GC Analysis



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Victor Kipiani - whatever the regional or international conjuncture may be, if we are to avoid risks and make full use of all the means at our disposal, we must find our own way independently

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Interpressnews discussed current aspects and urgent issues of international relations and politics and their impact on Georgia with **Victor Kipiani**, the chair for Geocase, a Tbilisi based thinktank.

- Mr Kipiani, it is a fact that we live in a rapidly changing world—even a quick glance at current events would provide ample proof of this—and many important developments around the globe have profound implications for the Caucasus region and of course for Georgia.

Despite the fact that very little time has passed since our last conversation, I am sure that you must have noticed many things and that you have many new and interesting observations for our readers...

- Indeed, every week that passes seems to leave so many new materials for discussion and analysis that we practically need to rank them before being able to choose the most interesting ones among them.

I have mentioned several times in my previous interviews that the world has begun to follow a path whose guidelines and orientations we can largely only assume. The same could be said of the complex South Caucasus region, which is at the intersection of opposing interests.

As a result, all our attempts to evaluate certain events and to forecast how they will evolve, even in the medium term, require both close observation and extreme caution. Quite understandably, I will begin this conversation with our region and indeed in our immediate neighbourhood, where a new and developing phase of confrontation between Armenia and Azerbaijan is directly linked to Georgia's internal stability and external sustainability.

Any possible escalation of military actions in the Caucasus poses an open threat to regional security as well as to Georgia's essential regional and international interests.

- It is very good that you have chosen to focus on circumstances in our neighbourhood.

The renewed confrontation between Armenia and Azerbaijan which began on the 12th of July has become a subject of active discussion and assessment. Yet it seems that this phase of the conflict is somehow different from previous ones, and that any evaluation of the recent escalation requires us to identify new factors related to current realities...

- I would like to answer the final part of your question. Yes, nowadays we all agree that this new phase of military action is different from previous ones.

Let us begin with the fact that the confrontation between the two sides has this time started in the Tavush/Tovuz region, i.e. far from the administrative borders of Nagorno-Karabakh. This new location has added a further and very thought-provoking dimension to the conflict.

However, this shift of the armed conflict beyond the Nagorno-Karabakh region is not the only new circumstance that needs to be analyzed.

I must at this stage underline the fact that I am not seeking to assert anything with this analysis. I am only expressing possibilities and assumptions that I believe are necessary to this topic's development, and without which the scope of discussion would be limited and the discussions themselves impoverished.

I will start by touching upon an aspect which to my mind is fundamental: Is this new eruption of the conflict linked to attempts to rearrange the region's energy map?

This question is anything but rhetorical if we consider the fact that three main energy arteries pass through the new region into which the conflict has now expanded, and even a short analysis of their individual significance immediately provides new answers.

We are already very familiar with one of these energy arteries: the Baku-Tbilisi-Ceyhan pipeline (BTC), which transports Azerbaijani oil to the Mediterranean.

The second main artery is the Trans-Anatolian gas pipeline (TANAP), which pumps Caspian gas from Azerbaijan through Georgia and Turkey to Southern Europe, where the pipeline will be connected to the Trans-Adriatic pipeline (TAP) project that will stretch northwards into the heart of Europe.

Finally, the third artery is the Baku-Tbilisi-Akhalkalaki-Kars railway line which provides the crucial link of a transport corridor stretching from Europe to China via the Caspian and Central Asia.

Even this very brief description of these extremely important links indicates their enormous economic significance for the region; but if we now consider the fact that all three are in direct competition with Russian interests (particularly the first two), it is easy to see why the recent clashes between Armenia and Azerbaijan have a clear geopolitical and geo-economic dimension.

At this stage, I would like to bring some figures to our readers' attention which can help to clarify the general picture. In 2019, Azerbaijan exported 230 million barrels of oil to Europe worth

approximately \$15 billion, and gas export that year reached approximately 12 billion cubic metres, earning the country a further \$2.6 billion.

As an exporter of oil and gas to Europe, Azerbaijan has therefore clearly become Russia's main competitor, and the level of their competition will increase over the next few years when TANAP begins to operate.

- Since the region's energy map reflects the balance of power between regional forces, how relevant would it be to point out that the number of the parties directly or indirectly involved in the wider Karabakh issue vastly exceeds the number of sides directly involved in the conflict itself?
- As I have already mentioned, this is a very delicate subject and we can only speak of possibilities. The fact that the big picture is continuing to evolve also prevents us from making any affirmations, but some current circumstances and developments can and indeed must be thoroughly discussed.

Let us begin by noting that much has already been written about Russian-Turkish relations and the specificities of their recent 'partnership', and this has naturally given rise to many comments. I might have to repeat certain nuances, but in order to formulate the main message I will refer to the strange, mosaic-like regional 'quartet' of Russia, Turkey, Azerbaijan and Armenia.

Russia continues to consider the South Caucasus to be within the area of her vital interests. Indeed even in the eighteenth century, Potemkin was already arguing that Russia's destiny was decided to her south.

In principle, Moscow's perception of the situation has remained practically unchanged, but its approach has naturally evolved in practical terms. What is clear is that Russia's declared interest in the South Caucasus is based upon her exercising sufficient control over the region to maintain her influence and ensure the stability of her southern border region.

But Moscow's interest in the Middle East and Eastern Mediterranean is no less strong, and these interests pass through the South Caucasus and the wider Black and Caspian macro-region. Russia's desire to maintain her powerful influence over Armenia also explains her strategic and political approach to the South Caucasus.

It is no secret that any kind of regional decision or action Yerevan wishes to make or undertake is done in agreement with Moscow.

Certain sources explain the events of 12 July according to the same reasoning, and therefore exclude the possibility of any Armenian 'contingency' or 'autonomy'. That said, any responsible attitude towards this issue prevents us from substantiating this consideration.

In parallel, Russia's regional policy cannot accept Turkey's recent efforts to establish a certain degree of hegemony over the Black and Caspian macro-region.

It is noteworthy in this regard that some researchers see current events as evidence of the Turkish government's desire to carry out a project of neo-Ottoman ambitions.

I believe that the grounds for employing such a bold term are quite debatable, but many essential tendencies of Turkey's domestic and foreign policies are certainly worth discussing.

This matter is obviously multifaceted, but what is obvious is Ankara's readiness to co-operate ever more closely with Baku.

This degree of readiness is also linked to several practical tasks: On one hand, Ankara is trying to maintain energy relations with Moscow, as the so-called TurkStream project eminently illustrates.

Yet at the same time Ankara's mission is also to reduce energy dependence on Russia, and in this sense TANAP and other projects contribute to the goal of greater diversification.

In general, at both the political and the ideological level, Turkey's attitude towards Azerbaijan is based upon the declared principle of 'one nation, two states'.

Recent events are also expected to lead to changes in Azerbaijan's foreign policy, which for the past two decades has been based upon the goal of maintaining a balance between Russian and Turkish interests.

This approach was based upon the belief that, if Azerbaijan was to maintain her internal stability and be able to carry out a regional policy, Baku needed to obtain Russian non-interference as a minimum and Turkish benevolence and support.

At present, it is quite likely that Azerbaijan will seek to correct her balancing act, especially in the nearest future.

The reasons for this correction are likely to be the unsolved territorial dispute with Armenia, Russia's ambiguous attitude towards this decades-old conflict, the implications of Yerevan's membership of the CSTO and Turkey's growing regional role and ambition.

And by the way, when considering the Karabakh conflict and its regional neighbours, one must not forget the energy alliance between Turkey and Azerbaijan. This alliance has been further strengthened by TANAP, limiting the export capacities and profits of Russia's energy carriers and decreasing Russia's aggressive ambitions in the region due to a lack of necessary resources.

It is impossible that this important element of the regional picture would go unnoticed by the United States and NATO.

- It is a fact that the balance of power in the South Caucasus and the wider Black and Caspian region requires a new point of equilibrium, and this process of course requires Georgia's undivided attention and close participation...

We have more or less gone over the various issues of our neighbourhood, so let us now move away from our region and shift our conversation to matters which might not only influence our region but also Eurasian and global configurations.

The renewed hostility between our strategic partner the United States and China require special attention. In this regard, Pompeo's recent statement is particularly noteworthy, as well as Trump's claim that 'When we had our tremendous numbers... just prior to the China plague that floated in, we had numbers, the best in history'.

- Our world is so indisputably interconnected that every global topic linked to our strategic partner and strongest supporter of our sovereignty and territorial integrity, the United States of America, becomes an important subject for analysis and discussion within Georgian political and public circles.

And this interest is even more relevant and urgent if the matter under discussion is linked to relations between the United States and the world's second global player, China.

You referred to Pompeo's recent speech at the Nixon Library in California, which some reputable sources have dubbed the 'Second Fulton speech' and others have described as the beginning of a new 'Cold War' between Washington and Beijing.

I suppose such assessments can be substantiated, but at this stage I think that we should not read anything too exceptional in Pompeo's speech.

All things aside, we must pay attention to how Pompeo's statements will be reflected in concrete and practical actions.

We must also not forget that the US Secretary of State's speech must be seen through the prism of the extremely complex relations that the US and China have entertained since the end of the Second World War.

The thing is that the United States have referred to a 'new Chinese policy' several times over the years, notably following the Cultural Revolution, the rapprochement with China under Nixon and Kissinger, the establishment of diplomatic relations in 1979 and the renewed emphasis on China in the 1990s after the collapse of the Soviet Union.

I would like to mention here the most recent versions of the US National Security and National Defense strategies, which name China as a strategic competitor that is actively seeking to undermine the international order in order to gain greater regional and global influence.

If we look at developments that preceded Pompeo's recent speech, we will see that these were largely issues relating to the two countries' commercial rivalry, to the Trans-Pacific Partnership and to free movement in the South China Sea.

With this small reminded I wanted to once again emphasize the characteristics of this bilateral relationship.

So what factors made many researchers assess Pompeo's speech as a declaration of a new Cold War? I believe that the main reason was his negative assessment, as his country's most senior diplomat, of the previous US administration's policies *vis-à-vis* Beijing—'constructive cooperation' and 'strategic rapprochement'—and his condemnation of these policies as experiments that failed to encourage China's democratization.

Moreover, Pompeo spoke directly to the Chinese people about the need to introduce changes to their system of government. It is no coincidence that the 'need' he spoke of was understood by many as a call for 'regime change'.

However exaggerated this assessment may seem to us in reality, it is indicative of a fundamentally different US attitude towards China's communist government.

The question now is: How will this approach be reflected in day-to-day US policy? And how likely is it that the White House is really preparing another larger and riskier 'social engineering' experiment?

For now, this question may seem rhetorical, but as ongoing events develop it might become quite urgent and relevant after all.

In any case, it is a fact that Pompeo's speech outlined a 'new' policy for US-Chinese relations bearing some old accents. According to his speech, this policy rests upon 'new forms of rapprochement' with the population and 'personal diplomacy'.

But how achievable is all this in the current pandemic and considering likely post-pandemic geopolitical rearrangements? Will the current or next US administration be able to allocate sufficient resources for the implementation of its stated policies? And how would Chinese society respond to such a policy?

It was both logical and to be expected that Chinese propaganda branded Pompeo's speech as a 'call to war' and urged the Chinese people to gather round their Communist Party in order to defeat this external threat.

Considering all the above, it is clear that, in reaction to China's growing regional pressure on her neighbours and attempts to impose new standards that reflect her global ambitions, American political circles have begun a serious risk analysis and reassessment.

China's growing foreign policy ambitions pose a challenge not only to those fragments of the international order that remain but also to the West's most basic principles of relations between countries.

The nearest future will therefore show whether the US Secretary of State's speech will go down in history as the 'Long Telegram' of our times or simply 'Article X'.

- It is a fact that American-European unity will be the determining factor, not only for taming China's revisionism, but also in any rearrangement of national roles and influence on the international stage.

The European factor must therefore be considered when American-Chinese relations are redefined, particularly considering the level of economic relations between Europe and China and the fact that Brussels and the Eurozone were hardly delighted by Washington's growing criticism of Beijing...

According to you, how likely is it that the United States will manage to unite the West around this issue? To what extent will the European Union support Washington in following this new course vis-à-vis China?

- You are quite right. During a few critical episodes of the end of the Second World War and the post-war period, then as now, Western solidarity and common purpose has always carried much weight in Asia as well as in the world's other 'centres of power'.

Some observers argue that Pompeo has no clearly defined criteria around which the great union he calls for could be built.

Although it is not our role to analyse his speech in detail, we can all agree that American-European unity is of enormous importance for the correct development of global processes.

Naturally, any kind of crack or split between the two main elements of Western civilization or any break in their co-ordinated and synchronized interaction is a determining factor for Georgia's sustainability as a state.

Since we have already mentioned consolidation and solidarity, I would like to briefly refer to a developing and indisputably historic EU process of great economic and political significance.

This is the special programme designed to palliate the economic losses the pandemic is causing thanks to 750 billion euros in loans.

But it is not the amount of money being allocated that is important, but the fact that for the first time in EU history all 27 member states will be jointly responsible for the loan.

The final decision must be ratified by the national parliaments, but even at this stage it is possible to share the optimism that European unity has generated against a background of dire economic forecasts.

The optimism of some political or public figures went even further, leading them to refer to this decision as a 'Hamilton-like' moment for Europe.

It was Alexander Hamilton, the US Secretary of the Treasury, who in 1790 employed public loans as a mechanism to encourage tighter links between the 13 colonies as well as the process of uniting them in federal union.

However picturesque some assessments of EU renewal may be, I am of the opinion that this particular development is very relevant to our country and something we should support, especially as our main political goal continues to be full EU membership. The Union's stability and durability are clearly in Georgia's national interest.

I have often said that, whatever the regional or international conjuncture may be, if we are to avoid risks and make full use of all the means at our disposal, we must find our own way independently. This is what history tells us and what current events push us to do.

A recent speech that Condoleezza Rice gave at the Aspen Security Forum springs to mind, a speech in which she said: 'The international circumstances may not be very propitious. But you [the Georgians] have to build your own country, have to build your own democracy, have to build your own economy". It is difficult not to agree with the former US Secretary of State.

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