

DOI: <https://doi.org/10.36719/2663-4619/90/161-167>

Javad Ahmadov
Khazar University
master student
cavad.ahmadov@khazar.org

STRATEGIC INTERESTS OF EUROPEAN UNION IN SOUTH CAUCASUS AND NEW GEOPOLITICAL ORDER WITH THE AFTERMATH OF THE KARABAKH WAR

Abstract

All along the history, the South Caucasus region has been considered as an important platform for external actors thanks to its vast economic value, and more to that, increasing role of the region as a transportation corridor in between of west and east makes this region of a strategic significance. Major powers have ruled out the area for its appealing resources and geostrategic location, and, in the midst of the hard power competition of Turkey, Russia and Iran for the regional dominance, the EU has been seeking opportunities and benefits from the region since the early 1990s, mainly for energy security due to the growing demand for natural gas as a primary energy source and largely utilized its soft power politics to maintain the regional countries committed to EU values and interests.

Keywords: *European Union, Azerbaijan, Georgia, Armenia, Eastern Partnership Programme, European Neighborhood Programme, cooperation*

Cavad Əhmədov
Xəzər Universiteti
magistrant
cavad.ahmadov@khazar.org

Avropa İttifaqının Cənubi Qafqazda strateji maraqları və Qarabağ müharibəsinin nəticəsi ilə yeni geosiyasi nizam

Xülasə

Bütün tarix boyu Cənubi Qafqaz regionu özünün böyük iqtisadi dəyərinə görə xarici aktorlar üçün mühüm platforma hesab edilmiş və daha çox, regionun Qərblə Şərq arasında nəqliyyat dəhlizi kimi artan rolu ilə bu region daha da böyük strateji əhəmiyyət kəsb edir. Böyük güclər bu ərazini cəlbedici resursları və geostrateji mövqeyinə görə istisna edir və Türkiyə, Rusiya və İranın regional üstünlük uğrunda sərt güc rəqabətinin ortasında Aİ ilk günlərdən regiondan imkanlar və faydalar axtarır. 1990-cı illərdə, əsas enerji mənbəyi kimi təbii qaza artan tələbat səbəbiylə enerji təhlükəsizliyi üçün və Aİ dəyərlərinə və maraqlarına sadıq olan region ölkələrini cəlb etmək üçün yumşaq güc siyasətindən böyük ölçüdə istifadə etmişdir.

Açar sözlər: *Avropa İttifaqı, Azərbaycan, Gürcüstan, Ermənistan, Şərq Tərəfdaşlığı Proqramı, Avropa Qonşuluq Proqramı, əməkdaşlıq*

Introduction

It is undeniable that the European Union (EU) has been facing its most significant demand for natural gas in recent years, since Russia used to be the EU's largest supplier of oil and gas, and the EU eagerly is looking forward to expanding variety of its energy sources to diminish the dependence on Russia.

Moreover, the region's vast energy resources and its geostrategic location among Turkey, Iran and Russia, provides a potential key transit corridor for Europe. Since the early beginning of the Azerbaijan's independence, European companies have proceeded their interests in the region with the close cooperation of the major energy companies from Europe be it BP, Eni, Total, and Statoil.

Hence, to attract the interest of the regional states, the EU has supported the development of the South Caucasus via a number of EU backed programs such as TACIS and INOGATE, resulting in deeper cooperation in different fields, particularly energy. With that being the case, the EU and South Caucasian countries have signed numerous regional projects on energy, such as Nabucco, Trans-Adriatic Pipeline (TAP), ITGTI, and Trans-Anatolian Gas Pipeline (TANAP), making the South Caucasus, specifically Azerbaijan, an important player in EU energy policy. All in all, European Union remains committed to diversifying its energy sources and diminishing the dependence on Russian gas.

The EU's growing engagement in the South Caucasus starting in the early 2000s was not the outcome of straightforward and linear dynamics, but was rather a result of a disjointed and chaotic process. While political developments in the region – more specifically the Rose Revolution in Georgia at the end of 2003 – contributed to shifting the EU's attention to the South Caucasus, Armenia, Azerbaijan and Georgia were initially excluded from the European Neighborhood Policy (ENP) as they were not immediate neighbors of the EU (Commission, 2003).

It is widely believed that the EU does not necessarily consider South Caucasian countries as possible real EU members yet in the near future even though Georgia has been recently considered as a candidate country, nevertheless, maintaining its so-called “back yard” safe or at least European minded is undeniably of utmost importance for the European Union in contemporary global politics. To that end, the EU has launched a number of projects and investments in the different sectors of the countries in order to facilitate the smooth Europeanization of the region.

According to neo-functionalism, political integration is an inevitable consequence of economic integration. Therefore, gradual integration coupled with progressive institutionalism should contribute to the creation of a community of security (Rosamond, 2000). It is irrefutable that deeper economic cooperation will entail cooperation in other spheres and will result in spill-over effects. Support from the EU for political and economic reforms in the neighbourhood provides an opportunity to stiffen prosperity and stability, which surely paves the way for solid benefits to the people living in both the EU and the regional countries. Therefore, the economic aspect of this partnership is the most developed and strengthened so far. Close partnership in the economic sphere brings about a positive change in the government and allows regional countries to acquire certain economic benefits and to adopt some part of the EU legislation particularly connected to common market regulations.

It is exceptionally crucial for Europe to ensure that these South Caucasian states become stable, predictable, and synergetic to the EU since the instability in the region can have a damaging impact on the EU. The EU has always been prioritizing its external border management because of its freedom of movement regulation within the Schengen Area. It is more than clear that the EU faces some challenges with the Turkish-Greece border through its Balkan neighbourhood. With that in mind, the EU can comprehend that having required security in the distant borders will keep the EU safer than it is right now. To that end, cultivating good relations and reform on border management not only brings peace and security to the South Caucasus but also to the EU in one way or another. Hence, the EU has started to pay a particular attention to border management of the South Caucasus and added respective amendments to European Neighbourhood Policy Action Plan. According to the provisions of the Action Plan, South Caucasian countries should review the implementation of their National Action Plan for Combating the Trafficking of Persons as adopted in 2003, and assess progress made and envisage follow-up measures (Frappi, 2012). Yet in 2003, the EU was eager to acknowledge in its External Security Strategies (ESS) that roots of its security were to be found outside of its parameters (Frappi, 2012: 89). Basically, most of the time, roots of the possible challenges steam from outside of Europe. Moreover, it is of utmost importance for not only the EU but also for other superpowers to ensure the safety of the territories which are the part of the Belt and Road initiative which South Caucasus is also a corridor and therefore the region drags the particular attention.

Colonial frontier is concerned with transforming the outside according to the preferences of the inside, which are believed to be just and appropriate, and incorporating the outside within the inside. Finally, while the colonial frontier is expansionist in nature, the geostrategic of *limes* aims to draw the limit to the borders and consolidate the achievements within the country's own territory (Jalagonia, 2019).

Within this theory, Eastern Partnership countries are considered as a colonial frontier for Europe. The EU, by investing large amounts of money in this region, also spreads its values and norms, which in the end will transform the outside per interest of the inside. Hence, the EU tries to encourage regional countries to join the Europeanization processes through cohesion, not coercion. Not having a hard power interest in the region makes the EU more flexible in its initiatives. Indeed, Russia does not see the EU as a primary rival in the region since it pursues soft power to manipulate countries; however, when it comes to NATO, Russia has explicitly made it clear that cooperation with NATO would be seen as a malign act and a possible threat by Russia. With that in mind, except Georgia, which is at war with Russia, all South Caucasian countries have tried to pursue a balanced policy in one way or another. However, unlike Central European states, the "return to Europe" metaphor is not that adhered to by South Caucasian states, and in the same order, does not provide a stiff identity incite as a "Europeans" for the regional states. Moreover, because of their strategic location, South Caucasian countries should take other regional powers into consideration as well. With this in mind, before choosing to be prone to one superpower in this multipolar system in the region, the regional countries have to analyse the possible negative and positive effects of it on a larger scale.

The EU has tried to spread its values to the region with ENP on the "one size fits all" policy basis, which indeed surely does not fit. When a decision has been confirmed on the basis of the policy, the political culture has not been taken into consideration, and therefore, the policy is not comprehensive and proper to every state in the neighbourhood program. Even though those countries share almost their past 70 years similar one way or another, their culture varies from each other. The people of Azerbaijan are too close with Turkish people in terms of their ethnicity, language, culture, and "one nation two states" phrase one more time indicates their commitment to each other. Azerbaijanis sees Turkey as a brother country and is prone to be next to Turkey on any side of the political system of the world. Whereas, for the people of Georgia to be far from the Russian paw is the only thing the country dreams of and sees Europe as the only chance to achieve it. When it comes to the people of Armenia, the country used to have closer cooperation with Russia within Collective Security Treaty Organization and Eurasian Customs Union and sees Europe as an economic market rather than a political union. In that sense, regional countries have different political cultures, which should not be generalized on the policymaking toward the region. Moreover, the EU has prioritized its own needs and values over the needs of regional counties, and the relations between South Caucasian countries and the EU have been asymmetric in the given consideration. Hence, target countries have been left with no say about their future commitments with the EU, which indeed made relations vague for the regional countries. Being not provided with any membership prospects make these countries feel uncomfortable in the new world order. South Caucasian countries are not promised that they will be welcomed as a member of the EU in upcoming years apart from recent candidate status of Georgia, and with that mind, those countries are a little undetermined to take such reforms and ignite Russian fear and antipathy toward them. When it comes to Central European countries, they had a determination to be united again with their European counterparts and bring back the European identity for themselves. In addition to this, being promised membership in the EU and NATO made them feel more enthusiastic and eager to take respective reforms on political, economic, and other essential spheres of the government. However, considering that the EU sees South Caucasus as external security borders for the safety of people of the EU member states, whereas in the Central European case latter have been regarded as a part of Europe. Thus, the EU has prioritized membership of Central European countries to the EU and provided all the necessary platforms for this purpose. However,

when it comes to South Caucasus, the region does have secondary importance for the security of the people of EU member states.

In addition to this, whether those countries are a part of Europe geographically or not has been a hot topic for discussion in the EU. The member states have different ideas about the region; while some believe the region can be considered as a part of Europe, others believe that further enlargement of the EU to the region would damage the European identity. To that end, Europe is in a dilemma per se, and there is no clear commitment from neither the partner countries nor the EU itself.

Through numerous cooperation programs like ENP, the EaP which latter is being considered to be a more functional and result-oriented policy toward the region and it is observed that having a chance to cooperate on a sector-based type of partnership grants mutual benefits for the parties to enjoy hereby, among these sectors, low profile politics have also found its position, and impacting people at the grassroots level makes EU prestige a benign unity for the people of these respective communities. Other than EaP, regional countries are free to enhance their collaboration on an individual basis in bilateral relations. EaP can be considered a second chance of the EU to bring those nations closer to the EU and integrate economically and politically to EU standards. Unlike ENP, EaP initiated a ‘‘more for more’’ approach to the region. The term ‘‘more for more’’ approach implies that those who are more committed to EU values and eager to take respective reforms will be awarded more funds from the EU, which can easily impact the state budget of the respective countries. EaP does provide a tailored policy toward the region, and countries are free to integrate with the EU in accordance with their interest.

In that nature, Georgia which geographically considers itself as a country from Europe and keen on being a member of the EU on a political level as well. With this in mind, any EU initiative is being warmly welcomed by the government and people of Georgia. However, appreciation for their commitments would motivate them more for further integration. In ENP, such motivation was obscure, and the EU has decided to use its second chance in a wiser way. For Azerbaijan, it is a perfect chance to economically integrate with the EU and pursue a balanced policy in its high politics. Azerbaijan sees the EU as a reliable and profitable market to sell its oil and gas resources. And in its turn, the EU also is happy to diversify its source of external gas, decreasing its dependency on Russian gas. With this in mind, Azerbaijan takes bigger steps in the economic field and encourages the EU to invest more in its businesses and gain more for more commitments. However, Azerbaijan does not want to trigger other regional powers and choose one side over another in today’s world politics; therefore, politically, Azerbaijan chooses not to agree to all terms of the EU on Azerbaijan. With this reality, Azerbaijan proposed its own terms, and currently, negotiations are being held on the consensus to achieve from both sides. Latest statistics, disclosed by EU Ambassador to Azerbaijan reveals that 52% of Azerbaijani foreign trade is with the EU [and] 65.6% of exports go to the EU market (Turksoy, 2023).

When it comes to Armenia, Armenia has been subject to Russian influence and is a member of CSTO and Eurasian Economic Union, which is considered Russian led economic organization. The Collective Security Treaty Organization charter reaffirmed the desire of all participating states to abstain from the use or threat of force. Signatories would not be able to join other military alliances or other groups of states, while aggression against one signatory would be perceived as an aggression against all. (Obydenkova, 2010).

The members of the Eurasian Economic Union have a right to free movement of people, goods, capital, and services within the scope of the Eurasian Union. Because of its similarity, Eurasian Union is considered as a Russian-led EU in the Post-Soviet sphere. Being a member of such an organization indeed indicates the commitment of the respective country and their approximation to one particular side. In this given consideration, Armenia sees the EU as a market and did not support its political incentives. However, the last revolution promised new hopes to the people of both sides.

In addition to this, the EU supports and funds economic and social policies addressed to reduce the disparities in society. EU considers the bottom-up approach and people-to-people policy in further phases of the Eastern Partnership Program. Therefore, this policy is considered EaP Keeping South Caucasus at its arm's length and close enough to prevent them from being dragged along the Russian sphere influence, but still to an adequate degree distant that they do not become the members of the EU in the near future.

Moreover, it is irrefutable that some setbacks at the organizational level impede overall integration with EaP countries. Indeed, European Commission and EU External Action Service have different opinions about the level of integration with those above-mentioned countries. That is why it is immensely hard for Europe as a whole to pursue its foreign policy toward the region with a unanimous decision.

New Geopolitical Order aftermath of the Karabakh war

Amid of the full-scale invasion of Ukraine on 24 February 2022, Russia has become more and more set aside on the international stage, especially in European continent. Thus, it presents a chance for the European Union (EU) to take on a key stabilizing role in the South Caucasus, where frustration with Moscow's actions is increasing specially with its inefficiency as a peacekeeper in the region. With that being said, the EU has an undeniable strong soft power position in the region, with growing trade between the EU and the countries of the South Caucasus, and a potential adequate role as a conflict resolution partner, particularly in the Karabakh conflict between Armenia and Azerbaijan. On the account, the EU's further engagement in conflict resolution in the region as an alternative mediator, has been viewed positively by both dissident parties. With Russia's attention focused on Ukraine, its ability to control Nagorno-Karabakh is less and less certain day by day. The traditional negotiating format for the conflict, the Minsk Group under the OSCE co-chaired by Russia, France, and the United States, has been largely inactive, therefore, the EU should continue to work towards stabilizing this important region in its external neighborhood (Hedenskog, 2022).

In Georgia, the EU has been involved in conflict resolution since 2003, when it deployed its first EU Special Representative (EUSR) with a mandate to “contribute to the prevention of conflicts, and to prepare a return to peace in the region” (European Council (2003) “Council Joint Action 2003/496/CFSP of 7 July 2003 concerning the appointment of an EU Special Representative for the South Caucasus”, n.d.).

Furthermore, the EU brokered the agreement that ended hostilities in the Russia-Georgia war of August 2008, and since then has led conflict resolution efforts through the EUSR for the South Caucasus and the crisis in Georgia as co-chair of the Geneva International Discussions, the international talks on addressing the consequences of the war. The EU Monitoring Mission (EUMM), established on 15 September 2008, the most important contributor to the security of Georgia, has been the only international monitoring presence on the ground in the country since 2009 (Borell, 2021).

On 22 May 2022, the leaders of Armenia and Azerbaijan were hosted by Charles Michel, President of the European Council, in Brussels. In anticipation of the first-ever meeting of both dissident countries' border commissions, scheduled to take place two days later, he once more highlighted the crucial need to ensure stability and security along the border between Armenia and Azerbaijan as delimitation efforts continue. Progress was also made on connectivity to advance opportunities for unblocking the region. Both parties confirmed there were no extraterritorial claims regarding future transport infrastructure. The talk is especially about the so-called Zangezur passage which Azerbaijan calls a “corridor”, which will run through the southern Armenian region of Syunik and connect Azerbaijan to its Nakhchivan Autonomous Republic (Council, 2022). On 18 July 2022, the EU signed a deal with Azerbaijan expanding the volume of gas exports from Azerbaijan to Europe from 8 billion cubic meters (bcm) in 2021 to around 20 bcm by 2027. While in Baku, European Commission President Ursula von der Leyen praised the EU's long-term

partnership with Azerbaijan and declared it a “crucial” and “reliable” partner, in contrast to Russia (Murad, 2022).

The EU has made further attempts towards stiffing its involvement in mediation efforts by initiating a civilian monitoring mission on the internationally recognized border between Armenia and Azerbaijan in October 2022, so called the European Union Monitoring Capacity (EUMCAP).

With that being said, it is undeniable that even before the full-scale invasion of Ukraine, the Russian peacekeeping mission in Nagorno-Karabakh had failed to fulfil its role of maintaining peace. More to that after Ukrainian war, Russia had to transfer significant amounts of equipment and personnel from Karabakh to Ukraine.

Aftermath of the war, Armenia is clearly dissatisfied that neither the Collective Security Treaty Organization (CSTO) nor Russia has taken a stiff stand to meet Armenia's security requirements as per the agreement. More to that, the current CSTO chair, Prime Minister Nikol Pashinyan, ended the Yerevan CSTO summit on 23 November 2022 abruptly out of frustration due to the lack of necessary support from other CSTO members, furthermore, he also declined to sign the joint declaration which potently indicates the mistrust of the Armenian community toward Russian peacekeeping presence.

The current situation in Georgia has caused serious concern in Brussels due to the potential erosion of civil liberties and democratic backsliding. Along with increasing corruption at the highest levels, with various reports on political violence, a judiciary lacking independence and transparency, restrictions on free media, and ongoing discrimination against the LGBT+ community.

All the mediation efforts did not result in any tangible outcome yet as the peace treaty is pending to be signed, nevertheless, such efforts reinforce the perception of two peace initiatives that were becoming increasingly competitive: one driven by Brussels and the other by Moscow.

Georgia had originally planned to apply for EU membership in 2024, after further reforms, but Russia's full-scale invasion of Ukraine brought the decision forward to March 2022. On 23 June, the European Council announced that it was ready to grant Georgia candidate status for accession once a set of 12 recommended reforms had been implemented. Among these were political reforms such as reducing political polarisation, implementing electoral reform, judicial reform, the creation of stronger anti-corruption institutions, “de-oligarchisation”, a reduction in organised crime and the protection of vulnerable groups against criminal human rights violations (Aliyeva, 2022).

Conclusion

All in all, the EU considers the further need to engage with South Caucasus more and more, since the region's location between Europe, Russia, Turkey, and Iran, with access to the Caspian and Black Seas, makes it crucially important for regional powers. Nevertheless, the EU is being considered as a soft power influencer and an economic union, and is perceived as less of a direct threat to regional interests compared to other superpowers in this hard political environment of the South Caucasus.

In that given consideration, Russia is in the position to be able to threaten South Caucasian states with their relative gains and losses on the frozen conflicts. Therefore, external powers should evaluate and take into consideration possible repercussions from Russia in their foreign policy decisions. In addition to that, Turkey cultivated brotherly relations with Azerbaijan amid, Iran largely supports Armenia in its external relations. Furthermore, EU can perfectly understand that hard power politics will irritate the regional powers, therefore EU tries to influence the regional countries through its soft power.

References

1. Commission, E. (2003). Given their location, the Southern Caucasus therefore also falls outside the geographical scope of this initia. Retrieved from Wider Europe – Neighbourhood. A New Framework for Rela - tions with our Eastern and Southern Neighbours.

2. Rosamond. (2000). Theories of European integration. In Rosamond, theories of European integration (pp.50-73). London: London Macmillan press.
3. Frappi, C. (2012). The EU Eastern Partnership Common Framework or Wider Opportunity. In C. Frappi, The EU Eastern Partnership Common Framework or Wider Opportunity (p.158). Segrate: Digital Print Service, Segrate Mi.
4. Jalagonia, E. (2019). European Neighbourhood Policy in the South Caucasus. ResearchGate, p.9.
5. Turksoy, T. (2023, February 22). Caspian News. Retrieved from Caspian News: <https://caspiannews.com/news-detail/eu-azerbaijan-trade-turnover-reaches-record-high-in-2022-2023-2-21-0/>
6. Obydenkova, A. (2010). Comparative regionalism: Eurasian cooperation and European integration. The case for neofunctionalism. *Journal of Eurasian Studies*, 2(2): 91.
7. Hedenskog, J. (2022, December 22). The EU in the South Caucasus: Making the Most of Current Opportunities. NA: The Stockholm Centre for Eastern European Studies (SCEEUS). Retrieved from The Stockholm Centre for Eastern European Studies (SCEEUS): <https://sceeu.se/en/publications/the-eu-in-the-south-caucasus-making-the-most-of-current-opportunities/>
8. European Council. (2003). “Council Joint Action 2003/496/CFSP of 7 July 2003 concerning the appointment of an EU Special Representative for the South Caucasus”. (n.d.). Retrieved from <https://mfa.gov.ge/>.
9. Borell, J. (2021, July 2). We need more EU engagement in the South Caucasus. Retrieved from EEAS, blog: https://www.eeas.europa.eu/eeas/why-we-need-more-eu-engagement-south-caucasus_en
10. Council, E. (2022, May 31). “Statement by the spokesperson of Charles Michel, President of the European Council regarding Armenia and Azerbaijan, 31 May”,. Retrieved from European Council: <https://www.consilium.europa.eu/en/press/press-releases/2022/05/31/statement-by-the-spokesperson-of-charles-michel-president-of-the-european-council-regarding-armenia-and-azerbaijan-31-may-2022/>
11. Murad, M. (2022, July 29). A new chapter in EU Azerbaijani relations against the backdrop of the Russian invasion of Ukraine. Retrieved from New Eastern Europe: <https://neweasterneurope.eu/2022/07/29/a-new-chapter-in-eu-azerbaijani-relations-against-the-backdrop-of-the-russian-invasion-of-ukraine/>
12. Aliyeva, A. (2022, August 20). The European Union Policy in the South Caucasus. Retrieved from SSRN: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4192555

Received: 19.02.2023

Accepted: 17.04.2023