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**Comparative analysis of foreign policy of US and Russia in the South Caucasus**

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MA thesis

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## ABSTRACT

After the collapse of the Soviet Union the South Caucasus has become the object of rivalry of world and regional powers which have their interests here. The competition is conducted on 2-main areas: military-strategic and economic (the commodities). It faced the interests of Russia, Iran, Turkey, the Western countries - the US, UK and France. Energy resources and strategic location were the main factors that attract their attention to this region of the world.

In general, the South Caucasus has become the object of a "big game" between the leading actors in world politics. Now, in addition to the traditional participants - Russia, Turkey and Iran, the game actively joined the United States and NATO as a whole. So, there created new conditions related to the weakening of Russia, to the United States opened up opportunities for the exclusion from the South Caucasus, and, above all, from Azerbaijan and Georgia, its main geopolitical rival. This, in turn, sets the South Caucasus countries between the selection problem: focusing on Russia, strengthening cooperation within the CIS, or by taking a pro-Western course, in every possible way to strengthen its relations with the US and NATO.

The problem that considered in my thesis – is Russia's and US' domination in the South Caucasus and realization their own strategically and economical interests here.

1. US shows a particularly important activity in this region.

The US strategy in the South Caucasus focuses on:

- supporting the independence and territorial integrity of the countries in the region, strengthening of the current political and economic mechanisms and market progress of democracy;
- Conflict resolution;
- Ensuring access to energy;
- Creation of a regional system of security and cooperation in its software.

One of the main aspects of contemporary US foreign policy in the Caucasus-Caspian region, first and foremost, is to strengthen its own economic security and

reducing energy dependence on the unstable Middle East region. This leads to a more active promotion and maintenance of large-scale penetration of US oil companies in the region.

2. Russia over the past two centuries occupied a strong position in the region, while the West is a new member. The means of achieving Russian interest in the South Caucasus are: the ability of influence to the political and economic life of the Transcaucasian states, cultural and historical links. The West relies on his own, virtually unlimited financial potential. If Russia pursues the specific interests of the individual against the Transcaucasian states, for the West, these countries are of value only as a single regional education and, moreover, only in the case of linking with the Central Asian region. The degree of interests of Russia and the West Transcaucasia is also different. For Russia, the Caucasus is a sphere of vital interest, to the West - is clearly not a priority of its foreign policy in the near future.

The Russian strategy is clearly defined in the long term, and revision of the Caucasian policy.

Russia's policy towards the Transcaucasian states involves preserving the leading position and its influence in order to:

- exercise control over its southern borders and maintain stability;
- the development of active economic cooperation with the countries of the region and to obtain commercial profit through participation in oil and transport and communication projects on the model of North-South cooperation;
- maintain the existing military and strategic balance in the region.

And one of the important problem which reflected in my work is the problem of separatism in the South Caucasus on which arosed self-proclaimed, unrecognized by the international community, not controlled territories.

The analysis focuses on conflict of Nagorno-Karabakh, Abkhazian and South Ossetian problems. Russia and the United States, in his own way trying to resolve the conflicts in the South Caucasus.

## INTRODUCTION

The relevance of the problem. Located at the crossroads of Europe and Asia the Caucasus for many centuries regarded as one of the most important geostrategic regions, was a convenient military and strategic foothold to advance deep into the Middle and Near East, and also in the basin of the Caspian, Black and Mediterranean Seas. Not casually classic of German geopolitics Karl Haushofer included the Caucasus on the world map "combat zones on the borders of the continents" (28, p.128). In addition, the Caucasus was and continues to remain a binding geopolitical link between these regions.

As an important part of the Greater Caucasus the South Caucasus is unique in its kind, a region where there are directly East and West, South and North, Europe and Asia, Christianity and Islam. The region directly borders on Russia, Turkey and Iran and by means the Black Sea and Caspian Sea on Ukraine, Bulgaria, Romania, Kazakhstan and Turkmenistan which significantly increases the geostrategic importance of this region.

After the collapse of the Soviet Union the region became one of the largest centers of international cooperation which in no small measure due to the vast natural, mainly energy resources. In addition, the South Caucasus has real potential to become an important hub transcontinental transport and communications systems for the South-North, East and West. After the collapse of the Soviet Union, the region became one of the largest centers of international cooperation which in no small measure due to the vast natural, mainly energy resources. In addition, the South Caucasus has real potential to become an important hub of transcontinental transport and communications systems by the North-South, East-West lines.

The USA seeks as much as possible faster and more efficient to consolidate and strengthen its influence in the region. Practically right after declaration of independence of the South Caucasian states, was officially announced by the USA that the Caucasian-Caspian region is not economic, but geopolitical problem of paramount importance. The United States has a clear interest not only in the development of the

natural resources of the Caucasus but also in preventing Russian dominance in the region. In general, for the US in the South Caucasus important access to potentially huge natural resources, their geopolitical presence, the achievement of national objectives and security threats from international terrorism.

The United States are interested in that any power wouldn't control this geopolitical space and the world community would have to him easy financial and economic access. At the same time, American diplomacy does not provide an option to the total exclusion of Russia from the region, as this could serve as a serious factor of instability in the region. Thus, the US is not only aimed at the entry into the regional economy of its national capital, but also on the part of financial resources of other countries that have their own interests in the South Caucasus. It is vividly seen in the realization of the grand international pipeline project Baku-Tbilisi-Ceyhan oil pipeline, the development of new and promising oil fields in the Caspian Sea.

Official Washington at all levels constantly emphasizes that the USA in South Caucasus has the main goal strengthening of independence of the South Caucasian states, the statement of institutes of political democracy in them and market economy, decrease in probability of the regional conflicts by adjustment of economic relations between the new states and industrially developed countries of the West. As for "the Caucasian policy" of Russia, in its foreign policy strategy two interconnected blocks of problems are allocated: prospect of preservation of the North Caucasian people and the republics as a part of Russia and the place of the South Caucasian states in the Russian foreign policy strategy. Having faced as a result of the known events in the North Caucasus the serious problems which have developed into acute Chechen crisis and even war, Russia aspires in any ways to avoid disintegration processes in this region and a balkanization of the country at her southern boundaries.

In general, the South Caucasus has become the object of a "big game" between the leading actors in world politics. Now, in addition to the traditional participants - Russia, Turkey and Iran, the game actively joined the United States and NATO as a whole. Especially as, in the created new conditions connected with weakening of Russia in front of the USA ample opportunities for replacement from South Caucasus,

and, first of all, from Azerbaijan and Georgia, the main geopolitical competitor have opened. It, in turn, puts before the South Caucasian countries of a problem of the choice of a way: or, being guided by Russia, to strengthen cooperation within the CIS or having taken a westernized course, in every possible way to strengthen the relationship with the USA and NATO.

The subject chosen by us is very actual and is of special interest as one of the main directions of foreign policy of the Azerbaijan Republic at the present stage is its "the western direction", and, first of all, strategy of cooperation with the only superpower on the planet- the USA and the most powerful military-political structure of the present NATO, at simultaneous aspiration to normalization of the relations with the northern neighbor – Russia.

### Methodology and problem statement

The methodological basis of the study is a systematic (complex) approach. This, in particular, provides for the consideration of the basic mechanisms used by the countries concerned in the implementation of their objectives, the allocation of priorities in their political course with respect to the region, assessing the impact of their actions on the development of the region. We used this particular technique as content analysis, comparative analysis.

The structure of the thesis reflects the logic of the study, and is subject to the decision of tasks. The work consists of an introduction, two chapters, including two in each section, conclusions, bibliography of references.

The main question which I want to be answered in my thesis is:

**Whether there is a change in the balance of Russian and US forces in the South Caucasus over the past decade?**

To answer to this question I must consider the role and the influence's degree of both countries to the regional political life of Southern Caucasus countries, especially their role in the solving of the regional conflicts. Of course, the main conflict which will be considered in my thesis-Nagorno-Karabakh conflict.

The main hypothesis that I forward- is the reduction of Russian's influence on the political processes in the South Caucasus and the strengthening the power of the West and US in this area. But at the same time although Russia lost its former influence in the South Caucasus, but it always will play important role in this region because of historical and geopolitical closeness.

#### The purpose and objectives of the study.

The main objective of the master's work is to identify the US and Russian interests in the South Caucasus, the analysis of their policies which will examine trends in interaction between the West and Russia to the countries of the region in the foreseeable future. The work is an attempt to study these urgent and practical problems, as is the importance of the South Caucasus region for the world's leading countries in the foreseeable future. Based on this specified purpose, in the master's study is an attempt to solve the following tasks:

- characterize the underlying causes of the South Caucasus region for the importance of the United States and Russia;
- identify US and Russian interests in relation to the region, highlighting the priorities, and to give them a comparative analysis;
- analyze the Russian and the Western approach to the Transcaucasian states;
- determine the nature of the relationship between the US and Russia in the framework of the region;
- assess the impact of policies implemented by the US and Russia on the development of the region.

#### Scientific novelty and practical importance of the work.

In this paper we study the essence and geostrategic interests of the US and Russia in the South Caucasus in the modern era is defined by the place, role and importance of Azerbaijan, Georgia and Armenia in the international system of geopolitical relations



at the beginning of the 21st century. The paper presents comparative analysis of the geopolitical interests of Russia and the US in the region, showing their inconsistency, revealed the scale of NATO's cooperation with the South Caucasus countries, defined the prospects of further strengthening the positions of the US and NATO in the South Caucasus.

### Practical importance

The practical importance of the master's work, first of all, is that the scientific generalizations and conclusions which are contained in her represent a certain interest for beneficitation of the foreign policy concept of Azerbaijan at the present stage. The formulated provisions and conclusions can be also applied to the analysis of the situation created after the end of "cold war" in the region of Transcaucasia. Besides, materials of a master's thesis can be used as an auxiliary training material that also emphasizes its practical value.

### Theoretical background

Theoretical and methodological basis of the research are to study a wide range of Russian, Western, Azerbaijani and Georgian sources, relating to the formation and implementation of geo-strategic interests of the great powers in the South Caucasus in the new century. The documents of MFA of Russia, Azerbaijan and Georgia, and also US State department have played a special role in assessment of a foreign policy of the leading countries. There were also materials used interviews with experts of government departments. A major role in the preparation of the thesis played UN documents. Also they were used materials of magazines, news agencies and internet resources.

## Literature review

Currently, there are quite extensive domestic, foreign, the Russian and the Western scientific literature on the geopolitical and geo-economic problems such as the Caucasus and the Caspian region as a whole, and the South Caucasus. In the preparation of the master's work was analyzed the work of Azerbaijani scientists, Abbasbeyli A., I. Aliyev, Azimli A. Jafarova S. Mustafayev R., J. Eyvazov., and others.

In writing the thesis the author also relied on a large number of books and articles of scientists and practitioners of the former Soviet Union: Dugin A., K. Hajiyev, Degoeva V. Sestanovich S, E. Bragina, Kozhaman O., Leliashvili P., D. Malysheva, Pipovar E., C. Cherniavsky, V. Chernous, Iazykov A. et al.

Book of Guseynova U.I. **The Azerbaijan Republic in foreign policy interests of the USA** considers the definition of political goals of the USA in South Caucasus, first of all, it is necessary to take as a basis not only approach, traditional for the USA, i.e. economic, but to proceed also from the strategic interests of this country connected with desire to be approved in this region by the right of a superpower.

**The American call//Renaissance - the XXI century** explores the problem that the USA is focusing on four factors in the policy pursued concerning this region: first, support of independence and economic welfare of all states of the region, including Azerbaijan; secondly, assistance to regional cooperation and resolution of conflicts, as for, first of all, Armenian-Azerbaijani Nagorno-Karabakh conflict; in – the third, creation of situation during which routes of the Caspian energy resources would serve expansion of variety, but not concentration of world power reserves; and, at last, in – the fourth, creation of the maximum opportunities for the American companies (5).

**Geopolitics of the Caucasus of Gadzhiyev K.S.** says about the high expectations in the countries of the South Caucasus are assigned to the implementation of the program TESIS projects aimed at reforming and development of the economies of these countries, providing humanitarian assistance to refugees, etc. Part TESIS program was initiated in May 2003, the EU TRACECA project. In 1995, the EU started

implementation of another program - "Interstate project on oil and gas pipelines (INOGATE), designed to provide technical assistance in the operation and management of oil and gas pipelines and the CIS countries to develop projects for the construction of new transportation routes to Europe and the Caspian oil bypassing Russia. The most important is the strategic aim of this program is to ensure the energy security of the EU (10, p.377).

The book of **Svante E.Cornell. -Autonomy as a Source of conflict Caucasian Conflicts in Theoretical Perspective** focuses in the active penetration of the American capital into South Caucasus was promoted by the fact that both Georgia, and Azerbaijan believed that only the strong relations with the USA will give them chance to achieve stability and to escape from the pressure of Russia and Iran. The huge role in it was played by the Azerbaijani oil. The current situation objectively led to the strengthening of the US and Russian geopolitical competition in the region. The situation was aggravated by: first, the struggle for control of the potential source of energy; secondly, the finding in the region at the center of a geopolitical fault line of post-Soviet space and, finally, thirdly, the greater conflict potential, both in the North and in the South Caucasus.

Bzezinsky Z .in his book- **Great chessboard. Domination of America and its geostrategic imperatives. International relations** considers The South Caucasus is one of the most significant for the Russian CIS regions. It continues to be sufficiently closely related to the region geographically, historically, economically and politically. There are good military - strategic motives maintaining close relations with the South Caucasus countries. A firm is the foundation on which Russia could build its relationship with them, may be the development of economic cooperation, because here are the countries with high economic potential (in particular, Azerbaijan), with great interest for the Russian large capital (8).

Of course, we must take into account that each author has the subjective opinion about this problem. That's why I must consider and compare all reviews to explain my own hypothesis.

**Primary and secondary sources.**

Primary sources which was used in this thesis –are the books of famous researchers and the specialists of political scientists as . Brzezinski Z., Malyshev D., Mustafayev V.A.

But in order to highlight the problem which we will consider in this work in all its forms,we must use links from newspapers,internet resourses-secondary sorses.

For example,in my thesis one of the subsection explore the deterioration of Georgian-Russian relations.For right understanding the reasons of this problem we use the opinions of researchers,but also we must take into consideration information from mass media,newspapers.

## Chapter I. The place of the South Caucasus in geo-strategy of the USA and Russia

### 1.1.Geostrategic interests of the USA in the South Caucasus

Due to the collapsed of the world socialist system, there has been a violation of forces in the world, which led to a sharp increase in the West geopolitical activity on the former Soviet Union, and in particular, in the Caucasus. US geopolitical interest in the region is not accidental. It is in this region of the former Soviet Union are facing vital geo-strategic and geo-economic interests of the leading countries; Here is a complicated tangle of political, social, national, religious and ethnic conflicts that can use military force at any level. Suffice it to mention the Armenian-Azerbaijani, Georgian-Abkhazian and Georgian-Ossetian conflicts, the war in Chechnya, and others.

After the collapse of the USSR to the West opened very optimistic from a geopolitical point of view of the opportunities and prospects for penetrating important to it, but before almost closed region.

Diplomatic recognition of the West the new independent states of the South Caucasus was followed very quickly. Within a few weeks in all three capitals - Baku, Tbilisi and Yerevan opened the embassies of the USA and a number of Western European countries. Such efficiency was quite clear and understandable, as occurred

in the South Caucasus Independent States inevitably became the object of intense rivalry for the different participants in the world's political and economic game. Energy resources and strategic location has been the main factors that attract their attention to this region of the world.

Especially big activity in the region is shown by the USA which, openly and unambiguously declared this region a zone of the vital national interests. In January 1997, the US administration announced that all three countries of the South Caucasus is "vital political and economic importance for the United States" (10, p.371).

Taking into account this factor, a problem of the Caucasian and Caspian region are allocated with administration of the USA in the separate direction of foreign policy. As part of the security of the US president created a special department and the task force dealing with the region. To monitor the development of political processes created special CIA unit, which is tasked with the implementation of some kind of monitoring of the situation in the region and the preparation of reports to the president and the US State Department.

In addition, the development of US foreign policy strategy in the region of several hundred professionals engaged in the administration of the president, Congress and various research centers of the USA. (29). Even in a number of the largest American corporations special departments of studying of problems of the region function.

Washington seeks to render any assistance to process of strengthening of independence of the new states of the Caucasian and Caspian region, the statement of institutes of political democracy in them and market economy. At the same time, priorities of foreign policy of the USA in the Caucasian and Caspian direction are energy resources which Washington seeks to put under the control. As the special advisor to US Secretary of State on the New Independent States S.Sestanovich, "strategy on the issue of the Caspian Basin energy resources is a key motive for the US administration's efforts in supporting the independence, sovereignty and prosperity of the countries of the Caucasus" (26).

Control over Caspian oil could give Washington additional leverage of pressure on the countries that are oil exporters, especially those who adhere to the anti-Western positions (Iran, Libya). In addition, Caspian oil expands the room for maneuver in US relations with the Gulf countries, as well as Russia. In general, stronger in the Caucasus-Caspian region, and, above all, in Azerbaijan, using "oil diplomacy", the United States are able to exert pressure on both Russia and Iran. In this regard, the US companies involved in oil projects in the Caspian Sea countries, not only the aim to ensure their own economic benefit, but also largely contribute to the geopolitical and geo-economic problems of Washington in the region (39).

In geopolitical terms, the developments in the Caucasus 90s of the twentieth century has shown that there began a new "great game", which is closely intertwined huge capital and strategic interests. For possession of riches have joined in fight a great number of new "players" and the West has made an obvious rate on the changed geopolitical situation; weakening of the position of Russia in the Caucasus, aspiration of his regional leaders to get out of the Russian hand and to hide under western "umbrella".

United States Policy and leading Western European countries in the region aimed at ensuring its presence here in the twenty-first century.

In the 90s of the last century, the United States and Western Europe gave special attention to the creation of the Eurasian transport corridor East-West. The third program of the EU adopted in 1995 set a task once again to test in practice a transport route Venice - the South of Italy – Poti – Batumi – Tbilisi – Yerevan – Baku – Krasnovodsk - Bishkek which in many respects repeats an ancient "Great Silk Way" (24, page 44). This transport - communication corridor, according to the Western experts, would strengthen the sovereignty and independence of the South Caucasian states, would contribute to the growth of regional cooperation, would allow the West to profitably deliver the Caspian energy resources to the world markets and to open to Western businessmen additional commercial opportunities for capital investment in this region. On the other hand, the United States would be able to realize the primary goal: to create the maximum unfavorable conditions for Russian and Iranian capitals.

Since it was Russia and Iran, from the point of view of US strategists, represent the main threat to the interests of the American campaign in the region. Simultaneously there was a promotion of a strategic US ally- Turkey, which has its traditional geopolitical and economic interests in the Caucasus-Caspian region and sharply competing with Iran for influence in the South Caucasus. The most important is the US geostrategic goal was and continues to be the creation of a transport corridor through the South Caucasus with the removal of Russia and Iran to participate in major economic and military-political projects in the region.

### **1.1.1 The stages of evolution of US policy in the South Caucasus .**

In general, the evolution of Washington's policy in the South Caucasus, a significant role played by the United States related to the positions of Azerbaijan and Georgia on such a topical geostrategic issue as the expansion of NATO. The relation of the CIS countries to a problem of expansion of Alliance, according to the USA, is one of the most important indicators of their real aspiration to go for rapprochement with the West. Besides, Azerbaijan and Georgia, given the stabilizing role that could be played by their close cooperation with NATO, holding back the desire of the military bloc to expand its influence eastward, in particular in the Caucasian-Caspian region. These countries account for the fact that only the international organization has the ability to cope with regional conflicts as methods of persuasion and coercion.

Until the mid-90s, US policy in the South Caucasus could feel the influence of the Russian-American relations of the late 80-ies. Overall, the US foreign policy even after 1992 to a certain extent based on Gorbachev's "new thinking" is still a certain part of the political elite, as the illusion persisted in Russia, and the United States that formed the strategic partnership between the two powers on the different directions. Only after it became apparent that Russia's foreign policy in the South Caucasus towards passive enough, and Georgia and Azerbaijan began to aggressively seek contacts with Western countries, the United States began to develop a more balanced and long-term policy in the region.

On the other hand, active penetration of the American capital into South Caucasus was promoted by the fact that both Georgia, and Azerbaijan believed that only the strong relations with the USA will give them chance to achieve stability and to escape from the pressure of Russia and Iran. The huge role in it was played by the Azerbaijani oil. The current situation objectively led to the strengthening of the US and Russian geopolitical competition in the region. The situation was aggravated by: first, the struggle for control of the potential source of energy; secondly, the finding in the region at the center of a geopolitical fault line of post-Soviet space and, finally, thirdly, the greater conflict potential, both in the North and in the South Caucasus (40, page 79-106). Equally important is the factor that the US sees Caspian oil an additional source of energy that can be used if supplies from the Persian Gulf countries will be jeopardized, and the only way to get around while Russia and Iran.

In general, the USA is focusing on four factors in the policy pursued concerning this region: first, support of independence and economic welfare of all states of the region, including Azerbaijan; secondly, assistance to regional cooperation and resolution of conflicts, as for, first of all, Armenian-Azerbaijani Nagorno-Karabakh conflict; in – the third, creation of situation during which routes of the Caspian energy resources would serve expansion of variety, but not concentration of world power reserves; and, at last, in – the fourth, creation of the maximum opportunities for the American companies (5).

Referring extremely important geostrategic for oil and gas transportation factor from the Caspian region to world markets, as well as categorically negative position of the US to project its transportation through the territory of Iran, the Americans support the route Baku - Ceyhan oil pipeline, and other trans-Caspian routes will have to dock it with the pipeline, leading to the Turkish port of Ceyhan. Russia considers the US not as a historical predominant force, but only as one of the partners in the major oil and gas projects (2).

Extremely important geostrategic importance of the USA is attached to creation of a transport corridor the East – the West which is called sometimes the Eurasian transport corridor, or a new Silk way. Functioning of this corridor will give the chance



to the countries of South Caucasus and Central Asia to develop in the conditions of independence, irrespective of such regional powers as Iran and to some extent and from Russia. Besides, existence of such corridor will strengthen global energy security of the USA as will relieve the country of too strong dependence on export of oil from the region of the Persian Gulf.

George. W. Bush's (Jr.) coming to power and subsequent statements by the representatives of his administration, in particular, the former at that time adviser to the US President for National Security Affairs Condoleezza Rice showed the US intends to more brutally assert and enforce their interests around the world, including using the armed forces. There was also a sharp intensification of US policy in the South Caucasus direction. The US is trying to become the chief mediator in the settlement of the Nagorno-Karabakh conflict. In general, the US policy aimed at strengthening its influence in the region and expanding business opportunities for American companies.

Events September 11, 2001 marked the beginning of a new type of US foreign policy in the South Caucasus, since there was a fundamentally different geopolitical situation in the world and in the region. There has been an increase in the military component of the US strategy in the region. Washington is actively using the existing in connection with the anti-terrorist operation in Afghanistan and Iraq, the international conjuncture to expand its direct and indirect (through the structures of NATO) presence in the post-Soviet space, including in the South Caucasus. On the other hand, Georgia has declared its readiness to provide a base for US operations against international terrorists and Azerbaijan supported US action for the anti-terrorist operations.

Foreign policy activity of the USA in the Azerbaijan Republic provides two in parallel going the directions – assistance to economic development of the country and the cooperation focused on consolidation of Azerbaijan as the independent state, assistance in strengthening of a security system of the republic and its structures. In this case, a great role to play and can be played by NATO.

According to U.I. Guseynova, the specialist in the Azerbaijani-American relations, "for definition of political goals of the USA in South Caucasus, first of all, it is necessary to take as a basis not only approach, traditional for the USA, i.e. economic, but to

proceed also from the strategic interests of this country connected with desire to be approved in this region by the right of a superpower" (11). " Thus, further argues the author, the political aspects of bilateral relations between the US and Azerbaijan include issues of political stability in the region, a possible provided that the economic development of the region, a plurality of oil export pipelines, the creation of new infrastructures with the old, to enhance regional cooperation and assistance from the US border security decision AR, strengthening the sovereignty, the independence of Azerbaijan and the entire region of the South Caucasus "(11).

In general, in "the South Caucasian direction" of foreign policy of the USA economic interest is the best tool for achievement of the far-reaching geopolitical purposes. In turn, members of the EU and NATO regard South Caucasus not only as strategically important region, but also as the major base for access to resources of the Caspian Sea, Central Asia and Iran. At the same time it is focused on economic presence of the West in the region, though the tendencies speaking on the revitalization of political activity are quite accurately shown. In recent years, bilateral relations are developing well the South Caucasian countries with Western Europe, especially Britain, France and Germany (10, page 378-379).

The USA supports the regional leader applying for a role Turkey and its main efforts on economic penetration to South Caucasus, and in particular, to Azerbaijan. The trend towards the transformation of Turkey into a regional "center of power" show, firstly, an increase in its role after the war in the early 90s in the Gulf; secondly, the change in the geopolitical situation in Eurasia; thirdly, from the Balkans to the formation of Xinjiang "Turkic world", where a population of about 160 million. Turks and finally, fourth, the geostrategic role of the country as NATO's southern flank. In this special role for Azerbaijan and Turkey, experiencing American influence as a member of NATO and an ally of the United States, it contributes to the involvement of this country in the orbit of geo-strategic interests of the North Atlantic block.

### **1.1.2 Strategic partnership of Azerbaijan and Georgia with US and western countries.**

It is enough to actively develop relations of the countries of the South Caucasus and Georgia -Azerbaijan with Western countries in the military sphere. Military strategic importance of the South Caucasus is determined by its proximity to Russia, such key countries such as Iraq and Iran, and the Persian Gulf. West aims at this stage, to cooperate with these countries in areas such as peacekeeping, exchange of information in the field of arms control, aims to increase the extent of its participation in NATO activities, "Partnership for Peace". In turn, the military representatives of the South Caucasian countries more frequently take part in NATO exercises, and even carry them on their territories. Currently, there are training programs for officers in Western military academies, joint visits to the higher ranks. Numerous agreements on military cooperation in which the western countries undertake to provide the help in construction of national armies, financing of participation of the military personnel of the South Caucasian states in military programs and doctrines are signed. In turn, Georgia and Azerbaijan are ready to make available to NATO's specific territory for the deployment of military contingents.

As for the European Union, this organization regards South Caucasus not only as strategically important market of energy carriers, but also as the peculiar base providing a direct exit to resources of the Caspian Sea, Central Asia and Iran. In the interest of the EU is stability in the region, secure access to the Caspian energy resources, security of transport routes Caucasus corridor.

In turn, the high expectations in the countries of the South Caucasus are assigned to the implementation of the program TASIŞ projects aimed at reforming and development of the economies of these countries, providing humanitarian assistance to refugees, etc. Part TASIŞ program was initiated in May 2003, the EU TRACECA project. In 1995, the EU started implementation of another program - "Interstate project on oil and gas pipelines (INOGATE), designed to provide technical assistance in the operation and management of oil and gas pipelines and the CIS countries to develop projects for the construction of new transportation routes to Europe and the Caspian oil

bypassing Russia. The most important is the strategic aim of this program is to ensure the energy security of the EU (10, p.377).

One of the main aspects of contemporary US foreign policy in the Caucasus-Caspian region, first and foremost, is to strengthen its own economic security and reducing energy dependence on the unstable Middle East region. This leads to a more active promotion and maintenance of large-scale penetration of US oil companies in the region. At the same time, the United States, as at present, and will continue to actively encourage geopolitical distancing from Russia as an energy-rich Azerbaijan and Georgia, which does not have its own mineral resources, but seeks to establish itself as an integral part of the transit transport corridor TRACECA component.

It is objectively promoted by that factor that Azerbaijan and Georgia are faced by an important task – restoration of territorial integrity of the states. If they connected the performance in the CIS with hopes that within the Commonwealth and by means of Russia they will manage to solve this problem, then these hopes weren't fated to come true. It has also pushed Azerbaijan and Georgia to closer rapprochement with the West, and, first of all, with the USA and NATO, using at the same time "oil" interest of the western partners.

### **1.1.3. US role in strengthening Turkey's position in the South Caucasus.**

At the same time, it should be noted that for a number of reasons why the United States is to avoid direct involvement in conflict resolution in the South Caucasus, although undoubtedly interested in stabilizing the situation in the region. They prefer to participate only as one of the mediators in the resolution of conflicts under the auspices of the UN and the OSCE. At the same time, to defend the United States, the West and the international organizations (UN, OSCE, Council of Europe and others.) Domination of the principle of preserving the territorial integrity of the right of peoples to self-determination in the resolution of international conflicts coincides with the interests of Azerbaijan and Georgia and is contrary to the interests of Armenia, which has territorial claims to both the South Caucasus countries, as well as to Turkey.

Westernized and pro-American orientation of Azerbaijan and Georgia means also them about the Turkish orientation at the regional level as Turkey traditionally closely interacts with the West, is the NATO member state and seeks to enter into the European Union. In this regard she is extremely interested in creation a trans Caspian petro and gas pipelines and a transport corridor the East - the West with using its own territory (4).

As for Armenia, unlike Azerbaijan and Georgia, it traditionally considers Turkey as its historical enemy, requires him official recognition of committing "genocide against the Armenians" at the beginning of the last century, insists on "the independent status of Nagorno-Karabakh", which is an integral part of Azerbaijan. Taking into account objective geopolitical position of Armenia which "is considerably clamped" between Turkey and Azerbaijan, unfriendly to it, and has no general border with Russia, in the circumstances she acts as the only ally of Russia in South Caucasus.

#### **1.1.4 Geoeconomical partnership of US with the Southern Caucasus's countries.**

Referring to geo-economic goals of the West in general and the US in particular, it should be noted that cooperation with Azerbaijan is a priority for the economic strategy of the USA in the South Caucasus.

Active participation of foreign capital in major economic projects in Azerbaijan objectively strengthens its position in the Nagorno-Karabakh conflict. Such well-known political figures in the West as Z. Brzezinski, T. Adams and some others, after leaving high politics in big business, becoming leaders and lobbyists operating in Azerbaijan the large oil companies, actively promoting the image of "committing a breakthrough in the XXI century" and Azerbaijan "outcast" of integration processes in the South Caucasus - Armenia (35, p.50).

The western capital very intensively tries to master also Georgia though this country unlike Azerbaijan rich with energy resources has no so ample economic opportunities.

As for Armenia, it loses due to the lack of strategic raw materials in the interior of the country. Equally important in creating a more attractive economic image of the country has an activity of the Armenian lobby is particularly influential in the United States and in France. Due to the Freedom Support Act of Armenia consistently receives annually financial assistance from the US in the amount of 80-90 million dollars. (24, p.49) .At the same time, it should be noted that the isolation of Armenia, its difficult economic situation caused by its war of aggression against Azerbaijan, the country does not particularly attractive for large foreign investments.

Having come to the conclusion, one can identify the specific objectives for the South Caucasus, which has set itself the United States:

Firstly to increase political commitment and to ensure greater security of oil pumping via the Baku - Tbilisi- Ceyhan, subject to economic efficiency. The strategic interest of the US to provide oil and gas flow from the Caspian Sea through Georgia and Turkey, but not along the southern route - through Iran or north - through Russia (in addition to the amount of oil that is pumped through the Baku-Novorossiysk existing pipeline). Until in Iran there is no final change of a political regime, the predominating route role the North-South will contradict national interests of the USA because this route would allow Russia and Iran to control still the most part of the world energy market, than now;

Secondly, to strengthen security cooperation with Georgia. Georgia is a key US ally in the region. The main problem of Georgia is that it is not able to ensure the preservation of its sovereignty and territorial integrity. An example may serve as Abkhazia, South Ossetia and Adzharia. And until Tbilisi has no real alternative of the solution of a question about restoration of territorial integrity in the military way (and today such alternative completely is absent), ethnic separatism, especially with assistance of Russia will proceed;

Third, maintain contact and cooperation between Azerbaijan and the Azerbaijani population of northern Iran. Cultural and political ties "two Azerbaijan" will lead to the growth of national consciousness of Azerbaijanis in northern Iran. Azeris make up 30% of the population all over Iran and much of the population of the north-western Iran

(South Azerbaijan). The development of the Azerbaijani national movement in Iran will help put an end to aggressive foreign policy pursued by the radical Islamic regime in Tehran;

Fourthly, completely to repeal the 907th amendment of "The act of support of freedom" imposing sanctions against Azerbaijan. The sanctions provided by the 907th amendment of "The act of support of freedom", accepted in 1992, have been enacted during war of Azerbaijan with Armenia for Karabakh which is suspended in 1994 by signing of the Ceasefire Agreement.

Fifth, to explain to Moscow that support for separatism in the South Caucasus would cause the application of the US sanctions. In the early 90s Moscow provided military aid and Abkhaz separatists in the war against the central government of Georgia, and Karabakh Armenians, speaking against Azerbaijan. In Moscow, influential hardliners believe that instability in the Caucasus will strengthen Russia's position in the region.

However, due to the economic situation in Russia the Kremlin is interested in receiving from the US international financial organizations multifaceted economic and financial assistance. The US Congress should explain to Moscow that Russian help on the part of America is incompatible with the policy of destabilization in the Caucasus, Moscow and transfer to Iran rocket-nuclear technologies;

Sixth, cooperate with Russia in search of a real and long-term solution of the problem in the North Caucasus. The separation of Dagestan from Russia and formation of considerably Islamic and not submitting to any laws enclave (which, perhaps, Chechnya and Dagestan will enter) are capable to cause a domino effect among other small Muslim republics in the North Caucasus, to strike blow to the central government in Moscow and, most likely, to destabilize a situation in South Caucasus. Similar turn of events constitutes big danger and to the Caspian oil. However, the Moscow politicians use the conflict in the North Caucasus as the internal political bargaining chip.

Washington makes also considerable efforts on prevention of emergence of any power capable to counteract the USA on the Eurasian continent. The prevalence of

Eurasian concept in the views of the Russian leadership, assertiveness of China, the strengthening of Iran in the Middle East has led to a rethinking of the principles of the United States and ways to ensure its dominance in Eurasia.

## **1.2. Geostrategic interests of Russia in South Caucasus.**

After collapse of the USSR in 1991 and emergence in the former Soviet Union of the new independent states South Caucasus has occupied one of the central places in world politics, has turned into the arena of rather sharp geopolitical rivalry between the leading powers of the planet, and first of all the only superpower – the United States and considerably weakened in the military -political and economic terms, Russia. It is related, first of all, with extremely advantageous geostrategic position of this region, and also existence of rich natural resources here and first of all the Azerbaijani oil and gas.

In the South Caucasus, as we have above indicated, in addition to US-Russian geopolitical rivalry, observed the competition between regional powers - Turkey and Iran have here their political and economic interests, and providing in its close proximity a significant impact on the complex ethno-political processes taking place in the region. However, the most active role in the South Caucasus, trying to play Russia, which is the traditional geopolitical interests, leaving the roots to the beginning of the eighteenth century.

The independent states of South Caucasus, certainly, are one of the priority directions of modern Russian foreign policy, define her geopolitical position in all Asian macro-region, and also directly influence an internal political situation in the North Caucasus. In this connection it is necessary to involve Russia in the area of influence of all three South Caucasus states, which in both cases will be included into the sphere of influence of other regional and world powers, especially the US.

However, over the last decade, Russia has little that has been done in this direction. As practice shows, the position of Russia in the region weakened somewhat over the years. In general, we can identify a number of geopolitical factors that led to



the weakening of Russia's positions in the Caucasus because it is in the Caucasus there is the battle for the Caspian Sea. The most important the following acts:

Firstly, the role of the western countries has sharply increased in the region. In particular, the USA promoted essential expansion of border of geographical responsibility of NATO. Strategy of Washington for creation of transport power corridor the East-West has begun to be carried out. The purpose of this Strategy-support independence and integration of the countries of the South Caucasus and Central Asia, while the US is escalating economic and strategic presence, as well as the weakening of Russian influence in the region. In particular, it is embodied in the official political support of the countries concerned of the West of the Baku-Tbilisi-Ceyhan pipeline.

It is known that during the XX century England, Germany and the USA fought for the Baku oil. After the collapse of the Soviet Union active replacement of Russia from the former Soviet republics of South Caucasus has begun. Foreign capital is primarily moved in regions rich in oil, gold, non-ferrous metals (9). Western countries consider the Caucasus not only as a strategically important market of energy resources, but also as a springboard, allowing usage in Russia to go to the riches of the Caspian Sea. Influence in the Caucasus of Turkey, Iran, Arab countries increases. This region became a component of an arch of instability which in the geopolitical relation means opposition of the Atlantic and continental models of development, and in culturally – civilization collision of the Euro-American, Islamic and orthodox civilization (8).

The second factor weakening of Russia in the South Caucasus is to strengthen the western orientation of Georgia and Azerbaijan. Due to objective reasons, Russia has become less attractive as a political, economic and military partner for Georgia and Azerbaijan. The result has been a gradual distancing of these countries from Russia and reorientation to the West. Azerbaijan and Georgia, openly declare their desire to develop in the direction of integration into Euro-Atlantic structures. For a long time the Russian political elite dominated by the myth that the sovereignty of the South Caucasus states is a kind of temporary historical misunderstanding related to a short-term weakening of Russia as a great power. Based on this promise, and carried out the

entire foreign policy of Russia in the region. Hence, the support unrecognized entities, so as not to miss strengthening of the central government (as it was in the situation of the Georgian-Abkhaz conflict). This gratuitous economic donation of Russia to Armenia. This and painful relation to any attempts of the new states to find new external economic and political partners that was obviously shown in opposition of Moscow concerning rapprochement of Azerbaijan and Georgia with Turkey and the USA. In short, Russia has continued to treat the South Caucasus as its southern province, even though it cost her millions of dollars of military tension of growth and as a consequence of the general deterioration of the situation throughout the Greater Caucasus, including in its northern part (8).

The South Caucasus is one of the most significant for the Russian CIS regions. It continues to be sufficiently closely related to the region geographically, historically, economically and politically. There are good military - strategic motives maintaining close relations with the South Caucasus countries. A firm is the foundation on which Russia could build its relationship with them, may be the development of economic cooperation, because here are the countries with high economic potential (in particular, Azerbaijan), with great interest for the Russian large capital (8).

Great geopolitical value of economic relations for Russia decides on the countries of South Caucasus by a number of the major factors. Firstly, through the South Caucasus are transport routes, linking Europe and Asia. Secondly, there are large oil and gas deposits. Third, in the region are a number of large enterprises, which can be established mutually beneficial cooperative contacts. And finally, the fourth, the South Caucasus countries have a highly skilled workforce.

Thus, for Russia South Caucasus has special political, military and economic value. The nature of this interest reveals not only in the context of three hundred century history, but also against Post-Soviet realities. In South Caucasus Russia had a wide range of interests – political, economic, cultural (28, page 77-84).

In the Southern Caucasus in Russia were and continue to be, and other geopolitical priorities. First of all - the prevention of large-scale penetration in the region is the third force, including in the form of military assistance or arms supplies.

For the first time this goal was expressed in 1993 in the prevention against Turkey about a possible intervention in the Armenian-Azerbaijani conflict. In addition, it was important to prevent a security vacuum, the creation of "friendly countries" zone, where remained to the Russian military presence (27).

After geopolitical interests, economic interests of Russia in South Caucasus are the second for the importance (7). The problems connected with natural resources of the region, first of all, with the Azerbaijani oil and gas have great geo-economic value. After signing on September 20, 1994 in Baku of "The contract of a century" in the Russian-Azerbaijani relations there have come the next "hard times" proceeding prior to V. V. Putin's presidency. For Azerbaijan "The contract of a century" had huge political and economic value, having opened the road to national economy to the world market.

### **1.2.1 .Russian interests in point of Azerbaijan oil.**

The particular importance for Russia acquired routing problem oil and gas transit. The choice of a route depends largely on the degree of influence of each of the countries involved in the competition. The geography of deliveries of Caspian oil and gas and its transportation routes are directly related as to the geopolitical and geo-economic interests of the state - the main "players" in the region (33, s.267-270).

In the 90s of the last century is mainly designated three areas of "pumping" of oil on world markets: the first - the north - through the territory of Russia; the second - West - through the territory of Azerbaijan, Georgia and Turkey, finally, the third - the southern direction -on the territory of Iran, Afghanistan, Pakistan. Moreover, the western direction is considered in the context of the restoration of the Great Silk Road, or more precisely, the creation of the so-called Eurasian transport corridor.

The key place in transportation of the Caspian oil is allocated to a route of Baku-Tbilisi-Ceyhan, the agreement on which construction has been concluded by Azerbaijan and Turkey in March, 1993. May 6, 1997 in Ankara was accepted Azerbaijani-Turkish declaration on strategic partnership development, in which the

preference was given to this route. In July of the same year, E. Shevardnadze and S. Demirel also signed a joint declaration in favor of the Baku-Tbilisi-Ceyhan pipeline. All attempts by Russia, Iran and others to prevent the implementation of this project, were strongly suppressed. The signing of the December 18, 1999 in Istanbul during the next OSCE summit Azerbaijani -Turkish-Georgian agreement on crude oil transportation via main export pipeline Baku-Tbilisi-Ceyhan oil pipeline through the territory of the three countries, and with the active support of the United States, served as a reliable guarantee for the completion of the project within the planned deadlines (4).

### **1.2.2.The reducing of Russian influence in South Caucasus.**

After the collapse of the Soviet Union in the South Caucasus rivalry turned the object world and regional powers. Having declared this region a zone of the vital interests, Russia jealously belongs in any form of the American or other presence in South Caucasus. At the same time, the newly independent states of the South Caucasus - Azerbaijan and Georgia aspire to pursue an independent policy, free to choose their partners and allies. The attractiveness of the United States and the European Appeal of the USA and the European Union as potential economic donors and political constants of the international relations, has defined unambiguous orientation of these states to development of the comprehensive relations with the West. At the same time, the West, and especially the United States, were able to access to sources of energy of the Caucasus-Caspian region, and from the political point of view - to strengthen its position in that one of the key regions of the world, further strengthening its role as world leader.

Meanwhile, to counter the growth of this process on the part of Russia forced Azerbaijan and Georgia from the sphere of declarative statements to transfer policies into concrete interventions, thus serving mainly two objectives: firstly, through the attraction of foreign capital to bring their economies out of stagnation and further development; Secondly, through this process of consolidation of the political interest

of the West to itself and thereby guarantee its security and independence. One important factor in this regard is the TRACECA project, which allows member countries to bypass the use of infrastructure in Russia, to use their territory for the passage of the flow of goods from neighboring regions.

TRACECA involves carriage of goods from Europe to Asia and back by a branched network of railway and automobile roads of Great Britain, Spain, Portugal, Italy, France and Germany through the ports of Constanta (Romania), Varna (Bulgaria), Ilichevsk (Ukraine), Poti and Batumi ( Georgia) - Azerbaijan, Turkey, and then to Turkmenistan and other Central Asian states, China, Japan, South Korea. The space of this gigantic corridor will have in the future a single legal regime. It should be noted, and the factor that, formally entering the TRACECA project, Russia, Armenia and Iran are beyond its actual implementation, which, in turn, due to fears of these countries to be forced out from the Caucasus stronger militarily and economically against the West powers (24, p.188).

According to Russian experts, "the national security of Russia is largely dependent on the degree of economic, political and military stability in the neighboring countries. The more stable they are, the fewer in number and intensity will be destructive impulses from outside, causing concern to Russian society in its border regions. On the other hand, the deterioration of social conditions and public institutions disorder or armed conflicts and antagonisms will make an inevitable part of Russia, which will eventually bring instability to its own territory. This has already happened, when the events in Abkhazia and South Ossetia destabilized some border areas, both politically and economically. Consequently, the extent and consequences of Russia's participation in the chaos in the south to a large extent depend on the intensity and nature of economic relations between Russia and its neighboring regions "(17)

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In general, Russia's vital interests in the South Caucasus are linked, primarily, to geopolitics and cover economic, military and the other fields which make Russian diplomacy to show more firmness in the protection of its strategic interests in the South Caucasus.

However, the serious miscalculations allowed in it is southern the Caucasian direction of the Russian foreign policy in the 90th of last century, have negatively affected economic relations between Georgia and Azerbaijan and their northern neighbor. Situation was aggravated also with crisis of the Russian economy of 1998 therefore many enterprises of regional sector in southern the Caucasian states have suffered notable financial losses. The considerable loss to economic relations of Azerbaijan and Georgia with Russia is put also by a position of the last in the regional conflicts – in Karabakh, Abkhazia, South Ossetia.

It is known that after collapse of the USSR the conflicts remained unresolved and in the first half of the 90th of the XX century have accepted even more fierce character. Western analysts William Odom and Robert Duyarik explain destabilization and civil war in the former Soviet republics, "the Russian policy of restoring Moscow's hegemony in the post-Soviet space" (37).

Russian political scientist D.Malysheva writes that Russia's policy in relation to conflicts in the CIS clearly traced several aspects: peacekeeping, mediation, as well as military - power methods. These include the expansion of military supplies to the conflict zone, where capacity is directly Russian military presence, as well as direct military intervention and Russian soldiers involved in the fighting (21, p.34). Regarding the Armenian-Azerbaijani conflict, the author writes: "Russia is trying to control-ment "for the conflict and its influence in Armenia and Azerbaijan, in order to

achieve strategic advantage in the region in the event of a successful resolution of the conflict. Taking on the role of final arbiter gradually in the Armenian-Azerbaijani dispute, Moscow seeks to restrict the initiative of Turkey and Iran, and at the same time, the United States and to enhance their political influence in the South Caucasus region "(21, p.36).

In Russia there are two groups of experts, each of which offers its own version of Russian policy in the South Caucasus. Representatives of the first group act from imperial positions. Considering Russia decay accident, they called for the restoration of the Soviet Union already in other forms (for example - the CIS), and hence their demand for subordination of the former Soviet republics, Moscow authorities. A.Dugin enough articulates geopolitical doctrine of Russia. It proposes to create a Moscow axis - Tehran, in which the "Yerevan will automatically become an important strategic element, further cementing Russia with Iran, Turkey and cut off from the inland spaces. At possible reorientation of Baku from Ankara to Tehran in the general project Moscow – Tehran will quickly be resolved also the Karabakh question as all four parties will be vitally interested in immediate establishment of stability in so important strategic region. Otherwise, a t.a at preservation of the pro-Turkish orientation of Azerbaijan, this "country" is subject to a partition between Iran, Russia and Armenia. Almost the same applies to other regions of the Caucasus - Chechnya, Abkhazia, Dagestan and others which will be areas of conflict and instability only in a collision in which the geopolitical interests of the Turkish Atlantic and Eurasian Russia "(16, p.243).. As can be seen from the above, A.Dugin puts forward the principles of Russian policy in the South Caucasus, which are the same, in fact, with the principles set forth by Peter 1 - alliance with Iran, the use of the Armenians as a tool of pressure on Azerbaijan and Georgia "(16, p. 247).

The second group consists of experts from the Russian opponents of imperial pretensions. They claim that Russia is now the national state and not an empire, according to its policy in the South Caucasus should meet the interests of Russia as a nation state. Some contemporary intellectuals such as Alexander Solzhenitsyn, was in favor of that Russian general left the Caucasus. A second group claimed that the

pursued policy towards the South Caucasus does not meet the real national interests of Russia. G.Yazykova writes that Russia now faces the threat of losing its position in the South Caucasus. To prevent this, Russia in her opinion, should abandon its policy towards the region by methods of "blackmail and threats, incitement to separatism and conflicts inherent in ... Russian opposition - nationalists and simply speculators from politics" (34, p.25). The author notes that the cause of anti-Russian actions in the South Caucasus should be sought first and foremost, "in the very nature of Russian policy, feel the impact of diverse domestic political forces and economic groupings, uncoordinated actions of various departments, neo-imperial rhetoric." (34, p.26)

Another Russian expert on Caucasus V.Degoev believes that now formed unfavorable conditions for Russia, and the best way to preserve peace in the region is "the creation of Georgia, Armenia and Azerbaijan, a buffer zone between Russia on the one hand, Turkey (a NATO member) and Iran, with another "(15, p.28). Next it plans to carry out in the South Caucasus program of collective security, the main components are: the transformation of the region into a zone of shared responsibility and coordinated actions of Russia, Turkey and Iran; the rejection of the application in the region of modern models "managed conflict"; limited involvement in the program of Western countries, "the more that the West is firmly established in the Trans-Caucasian commodities market, and if even Russia could not put this, and now nothing remains as to be considered a fait accompli"; strengthening of interstate relations between the Trans-Caucasian republics the prospect of confederation. (15, p. 29).

### **1.2.3.Russia's attempts to retain its supremacy in the South Caucasus.**

Russia since mid-90s began to take active steps to establish and maintain their control weakened as a result of the collapse of the Soviet Union over the former Soviet republics that have adopted pro-Western orientation. At first Russia sought to attract the states of the CIS in economic cooperation within this organization. Actually, Russia sought to use weakness of economies of these republics, been result of collective economy to subordinate them to rather strong Russian economy. Further, Russia has



begun to resort to measures to establish its military and political control over these countries, through their involvement in the military cooperation within the CIS. However, the extensive cooperation of the CIS countries, with many countries in various fields, that they have alternative partners for exports and imports allowed them to avoid the dependence of their economies on the Russian economy. The issue of military cooperation within the CIS and has no prospects. Thus, it is obvious that in recent years, Russia has sought to use the CIS as a regional organization of former Soviet republics hold under his control. Participation of Ukraine, Azerbaijan, Georgia, in the program "Partnership for Peace", carried out in the framework of NATO, the expansion of cooperation between these countries and NATO, the creation of GUAM, caused alarm in the Russian government, which was forced to reconsider its priorities in relation to these countries. Especially strong alarm creation has caused GUAM, the regional organization which member countries openly, propose to create NATO military bases in their territory.

Initially GUAM has been declared as integration structure for implementation of economic and communication projects within idea to connect Europe, the Caucasus and Asia by the thoroughfare. However, even in such seemingly innocuous as GUAM aroused suspicion of the Kremlin. The reason for it could be the very fact that there was a kind of alliance with the bordering European Russia and restless North Caucasus, as well as controlling the Black and Caspian Seas.

Even more worrisome for Moscow was that Russia withdrew from GUAM and opposed himself to it integration model proposed, in particular, the CIS and the Collective Security Treaty. In addition, the member states of this new international organization were clearly focused on the US, EU and NATO. And, all this was accompanied by unequivocal statements, particularly Ukraine and Georgia, on the need to supplement the military and economic cooperation, which was perceived by the Kremlin as a direct threat to its geopolitical interests in the post-Soviet space.

Joining one of the leading Central - Asian States to Guam - Uzbekistan has significantly expanded its geopolitical implications. This is even more worried Moscow, as in the case of Turkmenistan joining the GUAM new "geopolitical arc"

would become isolated, cut off Russia from the south all the post-Soviet space. However, significant differences between Baku and Ashgabat on the resolution of Caspian problems permanently removed from the agenda the question of any form of partnership between Turkmenistan and Guam.

Even more disturbing for Moscow was the fact that GUAM was discharged of Russia and has opposed itself to the integration models offered her, in particular, to the CIS and the Contract on collective security. Besides, member countries of this new international organization have been obviously focused on the USA, the EU and NATO. As for Moscow, "it should be given aware that the appearance of the GUUAM arc - is a regular payment for the hierarchy of foreign policy priorities, which prefer the Kremlin in 90th years" (14, s.429).

According to the American political scientist Brzezinski "GUUAM is the Eurasian equivalent of APEC- Asia-Pacific Economic Cooperation" (7).

It should be noted that the presence of a regional organization, GUAM, combines four independent post-Soviet states - Georgia, Ukraine, Azerbaijan and Moldova helps to maintain a certain, although the delicate balance at the regional level.

Of course, Russia which has accepted a course towards restoration and the adoption of the influence in the region can't allow it in view of the fact that Azerbaijan along with Georgia are one of candidates for new members of NATO. Due to the fact that in Azerbaijan there are no foreign military bases, as well, given that the main state from the territory of which the influence of the US and NATO on Russia's southern neighbors, Turkey is in the Russian leadership project alliance has been prepared, which would have its order to exert pressure on both Azerbaijan and Turkey. Thus, there was a draft Union of Russia, Armenia, Iran and Greece. Yet the Union as such in the official document is not approved, and there is a system of agreements in the field of defense and military-technical cooperation, etc. between Russia and Armenia, Russia and Iran, Greece and Armenia, Greece and Iran. As part of this alliance we can distinguish two geopolitical axis Moscow-Yerevan-Tehran, directed against Azerbaijan, and Athens-Yerevan-Tehran - against Turkey. While concluding the agreement, the signatories declare that their unions are not directed against any country.

Cooperation on the axis Moscow-Yerevan-Tehran is as follows: cooperation between Russia and Armenia is conducted on a collective security system in line within the CIS, Russia tacitly supports the territorial claims of Armenia to Azerbaijan (Nagorno-Karabakh) and Georgia (Javakheti). Armenia, in turn, fully supports the Russian policy in the South Caucasus. It is through Armenia Russia supports the separatist movement of the Kurds in Turkey. The allied relations between Russia and Iran are supported by means of agreements on cooperation in the nuclear field, in accordance with which Russia is building a nuclear power plant in Iran. Iran annually receives Russian weapons amounting to 200-500 million dollars (37). Iran is seeking to enlist Russian support in the case of claims of the Azerbaijan Republic to the South Azerbaijan. On the other hand, the relations between Iran and Turkey develop not to the best. In recent years rapprochement of Greece and Armenia is observed. Armenia supports Greece in the Cyprian issue Greece supports Yerevan in the Karabakh issue.

Thus, creation of system of alliances between Russia, Armenia, Iran and Greece, which by its geopolitical goals similar to the American strategy of "Anaconda" (18), but having in contrast, dual purpose, was the response Russian reaction to the establishment of GUAM, more broad sense - on interstate strategic cooperation in Washington axis - Jerusalem-Ankara-Baku.

At the same time the geopolitical realities of the new century are forcing Russia to keep their true intentions with respect to the South Caucasus. "National interests of the Russian Federation - K.S.Gadzhiev notes - meet Georgia, Armenia, Azerbaijan - the most prosperous, economically prosperous, politically stable, rather than going with an outstretched hand, poverty-stricken, and the crisis permanent conflicts "(10, p.449)

The above analysis of Russian policy in the South Caucasus in the context of contemporary international geopolitical relations leads to the following conclusions:

1. In the new century Russia sharply stepped up its foreign policy actions aimed at restoring its former geopolitical influence in the South Caucasus;
2. Russia's policy in the region is becoming more pragmatic and focused, and it is clear that Moscow is not interested in loss of control over the South Caucasus, traditionally

included in the zone of vital interests of the northern powers. Moreover, Russia is trying to protect itself from the most vulnerable area of its geopolitical space;

3. In the short term geo-strategic competition between Russia and the United States in the region will increase. US is currently the main emphasis is on the economic and military aid, political support for the foreign policy initiatives of the South Caucasus states, and above all, Georgia and Azerbaijan, aimed at their integration into the European structures. At the same time, Russia can use its resources in the field of security.

4. The implementation of the objectives of the Caucasian direction of Russian foreign policy concept envisages active diplomatic efforts aimed at both the recovery in the region of peace and good neighborliness, and to enhance beneficial for Russia's economic cooperation with its southern neighbors. But it is important not only to diplomatic mediation efforts to resolve regional conflicts, but also an active search for the future of collective security framework that takes into account prevailing in the South Caucasus, the balance of power.

## Chapter II. The direction and spheres of interaction of the USA and Russia in the South Caucasus

### 2.1. The US and Russia's role in the settlement of regional conflicts in the South Caucasus.

The South Caucasus region is currently characterized by a special dynamism of ethno-political processes that is caused by a number of objective factors. Among them are an important geopolitical position in the region, it is extremely difficult ethno-religious composition of its population, especially the modern, ethno-regional development, territorial aspects of inter-ethnic relations.

The political situation in all three countries of South Caucasus for the last one and a half decades was characterized by a condition of constant intensity. For each of them was a characteristic interlacing of three main levels of political instability - Global

(interweaving of diverse interests and pressure of external forces), intra (controversy over the ownership of the territories and national minorities) and internal (predominantly negative dynamics of political development).

Particularly acute for the South Caucasus began in the last decade the problem of separatism, on the basis of which any self-proclaimed, unrecognized by the international community, and virtually no one outside the territory not controlled. Extraterritorial separatism in the South Caucasus, on the one hand, the history of the product - the complex relations between the peoples of the South Caucasus region with each other, with the Russian-imperial, and then - the Soviet "center", and on the other - the result of the transformation of the modern world order. Extra-territorial conflicts in the South Caucasus, wrongly considered as a result of religious differences. The religious factor can be an important element of ethnic confrontation, but it is secondary to the espoused principles of territorial integrity and the right of ethnic minorities to self-determination, as well as a common perception of security models.

Within this subject it is focused on consideration of policy of the West and Russia by means of participation in processes of settlement of the interethnic conflicts in the Caucasian region. The countries of the South Caucasus, at the crossroads of international transport and energy routes, subject to constant attack from the larger actors in international politics. It is therefore important to consider the three main dimensions of the political situation in the South Caucasus - global, regional and domestic.

The global dimension is directly related to the impact on the region of intertwined strategic lines of extra-regional "players", first of all, such large what are Russia, the US, EU, and are located in close proximity to Turkey and Iran. In recent years became more prominent role of international organizations - the UN, NATO and the OSCE in the settlement of conflict situations.

In the analysis of conflict situations the attention is paid to the Nagorno-Karabakh and Abkhazian problems. Russia and the USA, in own way try to settle these conflicts in the South Caucasus.

The solution of the similar conflicts seems in granting to ethnic minorities the wide autonomy corresponding to their ethnic identity and providing freedom of cultural, educational and other policy within respect for territorial integrity of the states that is in full accordance with norms and the principles of international law.

The process of development of Russia's strategic approach to the problems of the South Caucasus region after the disintegration of the USSR has been slow and inconsistent, while at the same time an important part of the new Russian identity.

The process of development of Russia's strategic approach to the problems of the South Caucasus region after the disintegration of the USSR has been slow and inconsistent, while at the same time an important part of the new Russian identity. Formation of Russian policy was complicated by internal political tensions and interagency disagreements, largely a reactive, rather than constructive nature in relation to the South Caucasus countries, which at first hardly perceived in Russia as an international partner. And massive invasion into the region of the countries of the West after signing in 1994 of oil "contracts of a century" became absolutely unacceptable even for the Russian politicians of "the first wave" and I have begun constructions of the main oil pipeline of Baku - Tbilisi - Ceyhan.

The South Caucasus is inextricably linked to the North Caucasus, an integral part of the Russian Federation. Therefore, Russian security interests, direction and nature of its policy in the entire Caucasus region, and cover his northern and southern parts. With the collapse of the USSR, Russia is afraid of creating is a security vacuum that would fill the US, Turkey and Iran, which, naturally, does not meet Russia's own interests. Priority interests of Russia responsible for both internal and external security of the entire Caucasus. And to prevent effect of slopping and not to allow emergence of the conflicts in the territory, Russia is interested in establishment and strengthening of stability in South Caucasus, the termination of all conflicts in the region. The South Caucasian countries, in particular Azerbaijan, wouldn't like to see in policy of Russia violations in relation to them the developed balance of forces in the region. However in this process necessary proportions aren't always observed.

### **2.1.1. Russia's role in the attempts of resolving Nagorno-Karabakh conflict**

For Russia South Caucasus is first of all continuation of her North Caucasian policy. The Kremlin has undertaken the main role of the intermediary in territorial dispute between Armenia and Azerbaijan.

Unlike the United States, considering the Karabakh conflict and Armenian-Turkish relations in isolation from each other, which was another stumbling block to the continuation of the dialogue, Moscow with enviable readily offers his scheme of settlement of the situation around Nagorno-Karabakh, trying to strengthen the cooperation with Yerevan and Baku.

On November 2, 2008 Russia initiated signing of the first joint declaration of presidents of Armenia and Azerbaijan from the moment of the termination of a military phase of the Karabakh conflict. Washington welcomed the establishment of a trilateral negotiation format (president of Russia, Azerbaijan and Armenia), that is actually a parallel channel of mediation with the Russian domination. In the future, with the participation of Moscow, Washington signed such important documents as the "basic principles" (July 2009), as well as the Zurich protocols (October 2009), which, however, have not been ratified and has not entered into force due to failure of the Armenian link opening of the border with Turkey to the beginning of the settlement of the Nagorno-Karabakh conflict.

In spite of the high level of cooperation with Armenia, Russia's position on resolving the conflict around Nagorno-Karabakh is formulated in accordance with the agreed principles of the Minsk Group. It is important that the process proceeded on the basis of respect for Azerbaijan's territorial integrity and respect for the other fundamental rules of international law, without the use of force, it said in a statement the Russian Foreign Ministry on May 24, 2010.

The December OSCE summit held in Astana, did not pushed the situation in Nagorno-Karabakh in motion, and was limited to the adoption of a joint statement by the heads of delegations of the OSCE Minsk Group - Russia, France, USA, Azerbaijan and Armenia. The Presidents of Armenia and Azerbaijan reaffirmed their commitment

to achieving a final settlement of the Nagorno-Karabakh conflict on the basis of principles and norms of international law, UN Charter, Helsinki Final Act, and others.

However, the main problem in the way of settlement of this conflict - is uncompromising on both sides, and not external influence. If the Nagorno-Karabakh conflict will grow again in the military, it will affect not only Armenia and Azerbaijan, but also Georgia, Russia, Turkey, Iran, as well as oil and gas production in the Caspian Sea area. On this basis, it is important to strive to reach agreement on the South Caucasus, according to which it may become a neutral zone, which will take into account the interests of all countries in the region.

### **2.1.2. The impact of the West to the deterioration of Russian-Georgian relations.**

In the Russian political circles also the fact that formation of independent Azerbaijan, Armenia and Georgia and the numerous political and ethnic conflicts accompanying this process have led to essential change of geo-economic orientation of these states was negatively perceived. Losing regular ties with Russia because of the lack of land transport routes through conflict zones (primarily through Abkhazia), the South Caucasus states were inclined to cooperate with geographically close to their countries and the Middle East (Armenia with Iran, Azerbaijan and Georgia to Turkey).

As for the loss of Russia, they have long-term, geopolitical nature. Over the past few years after the collapse of the Soviet Union Russia has lost in this region a considerable share of its influence, which it regained in the past three centuries, giving way to a series of positions of the United States, member states of the European Union and even regional powers, Turkey and Iran.

The draft agreement on coexistence with South Ossetia and Abkhazia in the form of confederation and also a number of another, prepared for consideration socio-



political projects can become one of opportunities providing interaction of Tbilisi and Moscow on the Georgian problem. In it also the public diplomacy capable to give worthy start for resumption of the dialogue can play not the last role.

As we considered above, Georgia has Western orientation course. And it was one of the first CIS country has applied for admission to the members of the NATO organization. But the main dangers in the way of Georgia's accession to NATO, is that today Moscow is able to play the "Georgian" card, helps to speed up membership in the alliance Tbilisi without Abkhazia and South Ossetia. In all likelihood, this scenario does not work in Georgia, at least at present, because it will mean the loss of their final. In addition, today and in NATO itself, there are serious disagreements on the future of Georgia's membership in this organization.

It should also emphasize the continuing concerns of NATO regional conflicts in the South Caucasus. This is stated in the Declaration adopted on the basis of which ended in Lisbon NATO summit. It notes that the alliance intends to independently engage in crisis prevention, and, if necessary, to stop their methods of crisis effects, including the use of armed force, and bring them to the full political settlement. Nevertheless, the special representative of NATO in South Caucasus and in Central Asia James Appaturai in interview to APA agency has noted on December 17, 2010 that "the new strategic concept of NATO doesn't mean changes in policy of alliance in relation to the regional conflicts in the South Caucasus" (45).

At the same time, on November 5, 2010, in an exclusive interview to Radio "Liberty" US Assistant Secretary of State for European and Eurasian Affairs Philip Gordon expressed concern about the intensification of Russia's role in the settlement of the Nagorno-Karabakh conflict, noting, however, that "the United States as co-chair of the OSCE Minsk group is an important player in the Caucasus, along with Russia and France "(52).

Obama's administration does not put into question the strategic nature of relations with Georgia and Azerbaijan. It refuses to support territorial integrity of the two countries and at the same time marked a red line for which to retreat does not intend to relations with Russia. The US has no plans to direct the aggravation of

relations with Russia in the Black Sea-Caspian region, but support for the sovereignty, territorial integrity and democratic freedoms in the countries of the South Caucasus may become more insistent. According to the US Secretary of State Hillary Clinton, Russia's military response to Georgia's actions "was disproportionate and illegal", as the decision to recognize Abkhazia and South Ossetia. The US can support the territorial integrity of Georgia, its economic reconstruction and democratic development and, at the same time, to work with Russia on issues of common strategic interests, asserting democratic principles of international relations, as opposed to outdated doctrines of "spheres of influence" (36, p 78-79).

At the end of open hostilities in the summer of 1993, Abkhazia and Georgia started the UN mediation, the Russian Federation and with the participation of the CSCE negotiations, one of the most important questions which had been the question of their future relations.

From July 1993 to 1997 many resolutions were adopted regarding the settlement of the conflict between Georgia and Abkhazia (№849, №876, №892, etc.)

In June, 1997 the draft of "The protocol on the Georgian-Abkhazian settlement", in compliance with which two equal parties had to create the general state which is under construction on an equal and subject basis has been prepared for signing. However the Georgian side has refused signing of this document.

Now the last plan of settlement of the conflict from the UN are the provisions recorded in the document entitled "The basic principles of differentiation of powers between Tbilisi and Sukhumi" ("Bodin's document" by name the originator - the special representative of the UN Secretary General in Georgia) the Abkhazian side refuses to sign this document. In the document in particular it is said that "Abkhazia - sovereign object within the state of Georgia founded on provisions of the law. Abkhazia has the special status within the state of Georgia based on the Federal Agreement" (46).

Distribution of Competences between Tbilisi and Sukhumi, according to the proposal of Jean Bodin, should be based on the Federal Agreement, which will have the force of constitutional law. "Distribution of Competences between Tbilisi and

Sukhumi will be determined on the basis of statements of policy measures to settle the Georgian-Abkhaz conflict zone on April 4, 1994. The rights and powers of Abkhazia will have a greater volume than that which it enjoyed until 1992." - Said in a document (46). Until now, the question of the legal status of Abkhazia remains unresolved, and this is a major obstacle to a final resolving the conflict. UN in this issue takes the position preserving the integrity of the Georgian state, so in 1999 the UN called unacceptable and illegitimate the holding of self-styled elections in Abkhazia.

### **2.1.3. The role of Russia, US and international organizations in the Nagorno-Karabakh conflict's solution.**

The international process about peaceful settlement of the Nagorno-Karabakh conflict originates since February, 1992 within so-called the OSCE Minsk group which is only of international the organization for development of model about conflict settlement. This group has been created on purpose about political peaceful resolution of the Nagorno-Karabakh conflict. It includes Azerbaijan, Armenia, Russia, the USA, France, Poland, Germany, Turkey, Russia, Finland, Sweden and Italy. For control of the Nagorno-Karabakh conflict OSCE to use all their resources, with the exception of a tool such as peacekeeping operations. The meeting directed the observers here, resorted to an instrument of political consultations to emergency mechanisms, and the creation of specially related with the crisis, a temporary group. Involved in the conflict were invited to a truce at the front and to start negotiations within the OSCE. In order to guarantee security in the conflict zone were invited to a private part of the OSCE Chairman of the Council of Ministers in the negotiations. The worsening conflict prompted to hold an extraordinary meeting of the Council of the OSCE, which was held in Helsinki in March 1992. Assistance to continuous dialogue and negotiations for peaceful settlement of crisis and a possibility of accommodation here of observers became a problem of this forum called by the Minsk group. Later, in 1994 at the Budapest summit of OSCE the institute of co-chairmanship of the OSCE Minsk group

was created. The institute of threefold co-chairmanship in the person of the USA, France and Russia began to work from February 14, 1997 (51).

But, despite the fact that Azerbaijan was admitted to the OSCE in January 1992, members of the year, the beginning of it built in a precise political course in its relations with this organization was put only in the second half of 1993. It is from this period, Azerbaijan was able to achieve the adoption of four resolutions (№ 822, №853, №874, №884) that serve as the foundation and basis for a constructive solution. [19; 25-35]

Major milestones in the Nagorno-Karabakh peace process were the Helsinki 1992 [50], Budapest 1994 [47] and Lisbon in 1996 [49] summits.

The first attempts to settle the conflict began at a meeting in Helsinki on 24 March 1992 [50], on the initiative of the CSCE (since December 1994 OSCE) convened a conference on Nagorno-Karabakh. The participants were Armenia, Azerbaijan, Belarus, Czech Republic and Slovenia, France, Germany, Italy, Russia, Sweden, Turkey and the United States. The aim was to achieve a ceasefire and to start political negotiations on the final status of Nagorno-Karabakh. Belarus offered its capital as the venue for the final negotiations. It is hence, the name - "Minsk Conference" or the "Minsk Group" (MG).

A major step in this direction, after Resolutions served signed between Armenia and Azerbaijan, May 5, 1994 "The Bishkek protocol" [48] of the ceasefire, which came into force on May 12 and active military operations were suspended on the same day on the front line .December 5-6, 1994 at the Budapest [47] Summit of Heads of State and Government had decided to establish the Institute co-chairs of the Minsk Conference to coordinate all mediation efforts within the CSCE. At this summit, the current then chairman of the CSCE was charged two-stage structuring the settlement process: negotiations and to reach a political agreement and an end to military conflict adopted Resolution "On hold immediate negotiations for a political agreement on the cessation of the armed conflict on both sides" (Big Political Agreement) which it was to resolve all disputes between the parties and would allow convening of the Minsk group.

After Budapest summit had agreed only 75% of the draft text of the Agreement and its Annexes. However, on matters of principle - the complete liberation of all occupied territories, including Shusha and Lachin districts, security participation of the conflict and the withdrawal of the Armenian armed forces from the territory of Azerbaijan, ensuring the return of displaced people to their places of permanent residence, the agreement has not been reached. At the Budapest Summit, it was also decided to hold an OSCE peacekeeping operation after the conclusion of a political agreement. Also at the summit, it was decided to place the CSCE multinational peacekeeping force after signing by the parties of the agreement on the termination of the military conflict and the establishment of the High Level Planning Group (HLPG) for the preparation of peacekeeping operations.

The next stage in the constructive settlement of the conflict was the Lisbon Summit in December 1996, where for the first time at a high level was widely discussed Caucasus region, in particular the Armenian-Azerbaijani conflict. Therefore, this summit was significant enough for Azerbaijan. All 54 OSCE member states except Armenia, adopted a declaration entitled "Model sheathe and comprehensive security in Europe in the XXI century" [49].

In the Declaration the threats directed against member countries were noted and importance of joint cooperation for elimination of these threats was highlighted. On the Nagorno-Karabakh conflict was unanimously accepted, except for Armenia, the following three principles in paragraph 20:

1. The territorial integrity of the Republic of Azerbaijan;
2. Granting the status of Nagorno-Karabakh the highest degree of self-rule within Azerbaijan;
3. Ensuring the security of the Nagorno-Karabakh population (50).

Despite the fact that Armenia did not accept this basic document, vetoing the 20th article of the Lisbon Declaration, supported by all the other countries - participants of the Lisbon Summit, a separate, 20th statement was included in the documents of the Lisbon summit.

Since 1992 up to 2005, the OSCE Minsk Group submitted three proposals as a basis for the negotiations, which, however, failed to resolve the conflict. [51]

1. On July 18, 1997 offered "package" or "comprehensive plan" of the solution of the conflict assumes preliminary achievement of consent by the parties on all controversial issues and the conclusion of agreements "in a package". Namely, the intermediate status, i.e. recognition of his independence is provided to Nagorno-Karabakh and terms of holding a referendum in the territory of Nagorno-Karabakh are determined. Only then might release 5 (with the exception of the Lachin corridor and Kelbajar district) occupied areas. As for the question of the status of Nagorno-Karabakh's agreement was not reached, the "package" variants were unfulfilled and were set aside.

This suggests that the solution of the Karabakh conflict is not stagnant.

2. In December 1997 he was offered "incremental", that is a modernized plan. This settlement method implies the withdrawal of Armenian troops from the five occupied regions around Nagorno-Karabakh, and secondly, the opening of the Armenian-Turkish (as has repeatedly pointed out, Turkey) and the Armenian-Azerbaijani border, and thirdly, the return of Azerbaijani and Armenian refugees and internally displaced people to 5 cleared districts, and fourthly, to provide interim status to Nagorno-Karabakh de jure part of Azerbaijan, and the de facto a part of the Republic of Armenia.

3. November 9, 1998 Co-Chair of the OSCE put forward a new peace plan, called the "common state". According to this principle, Nagorno-Karabakh is a state and territorial entity in the Republic of shape and form a common state with Azerbaijan within its internationally recognized borders. The Azerbaijani side refused to accept the proposal as the basis for negotiations because of its non-compliance norms and principles of international law, as well as with national legislation mismatch.

Azerbaijan which was taking part at the next summit of heads of state and government, OSCE member countries which was taking place in Istanbul on November 18-19th the 1999th year it joined the Istanbul declaration and the Charter of the European safety.

In November, 2007 at the initiative of the OSCE Minsk group has been offered the Madrid principles, a code name of the basic principles at settlement of the

Armenian-Azerbaijani conflict. "The basic principles reflect the reasonable compromise based on the principles of the Helsinki final act of non-use of force, territorial integrity, equality and the right of the people for self-determination", 10 July, 2009.

1. The return of the territories surrounding Nagorno-Karabakh to Azerbaijani control.
2. Granting interim status for Nagorno-Karabakh providing guarantees of security and self-governance.
3. Providing a corridor linking Armenia to Nagorno-Karabakh.
4. Determination of future final legal status of Nagorno-Karabakh by the will having obligatory validity.
5. The return of all internally displaced persons and refugees to their former homes
6. International security guarantees and a peacekeeping operation

October 10, 2009, the Obama administration is promoting the idea of parallel negotiations in the city of Zurich. The goal was to attract Turkey to the negotiating process. According to the Zurich protocols should be normalization of relations between Armenia and Turkey it was to occur (sides argued over the unresolved issue of the controversial Armenian genocide in 1915). These protocols have caused discontent of Azerbaijan said that the severance of relations with Turkey in the case of the last ratification of the Zurich protocols. Turkey has not ratified the protocol. Armenia also did not ratify them.

Important step in negotiation process happens in 2010 when Azerbaijan refuses the Madrid principles of settlement.

From 1999 to 2015 between Presidents of Azerbaijan and Armenia the set of meetings and negotiations have taken place. The talks ended inconclusively presidents.

At the moment, the Nagorno-Karabakh conflict is in the unresolved state. To resolve the conflict and the signing of a peace agreement between Azerbaijan and Armenia, the Armenian side should comply with the relevant obligations, which should be guaranteed by the leading countries and international organizations. For constructive conflict resolution needs the active support of leading countries of the world and especially the OSCE Minsk Group.

Despite undertaken within the European Union and OSCE of attempt of permission of "the frozen conflicts", business hasn't moved a little. Still under the auspices of the OSCE Minsk group and at co-chairmanship of Russia, the USA and France still unsuccessful peace talks are conducted. In many respects it has been caused by economic interests of various groups of elite in conflict areas and beyond their limits, and also the opposition of conservative and democratic forces which has developed at a stage of collapse of the USSR and still not overcome on a post the Soviet space. In addition, the international mediators, including Russia, each based on their interests, supporting one of the conflicting parties, and thereby prevented the settlement of the conflict. A very important role is also played by the contradiction between the global economic interests of international groups seeking to control the production and transportation of energy resources, the Black Sea ports, Trans-Caucasian highway, Euro-Asian trade flows, sales and investment markets (20, p.40).

In conclusion, I would like to underline the fact that Azerbaijan, as a supporter of the settlement of the conflict by peaceful means, will never make concessions on the issue of territorial integrity and thus decides the conflict based on the concept of *fait accompli*, ie the fact, that all the forces seeking the Armenian side.

## **2.2. A role of the USA and Russia in formation of regional security in South Caucasus.**

Research of problems of safety in the current modern conditions, processes of mobility of subjects and objects of system of the international relations is ALMOST impossible without due and necessary consideration of close interrelation and correlation interdependence between its global, regional, national aspects, and also between the levels corresponding to them. The need to create a regional security system has been discussed for a long time. So, the idea: regional cooperation in the South Caucasus was the first considered in the mid-90s.

### **2.2.1 The stages of formation of regional security in the South Caucasus**



The total policy of the states of the South Caucasus: Georgia, Armenia and Azerbaijan, as well as their own foreign policy orientation can significantly affect, and can, to some extent, and to determine the safety of the system in the sub-regional level. And if, in the early 90-ies of the problems of the South Caucasus were as if on the periphery of the foreign policy interests of the leading countries (namely the USA), the 1995 policy on the South Caucasus region is becoming a more goal-directed, more determined, and to be more precise, more interested. In the future, the idea of regional cooperation has been successfully exported to Europe, and ultimately resulted in a variety of concepts, theories and formulas for regional stability and regional security arrangements. But, since most of these formulas and possible ways of cooperation were too abstract and behind them easily viewed oil strategy, energy security, the authors of the idea, not to be limited strictly, economic terminology, transferred these issues in the political arena and began to talk more about the political "security" and political "stability."

It is supposed that the regional security structure will act as a guarantor of military-political, socio-economic and ecological stability of the region. Only this can provide a full range of joint actions aimed at preventing common threats (both internal and external) and the realization of common interests on the basis of their objective complementarity. In recent years, the value of non-military means to prevent the threat has increased significantly. In connection with this alone is not enough recognition of the value and importance of non-military forms of struggle in defense of national interests. It requires the development of adequate, well-coordinated response to these measures the major state decisions on these matters, taking into account our historical experience and contemporary realities.

It should be noted that the political processes that we have seen in the South Caucasus, especially the August events in Georgia (8.08.2008), indicate that the subjects of the region and is now quite loosely coupled, they do not have a clear direction for the construction of a general regional security system. Each state, as we have seen, is concerned primarily with their national interests, which are increasingly go and in a variety of ways, again outside the Southern Caucasus. If to take traditionally

listed interests of national security of each country, then their set is more or less standard: it is national sovereignty, economic wellbeing and the main values. However, the states of South Caucasus have unequal economic, political and other potential, a specific geopolitical environment, an orientation of the foreign and military policy, etc. Each of the South Caucasus states is inherent in their unique approach and choice of foreign policy orientation. Georgia in the mid-90s most responded positively to the idea of regional security. In 1992-1993, the country's president Eduard Shevardnadze put forward the idea of "Common House of the Caucasus", which in a few years transformed into the initiative "For the Peaceful Caucasus". Tbilisi took a very proactive and chose overly globalized approach. In trying to develop the idea of regional cooperation, Georgia was sincere in their attempts to bring the Caucasus the attention of the international community.

Georgia was guided to the west earlier, and later, so-called 5-day war in South Ossetia, she was finally approved in the priorities and preferences (The European Union and the military-political block - NATO). As for Armenia, in the nineties it welcomed idea of regional cooperation, but is very constrained. It is believed that the three countries of the region had to start cooperation with the preparation and then the implementation of small but doable in the sphere of economy and security projects, which would provide for the development of energy, transport and communications, health, and development of a joint strategy to combat terrorism and drug trafficking. From the point of view of Armenia, the best mechanism and channel for the implementation of such programs could be international financial organizations: World Bank, IMF and EBRD. Its main ally in foreign policy is Russia, with which she sealed the Collective Security Treaty. In recent years, there has been, one might say, drift toward the West.

Reaction of Azerbaijan to regional cooperation directly or indirectly the including presence of Armenia, is unambiguous - it is necessary to settle, resolve the Karabakh conflict. Of course, the intraregional conflicts and disagreements and political conflicts in no way can't be absolute, since any international cooperation has always includes some conflicting dimension, and vice versa - just in the conflict, to

some extent, suggests that a share cooperation of its members, and in the future - and the resolution of this conflict.

Karabakh conflict resolution depends on the positions of Azerbaijan and Armenia, and from those countries which directly or indirectly have a definite impact on all processes in the South Caucasus region. Conflict resolution requires a fundamental change in attitudes and policies which adhere to the Armenian and Azerbaijani sides of the conflict. A new look at the traditional concepts of sovereignty, self-determination, state and national boundaries and relationships. In this sense, it would be particularly helpful to review the experience of Europe, and in particular, the potential of the EU integrative model.

It should be borne in mind that in addition to opposing political goals and tensions between countries of the region objectively exist and combine their interests to prevent nuclear war and nuclear non-proliferation, the fight against international terrorism, address environmental and other issues that will objectively compel to act together.

It should be borne in mind that in addition to opposing political goals and tensions between countries of the region objectively exist and combine their interests to prevent nuclear war and nuclear non-proliferation, the fight against international terrorism, address environmental and other issues that will objectively compel to act together.

Any model of regional cooperation, if we are talking about the post-war or political conflict, must take into account not only the desire of the conflicting parties, but also the vital interests of their powerful neighbors. In this case, there are three such regional neighbors - Russia, Iran and Turkey - and at least one country - the United States. Disregard or lack of attention to the interests of any of them can lead to serious consequences.

Persistent fight for the statement of the worthy place in system of the international stratification, and, irrespective of their ranging in the international structures still is necessary to the countries of the South Caucasus.

### **2.2.2. Regional conflicts as a brake in the formation of regional security in the South Caucasus. US, Russia, Turkey's and NATO attempts to resolve these conflicts.**

Very often in a comparative study of the political unit of analysis is the state and country. At the same time, they are considered to be completely independent research unit. However, in the context of globalization of political, economic and other processes of intensive cooperation between the countries (and it may be a conflict), it is very important to know the attitude to these processes of the environment. It is appropriate to recall often found in scientific political science, the so-called problem of "Galton", or the importance of the external factors, conditions and positions of third countries, their impact on domestic and foreign policy in the region.

Today, for South Caucasus the following threats of its safety are the most actual: Nagorno-Karabakh, Abkhazian, Southern Ossetian conflicts as manifestations of ethno-territorial separatism, and also terrorism and drug traffic as new threats. The international organizations - OSCE, the European Union and NATO, and also the CIS take active part in development of various options of providing a lasting peace and safety in the sub-region. In this process also involved some European countries and research centers. In recent years, Russia and the United States planned to cooperate in attempts to resolve regional conflicts of the South Caucasus and the ability to ensure security in the South Caucasus.

Resorting to cross-temporally comparison, I will try to show positions of Russia, the USA, Turkey and Iran, their relation to the countries of South Caucasus before and after the Georgian August events of 2008, and first of all to define new approaches to the solution of many regional problems, and also, for identification of new mechanisms of partnership.

Russia plays a complex and sometimes contradictory role in the South Caucasus, trying, on the one hand, to retain influence and power in the previously under its control territories, and on the other hand, to ensure the stability of its southern borders. Russia is constantly trying and trying to play a major role in the mediation process, which it

is seen as one way to achieve regional domination, and it often makes its own diplomatic efforts [22, p.50].

Military conflict between Russia and Georgia in August 2008, of course, has led to some changes in the South Caucasus region. After the events in South Ossetia by Russia's international prestige was damaged. Russia many leading countries have tried to present as a country that has resorted to military aggression, first of all in order to preserve its influence in the region. While many media analysts, commenting on the events of August, said the unpredictability of the actions, the behavior of the former Georgian President Mikhail Saakashvili is the order to start military actions in South Ossetia, it was predictable and supported from the outside, and it is likely that these actions were aimed against Russia to cause it some backlash, and in principle, it is possible. Back in 2006, representatives of some opposition parties in Georgia have predicted the outbreak of hostilities in South Ossetia, as even then many realize, and it did not cause doubt that things are going to war, and that Georgia will try sooner or later to resolve the issue of its territorial integrity by force. And we can assume that these predictions really come true. But at that time, the Georgian authorities have feared a negative reaction of the West. Changes in the power structures of Georgia (2013) undoubtedly blunted the sharpness of anti-Russian sentiment, and most likely in the near future we should expect a rapprochement of the Russian and Georgian positions.

Russia currently has intensified its peacekeeping role in the settlement of the Karabakh problem and, of course, she will try to propose a solution that will allow it to maintain its control over the region, which to a certain extent, would take into account the interests and Azerbaijani and Armenian sides. There are proposals for the release of the occupied Azerbaijani territories deferred a decision on the status of Nagorno-Karabakh.

Such "intermediate and package" option of settlement is very favorable to Russia, troops of Armenia are disengaged from the territory of Nagorno-Karabakh instead of them in a zone of the conflict the Russian peacekeeping troops which guarantee safety of the population of Nagorno-Karabakh are placed. And all this again

can pause that is conflict is again "frozen" [23, p. 104]. Perhaps, from Azerbaijan need to refuse to participate in some projects and international organizations. Despite the peace aspirations of Russia, it, however, as any other country, aims, above all, its own national interests. [23, p. 33]. So it was before, even though some activity what we are seeing now.

Immediately after the collapse of the USSR, Washington took a course to strengthen the US presence in the former Soviet Union. Preparation in April, 1992 of the bill "About Support of Freedom" which provided the American government aid of NIS as directly and through the IMF became one of key aspects of policy of J. Bush Sr. in relation to the New Independent States (NIS). This law was approved by Congress and signed by President George Bush on October 30, 1992 (41).

The coming to power of Bill Clinton marked the beginning of a new phase in US policy toward the NIS, which from the beginning was defined as involvement (engagement) in those former Soviet republics, which, from the point of view of the Clinton administration, had a vital political and economic importance to the US. Among them, first of all, Washington took all three states of the South Caucasus and the five former Soviet republics of Central Asia. It was also stated that the US interest in these regions due primarily to the rich reserves of hydrocarbons, which is located in the Caspian Sea basin.

Coming to power of B. Clinton marked the beginning of a new stage in policy of the USA in relation to NIS which with the beginning was defined as involvement (engagement) in those former Soviet republics which from the point of view of B. Clinton's administration, had the vital political and economic value for the USA. First of all, Washington has carried all three states of South Caucasus and five former Soviet republics of Central Asia to them. It was also stated that the US interest in these regions due primarily to the rich reserves of hydrocarbons, which is located in the Caspian Sea basin. It was also noted that the United States attaches great importance to the geopolitical location of the South Caucasus and Central Asia, since all States belonging to those regions, is an important link of the "new Silk Road", leading to a revival of China and the Central Asian states of historical trade ties with Europe.

An important part of the policy of "engagement" the United States in these regions was the provision of Washington and assist States in these regions in the creation of democratic institutions there, contributing to the development of democracy and democratic reforms. This position was confirmed in the adopted in March 1999. US Congress "Act on the Silk Road Strategy" designed to stimulate economic assistance, development of infrastructure (including pipelines), support for the consolidation of security, strengthening democracy and the development of civil society "(18).

Also B. Clinton's administration declared the activist position and intention to join completely in process on settlement of the conflicts, flashed in South Caucasus. In August, 1993 the special coordinator from the USA on settlement of the conflicts in the CIS was appointed (J. Collins) and the relevant division in State Department was created. During the same period Washington became the active participant of the OSCE Minsk group on settlement of the Karabakh conflict.

Thus, everything was done to maximize the consolidation of leading US position in the South Caucasus and Central Asia for a long time and seriously, that from Washington's perspective, was to promote institutional integration into the Western community.

The arrival in the White House, President George W. Bush in January 2001 was marked by two terms of finding the neoconservatives in power, formed the backbone of his administration's foreign policy. Proclaiming "the global campaign for the promotion of democracy", the administration of George W. Bush initiated the formation of strategically important for Washington's Greater Black Sea-Caspian region in the context of multi-energy transport corridor East-West with a more advanced democracy in respect of the States of the region, where the main stronghold of steel Georgia and Azerbaijan.

In parallel, it formed and strategy of gradual implementation of the NATO in the South Caucasus. This was done by developing a phased program for the countries of the region, provides for the possibility of their joining NATO in the medium or long term, in the following scenario: the participation of these countries in a specially created for them the alliance of the program "Partnership for Peace" (PFP}, and then

receive the status of country Candidate of NATO members in the framework of individual partnership Action Plan with NATO (IPAP), and, finally, the inclusion of these countries in joining NATO Plan (MAP).

Speaking in the Congress of the USA on June 18, 2009 the assistant to the state secretary for Europe and Eurasia Philipp Gordon noted that "South Caucasus has to go on the European way, and the United States are determined to advance "freedom boundaries" of Armenia, Azerbaijan and Georgia, helping these countries to settle the regional conflicts and to build democratic institutes." (44).

After the Istanbul Summit in 2004 defined the main priorities of the Alliance of the Caucasus, Central Asia, the Middle East, as well as the accelerated development of close cooperation with the partners of NATO by Georgia, Azerbaijan, Armenia.

The military-political nature of the NATO bloc, which unites America and Europe, suggests its use as an effective instrument for securing a strategic Euro-Atlantic community and the Caucasus region.

Regional security in the Caucasus is impossible without a global security system. NATO's military power allows it to create so-called "security umbrella" in almost any region of the world, including in the South Caucasus.

Nature of Azerbaijan and Iran security relations - is determined by its characteristics. While the official Iran supports the territorial integrity of Azerbaijan, geopolitical interests and the historically friendly relations with Armenia define it more pro-Armenian position in the Karabakh conflict. After initial attempts at mediation in early 1992, when it was able to achieve a short-lived truce during parallel initiatives with Russia, Iran will not take part in the Armenian-Azerbaijani peace process. If the Russian problem of independent Azerbaijan is seen more in the spectrum of the independence of all of South Caucasus, the issue has a slightly different meaning for Iran. Sensible dependence of the national security of Iran from Azerbaijan and Turkey contributes to the formation of another vector according to Iran's already from Russia and Armenia. Iran is primarily concerned with the problem of external, ethnic and political momentum aimed at the unification of North and South Azerbaijan [22, p. 52].



It would be wrong to assert that it is impossible to further enhance the scope of regional cooperation of participants of the Caucasian security complex. Co-operation states of the region in the regulation of transnational security challenges are not related to their desire, or some situational political maneuver - it is an urgent necessity. With the development of the international system the sharpness of these problems will inevitably increase, which naturally stimulates the desire of States to the cooperative solution to these problems. In turn, the expansion of cooperation, even in the field of transnational problems - is the intensification of positive and mutually beneficial cooperation between the states and their societies.

It is also possible to distinguish from the major factors interfering formation of the wide mechanism of regional cooperation of the states of the Caucasian complex absence of the effective institutional structures consolidating in themselves all participants of regional system. Absence of the regional institutional structures favoring to associative forms of safety leads to attempts to solve threats of the safety by means of policy of balance of forces.

Today the Caucasus no one common to all states of the regional security complex and coherent institutional framework designed to work together to solve the basic problems of regional security. There is also no generally accepted by all States of a regional system of security mode. CIS Treaty on Collective Security Organization, GUAM, Caucasian Four - in practice, either because of its intrinsic amorphous, either because of the inability to attract and co-ordinate the efforts of all stakeholders have been very ineffective in addressing the key issues of regional security. The main vectors of regional institutionalization most divide regional factors than consolidating them to solve common problems.

We will note that need of creation of the general regional structure of collective security in the Caucasus is more and more distinctly realized by regional factors, such idea was reflected in performance of the president Mr. Aliyev at the Summit of OSCE in Istanbul in 1999 and similar initiatives of the president of Armenia R. Kocharyan and Turkey S. Demirel (The pact of Stability in the Caucasus), the president of Georgia E. Shevardnadze (idea of "The general Caucasian house").

As for Turkey, the Karabakh conflict, it always advocated a staunch ally of Azerbaijan. Effect of Turkey's South Caucasus region limits its dependence on Russian energy resources and its own desire to integrate into Western structures, namely the European Union. The idea of creating the "Union and stability in the South Caucasus", the Turkish side offered many times: it is the Stability Pact, and the TAG project (Turkey - Azerbaijan - Georgia). Turkey as well as Russia fulfills its mediating role in the resolution of the Karabakh problem. And this, of course their interests are the same [22, p. 51]. As an appropriate sample of such a regional security structure offers several models:

- 1) Stability Pact in the Balkans: Russia, Armenia, Azerbaijan, Georgia, Turkey, the EU, US and other Black Sea and Caspian countries and international organizations to enter into a dialogue on regional policy and cooperation opportunities;
- 2) The virtual membership in the EU: the EU adopts a more proactive approach to the progressive integration of Georgia, Armenia and Azerbaijan in the framework of his in the field of security policy of the economy. The EU also offers a constitutional package for the settlement of ethno-political conflicts in the region;
- 3) The Caucasian measurement of the EU extends and includes Turkey, and Russia deepens the cooperation according to the general tasks, and for the benefit of development, stability and safety in the region.

It should be noted that so far any of models of regional structure of safety isn't able to turn in the short term into the effective mechanism of regional security. It is possible to distinguish absence of the effective institutional structures consolidating all participants of regional system from the major factors interfering formation of the wide mechanism of regional cooperation. A measurement of the impact of energy on the South Caucasus as a whole is due to a deep relationship with the regional energy issues energy security of industrialized countries.

### **2.2.3. Energy factor as a major concern in western countries' policy in Azerbaijan.**

One of the most important geopolitical level objectives for the West is to create and ensure effective operation of the Eurasian transport corridor, the main component of which should be the energy factor. That is why the oil-consuming countries of the West, above all, will decide, and to benefit from the following important tasks:

Diversification of energy sources and transportation routes;

-Reduction dependence on Middle Eastern oil;

- Facilitation of favorable supply Caspian oil to the world market;

- They will try to weaken the ties with Russian oil and gas producing countries (for example, Azerbaijan), providing them with energy transportation routes bypassing Russia;

- Direct the oil and gas flows to bypass Iran;

- to carry out the laying of pipelines on unstable politically the countries of the South Caucasus (Georgia) which is a convenient excuse for the expansion of the presence of the NATO forces in the region.

The South Caucasus region is not yet ready for the creation of efficient institutional structures. Many regional associations or international organizations of a higher level, or by virtue of its intrinsic amorphous, or else because of their inability to attract and co-ordinate the efforts of all participants in the South Caucasus region, is not eligible for this role. OSCE Minsk Group co-chairs with her from Russia, France and the United States - over the years of its mediation efforts - did not come to any positive results.

August events with overtones oil (control of the oil pipeline Baku-Tbilisi-Ceyhan), that is military conflict between Russia and Georgia, of course, made some recovery and search for new mechanisms, new methods and techniques as well as approaches to the old, long-standing conflicts in the South Caucasus.

When we talk about new approaches and partnership arrangements, or of the new positions of third countries, we should not forget that, in principle, is the real new partnerships contributing to stability in the region - is not, and there are also significant changes in the positions of Russia, Turkey and Iran.

None of those countries can become a guarantor of stability today. However, to some extent sometimes activated the peacekeeping role of Russia and Turkey in the process of settlement of the Karabakh problem, but again, this activity on the part of these and some other states - occasionally manifested itself in the past. As we can see, each state is pursued, and pursuing, above all, its own national interests.

## Conclusion

At the beginning of my thesis I had put the question about the changing balance of power of Russia and US in the South Caucasus over the past decade. These changes can be traced due to a number of reasons. Considered in the master's work different aspects of the formation of geo-strategic interests of the US and Russia in the South Caucasus and the analysis of the mechanisms of their implementation allows to come to the following conclusions:

1. The dramatic geopolitical changes related to the collapse of the Soviet Union and the formation of new independent states in the South Caucasus, have radically changed the entire geo-strategic situation in the region, which has turned into an arena of acute geopolitical rivalry between world and regional powers. To create in the region the situation has stimulated the struggle to expand its influence major military and political forces of our time competing in the face of the US, Russia and NATO.

The geopolitical and military-political situation in the region and in the foreseeable future will continue to be difficult and controversial and characterized by a significant reduction of political and economic influence of Russia, while strengthening the influence of the USA, Turkey and other leading NATO countries.

Among the main problems associated with the threat of increasing instability in the South Caucasus, stand out: First, neo-imperial aspirations of Russia towards this region and its desire to regain its former dominant influence in the region; secondly, the increasing incidence of militant separatism (in Nagorno-Karabakh, Abkhazia, South Ossetia, and in the future in other areas of the South Caucasus); Thirdly, to Armenian territorial claims against its neighbors - Turkey, Georgia and, in particular, Azerbaijan, leading to the loss of the last 20% of the territory and one million refugees;. Fourth, the unresolved fully the status of the Caspian Sea; Fifthly, the real threat to this region by the forces of international terrorism and religious fundamentalism, and finally, sixth, aggravation of internal political struggle in a number of epy South Caucasus states.

2. The situation developing at the beginning of the come century inevitably leads to strengthening of the competition of the USA and Russia in this region. Especially as the situation is aggravated: first, fight for control over a potential source of energy resources; secondly, finding of the region in the center of the line of a geopolitical break of the former Soviet Union, and, at last, thirdly, high conflict potential both on Northern, and in South Caucasus. Besides, in South Caucasus there is the main fight for the Caspian hydro-carbonic resources which in the future can become real alternative of Middle Eastern and Siberian oil. All this forces the USA to make active considerably the policy in this extensive region.

An important role in keen interest of the West in South Caucasus is played by a geostrategic factor. Bordering on Russia from the North, with Iran and Turkey in the south, this region represents, on situations, both the buffer, and the sphere of geopolitical rivalry, and a constructive link between them. Besides, the favorable geographical arrangement of the South Caucasian states, in particular Azerbaijan and Georgia allows to use their territories for laying of the thoroughfares originating from Baku that is one of the major prerequisites for economic development of this region in the context of the developed process of globalization of world economy. And, the key place in transportation of oil is allocated to the route of Baku-Tbilisi-Ceyhan which is completely supported by the West and causing undisguised alarm in Russia.

The new independent states of South Caucasus are one of the priority directions of the Russian foreign policy, define its geopolitical situation in all Eurasian macro-region, and also directly influence an internal political situation in the North Caucasus.

Russia throughout the last two centuries took strong positions in the region while the West is a new participant. Fixed assets of achievement of the Russian interests represent territorial proximity, ability to influence political and economic life of the Transcaucasian states, cultural historical links; The West stakes on the, actually, unlimited financial potential. If Russia pursues concrete interests concerning the certain Transcaucasian states, then these countries are of value only as uniform regional education for the West and, moreover, only in case of coordination with the Central Asian region. Degree of interest of Russia and the West Transcaucasia is also various.

For Russia Transcaucasia - the sphere of the vital interests, for the West - obviously not a priority of his foreign policy in the near future.

The Russian strategy is clearly defined in the long term, and revision of the Caucasian policy, especially its radical change is not expected in the foreseeable future. Russia has always had an objective interest in relation to the South Caucasus. At the very beginning of the 90th years Russia was discharged for some time of active participation in regional processes, but then when processes in the region were aggravated and the Russian borders have gushed over, interest of Moscow began to increase, and she has carried out revision of the strategy in Transcaucasia.<sup>3</sup> Russia's policy towards the Transcaucasian states involves preserving the leading position and its influence in order to:

- exercise control over its southern borders and maintain stability;
- The development of active economic cooperation with the countries of the region and to obtain commercial profit through participation in oil and transport and communication projects on the model of North-South cooperation;
- maintain the existing military and strategic balance in the region. Despite the fact that Russia's interests at this stage is not provided with the necessary resources, it has the mechanisms of action on the situation in the region and, to a large extent, determines the political and economic life of the Transcaucasian states. Russia is the leading external factor in the process of peaceful settlement of Caucasian conflicts; trade and financial ties with Russia are often the only source of livelihood of the population of Azerbaijan, Armenia and Georgia. The ultimate aim of Russia is a geopolitical return of its dominant position over the entire region. But despite this, there is a further departure from the Russian South Caucasus states.

4. An important factor of weakening of the position of Russia in this region is strengthening of the western orientation of Azerbaijan and Georgia. Force of the objective reasons Russia became for them less attractive as the political, economic and military partner. It was resulted by a gradual distancing of these countries from Russia and their reorientation to the west. Azerbaijan and Georgia began to declare openly the desire to develop in the direction of integration into North Atlantic structures.

Politics US and other leading Western powers, aimed at establishing throughout the Caucasus-Caspian region, its control over the fields of energy, completely meets the national interests of Azerbaijan and Georgia, seeking to finally establish themselves as independent actors in world politics and economy.

5. Activity of the West in the Caucasus may eventually lead, ultimately, to the strengthening of the South Caucasus countries current political and economic mechanisms, the development of market democracy, to ensure their full integration into the world economic system. The huge US resources allow them to carry out the calculated long-term policy of defending American interests in the region; EU opportunities, and especially Turkey is much more modest. It determines the direction of the Western Washington policy toward the region. The US strategy in the region focuses on:

- supporting of independence and territorial integrity of the countries of the region strengthening of modern political and economic mechanisms and advance forward market democracy;
- conflict resolution;
- ensuring access to energy resources;
- creating of a regional system of security and cooperation in its software.

Under these conditions, the choice of the Western direction of foreign policy of Azerbaijan and Georgia look convincing and logical. In general, Azerbaijan and Georgia have done a lot of work to achieve positive dynamics of development of bilateral relations with the US and NATO. For its part, the United States and the North Atlantic Alliance as a whole are showing a keen interest in true partnership relations with Azerbaijan and Georgia, in particular, within the framework of the NATO program "Partnership for Peace". All larger scale receives military and political aspects of cooperation between Azerbaijan and Georgia on the one hand and the US and NATO on the other.

An even greater rapprochement of Azerbaijan and Georgia in the United States found its real reflection in the unconditional support of the anti-Iraq coalition during the Iraq war in March-April 2003. Besides, frankly pro-Western foreign policy of Georgia, as



well as the beginning of the operation of the MEP Baku-Tbilisi-Ceyhan pipeline have further strengthened the geostrategic position of the US and NATO in the South Caucasus.

6. Separate solutions require definition of the legal status of the Caspian. As long as all the coastal states do not decide definitively at the negotiating table the issue of conflict potential, not only to continue, but may increase because there is no universally accepted legal basis of the territorial division of the Caspian Sea on the national sectors.

7. The fundamental problem is the issue of transportation of oil and gas from the Caspian fields. The region faces a complicated geopolitical structure. None of the Caspian littoral states has today economic, political, military capabilities are sufficient to unilaterally solve the problems of field development and transportation of hydrocarbons.

There multi-polar regional system, whose members are linked tense relations of cooperation and competition. It, in turn, continues to form the axis of Turkey - Azerbaijan.

The international relations in general in the region are complicated by the situations which have developed in Chechnya, Nagorno-Karabakh, Abkhazia and South Ossetia. In this regard establishment of strategic partnership of Russia with the countries of the region and South Caucasus first of all is represented vital.

8. For constructive resolution of conflicts in South Caucasus, the active help of the leading countries of the world and in particular cochairmen of the OSCE Minsk group and in particular Russia is necessary. I think that without participation of Russia in peacekeeping operations, the South Caucasian countries will hardly manage to settle independently the internal conflicts and to restore the lost stability. The solution of the similar conflicts seems in granting to ethnic minorities the wide autonomy corresponding to their ethnic identity and providing freedom of cultural, educational and other policy within respect for territorial integrity of the states that is in full accordance with norms and the principles of international law.

9. Regional cooperation of the South Caucasus states involved in military conflicts and is currently working to solve the existing political problems should be developed in

three areas: the economy, the political dimension and ensuring no danger, as well as the scope of rights and democracy building. All these areas of cooperation should never overlap and imposed by force. The activities one of them is necessary to synchronize and maintain parallel work carried out in the other two areas. Only then there will be a chance for harmonious development. Only synthesis of these three areas will create necessary unity - and then regional cooperation will bear fruits for the future of the states enduring a transition period.

Overall, multilateral and balanced foreign policy of Azerbaijan is aimed at establishing good neighborly and mutually beneficial relations with all countries, the interests of which are intertwined in the region, taking into account the national interests of Lights countries in the international arena.

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