

World Order and Shifting Regional Security Landscapes:

The U.S. Policies in The South Caucasus

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Abstract

International Relations in the 21st Century have witnessed a transformation in the Global Order. This has impacted the priorities of the United States in different parts of the world, including the South Caucasus. The paper discusses the US interests in the South Caucasus in the framework of the US ‘Pivot to Asia’ policy and the revised strategy towards Europe and Middle East. It analyses the US National Security Strategy (2017), President Biden’s Interim National Security Strategic Guidance (2021), and other strategic documents, interviews and public speeches, US economic cooperation with the region, as well as quotes expert interviews. The author concludes that the South Caucasus is losing its strategic attractiveness for the US. It is connected with the US policy of strategic refocusing towards the Asia Pacific, decreasing interest towards Caspian energy sources and the withdrawal of US military presence in Afghanistan. However, despite the above, apart from supporting democratic transitions in the region, the US is interested in the region in order to contain Russia, China, and Iran.

Keywords: USA, the South Caucasus, World Order, Security Landscape, Interests

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Introduction

The ongoing transformation of the world order, global turbulence, and uncertainty have comprehensively impacted the role and strategic presence of the US in different parts of the world. Back in 2011 the then-Secretary of State Hillary Clinton published an article entitled “America’s Pacific Century” (Clinton 2011). In the article, Clinton writes that ‘the Asia-Pacific has become a key driver of global politics’, hence, the US strategic focus in the future should be redirected, first of all, towards that destination (Clinton 2011). Interestingly, a United States Naval officer, strategist, and historian Alfred Mahan anticipated Clinton’s approach approximately one and a half centuries ago. In his famously known “The Influence of Sea Power upon History: 1660-1783,” Mahan wrote that US naval power (as a consequence,

geopolitical domination) will be determined by its strategic presence in the Asia-Pacific (Sempa 2014).

In fact, Clinton's article was conceptual and has determined the foreign policy priorities for the US not only during the Obama administration, but also far beyond, being implemented with some changes by both the Trump and Biden administrations (Katz 2023, 5-7). The article received a non-official name 'Pivot to Asia' (Clinton 2011) and demonstrated a shift of the US strategic interests from the Middle East and, to a lesser extent, from Europe towards the Asia Pacific. Being a result of the Global Financial and Economic crisis of 2008, the rise of China, the return of Russia, as well as other variables, these transformations are raising questions about the future of the world order. This is bringing uncertainty to various parts of the world regarding the future of the US strategic presence. The South Caucasus is not an exception. "Sandwiched" in the middle of Eurasia, the strategic shift in the US foreign policy and security agenda will lead and has already led to some major changes in the region. From this perspective, the main research question for this paper is how global transformations and particularly the US strategic refocus have impacted US priorities and interests in the South Caucasus.

In this regard, the paper is testing the following hypotheses: firstly, the US has been facing a gradual decline in its strategic interest towards the South Caucasus, especially since 2009. Secondly, the US prioritises NATO to provide its military interests and collaboration in this region. Thirdly, the US is still interested in the region in order to contain Russia, China, and Iran. Finally, the US continues to support the democratisation processes in the region as part of its global agenda.

The analysis is based on the discussion of the US National Security Strategy of 2017, President Biden's Interim National Security Strategic Guidance of 2021, recent visits of the former US National Security Advisor John Bolton to the region as well as other strategic documents and publications. World Bank, IMF, WTO, USAID, and NATO reports are also analysed in order to reveal the fluctuations of the economic and military cooperation between the US and the countries of the region. Additionally, expert interviews are quoted in order to provide a deeper and more comprehensive analysis of the issue.

Methodology and scope of the research

In recent years, research of US foreign policy priorities in the South Caucasus has received major interest from scholars and experts based both in the region and in the rest of the world. Scholars such as Martha Brill Olcott (2002), Inessa Baban and Zaur Shiriyev (2010), James Nixey (2010), George Khelashvili and S. Neil Macfarlane (2010), Mikayel Zolyan (2010), Paul Stronski (2017, 2020), Anar Valiyev (2018), Gayane Novikova (2019), Ariel Cohen and Emil Avdaliani (2020), Eugene Chausovsky (2021), Rufat Ahmadzada (2021), Stephen Blank (2021), Andreas Persbo (2021), Taras Kuzio (2022), Beniamin Poghosyan (2022), and many others have written extensively on various aspects that this paper has engaged with.

However, the main debate in this paper centres around the strategic vision that the US has had towards the region. For instance, Novikova (2019) believes that the US is demonstrating rising interest towards the South Caucasus and Armenia, especially following the Armenian Velvet Revolution. Other scholars employ a more moderate approach. Poghosyan (2022) writes that given the US-China and US-Russia relations, the US will support democracy-building processes in Armenia and Georgia. However, 'the US will probably avoid actions that may

antagonise Russia, such as pushing hard for Georgia's NATO or EU membership' (Poghosyan 2022, 68). On the other hand, scholars such as Stronski argue that

“U.S. policy toward Central Asia and the South Caucasus will see little change under the next U.S. administration, no matter whether it is led by President Donald Trump or his Democratic challenger Joe Biden. Consumed by the coronavirus pandemic, economic problems, and a series of higher-profile international challenges (e.g., China, Iran, Russia, and transatlantic relations), neither candidate has taken much notice of either region during the campaign” (Stronski 2020).

This paper is an attempt to contribute to the existing discourse by analysing not only the strategic, geopolitical, and political indicators, such as the US National Security Strategy, other strategic documents, official visits, statements, and declarations, and so on, but also the economic ones. Additionally, the paper uses expert interviews with several US-based scholars and experts in order to bring in more details and justification to the analysis. Finally, the paper discusses the impact of the Ukrainian conflict on the US priorities and interests in the South Caucasus.

The paper begins with a section dedicated to the discussion of the place and role that the region plays as per the US National Security Strategy of 2017 and other strategic documents, and goes on to analyse the visit of the former US National Security Advisor John Bolton to the South Caucasus in October 2018. Further, the paper explores the economic cooperation between both sides, based on trade, foreign direct investments, and foreign aid, as well as analyses the military collaboration between the region and NATO. The paper continues with a discussion about the impact the ongoing conflict in Ukraine is having on the US priorities in the South Caucasus. The paper is based on the analysis of strategic documents and discourse analysis, while expert interviews with specialists provide a deeper and more comprehensive perspective. The following experts have been interviewed and quoted in this paper: Henry Hale (Professor of Political Science and International Affairs, and Co-Director of the Program on New Approaches to Research and Security in Eurasia), Matthew Rojansky (Director of the Kennan Institute at the Woodrow Wilson International Centre for Scholars), Jeffrey Mankoff (Deputy Director and Senior Fellow at Russia and Eurasia Program), Celeste Wallander (CEO of the U.S.-Russia Foundation), Eric Brown (senior fellow at Hudson Institute), Ronald Grigor Suny (William H. Sewell Jr. Distinguished University Professor of History at the University of Michigan), and Bill Boettcher (Professor at the North Carolina State University, Raleigh). The paper covers the period starting from 2009, after the Global Financial and Economic crisis erupted in 2008, and stops before the start of the recent phase of the conflict in Ukraine that got underway in February 2022. A brief section reflecting on the impact that the Ukrainian conflict has had on the US perception of the region has also been included towards the end of the paper.

US Strategic Focus and the South Caucasus

US presence in the South Caucasus goes back to almost a century ago, after the First World War, when the US emerged as a global political, economic, and geopolitical actor (Wilson 1920). Since then, the US foreign policy towards the region has faced significant changes and demonstrated zigzags of cooperation with the countries of the South Caucasus (Wilson 1920). The cooperation between the US and the region has seen major transformations since 1991, when the countries of the region became independent after the disintegration of the Soviet

Union. However, in recent years, there has been a gradual decline in the relations between the US and the countries in the South Caucasus. The US National Security Strategy of 2017 does not provide a clear vision towards the South Caucasus. In fact, it only touches upon Georgia in a section titled 'Europe' (US National Security Strategy 2017). This allows expanding this section towards the other South Caucasus countries, given their geographical location and the fact that no other section in the Strategy refers to any other country in the region. Defining the US interests in Europe, the Strategy states:

"The United States is safer when Europe is prosperous and stable, and can help defend our shared interests and ideals. The United States remains firmly committed to our European allies and partners. The NATO alliance of free and sovereign states is one of our great advantages over our competitors, and the United States remains committed to Article V of the Washington Treaty. European allies and partners increase our strategic reach and provide access to forward basing and overflight rights for global operations. Together we confront shared threats. European nations are contributing thousands of troops to help fight jihadist terrorists in Afghanistan, stabilize Iraq, and fight terrorist organizations across Africa and the greater Middle East. The NATO alliance will become stronger when all members assume greater responsibility for and pay their fair share to protect our mutual interests, sovereignty, and values" (US National Security Strategy 2017).

The Strategy also outlines the following priority actions:

Political: - "The United States will deepen collaboration with our European allies and partners to confront forces threatening to undermine our common values, security interests, and shared vision. The United States and Europe will work together to counter Russian subversion and aggression, and the threats posed by North Korea and Iran. We will continue to advance our shared principles and interests in international forums."

Economic: "The United States will work with the European Union, and bilaterally with the United Kingdom and other states, to ensure fair and reciprocal trade practices and eliminate barriers to growth. We will encourage European foreign direct investment in the United States to create jobs. We will work with our allies and partners to diversify European energy sources to ensure the energy security of European countries. We will work with our partners to contest China's unfair trade and economic practices and restrict its acquisition of sensitive technologies."

Military and Security: "The United States fulfills our defense responsibilities and expects others to do the same. We expect our European allies to increase defense spending to 2 percent of gross domestic product by 2024, with 20 percent of this spending devoted to increasing military capabilities. On NATO's eastern flank we will continue to strengthen deterrence and defense and catalyze frontline allies and partners' efforts to better defend themselves. We will work with NATO to improve its integrated air and missile defense capabilities to counter existing and projected ballistic and cruise missile threats, particularly from Iran. We will increase counterterrorism and cybersecurity cooperation" (US National Security Strategy 2017, 47-48).

The Strategy also emphasises the return to the theory of political realism, paying no attention to the development of democracy in the world. It clearly states that ‘this strategy is guided by principled realism’ (US National Security Strategy 2017, 55).

In this sense, the Strategy corresponds with the views of a well-known American political scientist John Mearsheimer who in his recent book writes

“There is good reason to think that with the rise of China and the resurrection of Russian power having put great power politics back on the table, Trump eventually will have no choice but to move toward a grand strategy based on realism, even if doing so meets with considerable resistance at home” (Mearsheimer 2018, 60).

The above statement allows us to conclude that the strategy has no specific vision towards the South Caucasus as one geopolitical unit, as it is in the case for Central Asia, for instance. It emphasises prosperity and stability in Europe, outlines a special role of the NATO for the US, stresses the importance of energy security for Europe, prioritises strengthening deterrence and defence on NATO's eastern flank, as well as accentuates the necessity to deter Russia (as a political and military threat), China (as an economic threat) and Iran in the region. The Strategy pays very limited attention to the democratic development around the globe. Central Asia, on the other hand, has a special chapter in the Strategy (US National Security Strategy 2017, 50), which means an accentuation of special importance of the region for US interests compared to those in the South Caucasus. Consequently, the special focus on Central Asia indirectly increases the importance of the South Caucasus region, as the latter geographically connects this region with NATO's European allies.

When it comes to the role of Central Asia in the US security agenda, senior fellow at Hudson Institute Eric Brown, argues that

“Right now, we have been maintaining the NATO mission in Afghanistan largely through Pakistan. But Pakistan is not a very reliable country to be dependent on. Hence, my own perception is that the US, along with Europe and Turkey, needs a Central Asia policy. Then the best way is to develop that policy, to develop stronger economic relations and deeper diplomatic ties through the South Caucasus. I believe that would be within our great interests”. (Expert interview with Brown conducted by the author in 2019).

On the other hand, the deputy Director and Senior Fellow at Russia and Eurasia Program, Jeffrey Mankoff questions the importance of the South Caucasus as a ‘bridge’ to Afghanistan and as an energy security provider for Europe. He states,

“On energy – the amount of oil and gas coming from the Caspian is significant, but it has never been as significant as its boosters hoped to be said in mid-90th. The EU is still going to buy most of its gas from Russia. No matter what – it is cheaper, pipelines already exist or in case of Nord Stream 2 are being built, and bringing in more gas from the Caspian through the Southern Corridor can help around the margins, can reduce the overall percentage of Russian gas in the EU energy export, but it is not going to reduce it to zero, it is not going to reduce it to below fifty per cent.” He goes on to

say, 'it will be nice to have a little help especially after the TAP is ready, but it is not going to be a total game changer' (Expert interview with Mankoff conducted by the author in 2019).

In regard to the transit to Afghanistan, Mankoff agrees that there are some goods moving through the region, while more were passing through this distribution network between 2009-2011 (Expert interview with Mankoff conducted by the author in 2019). According to him, this was prompted largely by troubles with Pakistan, which is the main ground line of communication for the alliance with Afghanistan. 'Pakistani militants were attacking convoys, were blocking the path, and in response NATO and the US pushed the creation of this distribution network,' he says (Expert interview with Mankoff conducted by the author in 2019). However, according to him, the overall volume of goods transported through the region went down, because the US solved some of the problems with Pakistan and the amount of fighting in Afghanistan eventually reduced. 'We are looking for ways to get out of Afghanistan, we already dropped down the troops number there, and we are looking for the ways out,' he argues and concludes that in five to six years there is not going to be much transit to Afghanistan via the South Caucasus (Expert interview with Mankoff conducted by the author in 2019).

The above argument justifies that the South Caucasus does not have the necessary potential (especially in the way it is divided now) to be a part of the strategic focus area of the US. Moreover, the changing strategic environment in the world (at least before February 2022) has pushed the US further away from the region.

Ronald Grigor Suny, who is the William H. Sewell Jr. Distinguished University Professor of History at the University of Michigan, supports Mankoff's approach in explaining American interests in the South Caucasus. He questions the importance of transportation of military goods to Afghanistan through Georgia and Azerbaijan as well as the importance of oil exports from Azerbaijan to Europe for the United States. In the meantime, Suny explains that perhaps there are still some factors that make the region important for the US.

"My sense is that, if Americans are thinking about this area at all, they are most probably concerned with avoiding any conflict. They are too involved elsewhere for this to be a major focus for them. And so, this is on their backburner, this is not something that is a concern for Americans sadly, but that is probably true", Suny says (Expert interview with Suny conducted by the author in 2019).

Professor of Political Science and International Affairs, and Co-Director of the Program on New Approaches to Research and Security in Eurasia, Henry Hale explains that there are people advocating for a very active US engagement in the South Caucasus. However, the dominant view is that these are remote countries. According to Hale, prior to 2014, Russia was not seen as a big threat and deterrence was not regarded as a big priority. In the meantime, economic interests were not that strong. According to him, there were exceptions with oil companies, but even there, the US has significant energy sources. 'The only thing that has somehow changed that approach, was 9/11 and the war in Afghanistan, because it created the necessity of maintaining an increasing number of military bases and so on, but these developments were more prevalent in Central Asia and not in the South Caucasus.' According

to Hale, since then, however, the US role in Afghanistan has been scaled back and priorities in military issues have been reduced. He adds that since 2014, there has been a renewed interest in this part of the world (Expert interview with Hale conducted by the author 2019). 'But anyway, people are very split on what needs to be done, and still, you do not see lots of money going into these places. I mean even Ukraine, where the perception of the US interests is the strongest,' Hale concludes (Expert interview with Hale conducted by the author in 2019).

The opinions and arguments of the scholars once again justify that the US does not have a strategic focus on the South Caucasus. In March 2021, the White House published an Interim National Security Strategic Guidance. Its Introduction states 'Today, I am issuing this interim guidance to convey my vision for how America will engage with the world' (Interim National Security Strategic Guidance 2021). The Guidance directs departments and agencies until the new National Security Strategy is published. Hence, it can be referred to as a preliminary official document which guides US foreign policy priorities. However, the document does not have any reflection on the South Caucasus. It does not even refer to Georgia separately as the US National Security Strategy of 2017 did (US National Security Strategy 2017). At the same time, the document speaks about the development and strengthening of relations with the US allies and partners, particularly in the framework of the NATO (Interim National Security Strategic Guidance 2021). The document also mentions the necessity to contain China, Russia, and Iran. A very similar approach was found in the US National Security Strategy of 2017. At the same time, this document, in contrast to the Strategy, spells out American support towards democracy and democratic development in the world (Interim National Security Strategic Guidance 2021). A very similar approach is presented in an article written by the US Presidential candidate Joe Biden for the Foreign Affairs in March-April 2020 called "Why America Must Lead Again" (Biden 2020), before he had formally announced a run for the US Presidency. The article contains neither any specific reflections on the South Caucasus as a region, nor any single country of the region (Biden 2020). It is also important to mention that on April 24, 2021, Joe Biden used the term 'Genocide' in his speech devoted to Armenian Genocide (Biden says Armenian mass killing was genocide 2021). Such a statement might be seen as a US claim to return to the South Caucasus. However, it did not trigger any further action. In this regard, Stronski (2022) does not expect much change in U.S. policy toward Central Asia and the South Caucasus under Biden administration. According to him,

"No matter whether it is led by President Donald Trump or his Democratic challenger Joe Biden. Consumed by the coronavirus pandemic, economic problems, and a series of higher-profile international challenges (e.g., China, Iran, Russia, and transatlantic relations), neither candidate has taken much notice of either region during the campaign" (Stronski 2020).

At the same time, what really makes the Trump Administration different from the Biden Administration is their attitude towards democracy. In contrast to the Trump Administration, the Biden Administration pays attention to the democratisation processes across the world, which might trigger further action towards the South Caucasus. For instance, Poghosyan (2022) expects more US engagement in Armenia from the Biden Administration. On the other hand, it is worth mentioning that even though the Trump administration paid rather limited attention to the development of democracy in the South Caucasus and globally, the democratic 'Velvet Revolution' in Armenia led to an increase in financial aid to the country from the United States:

“Today, U.S. Ambassador to Armenia Richard M. Mills, Jr., was pleased to announce an increase in U.S. assistance funding for Armenia. The United States recently provided more than \$14 million in additional foreign assistance resources for initiatives in Armenia following the political transition, and in the coming year the U.S. government intends to provide more than \$26 million in FY 2018 foreign assistance funds, an increase of approximately \$20 million above what had been requested for Armenia” (United States Announces Assistance Increase for Armenia 2018).

Explaining this controversy, Suny emphasises that there seem to be three major players in US foreign policy: ‘We talked about Trump, we have talked about Bolton-Pompeo, and there is the State Department. There is what the ‘Trumpists’ like to call the Deep State. The State Department, despite the limitations placed on it by Trump’s Secretaries of State, still has its own politics’ (Expert interview with Suny conducted by the author in 2019).

Thus, we see that on the strategic level, the US does not have any special focus on the South Caucasus, though it is interested in long-term strategic stability in the region which is located in the NATO and the EU neighbourhood. At the same time, the US is interested in providing energy sovereignty for the EU where export of Caspian gas might play a role. On the other hand, given the US ambitions to export its own natural gas to the EU, this interest might decline with an increase in the US natural gas export capabilities. In the meantime, the US is interested in containing Russia as a political and military threat, China as an economic opponent, and Iran both militarily and politically. Finally, one can expect US support for democratic initiatives in the region.

The South Caucasus and US foreign policy making

In order to gain a better understanding of the US interests in the South Caucasus, it is necessary to examine a visit of the former US National Security Advisor John Bolton to the South Caucasus in October 2018. There have been a number of visits paid by top US officials (such as by Secretary of State Anthony Blinken), but they either happened in 2022 or there has been rather limited information available on such visits to enable us to conduct a comprehensive analysis. During Bolton’s visit to the South Caucasus, he visited three capitals – Baku, Tbilisi, and Yerevan, and gave extensive interviews to the local media. In an exclusive interview to Voice of America/Turan made during his visit to Baku, Bolton emphasised that the South Caucasus was a critically important region for the United States, pointing out the following main interests: harder pressure on Iran, as well as the resolution of Nagorno-Karabakh conflict on the terms acceptable both for Armenia and Azerbaijan (Bolton 2018).

From Baku, Bolton travelled to Yerevan where in an interview to Radio Azatutyun he again prioritised the necessity of a resolution to the Nagorno-Karabakh conflict. He stated, ‘I think that the issue of full sovereignty is essential for Armenia not to depend on extreme foreign influence. I think that for people it is better to have here more opportunities on international level than to be restricted by historical clashes’ (Bolton 2018). Bolton went further and suggested that the Armenian Government bought weapons from the US, rather than from Russia. In Yerevan, Bolton also spoke about the necessity of a harder line and more pressure on Iran (Bolton 2018). On the other hand, he separated the above from the economic issues, encouraging the Armenian Government to attract investments from the Armenian Diaspora in the US, instead of relying or asking for financial support from the US Government (Bolton 2018).

The above demonstrates that for the US the current strategic environment in the South Caucasus is mainly formed around the containment of Russia and Iran, which is rather explicitly shown in the Strategy. At the same time, the Strategy makes it clear that the issue is not only about Russia and Iran, but also China. Particularly, it states that ‘China and Russia challenge American power, influence, and interests, attempting to erode American security and prosperity’ (US National Security Strategy 2017).

Talking about the US interests in the South Caucasus and the wider Eastern Partnership region, the CEO of the U.S.-Russia Foundation, Dr Celeste Wallander explains that when it comes to the US interests in the region, it is about integration of the former Soviet bloc and post-Soviet space. She mentions that this move is not anti-Russian, it actually includes Russia or at least included Russia before the deterioration of US-Russia relations. She argues, ‘the US wants to see that space pluralistic, liberal (in all senses), and democratic. It believes that those transformations will make these countries successful and constructive, furthermore, consistent with the US interests,’ and adds that the US wants to see liberal countries integrated into the international system, clarifying that ‘this is not about democracy per se, but integration, integration into the WTO, UN, OSCE, NATO, EaP.’ In the meantime, according to Wallander, deterrence of Russia takes more direct forms: elections, cyber field and so on (Expert interview with Wallander conducted by the author in 2019).

“And decrease of involvement is inevitable as Trump pays little attention and significance to that region. As a consequence, US redirects resources from Ukraine and other places to directly counter Russia. US preference, in general, is more South-East Europe than the South Caucasus and Eastern Partnership,” she concludes (Expert interview with Wallander conducted by the author in 2019).

At the same time, Brown thinks that the US strategic interest towards the South Caucasus still exists, but the American Government’s spending, political and diplomatic investments in the South Caucasus have declined. ‘I worry what the long-term consequences of not having a strategy for the South Caucasus might be very problematic. We should not necessarily integrate them into NATO, but at least help to build up their defence capabilities to guarantee their sovereignty,’ he says and continues that ‘fundamentally our interest is to assure that these countries maintain their sovereignty. If the Eurasian mass becomes dominated by one power, it has implications for the whole of Eurasia. So, the US is interested to see prosperous, sovereign countries continue to emerge in post-Soviet space’ (Expert interview with Brown conducted by the author in 2019). Furthermore, Brown explains that China seeks to establish the Belt and Road Initiative through Central Asia, South Caucasus, West Asia, Middle East, South Asia and elsewhere. According to him, China will also begin to export its methods and technologies of social control which are already in use in Zhanjiang. According to Brown, there is also evidence that it is already happening in countries such as Pakistan, which is not a positive development from the perspective of US interests. ‘I see now a number of states establishing themselves as empires. And the US should oppose this, including by helping smaller states to be strong and maintain sovereignty in face of these threats,’ he says (Expert interview with Brown conducted by the author in 2019).

At the same time, Mankoff argues that compared to Europe, in post-Soviet Eastern Europe and the South Caucasus, the US has much less direct interest. ‘That said, there is US interest in seeing these countries, especially ones in post-Soviet Eastern Europe (Belarus, Ukraine, Moldova) to become stable, peaceful, democratic, liberalised, and linked culturally and

institutionally to Europe,’ he explains (Expert interview with Mankoff conducted by the author in 2019).

According to him, this process is taking place in various degrees in the following countries: Belarus has a longer way to go, and may never get there, depending on its relationship with Russia. Moldova and Ukraine are two steps forward and one step backwards, ‘but in the case of Ukraine, there is a sense in the country, that it is the future (with the US and EU) where most population wants to go’ (Expert interview with Mankoff conducted by the author in 2019).

“I would say the same basic ideas apply to the South Caucasus, except that the latter is further away from the US, it has lesser of direct impact on the security of US allies in Europe. So, at the end of the day, the US is going to invest less in what is happening in the South Caucasus than it is happening in the post-Soviet Eastern Europe” (Expert interview with Mankoff conducted by the author in 2019).

He continues that the US has strong relations with Georgia. It also has strong relations with Armenia due to its diaspora in the US, and even with Azerbaijan which has been a difficult partner. ‘Azerbaijan’s role as an energy supplier to Europe and the tendency of its growth means that this is going to be relatively important, too,’ Mankoff says (Expert interview with Mankoff conducted by the author in 2019). According to him, the ability of the US and EU to promote these countries’ political transformation towards democratic European ideals is limited because of their geographical position and neighbours:

“Georgia has done a lot in this regard, but it is mostly done for tones of reasons internally, Azerbaijan has done very little, and Armenia has been kind of next back, imbalanced. We would like to see all of them becoming more open, liberal, and tighter connected to Europe, but the ability to do that or force them to do that without internal generation of these processes is pretty limited”, he says (Expert interview with Mankoff conducted by the author in 2019).

Continuing about Georgia, Mankoff thinks that Georgia’s ability to act as an anchor for the wider region is limited, as this country is small. It is an important bridge for the region as it ties together Azerbaijan, Turkey, Armenia, and even Iran, ‘everything kind of goes through Georgia’, he says, but, according to him, Georgia’s ability to act as a pivot point to its neighbours is limited, because it is a country of three and a half million people, it does not have a lot of money, it does not export much. ‘Its model is attractive to people in Armenia and Azerbaijan, Turkey, and Iran, and probably even Russia, but it is kind of a passive model, people could not look to it. It cannot actively promote itself as it is small and vulnerable,’ he concludes (Expert interview with Mankoff conducted by the author in 2019).

Continuing the discussion on the US foreign policy priorities in the South Caucasus and post-Soviet space in general, the former Director of the Kennan Institute at the Woodrow Wilson International Center for Scholars Matthew Rojansky says,

“I think you have some people who see all the Eastern Europe through the prism of countering Russia. Russia is automatically an adversary. Therefore, the enemy of my enemy is my friend. There are others who look at it much more kind of case by case. Practically speaking, there are some issues on which Ukraine is very important. For instance, for European transit of any kinds: energy transit, physical transit, air transit,

sea transit. I mean Ukraine is a very important transit country. That makes it strategic. Obviously, it is a major agricultural power. So, for the American agricultural business industry Ukraine is in the same category with Russia. In terms of market, it has a very important and huge potential. It has a highly educated population. So, the people are good at IT, at the same time technology outsourcing, inexpensive labour, highly educated population makes it very interesting for the American high-tech. But then you get to the questions of the democratic values, commitment to Western rules-based order. And it is very hard for the people who are looking for a reliable partner to see it provided the three-decade experience with the government of Ukraine. Because the governments are completely in bed with oligarchs. So those Americans who are ideologically not committed to the Ukraine as an instrument against Russia, those Americans are often less excited about Ukraine as a partner, because it is often not a reliable partner” (Expert interview with Rojansky conducted by the author in 2019).

He continues and explains that there also seems to be the third category which is diaspora politics.

“You have significant numbers of Ukrainian Americans and also to some extent Polish Americans. And some are anti-Russia, but most of them want Ukraine to be successful, peaceful, and stable. And I think that they have a lot of support. Many US congressmen would strongly support that position, and that largely makes sense. And these are only three examples. You have another dozen possible perspectives,” Rojansky says (Expert interview with Rojansky conducted by the author in 2019).

Professor Bill Boettcher from North Carolina State University Raleigh argues the following

“I think the U.S. has a similar set of interests to other regions: stability, trade, democratisation, and a bit of human rights. Azerbaijan has special interests associated with its resource production and Armenia due to a vocal ethnic lobby in the U.S. Again, I think there is disagreement on U.S. commitment to the region. Realists would likely argue that these countries are in Russia's sphere of influence and we should view Russia as the leading regional actor. Some liberals favour more intervention to promote democracy and human rights and contain Russian expansionism. My sense is the U.S. will act pragmatically in the region, pursuing its interests, but watching Russia warily and avoiding any test of resolve (Expert interview with Boettcher conducted by the author in 2019).

Professor Henry Hale however has a different view and thinks that the interest towards the South Caucasus is rather low, especially, compared to some countries in Europe or other strategic regions.

“The US is not going to invest much money. I mean there is lot of talk about the need to invest into these countries’ independence, to support them, facilitate things like pipelines that would bypass Russia to make them more independent. But again, not much money is going to those programs,” he says (Expert interview with Hale conducted by the author in 2019).

According to Hale, there are people who are advocating for a very active engagement in this part of the world, but the dominant view is that these are remote countries which are economically not very attractive in comparison to Europe or South-East Asia where people see much more potential to grow. There are also major concerns that corruption does not allow for ease of doing business in these countries. ‘So, I think there is a list of reasons which put the region not in the top list of US policy priorities,’ he clarifies (Expert interview with Hale conducted by the author in 2019).

Based on the analysis of Bolton’s visits to the region, as well as the interviews with a wide range of US-based experts which have presented above, it can be seen that there is strong evidence of declining US strategic interest towards the region. However, the US remains interested in strengthening the stability and sovereignty of the South Caucasus countries. At the same time, the US is seeking to support democratic development in the region as a factor of stability and prosperity. On the other hand, this approach will not necessarily mean that the US will increase its engagement with the region, especially, on a strategic level.

The South Caucasus Countries in Euro-Atlantic Security Architecture: Economic and Military Dimensions

The above analysis would be incomplete without a discussion of the economic and military incentives among the US and the South Caucasus countries.

In this context, the US – South Caucasus relations are discussed based on Economic (Trade, Foreign direct investments (FDI), Financial aid) and military collaboration with NATO.

Figures 1 and 2 provide an understanding of the level of economic cooperation between the sides, demonstrating that with some fluctuations, there has been a gradual decline in the US share in the region’s trade, with the most significant drop seen in trade with Armenia and Azerbaijan. When it comes to foreign direct investments (Figure 3), the picture is a bit different: there has been a rise in foreign investments in the case of Armenia and Azerbaijan. On the other hand, despite this rise, the US is quite behind the EU and Russia which are the major investors to the region. At the same time, Georgia has been facing the most significant drop of the US FDIs to 419 million USD (in comparison to approximately 1 billion in 2009 and 1.4 billion USD in 2015). The picture is quite similar to US foreign aid to the region. Starting from 2009 there has been a significant decline in foreign aid received from the US by all the three countries. However, the data from between 2017 and 2021 shows a steady rise (Figure 4). Thus, despite the fluctuations, the figure displays an explicit decline in the US – South Caucasus economic cooperation.

Meanwhile, Matthew Rojansky does not think that those changes signal the decreasing US interests in the region:

“I think that you are right that economic dimension is shrinking. And it is shrinking for two reasons: one – the economy of the Eurasian region is growing more slowly than East Asia, is growing more slowly than developed Europe and by definition therefore there is a smaller percentage of global opportunity – that is just a fact. However, we

have made that situation even more problematic by imposing sanctions on Russia, which is principally implemented by American companies,” he says and continues

“Well, that is true that there are a lot of European and international companies that are very careful about sanctions, but the biggest effect of the sanctions is on the American companies, which means that the US economic relationships with Russia shrinks. And it is down to a very low level now. I think it is the lowest level since the 1990s. In a strange way we have reduced our economic clout in the region, as we are seeking to use our economic clout to change the region” (Expert interview with Rojansky conducted by the author in 2019).

When it comes to the military cooperation in the region, Table 1 shows that there is comprehensive cooperation between NATO and the South Caucasus countries where Georgia has NATO membership aspirations, while Armenia and Azerbaijan are part of the Individual Partnership Action Plan. All the three countries have contributed to NATO military operations around the world. Finally, we see that a significant part of the US cooperation with the region goes through NATO and not directly with the member-states.

We are thus able to see a significant decline in US economic cooperation with the region, but the US has shown an interest in military cooperation with the region. This does not mean that the US has completely ignored the region in the realm of economic cooperation, but that there is a certain and a rather significant shift in strategic importance of the region for the US.

Discussion and Conclusions

The changing world order is triggering a tectonic shift in global and, hence, regional, geopolitics (Clinton 2011). This has led to a transformation in the rule-based order established after the Second World War. The Third Artsakh war became one of the first indicators of this tectonic shift (Elamiryan 2021).

However, the conflict in Ukraine has largely contributed to the development of uncertainty and turbulence on the global level, even triggering a debate about the use of nuclear weapons (Bluffing or not 2023). These developments might change the results of this paper to some extent. However, given the parameters discussed in this paper, the South Caucasus will hardly become crucial for US interests.

The paper concludes that there has been a declining strategic interest in the US towards the South Caucasus beginning from 2009. Firstly, the US has shown no special focus towards the South Caucasus as a geopolitical unit. Secondly, the US is mostly interested in the region to contain Russia as a political and military threat, China as an economic threat, and Iran militarily and politically. In the meantime, the US is interested in providing the EU energy sovereignty where Caspian gas exports might play a role. However, due to the rising US natural gas exports to the EU, this interest might decline over time. There is a chance the South Caucasus is also seen as a connection to Central Asia. However, US interest towards Central Asia and, specifically, towards the communication routes through the South Caucasus region may decline in the near future due to the withdrawal of US forces from Afghanistan.

The region will continue to be an important geopolitical location for the US to contain Russia, China, and Iran. However, given the limited potential of the region, the ongoing ethno-political conflicts, and US aspirations of direct coercion, the region's strategic role will also be rather limited. The US also wants to accentuate the strategic stability in the EU and NATO neighbourhood where the South Caucasus might play a role. As a result, the US is interested in strengthening the sovereignty and independence of the countries in the region in order to provide strategic stability. Moreover, in contrast to Trump Administration, the current US administration is paying much more attention to democratic development in the world. At the same time, the current global shifts might not leave Biden's administration with much capacity to work on this area. Finally, this paper demonstrates that the decline of strategic interests does not mean that the US is going to leave the region which is located on the cross-roads of the Eurasian geopolitical arena, but will pay much less attention to the region instead. On the other hand, the ongoing conflict in Ukraine might force the US to revise its strategy towards Eurasia and, in particular, the South Caucasus to a more active and engaged one.

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Figures

Figure 1: Export Dynamics: South Caucasus to USA (%)

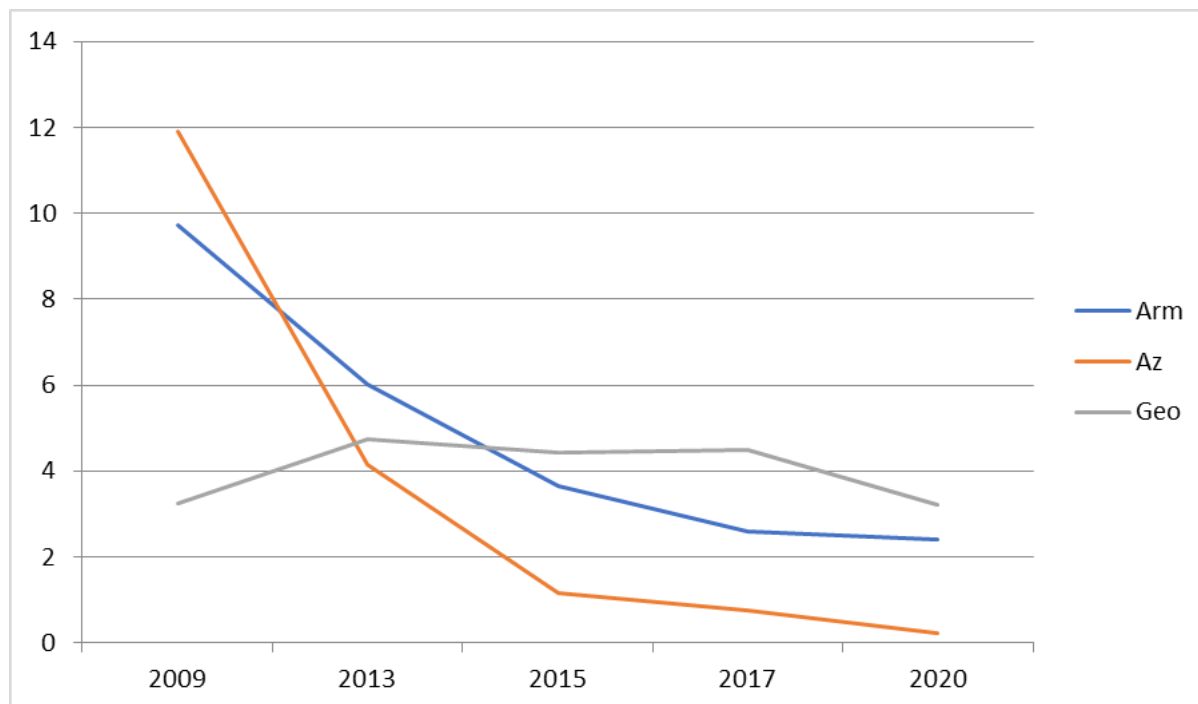


Figure 2: Import Dynamics: USA to South Caucasus (%)

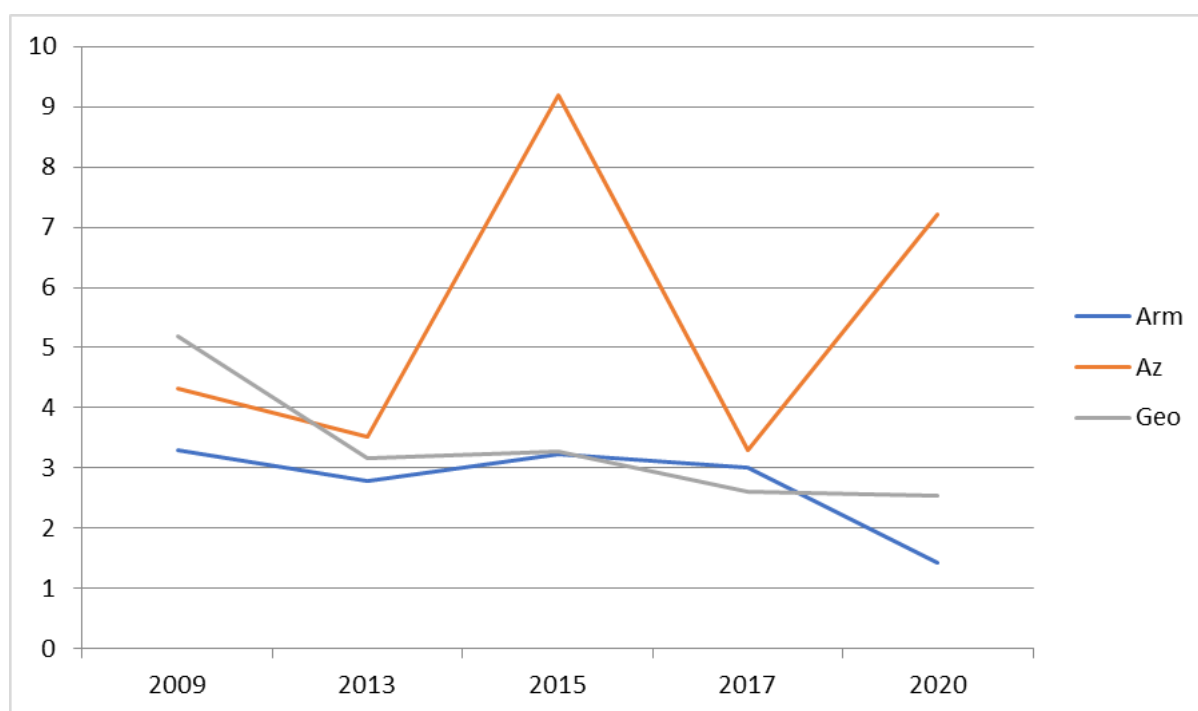
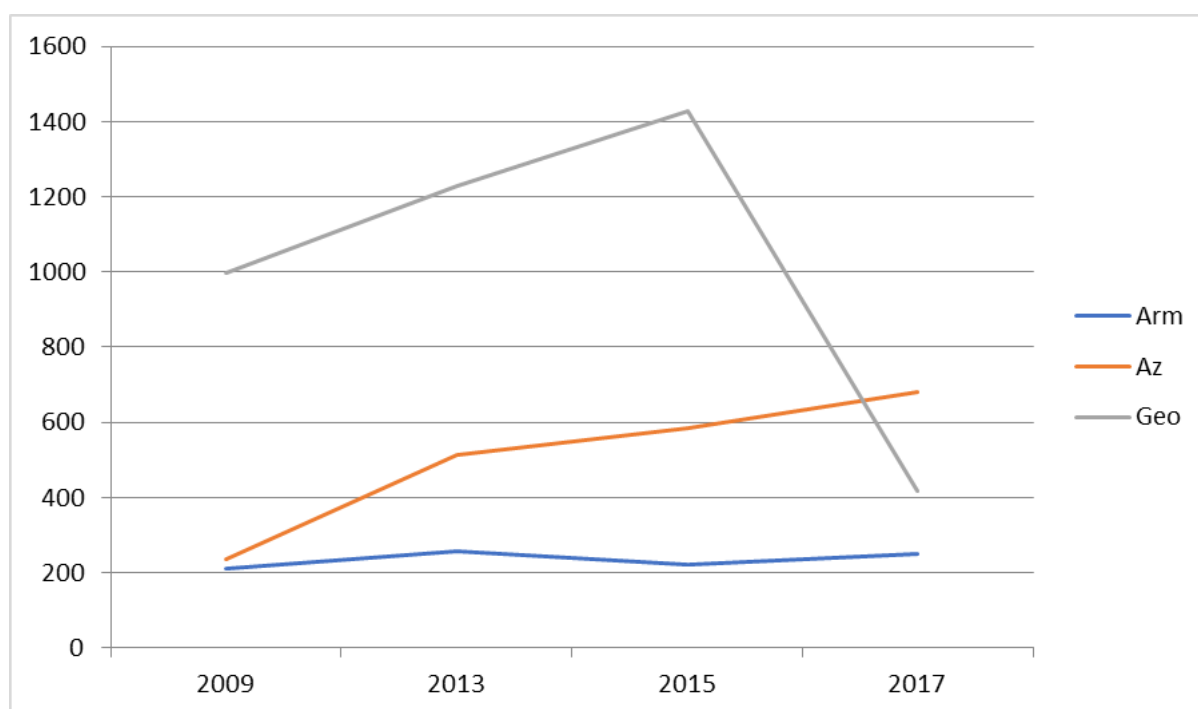


Figure 3: FDI Dynamics: USA to South Caucasus (in mln USD)



(Atlas Media, World Bank official webpage and International Monetary Fund official webpage)

Figure 4: US Foreign Aid/per country in mln USD

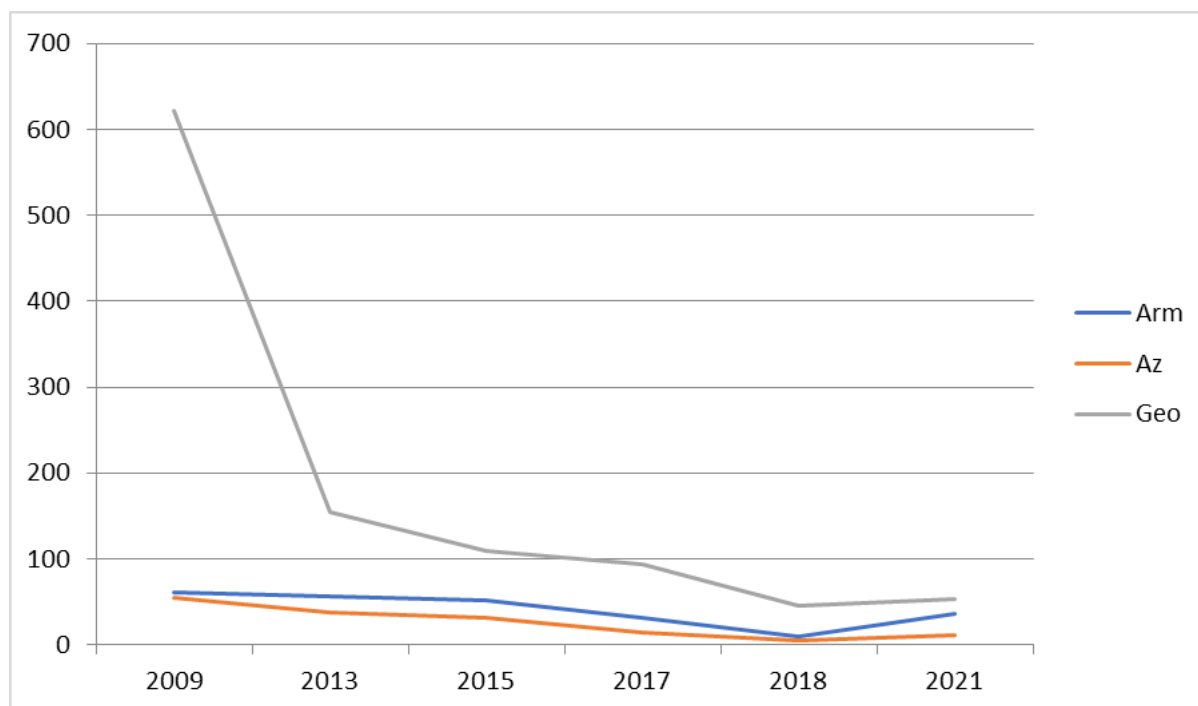


Table 1: South Caucasus – NATO Military Cooperation

| | |
|------------|---|
| | NATO |
| Armenia | IPAP, Contribution to missions in Afghanistan and Kosovo, NATO Information Centre |
| Azerbaijan | IPAP, Contribution to missions in Afghanistan (2002-2014) and Kosovo (1999 - 2008) |
| Georgia | Allies agreed at the 2008 Bucharest, Summit that Georgia will become a NATO member, Since 2014, a Substantial NATO-Georgia Package (SNGP), A NATO-Georgia Joint Training and Evaluation Centre in Georgia, Georgia contributed troops to the Kosovo Force (1999-2008) and Afghanistan |