



The Changing Dynamics of the Wider-Black Sea in Regional Security and External Relations

Final Report from the Workshop Held at the Brussels School of
International Studies/University of Kent, May 16, 2011

Dr. Marat Terterov
Dr. Andrej Kreutz
George Niculescu



Executive Summary

On Monday, May 16, 2011, The European Geopolitical Forum staged a roundtable discussion on the “Changing Dynamics of the Wider Black Sea in Regional Security and External Relations” at the Brussels School of International Studies, University of Kent. The roundtable featured key international speakers: Dr. Andrej Kreutz (Canada), renowned international relations specialist and author of the recent book, “Russia in the Middle East: Friend or Foe?”; and Igor Muradyan (Armenia), an acclaimed public commentator on the geopolitics and geo-economics of the Black Sea-Caucasus-Caspian area. The roundtable discussion also drew participation of officials from the Turkish Embassy in Belgium, NATO International Staff Political Affairs and Security Policy Division (IS PASP), the Mission of Ukraine to European Union, the Permanent Mission of the Russian Federation to NATO, the Energy Charter Secretariat, TUSIAD, the Armenian Federation of Europe, the Centre for East European and Asian Studies (Romania) and several other interested stakeholders.

The event commenced with a welcome address by Dr. Marat Terterov, Director and Principal Founder, The European Geopolitical Forum. Dr. Terterov explained the strategic importance of the region, stating that the Black Sea has lost none of its geopolitical significance over time. Recognizing that the Black Sea has played an important economic and political role in the wider-region within which it is located for millennia, Dr Terterov added that historically, the status of the Black Sea Straits, which link this largely landlocked body of water to the world’s seaways, was tightly linked to the balance of power in Europe. While Russia and Turkey have traditionally been the major powers in the Black Sea region, recent developments have dramatically reshaped the strategic landscape of the area against the older regional historical patterns.

These remarks were followed by short briefings from the key international speakers, Dr. Kreutz and Mr Muradyan. Dr Kreutz stated that Black Sea regional dynamics have historically been dominated by major local actors (Russia, Turkey and, to a lesser degree, Ukraine) and major external actors (the British and French Empires, the United States). While a Russo-Turkish power condominium is once again becoming increasingly evident in the region at present, Western powers appear to be less willing to enforce their geo-strategic vision in the area. Russia’s once antagonistic relations with Turkey have improved substantially in recent years, although Russia’s foreign policy objectives in the region seem to be colliding just as often as they are converging with those of Ukraine. Yet both Russo-Turkish and Russo-Ukrainian relations are likely to have a major bearing on the geopolitical processes playing themselves out in the area into the foreseeable future.

Mr Muradyan then stated that Turkey is emerging as an increasingly influential major local actor in the wider Black Sea region. A practical implication of this is that smaller powers in the region (in particular, Armenia) see themselves as being in the “front line” of Turkey’s new form of regional expansionism. Yerevan much preferred the “Turkey of the 1990s”, when Ankara’s foreign policy ambitions were more actively influenced and thus restrained by the West. In this context, Armenia’s most eminent, new found security concern is the elevation of Turkey to the role of a prominent actor in the politics and international relations of the wider Black Sea region. Mr Muradyan added that as the Euro-integration prospects of the regional states remains for the most part limited, Turkey and Russia are forming a newfound strategic friendship in the area. While Russia has traditionally been Armenia’s firmest ally in the region, a new axis between Moscow and Ankara may work to the detriment of Yerevan’s security.

An extensive discussion involving input from most of the roundtable participants followed. Some of the key messages emerging from the discussion were as follows:

- Although Turkey remains a NATO member and firm ally of the United States, Ankara is no longer the focal point of the West’s geopolitical outlook in the wider Black Sea region
- The US is unlikely to be gravely alarmed by Turkey’s ambitious foreign policy movements at present. However, it is also unlikely that Washington will totally resign itself to the role of a mere

observer while Turkey plays out its geopolitical options in the Black Sea and connected neighbourhood (particularly in the Middle East).

- Both Turkey and Russia have exercised a restraining role on Azerbaijan and Armenia respectively in relation to the conflict over Nagorno-Karabakh, which has helped to ease tension and prevent the warring parties from resuming hostilities.
 - Yet while both Turkey and Russia have been factors of stability in the region, they likewise have the capacity to re-ignite hostilities should their foreign policies warrant such as situation.
 - The more countries like Turkey find themselves ignored or (worse) isolated by Western powers, the more they are likely to employ the brazen diplomatic tools that they have available to pursue their objectives. Such tools may include Turkish influence over Baku in relation to the Nagorno-Karabakh conflict.
 - Turkey's present-day relationship with Brussels and other bastions of Western power is a testing one, where anxious moments never seem too far away. Increasingly, the mood inside Turkey is that the West is turning its back on the country.
 - Yet Turkey is hardly passionate about the Karabakh conflict and has lent it foreign policy resources largely as a means of gaining political capital and extracting concessions from the West.
 - One of Ankara's core objectives, in this respect, is to compel the West to drop the (so called) Armenian (historical) question from the agenda in national political debates (in countries such as France and the United States). This may be easier said than done, however.
-

1. The Black Sea in Regional Power Dynamics

The opening interventions of the seminar developed a framing theme that Black Sea regional dynamics have historically been dominated by major local actors (Russia, Turkey and, to a lesser degree, Ukraine) and major external actors (British and French Empires, the United States). Seminar participants explored questions such as the following: 1) What have been the overriding objectives towards this region of these key local and external actors, past and present? 2) How have they changed over time and what sorts of developments have made them adjust their policies?

1.1 The Black Sea has lost none of its geopolitical significance over time

The Black Sea is located between Europe to the West, the former-Soviet Union territories and Asia Minor to the North and South respectively, and the Caucasus to the East. Referred to as Pontus Euxinus in antiquity, the Black Sea has played an important economic and political role in the wider-region within which it is located for millennia. Its geopolitical importance has survived the ages, losing none of its significance during our present time. According to some opinions it is still, just as in the Nineteenth Century, the door to the heartland of Eurasia, the domination of which has eternally played a role in the struggle for global hegemony. Among the forces active in determining key geopolitical developments in the wider Black Sea (WBS) region, one can discern the local riparian states whose sovereign borders straddle Black Sea coastline, together with powerful external state actors and former-empires, which have played an active role in the region since at least the mid-Nineteenth Century. The core states sharing significant chunks of Black Sea coastline include Turkey, the Russian Federation and Ukraine. Other Black Sea coastal nations include Georgia, Romania and Bulgaria, which can be viewed as comparatively smaller powers whose position as actors in the WBS region has been susceptible to manipulation by external forces with an interest in the region. This has, at times, led to the regional role of these countries being magnified beyond their own intrinsic power and importance.

Historically, the status of the Black Sea Straits, which link this largely landlocked body of water to the world's seaways, was tightly linked to the balance of power in Europe. When Russia and the Ottoman Turkish Empire, at times, established their own power-condominium over the Black Sea, they would effectively close off the region to other European powers. When they were at war, the Straits were open so that European powers could intervene to re-balance the regional distribution of power. The Montreux Convention of 1936 was an effort by Great Britain and France to re-negotiate the traditional Turko-Russian condominium and to simultaneously counter the growth of Nazi Germany's power in the region. The relevance of the Montreux Convention, currently still in force, for today's Black Sea regional dynamics is questionable, although some may argue that there might be an historical argument to be made in favour of this document due to its capacity to protect another condominium of regional powers against potential "intruders".

1.2 Turkey no longer the focal point of the West's geopolitical outlook in the WBS

Recent developments have dramatically reshaped the strategic landscape of the WBS area against the older regional historical patterns. These include not only the end of the Cold War, in which the WBS region was at the forefront, but also the processes of globalization and European integration, which are collectively driving the region into a wave of major economic, political, and strategic changes. Furthermore, the accession of Bulgaria and Romania (two medium power littoral states, historically having played minor regional roles) to NATO and the European Union (EU) have also had a major impact on regional power dimensions. Turkey, a long standing NATO member and traditional ally of Western forces, is no longer the

focal point of the Western geopolitical outlook in the WBS, while Romania and Bulgaria have been using their EU and NATO memberships to bolster stronger regional roles for themselves. This trend is likely to continue, particularly if Turkey will further advocate a more ambitious, independent foreign policy as has been the case in recent years.

1.3 A pragmatic triangle: Russia, Turkey and Ukraine

It is a widely held view that Russia and Turkey are at the present time the leading powers in the WBS, or the dominant, major local actors in the region. Both states are successors to large-scale empires, with a long history of adversarial and competitive ties with one another. Following the end of the Soviet Union in 1991, Russia's access to the Black Sea was curtailed significantly, seemingly reducing Moscow's scope for influence in its historical backyard. A number of factors, however, including the presence of large swathes of ethnic Russians in south-eastern Ukraine (particularly in the Crimean Peninsula), strong historical traditions and the importance of the Black Sea as an outlet to the world's oceans for the Russian landmass, compel Moscow to continue playing an active role in the region.

Russia's present day relations with Turkey have improved significantly, despite the memories of antagonistic Cold War years. Economic relations between the two countries have grown substantially in recent years, with annual trade turnover between them approaching \$40 billion per annum. While the Moscow-Ankara axis appears to be undergoing a new lease of life since the more adversarial years of the past, a more challenging relationship for Russia to manage in the WBS at present are its ties with Ukraine. The present-day Republic of Ukraine was, of course, up until the end of 1991 part of the same country that was Russia. Kiev and Moscow are presently learning to live next to one another as interdependent neighbours and pragmatic political actors, whose foreign policies are seemingly just as often colliding as they are converging. Independent Ukraine inherited substantial chunks of the Black Sea's northern coastline from the Soviet mother state, including such major ports as Odessa and Sevastopol, which have always been of crucial strategic importance for the Tsarist Russian and Soviet states. The fact that these port-cities have become part of Ukraine, and that they entertain substantial energy transit and military-strategic value for Moscow, alludes to the fact that Russian-Ukrainian relations will have a major bearing on geopolitical processes in the area into the foreseeable future.

1.4 External powers exert influence through smaller WBS countries

In contrast to the more independently assertive, major local state actors in the WBS (Russia, Turkey and Ukraine), Georgia, Romania and Bulgaria are local actors which exercise lesser regional influence. While such states have rarely posed a threat to their neighbours, history has demonstrated the tendency of such countries being engaged by external actors to undermine the existing regional balance of power. Ever since the mid-Nineteenth Century, major external state actors, such as Great Britain and France, have intervened in the region under the pretext of curtailing Russian and/or Turkish power. Following the Second World War, the United States extended its influence into the WBS in an effort to keep in check the power of the Soviet Union. After the end of the latter, Washington has continued promoting policies advocating restraint of Russian power: pushing for Bulgaria and Romania to enter NATO and endorsing large-scale energy pipeline projects circumventing Russian territory.

The US has likewise developed close military-strategic ties with Georgia, which has led to a marked deterioration of the Georgian relationship with Russia and led to substantial tension in the WBS. Yet Washington's strategic outlook towards the WBS appears to be declining in momentum at the present time, reflected by the military and political gains made by Moscow during the August 2008 crisis and the

short war it waged with Tbilisi. The more independent Turkish foreign policy under the AKP government in Ankara has likewise placed additional restraints on American operations in the region. The present role of the European Union (EU), another major external actor with an interest in the region, should also be mentioned, although Brussels tends to prefer the promotion of a socio-economic rather than a geopolitical or strategic agenda in the WBS. However, it is sometimes difficult to distinguish the role and interests of the EU from that of the US in the WBS beyond their involvement in regional energy geopolitics.

2. Security Implications of Turkey's New Foreign Policy

One of the main themes which developed during the seminar was that Turkey is emerging as an increasingly influential major actor in the wider Black Sea (WBS) region. Some seminar participants suggested that Ankara is engaging in a neo-Ottoman foreign policy and is abandoning the West. A practical implication of this is that smaller powers in the region (in particular, Armenia) see themselves as being in the "front line" of Turkey's new regional expansionism. Yerevan much preferred the "Turkey of the 1990s", when Ankara's foreign policy ambitions were more actively influenced (restrained) by the West. An overriding question hence emerged during the discussion as to whether Turkey's current regional activism threatens Armenian security and are Armenian concerns about its own security justified in this respect?

2.1 Turkey's regional ambitions in the WBS should not be seen as surprising

The rise of the Turkish Republic (as opposed to the Ottoman Turkish Empire) to newfound levels of regional prominence in the WBS is a relatively new phenomenon, which began during the 1990s. Such a development should not be seen as overly surprising. Present-day Turkey is a large country, with one of the most dynamic global economies and world's largest military forces. It is only natural that such state actors will have foreign policy ambitions. It would be quite strange, in our opinion, if such a powerful state actor would not actively seek to promote its regional policy in order to take the lead in defending its own national security concerns and developing new foreign economic opportunities. These developments have brought with them new clichés to describe Turkey's active foreign policy in the region, with neo-Ottomanism perhaps being the most widely used by a diverse range of international policy analysts. The term has brought no shortage of debate, however, and experts are not in consensus as to how such terminology should be best put into practice.

As we have already mentioned in the previous pages, the foundations of regional security dimensions in the WBS have been changing significantly since the end of the Cold War. This has implications for Turkey as well all other regional actors. The geopolitical order of the WBS during the Cold War, when the Soviet Union was a forceful opponent of Turkey, which was (and remains) a NATO member, no longer exists. The process of geopolitical restructuring in the WBS after the end of the Cold War has brought with it new challenges and dilemmas, which have implications for all regional actors. Turkey's rise as a regional actor, reflected by colourful terms such as neo-Ottomanism, has by-and-large come about as a result of this restructuring.

2.3 Neo-Ottomanism and regional expansionism

As external powers such as the EU and US seem to retreat from the WBS, a number of specialists on the region are asking the questions as to whether the Black Sea is once again becoming a Russian-Turkish condominium? Turkish power, in particular, seems to be growing and its foreign policy is being referred to as neo-Ottoman by some critics. Essentially this refers to expansionism underscored by greater confidence and ambition as a regional actor. How are such developments being perceived by some of the smaller countries in the wider region and what implications will it have on their security will be addressed in chapter 3.

2.3 Turkish regional ambitions met by hard line nationalists

In the Balkans, where anti-Turkish feelings have deep foundations, Bulgarian hard liners are conducting a campaign to contain the influence of the Turkish community within Bulgaria. In nearby Ukraine, there is concern in relation to Turkey's ties with the Crimean Tatars, an issue which remains a security priority for Ukraine according to some analytical positions. Security in the Crimea remains an issue jointly monitored by Russian and Ukrainian state security services – one of the rare areas in which security agencies from the two countries are said to cooperate. Analysts discreetly suggest that both Moscow and Kiev harbour suspicions of Ankara, in this respect. Suggestions have even been aired in post-Soviet analytical circles of Turkish involvement in the Islamist insurgencies of the Russian North Caucasus, although such accounts have yet to be verified by independent sources.

2.4 Russia unlikely to restrain Turkish geopolitical aims in the WBS

It is against this backdrop that present day Turkey, for better or for worse, is engaging in economic and political expansion in the WBS region. Given the restructuring of the wider geopolitical order which has been taking place in the region, such developments are of profound concern to smaller regional state actors such as Armenia. While Turkey's expansionism in the WBS appears to be gathering momentum, Yerevan's present concern is that Moscow is no longer likely to seek to maintain geopolitical limitations on Turkey's actions. Western security specialists continue to argue that the prospect of a firm Russo-Turkish alliance remains unlikely, with far too many obstacles standing in the way of a strategic axis of such proportions. Armenia, for its part, welcomes healthy relations between Russia and Turkey, widely acknowledged as the leading riparian powers of the WBS. Yet Yerevan remains concerned with the concept of an alliance, both in conceptual and present geopolitical reckoning.

2.5 Reeling in Turkey's Middle East ambitions a dilemma

This position is reflected by Turkey's overly warm overtures towards the Islamic Republic of Iran. The fact that Ankara has extended the arm of friendship to Teheran has not only raised eyebrows in Washington, London and Paris, but even more so amongst the conservative Arab regimes, most notably Saudi Arabia. Riyadh is overly concerned by the spread of Teheran's influence in the Middle East, and other Gulf States, as well as Egypt (both during the Mubarak era and beyond), have not looked kindly upon the emerging partnership between Teheran and Ankara. Turkey is likewise playing a leading economic and political role in Iraq, where significant political jockeying has been taking place since the US-led overthrow of Saddam Hussein's regime. Turkey is one of a myriad of actors in the context of present day Iraq politics, which likewise involves the US, Iran, Arabs and Kurds.

While the US remains the key external power (from outside the region) to be playing a leading role in Iraq, it likewise seems to be rather passive towards Turkey's intentions in the country. Recognising Turkey's active role in Iraq, and improved ties with the Kurdish regional administration in Northern Iraq, the US seems to be adopting a "wait and see" approach, allowing Turkey to continue its expansionism in the country. The Washington establishment, it seems, is trying to avoid any tough foreign policy debates about further 'limited containment' of Turkish foreign policy in the Middle East, which in turn may not be a bad move, given the challenges that the region has eternally thrown out to external powers, where yesterday's policy victories can easily turn into tomorrow's political catastrophes. The fate of the Ottoman Empire was at least partially determined in the Middle East following British and French intervention during the First World War. Will the fate of neo-Ottomanism likewise be decided in the Middle East?

3 Armenia and The Caucasian Geopolitical Knot

In contrast to widespread perception, present day Armenia is predominantly hampered by security concerns, rather than those of an economic nature. In this context, Armenia's most eminent, new found security concern is the elevation of Turkey to the role of a prominent actor in the politics and international relations of the WBS region.

3.1 The conflict over Nagorno-Karabakh as an instrument of Turkish diplomacy....

For much of the past two decades, Turkey has exercised a restraining role on Azerbaijan in relation to the conflict over Nagorno-Karabakh (NK), which has helped to ease tension and prevent the warring parties from resuming hostilities. Former and late-presidents Ghaydar Aliyev (Azerbaijan) and Suleyman Demirel (Turkey) played highly constructive foreign policies with respect to Armenia in relation to the NK conflict. Furthermore, Turkey's relationship with Russia has likewise proven to be a force for restraint in the Karabakh conflict at certain pivotal moments. Nevertheless, security analysts in Armenia, who endorse the views expressed immediately above, suggest that if any power is capable of providing the necessary signals for moving the frozen conflict in NK back into a hot war situation, that power is Turkey. There is concern that if the regional geopolitical chessboard of the WBS plays itself out in a manner where Turkey is increasingly cornered, isolated by Western powers and has its back to the wall, Ankara may have little choice but to employ the more brazen diplomatic tools that it has at its disposal, including its influence over Baku in relation to the NK conflict.

3.2 ...in wake of anxious moments with Western powers

Turkey's present-day relationship with Brussels and other bastions of Western power is a testing one, where anxious moments never seem too far away. Increasingly, the mood inside Turkey is that the West is turning its back on the country, reflected by the unwelcome position of some of the core EU powers in calling for a privileged partnership between Brussels and Ankara, in place of a road map for the latter's entry into the EU. While Ankara remains Washington's firm ally, neither France nor Germany are playing out particularly constructive foreign policies towards Turkey in that respect. Furthermore, neither of these two EU powers have been particularly supportive of Washington's Black Sea project. There likewise appears to be notable scepticism in Paris in relation to Ankara's role in Syria, and to some degree in Lebanon. At the same time the bilateral ties between Azerbaijan and Turkey continue to gain strength. Armenian analysts describe the bond between Baku and Ankara as ultimately a strategic partnership, one which is based on unique characteristics of a racial and linguistic nature. Clearly, this spells concern for Armenia in the security domain.

Turkey's relations with Armenia remain characterised by the closure of their common border and the larger spectre of Turkish influence over Azerbaijan in the NK conflict. Washington has made an effort to mediate in Turkey's relationship with Armenia, where the historic question of the Armenian genocide of 1915 remains an issue of high polemics resonating into contemporary policy. Yet analysts feel that US mediation in the Turkey-Armenia relationship is also a means of exercising Washington's policy of limited containment of Ankara's regional ambitions. The fact that Turkey has yet rejected any notion of adopting a historical responsibility for the acts of 1915 has ensured that its border with Armenia remains closed, and has provided Washington with a *raison d'être* for applying further pressure on Ankara. This in turn, it is felt by some analysts in Yerevan, again creates a rather difficult situation where Turkey becomes increasingly isolated and could have to force its own hand by igniting the Azeri card in relation to the Ngorno-Karabakh conflict.

3.3 Yet Ankara is hardly passionate about the Karabakh conflict

This would create a lose-lose scenario for most WBS stakeholders (perhaps with the exception of Russia), given that Ankara's relationship with Azerbaijan – although one which is strategic in nature – is hardly Turkey's number one foreign policy priority at present. Turkey has held little (foreign policy) passion for the Nagorno-Karabakh conflict. Rather, it has lent foreign policy resources to the conflict due to the fact that Ankara has understood that there is political capital to be gained by mediating in this crisis politically, with respect to the desire held by many Turks of compelling the West to once and for all drop the (so called) Armenian (historical) question off the agenda in national political debates. The relative strength of the Armenian Diaspora in the West, however, suggests that such objectives are unlikely to prevail at any time soon. Thus Turkey's relations with Azerbaijan, the question of border closure with Armenia and mediation in the NK conflict should increasingly be seen as a factor of Turkey's policy of extracting concessions from the West, in relation to both its allies and adversaries within the Euro-Atlantic context.

3.4 Questions exist over Moscow's sincerity towards Yerevan

Armenia notes the fact that very recently, on March 16, 2011, Russia and Turkey held in Moscow a meeting of their High Level Cooperation Council under the chairmanship of president Dmitri Medvedev and prime minister Recep Tayyip Erdogan. While this meeting may have gone largely unnoticed, very few Armenians remain oblivious to the fact that on the same day 90 years ago, Russia and Turkey signed the so called Moscow agreement which effectively led to the partition of Armenia. While Yerevan has high expectations from its range of international partners at the nation state level, few Armenians would have expected such cynicism from either Moscow or Ankara towards their WBS neighbours today. It is unlikely that Yerevan would view the fact that Moscow and Ankara would have chosen to have a top level meeting on such a historic day for the Armenian nation as a mere coincidence. Few political blocs, civil society organisations or other socio-political forces in Yerevan could any longer contemplate a situation where Russia remains Armenia's only key military, political or economic partner.

3.5 US policy “honeymoon” of the Bush presidency has ended for Yerevan

The painful truth, however, is the fact that reliable alternative partners (to Russia) are presently hard to come by for Armenia, if not impossible to rely upon. While from the mid-1990s American presidential administrations ebulliently declared their intent of a more active role in the WBS, this situation has changed significantly at present. This was particularly evident during the two-term presidency of George W. Bush (2000-2008). Yerevan is presently starting to realise that the Bush presidency spelled a honeymoon period for US-Armenian relations, despite the fact that Yerevan traditionally views US Democrats as opposed to Republicans as their most natural allies in the White House. The US foreign policy position has changed substantively on many international issues, it is felt in Yerevan, since the departure of George W Bush. While countries like Bulgaria, Romania, Ukraine, Georgia and Armenia benefitted during the zenith of Washington's periods of heightened policy agenda for the Black Sea during the Bush presidency, developments such as the Russian-Georgian war in 2008, as well as US policy construction around withdrawals from Iraq and Afghanistan, have significantly reduced the American WBS role.

Security specialists in Armenia feel that US Caucasus policy became hostage to the wider priorities of the US/NATO in other geopolitical environs. A similar fate awaited US Central Asia policy, it can be added. Experts in Yerevan feel that this outcome resulted due to the foreign policy fatigue that Washington was feeling with some of these economically marginal, yet geopolitically sensitive regions. Yet it is also felt that, for the first time in memory, Russia and Turkey collaborated in a much closer manner in order to prevent

further American influence in the WBS. Whether there would be agreement in Washington policy circles with this point of view may be debatable. However, the view from Yerevan is that the Caucasus has all but withdrawn from Washington's foreign policy agenda for the moment, although it is recognised that if a new, serious security threat (or challenge) would arise in the region, it is highly unlikely that the US would remain an impartial observer.

3.6 The time for Armenia to revise its national security doctrine?

During the last decades, Armenia has strived to maintain the geopolitical status quo in the South Caucasus, and in particular in Karabakh. It has pursued a strategy relying on countering Azerbaijan by maintaining advanced forces outside the national territory, relying on Russia to counter a potential Turkish threat. Yerevan has cultivated Western support, on the one hand, to balance Azerbaijani strides to get closer to the West, whilst on the other hand it has sought to lock in Russian support. However, during the last few years a number of significant developments have taken place which have had structural implications for the effectiveness of this strategy: 1) The Russo-Georgian war of 2008 has proven that the Western regional role is very limited; 2) Russia and Turkey have grown closer in strategic terms and share common regional interests; 3) Azerbaijan's military might has grown exponentially, fuelled by substantial oil revenues; 4) the economic support flowing to Yerevan through traditional channels in the Armenian Diaspora has decreased significantly due to the ongoing global economic and financial downturn.

Under these circumstances, maintaining the status quo in relation to the Karabakh conflict has become hardly feasible for Yerevan. The largest risks for Armenian security currently include: 1) the fact that Azerbaijan may use military force to liberate its territory; 2) a Turkish-Russian arrangement on the South Caucasus which would seldom take into account Armenian interests in Karabakh; 3) being completely abandoned by the West. The Armenian potential response in case such a nightmare scenario would turn into reality might involve: negotiating with Azerbaijan on a defensive footing or engaging in asymmetric warfare against Azerbaijan. The latter option could play itself out positively for Russian interests in seeing the EU countries yet more dependent on Russian oil and gas supplies by having Armenians potentially damaging Azerbaijani pipelines crossing the South Caucasus towards Europe.

4. The Role of External Stakeholders

The role of external stakeholders in the wider Black Sea region was also explored by seminar participants. What are the prospects for Euro-integration of WBS countries? How did the United States respond to the current dynamics in the regional power structure, in particular to the rise of Turkey? How have international security-political bodies such as NATO looked at the Black Sea and have they developed a strategy for the region? Should they have a strategy towards the region and should the Black Sea be looked upon from a regional perspective by such players (taking into account the definitional problems with the region's geography, and the fact that we too often tend to enlarge the Black Sea to include non-riparian Black Sea actors from the Aegean, Caspian and Caucasus)?

4.1 Euro-integration prospects of WBS countries remain limited

While we have seen numerous policy initiatives engineered in Brussels and Washington aimed at bringing East European and ex-Soviet states of the WBS into closer convergence with EU institutional frameworks, such policies have, at best, experienced limited success. The former-Soviet republics of the Caucasus, for example, remain distant from the West at an institutional level and much more work needs to take place if they are to be integrated further into European institutions. Many local experts in the Caucasus state that Western initiatives at the political and security levels are hardly visible in the region. The mood in the region laments the fact that continental Europe, for the most part, is unlikely to put its political weight behind such initiatives, which remain haphazard in their implementation. Caucasus experts are likewise yet to see any recent, concrete steps from Washington in support of such initiatives

Following the Russian-Georgian war of August 2008, states such as Armenia and Azerbaijan hold little aspiration of joining NATO, while Georgia may hardly hope to join the Alliance at any time soon. Armenia remains in a particularly vulnerable position in this respect and is left with little option but to participate in Russian-led security initiatives such as the Collective Security Treaty Organisation (CSTO). It should be added, however, that Armenia's relationship with Russia goes far deeper than that which exists within the CSTO framework, with its flavour of a multi-sided military-political bloc.

4.2 Washington pursues Turkey's foreign policy with 'limited containment'

We have already elaborated in substantial detail on the conceptual and practical parameters of Turkey's active foreign policy in the WBS above. It has already been implied earlier that Turkey's right to entertain ambitious foreign policy objectives should be seen as only natural, given the size and power of the Turkish state and the resources it is capable of deploying. In this context Turkey should be treated no differently to the US or Russia, France, Great Britain and many other nation state actors, all of whom harbour ambitious foreign policy objectives. Armenia, in this context, takes a rather pragmatic view to analysts calling for the "alarm bells to be rung" in wake of Turkish neo-Ottomanism, which hardly seeks to recreate a Turko-Islamic (Ottoman) empire such as that which may have existed in the past. While major powers such as the US are unlikely to be gravely alarmed by Turkey's foreign policy movements, it is likewise difficult to imagine that Washington would totally resign itself to the role of a mere observer while Turkey plays out its geopolitical options in the WBS region and connected neighbourhoods.

Washington's current strategy towards Turkey, a country which remains one of the key US allies in the WBS, can be described as one of 'limited containment'. This strategy differs from, for example, Washington's pursuit of containment policies towards Iran and Iraq during the 1990s. However the US does not necessarily endorse unrestrained Turkish ambitions in neighbouring regions to the WBS, for example,

and may have an appetite to set some limitations on its regional power. There is some level of scepticism in Western political circles with respect to Turkey's energetic Middle Eastern policy. The US, as well as Israel, are likely to pursue actions pushing for greater restraint of Turkish mediation in Middle Eastern politics, particularly in view of the cosy relationship Ankara has built up with Damascus in recent years. While the hard line crackdown of the recent Syrian uprising by the regime of president of Bashar al-Assad appears to have done strategic damage to the Ankara-Damascus relationship, Turkey's Middle Eastern intentions have not subsided.

4.3 Soft security issues underpin NATO's Black Sea agenda

The North Atlantic Treaty Organization (NATO) has a clear role to play in the Black Sea region: that of providing peace and security. NATO's role in furthering peace and security in the region derives both from the status of the littoral states – all of which are either NATO members or partners – and from the non-traditional threats emerging from the region. Armenia, Azerbaijan and Moldova are not littoral states, but developments in those countries are important for regional stability and security in the Black Sea area. Nevertheless, NATO's current and prospective role in the region is mainly of a non-military nature, since, for NATO, soft-security issues such as transnational crime and energy security are seen to dominate the Black Sea security agenda.

NATO's mandate in the region has been codified in a series of communiqués issued by Allied Heads of State and Government (HOSG). At the NATO Istanbul Summit in June 2004, HOSG noted “the importance of the Black Sea region for Euro-Atlantic security”. They also noted that “littoral countries, allies and partners, are working together to contribute to further strengthening security and stability in the area”, and that “our Alliance is prepared to explore means to complement these efforts, building upon existing forms of regional co-operation.” At the Riga and Bucharest Summits (in November 2006 and April 2008 respectively), Allied HOSG commended initiatives to strengthen cooperation, security and stability in the Black Sea region, and re-affirmed NATO's continued support to relevant regional efforts.

NATO continues to invest considerable ‘soft security’ assets in the WBS, in order to confront non-traditional challenges emanating from the region. Partner countries from the Black Sea region are engaged in the whole plethora of bilateral and multilateral (though not regional) cooperation programs with NATO. These programs aim to support domestic reforms, enhance military interoperability, and contribute to the fight against terrorism, and against other global security risks.

The importance of the Black Sea as an energy hub may require further NATO attention. The Black Sea region lies at the core of the main transport routes of Caspian energy supplies to Europe, which are becoming increasingly important to European allies and to the stability of world oil prices. NATO could contribute to strengthening security of these vital energy transport routes, given their strategic importance for many European Allies.

In the foreseeable future, the flexible formats “28+n” will offer the only viable partnership mechanism that would enable NATO's involvement in regional consultations, and, potentially, cooperation. However, these formats would only be thematic - or event - driven, although specific geographical themes shouldn't be hard to figure out.

5. Conclusion: The Black Sea remains at the geopolitical crossroads

During the Cold War the politics of the Black Sea area were dominated by the standoff between the US and Soviet Blocs. Now the region tends to be seen via the prism of energy geopolitics and further, immense potential for new trade opportunities. Yet the specter of frozen conflicts and the consequential security quagmire continues to overshadow the new potential. Have things really changed all that much, therefore? Political competition still tends to dominate and security issues are perhaps even hotter now than they were before (albeit being played out by different actors). One is hence led to the question of whether the states of the WBS are presently looking to use their political, diplomatic and even coercive influence in the region even more than before. This should especially be taken into account against the backdrop of the larger states of the region seeking to exercise influence over the smaller states: Turkey/Armenia; Russia/Georgia.

5.1 Lack of strategic leadership in the WBS undermining regional security

Today the WBS region is at a turning point: is it to remain a closed Nineteenth Century type of regional space dominated by two, perhaps three, regional powers which would make and enforce arbitrary political and security arrangements? Or will it move into the Twenty First Century by opening itself up to free trade, the knowledge revolution and democratic development? The WBS is hampered by the lack of consensus over its geographical definition, as well as by the political, security, economic, and cultural differences among regional states, which can be quite strident at various points in time. The lack of regional strategic leadership is also obvious. This is to a large extent related to the current shifts in the global and regional patterns of power. The unresolved conflicts in the South Caucasus and Moldova-Transnistria are undermining efforts to build up effective regional cooperation and are generating regional instability, as well as asymmetric security risks (such as organized crime, terrorism, energy insecurity). The existing crisis management mechanisms (the Geneva peace process, the Minsk Group, or "5+2") haven't yielded the expected outcomes, and this might have rather a lot to do with the lack of regional strategic leadership.

5.2 Yet all hope is not lost

The Arab spring has shifted international attention, and may potentially shift the bulk of assistance resources, away from the WBS to the neighboring regions of the Mediterranean Sea and the Middle East. However, there are also major opportunities on which a better future for the WBS may be built up, including: 1) European integration (not necessarily EU membership, but rather the related modernization of public institutions, policies, procedures and practices); 2) Stronger economic development due to the strategic importance of the region for the energy security of Europe; 3) Regional contributions to countering asymmetric security risks; 4) Involvement of civil society in ensuring accountability of WBS countries' governments, and relevant international organizations for broadening and deepening regional security cooperation.

Appendix:

(Flowing discussion from the seminar): A Russo-Turkish Power Condominium

Seminar participants broadly agreed with the view that power dynamics in the Wider Black Sea, be they political, security or economic were largely under the influence of the region's two most prominent local actors, Russia and Turkey. As previously noted, both are descendents of former empires which long competed for influence and territory in and around the Black Sea, in addition to being in two separate military blocs during the Cold War following Turkey's induction as a member of NATO in 1952.

Although Moscow's geopolitical influence fell rapidly at the global level following the end of the Soviet Union, the WBS tended to remain within what has conventionally been viewed as a Russian sphere of influence. This development was not without justification. Black Sea ports remain Russia's only warm water outlets and the area remains a key transportation corridor for Russian energy supplies. The fact that Moscow triumphantly renewed the lease of its naval base at Sevastopol from Ukraine in April 2010 is an indicator of the Kremlin's view that the Black Sea is of utmost importance to Russia's long-term economic and national security concerns. Some experts in the seminar were of the opinion that Russia's rapid victory over Georgia in the war of August 2008 served as a signal to other WBS stakeholders of Russian intent of remaining a dominant force in the WBS for the foreseeable future. Turkey seemed to have little appetite for intervening in the conflict, with Ankara being just as unwilling as its NATO partners to challenge Moscow's exercise of hard power in what many perceive as its Caucasian backyard.

Seminar participants noted the fact that while Turkey has sought to improve economic and diplomatic ties with its WBS neighbours, Russia continues to wield its hard power, or the threat of it, as its most powerful tool in the region. With all of the littoral WBS former-Soviet countries having been until recently under Russian leadership within the Soviet mother-state context, it will be some time before Russia views its Black Sea neighbours as partners, rather than as subordinates.

That being said, one seminar participant noted that with the exception of the brief conflict with Georgia, Russia (like Turkey) has mainly played the role of a guarantor of security in the region to the benefit of the parties concerned. Both Russia and Turkey remain factors in regional stability in the WBS, therefore, having evidently contributed to the restraint of previously warring parties in the conflict over Nagorno-Karabakh, for example. However, as one seminar participant pointed out, while both Russia and Turkey can contribute to peace and stability in the region, an issue of concern to all parties is that their actions can likewise lead to the opposite situation. Russia and Turkey can act in a manner capable of igniting conflict, should such a situation be deemed to the necessity of Moscow or Ankara.

(Flowing discussion): The WBS as the "lynchpin" for wider regions

One seminar participants pointed out that the region's relative stability has resulted in hard security concerns being relegated to a secondary priority to what he termed as "soft security": issues such as organized crime, illegal trafficking or threats of terrorism. Other experts pointed out that Russia's quick defeat of Georgia in the war of August 2008 demonstrated that the West has little appetite for intervening there. While some seminar participants called for the EU to show greater initiative in expanding its soft power in the

region, specifically in the development of good governance, there seemed to be little hope (arising out of the seminar) that such engagement on the part of the EU would occur in the near future.

Although some of the seminar participants debated the exact contours and makeup of the region's political geography, there was consensus over the notion that the WBS, in the words of one expert, remains a "lynchpin for wider regions". Surrounded by Europe, Central Asia and the Middle East, the WBS is a corner stone in the strategic outlook held by many prominent state and non-state actors to the wider Eurasian landmass. Stability in the WBS is paramount for all stakeholders across the breadth of Europe, Central Asia and the Middle East, due primarily to the significance of the WBS as a transportation corridor for global energy supplies.

(Flowing discussion): neo-Ottomanism

A constant point of discussion during the seminar gravitated around Turkey's increasingly active foreign policy, which some observers have dubbed as "neo-Ottomanism". As previously noted by the expert from Armenia, the phrase is popular amongst experts who draw a simple comparison to Ottoman dominance of the Wider Black Sea and surrounding regions like the Balkans and the Middle East. However, most participants in the discussion agreed that "neo-Ottomanism" is a highly charged term with numerous implications. As the expert from Yerevan conceded, there simply is no chance of a Muslim caliphate returning to physically control former-Ottoman lands, therefore making the "neo-Ottomanism" concept little more than a scare tactic used to play up on historically based fears from the past.

As another seminar participant noted, the Turkish Foreign Ministry under the ruling Justice and Development Party (AKP) has taken great pains to push its "zero problems" approach with its neighbours, evident in its reconciliation with Syria and Iran, which have followed many years of animosity. This historical reconciliation has great appeal with decision makers in Ankara who recall the extremely tenuous events of the 1990s when Turkey took a more hard line approach to regional disputes. Furthermore, and with particular reference to the case of Azerbaijan, Turkey continues to conduct difficult energy negotiations over supply and transit issues in the EU backed NABUCCO gas pipeline. While fears in Armenia that an Azeri-Turkish alliance is united against them are to a good degree justified, the reality is much more complicated

(Flowing discussion) : Turkey's role in the WBS – the view from within

A representative from the government of Turkey participating in the seminar countered many of the points made by other participants, specifically those from the smaller WBS states who were concerned by the prospect of a more activist Turkish foreign policy. Challenging the notion of "neo-Ottomanism" outright, the Turkish representative pointed out that Ankara has developed its new foreign policy outlook primarily as a result of the vastly changed global political order of the past twenty years. More so, he pointed out that while this means that this new approach refocuses on former areas of the Ottoman Empire, it is simply because those areas are in Turkey's neighbourhood. In his opinion the idea of a "neo-Ottoman" foreign policy is a misnomer, which is in no small part due to the fact that

the Turkish Republic is a far cry from the former Islamic Caliphate of the Ottomans.

Another seminar participant echoed this view, suggesting that Turkey's current role in the WBS region is more that of a stabilizer rather than an expansionist power, thus making the Ottoman reference an inaccurate analogy. The participant also pointed out that Ankara had actively promoted stronger regional cooperation through its participation in the 2008 Caucasus Stability and Cooperation Platform and worked with NATO members Romania and Bulgaria during discussions at the recent Black Sea Security Conference. Regarding Armenia's security concerns, specifically in relation to Turkey, the Turkish seminar participant expressed the view that Turkey was not a threat to its smaller neighbour and did not understand the suspicions being harboured by Yerevan, elaborating that Turkey was a key factor of stability for the entire Black Sea region.

Concerning relations with Russia, the Turkish government seminar participant noted that over the past decade the two historical rivals had developed a very positive bilateral relationship in political and business terms, but acknowledged that the two would certainly have understandably different approaches and interests. He pointed out Russia and Turkey's joint participation in several different energy projects, although did not elaborate specifically which ones. However it was not difficult to discern the veiled reference to the NABUCCO and South Stream pipelines in his remarks.

(Flowing discussion): NATO impact in the WBS remains limited

The NATO participant in the seminar pointed out that while the military alliance did not have a concise approach to the region, it has made various arrangements with WBS countries. NATO headquarters in Brussels does not seem to have any agreed upon strategies but rather adopts positions that promote dialogue with any country that wishes to join the alliance. With three member states present in the area in Turkey, Bulgaria and Romania, the NATO representative assured seminar participants that the Alliance was well aware of the issues and challenges affecting its member country frontiers. NATO could adapt to these quickly should the need arise.

NATO's recent courtship of Georgia and Ukraine has undermined its reputation in the region, however, with substantial help failing to come to the former during its war with Russia in 2008. Although there still appears to be a view held in Tbilisi that Georgia remains hopeful of joining the Alliance in the future, the eagerness of the Alliance to expand in the region seems to have waned as a result of the war. Ukraine's position towards NATO appears to have grown more distant since the election of Viktor Yanukovich to the post of the country's president in February 2010. In fact, Ukraine has attempted to move outside the realm of any alliance, labelling itself a "non-bloc" nation, in an attempt to be viewed as a neutral state, not favouring West or East. But as one other seminar participant pointed out, Ukraine's position as a non-aligned state creates uncertainty and thus undermines stability in the region.

Acknowledging the situation with Ukraine, NATO's representative indicated that the alliance is open to further political and security dialogue concerning the stakeholders in the region regardless of their strategic interests. Concerning security guarantees there, he conceded that threat perception is a relative concept, dependent upon where one stands, stating there were countries in the area that had legitimate security concerns. Citing the increasing military build up between Armenia and Azerbaijan, he stated that NATO was pushing for

increasing transparency in defence budgets to quell inter-regional rivalries that could lead to armed conflict and thus destabilize the area.

The NATO representative acknowledged that countries in the WBS had as many reasons to cooperate with NATO as they did to disagree with it, but there was only so much the organization could do to influence issues in the region. Simply put, he believed many of the stakeholders concerns in the region would ultimately have to be solved at the local level and pointed out that NATO should take a stance of “what can be done versus one of what cannot be done” in its approach.

End Of EGF Document

Disclaimer

The information presented in this report is believed to be correct at the time of publication. Please note that the contents of the report are based on materials gathered in good faith from both primary and secondary sources, the accuracy of which we are not always in a position to guarantee. EGF does not accept any liability for subsequent actions taken by third parties based on any of the information provided in our reports, if such information may subsequently be proven to be inaccurate.

EGF Expert View

Published by European Geopolitical Forum SPRL

Copyright European Geopolitical Forum SPRL

Director and Founder: Dr Marat Terterov

Email: Marat.Terterov@gpf-europe.com

Avenue Du Manoir D’Anjou 8

Brussels 1150 Belgium

Tel/Fax: +322 770 1001

info@gpf-europe.com

www.gpf-europe.com, www.gpf-europe.ru