

## Policy Watch: Azerbaijan's Geopolitics

Published: Aug. 20, 2006 at 10:06 AM

MARK N. KATZ

The geopolitics of Azerbaijan are complex. And they could become even more so.

But first, something must be said about what exactly geopolitics are, and what is involved.

1. Identifying a country's strengths and weakness vis-à-vis others, but also the rivalries and alliances of that country, its neighbors, and global and regional powers concerned with it;
2. Assessing whether these strengths and weaknesses, rivalries and alliances are stable or likely to change; and
3. Exploring the impact of change in any of these on the existing rivalries and alliances concerning a country.

Complicating all this is that a country's geopolitics can be different with regard to different issues. This applies to Azerbaijan, where there are five important geopolitical issues: pipelines, division of the Caspian, Nagorno-Karabakh, Southern Azerbaijan, democratization.

**Pipelines:** When first proposed, it was uncertain whether the Baku-Ceyhan pipeline from Azerbaijan's oil fields through Georgia and Turkey to the Mediterranean coast would ever be built, or whether Azeri oil would continue to be exported via the existing pipeline through Russia -- with all it implied for continued Russian predominance in Azerbaijan. But Baku-Ceyhan was built, is functioning, and Azerbaijan is less dependent on Russia.

On the pipeline issue, Azerbaijan's allies are the U.S., EU, Turkey, and Georgia, while its rivals are Russia and Iran (both of which would have preferred Azeri oil to transit their territory).

The issue now is: Can a pipeline under the Caspian be built so that Kazakhstan can export oil via Azerbaijan, thus also reducing its dependence on exporting via Russia? Russia could block this project if it wanted. But this would be self-defeating since Kazakhstan can also export its oil eastward to China. Azerbaijan is in a good position regarding its own oil exports.

Possible side effect?

**A U.S.-Iranian rapprochement:** Azeri oil could then also be exported via Iran since the U.S. would no longer object. But a U.S.-Iranian rapprochement does not seem likely any time soon.

**Turmoil in Turkey and/or Georgia:** Either would shut down Baku-Ceyhan. Both are possible. Indeed, Russia seems to be working for this in Georgia. Azerbaijan would then have to export oil either via Russia or Iran. Absent a U.S.-Iranian rapprochement, its oil would probably have to go through Russia -- and be subject to Russian obstruction.

**Caspian Delimitation:** Ever since the collapse of the USSR, the maritime border in the Caspian between Iran and Azerbaijan has been in dispute. Further, significant oil deposits are believed to be in the disputed area. Since July 2001 when Iran successfully employed gunboat diplomacy to halt British Petroleum exploring in the disputed area on Azerbaijan's behalf, no further exploration has been possible.

On the Caspian delimitation issue, Azerbaijan's allies are Russia, Kazakhstan, Turkey, and the

U.S., while its rivals are Iran and Turkmenistan (which also has a boundary dispute with Azerbaijan in the Caspian). Neutral (or more accurately, neutralized) parties include EU countries with oil interests in Iran that they do not wish to risk by supporting Azerbaijan.

Azerbaijan's allies here, though, are not all allied with each other. Russia in particular does not want "outside" powers (the U.S. and Turkey) to be involved. Azerbaijan is nervous about depending solely on Russia for support against Iran. It is possible that Azerbaijan and Iran could reach a compromise on this issue. Until then, stalemate is likely to continue. A U.S.-Iranian rapprochement would probably result in the U.S. being less an ally of Azerbaijan on this and more of a neutral.

Nagorno-Karabakh: Azerbaijan lost this region as well as other territory to Armenia in fighting that took place in the years just before and after the breakup of the USSR. A cold peace has lasted up to the present with Azerbaijan unable to get back any of the territory occupied by Armenia.

On the Nagorno-Karabakh issue, Azerbaijan's only real ally is Turkey, while its rivals are Armenia, Russia, and (because of the Southern Azerbaijan issue that will be discussed next) Iran. Torn between the desire both to please their influential Armenian diaspora communities and to obtain Azeri oil, the U.S. and the EU have made efforts to resolve this conflict, but so far without success.

Azerbaijan might hope one day to use its increasing oil wealth to build up its forces vis-à-vis Armenia, but Azerbaijan's unfavorable geopolitical position vis-à-vis Armenia casts doubt on its ability to regain any territory from Armenia by force.

One possible change that could affect this calculation would be the rise to power of a nationalist or Islamist government in Turkey alienated from America and the EU -- which is something that might well occur if Turkish aspirations to join the EU are spurned. Such a Turkey might threaten the use of force against Armenia unless it relinquishes the territory it captured from Azerbaijan. Under these circumstances, Russia, the U.S., and even Iran might support Armenia. A regional war could develop.

Southern Azerbaijan: There are more Azeris living in Iran than in independent, former Soviet Azerbaijan. Baku has been extremely self-restrained about the "Southern Azerbaijan" issue. But unrest among Azeris in Iran has been increasing.

If the situation worsens, Tehran is unlikely to blame itself for this state of affairs but to blame Azerbaijan. If Tehran believes (whether accurately or not) that Baku is seeking the breakup of Iran, it might well behave threateningly toward Azerbaijan.

Although no other country supports Azeri secession from Iran, Azerbaijan's allies in any Iranian-Azeri confrontation would be the U.S. and Turkey, while its principal rival would, by definition, be Iran. Russia would oppose both Iranian meddling in Azerbaijan and an American presence there too. The risk that this scenario might develop does not seem high at present, but Iran's mercurial president, Mahmoud Ahmadinejad, has already demonstrated a proclivity for confrontational behavior.

Democratization: Here we need to focus on the perceptions of the current authoritarian Azeri government -- which has already demonstrated its disinclination toward democratization as well as its inclination to halt meaningful progress toward it.

On the democratization issue, the Azeri government's main allies are Russia and Iran (which equate democratization with the spread of American influence), while it perceives as rivals the U.S., neighboring Georgia (where the "Rose Revolution" ushered in democratic government in 2003), and the EU.

The current Azeri government fears that a democratic "color revolution" would lead to its

downfall. Strong U.S. support for an Azeri democratic movement (or even the perception of it) could lead Azerbaijan to move closer to Russia and even make concessions to it in other areas in exchange for protection. The U.S. might even be pushed out of Azerbaijan. On the other hand, if a democratic revolution does occur -- either with or without much U.S. support, the U.S. probably would become closely allied to the new government.

What this analysis shows is that, with the exception of Armenia, none of Azerbaijan's rivals are always rivals. And the Azeri government undoubtedly feels that none of its friends are always friends either.

--

(Mark N. Katz is a professor of government and politics at George Mason University.)

© 2006 United Press International, Inc. All Rights Reserved.