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# Conflict and Political Realignment in Post-Soviet Caucasus Region and Central Asia

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#### Summary

Following the disintegration of the Soviet Union, the territory of the Caucasus and Central Asian, on which eight new states were created, have been the scene of political instability and numerous hostilities. The causes of these conflicts are diverse: from ethnic and political divisions, to the incompatible economic and strategic interests to the ambivalent consequences of the process of Islamization. These changes have particularly hit Russia, since it lost the status of the local hegemon (dramatically manifested during the Chechen war). Nevertheless, Russia has been trying, via its military might and singular political and economic links, to retain its role of the guarantor of the region's security. These efforts collide with the interests of other regional powers such as Turkey, Iran, Pakistan, and possibly China, as well as with those of the USA, today's sole global power.

as Turkey, Iran, Pakistan, and possibly China, as well as with those of the USA, today's sole global power. The author minutely demonstrates that the dynamics of the alliances and the conflicts are to a large extent determined by the oil exploitation interests and the competition for building the future pipelines which are to carry the oil to the sea.

In an article in *Le Monde*, Andre Fontaine (1997, pp. 1 and 15) described Central Asia as the "Balkans with oil". In fact, both the Balkans and Central Asia together with Turkey in-between belong to the same "whirlpool of violence", which, according to Zbigniew Brzezinski, "extends from east to west, from the Adriatic Sea next to the Balkans all the way to the borders of the Chinese Sinkiang province; from south to north it loops around the Persian Gulf, embracing parts of the Middle East, then Iran, Pakistan, and Afghanistan in the south, all of Central Asia along the Russian-Kazakh frontier to the north, and all the way along the Russian-Ukrainian border. The oblong thus contains portions of southeastern Europe, the Middle East and the Persian Gulf region, in addition to the southern sections of the former Soviet Union" (Brzezinski, 1993, p. 163). In this article I will focus on the post-Cold War "game of nations" in the Caucasus region and Central Asia.

# The Chechen Test

The war in Chechnya has vividly demonstrated the weakness both of the Russian central state and of its demoralized and under-equipped army. In spite of the fact that most of Chechnya's infrastructure was destroyed, Russian troops could not eradicate the guerrilla resistance. The devastating war ended only when General Alexander Lebed, in his capacity as Russian security chief, brokered a peace deal which provided for the complete withdrawal of Russian troops and for free local elections, which legalized a regime issued from the separatist Chechen movement. Subsequently, Aslan Mashkadov, Dudayev's successor, won the local presidential race supervised by the OESC. Soon after, Yeltsin fired Lebed, probably fearing his growing popularity and personal ambitions. The tragic Chechen episode was in many aspects much more harmful to Russia than the previous Soviet invasion of Afghanistan, and it may be a portent of further fragmentation of the Russian federation. Tatarstan, Bashkortostan, Shaka-Yakutia and some other regions are already on the waiting list.

It was recently announced that after difficult negotiations Moscow and Grozny finally reached an agreement about the reopening of the old Soviet oil pipe-line which was sabotaged during the Chechen war. Shortly after, Russian and Chechen security services signed a "provisional cooperation treaty" whose main rationale is the protection of the pipe-line itself. It seems now that the government of the Autonomous Republic decided to put an end to the widespread private pumping of the pipe-line and illicit refining of oil, a privilege general Dudayev had granted to a number of his business associates. The pipe-line connects both Azerbaijan and Kazakhstan with the Russian pipe-network and Grozny itself is located on the intersection of its three tracks. Beyond Chechen nationalist rhetoric about "independence" and Moscow's counter-claims about the "integrity of Russian territory", this fact alone gave to the Chechen tragedy (the Chechens themselves used to call their homeland Nakhcho or Nakhchuo, but as of recently they have been using the name Chechenistan) a distinctive smell of oil. As long as the pipe-line was out of order, the evacuation of Azerbaijani oil was blocked and the exploitation of the new offshore wells in the Caspian Sea had to be postponed. On the other hand, although the Kazakhs were able to use another low-capacity pipe-track which circumvents Chechnya from the north, foreign investments in the Tengiz triangle in Kazakhstan were practically frozen. Now when the Russians and Chechen oil monopolies agreed to share the revenue of the oil running through Chechenistan (the exact percentage was not revealed) the transnational companies which had invested off-shore of Azerbaijan and in Tengiz can perhaps relax.

I say "perhaps", because the political geometry of oil is a tricky affair and too many contradictory local, regional and external interests are involved. There is a real danger that competing transnational companies or cartels of companies will not only make use of regional rivalries between states and different national actors but may also be tempted to actively interfere into local politics in order to promote their own interests. The history of oil in the Middle East is unfortunately instructive enough and it could be repeated in a similar way in the Caucasus and Central Asia, whose oil and gas reserves are probably more important than those of the Middle East. Let us not forget that Iranian Prime-Minister Mossadegh was toppled in a *coup d'etat* when he attempted to nationalize the Anglo-Iranian Oil Company, that American and British petrol companies engaged in a mini-war by proxies over the control of the Buraymi oasis in the triangle between Saudi Arabia, Abu Dhabi and Oman, and that the Second Gulf War was essentially because of oil. Cheap Middle Eastern oil will be exhausted in a foreseeable future and that is the main reason why the scramble for Azerbaijani, Kazakh, Volga-Ural and Siberian oil has already started.

# The Power Vacuum

But, in order to understand recent political developments in this region we should perhaps begin with the geopolitical vacuum created by the collapse of the Soviet Union.

Ethnic conflicts erupted in that zone well ahead of the collapse of the USSR during the period of Gorbachev's glasnost and perestroika policies, which proved to be a two-edged sword. Without describing the crisis of Soviet economy, society and political system, which finally provoked the implosion of the Soviet model of development and state, I would only like to point out that the self-assertion of Georgia, Armenia and Azerbaijan as sovereign and exclusive ethnic states provoked a spiral of political violence, breakaway ethnonationalist movements and regional wars for territories that affected the whole zone on both sides of the Caucasus Mountains. This region, together with the Soviet-successor states in Central Asia, may be described as a specific geopolitical "laboratory" within the new Russian "Near Abroad" in which the role of Russia, now reduced to the rank of regional power only, is currently being tested and challenged. Ukraine, Belarus and the Baltic republics are other similar "laboratories" in which the West, which has just initiated the building of a "cordon sanitaire" around Russia (the admission of Poland, the Czech Republic and Hungary into NATO's ranks), puts Moscow's capabilities and reactions to the test. On the other hand, today's geopolitical relevance of the Caucasus and Central Asia derives from the fact that this "laboratory" is a buffer-zone separating for the first time in modern history Russia proper from the Middle East and the Indian Subcontinent. Here, different Russian political factions compete with each other and Moscow is currently trying to reestablish her former pre-eminence.

Since the downfall of the Iron Curtain, former Soviet southern republics practically reintegrated the classical Middle East with which they share a long common history interrupted by Russian colonization and later by their inclusion into the Soviet Union. Since the Second Gulf War, the Middle East is overshadowed by American interests. Yes, there are few "asymmetrical" states in the classical Middle East, but Iran, Iraq, Libya and Sudan cannot do much to change the general regional configuration of the US-imposed hegemonic stability. Besides, it seems that they often played into American hands, behaving as envisaged by an unwritten US scenario, offering abundant justifications for their own "punishment", international isolation, and for regional political rearrangements. Additionally, the international sanctions have eliminated Iraq as an important oil producer and competitor, slowed down Libyan petrol exports and for the time froze the promising oil reserves in Sudan. In the more or less distant future some of these countries may even be offered a "second chance" if Washington erases their names from its Black List. The Syrian case seems to demonstrate that it is feasible.

On the other hand, the picture is quite different north of Turkish and Iranian borders, where, although they never really left the region, the Russians have not yet managed a spectacular come-back. While Yeltsin was entangled in the power-struggle with the central Parliament, local Russian military commanders, Cossack *atamans* and different Mafiosi-certainly with strong connections in Moscow — promoted their own policies in Northern Caucasus and Transcaucasia. Military equipment and logistical support were made available to the Armenians, to different Georgian, Abkhaz, Ossetian, Ingush and other warring factions. Russian mercenaries sold their services to higher bidders. The practice of rent-a-tank, rent-a-plane or artillery-battery (Sahair, 1992), repeated later in Bosnia, was the rule rather than the exception. With such backings, separatist Abkhazs and Armenian "irregulars" had considerable military success and conquered territories which they immediately ethnically cleansed.

In February 1992, a part of the Russian 366<sup>th</sup> Motorized Rifle Regiment took part in the Armenian assault on the city of Khodjali (Goltz, 1993, pp. 92—116). Azeris even picked up six Russian "mercenaries", members of the "*spetznats*" forces (special forces) and five of them were condemned to death by a military tribunal. Only then did Russian authorities declare them "deserters" and demanded their extradition. After that, Russian troops were withdrawn from Nagorno Karabagh and they, definitely, pulled out of Azerbaijan in May 1993. Meanwhile, the Armenians shot down two "Azeri" pilots who turned out to be of Russian and Ukrainian origins, each paid a salary of \$ 6,000 a month. Furthermore, it seemed that the Russian 104th Airborne Division left in its former base in Ganje sufficient military hardware to enable Suret Husseinov to topple the maverick Azeri President Elchebey. Commenting on the ambiguous role played by Russian military forces in the Azeri-Armenian conflict, a foreign analyst concluded that "Most likely, Moscow wanted to legitimize its presence in both republics by showing that without it everyone would be at each other's throat. And as long as the two countries continue to fight, Moscow can rest reassured that for the time being neither country will truly leave the new Community of Independent States" (Dima, 1995, p. 152).

According to reports from Georgia, elected President Gamaskhurdia was overthrown in January 1992 by the Tengiz Kitovani's National Guard supplied by Russian garrisons. Later, reports from the Abkhazian battle-front confirmed that Russian "mercenaries" and anti-Russian Northern Caucasian volunteers fought side by side against the Georgians. Russian planes bombarded Georgian positions and when the Georgians shot down a SU-27 fighter-bomber, Russian Defense Minister Grachev claimed that the plane was actually one of the five Georgian SU-25s painted with Russian markings (Goltz, 1993, p. 108). In another twist, the ousted Georgian President Gamsakhurdia, a supposed enemy of Northern Caucasus highlanders, received a warm welcome in Grozny, and Chechen leader Dudayev offered him logistical support to stage an offensive against Tbilisi. His come-back was thwarted by a last-minute intervention of Russian troops that came out from their "neutrality" and supported Shevardnadze's disarrayed loyalists. Following that, Shevardnadze had no choice but to sign the CIS Treaty. Thus previously recalcitrant Georgia joined the fold and legalized the stationing of Russian garrisons on her territory.

But behind the apparent chaos lays a recognizable pattern. In spite of her inconsistency, Moscow has, nevertheless, succeeded in re-imposing herself as the major power and peace-broker in the region. "Since February 1993, when Russian President Boris Yeltsin first advanced the argument that international bodies should grant Russia "special powers as the guarantor of peace and stability" throughout the former Soviet Union, Russian policy toward interethnic conflicts in the 'Near Abroad' has become increasingly assertive" (Fuller a, 1993, p. 30).

In the long run, a reinvigorated and expansive Russian market-economy may become the main means for the economic "re-colonization" of the Near Abroad. For the time being, however, although all the Soviet successor states are still heavily dependent on imports from Russia, Moscow is unable to valorize adequately her dominant economic position due to her own internal weaknesses. On the other hand, she has brokered/imposed a number of cease-fire agreements between warring factions both within her own frontiers in Northern Caucasus and between the enemy-brothers in Transcaucasia. This, subsequently, turned into the main channel through which she tried to re-impose her hegemony. She deployed her peacekeepers between Georgia proper and the Georgian region of Southern Ossetia, between Northern Ossetia and the emerging Ingushetia, between Northern Ossetia and Southern Ossetia, and in the Kabardino-Balkar Autonomous republic, and between Chechnya and Daghestan (Omrod, 1993; pp. 448—477; Twining, 1993, pp. 121—123, 129 and 134—135). However, the Georgian-Abkhaz and the Nagorno Karabagh conflicts proved to be more difficult to handle and Russia is still "mediating" between Abkhazia and Georgia. Yet once Georgia joined the CIS, Moscow changed sides and imposed "economic sanctions" on Abkhazia. In another gesture of good will toward Georgia, and with the support of the CIS leaders, Russia decided in April 1997, to enlarge the "security corridor" in Abkhazia, provoking vehement protests from the breakaway Abkhazs. Meanwhile, the supposedly domestic conflict of Georgia was internationalized when Shevarndnadze asked the UN to dispatch UN military observers to the spot.

Azerbaijan, who entered and then pulled out of the CIS, penitently rejoined the Russian-dominated Commonwealth structure as the only means to stop Armenian conquests. However, for the time being it has not bowed to the pressures for the return of Russian combat troops, although Russian military personnel still operates the Gabala air-defense radar complex.

Since the conclusion of the May 1994 cease-fire under Moscow's pressure, the status of Nagorno Karabagh remains at the center of complicated diplomatic maneuvers. Although rival mediation efforts initiated separately by the CSCE, Yeltsin and Kazakh President Nazarbayev were merged within the so called Minsk Group (besides Azerbaijan and Armenia, the Group includes Belarus, the Czech Republic, France, Germany, Italy, Russia, Sweden and Turkey), the positions of Baku and Yerevan remained as distant as ever. Baku demands the restoration of Azerbaijani sovereignty over the whole territory of the republic and the return of 12,000 sq km occupied by the Armenians between 1992 ad 1994. It declares its readiness to grant the Karabagh Armenian population a very large margin of autonomy, "perhaps unique in the world" (Gueyras, 1996, p. 4) including a territorial corridor (the Lachin strip) linking it with Armenia. On the other side, Yerevan is not opposing the return of some territories at the fringes of Artsakh (the Armenian name for Nagorno Karabagh) but not the Lachin corridor. Yerevan insists on strong international guarantees for the security of local Armenians which would, in fact, grant Karabagh a kind of international status. Stepanakert's warlords are, however, more exigent and want not only to retain Kelbadjar, another territorial link with Armenia, but to be internationally recognized as a "second Armenian state". However, the unexpected nomination in March of 1997 of Robert Kocharyan, previously head of the proxy regime established in Stepanakert, as Ter-Petrosyan's Prime-Minister, may announce Yerevan's intention to formally annex Karabagh, which would only complicate the situation. The simultaneous revelation that Armenia imported from Russia offensive military hardware worth more than \$ 1 billion caused alarm in Baku.

# Regional Readjustment

Though Russia is unable to dictate her own conditions to the belligerents, it is in the position to thwart any agreement not to her liking. She is no more the exclusive external player in the region. Since the implosion of the Soviet Union, the whole geopolitics of this part of Eurasia has changed. Transcaucasus has traditionally been a zone of competition between three empires: the Ottoman, the Persian and the Russian. It seems as if history is repeating itself in a new international setting, with the famous Silk Road regaining its geopolitical importance. In their efforts to emancipate themselves from Russia, landlocked Soviet successor states both from Transcaucasia and Central Asia are increasingly looking toward the south.

Initially, Turkic-speaking nationalists of the Elchebey type proliferated throughout the zone. But the moment it was understood that Turkey cannot effectively help the Azerbaijanis against the Armenians, and has no capital of its own to finance the ambitious modernization projects of the post-Communist Turcophone elites in Central Asia, the local pro-Turkish euphoria somewhat faded away. Aliyev dismissed 1,640 Turkish military experts and volunteers recruited previously by Elchebey's government (Aydanlik, September 5, 1993, p. 11) and started to diversify Azerbaijani international connections, despite the reassurances of his Foreign Minister Gassan Gassanov to Moscow that "(R)elations with Russia are a priority area of our policy" (*Izvestiya*, July 16, 1994, p. 3). The rapprochement with Russia has, apparently, brought back to Baku's fold two breakaway regions, the self-styled "Talysh-Mugan Republic" on the borders with Iran, and Northern districts inhabited by ethnic Avars who attempted to join their territories in the neighboring Daghestan within the Russian Federation. The Armenians, on the other side, who have, traditionally, viewed the Russians as their protectors, attempted to pacify Ankara who had no interest in antagonizing the Russians. At one moment it even seemed that the Turkish representative within the Minsk Group took a more neutral stance in the Azeri-Armenian dispute. Secular Turkey, on which the Americans were also betting as a regional "pivot", entered the game as one of the major outsiders both in Transcaucasia and Central Asia. Nevertheless, with the strengthening of the Islamic trend, it is questionable how much and how long Turkey will remain "secular". Russia, Uzbekistan and Tajikistan are also unofficially involved in the Afghani fractional struggle where other external players such as Pakistan, Saudi Arabia, Iran, India and even Oman are involved as well. For the Pakistanis, who are currently manipulating the Taleban militia in Afghanistan, Central Asia is attractive for practical as well sentimental reasons: first, they need oil and gas and a pacified Afghanistan under Taleban control could facilitate gas deliveries; Pakistan and Turkmenistan have recently signed an agreement of intentions and the US Unical Corporation and the Saudi Delta already plan the building of a US \$ 2 billion gas pipe-line through Afghani territory which could carry 20 billion cubic meters of gas to Pakistan; second, for many Pakistanis, still nostalgic of the Mogul Empire, Central Asia is the navel of the world because it is from there that Islam was imported into the Indian sub-continent. It is relevant that Washington, who previously used Pakistan as a go-between with the Afghani anti-Communist guerrilla movement, supported the Taleban project. But the Taleban's take-over of the frontier zone with the gas-rich Turkmenistan sent tremors all over the former Soviet Central Asia, and in Moscow too. Russian troops under the CIS umbrella have controled the southern borders of Turkmenistan and Tajikistan since 1992. In Tajikistan alone there are about 25,000 Russian soldiers exposed to a low-intensity guerrilla warfare waged from Afghanistan across the Amu-Daria River. In June 1997 when the Talebans for a short while took-over Mazar-e-Sharif, the stronghold of the Afghani warlord Abdul Rashid Dostum, Uzbek troops across the "Friendship Bridge", connecting Uzbekistan to Afghanistan, were put on alert.

Although at the moment of the collapse of the USSR Turkey was already suffering from internal problems, it was called to counter-balance the Iranian anti-Western Islamic influence in the region, especially in Azerbaijan and Central Asia (Arafat, 1993). Other more remote Eurasian players are Saudi Arabia, Germany, Israel and, increasingly, China. The internationally influential Armenian Diaspora should also be mentioned as it still molds large segments of public opinion in Moscow, the US and France. The West, and the United States, primarily, who publicly refused to recognize any Russian exclusive or special security interests in Eastern Europe have, pragmatically, acknowledged the gradual "Finlandization" of the Russian Near Abroad (but not Ukraine and not the Baltic states), a phenomenon particularly visible in Transcaucasia and Tajikistan. It would seem that the renewed Russian influence in this zone is perceived as an effective guarantee against the nightmare of a possible combination of radical Islam and nuclear capabilities which would indeed threaten American interests in the Middle Éast.

### Oil Politics

The US should not be by-passed even though "since the collapse of the Soviet Union, the United States has failed to articulate a coherent and comprehensive policy toward the 15 states that have taken its place", as an American critic has remarked (Goble, 1993, p. 305). In spite of that, it should be said that it is only through US diplomatic efforts coupled with pressures from the IMF, the World and European Banks, that the Ukrainians finally signed the Nuclear Non-Proliferation Treaty (NPT). It was a classical example illustrating the way a hegemonic power such as the US, if sufficiently interested, may produce cooperative outcomes even within the Russian Near Abroad. As put by one analyst: "Without the United States, Ukraine could not have confidence that Russia would adhere to the NTP. Without the United States, there could not be a credible inspection of Russian nuclear cites, as demanded by Ukraine. Russia's agreement to be bound by the inspection regime made it possible for the United States to exert pressure on Ukraine" (Hopf, 1994-95, p. 254). On the other side, Washington's representatives within the Minsk Group, which seemed as impotent as was the Contact Group for Bosnia, reiterated more recently US support for Azerbaijani "territorial integrity". The move was not really unexpected given the American oil companies' interest in Caspian petrol both offshore of Azerbaijan (Narimanov and Palaz, 1995, pp. 32-39) and in the Tengiz triangle in Kazakhstan. According to the "Deal of the Century" signed with the State Oil Company of the Azerbaijani Republic (SOCAR) in September 1994, US companies secured 44% of the future project's shares. Chevron, the third largest US oil company, struck a \$ 10 billion deal with Kazakh authorities for 20 percent profits from Tengiz oil fields, but is now trying to figure out how to evacuate this oil (Kutchera, 1996, pp. 6-9). Petroleum analysts say Tengiz could produce 700,000 barrels of crude daily, worth \$ 10.5 million a day at current world prices (LeVine, 1995, p. 10).

For Russia itself, who until 1991 exported almost two million barrels a day, which was the main source of its foreign currency revenue, this income is still of vital importance. Now the Azeris, Kazakhs, Turkmens and others have to pay exorbitant royalties for the use of the old Russian pipe-line. It is not by chance that Victor Chernomyrdin, the man of the Russian Gas/Petrol-complex, who began his career as Chief Engineer of the Orenburg Refinery and later served as Minister of Gas Industry of the USSR, succeeded to ride out as Prime-Minister all the low-tides of Russian politics since 1992.

### The Struggle for Pipe-Line Routes

The persisting problem that has not been resolved so far and has delayed basic investments in both Azeri and Kazakh oil is the transport of oil and gas from both countries. Actually, the evacuation of Azerbaijani oil is entirely dependent on the pipe-line that runs through Chechen territory, but even reopened, this track could carry only a tenth of the potential Azeri gas and oil exports. A fierce competition has already started for carving alternative routes, each of them favoring different regional players; Russia (with a terminal in the Black Sea at Novorossiysk), Turkey (with terminals in the Mediterranean), or Iran (with terminals in the Persian Gulf). The Iranian route, including the possible connection to the already existing Iraqi-Turkish pipeline, is the shortest but is strongly discouraged by the US administration, although in Washington itself there is an influential pressure group advocating a more pragmatic approach to Iran. Among its members is Alexander Haig, Nixon's aide, NATO commander under Carter, Secretary of State under Reagan — whose firm is now associated with Saparmurad Niyazov, the President of Turkmenistan (LeVine, 1995, p. 10). Land-locked Turkmenistan contains the fourth known world reserves of gas but is unable to export large quantities. Besides, Ukraine and other former Soviet republic owe to Turkmenistan US 1.9 billion for previous gas deliveries, and the *Turkmenbashi*, as Nyazov likes to be called, is desperately searching for alternative outlets through Turkey and Afghanistan.

The Turkish route for the evacuation of Azeri and Kazakh oil, strongly favored by the Clinton administration, would need a detour through Russian and Georgian territory, or would require Azeri-Armenian cooperation which is not for tomorrow. According to Newsweek, the US has adopted back in 1995 a policy platform toward Central Asia which is "designed to break Russia's grip on Central Asia's oil exports. The objective is both to help ensure the survival of independent states in the region and to protect US corporate interests" (LeVine, 1995, p. 12).

The reconstruction of the Russian pipeline would be perhaps the cheapest and most expeditious solution but is problematic both because of the Chechen riskiness (though an additional pipeline track for Azeri oil may be constructed through Daghestan, and Tengiz oil could be evacuated via Volgograd if a new track is constructed between Volgograd and Tikhoretsk) and because of the environmental hazards that a continuous tankers' traffic would create in the narrow Turkish Straits. After the recent discovery of a "hydrocarbon scandal" in the northern corner of the Caspian Sea, which dwarf Tengiz, it is likely that Russia and Kazakhstan (who jointly surveyed the zone) will find a common interest to push for the construction of a pipe-line through Daghestan, thus circumventing the breakaway Chechnya. The discovery already brought about a rapprochement of Russian and Kazakh views on the status of the Caspian Sea. I guess that another known American, Robert Strauss, former US Ambassador to Moscow, whose firm's clients are both the Kazakh government and the Russian petroleum company Lukoil (LeVine, 1995, p. 14), contributed to this rapprochement.

To thwart Turkish obstruction, Russia previously proposed to lay an additional 360 km-long "Orthodox" pipeline connecting the Bulgarian port of Burgas to Greece and to the Aegean Sea, which implies that oil would be moved from Novorossiysk to Burgas by tankers and would circumvent Turkish territory. Anticipating the increased demand for Caspian oil, Russia began the reconstruction of the Novorossiysk terminal.

The Ciller government, favored and proposed to finance the pipe-line route passing through Georgia with a terminal at the Georgian port of Soupsa, which would be connected to the already existing pipeline that used to carry oil from Kirkuk in Iraq to Ceyhan on the Mediterranean. The problem was that the old Georgian pipeline, also supplying Armenia, was repeatedly sabotaged, becoming practically inoperative during recent conflicts, which made the Georgian route rather problematic. The Erbakan government switched to the Iranian route and a deal was concluded in March 1997, which also provided for the evacuation of Turkmen gas. This will require the building of a pipe-line through Iran and its connection to the same Kirkuk-Ceyhan pipe. If the project is implemented it may be upgraded and expanded later in order to provide an alternative outlet for Azeri, Kazakh and Russian oil as well. In that case, Tengiz oil pumped by Chevron would be transported from the Kazakh port of Aktau to Baku by tankers (Enginsoy, 1996, p. 14). On the other hand, the Turks directly negotiated with the Russians for the construction of a gas pipeline under the Black Sea and signed an agreement in March 1997. The \$ 3.3 billion 1,200-kilometer gas-pipeline will run from Izobilnaya in Russia to arrive at Dzhubga, and from there it will link up with Samsun on the Mediterranean. The pipeline will initially transport 8 billion cubic meters of gas per year, rising progressively to double this figure. Nevertheless, this gas pipeline can only partially alleviate the overall problem.

The problem is politics interfering in every proposal and complicating routing, financing or both. Each route has different geopolitical implications. In the more distant future, even the Chinese who have a common border with Kazakhstan and who just opened their Xinjiang province to foreign prospectors, may take part in the race if they build their own pipe-line connecting Xinjiang to the coast. It was announced in 1997 that the Chinese will began the exploitation of two oil wells in Kazakhstan and that they began negotiations with Kazakh authorities about the construction of a prope-line through Chinese territory. Yet the Chinese themselves may get embroiled in oil-wars by proxies if terrorist acts by Uighur separatists gain momentum.

# The Caspian Imbroglio

One of the points of discord between Russia and Azerbaijan, and Russia and Kazakhstan, is the status of the Caspian Sea. In a long memorandum addressed to the General Assembly of the UN in October 1994, Moscow claimed that the Caspian Sea is a closed lake and that the provisions of the international Convention on Seas of 1982 cannot be applied to the Caspian, and that therefore the bilateral treaties signed with Iran back in 1921 and 1940 should remain the only legal framework for the settlement of present controversies (Uibopuu, 1995). As the Kazakhs at that time claimed that the Caspian, because of its connection with the Gulf of Finland by way of the Volga and the related canals, is an open sea, the Russians threatened to enforce the 12-mile coast zone in the Caspian which would weaken both Azeri and Kazakh claims on offshore petroleum reserves. In October 1994, Moscow initiated the formation of a Caspian regional organization (Russia, Kazakhstan, Turkmenistan, Azerbaijan and Iran) and has tried to enlist Iranian, Kazakh and Turkmen sup-

port for its demands for redefining the Caspian Sea resources. As underlined previously, it seems that the discovery of a "hydrocarbon scandal" in the northern Caspian was conducive to a Russian-Kazakh rapprochement. At the same time, Moscow offered to recognize Azerbaijani claims over its part of the Caspian Sea if Baku agreed to the pipeline route passing through Russian territory. In separate negotiations, Teheran, whose relations with Baku improved after the downfall of Elchebey, volunteered to provide \$ 1.5 billion in exchange for a 5% share in the Azeri offshore project. However, the US companies, under the pressure of the Clinton administration, threatened to pull out of the "Deal of the Century". Almost simultaneously, Washington warned Moscow against any arm and nuclear technology trade with Iran, but it seems shaken in its determination to pursue its strategy of "double containment" of Iran and Iraq. Recently, people such as Zbigniew Brzezinski and Brent Scowcroft, and ex-ambassador to Syria Richard Murphy, have argued that attempts to "cordon off the entire country ... (are) crude and counterproductive" (Abaghi, 1997, p. 20). The West Europeans did not support the US and Israeli initiative to further isolate Iran because of its alleged role in "supporting Middle East terrorism" and favored a "critical dialogue" with the Teheran government. In March 1996 French President Chirac rejected Washington's demand for imposing a global embargo against Iran, arguing that such a move "would only help the extremists" (Drozdiak, 1996, pp. 1 and 10). However, the implication of Iranian state officials in terrorist acts on German territory proved by a German tribunal led later to the withdrawal of all EU ambassadors from Teheran. The recent election of the soft-spoken Mohamed Khatami to the post of Iranian President, may perhaps mollify Washington's unmalleability.

Azerbaijani President, Aliyev, who negotiated separately with Turkish companies, Iran and potential Saudi investors for the construction of a pipeline connection with Turkey through Iranian territory, reacted angrily against the multiple and contradictory pressures to which he was exposed by exclaiming that: "(T)he discovery and exploitation of oil fields in the Caspian Sea have had a great history, and all this was linked to the Azerbaijani oil men and scientists. Therefore, no one, no force, no country can deprive us, the Azerbaijani Republic and people, of our right" (Aliyev, 1994, p. 67).

In an attempt to break the international isolation, Teheran regime was instrumental to the creation of the Economic Cooperation Organization (ECO) whose original membership included, besides Iran, Turkey and Pakistan. In February 1992, the ECO co-opted Azerbaijan, Turkmenistan, Tajikistan and Kirgyzstan as well. Teheran has aligned itself temporarily with Russian policy in Transcaucasia, promoting trade with landlocked Armenia, which has helped, effectively, the Yerevan regime to survive the total economic blockade imposed by Azerbaijan and Turkey. Witnesses vividly described the endless line of Iranian lorries crossing day and night the small bridge at Meghri, the only Iranian-Armenian border-post. The Armenians, enjoying simultaneously the official US indulgence, the active financial support of the American Armenian community and the backing of an influential lobby in Moscow, have united here three strange bed-fellows. On the other side, Iranian trade relations with Turkmenistan and Kazakhstan as well with Erbakhan's government seem to bear fruits. The trilateral agreement signed between Iran, Turkey and Turkmenistan will allow the evacuation of Turkmen gas. On the other hand, the swap deal signed with Kazakhstan envisages the export of 2—6 million metric tons of Kazakh oil annually via Iran.

On the other side, and guided by its own ambitions, Ankara has created in 1992 the Black Sea Economic Cooperation Organization which includes, besides Turkey, Russia, Ukraine, Azerbaijan, Armenia and Georgia, plus the Balkan states - Romania, Bulgaria, Greece and Albania. Similar to the Iranian support to Armenia, Turkey economically sustained the Azeri exclave of Nakhichevan which in spite of occasional border skirmishes, has been spared a full-fledged war with Armenia. Probably the legal power given to Turkey by the Kars Treaty of 1921 as co-guarantor, together with Russia, of the territorial integrity of Nakhichevan, has acted as a deterrent against a possible Armenian invasion despite Yerevan's nationalists' claims that the tiny territory is part of "ancestral Armenian lands". Additionally, Turkey has opened its borders for trade with Georgia; this was a blessing for the Georgian Adzharia who plays the role of a go-between (Fuller ŠbĆ, 1993). It strengthened the position of the local boss, Aslan Abashidze, the Chairman of the Adzharian parliament, who succeeded at the same time to maintain privileged relations with the Russian Ministry of Defense and CIS commanders controlling the Georgian border with Turkey. Independently from Tbilisi, he practically promoted Adzharia into a free-trade zone. He was accused both of pan-Turkism and pro-Russianism, but his real achievement was to preserve Adzharia as an island of stability within a Georgia torn by its civil war and fractional disputes. In January 1997, however, Turkey and Georgia signed an agreement on the construction of a railways line that will connect Kars to Tbilisi which is supposed to circumvent Adzharia.

### The Precarious Peripheral State

It is obvious that the international position of Soviet successor states mentioned above is rather precarious. Their maneuvering space, in spite of their newly acquired independence, has been extremely reduced because of their landlocked geographical location, their dependence on Russia in security matters and increased external interference into their internal affairs. As in the case of the classical Middle East — oil riches of the region are already proving to be not only a blessing but also a curse. Opening to the world means opening to international competition which in turn negatively affects their internal stability. Additionally, the internal legitimacy of the new regimes remains weak in spite of the fact that all of them are repressive. Although institutional arrangements may be different, all the regimes in that zone belong to two overlapping categories: in Transcaucasia "authoritarian ethnocracies" have been established, based on ethnic exclusion and discrimination, while in Central Asia the existing regimes may be described as a particular type of contemporary "Asian autocracy". In both variants democracy has been postponed, while economic opening to the world has introduced not a real market but a "bazaar economy" at the service of the new ruling cliques.

Unfortunately, it is likely that the whole region on which this article is focused will remain for the foreseeable future a geopolitical shatter-belt, a zone of uncertainty in which everything is in flux and in which the international scramble for oil and gas will heavily influence internal political developments.

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