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# Peculiarities of foreign policy of South Caucasus countries

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**Abstract:** The South Caucasus is a geostrategic region, the interest of which increased especially after the collapse of the USSR and became the center of global changes. The region is bordered by three important political actors - Russia, Turkey and Iran. The interests of the USA and China should also be taken into account here. The favorable geographical location gave the world's powerful states an impetus to fight to strengthen their influence in the desired country, which in turn led to influencing the direction of the policies of these smaller states.

The ethno-political situation and existing ethno-conflicts in the countries of the South Caucasus should not affect the development of the region. Both the US and various international peacekeeping, trade and economic organizations are involved in this process. Integration between these countries is the only correct political process.

Georgia is the only country among the countries of the South Caucasus, which has a special geographical location with access to the Black Sea. Georgia is trying to maintain regional stability and adjust the role of a mediator between Armenia and Azerbaijan, so as not to interfere with the implementation of those global economic projects, which are the basis for the progress and development of the countries of the South Caucasus.

Key words: South Caucasus, Georgia, Armenia, Azerbaijan, integration.

#### **INTRODUCTION**

After the collapse of the Soviet Union, Transcaucasian countries gained independence and soon the region changed its status and was named South Caucasus. The rulers of Georgia, Azerbaijan and Armenia had a difficult legacy. The Russian Federation did not give up the Caucasus region so easily. Soon ethnic conflicts started in the young states, which significantly hindered the further development of the region. The instigator of the conflicts was Russia, which tried not to allow Georgia, Armenia and Azerbaijan to conduct independent foreign policy. He used all the levers - economic, military and political - to maintain his spheres of influence. In accordance with the conditions of the new world order, the Black Sea coast and the Caspian coast, as an important hub for the transportation of energy resources, turned out to be in the interests of the US policy. After the collapse of the USSR, it turned the South Caucasus region into potentially favorable partners for Washington.<sup>1</sup> At the end of the 20th century and at the turn of the 21st century, the USA implemented an important policy in the South Caucasus in terms of finance, security and energy policy, conflict resolution and democratic reforms. "Azerbaijan, as a potential ally in the energy

<sup>&</sup>lt;sup>1</sup> Zbigniew Brzezinski: Le grand échiquier, l'Amérique et le reste du monde. Paris 1997, <sub>83</sub>. 59.

sector, was treated leniently by the USA. Because his policy here was aimed at helping American and Western companies seize control to exploit Caspian resources and build new oil and gas pipelines."<sup>2</sup> The ongoing war in Ukraine has further increased interest in the Caucasus. Russia is losing more and more influence in the Caucasus and is giving up formal allies. The war in Armenia-Azerbaijan, in which Armenia lost the territory of Shush, shows that Russia is not a guarantor of security for Armenia.

It should be noted that Georgia, Armenia and Azerbaijan have chosen a different course of foreign policy, due to the fact that different political actors influence the region. (USA, Russia, Turkey, Iran and already China). The natural resources available in the countries, the favorable geographical location gave the world's powerful states an impetus to fight for the desired country to strengthen their influence, which in itself led to influencing the policy direction of these small states. All three independent states represented Armenia-satellite in this way in the international arena (the political vector of Armenia was determined by the problem of its territorial integrity). Azerbaijan, as a trimmer, is characterized by an independent course. At the same time, the policy of balancing gives the function of a neutral state. Georgia pursues a policy of silent pursuit, which stems from external threats (the policy of Z. Gamsakhurdia and E. Shevardnadze). The conflicts that developed in the South Caucasus in Abkhazia, Tskhinvali region and Karabakh were the main factor in determining the foreign policy orientation of these states. That's why Georgia chose and began to aspire to Western European structures and the USA, and Armenia-Russia took the road to return their territories with their support. However, the conflicts could not be resolved peacefully.

Therefore, it should be noted that the countries of the South Caucasus should establish relations with each other and conduct regional policy. For this, integration is needed, which depends mainly on the resolution of territorial issues, the joint use of trade, economic and world transit potential.

Integration is the process of uniting states to create a political community. It is a voluntary process and is based on consensus. It is characterized by the presence of decision-making structures and political processes that are more supranational than interstate in nature. The existence of security, community and economic interdependence is necessary for the success of the integration process. The steps of integration in the traditional (European) scheme are the creation of a customs union, common market, common political structures and identity. Integration usually develops on the basis of regionalism. The most successful example of regional integration in today's world is the European Union.<sup>3</sup>

Integration refers to the regional process through which states recognize interdependence in certain economic and social spheres, create or join political mechanisms whose mandate is to establish common rules of action and, where necessary, to exert collective influence across borders. The extent of the sectors concerned, the importance of the transfer of state competences, as well as the degree of institutionalisation, the power and legitimacy granted to the Community bodies vary considerably from case to case and can be strengthened or weakened according to the success of the process. The processes of regional integration have developed significantly in the last twenty years. The integration movement, as it developed in Europe after the Second World War, is a special phenomenon. From the beginning, this movement was marked by a political orientation that created institutions with supranational powers to end centuries of confrontations and wars. This process produced remarkable institutional innovations, marked by the partial erosion of state sovereignties in certain sectors of economic and social life. Indeed, the European Union differs from all other



<sup>&</sup>lt;sup>2</sup> Julien Zarifian, Conditional Engagement of US Activities in the South Caucasus

<sup>&</sup>lt;sup>3</sup> Reference in Social Science - Integration- (<u>http://www.nplg.gov.ge/gwdict/index.php?a=term&d=6&t=4449</u>)

international organizations in terms of its ultimate goals and the means it has to ensure that the decisions of its supranational bodies, especially the European Commission and the European Court of Justice, are directly applied to states.

After World War II, interest in foreign relations increased greatly. A lot of research has started around this issue. There are many theories and approaches in the direction of foreign policy. It is worth noting the fact that more attention was focused on international relations than on foreign policy. At that time, unlike today, there were different approaches on the part of the states regarding this issue. They tried their best not to publicize their foreign policy. Politicians did not consider it appropriate for the public to know the issues related to the conduct of foreign policy.

Georgia's foreign policy is very different from other South Caucasus countries. Georgia took its first steps towards the West in 1992, when it became a member of the North Atlantic Cooperation Council. The next step was 1994, when Georgia joined the NATO program "Partnership for Peace". Despite all this, it still took a long time for Georgia to establish a clear position on full NATO membership. This happened in 2002.

In 2004, Georgia became the first country to receive an Individual Partnership Action Plan (IPAP) from NATO. This program was created for countries that were ready to deepen cooperation with NATO.<sup>4</sup>

Relations gradually deepened when NATO sent officers to Georgia in 2005, which was followed by the opening of the NATO Liaison Office. The next step was in 2006, when the NATO Foreign Ministers' meeting laid the foundation for an intensive dialogue, which meant consultations on different issues. These include political and security issues, defense, conflict resolution, economy and other important issues.

2008 was the most difficult period for Georgia. This was due to several factors. The first is that Georgia successfully fulfilled its obligations, which should have resulted in the transfer of an action plan from NATO to Georgia, but this did not happen, and on the other hand, a military confrontation with Russia. All of this in itself hindered the rapidly growing rapprochement between Georgia and the West.

Despite the created obstacles, Georgia still continued on its way to the west. In 2011, Georgia officially received the title of NATO aspirant country, and in 2014, Georgia was named as an interoperable (compliant with standards) partner of NATO. Also, Georgia was awarded the status of the country of increased opportunity along with Jordan, Australia, Finland and Sweden.

On June 27, 2014, the most important fact for Georgia happened. An association agreement was signed between Georgia and the European Union. When talking about international organizations, we must mention the North Atlantic Treaty Organization (NATO), which is the most important factor for Georgia. The document developed by the Government of Georgia clearly states that NATO integration will help our country in democratic development and national security.

In conducting the foreign policy, the implementation of close economic relations with the states in the region was also determined among the priorities. Which includes participation in energy and economic projects in the region. In addition to the countries of the South Caucasus region, the document also mentions the establishment and development of political and economic relations with such regions as: the continent of Asia, countries of Africa and Latin America, Australia and Oceania states.

Georgia's foreign policy strategy certainly mentions the deepening of mutual cooperation with the United States of America. There is a strategic partnership charter between Georgia and the



<sup>&</sup>lt;sup>4</sup> Individual Partnership Action Plan - <u>https://www.nato.int/cps/en/</u>

United States of America, which provides for cooperation in various directions, such as: economy, trade, defense and security, civil society, cultural projects, etc.<sup>5</sup>

Armenia's foreign political processes are characterized by specific features, in which the Russian Federation plays a major role. The state of Armenia is not distinguished by its own energy resources. They get gas mainly from Russia, as evidenced by the fact that 83% of imported gas is Russian gas.

This emphasizes Armenia's attitude towards Russia. Here, it is worth noting the fact that Armenia accumulated a lot of debts during this import and had to hand over strategically important objects to Russia. Of course, all this had an impact on Armenia's foreign policy. The world saw all this clearly in 2013, when Armenia refused to sign the association agreement with the European Union. Which in itself meant the rejection of the "Deep and Comprehensive Free Trade Area Agreement" (DCFTA). In Novo-Ogaryovo near Moscow, the then president of Russia and Armenia, Serzh Sargsyan, reached an agreement. According to which, Armenia is ready to join the customs union of Russia, Belarus and Kazakhstan. We can explain this problem by the fact that there is no gas in Armenia, and at the same time, the rulers of the country at that time did not want to irritate Russia.

As everyone knows, Russia often resorts to proven and justified methods and uses its energy resources in conducting foreign policy with other countries. The same thing happened with Armenia. In the summer of 2013, when the third summit of the "Eastern Partnership" was held in Vilnius, Moscow made Armenia's gas prices more expensive a few months earlier. thus he resorted to the policy of intimidation. Which paid off. The gas tax for the population of Armenia increased by 18%, and the electricity tax by 26%. The only other option for Armenia was the Iran-Armenia pipeline, but let's not forget that the Armenian government has alienated the Armenian part of Armrosgaz, and its largest part is about 80% owned by Russia's Gazprom. This indicates that the Russian side also controls this. From all of the above, we can conclude that the decision taken by the then government of Armenia to join the Eurasian Union was a forced step, not a free will.

As a result, we got the fact that the energy resource became the determinant of the country's foreign policy. Dependence on gas has limited the right of the Armenian government to choose a free foreign policy.

The European Union has always considered the territory of the South Caucasus as the territory of Europe. The area between the Middle East and Central Asia. It should be noted that this territory was never vitally important for the European Union, but it was never indifferent to it. When the Soviet Union collapsed, the European Union signed a partnership and cooperation agreement with the countries of the South Caucasus. What followed was the implementation of the neighborhood policy on the region. Although the government of Armenia was forced to reject the EU in 2013, they still managed to sign the enhanced and comprehensive partnership with the EU.

Since the independence of Armenia, Iran has been considered as a friendly country. This was confirmed by the fact that in the ongoing Karabakh war in 1992-1994, Iran mainly chose a balanced policy. Even after the Karabakh war, Iran and Armenia continued friendly relations, as evidenced by the Iran-Armenia gas pipeline launched in 2007. As a result of the agreement, Armenia exports electricity and imports gas with Iran. The situation changed after pro-Western forces came to the head of the government of Armenia after the Velvet Revolution of 2018. Iran was afraid that Armenia would be used by America for anti-Iranian activities. Armenia-Iran relations were also affected by the war with Azerbaijan that started on September 27, 2020. Everyone in Armenia



<sup>&</sup>lt;sup>5</sup> Foreign policy strategy of Georgia for 2019-2022 (

https://mfa.gov.ge/getattachment/MainNav/ForeignPolicy/ForeignPolicyStrategy/2019-2022-clebis-saqartvelos-sagareo-politikis-strategia.pdf.aspx)

thought that Iran would loudly condemn Azerbaijan's actions. This opinion was supported by the fact that there were reports of the deployment of Turkish fighters near the Iranian border, which in itself should have caused fear in Iran. But all these expectations were not fulfilled. Iran called the parties to negotiations and again did not understand Azerbaijan for starting the war.

Based on all of the above, the new government will have to develop a new regional policy to respond to the challenges they face. Regardless of Iran's attitude towards the Karabakh war, it is necessary to develop an effective strategy so that Armenia can restore relations with Iran. The priority of this issue became obvious when the free trade space between the Eurasian Union and Iran was opened. This once again gave great importance to Armenian-Iranian relations. It is probably most advantageous for Armenia to offer a tripartite format to Russia and Iran. Also, Armenia should somehow try to join the Iran-China economic agreement with its Iranian and Chinese partners. In which once again it is necessary to maintain good relations with Iran.

Since the 1990s, Azerbaijan's foreign policy priorities have remained largely unchanged. Its main task is to restore territorial integrity, strengthen the country's independence and develop a strong regional economic partnership.

At the crossroads of global powers, Azerbaijan is at the crossroads, its foreign policy goals, despite the possession of the most important oil and gas reserves, could not be achieved alone. It is with these natural resources that Azerbaijan is able to strengthen its economy. Infrastructure and defense projects became a priority. Nevertheless, the war with Armenia showed Azerbaijan the need for so-called partner states. It was necessary to develop regional cooperation frameworks. It is in this direction that Azerbaijan has developed several important foreign policy priorities.

Azerbaijan's first priority is to refrain from joining military alliances and maintain de-facto neutrality in the region. Azerbaijan did not join the Russian-led Collective Security Treaty Organization (CSTO) and was one of the first former Soviet republics without Russian military presence. Azerbaijan has a similar approach to NATO. It has no aspiration to become a member of NATO, unlike its regional partners, we mean Georgia and Ukraine. Instead, it focuses on practical cooperation with NATO and its member states. Which is mainly done within the framework of the Partnership for Peace program. Azerbaijan established similar military cooperation with Israel, Belarus, Ukraine, Pakistan and many other states. It is the maintenance of military de-facto neutrality that contributes to the security of Azerbaijan.

Since 2009, Azerbaijan has been cooperating with the European Union within the framework of the Eastern Partnership (EAP) program in both bilateral and multilateral formats. While bilateral cooperation with the EU remains a priority, the multilateral platform of the EAP allows Azerbaijan to pursue its interests in the context of regional politics.

Unlike its neighbors, Azerbaijan focused more on the Middle East, realizing the benefits of strong ties with the Islamic countries of the Middle East. One important factor in this is, of course, the common religion of Ilsam. Azerbaijan is an active member of the Organization of Islamic Cooperation (OIC) and frequently hosts high-level committee meetings.<sup>6</sup>

It was with the support of the OIC members that Azerbaijan was able to secure its nomination to the UN Security Council. Azerbaijan values its religious heritage and believes that ties with the Islamic world, especially the Middle East, offer the opportunities needed to advance Azerbaijan's foreign policy interests. Good relations with Islamic nations were confirmed when Azerbaijan hosted



<sup>&</sup>lt;sup>6</sup> OIC Secretary General Meets the President of the Republic of Azerbaijan <u>https://www.oic-oci.org/topic/?t\_id=13476&t\_ref=5875&lan=en</u>

the 4th Islamic Games in Azerbaijan in 2017. At the initiative of the president, a scholarship program was also established for students from Islamic countries to study in Baku.<sup>7</sup>

Since independence, Turkey has been Azerbaijan's main regional ally and strategic partner. Close linguistic and cultural ties are supported by regional energy projects such as oil and gas pipelines, new regional railways and connectivity projects, military and humanitarian cooperation, as well as mutual investment. The leaders of both Kvens understood each other's priorities well and managed to jointly coordinate independent policy initiatives. Azerbaijan also views Turkey as a strategic balance against potential threats from other neighbors.<sup>8</sup>

In the 1990s, relations between Iran and Azerbaijan were frozen, with secular Azerbaijan worried about exporting the Islamic Revolution, and Iran disliking the Israel-US-Azerbaijan military alliance. However, relations have improved significantly in the past decades. The ties between the two states were strengthened in economic, trade and transit directions. Tehran and Baku have taken effective steps to exchange electricity. The joint construction of power plants was also added to this.

It should also be noted that Azerbaijan is one of the few Muslim countries that maintains active cooperation in political matters with Israel. Trade between the two countries is increasing every year, mainly in the fields of defense, IT technologies, health, agriculture and education. The societies of Azerbaijan and Israel also share strong relations, which is mainly due to the strong diaspora in both countries.<sup>9</sup>

We must definitely touch on the impact of the gas factor on Azerbaijan's foreign policy. Among the countries of the South Caucasus, only Azerbaijan is distinguished by the surplus of energy resources. As of 2018, Azerbaijan's gas reserves are 1.3 trillion cubic meters. As of 2020, this number equaled 2.8 trillion.<sup>10</sup>

The gathering of European and American investments in the energy sector in Azerbaijan gave the state an opportunity to get rid of Russia. He used these investments to develop energy resources. He also developed such an important pipeline as the construction of the "South Caucasus Gas Pipeline", which, as everyone knows, passes through the territories of Turkey and Georgia. In the future, this pipeline, together with the Trans-Anatolian (TANAP) and Trans-Adriatic (TAP) pipelines, should supply Europe with Azerbaijani gas.

These projects have not only economic but also international importance for the state. What we mean is the establishment of Azerbaijan as a modern state. Apart from the economic aspect, the benefit was the fact that Azerbaijan also incorporated the image of a reliable country.

In conclusion, we can say that after the collapse of the Soviet Union, the countries of the South Caucasus determined their foreign policy priorities. They are characterized by different features. In addition, since independence, interest in this region has increased. Big players such as Turkey, Russia, United States of America, etc. appeared.

Georgia has taken a clear path towards the West since the day of gaining independence. The main goal for him was the integration into the Euro-Atlantic organizations and the establishment of



<sup>&</sup>lt;sup>7</sup> AIDA - Admission Announcement for Scholarship Programme For Citizens of the OIC and the NAM member Countries 2022

https://aida.mfa.gov.az/en/static/22

<sup>&</sup>lt;sup>8</sup> International Journal of Energy Economics and Policy - Turkey-Azerbaijan Energy Relations: A Political and Economic Analysis (<u>https://dergipark.org.tr/tr/download/article-file/361365</u>)

<sup>&</sup>lt;sup>9</sup> THE AZERBAIJAN-ISRAEL RELATIONS: A NON-DIPLOMATIC, BUT STRATEGIC PARTNERSHIP (<u>https://www.acarindex.com/dosyalar/makale/acarindex-1423910554.pdf</u>)

<sup>&</sup>lt;sup>10</sup> BP Statistical Review of World Energy 2020

<sup>(&</sup>lt;u>https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/energy-economics/statistical-review/bp-stats-review-2020-full-report.pdf</u>)

strategic relations with the United States of America. The Government of Georgia believes that it is Western support that will help resolve territorial problems in a peaceful way.

As for Armenia, it considers the Russian Federation as its main partner. It was during the conflict with Azerbaijan that Armenians considered Russia to be the defender of their interests. But everything did not happen as they thought. All this led to the increase of Armenia's interest in the European Union. However, to this day, Armenia is still unable to get rid of Russia's influence.

Unlike the previous two states, Azerbaijan has a balanced foreign policy. All this is due to its natural resources and relatively better economic condition. These resources helped Azerbaijan to develop rapidly.

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