

GEOPOLITICS OF CAUCASUS AND THE GAME OF POWER IN THE REGION

Abstract

The South Caucasus the geopolitical symbol of which is a clashing and conflicting center of the interests of the big players: Russia, the US, the European Union, Turkey and Iran. Their influence is in contrast and the key role of Russia and the USA is highlighted. The relationships of the US and NATO with the three South Caucasus republics, special attention has been paid. Through South Caucasus the issue of energy and its transportation security is seen as central to the conflict of interests of the big geopolitical players.

The Caucasus on one hand had strategic geopolitical and economic advantages for the US and to some extent Europe and on the other hand, it has had the potential for posing threats against Russia. As for the Caucasus, it is a region where three empires, Russia, Turkey and Iran, have historically overlapped. All three retain very important interest in the region today. Turkey is primarily interested in trade and commerce, the supply of Caspian oil and gas in order to diversify its market, preventing Nagorno-Karabakh from flaring into a regional war, and in promoting the sovereignty and independence of Georgia and Azerbaijan.

Caucasus enjoys a high level of strategic significance due to some reasons such as it is a gateway to Central Asia in a geo-strategic sense, as for Central Asia the region constitutes a divert gateway to the Western market, it is taken as a whole with the Central Asia, the region has a significant amount of oil and natural gas potential. It is a geopolitical connection line extending from Basra to the Mediterranean. Geopolitical changes resulting from the disintegration of the Soviet Union have had a considerable impact on the region that is now called Eurasia. In compared to any other region of Eurasia, more crisis have been created in the Caucasus by these changes.

Keywords: Caucasus, Russia, the US, the European Union, Turkey and Iran.

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Introduction

The South Caucasus is a geopolitical symbol of the clashing and conflicting center of the interests of the big players: Russia, the US, the European Union, Turkey, and Iran. Their influence is adjacent and the key role of Russia and the USA is highlighted. The relationships of the US and NATO are being paid attention to with the three South Caucasus republics. The energy security issue and transportation of energy resources through the South Caucasus are seen as

central to the conflict of interests of the big geopolitical players. The security environment as understood in South Caucasus is strongly affected.

Georgia appears to be clear by all means, to come closer to the time when it will accomplish its goals for membership in NATO and the European Union. In turn, Armenia is a strategic ally of Russia and a diligent member of the CSTO Collective Security Treaty Organization. A balanced foreign policy is being pursued by Azerbaijan, striving to maintain equally good relations with Russia and with the US and

neighboring Turkey. It is in sum difficult to find clear positive signs of stability in the South Caucasus in the current situation. Russian efforts will continue to assert its political influence, where it is possible [6].

The Western efforts for which South Caucasus is key to shaping the intersection between Europe, Eurasia, and the Middle East, and to Western commercial and strategic access to and from the heart of the Eurasian continent. With the decline of Western influence, as a consequence of it, the region's development has stagnated. The lack of strategic Western vision which was followed by a series of tactical errors is the result of this situation [15].

The vested interests of both NATO and Russia in the region as argued contribute to the European security system in the context of the security environment in the aftermath of the Georgian-Russian War of 2008. A counterbalancing to the Russian military presence in the region as NATO presence is being interpreted, but there are also clear limits to the willingness of the alliance to actively engage in the region, not least to antagonize Moscow. The geopolitical competition the context of which may be interpreted as a New Great Game similar to that of the nineteenth-century competition of great powers, yet some clear differences also exist relative to the traditional Great Game [34].

Strategic Significance of Caucasus

The meeting point for Russia, Iran, and Turkey is the Caucasus. The 19th century witnessed the three powers and their efforts for dominance of the region. During the Soviet period, the conflict was frozen but is certainly in motion again. These primary powers none of which directly control the region, there are secondary competitions involving Azerbaijan, Armenia, and Georgia, among the secondary powers and the major powers. The global power would inevitably have an interest as well, given the involvement of Russian, Turks, and Iranians in the region.

In between the Black and Caspian seas, the Caucasus dominates a land bridge. It connects Turkey and Iran to the south with Russia in the north. The two mountain ranges in which the region is being divided, the Greater Caucasus to the north and the Lesser Caucasus in the south; and further dividing the two plains from one another, one in Western Georgia on the Black Sea, the other being larger plain in the east in Azerbaijan along the Kura River. Connecting two plains through Georgia, which being is cut by a river valley.

The southern Russian frontier served by the Greater Caucasus Mountains, running east to west, towards the north of the mountains is the Russian agricultural heartland, without any natural barriers. Russia since the beginning of the 19th century has fought for a significant portion of the Caucasus blocking any ambitions by the Turkish or Persian empires. These mountains are difficult to traverse employing major military forces. Russia's southern frontier is secure till it maintains hold in the Caucasus [44].

The key strategic location of the Caucasus, squeezed between the Black and Caspian Seas, Iran, Russia, and Turkey, makes it an area of growing importance in the contemporary security environment, particularly given regional instability and the potential threat to Western economic interests because of its energy resources and transport infrastructure. Energy represents one of the most important aspects of the growing international significance of the Caucasus region, and organizations such as the European Union (EU) consequently have a keen self-interest in the development of stability and security in the Caucasus [31].

In May 2003, NATO Secretary-General Lord Robertson described the Caucasus as an area of crucial importance to NATO's common security, describing the countries of the Caucasus as front-line states in the battle against threats such as terrorism, proliferation, and regional instability [47]. The European Parliament's 2004 Garhton report also recognized the

region's growing importance, particularly that of the south, stating that due to its geographical location, the South Caucasus can play an increased role in strengthening international security; whereas if it is instead left out of the evolving networks of interdependence and co-operation, the susceptibility of the South Caucasus states to the danger of export of instability from neighboring regions would increase [39].

In the Mid-Sixteenth Century when Russia became a multinational empire, it began penetrating the Caucasus. It took three centuries of relentless effort to incorporate the whole region into the mother state, following the well-known pattern of conquest by war and the extension of protection. Geopolitical and strategic interests, rather than trade and ideology, were the driving force behind that expansion.

Most wars were fought against the two other major powers in the region, Turkey and Iran, and in the 18th and 19th centuries a dynamic of three-concerned, great power rivalry was established. This rivalry often led to a confrontation in the area lying between the Black and the Caspian Seas. The Caucasus, and especially Transcaucasia, became both a buffer zone and a battlefield between the predominantly Orthodox Christian empire in the north and the largely Muslim powers in the Mediterranean. As Russia was moderately tolerant of non-Orthodox creeds, her march to the south never assumed the proportions of a crusade. The peak of Russian expansion in the Caucasus coincided with the decline of the Ottoman Empire and the waning power of Persia. The Russians were therefore victorious in the battle, although they had first to overcome stubborn resistance from their enemy of the day [33].

The Caucasus has, for the greater part, entered a period of political crisis since the collapse and dissolution of the Soviet Union. According to a report written by Iran's Centre for Strategic Research, in general the Soviet Union's disintegration

has been critical in creating a new crisis by influencing three factors including the resurgent of national identities, change in the geopolitics of power, and change in the economic importance and nature of various geopolitical zones in the former Soviet Union. The Caucasus, on one hand, had strategic geopolitical and economic advantages for the US and to some extent Europe, and on the other hand, it has had the potential for posing threats against Russia [49].

The Caucasus is a region where three empires, Russia, Turkey, and Iran, have historically overlapped. All three retain a very important interest in the region today. Turkey is primarily interested in trade and commerce, the supply of Caspian oil and gas to diversify its market, preventing Nagorno-Karabakh from flaring into a regional war, and promoting the sovereignty and independence of Georgia and Azerbaijan. Iran's attention is primarily focused on breaking out of the isolation resulting from US policy, protecting its borders and internal cohesion given the very substantial ethnic Azeri population in northern Iran, and blocking the expansion of US and Turkish influence in the region an interest it has shared with Russia.

Iran's domestic cohesion concerns largely have caused it to side with Armenia over Nagorno-Karabakh, while Turkey has been Azerbaijan's strongest international adherent in this conflict. All three regional powers still keep a close watch and are particularly concerned about the outcome of current debates over the geographical direction of pipelines carrying Caspian energy to market, military and security arrangements in the area, and possible solutions to the ongoing ethnic-territorial conflicts [20].

Energy Factor and the Pipeline Politics in the Region

The Caucasus is the area of energy resources and transportation routes; it connects the East and the West, the

South and the North. The geopolitical and geostrategic interest of this region is significant because it plays a crucial role in international energy security. Stability and development are closely linked to security, and particularly to energy security. Since the EU has now become part of the Black Sea region itself, Georgia's active involvement in the region is crucial. It has contributed to the energy security of Eurasia and has accumulated vast experience in the implementation of important transnational energy projects [13].

The Caucasus is the area of energy resources and transportation routes, the gates to Central Asia, Iran's neighbor, and Russia's soft underbelly. The importance of all this is strengthened by the transit nature of the region. Regional security is undermined by frozen conflicts and uncontrolled territories, where the routes of weapons, drugs, and human trafficking cross [28]. Energy security is quickly becoming a growing concern for European Security and Defense Policy as strategic powers such as China and its other Asian neighbors rapidly increase their energy consumption without the ability to develop reliable and affordable alternatives to oil and natural gas. Most European allies believe there is a solution to be found in market negotiations. However, energy security is also prominently on NATO's radar with Georgia aspiring for NATO membership [1].

To strengthen the energy security in Europe and reach the balance between the consumer's and producers' interests it is vital to continue further development of major international pipelines to deliver oil and gas from the Caspian region and Central Asia to the European markets. This should remain at the forefront of EU policy planning. Securing these pipelines and their markets will enhance the conditions needed to bring more vulnerable Central Asian producers to the table [46].

The Caucasus has for the past decade been viewed as a major opportunity to create a transit route connecting Europe

to Central Asia, China, and South Asia via the Black Sea, Georgia, Azerbaijan, and the Caspian Sea. While presently limited, the potential for continental trade to develop across this route is enormous. Georgia and Azerbaijan are the key bridge countries in this regard, on which the East-West corridor depends. The building of a railroad connecting Kars in Turkey to Akhalkalaki in Georgia, and the rehabilitation of the Akhalkalaki-Tbilisi rail line, will connect Istanbul to the Caspian Sea by rail. Together with the building of rail lines linking Kazakhstan to China, this creates a rail connection from Istanbul to China, making it possible to ship goods fast and relatively inexpensively across Asia [10].

The development of a Caucasian energy corridor has been more obvious. The pipeline politics at the end of the 1990s in Eurasia made it much less than obvious that the Baku-Tbilisi-Ceyhan pipeline would be constructed. Due to the consistent commitment of the British, American, Georgian, Turkish, and Azerbaijani governments, the increase in oil prices, and the support by big oil companies besides help from international financial institutions, the pipeline was eventually approved, financed, and constructed.

The western-sponsored for which signified a victory for the concept of Multiple Pipelines, serving to deny anyone state a monopoly over Caspian energy exports. It should be noted that this policy never sought to exclude Russia. Quite to the contrary, one of the three pipeline projects sponsored by the West was the Caspian Pipeline Consortium.

It linked the Kazakh city of Tengiz with Russia's Black Sea port of Novorossiysk. The third, the only one that has yet to be realized, was the Trans-Caspian gas pipeline linking Turkmenistan to Europe over the Caucasus. A milestone in the region's development and in connecting it was the BTC pipeline construction, both factually and psychologically, with Europe's economy and security. In an environment of increasing demand for energy with

decreasing growth in oil production, the BTC pipeline brings much-needed energy resources to Europe at a critical time. Just as Europe is waking up to the risks involved in its energy dependence on Russia, this makes the Caucasus increasingly important to global economic and energy security, specifically crucial for Europe [51].

The South Caucasus is one of the sub-complexes of the larger post-Soviet Regional Security Complex, which is defined as a set of units, whose main processes of de-securitization are interlinked to an extent that their security problems cannot reasonably be analyzed apart from one another. These are the security concerns of all three South Caucasian states Armenia, Azerbaijan and Georgia are significantly interconnected, and the security of the region is largely affected by the entry of regional and global powers. Thus in general power balances, state to state interdependence, and durable patterns of amity at the regional and global levels may have an essential impact on the security dynamics of the South Caucasus region [40].

The South Caucasus Pipeline (SCP) also known as Baku-Tbilisi-Erzurum (BTE), form part of the East-West energy corridor project. The route of this pipeline was carefully planned to avoid Russian, Armenian, and Iranian territory. Russia saw the SCP, and its possible extension to Europe, together with the BTC as a political means to contain Russia and create an alternative to Russian energy deliveries [45].

The SCP originated in negotiations on the supply of natural gas from Azerbaijan's Shah Deniz field that took place from October 2000 to March 2001. An agreement on the South Caucasus was concluded on 29th September 2001 and approved by Azerbaijan on 26th October 2001. An intergovernmental agreement was signed between Turkey and Azerbaijan on 12th March 2002.

The pipeline was conceived as an export route for the natural gas reserves in

the Shah Deniz field through Georgia to Turkey much like the BTC pipeline moves oil along the same route. Under the terms of the agreement, Georgia will tap off 5% of the gas transported along the pipeline for its use, thus alleviating the need to depend exclusively on Russian deliveries. Turkey in its turn hopes to re-export the gas to Europe [26]. In February 2003, the gas was to deliver from Turkey to Greece and beyond [7]. The United States, Turkey, and their allies instead regarded the SCP as the most important gas project for the West and expected that it would become part of the project to export gas from Turkmenistan to Turkey and onwards [3].

American interests are better served by moving oil from the Caspian Sea through Georgia and Turkey than through Iran and Russia since the latter cannot then control parts of the energy resources market. In the case of Russia at present, monopolies part of it. The United States would then no doubt also want to influence the governments of Kazakhstan and Turkmenistan to construct a new pipeline under the Caspian to connect to the BTC, which will be necessary to make the pipeline genuinely commercially viable [28]. The reasons for the BTC are thus clearly political, not economic. To the Russian government, such a scenario, especially if complemented by the so-called Transport Corridor Europe-Caucasus-Asia (TRACE-CA) project, a program initiated by the EU, might indeed evoke feelings of what Russia traditionally regarded as the old Pan-Turkic threat to Moscow [22].

The Baku-Tbilisi-Ceyhan (BTC) pipeline project was to build an oil pipeline that could move Caspian crude in particular the Azeri, Chirag, and Guneshli fields from Azerbaijan to the West. A route through Russia and Iran was never acceptable to the United States for political reasons, and a route through Armenia was unacceptable to Azerbaijan due to the Nagorno-Karabakh conflict. Turkey did not accept an additional pipeline to the Black Sea, as this would put further pressure on the

already crowded Bosphorus Straits, and besides, the United States believed that any new Black Sea routes might become subject to Russian pressure.

It would not be in the strategic interest of the United States if Russia and Iran controlled the Caspian and Central Asian oil deposits and thereby were able to supply China's energy needs. It was for these reasons it eventually decided to turn pipeline from Baku in Azerbaijan through Tbilisi in Georgia to the deep-sea Mediterranean port of Ceyhan in southeastern Turkey. The pipeline originates at Sangachal on the Caspian shore near Baku [43].

Power Games in the Area

The Caucasus enjoys a high level of strategic significance due to some reasons such as it is a gateway to Central Asia in a geostrategic sense, as for Central Asia the region constitutes a divert gateway to the Western market, it is taken as a whole with Central Asia, the region has a significant amount of oil and natural gas potential. It is a geopolitical connection line extending from Basra to the Mediterranean [38].

Demographically the region hosts a mosaic composition such as the Balkans, which has become the zone of competition for many states. In recent years, due to the expanding focus on energy resources by investing in oil and natural gas pipelines and the implementation of energy projects of the century, the region attracts worldwide public interest [8].

Caucasia comes to the forefront as a geographic area where the great powers also want to become regional powers. It has strategic importance since it connects the East and the West and as it hosts the transmission line of the rich natural resources to the Western markets. The Caucasus as a junction region of the North-South and East-West axis is crucial for the transportation of all kinds of wealth owned by Central Asia to the world markets.

The goal of the great powers is to control the Caucasus and Central Asia Oil and Gas which is worth trillions of dollars and to enjoy the advantage of transportation costs which are competitively offered by the key location of the region. These powers aim to gain a strategic advantage and determine the prices of energy. The basic fact that lies under the so-called international strategy over the new great game is the conflicts of interests that are related to the use of oil energy resources [50].

Turkish interest in the Caucasus

Turkish emissaries began to enter the Russian territory in the early 20th century; they considered that the Muslim Turk population of the Caucasus and Turkestan is in rivalry against the Russian government.

In Kabarda special analytical center was formed, the Bureau of Information on Russia. Secretly the Turkish committees acted in Irkutsk, Ufa, Samara, Orenburg, Baku, and Moscow. Russian officers' recruitment was used for getting tactical information. In modern times former political targets were revealed. The political and economic stability of Turkey was the key reason, it lacked during the Ottoman period.

The Turkish economy began to demonstrate growth in the early 2000s. It is connected with the work of the Recep Erdogan government. Inflation in 2001 was 70%, in 2004 it fell to 10%, in the first quarter of 2008 it was 4.72%. To give a clear-cut characteristic to Turkish ambitions is difficult because of the implementation of its many-sided policy. The country on one aspect experienced a revival of the Ottoman ideas. They are strictly geo-economics and cultural in modern times. In Central Asian and South Caucasus states Turkish investments have been witnessed; nearly 10 thousand students from these countries are studying in Turkish educational institutions and Universities.

International cooperation within the Turk community has been made the main focus. In establishing the Turk Council in 2009 modern Turk ideas have been expressed including Turkey, Kazakhstan, and Azerbaijan. In transit of oil and gas from Central Asia to the Western markets, Ankara tries to play a key role of being an active participant in the pipeline project Baku-Tbilisi-Ceyhan (BTC). The approach with Azerbaijan which led to the Turkish-Azerbaijani Union in 1998 was the contribution of the oil and gas transit. An important part of the Turkish strategy in Georgia is the situation of tension with Iran and Armenia. In the link with Azerbaijan and Central Asian countries, Georgia plays an important role [4].

In the South Caucasus, Turkey is an important soft power. With the liberal visa policy along with economic growth, Turkey's force of attraction has been on the rise in the region. A major destination for work, tourism, and shopping, Turkey in terms of human and geographical proximity, is the only factor that can compete with Russia in South Caucasia. Turkey due to its size supports the reform process in the region. In projecting stability across the border, Turkish interest can be found in the progressive integration process between the Ajdaria region and the Turkish Black Sea coast showing that Turkey as an important actor can positively impact dynamics across the border.

Turkey and the European (EU) neighborhoods are increasingly overlapping. In the case of the Black Sea region, this is particularly true, where countries are full-fledged partners in the European Neighborhood Policy (ENP). The old neighbors of Turkey are the new European neighbors. Whether Turkey is included in the EU in the future or not, it is difficult to alter this fact. Turkey-EU neighborhood can be another definition for the Black Sea region.

Turkish capacity in the case of the EU-Turkey accession process can be enhanced to contribute to stability, security, and

prosperity in the region, along with supporting the EU to become a full-fledged foreign policy player. Turkey's EU accession process and the ENP their only linkage would transform the latter into a sound strategy, thereby contributing to the development of effective European external relations and turning it into an efficient instrument in supporting sub-regional integration. It is from here that there is a need to analyze the possibilities of linking Turkey-EU relations with the further development of the ENP and the Common Foreign and Security Policy (CFSP) of the European Union. Turkish definitive status within the EU is regardless of which a close integration and its inclusion into the EU is the main priority as a geostrategic aim within international governance of the southeastern border of the EU [21].

Turkey as a power in the region is being faced with uncomfortable circumstances because of its geostrategic gateway status both in the North-South and the East-West directions, and the spreading of the instability from its neighbors. Therefore, it is imperative for Turkey regarded as a model country in the region, to develop certain policies oriented to solutions to the surrounding instability. Else Turkish spheres of influence will be lost to other power contenders [9].

The three South Caucasus states whose relations with Ankara bilaterally have combined promotion of the national interest with a difference for Russia's core regional concerns. Turkey which maintains close cooperation with Georgia on economic matters refrains from taking sides in Tbilisi's troubled relationship with Moscow. In the case of Armenia, it is deeply troubled by the absence of formal diplomatic links between Ankara and Tbilisi, the border between them remains shut without any trade and travel.

Ankara's ties with Baku have remained extremely close. Given that for Baku, its larger neighbor Turkey is a natural strategic partner, for which Russia has no

objections to providing its military-strategic advantages. Turkish approach in the Southern Caucasus is without problems seems to be circumscribed by Russia's sensitive relations with Georgia, and the complexity of the Nagorno-Karabakh dispute between Azerbaijan and Armenia, issues on which Ankara has less influence [27].

The Role of Iran in the Region

Towards the Caucasus, the Iranian foreign policy seeks basically to diminish the Western influence in the region. The policy of Iran is based on pragmatism, seeking ways to consolidate ties with the South Caucasus countries while stressing stability. Earlier orientation of Azerbaijan toward Turkey and the West, disregarding Russia and Iran has been a concern to Tehran. The BTC pipeline has broken Russia's monopoly on oil exports and passed Iran. Yet over the years Iran and Azerbaijan have been working towards closer co-operation [5].

To expand its influence within the South Caucasus is the determination of Iran shaped by its desire to counter the threats posed by other powers. An energy power and potential rival, relations with Shia-dominated Azerbaijan are at the highest priority of Tehran's policy agenda. A country that once enjoyed a huge influence over the South Caucasus, Iran welcomed the opportunity to re-establishing ties with this region, particularly after the disintegration of the USSR.

It was for Tehran that the decade of the 1990s did not offer opportunities to advance its cause. An exclusive dominance over the South Caucasus was still enjoyed by Russia as it maintained military bases there. The influence of Moscow over the region declined in other ways and gaps emerged in the local economy and trade, filled by Turkey which was much more prepared than Iran due to its openness to the outside world and its ability to produce cheap consumer goods. Iran found it difficult to compete with its rivals and

appeared to be playing a second-rate role in the region [38].

Iran's northern policy can hardly be said to have evolved into a coherent strategy in the decade that has passed since the disintegration of the Soviet Union. Disagreements within the ruling circles in Tehran have produced a certain quantity of mixed signals. Yet, despite these differences, a transition of power in the mid-1990s, and domestic unrest, Iranian policy has proven remarkably stable and durable.

Three main facets of this policy are identifiable: first, concern over the emergence of an Azerbaijani state on Iran's northern border, causing a gradual Iranian tilt towards Armenia in the Nagorno-Karabakh conflict; second, a dramatic improvement in security relations with Russia, despite a shaky basis, have proven enduring and in fact, developed into a strategic partnership; and third, a desire to influence the development of oil and gas resources in the Caspian Sea so that Turkish influence over pipeline routes is minimized and a maximum level of Iranian participation ensured [14].

Tehran's policies on the Caucasus and Central Asia thus support the assessment that Iran is a normal actor in international affairs. Its foreign policy is much less determined by revolutionary zeal than by pragmatic interest as perceived by the present ruling elite. Hence, much like other actors in world politics, Iran in the Caucasus and Central Asia is pursuing a largely reactive policy. As one observer put it, Iran is condemned to react to, but truly unable to influence, developments to its north.

Iran has been significantly embroiled in all regional discords in the Caucasus, the Armenian-Azerbaijani conflict, the Caspian Sea dispute, and, to a lesser extent. On all these issues, Iran is relatively unable to exert a positive influence, instead of finding itself obliged to act in a manner prejudicial to its international standing, its image in the region, and even its future interests. Yet Iran's role may change

drastically soon. Tehran's relations with Washington, Moscow, Islamabad, and New Delhi all being in a state of flux, the future of Iranian foreign policy is anything but clear. Iran can be a stabilizing factor in the Caucasus, but it has yet to realize this potential [23].

Over the Caspian Sea demarcation, Iran has been in the midst of conflict, usually by stalemating any proposed agreement. Iran instigated a crisis in June 2001, by sending gunboats to threaten a BP explorer vessel that was surveying an area of the Caspian Sea that was disputed between Iran and Azerbaijan. Iran then repeatedly violated Azerbaijani airspace. On Caspian demarcation, the policy of Iranian policy should be viewed as part of its wider policy of creating hurdles in the development of a more powerful Azerbaijan.

Central Asia and the Caucasus towards which the policy of Tehran is guided chiefly by material state considerations and not by regime ideology; thus, a regime change may not cause a dramatic change in the policies toward the region. A renewal of relations and cooperation with the United States could be brought by a regime change that may lessen Washington's sensitivity to Iran's actions in the region, rendering the states of the South Caucasus more vulnerable to Iranian dictates. A divergence between the United States and Europe may continue over the role of Iran in the Caspian region after a change of regime in Iran and subsequent improvement of its relations with the United States [39].

Iran has become one of the crucial actors in the South Caucasus recently, largely due to its geographical location and political-economic capabilities. A major role is being played by the country in the economic interactions of the South Caucasus. There is a constant development in relations between Iran and the South Caucasus. Though being a religious state Iran cooperates with its secular neighbors. Iran for a considerable period has favored

Christian Armenia over Muslim Azerbaijan in its foreign affairs.

It should also be stated that the country maintains good relations both with Azerbaijan, with whom it had territorial disputes and conflicts on the oil market and with Georgia, an ally of the US, Iran's major rival in the world arena. The trade of energy sources is the most crucial part of relations between Iran and the countries inhabiting the South Caucasus. The future developments in the region will have an impact on Iran's foreign relations with the South Caucasian states regarding energy issues, paying serious attention to Iran's bilateral relations with these states and avoiding external factors, the role of the US, Russia, and Turkey [19].

US strategy in the Caucasus

Since the independence of the South Caucasian states in 1991, the United States has become an ever more important factor in the politics of the region, and American interests in the South Caucasus have remained in a state of flux. Support for the independence of these states and their democratization and integration into-Atlantic structures were initially enunciated as principles of US policy, while Washington identified few crucial national security interests in the region. Energy politics grew to become the main driving force of US attention to the region in the mid-1990s.

While the strategic importance of the South Caucasus had been noted, strategic issues did not become a major consideration in the formulation of policy until September 11, 2001. The events of which made the South Caucasus an important building block of the prosecution of the global war on terrorism. The developments in Eastern Europe, the Middle East, and Central Asia in the past couple of years indicate that American interests in the South Caucasus will continue to grow in the foreseeable future [16].

U.S. policy towards the Caucasus has another motivation. The region is not valuable in isolation. Instead, it is a forum of interest for working on broader security and foreign-policy puzzles. Georgia, for example, is viewed by policymakers in Washington as the fragile link of the former Soviet states, which Moscow could use to establish its dominance in Eurasia. Moscow whose geopolitical activity in it's near abroad is often identified with the strengthening tendencies in Russia itself.

A challenge to the United States as such activity is being considered and perhaps symbolic of a return to Cold War ways is disputable. Thus, the recognition that Abkhazia and South Ossetia are neither results of the ethno political self-determination of smaller nations from the former Georgian Soviet Socialist Republic nor a precedent for the total revision of the borders established between the former Soviet republics before 1991 which would later become the official interstate borders after the disintegration of the USSR [30].

Energy security and trade link are the domestic determinants of US policy in the Caucasus. There is a strategic logic to American interest in this area, but American policy is also the product of pressure from economic interests inside the United States. Many major predominantly American energy companies for example, Chevron, ARCO, ExxonMobil, and ConocoPhillips in Kazakhstan. Exxon Mobil, Chevron, CONOCO Phillips, and AMOCO — now part of BP — in Azerbaijan have developed substantial stakes in the Caspian Basin oil and gas production. In transit routes the Caspian Pipeline Consortium, the Baku-Tbilisi-Ceyhan oil pipeline, and the South Caucasus Gas Pipeline to supply product into a large part of the local and international market.

They have steadily lobbied the United States to support their commercial ventures both in production and transport. The energy sector has a particular interest in building a positive relationship between

the United States and Azerbaijan. In maintaining close relations with Georgia, through which much energy product must pass to exit into international markets and more generally, in promoting the strategic logic of access to Caspian energy reserves [36].

The long-term policy priorities of the United States need to be reoriented towards South Caucasus and be more engaged both multilaterally and bilaterally. After the August War in 2008, Azerbaijan stands as the strongest state among the three Southern Caucasus countries and Washington should primarily review its policy towards Baku. On the one hand, Azerbaijan needs U.S. assistance in resolving the Nagorno-Karabakh conflict and balancing regional actors such as Russia and Iran. In the recent years Azerbaijan adopted an offensive tactic in response to the U.S. policy, in light of the recent Russian regional initiatives, Baku is ready to renew its dialogue with Washington.

On the other hand, because of its energy resources geography with Iran and Russia, the U.S. has strong economic and strategic interests in Azerbaijan. A potential American partnership with Azerbaijan answers Washington's strategic questions on the consolidation of its presence in the Caucasus-Caspian Sea region, the dilution of Russia's regional influence, and the isolation of Iran.

Moreover, Azerbaijan might be able to play a greater role in the transatlantic dialogue between the U.S and the EU. American officials are more worried about the implications of Moscow's energy strategies not only on the unity of the European Union but also on transatlantic relations. U.S. experts think that Moscow is seeking economic and political dependency of Europe on the Russian energy resources which could negatively influence the evolution of the transatlantic relationship between Europe and the U.S. [12].

U.S involvement in the South Caucasus region was described as instituting sustainable policies to promote national and

regional stability. The nature of the U.S. foreign policy in the region since the disintegration of the Soviet Union, especially since the adoption of the Bush doctrine the U.S. strategy has been designed to guarantee its hegemony over the region. The main goals of the U.S. foreign policy are to isolate Iran and Russia from any influence in the region so that the security interests and energy issues play a dominant role on the agenda towards the South Caucasus and Central Asia. Ethnic conflicts, the color revolutions in the post-Soviet space, democracy promotion, and energy security issues are used to explore the geopolitical implications of American politics in the region [25].

The Russian sphere of influences

All the three former Soviet Republics of Armenia, Georgia, and Azerbaijan have very different attitudes toward emerging Russia. One of Moscow's most loyal allies Armenia depends on Russia for its security. The situation has been faced by Georgia in 2008, where Russian troops remain stationed in the two breakaway regions of Abkhazia and South Ossetia. Cooperation with Russia is the policy of Azerbaijan but uses its energy wealth and support for pipeline projects that would not serve Moscow's interests [42].

The dynamics of Russian security engagement in the regional processes started to acquire a larger dimension since the start of the anti-terrorist operation in the North Caucasus (1999) aimed to preserve the territorial integrity of the country [37]. Since then the focus and the potential scale of security interaction on bilateral and multilateral levels between Russia and the three South Caucasus republics were shifted towards a more nuanced agenda that was sensitive politically to include region-wide security issues. Changing pattern of Moscow's regional security priorities found its doctrinal reflections [17].

To embrace a larger context of Russian engagement in the regional area where the security policies focus has been shifted. To address the twin trends that manifested themselves since the beginning of the 21st century, the institutional dimension was made ready. The enhancement of Russia's international standing and growing influence over the spectrum of global issues was the first, alongside which Moscow's longer-term priorities were geared forward by larger geopolitical considerations aimed at incorporating and converting its regional influence into the broader interests of Russian Federation [2].

To all the new geopolitical constellations, the presence of Russia is common. European Russia is naturally a part of the new Eastern Europe. The region of Central Asia including that of Kazakhstan contains a significant Eastern Slav element. Linked with the Northern Caucasus, Transcaucasia is an integral part of the Russian Federation. Thus, if there is any one country that can still view the other fourteen ex-republics as its periphery, it is Russia [11].

Even Moscow can ill afford to pretend that near abroad, for all its inescapable implications, is some kind of an entity. While there are, inevitably, certain common elements in Russia's agendas on foreign and security policy for all the new regions, it is the distinguishing features that are progressively growing in importance. Security was no longer associated with global or regional balances of power, or sheer military might, but with the idea of belonging to a group of democratic and affluent countries [31].

The prime national security interest of the leaders of the New Russia was to join the European Community, rather than restore the Soviet Union. For most of the other republics of the former USSR, this new attitude meant that the Russian government's policy was now one of neglect. Withdrawal and cutting of losses from the conflicting zones, particularly the region

of the Caucasus where there is a strong willingness to do so. This new policy was backed by the Russian people, who were growing weary of the country's involvement in petty wars along the old Soviet periphery. Russians had paid a heavy price in terms of their servicemen, as well as material and financial resources [49].

Russian policy in the South Caucasus, as well as North Caucasus, has been coercive, and manipulative, especially towards Georgia and Azerbaijan and using such kinds of policies, instead of spreading its control over the region [24].

Russia has realized that it was impossible to rebuild the Soviet Union but it seeks to rebuild at least the region where Russia enjoys all-dominant influence. To achieve its goals, Russia has used several instruments of military strength in the forms of regular armed forces, peacekeepers, and border guards, which were used in the South Caucasus. Besides very important soft power instruments such as oil, gas, and energy transit capacities, are also presented in the region of the South Caucasus [33].

Conclusion

Geopolitical changes resulting from the disintegration of the USSR have had a tremendous effect on the region that is now called Eurasia. More crises have been created by these changes in the Caucasus than in any other region of Eurasia. The Caucasus whose geopolitical characteristics along with some variables, such as energy resources and its ethnic composition have increased the interest and potential influence of powers in this region. The combined effect of political will and the potential influence of powers have prevented the Caucasus from confronting the geopolitical changes.

A significant factor deepening international engagement with the Caucasus region has been the energy security and a need for a reliable and stable export route for Caspian hydrocarbons is to be

ensured. The challenge of transporting energy resources to global markets has emerged as a vital issue in recent decades, as countries are relying increasingly upon imports of hydrocarbons compared to indigenous resources.

It is for all of Eurasia for which trans-regional security depends on peace and stability in the Caucasus. The peace and a contemporary operational security system, the current horizons of which depend on the capacity of the international community to create a mechanism to engage all area actors, particularly Russia, Turkey, and Iran in a framework for the region.

It is from geopolitical, geostrategic, and geo-economics perspectives that the region is of high strategic significance. That is the reason for a great power struggle over it. Central Asia near the region has borne the US presence in Afghanistan and Iraq. The Black Sea and the Caspian Sea, with rich natural resources, depend on Russia for energy and a large volume of its trade. It is close to the US politically, and it holds strong ties with Turkey militarily and politically. The United States, Russia, Iran, and Turkey fiercely compete against each other in this region.

Solving the problems between the Caucasus countries by considering the global and regional balance of power will relieve those countries and will reduce the influence of imperialist powers in the region. Working to put an end to the regional tensions in the Caucasus and promoting cooperation, more than the competition, will be a step towards the self-interest of the regional countries. The United States which is seeking to reduce the influence of Iran within the region attaches importance to Turkey as a counterbalance to Iran. The US as one of the hegemonic power in the world, it aims to be active in the Caucasus to become dominant in Eurasia. The energy wealth of the Caucasus increases the US appetite as it consumes 1/4th of the world's energy consumption. The US is obliged

to be active in the Caucasus to maintain its influence over the Western Block and prevent Europe and Japan to spin out of the US control.

The big take away from the Caucasus is Russia a re-emerging geopolitical power, however temporary and tenuous this may be, and the United States may have come upon its limits. In the 1990s, it was said that with the disintegration of the Soviet Union, Russia had lost the Caucasus, and countries such as Georgia and Azerbaijan were destined to join the Western camp; even Armenia, it was said, though allied with post-Soviet Russia, was considered to be in play. In the last decade or so has demonstrated a truth of geography that all the blather about the triumph of democracy and civil society back then obscured, that in the Caucasus, Russia is close and the West far away.

The North Caucasus has constituted the most unstable part of post-Soviet Russia. An often violent mix of clans and ethnic groups settled on the slopes of a great mountain range Chechens, Lezgins, Avars, and others. The Trans-Caucasus embody power politics writ large. Armenia, Azerbaijan, and Georgia the three states

squeezed between the three much larger ones of Russia, Turkey, and Iran, with massive energy deposits a prize for external powers.

The European Union and the United States have been trying in vain for years to lure Armenia away from the Russian camp. That hope completely vanished recently when Armenia announced it would be joining the Russian-dominated customs union that also includes Belarus and Kazakhstan. Russia virtually owning the Armenian economy and 5,000 Russian troops on its soil, Yerevan has become a hard satellite of Russia. Armenia's stance is not without logic, bordered as it is in the west and east by two historic enemies, the Ankara Turks and the Azeri Turks.

China is closely related to the Caucasus and is aware of the need to be active there to meet its energy needs and continue to assess political power in the region. Since the conflicts in the region create an excuse for the US and Russia to intervene, Turkey, Iran and the three Caucasian republics in the region are making efforts to solve their problems. Political stability in the region will ensure more efficient use of its large economic potential.

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