to do everything it can to prevent such a settlement (Dispatch: Russia's Control of the Nagorno-Karabakh Issue, 2011). The resolution of Nagorno-Karabakh would also cultivate Azerbaijan and Armenia relations. Armenia, thus, would not want to depend on Russia in economic and security fields if Nagorno-Karabakh issue resolves. Nagorno-Karabakh issue legitimizes the existence of the Russian troops located in Armenia. The military existence of Russia in Armenia offers Russia leverage against Azerbaijan. Russia, therefore, would not want a resolution of Nagorno-Karabakh issue.

While Russia helped Armenia during Nagorno-Karabakh war, Azerbaijan allegedly involved in the First Chechen war. Azerbaijan's alleged involvement led to harsh Russian criticism. Russia claimed that Azerbaijan helped rebel forces during the First Chechen War. Although Azerbaijan refused this claim, Russia imposed an embargo for three years. This was a heavy blow considering 70 percent of Azerbaijani trade had been

Russia bound (Aslanlı, 2010). Russia feels vulnerable against threats that may emanate from the South Caucasus into its North Caucasus area. Thus, this geopolitical consideration plays important role in Russia's Azerbaijan policy. 9/11 events created allergy to any group affiliated with Islamic orientation. Following the start of the Second Chechen War, Azerbaijan prosecuted Chechen rebels and extradited them to Russia. Moreover, in 2002, the Azerbaijani authorities closed down the Chechen schools and the cultural center (Kelkitli, 2008). This disagreement between Azerbaijan and Russia over Chechnya indicates the inextricability of the South Caucasus and the North Caucasus.

Another source of dispute between is over the status of the Caspian Sea. Kazakhstan, Turkmenistan and Azerbaijan considered the Caspian as a sea. Russia and Iran claimed that the Caspian is not a sea but it is a lake. They demanded equal and cooperative exploitation of the Caspian reserves. Russian claim, however, concerning the Caspian Sea changed after Russian interests were partially satisfied in the Azerbaijani oil business (Gül, 2008). In October 2003, with the participation of Kazakhstan, a trilateral agreement was signed, dividing the northern sixty-four percent of the Caspian Sea into three unequal parts according to median line principle, allocating Kazakhstan twenty-seven percent, Russia nineteen percent and Azerbaijan eighteen percent (Kelkitli, 2008).

Besides conflicts over Nagorno-Karabakh, Chechnya and Caspian Sea, the situation of remaining Russian forces in Azerbaijan after the collapse of the Soviet Union is object of negotiation between two countries. Azerbaijan managed to get Russian troops to withdraw but Russian presence remained in the Gabala radar station. The importance of the Gabala radar station is high. "The radar station has a range of up to 6.000 kilometers, and was designed to cover Iran, Turkey, India, Iraq and the entire Middle

East” (Evoyan, 2013: 40). Although the Gabala radar station serves a military purpose, Russia has much more advanced early radar systems elsewhere. For example, Voronezh radar system located in Armavir in the Black Sea represents a major breakthrough comparing to other radar systems. For Russia, paying rent on Gabala and its inferior radar technology will not be financially worthwhile (Russia, Azerbaijan: A Politically Significant Radar Station, 2012). Since the radar station provided a military presence in Azerbaijan to Russia, Russia did not want to abandon it. Thus, negotiations have been carried out to determine its future. Finally, the status of the Gabala Radar Station, another thorny matter between Azerbaijan and Russia was resolved during Putin’s presidency. The agreement acknowledged that the property of the radar station belongs to Azerbaijan but it was rented to Russia for a ten year lease (Kelkitli, 2008). In 2012, Azerbaijan demanded \$300 million for a year instead of the existing \$7 million for the continuation of the radar system. For this high price, Russia decided to cancel its operations and close the radar base (Herszenhorn, 2012). This closure also indicates that Azerbaijan does not always follow Russia’s line.

In order to consolidate its grip on Azerbaijan, Russia wants to bring Azerbaijan into the Custom Union integration process. This integration would mean the loss of Azerbaijan’s autonomy over its energy policy because the organization brings joint custom rules. Therefore, Azerbaijan does not plan to be a member of the Custom Union and the Eurasian Union. “In terms of the Customs Union, Azerbaijan has recently announced that it would not join the union but instead implement its own customs code and seek to integrate customs with Turkic countries such as Turkey and Kazakhstan” (Russia's Customs Union to Eurasian Union: An Evolution (Part 2), 2012). While

Azerbaijan avoids Moscow dominated the Customs Union, Russia increased pressure over Azerbaijan. For a long time, Moscow abstained from using ethnic card against Azerbaijan as it was preoccupied with its own separatism in the North Caucasus. However, from the beginning in September 2012, certain developments indicated that Moscow had returned the policy of using ethnic minorities, which are Armenians, Talysh, Avars and Lezgins, against Azerbaijan. Several conferences were held in Moscow and Dagestan concerning the rights of the minorities that exist in Azerbaijan (Valiyev, 2013). For Russia, using ethnic card against Azerbaijan might not be the most effective foreign policy but it serves as a signal of Russia's displeasure of Azerbaijan's relative independent foreign policy.

Azerbaijan is the most important country in the South Caucasus, geopolitically. Its energy resources and transit position on energy routes offer Azerbaijan to pursue an independent foreign policy. Russia constantly attempts to distort this independent foreign policy of Azerbaijan. Azerbaijan's close collaboration with Turkey and the Western world could jeopardize Russia's dominant status over energy supply routes. Therefore, Russia pressures Azerbaijan in several areas. Nagorno-Karabakh issue is the most important problem for Azerbaijan since its territorial integrity is violated. Russia gains leverage against Azerbaijan by supporting Armenia financially and militarily in this problem. Russia also tries to use ethnic card against Azerbaijan. Russian support to Armenia in the Nagorno Karabakh issue and exploiting Azerbaijan's domestic affairs, however, might be counter-productive by driving Azerbaijan into more strict alliances with outside powers.

5. 3. Russia-Georgia Relations

Georgia is located in a transcontinental zone between Europe and Asia. It borders Russia on the strip of the Caucasus. Georgia, as the northernmost country in the Caucasus is an Achilles heel of Russia. It also flanks Russia's North Caucasus republics and acts as a buffer between Islamic influences from the south and Russia's Muslim regions (Russia's Expanding Influence, Part 1: The Necessities, 2010). Georgia is the only sea-abutting state of all republics of Central Asia and the Caucasus (Shaffer, 2010). Therefore, Russia prioritized to consolidate Georgia. In the 19th century Georgia was incorporated into the Russian Empire and it had remained under the Russian rule until 1991. Although there are strong traditional ties exist between two countries since Georgia was part of a common state with Russia over 200 years, there is mutual accusation for each other's backwardness (Markedonov, 2007).

Due to Georgia's mountainous terrain, Georgia's non-Georgian ethnic groups have maintained autonomy. These groups, which include Abkhazians, Ossetians, Svans, Armenians and Turks were able to preserve their culture and identity. Ethnic problems of Georgia encourage Russia to intervene in Georgia's domestic politics constantly. The Soviets organized Georgian territory so as to exploit ethnic and inter-communal differences. Best exemplifying the Soviet reorganization are the Abkhazians and South Ossetians, who were given their own autonomous republics within the Georgian Soviet republic (Georgia: A Historical Battleground Between East and West, 2013). Since its independence, Georgia engaged in civil wars with Abkhazia and South Ossetia to

integrate these regions into Georgia. These inner conflicts provided means for Russia to manipulate Georgia. Thus, Georgia's domestic politics and its relations with Russia became interconnected.

From the start of the disintegration of the Soviet Union, Georgia became Russia's greatest strategic and foreign policy problem in the South Caucasus (Nygren, 2008). Georgia is the only South Caucasus state which has coast on an open sea. It could serve a potential trade and energy route for other South Caucasus states. Thus, Russia has throughout the post-Soviet period actively attempted to destabilize Georgia in order to prevent it from serving as a transit state for the other states in the Caucasus and Central Asia (Shaffer, 2010). Loosing grip on Georgia would lessen the dependency of other South Caucasian states on Russia.

On the other hand, Georgia wanted to rid of Russian yoke after the independence. Independent policy for Georgia is invariably linked to an anti-Russian policy. A resistance identity evolved in Georgia against Russian rule when the President Gamsakhurdia initiated nationalistic rhetoric. This nationalistic rhetoric frightened the autonomous regions of Abkhazia and South Ossetia. On the other hand, Gamsakhurdia proposed the idea of a 'Caucasian House' which was supported by Chechnya and Azerbaijan making possible for the primary anti-Russian coalition in the Caucasus. However, deterioration of the relations between Georgia and the provinces of South Ossetia and Abkhazia helped Russia to establish an enemy image of Georgia in the North Caucasus (Abushov, 2009). Gamsakhurdia openly promoted the cleansing of the South Ossetians from the country with the aim of driving them to the North Ossetia (German, 2006). Gamsakhurdia's chauvinist policies alienated the North Caucasus

people, who felt solidarity with the South Ossetians, who might have contributed to his grand Caucasian unification plans.

In December 1991, Gamsakhurdia was overthrown as a result of clashes in Tbilisi. Shevardnadze took the power (Nygren, 2008). Gamsakhurdia and his supporters called the rebellion a Russian military coup. “For Gamsakhurdia, the rebellion coincided with his refusal to participate in the Alma Ata summit to lay the basis of the Commonwealth of Independent State” (Cheterian, 2009: 179). As Elchibey was ousted in Azerbaijan, Gamsakhurdia was overthrown in Georgia since he refused to join in the Commonwealth of Independent State, which was founded by Russia to maintain its influence over the former Soviet states. Gamsakhurdia fled to Mingrelia in Georgia, province bordering Abkhazia, where he started to launch an insurgency against Shevardnadze leadership (Cheterian, 2009).

Abkhazia supported this insurgency by forming Confederation of the Mountain Peoples of the Caucasus including various ethnic groups in the North Caucasus and local Russians. In July, Abkhazia declared its sovereignty (Petersen, 2008). The Mingrelians were also staunch supporters of Gamsakhurdia, and did not recognize the legitimacy of the State Council formed under the leadership of Shevardnadze (Cheterian, 2009). As a result of loss of control over Abkhazia and Mingrelia, Georgia’s ties with its western regions were cut. In August 1992, Georgia sent 3,000 troops to restore order. Local Russian forces actively participated in the war by providing man power and protecting Abkhaz forces from air strikes (Cooper, 2003). Russian support to Abkhazia was considerable in Abkhaz resistance. Russian troops united with militia groups to defend Abkhazia. They provided military training for Abkhaz forces (Schaefer, 2010). Zvadt

forces loyal to Gamsakhurdia took advantage of the conflict and seized the Black Sea port of Poti and blocked food supplies to reach Tbilisi. Fearing the complete dismemberment of Georgia, Shevardnadze had to call for Russian help to quell the insurgency. Zviad Gamsakhurdia died in mysterious circumstances. The consequences of Russian support were that Georgia had to join the Commonwealth of Independent States, re-entering the Russian influence, agreeing to keep Russian troops on Georgian soil. Furthermore, Abkhazia became *de facto* independent (Petersen, 2008).

Another region of Georgia, South Ossetia voted in favor of the unification with North Ossetia, which is a part of the Russian Federation in 1992. Georgian attempts to restore its jurisdiction with the rebellion of the ethnic Georgians who live in South Ossetia were crushed by North Ossetian and Russian troops. An agreement signed in which Georgia accepted the placement of Russian peacemaker troops in South Ossetia as in Abkhazia (Nygren, 2008). After Abkhazia and South Ossetia wars, Shevardnadze agreed to join the CIS. In a statement, Shevardnadze explained that he had been forced to consent Georgian joining the CIS as a result of the country had been brought to its knees (Splidsboel, 2009). The secessionist movements of Abkhazia and South Ossetia in the first years of Georgia's independence gained success because of Russia's backing. Russia holds these regions as keys to exert pressure over Georgia.

Although Georgia joined the CIS, its attempts to resist Russian yoke have not ended. In order to counter Russian influence over Georgia, the foreign strategy of Georgia focuses on decreasing Russian military presence, increasing US military presence in Georgia, increasing Georgia's integration into NATO and preservation of Georgia as a main and stable transit state for Caspian energy sources. Thus, Georgia aims to establish

domestic stability and renew its territorial integrity (Shaffer, 2010). The Russian military bases which were remnants of the Soviet Union posed significance challenge to Georgia's sovereignty. The Russian Military Forces inherited about 1,600 bases and facilities in Georgia. In 1995, the two countries signed an agreement on their withdrawal but the document was not ratified in the Russian Duma. Nevertheless, in the second half of the 1990s, the vast majority of bases were closed down. However, the process was riddled with conflicts. By the end of 1999 only four bases remained, Yeltsin and Shevardnadze signed a joint statement in İstanbul regarding their fate. The two bases in Vaziani and Gudauta were to be closed down in a short time, while the two bases in Akhalkalaki and Batumi were to be negotiated separately (Sokov, 2005). Existence of Russian military troops on Georgian soil is a clear intimidation against Georgia.

Georgia wanted to sell its geographical position to gain the support of the Western countries to counter Russia. The Baku-Tbilisi-Ceyhan pipeline has huge importance for Georgia. It was a blow for Russian monopoly over energy supply routes. This pipeline project was designed to transport Caspian oil to the European market, bypassing existing Novorossiysk pipeline in Russia (Abushov, 2009). The Baku-Tbilisi-Ceyhan project enhanced Georgia's geopolitical importance by offering the Western countries an alternative energy route. The BTC is a major step in anchoring Georgia to Europe. By itself, it strengthens its economic security; and it is a sine qua non for the implementation of other oil and gas projects (Cornell et al., 2005). In geo-economic terms, Georgia's position is situated along the quickest route linking Europe with Asia, a fact that has naturally led to emergence of the idea of reviving the ancient Silk Road. Ultimately, this translated into projects like TRACECA (Transport Corridor Europe

Caucasus Asia) and INOGATE (Interstate Oil and Gas Transport to Europe). These projects have importance not only for Georgia's economy, but also that for the entire Caucasus (Papava, 2005). Russia would strongly resist the implementation of these projects since these projects would increase Western influence on Georgia and the South Caucasus.

As a sign of inextricable links between the South Caucasus and the North Caucasus, Chechnya issue became a problem for Georgia and Russia. During the First and the Second Chechen Wars, Chechen rebels have been able to cross Russian-Chechen border to Georgia due to perforated borders of the former Soviet Union (Nygren, 2008). Russia kept reproaching Georgia for the presence of Chechen insurgents in Pankisi Gorge region of Georgia. Yeltsin asked Shevardnadze to use military bases in Georgia to conduct attacks against Chechen rebels, Shevardnadze refused this request. (Kelkitli, 2008). Georgia neither had power nor the desire to attack Chechens. Georgia does not have the military capacity or transportation facilities to seal its border with Chechnya per Russia's request (Russia Tries to Force Georgia's Cooperation, 1999). Alexander Rondeli, who was a senior diplomat in Georgian foreign ministry, commented that: "Why should we let in Chechnya? After all, they are our neighbors and we always strive to get on well with them. We respect them, they are great warriors" (Kleveman, 2003: 34). After 9/11, the security environment has changed in the South Caucasus. Islamist Chechens were discredited by the Western powers, with which Georgia wants to establish close relations. This has changed Georgia, Chechnya and Russia relations. In November 2001, planes coming from Russian airspace bombed the Valley. In September 2002, Putin argued that the self-defense principle of the UN charter gave Russia to

secure the Russian-Georgian border. After this ultimatum, the two sides reached agreement and Georgia arrested a number of Chechen militants and extradited to Russia (Kelkitli, 2008). This Chechen example indicates that Russia's security in the North Caucasus is invariably linked with the South Caucasus. Russia experienced trouble in controlling Chechen insurgency when its relations were troubled with Georgia.

The troubled relations have worsened after the overthrow of Shevardnadze. The Rose Revolution in Georgia that occurred in 2003 brought anti-Russian and pro-Western government in Georgia. Under the new president Saakashvili, who came to power as a result of Rose Revolution, Georgia's foreign policy evolved into full out alignment with the USA and articulate desire to join NATO as a full member (Shaffer, 2010). Despite Saakashvili's strong desire of integrating Georgia into the Western world, Russia did not want to break the relations with Georgia. Russia tried to construct a positive atmosphere for the relations between two countries. In May 2004, Igor Ivanov assured that Russia wanted stable and good relations with Georgia and resolution of bilateral problems (Nygren, 2008). However, Saakashvili was determined to make drastic changes that would deteriorate the relationship between Georgia and Russia. In March 2005, Saakashvili demanded the closure of all Russian bases in Georgia (Georgia: Closing Russian Bases, 2005). In October 2005, Saakashvili articulated the idea of full integration of Abkhazia and South Ossetia, which remained autonomous after civil wars, into Georgia and wanted the removal of Russian presence in these regions. Saakashvili mentioned a possible U.S. military help for this aim (Georgia: U.S. Peace Initiatives, 2005).

Saakashvili's moves cause tension Georgia-Russia relations. By early 2006, Russia stopped issuing visas Georgians and accused Georgia of searching external enemies to divert attention from its domestic politics. In March 2006, Russia banned the wine imports from Georgia (Nygren, 2008). On the other hand, Saakashvili went on claiming that he had been assured by the EU that EU troops would replace Russian peacekeepers in Abkhazia and South Ossetia (Georgia: EU Could Send Peacekeepers, 2007). This possibility of placement of the troops Western powers has been the nightmare of Russia since the break-up of the Soviet Union. Georgia and Russia had been moving towards an open confrontation with these provocative statements.

Russia's position concerning Abkhazia and South Ossetia was the triggering factor for the escalation of the conflict between Georgia and Russia. A Russian foreign ministry spokesman announced: "We respect the principle of territorial integrity, but in Georgia's case territorial integrity is still more of possibility than a political and legal reality" (Abushov, 2009: 199). Nevertheless, Saakashvili was determined to turn this possibility into a reality. He also wanted to pay back the political credits he has received and boost its popularity and reputation as a patriot and defender of Georgian unity (Markedonov, 2007). The possible Western support encouraged Saakashvili to increase his aggressive moves. Sources in Georgian government reported that in private, Bush told Saakashvili that the USA supports the Georgian leader's nationalist agenda 100 percent and encouraged him to continue to push aggressively towards achieving his goals (Georgia: Neutrality in Public, Taking Sides in Private, 2005). However, this promise of support did not evolve from rhetoric into action when it was needed.

On 7 August 2008, Georgia commenced a military operation to reassert its authority in South Ossetia. On 9 August 2008, Georgian officials declared that Georgia had full control of South Ossetian capital. On August, Russia was able to push the Georgian troops out of South Ossetian capital, Tshkinvali (Antonenko, 2008). After five days of war, Russia not only expelled the Georgian forces from Abkhazia and South Ossetia but also invaded Georgia. Georgian government declared a unilateral ceasefire. On 12 August 2008, Georgia and Russia agreed on an armistice and Russia began to pull out its troops. On August 14, Georgia terminated its membership of the CIS (Kelkitli, 2008). South Ossetia and Abkhazia were recognized as independent states by the Russian Federation on 26 August 2008 (Antonenko, 2008). Russian victory was decisive in terms of militarily and politically. 20 percent of Georgian territory has been separated from Georgia.

The Russia-Georgia War of 2008 was important in many important aspects. It reestablished the credibility of the Russian army whose reputation was damaged due to Chechen wars. By invading Georgia, Russia was able to demonstrate that it has the superior army in the region. More importantly, this war indicated that American and European guarantees for the South Caucasus states have no value. “The Russians knew the United States would denounce their attack. This actually plays into Russian hands. The more senior leaders are, the greater the contrast with their inaction, and the Russian wanted to drive home the idea that American guarantees are empty talk” (Friedman, 2008b). Other South Caucasus republics learned the lesson from Georgian case. Relying on Western powers would increase their risks not their security. In this aspect, this war caused other states, which are located in Russian periphery, to reevaluate their relations

with Russia. Five Days War showed that the balance of power has changed in favor of Russia in the Caucasus.

Russia also used the consequences of the 2008 war with Georgia as means to return to its former great power status. After the 2008 war, the South Ossetia and Abkhazia declared their independence from Georgia and Russia recognized their independence. Putin told Russian TV: “As you know we recognized South Ossetia’s and Abkhazia’s independence in the same way as many European countries recognized Kosovo’s independence” (Putin defiant on Caucasus troops, 2008). The recognition of the independence of South Ossetia and Abkhazia was also a response to the recognition of the independence of Kosovo despite Russia’s objections.

The newly established states in Georgian territory would not survive without Russia’s help. Therefore, Russia increased its military presence in South Ossetia and Abkhazia. Russia has signed friendship, cooperation and mutual assistance treaties with Georgia’s breakaway regions. The agreements state that Russia will help the republics protect their borders and give the Kremlin the right to establish military bases on their territories. Russia is now set to keep 7600 soldiers in these regions, more than the number present before the war (Mikhelidze, 2009). The placement of new Russian troops is not only a violation of Georgian territorial integrity but also a direct threat to the existence of Georgia. Russian military units positioned striking distance of Gori, were able to sever Georgia’s main east infrastructural links and cut Tbilisi from the coast (Georgia: More Russian Troops in Breakaway Regions?, 2009).

Russia's pressure on Georgia has intensified with its enhanced military capability in Abkhazia and South Ossetia. Russia also gained influence in Black Sea by providing security for Abkhazia's port city, Sukhumi. On September 15, 2009, Russia announced that it will detain any ships illegally entering the waters of Georgia's breakaway republic of Abkhazia (Russia: Asserting Influence in the Black Sea, 2009). Russia's declaration was a warning against Georgia. Georgia would not try to impose a blockade against Abkhazia since its navy was not match for Russian navy.

After the August war in 2008, the confrontation between Georgia and Russia became much more clear-cut. Georgia and Russia are officially enemies. Direct diplomatic relations between the two countries have been cut. The Russian leadership declared that it would not talk to Saakashvili's government under any circumstances (Nodia, 2009). While Russia enjoys its dominant position, Georgia's options appear to be limited. The alleged Western support proved to be empty talks. Saakashvili's pro-Western aspirations were undermined by the realities brought by the August war. Georgia's change of policy towards Russia's WTO membership signaled that Georgia would not pursue hardcore anti-Russian policies. Georgia reversed its policy of blocking Russia's accession to WTO. In order to ameliorate bilateral relations, in November 2011, Georgia and Russia have signed a historic deal which allowed Russia's accession to WTO (Georgia signs trade deal opening Russia's way to WTO, 2011).

Saakashvili's popularity in Georgia has faded because of disastrous consequences of the August war. The opposition against Saakashvili was unified under the coalition of the Georgian Dream Movement led by Bidzina Ivanishvili who is a business tycoon. Ivanishvili secured a victory in parliamentary elections in October 2012. Ivanishvili has

resumed trade relations with Russia that had been frozen before the August 2008 war between Russia and Georgia. He has also set in motion the prospects for increasing cooperation in other more strategic areas like energy and security (Georgian Politics Shift as Ties with Russia Grow, 2013). Ivanishvili followed a less reliant policy towards West while establishing pragmatic relations with Russia.

Russia's approach about relations with Georgia, on the other hand, is cautious. In an interview conducted with Grigory Karazin, Russian State Secretary and Deputy Foreign Minister, he stated that Russia will not abandon its requirements to Abkhazia and South Ossetia. He openly complained about Georgia's NATO aspirations. Karazin claimed that Georgia needs to consider Russia while constructing its foreign policy (Karazin, 2013). These statements reflect that Russia does not want surrender its means to manipulate and destabilize Georgia.

Georgian politics has further been transformed with the election of Giorgi Margvelashvili as the president backed by the Georgian Dream Movement. Although new president is eager to develop warmer relations with Russia, Russia's military presence in the breakaway regions, Abkhazia and South Ossetia, will be an obstacle to the development of warmer relations between the two countries. Georgia, therefore, will continue to maintain close relations with the West. Russia does not care whether this small country follows pro-Russian or pro-Western rhetoric. Russia tolerated an anti-Russian rhetoric in Georgia since Georgia's independence. However, when this anti-Russian rhetoric was materialized as a real threat with the backing of the USA and the EU, Russia decided to teach a lesson to Georgia in 2008. In future, Russia continues to use its economic and ethnic cards to destabilize Georgia.

CHAPTER 6

RUSSIA'S NORTH CAUCASUS POLICY

The North Caucasus remained the part of the Russian Federation after the dissolution of the USSR. The North Caucasus consists of the republics of Dagestan, Ingushetia, Chechnya, North Ossetia, Kabardino-Balkaria, Karachay-Cherkassia and Adygea. Russia has been faced with fierce resistance in the North Caucasus. Violence still continues in the region, which exhaust Russia's military and economic sources. Despite these challenges, it is imperative for Russia to control the North Caucasus. The North Caucasus is a part of the Transcaucasus zone, which enables Russia to extend its influence over the South Caucasus. It is also a defensive barrier that would restrict other regional powers' intrusion to the Russian territory. Therefore, Russia does not afford losing its control over the North Caucasus. However, Russian control was seen as a domination of an external power by the locals, which creates difficulties for Russia.

To understand Russia's current policy in the North Caucasus it is necessary to examine the legacies of the Russian Empire and the Soviet Union eras. From the beginning Russia's goals were geopolitical. "Imperial Russia's conquest of the North Caucasus took place in the context of the rising power competition with Persia and the Ottoman Empire and of growing concern about the interests of European states in the region" (Melvin, 2007: 7). Parts of the North Caucasus were conquered by Russia as early as the 1780s. A small scale of resistance organized by Sheikh Mansur was unsuccessful (Schaefer, 2010). The Russian Empire's move towards to the South Caucasus could occur only after the suppression of Mansur's insurgency in the late of the 18th century. In 1801, Georgian kingdom was annexed by the Russian Empire. John Baddeley (1999: 23-24) describes the Russian strategy in the Caucasus:

Russia's task should now be clear - in the Caucasus proper, to subdue, on the one hand, the Western tribes, who looked for support to Turkey; on the other, the peoples of Dagestan and Chechnya; in Transcaucasia, to reunite the Georgian race, defend it against Persian and Turk, and enlarge and make safe its boundaries at their expense.

The annexation of Georgia had geopolitical repercussions. Without further conquest in the North Caucasus the road through the Daryal Pass from Vladikavkaz to Tbilisi was indefensible. This meant further conflict with the Ottomans and Persia. By 1804, Russia was at war with Iran, and by 1807, with Turkey (Dunlop, 1998). The Russian Empire, therefore, engaged in further conquest in the North Caucasus to secure its borders, which extended its control to the South Caucasus.

The North Caucasus is one of the most ethnically diverse regions of the world. About 40 different ethnic groups live in the region. All groups held attachment to their distinct national or ethnic identities (Sagramoso, 2007). The Soviets utilized the differences and conflicts that existed among different ethnic groups in the North Caucasus. The administrative measures were implemented between 1922-1936, which established new ethno-territorial political entities. This created numerous anomalies, because the diversity of the population ensured that new borders cut across regional, linguistic, ethno-religious and clan ties. This process was followed by a succession of border realignments and territorial transfers, fostering further resentment and hostility between neighboring communities (Melvin, 2007). Another policy that the Soviet leadership implemented was the purges and massacres. On August 31, 1937, the NKVD arrested almost 14000 men in only Chechnya, which represented 3 percent of the population and every night there were mass executions. Within a few months virtually every civil servant, every Communist party member, all leadership were rounded up, and either executed or sent to Siberia. Cadres loyal to Moscow were placed in the North Caucasus to extend Moscow's control over the North Caucasus. (Schaefer, 2010). The policy of placement of loyal cadres in the North Caucasus was reinstated by Vladimir Putin in 21st century.

World War II had a profound effect on the region. The German Army reached the North Caucasus, on its way to attempt to secure the Caucasian oilfields, and occupied some parts of the region until 1943. The Germans promised support for sovereignty to those groups that were willing to cooperate (Melvin, 2007). Before the war ended, Soviet officials had become convinced that large scale of collaboration occurred

between the North Caucasians and the Germans. In 1943 the Soviets embarked on a wave of deportation and exile that altered the demographic profile of the North Caucasus. More than 300.000 Chechens, 80.000 Ingush, and 37.000 Balkars were sent to various parts of the Central Asia in February 1944. The former republics of the exiled people were dissolved. The populations of entire villages and districts were wiped away; their places were taken away by Russians and other ethnic groups (King, 2008). The exiled people were officially rehabilitated in 1957 and 50.000 families returned to the Caucasus to reclaim their lands (Melvin, 2007). Their return provoked tension in the North Caucasus since territories were rearranged in the region. The legacy of the deportation showed its effects especially after the collapse of the Soviet Union when nationalities found an opportunity to reclaim their independence. In 1992, North Ossetia and Ingushetia fought over the status of Prigorodny region whose status had been changed during the deportation (Matveeva, 1999).

In the 1991, the North Caucasus remained the borders of the Russian Federation. Russian control over the North Caucasus, however, was floppy. Russia concerned itself primarily with consolidating its relationship with local elites rather than institution building as the principal means for improving conditions in the region (Melvin, 2007). This approach led to decrease of Moscow's authority and increase of the local elites. All the republics in the North Caucasus became increasingly autonomous in handling their affairs while Chechnya opted for secession (Sagramoso, 2007). Yeltsin attempted to restore balance of power between Russia and the North Caucasian republics in favor of Russia by engaging full scale war.

The First Chechen war, from 1994 and 1996, was fought between Russia and the self-proclaimed Chechen Republic of Ichkeria. Dzhokhar Dudayev, the nationalist president of Checheno-Ingushetia Autonomous Republic, declared the independence of the Chechen Republic of Ichkeria in 1991. Preoccupied by internal struggles and economic reform, Yeltsin was not able to respond to this declaration immediately. Between 1991-1994, tens of thousands of people, mostly ethnic Russians, had to flee the republic due to violence against the non-Chechen population. Pro- and anti-Dudayev forces fought for power and at times used heavy weapons (Melvin 2007). Kremlin thought Dudayev's fall was imminent and all it needed a few tanks and some soldiers. In December 1994 federal troops were sent to restore the federal government's authority in the republic (German, 2003). Russia faced humiliating defeat as a result of two years of fighting. In 1996, the Khasavyurt Accord was signed in which Russia agreed to remove its troops from Chechnya. In 1997, Chechen president Dzharkhadov signed a peace treaty with Yeltsin stating that both countries agreed to form firm, equal, and mutually beneficial relations (Schaefer, 2010). Moscow recognized *de facto* independence of Chechnya with these agreements.

The loss of Chechnya was a major geopolitical setback for the Russian Federation. The independence of Chechnya was perceived as a real threat for further disintegration of the North Caucasian republics. Yeltsin evaluated Chechen independence as: "Russia's very statehood, Russia's very life is at stake" (Yeltsin, 2000). Old Russian anxieties concerning foreign incursions resurfaced. There was a fear that if Turks could set up an embassy in Grozny, they would turn the North Caucasus as a base behind Russian lines (Lieven, 1999). Other scholars considered the leader of Chechen independence

movement, Dudayev, as a pawn of Britain. According to this view, Dudayev was encouraged by Britain to declare independence of Chechnya. Brzezinski's *The Grand Chessboard* provided the geopolitical framework for the strategy of the disintegration of Russia (Staff, 1999).

Russian control over oil routes was endangered as a result of the First Chechen war. The presence of independent Chechnya would block the Russian hopes to become monopoly in Baku- Novorossiysk pipeline. Baku-Novorossiysk pipeline is Russia's major pipeline for transportation of Caspian resources. Russian control over the Caspian energy resources was compromised. "If Russia is to be a key player in the Caspian oil business it must control Chechnya or at least peacefully coexist with it, or losing its position as the key strategic actor in the Caucasus" (Hughes, 2001: 24). The complete loss of control over Baku-Novorossiysk pipeline would prevent Russia to use energy as foreign policy tool effectively. Russia, therefore, could not tolerate the loss of Chechnya and the North Caucasus.

In 1999, the invasion of Dagestan by Chechen forces and apartment bombings in Moscow gave an excuse for Putin, newly appointed prime minister, to start a war against Chechnya. The Russians employed heavy artillery to reduce the structures then, they sent the infantry to fight. They were better prepared compared to 1994 war. Many local Chechens helped them (Schaefer, 2010). Alongside military campaign, the Kremlin introduced a range of political and administrative reforms aimed at restoring federal control over Chechnya. On 23 March 2003, a new Chechen constitution was passed by referendum. The constitution, which entered into force on 2 April 2003, grants Chechnya a significant degree of autonomy but still ties it firmly to Russia's rule

(Melvin, 2007). Since 2006 there has been considerable decrease in the level of fighting between federal troops and Chechen insurgents, indicating substantial weakening of the insurgency as a result of actions taken by Russian forces and pro-Russian Chechens (Sagramoso, 2007). In order to prevent further secessionist attempts, Moscow ensured that loyal cadres to the center came to the power in Chechnya. Moscow was able to place a pro-Russian leader, Akhmad Kadyrov, to the Chechen presidency and his son, Ramzan Kadyrov after the former was killed. A pro-Russian regime was established in Chechnya after a decade of separation.

While condition in Chechnya was stabilized, violence has spread across the North Caucasus with the Caucasus Emirate, which is a pan-Caucasian Islamic organization. A loose network of autonomous violent groups connected with the Caucasus Emirate has developed in Ingushetia, Dagestan, Karachevo-Cherkessia, and Kabardino-Balkaria (Sagramoso, 2007). As a result of the activities of these groups, Dagestan, Ingushetia, and Kabardino-Balkaria emerged as primary sets of violence due to corrupt administrations, unemployment and economic decline (O'Loughlin et al., 2011). Moscow started to implement a two-track policy combining the more effective coordination of coercive measures with better governance in order to counter threat in the North Caucasus (Hahn, 2005). Russia's policies do not rely on the use of force solely. More serious socio-economic policies concentrate on alleviating the harsh socio-economic conditions in the region which increases the recruitment of people into the Islamic groups.

Placement of pro-Russian regimes in the North Caucasus within a Russian vertical power became a key policy of the Russian Federation to fight with separatism in the

North Caucasus. This policy is called as Chechenization. Chechenization refers to turning over security and political operation in the republic to local allies (O'Loughlin et al., 2011). Putin skillfully exploited disagreements between sufi groups and radical Islamists within Chechen ranks. He appointed Ahmet Kadyrov as his head of administration. After Ahmet Kadyrov's assassination, his son Ramzan Kadyrov succeeded him. His rule represents Russian vertical power to nullify the separatist threat (Russell, 2008). The Kremlin also began to replace unpopular, gerontocratic, and corrupt leaders in the North Caucasus republics. In 2005, Putin removed the ailing Valery Kokov, Kabardino-Balkaria's Soviet-era Communist Party first secretary from the republic's presidency in favor of an ethnic Kabardian, Arsen Kanokov, who has attempted to assuage the concerns of the republic's young and Muslim Balkar minority. In Dagestan, Magomedali Magomedov, the highly unpopular Soviet-era bureaucrat, was replaced in February 2006 by the younger and less opulent and corrupt Mukhu Aliyev as president. In August, the president of the North Caucasus's largely non-Muslim republic of North Ossetia, Teymuraz Mamsurov, replaced his entire cabinet. In Adygeya, President Khazret Sovmen decided not to apply for reappointment. Adygea's parliament approved Putin's nominee for the presidency, Aslanchery Tkhakushinov (Hahn, 2005). Russia appeared to modify its 'Chechenization' policy. While picking up loyal individuals for the posts of presidency, Russia also tries to appoint less corrupt and more popular persons for the presidency of the North Caucasus republics to strengthen the center's authority in the region.

In addition to administrative measures, Russia implements economic reforms throughout the North Caucasus. Transferring economic resources from the center to the

North Caucasus was employed by the Russian Federation to reduce poverty. The North Caucasus republics receive significant amount of subsidies from the federal government. Federal government revenues constitute more than half of local government revenues (Vendina et al., 2007). Federal supervision was institutionalized over the use of federal subsidies in the region where the corruption is widespread. In 2005, Putin issued a decree in September 2005 establishing an oversight and advisory Commission for Improving the Socioeconomic Situation in the Southern Federal District under Dmitry Kozak's chairmanship (Hahn, 2005). With this commission, the subsidies are to be more justly distributed under the control of the federal government.

Russia will continue to subsidize the North Caucasus in subsequent years. In June 2012, Russian Prime Minister Medvedev announced a grandiose federal program for the socioeconomic development of the North Caucasus until 2025. The total funding for the program will amount to just 1.7 trillion rubles (52.2 billion dollars). The program will focus on basic infrastructure projects-construction of schools, hospitals, and housing-and creating new jobs in order to reduce unemployment region wide from 16 percent to 5 percent of the able-bodied population (Russian Government Slashes Funding For North Caucasus, 2012).

Another important development in the North Caucasus is Sochi Olympics 2014. Sochi is located in the immediate vicinity of Abkhazia and the politically fragile republic of Karachevo-Cherkessia. The geographical location of 2014 Winter Olympic Games venue, coupled with economic opportunities (its estimated budget is \$30 billion) and a variety of ongoing political and security challenges (Secrieru, 2010). Doku Umarov, self-proclaimed emir of the Caucasus Emirate, urged Islamic militants to do their utmost

to derail the games (2014 Winter Olympics: The Terrorism Threat, 2013). Despite the Caucasus Emirate's threats, the Olympic Games provided opportunity for Russia to demonstrate its control over the North Caucasus. Nevertheless, Russia had to implement extensive security measures in a highly volatile area. More than 40.000 police and 30.000 army personnel are expected to be on duty during the games. Surveillance of the games will include drones, reconnaissance robots, sonar systems and high-speed patrol boats. In January 2014, there will be travel and transport restrictions implemented along with enhanced security zones that will cover a large territory outside the internal border of Karachay-Cherkessia (more than 322 kilometers, or 200 miles, east of Sochi) and the external border between Russia's Krasnodar Krai region and the breakaway Georgian territory of Abkhazia (Sochi 2014: A Security Challenge, 2013). These security measures cost money and man power but holding Olympic Games in the North Caucasus will be an important step to integrate the North Caucasus into the Russian Federation.

While implementing soft power measures, the Kremlin did not completely abandon hard power measures. Russian forces assassinated several rebel leaders and emirs including Basayev, Khattab, Khalilov, the former presidents Maskhadov and Yandarbiyev in order to reduce the quality of the leadership of the insurgency (Hahn, 2005). Besides directly engaging in operations directly, Moscow established several special Chechen battalions made up in large part of former militants with aim of delegating counterinsurgency responsibilities to local units. Local security forces were granted a free card to conduct their operations against insurgents (O'Loughlin et al., 2011).

The free card given to local forces by the federal government often causes misconducts and human right abuses. The most infamous example is the activities of militias loyal to Chechen President Ramzan Kadyrov called as *kadyrovists*. His rule is marked with torture of Chechen opponents and assassination of the political rivals in Chechnya. Kadyrov's intimidatory style is not confined to Chechnya. It was reported that *kadyrovists* has been involved in operations in other neighboring republics in the North Caucasus. Russian journalists who criticize his rule were assassinated in Moscow. Anna Politkovskaya, who had already written disparagingly of Akhmad Kadyrov and Ramzan Kadyrov, was shot dead by an unknown assailant outside her apartment in Moscow on 7 October 2006 (Russell, 2008). Kadyrov's foreign policy conducts can also be characterized as ambitious. He has offered assistance to South Ossetia to protect it from Tbilisi's military operations. He has met with Jordanian monarch, Kazakhstan's President Nursultan Nazarbaev and the Sultan of Brunei (Hahn, 2005). Kadyrov's audacious and ambitious style of rule might concern Russia because he might develop separatist tendencies if he consolidates further power in the North Caucasus at the expense of the federal government. Handing over the security operations to the local forces in the North Caucasus, thus, can backfire for Russia.

The North Caucasus is the most unstable region of the Russian Federation. Russia fought two wars after the fall of the Soviet Union to suppress Chechen separatism. Although Russia seems to control the situation in Chechnya after the Second Chechen war, violence has spread across the North Caucasus. Russia tries to address new insurgency by assassinating its leaders and trying to ease the socio-economic conditions. Russia's efforts might be considered costly but the North Caucasus region is valuable for

Russia. Loss of control over the North Caucasus would threaten loss of Baku-Novorossiysk pipeline which transports Caspian energy sources to the Black Sea. In order to control the Caspian energy sources and exert pressure to the South Caucasus states, Russia must control the North Caucasus despite the economic and military costs.

CHAPTER 7

RUSSIAN ENERGY POLICY

Energy strategy of Russia for the period up to 2030 published by Ministry of Energy of the Russian Federation outlines main trends and objectives of Russia's energy policy. Russian energy policy is shaped according to these guidelines listed in the document. In this document, it is emphasized that energy sector has vital role in elevating Russia's living standards to those of developed countries. Consistency of the state measures in implementing key strategic guidelines for development of the energy sector must be realized in order to fully utilize energy sector. The strategic objectives of the foreign energy policy are the maximum efficient use for the Russian energy potential for full-scale integration into the world market and enhancement of Russian position in energy sector. Reduction in demand and cut in prices and the Russian dependence on transit

countries are listed as potential problems for the enhancement of Russian position in energy market (Energy strategy of Russia for the period up to 2030, 2009).

There are set of geopolitical imperatives that direct Russia's energy policy. Russia's borders are indefensible. Russia, therefore, engages in expansion to have buffers for its security. Thus, Russia is ethnically diverse population. In order to consolidate its control over ethnic groups domestically, it needs a stable economy. A stable economy depends on revenues extracted from energy resources. Secondly, Russia must have leverage against other great powers of the world in order to assert its great power status in the world. Energy resources and control over the energy routes provide the leverage that Russia needs. If Russia loses its control over the energy routes to Europe, it cannot use energy card as an effective foreign policy instrument.

Russia has the largest natural gas reserves in the world with 47, 8 trillion cubic meters (Country Comparison: Natural Gas Proved Reserves, 2013). It is third largest oil producer after Saudi Arabia and the USA (Country Comparison: Crude Oil Production, 2012). The Kremlin has used energy revenues to develop its economy and consolidate its grip on the country. According to data retrieved from the U.S. Energy Information Administration, oil and gas revenues accounted for more than 50% of the federal budget revenues in 2012 (U.S. Energy Information Administration, 2013). The energy sector, thus, contributes the funding of reforms in unstable regions of the Russian Federation. A domestically stable and developed Russia depends on the revenues extracted from energy.

Beyond revenues, Russia uses energy as a foreign policy card. Russia's desire to establish a multipolar and balanced world order stated in Russia's foreign policy documents could be achieved only by possessing leverage against other great powers of the world. Europe gets 25 percent of its natural gas from Russia. That figure rises dramatically in Central and Eastern Europe; generally, the closer a country is to Russia, the more dependent it is on Russian natural gas. Central Europe with the exception of Romania, which has its own reserves, draws roughly 70 percent of the natural gas it consumes from Russia (Kaplan and Chausovsky, 2013). The energy sector enables Russia to expand and maintain and expand its influence of its neighbors. Russia uses its neighbor's dependence on its energy to influence its foreign decision making by offering subsidizes or charging higher prices (Goodrich and Lanthemann, 2013).

The gas dispute between Georgia and Russia in 2006 and 2009 were the demonstrations of Russian energy strategy. When anti-Russian Yushchenko came to power in Ukraine, Gazprom demanded an increase in Ukrainian import prices to European netback levels in 2006. It also wanted to pay to transport gas through Ukraine in cash, instead of the biggest remaining post-Soviet barter transactions which were transit for gas. When Ukraine did not accept Gazprom's ultimatum, Gazprom cut off its supply. Ukrainian gas company, Neftogas, withheld the gas that was supposed to be delivered to Europe. Thus, supply to Europe has dropped (Pirani, 2009). Russia indicated that it would not subsidize Ukraine, which experienced anti-Russian Orange Revolution and established a pro-Western regime. Russia demonstrated its ability to manipulate energy supply to Ukraine and Europe. In 2009, the crisis reiterated. Gazprom refused to supply gas unless Ukraine paid its debts in previous year. Again Russia cut

off supplies, Ukraine diverted volumes destined for Europe. This time, deliveries to Europe were completely cut off. Gas flows to Europe returned normal after three weeks (Pirani, Stern and Yafimava, *The Russo-Ukrainian gas dispute of January 2009: a comprehensive assessment*, 2009). Russia effectively presented its case with these two events. It stated that it would not maintain the favorable conditions provided for the former republics of the Soviet Union if these countries depart from Russia's orbit.

Russia has been able to use energy as an effective foreign policy tool only after it consolidated state's control over the energy. Russian energy sector experienced disarray and chaos after the collapse of the Soviet Union. As a result of the energy liberalization under Yeltsin, the production fell by half and the energy companies were divided between foreign groups and oligarchs. The situation changed under Vladimir Putin. The first attempt was to bring energy companies under the state control with nationalization of Gazprom, Rosneft and Transneft. Then the Kremlin followed an aggressive policy in negotiating supply contracts with the former Soviet states to maintain its monopoly for energy routes in exporting energy sources to Europe (Goodrich and Lanthemann, 2013). Putin also took measures to prevent the energy companies from falling into foreign hands again. On April 2008, the Strategic Investment Law was enacted. The Strategic Investment Law limits foreign investment in strategic industries, which include oil and gas sectors (Ebel, 2009). By establishing state control over energy sectors, the Kremlin institutionalized energy as a foreign policy instrument.

Faced with supply cut-offs, Europe wants to diversify its energy supply routes. Caspian energy sources and the Caucasus have vital significance for Europe to reduce its energy dependence on Russia. The Caucasus also connects the Central Asian oil and gas

supplies. European control over the Caucasus would mean the decrease of Russian control over the energy sources. Javier Solana the High Representative for the EU's Common Foreign and Security Policy commented that the EU's energy security can be enhanced with the development of major international pipelines to deliver oil and gas from the Central Asia and the Caspian region (Solana, 2006). Thus, the EU operationalized several pipeline projects in the South Caucasus that would bypass Russia.

Baku-Tbilisi-Ceyhan was a major milestone that enhanced Europe's energy security. This project transport Azerbaijani oil through Georgian and Turkish territories without including Russia. The 1770 kilometer BTC pipeline has capacity of pumping 1 million barrels a day (Kupchinsky, 2005). Baku-Tbilisi-Ceyhan project also created prospects that the Central Asian oil supply can be connected to this pipeline. Nazarbaev stated that his country may provide oil for BTC. (Saunders and Strukov, 2010). Kazakhstan attempts to search alternative routes in delivering oil to Europe rather than depending on Russian infrastructure. However, this policy change signifies clear break with the relations with Russia. As Crimean crisis showed that Moscow is ready to use military power if Russia's vital interests are at stake in post-Soviet countries.

Russia wants to decrease the importance of the BTC, which would lessen its control of energy routes. Russia had tried to enhance the role of Baku-Novorossiysk pipeline to maintain its control over the transportation of Caspian energy sources (Karagiannis, 2002). Russia's relations with Azerbaijan are crucial for the viability of this route. Azerbaijan's aim of pursuing independent policy depends on its effectiveness to use its energy sources. Therefore, Azerbaijan has been less inclined to prefer Baku-

Novorossiysk pipeline route. State Oil Company of Azerbaijan Republic (SOCAR) announced that it would decrease its oil exports via the Baku-Novorossiysk pipeline in 2006 (Azerbaijan decreases oil exports via Baku-Novorossiysk pipeline, 2007). Baku-Supsa and Baku-Tbilisi-Ceyhan oil routes pipelines replaced Baku-Novorossiysk pipeline. In 2011, Baku-Novorossiysk exported 2.084 million tons out of total 25.006 million tons of oil (Rustambeyov, 2013).

Changing political structure in the South Caucasus affected Azerbaijan's energy policy. Georgia, which is crucial to Azerbaijan as a transit state, elected Prime Minister and President who are less antagonistic to Russia. Russia enhanced its security ties with Armenia. These developments led to reconsideration by Azerbaijan concerning its energy policy. Russia and Azerbaijan signed several bilateral deals on energy, economic and security agreements during Vladimir Putin's visit to Azerbaijan in August 2013. Two sides discussed that Azerbaijan will resume Baku-Novorossiysk pipeline (Azerbaijan's Cautious Cooperation with Russia, 2013). Last agreements signify that although Azerbaijan is the most independent country in the South Caucasus, it cannot be isolated from Russia. When Russia's grip on the South Caucasus is tightened, Azerbaijan's oil deals will be in conformity with Russia.

Novorossiysk is also important for the transportation of Central Asian oil resources. Caspian Pipeline was built to connect Kazakhstan's Tengiz oil field to Russia's Novorossiysk port. It is the only oil export pipeline on Russian territory not controlled by Transneft, the Russian state monopoly (Kupchinsky, 2005). However, with Putin's presidency Russia's control over the international consortium has increased. In October 2008, Oman government sold its share to Russia (Russia snaps up Oman CPC stake,

2008). Russia buys out BP's share in the consortium in 2009 (BP says Lukoil buys out stake in CPC pipeline JV, 2009). In April 2007, Russia's 24 percent stake in the Caspian Pipeline Consortium was transferred to Transneft. Putin's entourage Nikolay Tokarev, who has KGB background, was appointed as the president of Transneft (Dellecker, 2008). Controlling the flow of Central Asian resources via Russia's North Caucasus port of Novorossiysk will give additional power to Russia in reducing the amount of oil that flows through the BTC.

Maintaining control of gas pipelines is far more important for Russia. Russia has the largest natural gas reserves in the world. Europe is largely dependent on gas imported from Russia. In 2013, Europe imports 34% natural gas from Russia (Ratner et al., 2013). With no alternative energy supply Europe has become vulnerable to Russia's decision to increase prices and Russia's supply cut offs. Russia, thus, gains political power over Europe. However, Shah Deniz gas fields and gas sources in the Central Asia may inhibit Russia's monopoly. It is imperative for Russia to control over the transportation of gas from Azerbaijan and the Central Asia to Europe. Therefore, Russia has to maintain its influence over the Caucasus to control gas corridor which connects gas sources in Azerbaijan and in the Central Asia to Europe.

Gas pipeline projects were developed by Europe to bypass Russia in transporting gas from Azerbaijan and the Central Asia. The Baku-Erzurum pipeline was developed with Baku-Tbilisi-Ceyhan pipeline project. The BTE's success is limited to the BTC. The BTE remains the BTC's smaller brother. The BTE carries just over five to six billion cubic meters of gas a year along its 918 km system. That represents the equivalent of roughly one-eighth of energy carried by the BTC (Roberts, The Southern

Corridor: Baku-Tbilisi-Ceyhan's Gas Legacy, 2012). The BTE's capacity is far from bypassing Russia as a main supply line. Europe, therefore, engages in other gas pipeline projects that would diminish its dependency on Russian natural gas supply.

Proposed Nabucco pipeline intended to connect the Central Asian gas sources to Europe via the Caucasus and Turkey. It is a 3300 km pipeline that could eventually bring 31 billion cubic meters of Caspian, the Central Asian and perhaps the Middle Eastern gas to Europe (Barysch, 2011). The Caspian region, especially Turkmenistan and Azerbaijan, and the Middle East- Egypt, Iran and Iraq, are discussed as supply sources for the project (Dieckhöner, 2012). Although several candidates are put forward for natural gas supply, there is uncertainty about which countries will actually supply natural gas. Key stakeholders articulate this problem about Nabucco project. Hungarian energy firm MOL's CEO Mr. Josaf Molnar said that: "For the time being, there is no obvious source of gas and there is also much uncertainty about the volume of the necessary investments. As such we can't even begin to discuss the project's returns" (Nabucco gas supply uncertainty, 2012). Central Asian countries have been hesitant in supplying gas to Nabucco, which would eliminate Russia as an effective player in energy politics, because that decision will create tension with Russia.

Financial costs of Nabucco project is also another concern. Jonathan Stern, director of gas research at the Oxford Institute for Energy Studies, commented that: "I do not know how the Nabucco consortium arrived at the £7.9 billion figure in the first place. I could never see it costing less than £12 billion" (Dempsey, 2011). In Barysch's report Nabucco project is summarized as "No demand, no supply, no money" (Barysch, 2011). According to these statements, Nabucco is not feasible project for Europe. Nabucco,

therefore, is bound to remain as an opera name instead of a radical project that would shake Russia's dominance over natural gas supply to Europe.

In addition to its internal weaknesses, Nabucco project faced with Russian encounter. The Russian government has sought to undermine Nabucco project. Russia tried to tighten its control over Central Asian countries which are potential candidates for natural gas supply for Nabucco. Europe and Russia competed over Turkmen gas. Russia made three energy agreements with Turkmenistan in 2003, 2007 and 2009, respectively. The 2007 agreement effectively undermined European hopes in entering the Turkmen gas market without Russian intermediation. In 2009, Russia interrupted gas imports from Turkmenistan due to the slump in Russian and European demand throughout this year. In December 2009, new agreement was reached. Turkmenistan would sell 30 bcm gas to Russia per year until 2020 (Fernandez, 2011). Nabucco's main candidate for natural gas supply in the Central Asia continues to import its gas through Russia.

In order to control the gas flow from the Caspian Basin to Europe Russia introduced South Stream pipeline project. This pipeline transports Russian gas from Russia to the Southern Europe. The pipeline route passes through the exclusive economic zones of Turkey and Bulgaria avoiding Ukraine (Fact Sheet The South Stream Offshore Pipeline, 2013). By avoiding Ukraine, which poses a potential source of conflict, Russia wanted to offer energy supply security to Europe. Nevertheless, the South Stream is a competitor of Nabucco project. For reasons of both supply and demand only one could be financed and built (LeVine, 2013). The Caspian Sea and Central Asian natural gas are also diverted to South Stream pipeline. If South Stream is built, it will leave less Caspian

supplies for Nabucco (Baran, 2008). Russia tries to involve as much as natural gas from Azerbaijan into South Stream pipeline. Konstantin Simonov, the general director of the Foundation for energy security said that Russia can become main transit country for Azerbaijan's gas destined for Europe by indicating that Azerbaijan is expected to increase its gas contribution to South Stream pipeline (Kharlamov, 2010). Besides Central Asian natural gas, Europe almost lost Azerbaijani natural gas as a result of Russian efforts. Russia weathers threat to its dominance over natural gas supply routes posed by Nabucco.

Russia also engaged in gas pipeline project that would pressure the Caucasus states and solidify its control over the South Caucasus states. The Nord Stream pipeline project proposed by Russia aimed at bypassing transit states in supplying natural gas to Europe. Nord Stream is twin pipeline system through the Baltic Sea transporting natural gas from Russia to Europe (Nord Stream's Twin Pipelines: Part of the Long-Term Solution for Europe's Energy Security, 2013). This pipeline cut the need for transit countries- Georgia in the South Caucasus, Poland, Belarus and Ukraine in Eastern and Central Europe. Russia's leverage against these countries has increased.

Russia's another strategy is to divide European countries. Many member states choose to make separate deals with Gazprom not to jeopardize inflows of Russian gas (Tekin and Williams, 2011). Nord Stream project prevents the EU from pursuing coherent policies towards the areas which Russia considers its sphere of influence by meeting the natural gas demand of Germany, which is the biggest economy of the EU. Former German chancellor Gerhard Schroder, who now works for the Gazprom led Baltic pipeline consortium states that: "Europe has no alternative to Russia as an energy

partner” (Matthews, 2006). In addition to two links that connect Germany and Russia, Russia has plans to build two more links to meet the British and Dutch natural gas demand (A Possible Nord Stream Expansion, 2013). If Russia manages to accomplish the expansion of Nord Stream, its political weight in Europe will increase. A Western diplomat comments that: “Are you going to be able to pick a fight with the guy who supplies all your energy” (Matthews, 2006). Russia feels more secure when Europe becomes dependent on its energy since energy dependent Europe’s expansion towards the sphere of influence of Russia would halt not to upset Russia.

Figure 8: Nord Stream Project



(A Possible Nord Stream Expansion, 2013).

Trans-Adriatic Pipeline was the last and decisive blow to European Nabucco. It connects Azerbaijani natural gas through Turkey, Greece, Albania, and ends in Italy.

Nabucco would have transported natural gas from Turkey's western border to Austria (Ratner et al., 2013). Nabucco project was the most threatening project for Russia since it passed through Central and Eastern Europe, which are most reliant to Russia's natural gas supplies, before connecting to the distribution hub in Austria (In Azerbaijan, a Winner Picked in Pipeline Competition, 2013). Trans-Adriatic Pipeline project can be considered as a compromise between Russia and Azerbaijan. Azerbaijan directly imports its natural gas to Europe but it avoids harming Russia's energy relations with Central and Eastern Europe.

Figure 9: TAP route



(TAP's Development Timeline, 2012).

Russia effectively uses energy as foreign policy instrument especially during Putin's presidency. The gas and oil companies were brought into the state control. Control over gas and oil supply offers Russia political leverage against Europe. Europe seeks to diversify its energy supply in order to reduce its dependency on Russia. Europe wants to build new pipelines that would transport Caspian and Central Asian gas and oil sources

without including Russia's territories. Nabucco project is the biggest project that would bring Turkmen and Azerbaijani gas to Europe via Turkey and Central Europe. This project would weaken Russia's control over the Caucasus and Central Europe and end Russia's political leverage against Europe. Nevertheless, Russia tied Turkmen gas and reached a compromise with Azerbaijan. Nabucco project failed due to internal weaknesses and lack of supply sources.

CHAPTER 8

OTHER EXTERNAL POWERS IN THE CAUCASUS

The international competition over the Caucasus has been shaped as a result of power vacuum after the break-up of the Soviet Union. The area started to attract the interest of Turkey, Iran, the EU and the USA. The reduction of Russian weight over the South Caucasus immediately after the Soviet collapse presented opportunity for these powers to increase their influence.

The Caspian energy resources constitute main object of interest for the external powers. The desire to connect Caspian energy resources to Europe has been considered not only as a geopolitical necessity but also a civilization project. This project has been perceived as a way of promoting European values throughout the region. The ambitious Baku-Tbilisi-Ceyhan project asserts that pipelines, which connect Europe and the South Caucasus, will eventually bring full integration of the South Caucasus into European

institution and values. This will lead to improvements in the sphere of democracy, governance, transparency and human agency (Cornell and Ismailzade, 2005). It has been thought that the BTC would help to spread Western influence. However, the developments in the last decade have not demonstrated the victory of ideas. Instead, geographical proximity has been more relevant to the political developments in the Caucasus. Being far away from the Caucasus, Western influence has been limited. The regional powers especially Russia, Turkey and Iran have been much more active than the EU and the USA. In this part, when evaluating external powers other than Russia, the regional and extra-regional powers distinction is going to be made. Turkey and Iran as regional powers pose more formidable threat to Russia rather than extra-regional powers such as the EU and the USA.

8. 1. Regional Powers

8. 1. 1. Turkey

Turkey has long term interests with the Caucasus region. Historically, the Caucasus has been area of competition between the Ottomans and Persians. The rise of the Russian Empire, however, challenged status of the Ottoman Empire and Persian Empire

in the Caucasus. The Caucasus was integrated into the structure of the Russian Empire and remained as a part of the Soviet Union. The break-up of the Soviet Union caused the establishment of independent states in the South Caucasus and power vacuum in the region. Turkey has been compelled to adopt new policies to respond this fundamental change in the region by initiating active foreign policy in the Caucasus.

Turkey was among the first states which recognized the independence of the South Caucasus states. Turkey, from the beginning, has strongly endorsed the sovereignty and independence of the South Caucasus rather than being a simple rhetoric. Turkey helped the South Caucasus states to reinforce their political institutions and to build up their economic welfare (Aydın, 2010). For these emerging independent nations Turkey was considered as a model country with its democratic and secular political establishment and its free market economy. This role was encouraged by Turkey's Western allies with the expectation that Turkey's influence would limit the influence of Iran and Russia (Aras and Akpınar, 2011). Helping to provide stability and to establish free market economy and democratic institutions were related to strategic priority for Turkey's policy in the region. Aydın claims that Turkish decision makers assumed that the democratic and secular institutions would make the South Caucasus states powerful enough to resist outside pressure and interventions. Then, Turkey's historical, political, economic, and strategic regional pull will gently push these states towards Turkey's orbit (Aydın, 2010). However, in 1990s, Turkey was in political and economic turmoil. This ambitious foreign policy goal in the region could not be fulfilled by Turkey due to economic and political constrains. Regional conflicts also shaped Turkey's foreign policy towards the South Caucasus. Turkey's energy deals with Russia cast a shadow

over Turkish foreign policy in the South Caucasus. Turkey's diplomatic relations with the South Caucasus developed in the region case by case.

Turkey's most important ally in the region is Azerbaijan. 'One nation-two states' is the slogan to describe the bilateral relations (Evoyan, 2013). Turkey's relations with Azerbaijan are determined by ethnic, linguistic, cultural and historical connections. Energy pipeline projects such as Baku-Tbilisi-Ceyhan and Baku-Tbilisi-Erzurum also form the important dimensions of the relationship (Aras and Akpınar, 2011). Turkey imposed a full economic embargo on Armenia and closed its border with Armenia in 1993 amid the war over Nagorno-Karabakh. In the following years, many broad agreements and protocols were signed between Azerbaijan and Turkey, including a border protocol in 1997 and an agreement on training and assistance for Azerbaijan's State Border Service by Turkey's armed forces in 2003 (Azerbaijan and Turkey's Evolving Military Ties, 2013). However, Turkey-Armenian rapprochement process in 2009 caused controversy in Azerbaijan. The Zurich Protocols signed between Turkey and Armenia did not set a pre-condition of the resolution of the Nagorno-Karabakh problem. Azerbaijani Ministry of Foreign Affairs issued a press release that declared that Turkey's decision clearly contradicts with national interests of Azerbaijan (Shiriyev and Davies 2013). Moreover, Azerbaijan threatened to raise gas prices that it sells to Turkey (Mikhelidze, 2010). Turkey responded by abandoning talks with Armenia and tying normalization between countries to the resolution of the Nagorno-Karabakh dispute. In 2010 Turkey established a strategic partnership with Azerbaijan that prioritized security cooperation and assistance (Azerbaijan and Turkey's Evolving Military Ties, 2013). Opening border with Armenia will boost Turkey's economy but Turkey could not afford

losing its most important ally in the region. Turkey needs Azerbaijan for its energy demand. Azerbaijan also needs Turkey to follow a balanced foreign policy. The strong collaboration between Azerbaijan and Turkey balances strong Russian-Armenian alliance in the South Caucasus. It also prevents Russia to consolidate its grip on Azerbaijan fully.

The relations between Turkey and Georgia are close since the independence of Georgia. Turkey has supported the political development and restructuring of the economy of Georgia and kept it as a close ally (Aras and Akpınar, 2011). Georgia is important for Turkey because of Georgia's geographical position in the South Caucasus. Since the border with Armenia are closed due to the Nagorno-Karabakh conflict, Georgia acts as a transit state between Turkey and Azerbaijan. Georgia is situated on the route of energy supplies from the Caspian Sea (Kononczuk, 2008). Major pipeline projects such as the Baku-Tbilisi-Ceyhan and the Baku-Erzurum pipeline could not have been realized without Georgia's inclusion. Beside cooperation on energy and political aspects, two countries have formed a strong economic relationship. Turkey is the biggest trade partner and second biggest investor in Georgia, leading to Free Trade Agreement between the two countries in 2007. Moreover, Turkish companies took an active part in developing Georgian infrastructure forming 23% of the total foreign investment to Georgia (Aydın, 2010).

On the other hand, Georgia's domestic problems colored Turkey's relations with Georgia. Officially, Turkey supports Georgian territorial integrity. However, Abkhazian issue complicates Turkish-Georgian relations. The presence of an Abkhazian population in Turkey has some influence on Turkish policy regarding this problem (Kononczuk,

2008). Turkey attempted to bring two sides together and offered alternative openings by advocating a peaceful resolution of the dispute (Aydın, 2010). However, August war in 2008 showed the futility of Turkey's attempts. The crisis put Turkey into a difficult position. Turkey did not want an open confrontation Russia from which Turkey imports substantial amount of natural gas. As a response to August war, Turkey proposed the establishment the Caucasus Stability and Cooperation Platform in hopes that conflicts may be resolved within the region through cooperation and new policies developed by the respective countries (Aras and Akpınar, 2011). This organization would challenge the supremacy of Russia in the Caucasian affairs and offer Turkey a regional status. Thus, this proposal has not materialized. Turkey's ambitions were restricted by Russia once again.

Turkey's biggest obstacle that complicates its South Caucasus policy is Nagorno-Karabakh issue. Turkey supported Azerbaijan through the supply of arms and military advisers during the military phase of the conflict 1991-1994, and at the political and diplomatic areas in the subsequent period due to its linguistic, ethnic and historic ties with Azerbaijan (Minasyan, 2010). The unresolved status of the conflict prevents Turkey to realize its ambitions in the South Caucasus by blocking its access to region due to the close borders with Armenia. Moscow successfully benefits from the Nagorno-Karabakh conflict to prevent Turkey from a getting a foothold in the Caucasus through Azerbaijan (Cornell, 1998). Turkey, which would normalize its relations with Armenia, would open its borders with Armenia and connect with Azerbaijan geographically but Nagorno-Karabakh issue blocks normalization attempts. In 2009, Turkey and Armenia agreed on a comprehensive framework for normalization of their bilateral relations. Six

months later, the Turkish and Armenian foreign ministers signed two protocols for establishing diplomatic relations and opening the land border that contained no preconditions regarding the Karabakh conflict. However, within a few weeks, Turkish parliamentarians from the ruling party and the opposition insisted that normalization would proceed after progress was made on the Karabakh conflict (Welt, 2013). Turkey wants to avoid antagonizing its most important ally in the region, Azerbaijan. Recep Tayyip Erdoğan stated that: “Nagorno-Karabakh problem is as important for Turkey as it is for Azerbaijan” (Suleymanov, 2013). Turkey has to manage delicate diplomacy between Armenia and Azerbaijan. Turkey’s energy relations with Azerbaijan discourage Turkey to dismiss sentiments of Azerbaijani people whereas without reaching a solution to Nagorno-Karabakh problem, it is difficult to normalize relations between Turkey and Armenia.

Energy aspect constitutes an important part of Turkey’s South Caucasus strategy. Turkey is heavily dependent on energy imports since it does not have any significant energy resources. It imports gas from Russia and oil from the Middle East (Efe, 2011). Baku-Tbilisi-Ceyhan pipeline project is the major achievement for Turkey. The BTC’s importance lies in geopolitical consequences instead of economic reasons. Relative to its GDP, the direct revenue that Turkey will receive is admittedly smaller than Azerbaijan and Georgia will receive. Turkey is expected to receive \$140 and \$200 million annually (Baran, 2005). The BTC is an important step for Turkey to realize its dreams as an energy hub country. The BTC is the first transnational pipeline that transports the Caspian basin resources without crossing Russian soil (Efe, 2011). Aydın commented that the BTC project would secure Turkey’s role as an energy player in the Caspian

region (Aydın, 2010). Turkey's influence on the South Caucasus has increased as a result of the construction of the BTC. The relationship level between the South Caucasus states and Turkey has been upgraded. Thanks to regular meeting in each other's capitals, government officials from the three states have become much familiar with one another. This familiarization process has been enhanced with the extensive military and technical assistance provided by Turkey (Baran, 2005).

Nabucco project can also be an example of Turkish ambitions in the South Caucasus. This project aims at linking natural gas resources from Azerbaijan and possibly Iran, Iraq and Turkmenistan to Europe. A joint declaration was signed among Turkey, Austria, Bulgaria and Hungary, and witnessed by representatives of other countries on July 19, 2009. The planned 3,330 kilometer pipeline, expected to carry 31 billion cubic meters of gas annually by the end of the decade, is planned to come online in 2014 (Aydın, 2010). Nabucco project would have boosted Turkey's position in the Caspian region since Turkey could serve as a key country in transporting Caspian natural gas resources to Europe by bypassing Russia. Russia would have lost a great deal of leverage against Europe and the South Caucasus. However, due to the costs of the project and uncertainty about supply Nabucco project failed. Other competing projects such as the South Stream and TANAP prevailed over Nabucco.

On 26 June 2012, Azerbaijan and Turkey agreed to build a new natural gas pipeline, named TANAP, to transport Azerbaijani natural gas from the Georgian border across to the EU. This project runs from the Greek border and transport to Italy via an Adriatic subsea section rather than Central Europe that Nabucco assumes (Yeni, 2013). Turkey will receive 6 billion cubic meters of gas which will reduce its dependency on Russian

gas. Besides, the Azerbaijani gas is relatively cheaper for Turkey than Russian and Iran. Azerbaijan state company SOCAR has 80% of TANAP share. It has obtained the right to sell gas on the territory of Turkey (Pamir, 2012). Although this project bypasses Russian territories, Russian interests in Central Europe are not threatened with TANAP. In this aspect, TANAP can be considered as a sign of compromise between Turkey and Russia in transporting the Caspian energy resources.

Turkey's ambitions in the South Caucasus are restricted by Russia's strong presence in the region. The closed borders with Armenia and hostility with this country limits Turkey's reach to the region. The political evolution in Georgia is another setback for Turkey since the new president of Georgia takes a much more conciliatory position against Russia. However, the region experiences constant changes. The recent US-Iran rapprochement will bring geopolitical shifts which Turkey might benefit from. The strong collaboration between Iran and Russia would not be seen in future because internationally rehabilitated Iran's cautious policy in the South Caucasus will not last. This will create rooms for more active Turkish policies because Turkey will consider buying natural gas from Iran to reduce its dependency on Russia. Turkey has already started. On November 29, Davutoğlu met with Azerbaijani and Armenian presidents in Vienna. In December Davutoğlu visited Yerevan and met with several Armenian officials. Turkey also supported Georgia's attempts to join free trade agreement with the EU. In this case, penetration of the Turkish public and private investments in Georgia will increase (Агаджанян, 2013). Turkey's latest attempts in the Caucasus would be implicitly tolerated by Russia in order to counter another rising threat, Iran. Turkey might benefit from a possible rivalry that would be experienced between Iran and Russia

to increase its influence over the Caucasus. Turkey would be a useful ally for both Russia and Iran in their attempts to limit the influence one over the Caucasus.

8. 1. 2. Iran

The Caucasus is not totally irrelevant to Iran although the strategic perspective of Iran focused on the Middle East. Iran shares borders with Azerbaijan and Armenia. Iran had participated in the competition between the Ottoman Empire and Russia. Since ancient times and up to nineteenth century, this region was on numerous occasions a part of Iranian realm (Djalili, 2002). The competition among three big empires over the Caucasus resulted in Russia's victory. During the Soviet era, the activities of Iran and Turkey in the Caucasus had been limited.

The collapse of the Soviet Union has led to the reemergence of Iran in the South Caucasus. Iran's foreign goals in the South Caucasus are to diminish the influence of the Western powers, to achieve a balance of power vis-à-vis other regional players (Russia and Turkey) in the South Caucasus, to gain a foothold in the region through economic and cultural expansion and to neutralize the possible threats (Sharashenidze, 2011). Iran's Caucasus policy can be defined as cautious. Its goals in the regions are mainly defensive. Since Iran has been threatened constantly by the USA and Sunni powers in the Middle East, it concentrated its forces in the Middle East to prevent a possible attack

to Iran. Therefore, it has tried to preserve friendly relations with Russia by avoiding a high profile in the Caucasus.

As Turkey is connected with Azerbaijan through ethnic and cultural ties, Iran is connected with Azerbaijan through religion. Majority of Persians like Azerbaijan population are Muslim Shiites. Besides, Persian culture has seriously affected Azerbaijan during the centuries. Modern territory of Azerbaijan had been part of Persian Empire for centuries (Chitadze, 2012). However, Azerbaijan emerged as a secular country unlike Iran. Iran is trying to boost Islamic sentiments through its diplomatic and religious missions (Sharashenidze, 2011). Fearing that Iran uses Shia card as a political tool, Azerbaijan feels threatened by Iran's activities. Thus, this religious affinity causes friction between two countries instead of solidarity.

Another factor that deteriorates the relationship level between Iran and Azerbaijan is the presence of Azerbaijani population in Iran. Iran contains 22-30 million strong Azerbaijan minority. Ever since Azerbaijan's independence, Iran has been suspicious that Baku might use ethnic card to pressure Iran (Valiyev, Azerbaijan-Iran Relations: Quo Vadis, Baku?, 2012). This factor is a potential threat for Iran. The unity of Iran is at stake in the case of possible separation scenarios. Iran's strained relations with Azerbaijan affect Iran's South Caucasus policy. To balance Azerbaijan in the region, Iran has established close relations with Armenia.

Despite their religious and cultural differences, geography dictates the close collaboration between Iran and Armenia. Armenia sees Iran as a way of counterbalancing the activities of Turkey in the South Caucasus. Iran considers Armenia

a buffer to Turkish and Azerbaijani influence on the northwest borders of its country (Djalili, 2002). For Armenia, Iran is a way of relieving the effects of blockade imposed by Turkey. Levor-Ter Petrosyan, the former president of Armenia, admitted that, without Iran, his country would suffocate in a few days (Sharashenidze, 2011). Iran cannot completely compete with Russia's dominance in Armenia so it is unlikely that Iran's relationship with Armenia will disturb Russia.

Iran's relations with Georgia less developed. Iran does not share common borders with Georgia. Nevertheless, Iran has geopolitical considerations concerning its Georgian policy. Iran envisions the possibility of laying out a transit route via Armenia or Azerbaijan in order to access the port of Poti on the Black Sea (Djalili, 2002). Iran maintains a low profile in Georgia. Bilateral trade remains insignificant whereas Turkey is Georgia's number one trade partner and the Russian-Georgian trade volume is much higher than the level of exchange between Georgia and Iran. Iran does not even enter the top of ten of Georgia's trade partners (Sharashenidze, 2011). However, new regional developments caused close relations between two countries. The war between Russia and Georgia has opened a new chapter of bilateral cooperation. Georgia considered replacing Russian gas with gas imported from Azerbaijan and Iran. Moreover, Iran and Georgia agreed to swap electricity via Armenia (Chitadze, 2012). This indicates that Iran is eager to play role in the region although it keeps a low profile today.

Besides bilateral relations, Iran's main concern in the South Caucasus is the status of the Caspian Sea. The Caspian Sea is bordered by Russia, Azerbaijan, Kazakhstan, Turkmenistan and Iran. The Caspian Sea, which has one of the largest energy reserves in the world, has become a serious bone of contention among the littoral states. New states

established after the dissolution of the Soviet Union rejected 1921 and 1940 treaties between Iran and the Soviet Union, which indicated all littoral states can enjoy joint use of the Caspian Sea and insisted on creating a new legal regime (Behzadi, 2010). The new problem arises from whether the Caspian Sea is a sea or a lake. If the Caspian Sea is a lake, the use of resources must be allocated jointly. If the Caspian Sea is a sea, then resources should be divided into national sectors (Olsen, 2012). Russia, Kazakhstan and Azerbaijan emphasize that the Caspian Sea is a sea and is governed by the International Law of the Sea. Iran and Turkmenistan claim that the legal regime of a lake governs the Caspian Sea (Behzadi, 2010). The sea based division favors Russia, Kazakhstan and Azerbaijan. Russia, Kazakhstan and Azerbaijan support a modified median line approach. According to the MML, Russia and Azerbaijan acquire 20 percent, Kazakhstan acquires 30 percent, Turkmenistan acquires almost 17 percent and Iran acquires 13 percent (Diba, 2009).

Median Line approach limits Iran's gains from the Caspian Sea resources. Iran's best option is joint distribution of the Caspian Sea. Iran emphasized that the Caspian Sea is a body of water which does not any natural link to the open seas or oceans and, according to the international Law of the Sea, some large bodies of water entirely surrounded by dry land are known as lakes, others as sea. Therefore, the International Law of the Sea is not applicable to the Caspian Sea. Iran suggested that the exclusive coastal zone be increased to 20 miles and the rest be condominium for all the littoral states (Behzadi, 2010). Russia stands as a big obstacle for Iran to realize this foreign policy aim. Russia made bilateral agreements with other littoral states. In 2002, Russia signed an agreement with Kazakhstan concerning the status of the Caspian Sea. In September 2002, Russia

and Azerbaijan signed an agreement. In February 2003, Azerbaijan and Kazakhstan signed an agreement. The negotiations between Iran and Russia about the Caspian Sea in 2001 did not produce results (Lee, 2005). Iran has been left alone concerning the Caspian Sea division. In 2009, the leaders of Azerbaijan, Kazakhstan, Russia and Turkmenistan met in Kazakhstan's Caspian port for the discussion over the Caspian Sea cooperation. Iran was not invited (Behzadi, 2010). Iran could not pursue an ambitious and active policy since it prioritizes its security threatened by the USA. Russia benefits from the hostility between Iran and the USA and does not give concessions to Iran over the status of the Caspian Sea.

Although Iran borders two South Caucasus states and a regional power in the Caucasus, its activities in the region are limited. US threat of invasion caused Iran to prioritize its policies in the Strait of Hormuz and the Middle East to counter a possible invasion. Iran did not want to antagonize Russia which supports its nuclear enrichment program. Therefore, Iran does not present itself as an ambitious player in the Caucasus. If Iran reaches a deal with Western countries concerning its nuclear enrichment program, it will be freed from US pressure and it can project itself as a more active regional player. Therefore, the recent US-Iran rapprochement might have implications for the Caucasus in long term. Iran might increase its activities in the South Caucasus after being freed from international sanctions. Iran's position vis-à-vis Russia will be strengthened since its international isolation will be relieved. Thus, Iran would not be careful not to upset Russia with its activities in the South Caucasus. Iran's active involvement in energy deals in the South Caucasus might revive Europe's hopes of

diversifying its energy supply. The regional dynamics and energy geopolitics might shift because of the US-Iran rapprochement.

8. 2. Extra-Regional Powers

8. 2. 1. The USA

The emergence of the newly established independent states created complex questions regarding the role of the USA in the South Caucasus immediately after the collapse of the Soviet Union. The USA does not have historical connection with the region. Lack of experience and lack of attention were important factors that complicate US policy towards the South Caucasus. Nobody in the American academia knew much about these places. Few people had been there and those who had been generally were tourists (Khelashvili and Macfarlane, 2010). Even the current US foreign policy does not prioritize the South Caucasus. US engagement in the Middle East overshadows US interests in the South Caucasus. Nevertheless, European involvement in the region brings about US involvement.

Azerbaijan is the most critical country for the USA due to its geopolitical position. Brzezinski describes Azerbaijan as the cork in the bottle containing the riches of the Caspian Sea basin and Central Asia. The independence of the Central Asian states can be rendered meaningless if Azerbaijan becomes fully subordinated to Moscow's control. The way in ensuring Azerbaijan's independence is linking Azerbaijan resources to Western markets by pipelines that do not pass through Russian controlled territory (Brzezinski, 1998). American strategy followed Brzezinski's premises in 1990s. The Clinton administration pushed hard for Azerbaijani oil to be shipped via Turkey, along the Baku-Ceyhan route, instead of north to Novorossiysk (Olcott, 2002). Bypassing Russian territory in transportation of Azerbaijani oil and gas would mean reduction of Russian influence over its periphery and Europe. Moreover, as Brzezinski stated Azerbaijan has been a key to reaching Central Asia, Azerbaijan served as a major transshipment point for supplies to Afghanistan (Friedman, 2013). Azerbaijan has enormous importance for the USA to increase its position in the region and to limit Russia's influence and leverage.

Energy security constitutes main pillar of the US policy towards the Caucasus. The Caucasus is an important energy route for gas and oil. European energy security is important for the USA because the USA and the EU have the largest trade relationship in the world (Koushakjian, 2011). The USA wants to ensure that gas and oil keeps flowing to Europe for its commercial interests. Russian blackmail to cut off energy supply not only harms European interests but also US interests. Therefore, the USA has engaged in several oil projects in the South Caucasus. Especially Azerbaijan has become an attractive magnet for the USA. Chevron, ExxonMobil, Unocal, and Amerada Hess

have stakes in oil projects. Since the merger of BP and Amoco, the US has become a greater stakeholder in Azerbaijan's largest oil project, which was the development deep water portions of Gunashli, which BP agreed to develop in a 30-year contract signed in September 1994, which created the Azerbaijan International Oil Operating Company (Olcott, 2002). Besides the development of energy resources, the USA has contributed to European attempts in diversification of energy routes. It offered political and financial support to the projects such as the Caspian Sea Consortium, the Baku-Tbilisi-Ceyhan oil pipeline, and the South Caucasus Gas Pipeline (Khelashvili and Macfarlane, 2010). The goal of these projects was to secure energy flow to Europe by bypassing Russia. Azerbaijan's cooperation is crucial for the realization of this goal.

On the other hand, strategic considerations do not always direct US policy towards Azerbaijan. The ethnic politics of the USA affected the development of American Azerbaijan policy. The strong Armenian-American lobby is hostile to Azerbaijan due to Nagorno-Karabakh problem. There is pressure on Congress to block weapon shipments, and even appointing ambassadors is difficult (Friedman, 2013). Clinton has repeatedly pledged for removing the US Congress sanctions against Azerbaijan. After 9/11 events, the USA declared war on terrorism. The first target was Afghanistan. This development increased the importance of Azerbaijan's position in the map. In 2002, Bush stated that the USA has realized how detrimental sanctions had been to the US national interests for years and waived the sanctions (Baban and Shiriyev, 2013). Geopolitical considerations overwhelmed the attempts of Armenian lobby after the USA faced a threat in the Central Asia.

The Armenian lobby encouraged the development of the relations with Armenia and the USA. For decades the focus of American Armenians has been winning official recognition by the US government that the incidents that occurred in 1915 between the Ottomans and Armenians constituted an act of genocide. Every April the Congress pass a resolution that recognizes the events as genocide. A constant source of bitterness for American Armenians is the fact that virtually all presidential candidates have promised to recognize the genocide during election campaign in order to gain the votes of American Armenians, and later reneged on that promise, fearing an angry reaction from Turkey (Zolyan, 2010). These same groups advocated the USA to provide a significant amount of financial assistance to Armenia. In 2000, \$124 million US assistance was allocated to Armenia (Olcott, 2002). Turkish-Armenian relations constitute one of the most important issues from the point of view of American policy. The USA has advocated the normalization between two countries. On April 23, 2009, Armenian-Turkish statement about the existence of a roadmap for normalization came about in part thanks to the serious involvement of American diplomacy (Zolyan, 2010). The support of the USA for normalization between Armenia and Turkey aimed at reducing Russian dominance over Armenia. However, the Nagorno-Karabakh problem prevented the success of these efforts.

Georgia is an important country for the USA for its attempts to diversify energy routes and to limit Russia's access to the South Caucasus. Therefore, the USA has supported Georgia politically and financially since its independence. The creation of Georgia as an energy corridor for the Caspian basin is one important element of US policy in the region (Olcott, 2002). The USA also worked towards the withdrawal of

Russian bases in Georgia, an effort which culminated in the Istanbul Declaration of 1999, where Russia committed to remove its bases at Vaziani, and Gudauta by July 2011. In addition, the USA supported Georgia's NATO membership (Khelashvili and Macfarlane, 2010). The Bush Administration improved the level of US commitment to Georgia. US bilateral military assistance to Georgia has increased especially after the rise of pro-Western president Saakashvili. The United States held up Georgia to the world as an example of the fruits of Western democracy promotion efforts and proof that democracy could still spread to unimagined parts of the world (Cooley and Mitchell, 2009). However, the war occurred between Russia and Georgia in 2008 proved that US commitment to Georgia consists of empty talk. Georgia did not receive the support it needed from the USA during the five day war. The US or NATO troops did not help Georgia as Saakashvili argued. This war also demonstrated the limits of US power and commitment in the region.

The USA has decreased its interest in the South Caucasus since Russian-Georgian war. The failure of Nabucco project can be shown as a sign of weakness on the part of the US in this project. Without strong political backing from Washington it was very difficult to overcome Russian opposition to build this pipeline (Ismailzade, 2010). US attempts in the region has been disrupted by Russia. The resurgence of Russia in the Caucasus prevented the USA from realizing its goals.

8. 2. 2. The EU

The Caucasus holds importance to Europe. After the Soviet Union's withdrawal from the region the Caucasus emerged as a key area which connects Europe to Central Asia. EU's aspiration of becoming an important player in the world politics is linked with its relations with the South Caucasus. The South Caucasus with its natural resources and its links with Central Asia can lessen European energy dependence on Russia.

The EU has launched several financial projects for the South Caucasus. TRACECA project launched in 1993 aims at connecting the Black and Caspian Seas by means of modern transport and communication systems and developing a coherent and integrated transport infrastructure within the region (Dekanozishvili, 2004). This project was important geopolitically and economically because it enables the EU to reach to Central Asia in which the countries also gained their independence. Thus, the EU attempted to create new markets for its goods. The states in the Caucasus and Central Asia would have consolidated their economic and political independence immediately after the collapse of the Soviet Union. This visionary project, however, was allowed to slip into oblivion (Cornell and Starr, 2006). The EU missed a great opportunity in solidifying its relationship with the region when Russia was weak by not insisting on TRACECA project.

The development of a Caucasian energy corridor is an important element of European policy toward the Caucasus. The EU's main goal has been to prevent Russia

from monopolizing its control over energy route. Thus, the EU has sought to develop Southern Corridor for energy transportation. INOGATE project was initiated by the EU in 1995 to support regional cooperation among the South Caucasus. It provides for the expansion and modernization of energy infrastructure of the South Caucasus states (Dekanozishvili, 2004). The construction of the BTC was a milestone in connecting Caspian energy resources to Europe. BTC has been followed by the construction of the South Caucasus Gas Pipeline linking the Shah Deniz gas fields in the Caspian with the Turkish energy system and Europe (Cornell and Starr, 2006). The BTC and the South Gas Pipeline have increased the importance of the South Caucasus for Europe. The completion of the pipeline projects raised the prospects of connecting not only Caspian energy resources but also Central Asian energy resources with Europe.

The EU has sought to secure its energy supply by developing energy pipeline projects. The South Caucasus is a key transit area for the EU to transport the Caspian and Central Asian energy resources. However, political and financial obstacles prevented the EU from building the pipelines that would reduce its dependency on Russia. Nabucco project was proposed to link Europe with former Soviet states in the South Caucasus and Central Asia. Nabucco aimed at not only securing additional supply of resources-they are also aimed at intensifying cooperation with former Soviet states (Wisniewski, 2011). This project was a direct threat to Russia. Russia could not have used energy card against Europe if this project have been realized. Russia's control over the Central Asian states would have diminished. The EU, however, could not realize this project due to uncertainty of energy suppliers and financial problems.

The Trans-Caspian project is another project that would bring Turkmen gas to Azerbaijan, across the Caspian Sea. This project would also make Nabucco more viable (Dispatch: Energy Pipeline Politics in the Former Soviet Union, 2011). However, this project also failed because of Turkmenistan's unwillingness to circumvent Russian route. The leadership of Turkmenistan has avoided upsetting Russian interests by supplying gas to this project (Chow and Hendrix, 2010).

The continuation of the regional conflicts that enabled Russian intervention to the South Caucasus has been major obstacle of the EU attempts to promote development of energy projects, economic prosperity, and stability in the region. The conflicts in the South Caucasus, therefore, are of critical importance to the EU. The EU has recognized this threat. The EU Security Strategy of 2003 stated that violent conflict, weak states where organized crime flourishes and dysfunctional societies pose problems for Europe. Therefore, the EU should now take a stronger and more active interest in the problems of the South Caucasus (Whitman and Wolff, 2006).

European efforts of conflict resolution in the South Caucasus concentrated on Georgia because of Georgia's position as a transit country in big energy projects such the Baku-Tbilisi-Ceyhan oil pipeline and the Baku-Tbilisi-Erzurum gas pipeline. Throughout the 1990s, the EU's engagement in the conflicts over Abkhazia and South Ossetia was limited to humanitarian assistance. Since 2003 the EU has also had a special representative for the South Caucasus, whose job is to contribute towards conflict resolution in the region, such as by aiding political and economic reforms (Hoe-Yeong, 2011).

The lack of coherent and comprehensive strategy prevented the EU from being an effective conflict manager in the region. The EU often merely reacts to developments rather than defining a clear strategic vision (Whitman and Wolff, 2006). Russia-Georgian war in 2008 was an example of this deficiency of the EU. The EU was not able to prevent the war and the EU could not help Georgia militarily. Second, the EU did not receive all the stipulated points when mediating the cease-fire since the conditions remained vague and not completely implemented. Third, so far the EU has not been able to bring the parties toward a lasting peace. Finally, it was unclear to what extent the success could have been attributed to France rather than the EU (Forsberg and Seppo, 2010). Moreover, during the crisis another special representative was appointed to take charge of the crisis. The EU was represented in the Geneva talks by special representative for the crisis in Georgia instead of special representative for the South Caucasus (Whitman and Wolff, 2006). This indicates that the EU acts on ad-hoc basis rather than acting based on general strategy in the South Caucasus.

The European Neighborhood Policy is an important project that directs European relations between the EU and the South Caucasus but its deficiencies prevent it from an effective measure. The policy covers 16 countries of Southern Mediterranean, Eastern Mediterranean and the states of the South Caucasus (Kopeček, 2011). The ENP is geopolitical policy which intended to create a semi-periphery for the EU. This policy is designed to widen to scope of the EU yet at the same time excluding further enlargement (Marchetti, 2006). In the South Caucasus the EU declares its goals based on Action Plans prepared for each country. The EU offers financial assistance in exchange for completion of economic and political reforms outlined in the Action Plans. (Kopeček,

2011). Nagorno-Karabakh conflict is listed as a priority area for Armenia and Azerbaijan in the ENP. The countries are encouraged to increase diplomatic efforts and support a peaceful solution to the conflict. The EU invites parties of the conflict to hold face to face contacts for the resolution of the conflict (Poghosyan, 2009). Although the EU listed its suggestions for Nagorno-Karabakh conflict, its contribution to the resolution of the conflict has been limited. The ENP lacks stick and carrot to enforce its action plans. If the EU financial assistance is withdrawn, Russia or other regional powers will fill the gap. Since the EU does not commit itself to integrate the states, which are under the ENP, to the EU body, there is no real incentive for these states to realize the priorities listed in the ENP.

CHAPTER 9

CONCLUSION

In this study, I have examined Russian policies towards to the Caucasus after the break-up of the Soviet Union. Throughout the study, I utilized geopolitical tradition to analyze Russia's policies in the North Caucasus and Russia's relations with the South Caucasus republics. Geopolitics explores the impact of geography upon the state's actions. In this context, I presented the prominent thinkers in the history of geopolitics. There are two main arguments in geopolitics traditions. Mahan argued the primacy of sea power, whereas Mackinder contended that any state that provided its domination over Eurasian heartland will prevail over sea power. This dichotomy has constituted the main discussion in classical geopolitics and has affected other geopolitical thinkers.

Mackinder's theory has been more relevant to Russia, which has been a land power throughout its history. As a land power, Russia's weakness lies in its indefensibility. In

order to secure its core, Russian state has attempted to create buffer zones in its periphery. The expansion of Tsarist Empire could be considered in the context of this concern. The Soviet Union also followed same imperative by organizing Europe after the Second World War to secure its borders. The collapse of the Soviet Union created Russia's position in the world. Although several traditions have been developed after the collapse of the Soviet Union, pragmatic Eurasianism has been the dominant discourse reflected in Russian foreign policy documents. In these documents, it is stated that, Russia wants to reassert its control over former-Soviet republics. Moreover, Russia wants to be considered as an equal partner in international setting. Maintaining its monopoly on energy routes to Europe is important for Russia. This provides political leverage to Russia against Europe. Russia, therefore, engages in policies that prevent Europe from developing direct links with countries which export gas and oil in the Caspian Sea and Central Asia.

The Caucasus is located in an area which connects the Caspian and Central Asian resources with Europe. The dissolution of the Soviet Union led to power vacuum in the region. The loss of the control over the Caucasus would reduce Russia's position vis-à-vis Europe by presenting opportunity for Europe to diversify its energy routes. The Caucasus is also a buffer zone for Russia to secure its southern border from its powerful neighbors such as Turkey and Iran. Russia's security is closely linked with its position in the Caucasus. Russia, therefore, tries to maintain its influence over the region.

Russia's South Caucasus policy consists of three main pillars: political, economic and military. Russia invited the South Caucasus states to join into Commonwealth of Independent States organization to influence the politics of the South Caucasus states.

Russia tries to position the CIS as an intermediate power for the conflicts exist among the South Caucasus states. Thus, it tries to prevent the involvement of other regional and global powers into the affairs of the South Caucasus. Russia also benefits from regional conflicts to place its troops in the region. Thus, it has found military means to exert pressure upon the South Caucasus republics. In energy field, Russia tries to prevent energy deals between European countries and the South Caucasus states which would bypass its territory.

Russia's dominance over the South Caucasus is mostly felt in Armenia. Armenia's economic infrastructure has been almost completely owned by Russian companies. In political field, Armenia declared its intention to join to the Eurasian Union. On the other hand, Azerbaijan and Georgia want to get rid of yokes of their former lord. In order to pursue more independent policies, Azerbaijan and Georgia emphasize on collaboration with European countries. Russia tries to prevent the development of close relations with European countries and the South Caucasus countries.

In the North Caucasus Russia has encountered separatism movements in post-Cold War era. In 1994 and 1999 it engaged in two full scale wars with Chechnya. Although it suppressed separatism movement in Chechnya, the violence and insurgency has spread throughout the region. Russia now attempts to deal with insurgency by placing loyal rulers in local republics. It also allocates significant amount of subsidies from the federal budget. Despite economic and military costs it is imperative for Russia to control the North Caucasus in order to strengthen its territorial integrity and to extend its influence to the South Caucasus.

Besides regional states and groups, Russia competes with regional and extra-regional powers for hegemony in the Caucasus. Regional powers are Turkey and Iran while extra-regional powers are the EU and the USA. Geography prevents the USA and the EU from implementing effective measures to overwhelm Russian influence on the South Caucasus. However, Iran and Turkey are much more severe adversaries of Russian supremacy in the South Caucasus. Although, none of these powers could severely challenge Russian dominance in the region, new regional developments might alter balance of power. US-Iran rapprochement has opened up a possibility for a geopolitical shift in the region. A rehabilitated Iran in the international arena with its energy resources might emerge as an active player in the South Caucasus. Iran's close energy collaboration with Turkey and Europe might bring new energy projects in the Caspian Basin, which will upset Russian interests.

SELECT BIBLIOGRAPHY

- "2014 Winter Olympics: The Terrorism Threat." 2013. *University of New Haven*, available at: <http://www.newhaven.edu/610047.pdf> (accessed December 12, 2013).
- "A Possible Nord Stream Expansion," 2013. *Stratfor*, available at: <http://www.stratfor.com/analysis/possible-nord-stream-expansion> (accessed December 30, 2013).
- Abrahamyan, Gayane. July 6, 2011. "Forbes: Armenia is the world's second worst economy," *ArmeniaNow*, available at: http://armenianow.com/economy/30861/forbes_report_worst_economy_armenia (accessed April 15, 2014).
- Abushov, Kavus. 2009. "Policing the Near Abroad: Russian foreign policy in the South Caucasus." *Australian Journal of International Affairs* 63, no: 187-212.
- Antonenko, Oksana. 2008. "A War with No Winners," *Survival: Global Politics and Strategy* 50, no. 3: 23-36.
- Aras, Bülent, and Emre İşeri. 2009. *The Nabucco Natural Gas Pipeline*. Ankara: SETA.
- Aras, Bülent, and Pınar Akpınar. 2011. "The Relations between Turkey and the Caucasus," *Perceptions* 16, no. 3: 53-68.
- "Armenia: Country To Join Customs Union, " 2013. *Stratfor*, available at: <http://www.stratfor.com/situation-report/armenia-country-join-customs-union> (accessed November 18, 2013).
- Aslanlı, Araz. 2010. "Azerbaijan-Russia Relations: Is the Foreign Policy Strategy of Azerbaijan Changing?" *Turkish Policy Quarterly* 9, no. 3: 137-145.

- Aydın, Mustafa. 2010. "Turkey's South Caucasus Policies," *UNISCI Discussion Papers* (UNISCI), no. 23: 177-191.
- "Azerbaijan and Turkey's Evolving Military Ties," 2013. *Stratfor*, available at: <http://www.stratfor.com/analysis/azerbaijan-and-turkeys-evolving-military-ties> (accessed February 13, 2014).
- "Azerbaijan decreases oil exports via Baku-Novorossiysk pipeline," 2007. *Regnum*, available at: <http://www.regnum.ru/english/887804.html> (accessed December 23, 2013).
- "Azerbaijan's Cautious Cooperation with Russia," 2013. *Stratfor*, available at: <http://www.stratfor.com/analysis/azerbaijans-cautious-cooperation-russia> (accessed December 23, 2013).
- Baban, Inesse, and Zaur Shiriyev. 2013. "The U.S. South Caucasus Strategy and Azerbaijan," *Turkish Policy Quarterly* 9, no. 2: 93-103.
- Badalyan, Lusine. 2011. "Interlinked energy supply and security Challenges in the south Caucasus," *Caucasus Analytical Digest* 33, no. 12: 2-5.
- Baddeley, John F. 1999. *The Russian Conquest of the Caucasus*. Richmond: Surrey: Curzon Caucasus World.
- Bahgat, Gawdat. 2002. "Pipeline Diplomacy: The Geopolitics of the Caspian Sea Region," *International Studies Perspective* 3: 310-327.
- Baran, Zeyno. 2008. *Security Aspects of the South Stream Project*. Washington D.C.: Hudson Institute.
- Baran, Zeyno. 2005. "The Baku-Tbilisi-Ceyhan Pipeline: Implications for Turkey." In *The Baku-Tbilisi-Ceyhan Pipeline: Oil Window to the West*, by S. Frederick Starr and Svante E. Cornell, 103-118. Stockholm and Washington: Central Asia-Caucasus Institute & Silk Road Studies Program.
- Barysch, Katinka. 2011. *Should the Nabucco pipeline project be shelved?* London: Centre for European Reform.
- Behzadi, Rahelel. "Iran's Foreign Policy in the Caspian Sea Basin: Oscillation between National Interests and Islamic Adventures," *Central Asia and the Caucasus* 11, no. 3 (2010): 86-91.
- Blouet, Brian W. 2005. "Halford Mackinder and the Pivotal Heartland." In *Global Geostrategy: Mackinder and the defence of the West*, by Brian W. Blouet, 1-17. New York: Routledge.

- "BP says Lukoil buys out stake in CPC pipeline JV," December 11, 2009. *Reuters*, available at: <http://uk.reuters.com/article/2009/12/11/bp-idUKGEE5BA27N20091211> (accessed December 23, 2013).
- "BP Statistical Review of World Energy June 2013," 2013. BP, available at: http://www.bp.com/assets/bp_internet/globalbp/globalbp_uk_english/reports_and_publications/statistical_energy_review_2011/STAGING/local_assets/pdf/statistical_review_of_world_energy_full_report_2011.pdf (accessed July 12, 2013).
- Brannon, Robert. 2009. *Russian Civil-Military Relations*. Surrey: Ashgate Publishing Limited.
- Brzezinski, Zbigniew. 1998. *The Grand Chessboard: American Primacy And Its Geostrategic Imperatives*. New York: Basic Books.
- Bugajski, Janusz. 2010. "Russia's Pragmatic Reimperialization," *Caucasian Review of International Affairs* 4, no. 1: 3-19.
- Cagaptay, Soner. April 24, 2009. "The Caucasian Energy Circle," *Washington Post*.
- Chapman, Bert. 2011. *Geopolitics : A Guide to the Issues*. Santa Barbara: Praeger.
- Cheterian, Vicken. 2009. *War and Peace in the Caucasus: Ethnic Conflict and the New Geopolitics*. New York: Colombia University Press.
- Chitadze, Nika. 2012. "Geopolitical Interests of Iran in South Caucasus and Georgian-Iranian Relations," *Journal of Social Sciences*: 5-11.
- Chow, Edward C., and Leigh E. Hendrix. 2010. *Central Asia's Pipelines: Field of Dreams and Reality*. Washington D.C.: The National Bureau of Asian Research.
- Central Intelligence Agency. The World Factbook. 2012. *Country Comparison: Crude Oil Production*. Available at: <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2241rank.html> (accessed December 16, 2013).
- Central Intelligence Agency. The World Factbook. 2013. *Country Comparison: Natural Gas Proved Reserves*. Available at: <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2253rank.html> (accessed December 16, 2013).
- Coene, Frederik. 2010. *THE CAUCASUS An Introduction*. New York: Routledge.
- Cooley, Alexander, and Lincoln A. Mitchell. 2009. "No Way to Treat Our Friends: Recasting Recent U.S.-Georgian Relations," *The Washington Quarterly*: 27-41.
- Cooper, Tom. 2003. "Georgia and Abkhazia, 1992-1993: the War of Datchas," *ACIG Journal*, available at: <http://www.acig.org/> (accessed July 11, 2013).

- Cornell, Svante E. 1998. "Turkey and the Conflict in Nagorno Karabakh: A Delicate Balance," *Middle Eastern Studies* 34, no. 1: 51-72.
- Cornell, Svante E. 2001. *Small Nationals and Great Powers A Study of ethnopolitical conflict in the Caucasus*. London and New York: Routledge: Curzon.
- Cornell, Svante E., and Fariz Ismailzade. 2005. "The Baku-Tbilisi-Ceyhan Pipeline: Implications for Azerbaijan." In *The Baku-Tbilisi-Ceyhan Pipeline: Oil Window to the West*, by S. Frederick Starr and Svante E. Cornell, 61-85. Stockholm and Washington: The Central Asia-Caucasus Institute and the Silk Road Studies Program.
- Cornell, Svante E., and S. Frederick Starr. 2006. *The Caucasus: A Challenge for Europe*. Washington D.C. and Uppsala: The Silk Road Studies Program.
- Cornell, Svante E., Mamuka Tsereteli, and Vladimir Socor. 2005. "Geostrategic Implications of the Baku-Tbilisi-Ceyhan Pipeline ." In *The Baku-Tbilisi-Ceyhan Pipeline: Oil Window to the West* , by S. Frederick Starr & Svante E. Cornell, 17-39. Stockholm and Washington: The Central Asia-Caucasus Institute and the Silk Road Studies Program.
- Costachie, Silviu. 2011. "German School of Geopolitics. Evolution, Ideas, Prospects," *Revista Română de Geografie Politică* 13, no. 2: 264-276.
- Danielyan, Emil. 2003. "Russia Tightens Grip on Armenia With Debt Agreements," *Eurasia Net*, available at:
<http://www.eurasianet.org/departments/business/articles/eav050703.shtml>
 (accessed November 18, 2013).
- Dekanozishvili, Mariam. 2004. *The EU in the South Caucasus: By What Means, to What Ends?* Tbilisi: The Georgian Foundation for Strategic and International Studies.
- Dellecker, Adrian. 2008. *Caspian Pipeline Consortium, Bellwether of Russia's Investment Climate?* Paris: Russia/NIS Center.
- Dempsey, Judy. "Formidable obstacles threaten Europe's plan for strategic gas pipeline," *Herald Tribune*, March 8, 2011.
- Diba, Bahman Aghai. October 10, 2009. "National Interests of Iran in the Caspian Sea," *Payvand Iran News*, available at:
<http://www.payvand.com/news/09/sep/1102.html> (accessed February 20, 2014).
- Dieckhöner, Caroline. 2012. *Simulating security of supply effects of the Nabucco and South Stream projects for the European natural gas market*. Köln: Institute of Energy Economics at the University of Cologne.

- "Dispatch: Energy Pipeline Politics in the Former Soviet Union," 2011. *Stratfor*, available at: <http://www.stratfor.com/analysis/20110727-dispatch-energy-pipeline-politics-former-soviet-union> (accessed March 3, 2014).
- "Dispatch: Russia's Control of the Nagorno-Karabakh Issue," 2011. *Stratfor*, available at: <http://www.stratfor.com/analysis/20110628-dispatch-russias-control-nagorno-karabakh-issue> (accessed November 20, 2013).
- Djalili, Mohammad-Reza. 2002. "Iran and the Caucasus: Maintaining Some Pragmatism," *The Quarterly Journal*, no. 3: 49-57.
- Dueck, Colin. "Geopolitics Reborn." *Foreign Policy Research Institute*. July 2013. <http://www.fpri.org/articles/2013/07/geopolitics-reborn> (accessed September 26, 2013).
- Dugin, Alexandr. 1999. *Osnovy Geopolitiki: geopoliticheskiye budushcheye Rossii*. Moscow: Arctogeia Center.
- Dunlop, John B. 1998. *Russia Confronts Chechnya: Roots of Separatist Conflict*. Cambridge: Cambridge University Press.
- Ebel, Robert E. 2009. *The Geopolitics of Russian Energy: Looking Back, Looking Forward*. Washington D.C.: Center for Strategic Studies and International Studies.
- Efe, Haydar. 2011. "Turkey's Role as an Energy Corridor and Its Impact on Stability in the South Caucasus," *Orta Asya ve Kafkasya Arařtırmaları Dergisi* 6, no. 12: 118-147.
- Effimoff, Igor. 2000. "The oil and gas resource base of the Caspian region," *Journal of Petroleum Science and Engineering* 28: 157-159.
- Emadi, Seyed Emad, and Hameed Nezdah. 2011 "Energy market for Caspian Sea oil and its supply," *IBSU Scientific Journal* 5, no. 2 : 21-34.
- Erickson, John. 1999. "Russia Will Not be Trifled With: Geopolitics Facts and Fantasies." In *Geopolitics Geography and Strategy*, by Colin S. Gray and Geoffrey Sloan, 242-269. London: Frank Cass Publishers.
- European Dialogue*. n.d. <http://eurodialogue.org/Nabucco-Map> (accessed November 7, 2013).
- Evoyan, Lia. 2013. "Turkey-Azerbaijan Relations: The Dynamics of the Development," *The 21st Century* 13, no. 1: 35-44.

- "Fact Sheet The South Stream Offshore Pipeline," 2013. *South Stream Offshore*, available at: http://www.south-stream-offshore.com/media/documents/pdf/en/2012/12/ssttbv_fact-sheet-south-stream-offshore-pipeline_38_en_20121206_2.pdf (accessed December 26, 2013).
- Fernandez, Rafael. 2011. "Nabucco and the Russian gas strategy vis-à-vis Europe," *Post-Communist Economies* 23, no. 1: 69-85.
- Forsberg, Tuomas, and Antti Seppo. 2010. "The EU as a Peace-Maker in the Russo-Georgian War," Porto: The Fifth Pan-European Conference.
- Foster, John Bellamy. 2006. "The New Geopolitics of Empire." *Monthly Review* 57, no. 8.
- Friedman, George. 2013. "Geopolitical Journey: Azerbaijan and America," *Stratfor*, available at: <http://www.stratfor.com/weekly/geopolitical-journey-azerbaijan-and-america> (accessed February 25, 2014).
- . 2010. "The Caucasus Cauldron," *Stratfor*, available at: http://www.stratfor.com/weekly/20100706_caucasus_cauldron (accessed July 16, 2013).
- . 2008a. *The Geopolitics of Russia: Permanent Struggle*. Texas: Stratfor.
- . 2008b. "The Russo-Georgian War and the Balance of Power," *Stratfor*, available at: http://www.stratfor.com/weekly/russo_georgian_war_and_balance_power (accessed November 25, 2013).
- Gelb, Bernard A. 2006. *CRS Report for Congress*. Washington D.C.: Congressional Research Service.
- "Georgia signs trade deal opening Russia's way to WTO," November 3, 2011. *BBC News*, available at: <http://www.bbc.co.uk/news/business-15585652> (accessed November 30, 2013).
- "Georgia: A Historical Battleground Between East and West," 2013. *Stratfor*, available at: <http://www.stratfor.com/analysis/georgia-historical-battleground-between-east-and-west> (accessed November 25, 2013).
- "Georgia: Closing Russian Bases," 2005. *Stratfor*, available at: <http://www.stratfor.com/situation-report/georgia-closing-russian-bases> (accessed November 28, 2013).

- "Georgia: EU Could Send Peacekeepers," 2007. *Stratfor*, available at:
<http://www.stratfor.com/situation-report/georgia-eu-could-send-peacekeepers>
 (accessed November 28, 2013).
- "Georgia: More Russian Troops in Breakaway Regions?" 2009. *Stratfor*, available at:
<http://www.stratfor.com/analysis/georgia-more-russian-troops-breakaway-regions>
 (accessed November 28, 2013).
- "Georgia: Neutrality in Public, Taking Sides in Private," 2005. *Stratfor*, available at:
<http://www.stratfor.com/analysis/georgia-neutrality-public-taking-sides-private>
 (accessed November 28, 2013).
- "Georgia: U.S. Peace Initiatives," 2005. *Stratfor*, available at:
<http://www.stratfor.com/situation-report/georgia-us-peace-initiatives> (accessed
 November 25, 2013).
- "Georgian Politics Shift as Ties with Russia Grow," 2013. *Stratfor*, available at:
<http://www.stratfor.com/video/georgian-politics-shift-ties-russia-grow> (accessed
 December 2, 2013).
- German, Tracey. 2006. *Abkhazia and South Ossetia: Collision of Georgian and Russian Interests*. Paris: Research Program Russia/ NIS.
- German, Tracey . 2008. "Corridor of Power: The Caucasus and Energy Security," *Caucasian Review of International Affairs* 2, no. 2: 64-72.
- German, Tracey. 2011. "Russia and the Competition for Influence in the South Caucasus," *British International Studies Association Conference*. Manchester.
- German, Tracey 2003. *Russia's Chechen War*. London: Taylor & Francis Group.
- Ghaedi, Mohammad Reza, Ali Shojaeifard, Jafar Momenbagheri, and Hamid Reza Haghghat. 2012. "Russia's View about NATO Enlargement to the East," *Journal of Basic and Applied Scientific Research* 2, no. 10: 10012-10018.
- Gilles, Keir. 2009. *Russia's National Security Strategy to 2000*. Rome: NATO Defence College,.
- Godzimirsk, Jakub M. 2000. "Russian national security concepts 1997 and 2000: A comparative analysis," *European Security* 9, no. 4 : 73-91
- Goodrich, Lauren, and Marc Lanthemann. 2013. "The Past, Present and Future of Russian Energy Strategy," *Stratfor*, available at:
<http://www.stratfor.com/weekly/past-present-and-future-russian-energy-strategy>
 (accessed December 16, 2013).

- Gül, Murat. 2008. "Russia and Azerbaijan: Relations after 1989," *Alternatives: Turkish Journal of International Relations* (7) 2 & 3: 47-66.
- Haas, Marcel de. 2011. "Russia's Military Doctrine Development (2000-2010)." In *Russian Military Politics and Russia's 2010 Defense Doctrine*, by Stephen J. Blank, 1-63. Carlisle: The Strategic Studies Institute.
- Hahn, Gordon M. 2005. "The Jihadi Insurgency and the Russian Counterinsurgency in the North Caucasus," *Post-Soviet Affairs* 24, no. 1: 1-39.
- Herszenhorn, David. "Russia to Close Radar Station in Azerbaijan," *The New York Times*, December 11, 2012.
- Hoe-Yeong, Loke. 2011. *Of neighbours, partners and EU aspirants: The case of EU-Georgia relations since the 2003 Rose Revolution*. Singapore: EU Centre in Singapore.
- Hughes, James. 2001. "Chechnya: the Causes of a Protracted Post-Soviet Conflict," *Civil Wars* 4, no. 4: 11-48.
- "In Azerbaijan, a Winner Picked in Pipeline Competition," 2013. *Stratfor*, available at: <http://www.stratfor.com/analysis/azerbaijan-winner-picked-pipeline-competition> (accessed December 27, 2013).
- "In the Caucasus, Russia Secures Its Position by Exploiting Regional Tensions," 2013. *Stratfor*, available at: <http://www.stratfor.com/analysis/caucasus-russia-secures-its-position-exploiting-regional-tensions> (accessed November 11, 2013).
- Isakova, Irina. 2005. *Russian Governance in the Twenty-First Century: Geo-Strategy, geopolitics and governance*. New York: Taylor & Francis.
- Ismailzade, Fariz. 2010. "Us Policy towards the south Caucasus: how To move Forward," *Caucasus Analytical Digest*, no. 13: 5-8.
- Kandiyoti, Rafael. 2008. *Pipelines: Flowing Oil and Crude Politics*. New York: I.B. Tauris & Co. Ltd.
- Kaplan, Robert D. 2013. "Fatalism and Geopolitics," *Stratfor*, available at: <http://www.stratfor.com/weekly/fatalism-and-geopolitics> (accessed September 23, 2013).
- . 2009 "The Revenge of Geography." *Foreign Policy* 172.
- . 2012. *The Revenge of Geography*. New York: Random House Trade Paperbacks.

- Kaplan, Robert D., and Eugene Chausovsky. 2013. "Pipelines of Empire," *Stratfor*, available at: <http://www.stratfor.com/weekly/pipelines-empire> (accessed December 16, 2013).
- Karagiannis, Emmanuel. 2002. *Energy and Security in the Caucasus*. London and New York: Taylor & Francis Group.
- Karazin, Grigory, interview by Katerina O. Labetskaya. *South Caucasus: History cannot be played backwards* (September 3, 2013).
- Kazakhstan consortium achieves first oil production from Kashagan field*. September 18, 2013. <http://www.eia.gov/todayinenergy/detail.cfm?id=13011> (accessed November 11, 2013).
- Kelkitli, Fatma Ashi. 2008. "Russian Foreign Policy in South Caucasus Under Putin," *PERCEPTIONS*: 73-91.
- Kerr, David. 1995. "The New Eurasianism: The Rise of Geopolitics in Russia's Foreign Policy," *Europe-Asia Studies* 47, no. 6: 977-988.
- Kharlamov, Ilya. September 2, 2010. "South Stream could get more Azeri gas," *Voice of Russia*, available at: <http://voiceofrussia.com/2010/09/02/18435000/> (accessed December 27, 2013).
- Khelashvili, George, and S. Neil Macfarlane. 2010. "The Evolution of US Policy towards the Southern Caucasus," *Uluslararası İlişkiler* 7, no. 26 : 105-124.
- King, Charles. 2008. *The Ghost of Freedom A History of the Caucasus*. New York: Oxford University Press.
- Kipp, Jacop W. 2011. "Russian Military Doctrine: Past, Present, and Future." In *Russian Military Politics and Russia's 2010 Defense Doctrine*, by Stephen J. Blank, 63-153. Carlisle: The Strategic Studies Institute.
- Kjærnet, Heidi. 2009. "The energy dimension of Azerbaijani–Russian Relations: Maneuvering for Nagorno-Karabakh," *Russian Analytical Digest*: 2-6.
- Kleveman, Lutz. 2003 *The New Great Game Blood and Oil In Central Asia*. New York: Atlantic Books.
- Kononczuk, Wojciech. 2008. *A Caucasian ally? Turkish-Georgian relations*. Warsaw: OSW.
- Kopeček, Vincenc. 2011. "European Neighbourhood Policy: Does the tool work? Area study of the South Caucasian countries," *Contemporary European Studies*: 5-22.

- Koushadjian, Taniel. 2011. "U.S. Foreign Policy towards the South Caucasus: A Comparative Analysis From Inside Washington, DC's Policy Circles," *21st Century* 10, no. 2: 77-82.
- Kovalev, Sergei. 2000. "Putin's War." *New York Books*, available at: <http://www.nybooks.com/articles/archives/2000/feb/10/putins-war/?pagination=false> (accessed July 15, 2013).
- Kramer, Mark. 2008. "Russian Policy Toward the Commonwealth of Independent States Recent Trends and Future Prospects," *Problems of Post-Communism* 55, no. 6: 3-19.
- Kuchins, Andrew C. 2013. "Russia's Contrasting Relations with Turkey and Iran ." In *The Turkey, Russia, Iran Nexus*, by Bülent Alirza, Jon B. Alterman and Andrew C. Kuchins, 13-21. Washington D.C.: CSIS.
- Kumar, Pankaj. 2009. "The Unrealized Dream of Caspian Oil," *International Politics* 2, no. 4: 1-18.
- Kupchinsky, Roman. May 31, 2005. "Caucasus: Is The BTC Oil Pipeline Saving Europe From Russia Or From OPEC?" *Radio Free Europe*, available at: <http://www.rferl.org/content/article/1059060.html> (accessed December 23, 2013).
- Lee, Yusin. 2005. "Toward a New International Regime for the Caspian Sea," *Problems of Post-Communism* 52, no. 3: 37-48.
- LeVine, Steve. 2013. "Russia won the long battle of pipeline politics, but now what does it do?" *Quartz*, available at: <http://qz.com/99054/russia-won-the-long-battle-of-pipeline-politics-but-now-what-does-it-do/> (accessed December 26, 2013).
- Lieven, Anatol. 1999. *Chechnya Tombstone of Russian Power*. Bolton: Yale University Press
- Mackinder, Halford J. 1942. *Democratic Ideals and Reality*. Washington D.C.: National Defense University Press.
- Mackinder, Halford J. 1904. "The Geographical Pivot of History," *The Geographical Journal* 23, no. 4: 421-436.

- Mahan, Alfred T. 1918. *The Influence of Sea Power upon History 1660-1783*. Boston: Little, Brown and Company.
- Mankoff, Jeffray. 2009. *Russian Foreign Policy The Return of Great Power Politics*. Maryland: Rowman & Littlefield Publishers, Inc.
- Marchetti, Andreas. 2006. "Widening without Enlarging The European Neighbourhood Policy and the South Caucasus," *Turkish Policy Quarterly*: 1-9.
- Markedonov, Sergei. 2007. "Russia Seeks to Promote Peace and Stability in the Caucasus," *Russian Analytical Digest*: 11-14.
- Matthews, Owen. July 2, 2006. "The Politics of Pipelines." *Newsweek*.
- Matveeva, Anna. 1999. *The North Caucasus Russia's Fragile Borderland*. London: The Royal Institute of International Affairs, 1999.
- Melvin, Neil J. 2007. *Building Stability in the North Caucasus Ways Forward for Russia and the European Union*. Stockholm: Stockholm International Peace Research Institute.
- Mikhelidze, Nona. 2009. *After the 2008 Russia-Georgia War: Implications for the Wider Caucasus and Prospects for Western Involvement in Conflict Resolution*. Rome: Istituto Affari Internazionali.
- Mikhelidze, Nona. 2010. *The Turkish-Armenian Rapprochement at the Deadlock*. 2010: Istituto Affari Internazionali.
- Minassian, Gaidz. 2008. *Armenia, a Russian Outpost in the Caucasus*. Paris: Russia/NIS Center.
- Minasyan, Sergey. 2013. *Russian-Armenian Relations: Affection or Pragmatism?*. Washington D.C.: PONARS Eurasia.
- Minasyan, Sergey. 2010. *Nagorno-Karabakh After Two Decades of Conflict: Is Prolongation of the Status Quo Inevitable?* Yerevan: Caucasus Institute Research Papers.
- Ministry of Energy of the Russian Federation. 2009. *Energy strategy of Russia for the period up to 2030*. Moscow.
- Monaghan, Andrew. 2013. *The New Russian Foreign Policy Concept: Evolving Continuity*. London: Chatham House.
- Morozova, Natalia. 2009. "Geopolitics, Eurasianism and Russian Foreign Policy Under Putin," *Geopolitics* 14: 667-686.

- Nabucco gas supply uncertainty*. February 27, 2012, available at:
http://www.energyglobal.com/news/pipelines/articles/Nabucco_gas_supply_uncertainty.aspx#.UrsyG_RdWf8 (accessed December 25, 2013).
- "National Security Concept of the Russian Federation." *The Ministry of Foreign Affairs of the Russian Federation*. January 24, 2000. <http://www.mid.ru/bdomp/ns-osndoc.nsf/1e5f0de28fe77fdcc32575d900298676/36aba64ac09f737fc32575d9002bbf31!OpenDocument> (accessed October 9, 2013).
- Naumkin, Vitaly N. 2002. "Russian Policy in the South Caucasus," *The Quarterly Journal*, no. 2: 31-37.
- Nodia, Ghia. 2009. "Georgia's Policy towards Russia and the Conflict Regions: Options Now." *Russian Analytical Digest*, no. 68: 5-8.
- Nord Stream's Twin Pipelines: Part of the Long-Term Solution for Europe's Energy Security*. 2013. Industriestrasse and Moscow: Nord Stream.
- Nygren, Bertil. 2008. *The Rebuilding of Greater Russia Putin's foreign policy towards the CIS countries*. New York: Routledge Taylor and Francis Group.
- O'Loughlin, John, Edward C. Holland, and Frank D. W. Witmer. 2011. "The Changing Geography of Violence in the North Caucasus of Russia, 1999-2011: Regional Trends and Local Dynamics in Dagestan, Ingushetia and Kabardino-Balkaria," *Eurasian Geography and Economics* (52) 5: 1-35.
- O'Loughlin, John, Frank Witmer, Thomas Dickinson, Nancy Thorwardson, and Edward Holland. 2007. "Preface to the Special Issue and Map Supplement," *Eurasian Geography and Economics* 48, no. 2: 127-134.
- O'Loughlin, John, Vladimir Kolossov, and Jean Radvanyi. 2007. "The Caucasus in a Time of Conflict, Demographic Transition, and Economic Change," *Eurasian Geography and Economics* 48, no. 2: 135-156.
- Olcott, Martha Brill. 2002. "U.S. Policy in the South Caucasus," *The Quarterly Journal* 1, no. 3: 59-66.
- Oliker, Olga, Keith Crane, Lowell H. Schwartz, and Catherine Yusupov. 2009. *Russian Foreign Policy Sources and Implications*. Pittsburg: RAND Corporation.
- Olsen, Paul B. 2012. "Lake or Sea? An Economic and Strategic Analysis of the Caspian Sea," *Small Wars Journal*.
- Özkan, Güner. 2006. "Economic And Security Values of Caspian Energy for Azerbaijan." *Uluslararası Hukuk ve Politika* 2, no. 6: 58-76.

- Pamir, Necdet. 2012. "Prospects for Resolving the Energy Security Problem: Trans-Anatolian Gas Pipeline," *Trans-Anatolian Gas Pipeline: Challenges and Prospects for the Black Countries and the Balkans*. Baku: QANUN: 3-15.
- Papava, Vladimer. 2005. "The Baku-Tbilisi-Ceyhan Pipeline: Implications for Georgia." In *The Baku-Tbilisi-Ceyhan Pipeline: Oil Window to the West*, by S. Frederick Starr and Svante E. Cornell, 85-103. Stockholm and Washington : The Central Asia-Caucasus Institute and the Silk Road Studies Program.
- Petersen, Alexandros. 2008. "The 1992-93 Georgia- Abkhazia War: A Forgotten Conflict," *Caucasian Review of International Affairs* 2, no. 4 (2008): 9-21.
- Petersen, Alexandros. 2011. *The World Island: Eurasian Geopolitics and the Fate of the West*. Santa Barbara: Praeger.
- Pirani, Simon. 2009. "The russo-ukrainian Gas dispute, 2009." *Russian Analytical Digest*, no. 53: 2-5.
- Pirani, Simon, 2009. Jonathan Stern, and Katja Yafimava. *The Russo-Ukrainian gas dispute of January 2009: a comprehensive assessment* . London: Oxford Institute for Energy Studies.
- Poghosyan, Tevan. 2009. *The Armenian ENP and Conflict Resolution in Nagorno Karabakh*. Yerevan: Crisis Management Initiative.
- "Putin defiant on Caucasus troops," September 21, 2008. *BBC News*, available at: <http://news.bbc.co.uk/2/hi/world/europe/7627697.stm> (accessed December 2, 2013).
- Raballand, Gael, and Regis Gente. 2008. "Oil in the Caspian Basin Facts and Figures." In *The Economics and Politics of Oil in the Caspian Basin: The Redistribution of Oil Revenues in Azerbaijan and Central Asia*, by Boris Najman, Richard Pomfret and Gael Raballand, 9-30. New York: Routledge.
- Ratner, Michael, Paul Belkin, Jim Nichol, and Steven Woehrel. 2013. *Europe's Energy Security: Options and Challenges to Natural Gas Supply Diversification*. Washington D.C.: Congressional Research Service.
- Roberts, John. 1996. *Caspian Pipelines*. London: Royal Institute of International Affairs.
- Roberts, John. 2012. "The Southern Corridor: Baku-Tbilisi-Ceyhan's Gas Legacy," *Turkish Policy Quarterly* 11, no. 2: 77-85.

- Russell, John. «Ramzan Kadyrov: The Indigenous Key to Success in Putin's Chechenization Strategy?» *Nationalities Papers: The Journal of Nationalism and Ethnicity* 36, no. 4 (2008): 659-687.
- "Russia snaps up Oman CPC stake," November 6, 2008. *Upstream*, available at: <http://www.upstreamonline.com/live/article1165425.ece> (accessed December 23, 2013).
- "Russia Tries to Force Georgia's Cooperation," 1999. *Stratfor*, available at: <http://www.stratfor.com/analysis/russia-tries-force-georgias-cooperation> (accessed November 27, 2013).
- "Russia, Azerbaijan: A Politically Significant Radar Station," 2012. *Stratfor*, available at: <http://www.stratfor.com/analysis/russia-azerbaijan-politically-significant-radar-station> (accessed November 21, 2013).
- "Russia: Asserting Influence in the Black Sea," 2009. *Stratfor*, available at: <http://www.stratfor.com/analysis/russia-asserting-influence-black-sea> (accessed November 28, 2013).
- "Russian Government Slashes Funding For North Caucasus," June 20, 2012. *Radio Free Europe*, available at: <http://www.rferl.org/content/russia-north-caucasus-funding-slashed-/24620406.html> (accessed December 11, 2013).
- "Russia's Customs Union to Eurasian Union: An Evolution (Part 2)," 2012. *Stratfor*, available at: <http://www.stratfor.com/analysis/russias-customs-union-eurasian-union-evolution-part-2> (accessed November 11, 2013).
- "Russia's Expanding Influence, Part 1: The Necessities," 2010. *Stratfor*, available at: <http://www.stratfor.com/analysis/russias-expanding-influence-part-1-necessities> (accessed November 26, 2013).
- "Russia's Military Doctrine 2000," 2000. *University of California Institute on Global Conflict and Cooperation*, available at: <http://igcc.ucsd.edu/assets/001/502378.pdf> (accessed July 14, 2013).
- Rustambeyov, Bahram. January 1, 2013. "In 2012 SOCAR exported 25 million tons of oil on all routes," available at: http://www.1news.az/economy/oil_n_gas/20130108013158626.html (accessed December 23, 2013).
- Sagramoso, Domitilla. 2007. "Violence and Conflict in the Russian North Caucasus," *International Affairs* 83, no. 4: 681-705.
- Sakwa, Richard. 2008. *Putin: Russia's Choice*. London and New York: Routledge.

- Saunders, Robert A., and Vlad Strukov. 2010. *Historical Dictionary of the Russian Federation*. Maryland: Scarecrow Press, Inc.
- Schaefer, Robert. 2010. *The Insurgency in Chechnya and the North Caucasus: From Gazavat to Jihad*. Santa Barbara: Praeger.
- Secrieru, Stanislav. 2010. "The 2014 Winter Olympic Games in Sochi: Implications for the Caucasus," *Caucasus Analytical Digest* 19, no. 10: 4-8.
- Shaffer, Brenda. 2010. "Foreign Policies of the States of the Caucasus: Evolution in the Post-Soviet Period," *Uluslararası İlişkiler* 7, no. 26: 51-65.
- Sharashenidze, Tornike. 2011. "The role of Iran in the South Caucasus," *Caucasus Analytical Digest*, no. 30: 2-5.
- Shiriyev, Zaur, and Celia Davies. 2013. "The Turkey-Armenia-Azerbaijan Triangle: The Unexpected Outcomes of the Zurich Protocols," *Perceptions* 18, no. 1: 185-206.
- Smith, Graham. 1999. "The Masks of Proteus: Russia, Geopolitical Shift and the New Eurasianism," *Transactions of the Institute of British Geographers* 24, no. 4: 481-494.
- Smith, Mark. 2005 *Russian Nationalist Movements & Geopolitical Thinking*. Oxford: Conflict Studies Research Centre.
- Snetkov, Aglaya. 2013. "Russia in the Caucasus," *International Relations and Security Network*, available at: <http://www.isn.ethz.ch/Digital-Library/Articles/Special-Feature/Detail/?id=159737&contextid774=159737&contextid775=159733&tabid=1453527586> (accessed October 30, 2013).
- "Sochi 2014: A Security Challenge," 2013. *Stratfor*, available at: <http://www.stratfor.com/analysis/sochi-2014-security-challenge> (accessed December 12, 2013).
- Sokov, Nikolai. 2005. *The Withdrawal of Russian Military Bases from Georgia: Not Solving Anything*. Washington, DC: PONARS Eurasia.
- Solana, Javier. 2006. *An External Policy to Serve Europe's Energy Interests*. Brussels: Commission/SG/HR for the European Council.
- Splidsboel, Flemming. 2009. *Russian power and the South Ossetian conflict*. Copenhagen: Royal Danish Defense College.
- Spykman, Nicholas John. 1970. *America's Strategy in World Politics The United States and the Balance of Power*. North Haven: Archon Book.

- Staff, EIR. 1999. "Russia's North Caucasus republics: flashpoint for world war," *Executive Intelligence Review* 26, no. 36: 41-45.
- Starr, S. Frederick, and Svante E. Cornell. 2005. *The Baku-Tbilisi-Ceyhan Pipeline: Oil Window to the West*. Stockholm and Washington: Central Asia-Caucasus Institute & Silk Road Studies Program.
- Suleymanov, Rashad. November 13, 2013. *APA*, available at: http://en.apa.az/xeber_recep_tayyip_erdogan____nagorno-karabakh__202623.html (accessed December 25, 2013).
- "TAP's Development Timeline," *Trans Adriatic Pipeline*. April 27, 2012. <http://www.trans-adriatic-pipeline.com/news/news/detail-view/article/322/> (accessed December 30, 2013).
- Tekin, Ali., and Paul Andrew Williams. 2011. *Geo-politics of the Euro-Asia Energy Nexus*. London and New York: PALGRAVE MACMILLAN
- Tennenbaum, Jonathan. 2000. "New Russian security doctrine reflects major policy shifts," *EIRInternational* 27, no. 4: 44-46.
- "The Basic Provisions of the Military Doctrine of the Russian Federation." *Federation of American Scientists*. 1993. <http://www.fas.org/nuke/guide/russia/doctrine/russia-mil-doc.html> (accessed July 14, 2013).
- "The Meaning of Place: The Caucasus Flashpoint," 2012. *Stratfor*, available at: www.stratfor.com (accessed July 9, 2013).
- The Ministry of Foreign Affairs of the Russian Federation. 2013. *Concept of the Foreign Policy of the Russian Federation*. Available at: http://www.mid.ru/bdomp/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/76389fec168189ed44257b2e0039b16d!OpenDocument (accessed July 2013, 13).
- The Security Council of the Russian Federation. 2009. *The national security of the Russian Federation until 2020*. Available at: <http://www.scrf.gov.ru/documents/99.html> (accessed July 14, 2013).
- "The North Caucasus: The Challenges of Integration, Ethnicity and Conflict," 2012. *International Crisis Group*, available at: [http://www.crisisgroup.org/~media/Files/europe/caucasus/220-the-north-caucasus-the-challenges-of-integration-i-ethnicity-and-conflict.pdf](http://www.crisisgroup.org/~/media/Files/europe/caucasus/220-the-north-caucasus-the-challenges-of-integration-i-ethnicity-and-conflict.pdf) (accessed November 30, 2013)
- Trenin, Dmitri. 2002. *The End of Eurasia: Russia on the border between geopolitics and globalization*. Washington D.C.: Carnegie Endowment for International Peace.

- Tunander, Ola. "Geopolitics of the North: Geopolitik of the Weak: A Post-Cold War Return to Rudolf Kjellén," *Cooperation and Conflict* 43, no. 2 (2008): 164-184.
- U.S. Energy Information Administration. 2013. Available at: <http://www.eia.gov/countries/cab.cfm?fips=RS> (accessed December 16, 2013).
- "U.S.: Naval Dominance and the Importance of Oceans," 2008. *Stratfor*, available at: <http://www.stratfor.com/analysis/us-naval-dominance-and-importance-oceans> (accessed September 24, 2013).
- Valiyev, Anar. 2013. "*Russia, Davay do Svidaniya*": *Entering a New Era in Azerbaijani-Russian Relations*. Washington D.C.: PONARS Eurasia.
- Valiyev, Anar. 2012. *Azerbaijan-Iran Relations: Quo Vadis, Baku?* Washington, D.C.: PONARS Eurasia.
- Varol, Tugce. 2013. *The Russian Foreign Energy Policy*. Kocani: European Scientific Institute.
- Vendina, Olga I., Vitaliy S. Belozarov, and Andrew Gustafson. 2007. "The Wars in Chechnya and Their Effects on Neighboring Regions," *Eurasian Geography and Economics* (48) 2: 178-201.
- Welt, Cory. 2013. "Turkish-Armenian Normalisation and the Karabakh Conflict," *Perceptions* 18, no. 1: 207-221.
- Whitman, Richard G., and Stefan Wolff. 2006. "The EU as a conflict manager? The case of Georgia and its implications," *International Affairs*: 1-21.
- Wisniewski, Jaroslaw. 2011. "EU Energy Diversification Policy and the Case of South Caucasus," *Political Perspectives* 5, no. 2: 58-79.
- Yalowitz, Kenneth, and Svante E. Cornell. 2004. "The Critical but Perilous Caucasus," *Orbis* Winter: 105-116.
- Yeltsin, Boris. 2000. *Midnight Diaries*. New York: PublicAffairs.
- Yeni, Fatih Özgür. 2013. *Thinking Beyond TAP: Turkey's Role in the Southern Energy Corridor*. Rome: Istituto Affari Internazionali.
- Zolyan, Mikayel. 2010. "My Friend's enemy is my Friend: Armenian Foreign Policy between Russia, Iran and the United states," *Caucasus Analytical Digest*, no. 13: 2-5.

Zürcher, Christoph. 2007. *The Post-Soviet Wars Rebellion, Ethnic Conflict, and Nationhood in the Caucasus*. New York and London: New York University Press.

Агаджанян, Михаил. December 14, 2013. "Анкара готовится к сложной шахматной партии на Кавказе," *Фонд Стратегической Культуры*, available at: <http://www.fondsk.ru/news/2013/12/14/ankara-gotovitsja-k-slozhnoj-shahmatnoj-partii-na-kavkaze-24591.html> (accessed February 16, 2014).

"Военная доктрина Российской Федерации." February 5, 2010. *news.kremlin.ru*. http://news.kremlin.ru/ref_notes/461 (accessed July 14, 2013).