

GUAM: AN INSIDE VIEW

**THE ORGANIZATION
FOR DEMOCRACY AND
DEVELOPMENT—GUAM:
A ROAD MAP TO RELEVANCE?
(*A View from Georgia with
Certain Personal Reflections and Conclusions*)**

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**Preface and
Some Preliminary Comments
on the History of GUAM**

Just over ten years ago, in 1996, the Deputy Foreign Ministers of Georgia, Ukraine, Azerbaijan, and Moldova, deeply concerned over excessive Western concessions to the Russian Federation during the tumultuous and prolonged negotiations on the Conventional Forces in Europe (CFE), on the initiation of Araz Azimov, the Deputy Foreign Minister of Azerbaijan, gathered at OSCE Headquarters in Vienna. This meeting became the first informal exchange (later this unofficial discourse was transformed into a formal caucus) related to these countries' common security interests.¹ We can say that the first brick in the foundation of GUAM was laid.

¹ See: T. Kuzio, "Promoting Geopolitical Pluralism in the CIS. GUUAM and Western Foreign Policy," *Problems of Post-Communism*, Vol. 47, No. 3, May/June 2000.

Although the initial steps of activities of this caucus were tense, the issues of the CFE Treaty that prompted those consultations were as much “technical” as strategic; however, these “technicalities” and “numbers on the flanks” mattered a great deal to the independence and sovereignty of those countries.

These were turbulent and tiring nightly plenary sessions and debates concerning the future parameters of the CFE Treaty. Certain common risks and challenges were identified on how to deal not only with the Soviet legacy of conventional arms on the respective national territories in general, but also concrete problems of the CFE flank issues that were supposed to be placed in a so-called quoted regime along the whole perimeter of the former Soviet Union borders, including the sovereign territories of Georgia and Moldova.

One year later, these regular but still informal meetings concerning specific issues were transformed into a more complex and comprehensive package of security problems of mutual interests regarding bilateral (or sub-regional) cooperation, which led the Presidents of Georgia, Ukraine, Azerbaijan and Moldova to transform the existing informal group of experts into an actual and formal Forum with a fancy abbreviation—GUAM.²

Thus, the birth date of GUAM—10 November, 1997—was the day of the first presidential summit in Strasbourg when the presidents of Georgia, Ukraine, Azerbaijan, and Moldova met during the summit of the Council of Europe and, after a protracted meeting, issued a Joint Communiqué which emphasized the importance of the four nations cooperating extensively in establishing a Europe-Caucasus-Asia Transportation Corridor (TRACECA).

It also underscored the prospects for strengthening interaction between the GUAM member states, “for the sake of a stable and secure Europe, guided by the principles of respect for the sovereignty, territorial integrity, inviolability of state frontiers, mutual respect, cooperation, democracy, supremacy of law and respect for human rights.”³

As Taras Kuzio, a distinguished American political analyst, noted, the formalization of GUAM was the result of three different foreign policy trajectories after the dissolution of the Soviet Union: (1) the inception of the Commonwealth of Independent States (CIS) and coalescing of so-called Rus-sophiles within that Organization; (2) the instant rejection of the three Baltic States to join the CIS format and pursuing, resolutely, their own policies of re-integration into the European and Euro-Atlantic structures; and (3) the formation, within the CIS of a so-called group of Westernizers—Ukraine, Georgia, Azerbaijan, and Moldova. This latter group of countries, notes Professor Kuzio, later becomes a certain core element of GUAM and their leaders—the genuine Founding Fathers of that Organization.⁴

Thus, if we agree that the initial purpose of establishing GUAM was these CFE negotiations—the “birth mother”—then we need to acknowledge that its “foster mother” happened to be NATO. However, a special role in this process belonged to the representatives of the United Government—I would call them GUAM’s “baby-sitter”—who, along with other Euro-Atlantic experts, were engaged in the inception process of GUAM from the very beginning and continue to do so currently (though maybe with less enthusiasm) with one aim: to develop ideas or concepts, certain aspects that are practically viable and attractive, to strengthen the security, stability and capacity of the GUAM member states.

² See: V. Socor, “‘GUAM’ at Ten,” *Eurasia Daily Monitor*, 20 June 2007.

³ *The Joint Communiqué. Meeting of the Presidents of Georgia, Ukraine, Azerbaijan and Moldova*, Strasbourg 1997.

⁴ See: T. Kuzio, “Geopolitical Pluralism in the CIS: The Emergence of GUUAM,” *European Security*, Vol. 9, No. 2, Summer 2000, pp. 81-114.

However, I would like to slightly disagree with Professor Kuzio regarding some components of GUAM's history. As Professor Kuzio noted above, the emergence of GUAM was the result of a certain clash of strategic interests between the Russophiles and Westernizers that took place within the CIS, and GUAM itself was a product of disagreements within that Organization.

Being either a long-time "insider" or an up-close observer of the process of inception of almost all the regional organizations within the huge Eurasian land mass—the CIS, BSEC, GUAM, and certain other formats—since the early 1990s, I must emphasize that GUAM appeared on the political landscape not as an internal and dissenting fraction within the CIS (or against the CIS) with the aim to contradict or hamper the Organization's proceedings, procedures, and strategic goals, as certain die-hard critics of GUAM try to maintain today.

GUAM, as noted above, became an Organization in 1997 due to the existence of certain strategic vectors and factors that are interconnected with each other on the vast territory of the former Soviet Union (the FSU) and, for all intents and purposes, due to a certain amount of experience in dealing with the totally ineffective CIS structures, specifically those trying to cope with unresolved conflicts and certain security issues. And more than that: by the time GUAM was transformed into a regional organization, it already had its own ideology, political agenda, and strategic goals and was composed—at least formally and according to certain official declarations and statements—of truly Western-oriented member states.

On the other hand, we need to find an answer to another, and much more important, strategic question: how these noble goals identified in the Joint Communiqué of the first summit of the GUAM member states were supposed to be realized, or how the Organization itself was going to become a presentable, qualitatively viable, productive, and prestigious entity in the eyes of the outside world and the entire international community?

In this article I shall try to analyze certain achievements, obvious and visible setbacks, and some of the perspectives on the earlier and ongoing developments within GUAM, its relations with other international organizations in the Wider Black Sea/Caspian Basin Region and beyond them,⁵ as well as the prospects for GUAM's development in the future. Some of those predictions and expectations are real and some of them, in my opinion, are just wishful thinking and exaggerated.

But there is, at least, one solid fact that should be acknowledged: GUAM, which was initially organized, as noted above, with the specific purpose of discussing concrete security issues of mutual interest and finding solutions to them, according to Paul Goble, a distinguished American expert on Post-Soviet issues, has created absolutely new sets and forms of integration within the FSU, marking the final stage in the disintegration of the Soviet Union.⁶

However, we all thought that GUAM would instantly become an active element within the FSU and beyond, creating certain positive dynamics and causing resources to consolidate and accumulate an appropriate amount of synergy among the member states. In the long-term perspective, and according to our judgments, it was to help the newly-born states navigate, more or less safely, through the painful and bumpy post-Soviet transition/transformation phase, making their state-democracy-building process more efficient and effective and thus strengthening their capacity, independence, and sovereignty.

By that time, the GUAM member states were not only emerging from the wreckage of the Soviet Union, but were also at the formulating stages of their own nation-state-building and determining their own democratic and governmental institutions. And specifically now, looking back and analyzing those developments through the prism of those ten tumultuous years, we need to

⁵ GUAM is geographically located within the Wider Black Sea/Caspian Basin Region/Caspian Basin.

⁶ See: P. Goble, *The CSIS Conference on the Problems of GUAM*, Washington D.C., 10 July, 2000.

acknowledge that we were all slightly naïve and overcharged with too much uncurbed enthusiasm in this regard.

Ten torturous years passed before GUAM, at last, succeeded in becoming a real institutional (and capacity-building) process with a structural and organizational skeleton and the ability to identify, more or less, a solid strategic agenda on how to make GUAM a functioning entity, efficient and productive enough to become visible and with the capacity to be plugged into the affairs of our “globalized” world.

Of course, there were certain objective or subjective factors and tendencies within and beyond GUAM that hampered its proper development. It usually takes, as the saying goes, a certain amount of time to build a village. Naturally, it takes much more time and energy to build a new organization, specifically an international one, even despite the fact that GUAM, as we said above, was comprised of friendly states and strategic allies.

But with its inception, and despite certain drawbacks and zigzags, GUAM delivered one, in my opinion, very important psychological message to the international community. As certain experts accurately noted, the GUAM member states declared resolutely and loudly that they wanted to be treated like sovereign and independent countries and act independently on the international arena in accordance with their national interests and goals.

As these experts also admitted, the member states agreed in GUAM’s basic documents to negotiate, share information, and join approaches and strategies rather than acting against each other.⁷ A strategic goal was identified: to become normal and functioning states, bearing all the elements of sovereignty, and as defined by Kenneth Waltz, an American political scientist, to decide for themselves how they would cope with internal and external problems.⁸

Why do I emphasize those issues?

By the time GUAM was initiated, the international community was used to referring to all post-Soviet countries—with the exception of Russia—as newly independent states, and I need to admit that this clumsy definition is still alive and used frequently and actively today by certain Western experts and analysts.

Naturally, the inception of GUAM did not fully destroy these warped and distorted perceptions or stereotypes of the Cold War legacy, but at least it initiated certain dramatic and turbulent retuning in the mindsets of international policy-making and the expert community; it made them look at the developments within the FSU space not only through a so-called Russian filter, a die-hard habit of the post-Cold War period. If not fully, the inception of GUAM impacted and has shaken certain established visions and patterns of strategic thinking.

Thus if we assume, as certain analysts contend, that “perceptions are reality,” the emergence of GUAM, even in its embryonic and clumsy format, has dramatically, though still on a subconscious level, impacted all these perceptions or misperceptions, either in the West or in the East.⁹

However, now is the time for GUAM itself to turn these perceptions into a new reality. Will it be possible? We shall discuss this issue below.

⁷ See: P. Goble, *op. cit.*

⁸ See: K. Waltz, “Theory of International Politics,” *Reading, Ma*, 1979, p. 96.

⁹ In my position as Secretary of the National Security Council of Georgia, I had the privilege to meet and deliver certain messages from President Eduard Shevardnadze to some world leaders, including President Heydar Aliiev. All of these meetings with President Heydar Aliiev were for me lessons in acute strategic vision and statesmanship, as well as in understanding the benefits of regional cooperation to pursue the national interests of the GUAM member states. However, almost every time, President Aliiev noted sarcastically, “Tedo, how long do we need to be independent states before your Western friends stop calling us “newly independent?” A resolute and clear-cut question which still resonates strongly in my ears and mind and which still requires an appropriate answer (T. Japaridze, *Notes of My Meetings with H.E. Heydar Aliiev, President of the Republic of Azerbaijan*, March-November 2002-2003).

Reflections of an Eyewitness: Uncurbed Enthusiasm and Tough Reality

When the Soviet Union collapsed and disintegrated in the early 1990s, the prevailing view in the rest of the world in general, and among leading policy-makers in particular, was that nothing could fill the void left by this truly historic development.

I can easily understand this type of intellectual and strategic bewilderment or upset of mind of certain politicians and pundits: the dissolution and then disappearance of one of the most unnatural and ugliest political formations in the history of mankind—which the crumbling of the Soviet Empire has been called—happened to be a truly paradigm shift.

So my hypothetical and critical observations and reflections on what GUAM could have been, or will be in the future, may sound a bit ironic and always resemble an awkward attempt to criticize the past with the benefit of hindsight.

But if we had the capacity to return history to the 1990s when certain policy-makers and experts started exploring certain prospects for GUAM, we must admit that very few believed by that time that any of the smaller political pieces subordinate to Russia (that's how most Western scholars and experts preferred to call the U.S.S.R.), the so-called Soviet Republics, were likely to find any political and economic affiliation, apart from with the former Big Brother. In the early 1990s, the FSU space—and the developments within that space—where still perceived through and adjusted to the ill-defined so-called Russian filter, or encapsulated into a certain political agenda entitled the “Russia first” policy, which was enunciated, pursued, and implemented, for example, by the Clinton Administration since 1992.

Hundreds of times I asked myself and my colleagues questions like: “How will Georgia or other former Soviet Republics survive without Russia?” or “Where else could Georgia and other components of the Soviet Union go?” and “How could Georgia's economy function without Russian input?”

In general, very few people in the West or in the East had sufficient imagination, historical experience, or collective or institutional memory to think beyond the so-called Russian vector. The primary strategic goal for all post-Soviet countries at that time was to retain our hard-born independence, to ensure political sovereignty, and to be engaged in a very painful and tumultuous nation/state- and democracy-building process.

Now many years later, I need to acknowledge that we have embarked on this thorny path without any knowledge or experience of what we are supposed to be accomplishing, but with, as I noted above, overwhelming and uncurbed enthusiasm and a certain naivety of purpose.

So the inception of GUAM for its member states was the closest thing in the post-Soviet space to a true strategic relationship. Perhaps I should rephrase that statement: GUAM was a strategic relationship, even though almost all the members of GUAM were not as adept at the formal construction of strategies as say France, China, or even Russia used to be. But, as I noted above, we all thought we had a good idea of what GUAM was intended to be: a group of states with common problems and threat and risk perceptions, as well as a common vision of the future. That was how we perceived GUAM and its function in the international community.

But there were many more questions about “where” and “what” was GUAM? Was it “in” or “out” of the CIS? Was it “pro-” or “anti-” CIS, or just “against” Russia?

And we were diligently conveying our message that GUAM was beyond the CIS space, but was neither “anti-CIS,” nor “anti-Russian.” As we loved to say, the Organization was “pro-GUAM”—

strategic relations developed due to certain common security problems within the former FSU space among countries—Georgia, Ukraine, Azerbaijan, and Moldova—which share common interests and common threats and risks challenging their independence and sovereignty.

As we noted above, after the end of the Cold War and the dissolution of the Soviet Union, a number of regional organizations were created (the CIS, the Customs Union, the Russia-Belarus Union, the Eurasian Economic Union Treaty, etc.) within that space. But most of these institutions have been established either artificially or under pressure. That is why almost all of these organizations today are almost defunct and/or not really viable. However, we naively thought that there might be one exception on this list: GUAM.

What prompted us to think that way?

The GUAM group did not arise until after its members had already formed strong political and economic relations with states that lie beyond the former boundaries of the U.S.S.R. In Georgia's case, for example, GUAM came after we had developed dynamic relations with our strong neighbor Turkey, with much of Europe, Israel, and, of course, with the United States. The governments of Ukraine, Azerbaijan, and Moldova had also reached out to different parts of the world before they reached inward, toward old friends who shared certain old problems.

Thus, as we thought at the time, GUAM was evidence of our growing sense of confidence in dealing with the unpredictability in our own neighborhood. But it also, again in our slightly naive opinion, represented strong evidence of our growing political maturity in seeking common regional solutions to problems that could not be solved easily from outside our region.

This group of countries—Georgia, Ukraine, Azerbaijan, and Moldova—from the perspective of the mid-1990s was linked politically by their Western orientation, economically by their commitment to projects like an Eurasian transport-economic-energy corridor, ideas incorporated into the New Silk Road Legislation sponsored by U.S. Senator Brownback, and the prospects for commercial activities within the Black Sea Basin, and strategically by rebuffing CIS re-integration.

We thought that through GUAM the advantages of regional and sub-regional cooperation might result in more flexible, transparent, and effective principles and balances that would express the relevant interests of the participant countries.

The north-south link that once defined the Southern Caucasus and Central Asia as separate regional issues was rapidly giving way to the east-west link that triggered the emergence of a wide belt of countries stretching from the Chinese border to the Black Sea Region, countries that share a wide range of strategic interests. Certain experts thought that those new interests might be embodied in the planned east-west trade link, one that was supposed to connect Central Asia to Europe, and the main argument for inviting Uzbekistan to join GUAM, thus making GUAM a sort of centerpiece of the proposed vibrant developments.

Naturally there were certain institutional and organizational problems that led these discussions toward unrealistic conclusions and perceptions. I would like to reflect on one vivid example. For instance, instead of building certain functional units or clusters within GUAM step-by-step, I remember certain “exciting,” but absolutely futile, discourses about the creation of a GUAM Free Economic Area (GFEA), an absolutely premature idea at that time and in those difficult circumstances. GUAM first needed to lay a solid basis by pushing forward legal reforms to harmonize the intercommunication of various national services, such as customs and border guards, by exchanging liaison representatives, for example, in order to foster interrelations and implement relatively smaller projects for starters.¹⁰ Had we done this earlier, I am more than convinced that the understanding of our regional

¹⁰ See: *GUUAM: Genesis and Growth of a Group*, Remarks by H.E. Hafiz Pashaev, Ambassador, Republic of Azerbaijan. The Black Sea Regional Security Program, The John Kennedy School of Government, Harvard University, 31 May, 2001.

responsibilities toward each other and the international community (as well as the latter's awareness about GUAM) would have been rapidly promoted and would have established the foundation at a later stage for more important international configurations, such as GFEA.

These concerted efforts could have withstood the mounting economic expansion of Russia, conceptualized in the idea/concept of the creation of a new Liberal Empire through the introduction and implementation of purely economic means and instruments in order to promote and strengthen Russia's strategic interests within the FSU, including within GUAM.

These changed Russian tactics, from political-military compulsion to the aggressively enforceable energy and commercial strategies, could only have been an effective countermeasure on behalf of the GUAM member states had they established a strong economic identity within the Organization.

This had not happened by that time and it did not happen during the ten years after GUAM was formally inceptioned.

We could have been more active and resolute in implementing certain specific projects that could have enhanced the interest of certain outside powers in GUAM. For example, the concept of restoring the Great Silk Road undoubtedly gained great importance and could have been transformed into a multi-dimensional and multifunctional mega-project. It could have rehabilitated and expanded highways, railroads, air routes, and air and sea ports; it could have linked the states of this new Silk Road with each other and the outer world via the most modern and sophisticated communications and information technologies, and could have trained a generation of personnel to make it all work in concert.

It was also apparent to experts that projects like the Great Silk Road or Eurasian Transport Corridor, along with a properly functioning GUAM, could have boosted its potential and capacity beyond the transportation and commercial functions.

In effect, this capacity and potential could have become a stabilizing factor among the states of Eurasia and the FSU and could have fostered the creation of a common market and new geostrategic and geo-economic alliances.

Why am I saying this?

The idea of developing this Eurasian Corridor embraced the following three components: the Europe-Caucasus-Asia Transport Corridor (TRACECA), the East-West Strategic Energy Corridor, and the Telecommunications Network. The international community found the TRACECA project the most attractive. It was intended to stimulate rehabilitation of the main component of the transport infrastructure within the area. The diversity of cooperation ensured the elaboration of programs to restructure all means of transport.

The existence of huge energy resources in the Caspian region proved the necessity of diversifying effective links with the world markets. Energy Diplomacy became an important part of the foreign policy of many countries of the region and envisaged the full participation of all the GUAM countries and other regional actors on a commercial and economic basis, which, in the end, could have become the basic guarantors of security equilibrium within the entire GUAM space.

But experts in the individual GUAM member states acknowledged that sustainable transit service and safe transportation of oil and gas required the formation of a modern telecommunications infrastructure. The implementation of new technologies in this field and the carrying out of fiber-optic cable projects were supposed to represent the main activities to be taken in this direction. Modernization of the existing technological systems became one of the priorities in GUAM's plans.

According to the prognosis of experts, all of these projects were designed to strengthen the independence, sovereignty, and, what was (and still is) the most essential, capacity potential of the GUAM member states: to create a new atmosphere of trust and cooperation and improve security-building mechanisms, which in the long run would make the democratic and market-oriented reforms within GUAM irreversible. It eventually—and again according to our naïve collective judg-

ment and predictions—could have led to the development of common understanding, perceptions of unity, and common interests within GUAM (which we still lack today), which could have made this Organization stronger, more viable, and thus more flexible in order to meet the needs of other international formats and forums. However, most of these ideas remained only as plans and statements.

How did we perceive the benefits and advantages of GUAM?

It happened to be the first experimental Forum within the FSU space, an established framework of consultations and consensus-reaching experience which might have served as a solid foundation for building new interregional cooperation. Even some, more than modest, accomplishments of GUAM at its earlier stages could have set a positive example of success and definitely stimulated other countries to participate in the practical implementation of the ideas of regional cooperation.

We calculated that GUAM's mission should have bypassed the formal geographical boundaries of its member states and could have reached out to a larger region. That was the main reason why GUAM made certain modest attempts to redirect its activities from strictly security and political considerations to issues concerning the overall development of an Eurasian corridor.

These exciting goals could have been implemented had the GUAM countries had, for example and as we noted above, a unified communication system intact within the entire space and had the artificial obstacles been removed which existed as a result of inadequate legislatures or unacceptable activities of incompetent officials. That was the main reason why, contrary to logic, most of the cargo traffic from Central Asia was transported to Europe by a substantially longer route through Russia and the Baltic States, instead of going through GUAM.

On the other hand, I do not want to be too critical and ignore the real positive steps taken by the member states to strengthen the institutional capacity of GUAM. In 2001, at the GUAM summit, Ukraine took the initiative to strengthen the institutional capacity of the Organization. That summit adopted a GUAM Charter and called for mandatory meetings of the GUAM foreign ministers at six-month intervals. The summit also created a Committee of National Coordinators which would meet regularly to monitor the implementation of joint programs and established a Permanent Secretariat and an Information Office to be based in Kiev. In 2002, the GUAM member states signed, and subsequently ratified, an agreement on free trade. But as some experts noted correctly, and as it has happened so many times before, all of these measures remained on paper and very few were implemented by 2007.¹¹

Too much time has been wasted on huge amounts of paperwork and futile disputes over certain prospective but unrealizable considerations and recommendations. Even the implementation of certain practical and strategically important ideas and projects introduced by certain member states, which could have made GUAM visible as a true international organization, usually took longer than necessary to be implemented or simply just disappeared amidst the never-ending and fruitless elaborations at various GUAM gatherings.

Certain proposals are still awaiting final decisions and are ideas which could have made GUAM a “darling” of the international community and a viable organization itself: establishment of a Coordination Committee of the Chambers of Commerce, creation of an Inter-Parliamentary Group for joint economic projects, simplification of customs procedures and formalities, harmonization of customs-related legislation, inception of a Congress of Entrepreneurs Unions of GUAM and a Joint Bank of GUAM, as well as other joint projects in the transport, insurance, leasing, and tourist sectors.

¹¹ See: *Final Communiqué of the Yalta GUUAM Summit*, 6-7 June, 2001; V. Socor, “‘GUAM’ Summit Preview: A New Lease on Life,” The Jamestown Foundation, 20 April, 2005.

The slowness and “political drowsiness” of GUAM has resonated into a certain amount of skepticism and passivity, even among the most ardent supporters of GUAM, particularly the United States Government, which as noted above, has stood firmly beside GUAM since the very first day of its inception, assisting it intellectually and financially. For example, in 2001, the U.S. Congress approved the allocation of \$45 million to fund certain GUAM projects, although the absence of viable, practical, and convincing projects made the decision-makers at the State Department decide to withhold most of this assistance.

Despite the activities and determined attempts of the Ambassadors of Georgia, Ukraine, Azerbaijan, and Moldova in Washington, D.C., efforts that tended to focus on the United States and elevate the awareness of American policy-makers and experts, GUAM’s image was literally “lying on its deathbed.”¹² There were certain reasons for this pessimistic political diagnosis: Georgian President Eduard Shevardnadze’s political decline, Azerbaijan President Heydar Aliiev’s death, and Ukraine’s President Kuchma’s pro-Russian tilt, as well as certain old, but well-known, structural and organizational deficiencies, failures that strongly aggravated, in 2003-2004, the operational capacity of GUAM itself.

But now it appears that GUAM, with new leaders in the member states, and according to the decisions adopted at the last summits, is currently ready for certain resolute political, structural, and intellectual innovations. But keeping in mind GUAM’s past record and no less fascinating and prospective development plans, which have remained on paper year in and year out, GUAM’s “re-awakening” may not happen if its current leaders are not resolute in their intent to follow their own decisions.

The Organization that GUAM Has Not Yet Become

But before I proceed with my reflections and observations, I would like to do what I have done many times when starting to identify, appropriately, certain issues: to begin by looking at what this problem “is not,” before trying to describe what “it actually is.”

That hypothetical quiz or attempt to look at GUAM through the “ten years later” perspective will help us to understand GUAM’s mistakes and miscalculations— failures which came at different phases of its inception —and will identify more adequately its strategic vector and focus, its potential and prospects. This analysis will assist the Member States and the GUAM bureaucrats, analysts, and experts to find ways and means to make the Organization more productive, efficient, effective, and relevant.

I noted above that I have always been engaged, in different capacities during my professional career, as Georgia’s Ambassador to the United States for more than eight years, then as Secretary of Georgia’s National Security Council, and as Foreign Minister, with different levels of involvement in the affairs of GUAM. As a GUAM “insider,” I have been privy to many formal and informal meetings and gatherings, disputes and discussions, some modest achievements and dramatic breakthroughs; I have also witnessed many frustrating setbacks, zigzags, and stalemates.

Thus, in this article, as I said above, I would like not only to share certain personal reflections and observations concerning the past, the current state, and the prospective developments within GUAM and beyond. I would also like to try to place these observations in a new strategic context and

¹² See: V. Socor, “GUAM’ Summit Preview: A New Lease on Life.”

fit that context into the transformed landscape of still turbulent world politics—new trends and developments, including the formation of certain new political or strategic equations and configurations—where different strategic vectors are emerging, intersecting with each other, or passing through and at certain times creating certain new synergies and important dynamics around us.

Maybe these new developments in the outside world, including in the GUAM neighborhood, will produce and inject into GUAM certain absolutely different strategic perspectives or strategic thinking. But these perspectives should be well-calculated and formatted; also certain old ideas or mistakes need to be analyzed and recalibrated in a more than resolute and renovated way.

That is the only way to awaken GUAM from its moribund state of affairs and change our strategic thinking in this regard from the category of wishful thinking (or even false expectations) into realistic, practical, and productive discourse and activities that would strengthen one, almost axiomatic, notion: that security and stability, as well as independence and sovereignty, are interconnected and indivisible components of prosperity and economic development.

Why do I repeat this well-known and, I would add, certainly obvious concept?

How to make people, including those who live in the GUAM region, those who are still burdened by the Cold War mentality and are currently overly disoriented or even disenchanting with some of the “democratization” experiments of the late 1980s and early 1990s, change their habits and, specifically, their psyche or mental behavior or perceptions to believe in these perspectives?

How to make those people understand that the idea of the indivisibility of security and sustainable development will enable them to engage in “win-win” patterns which will prevail over outdated scenarios of the old Big Game and recognize, speaking metaphorically, that in the modern and “globalized” world the quantity and quality of banks and hotels matter more than the quantity and quality of even the very best tanks?

My message in this regard is simple and obvious: a strong economy and sustainable and irreversible development should be a priority element in making any country militarily capable, and not vice versa. It is not ignoring or downgrading the importance of military power in any independent state, including the GUAM member states, but making that power stronger through powerful economic means and development. I think that GUAM needs to elaborate on that strategic way of thinking.

But I should also admit that it is still not easy for certain regional political actors within the FSU and GUAM to comprehend these, as certain experts love to say, obvious hard facts: the entire post-Soviet space is still going, as I noted above, through complex and vibrant and at certain times even cataclysmic geostrategic or geo-economic transition/transformation processes and changes.

A tumultuous psychological transformation and adjustment of mindsets and psyches to these new strategic realities is unfolding around and beyond us, including in the GUAM region. All of these developments are strongly impacting upon the inherent changes at personal and societal levels, including the most tumultuous changes, changes in our “mental map.” It usually takes much time and many generations before this mental transformation settles down and arrives at its final destination.

Perhaps that was one of the main obstacles (naturally among numerous internal and external factors) that hampered GUAM’s appropriate development and caused the ten-year stalemate and dormancy within the Organization?

So, more than ten years later, we can acknowledge that GUAM has not become, as yet, a dynamic and vibrant alternative to any existing regional international organization. Although, as certain experts admit with cautious optimism, it is slowly gaining a certain political momentum, as well as certain political visibility in the outside world, and raising a certain amount of modest awareness within the international community.

But still GUAM cannot be, as yet, and this trend may be prolonged indefinitely in the foreseeable future, a competitor to any other existing format of that kind in the world, even the regional organizations like BSEC, which has been so criticized by outside experts for its slowness and ineptitude regarding the changes in international and regional affairs.

GUAM still needs to prove its practical viability and necessity to its hypothetical international partners. There are still too many declarations and statements, too much paperwork (a great part of which has never been put into practice), a visible lack of appropriate institutionalization and legalization of existing structures by the member states, and a lack of communication with other international organizations in the region and beyond it.

Even with the many lapses and failures that GUAM has experienced since its inception, it could have been perceived as a complementary partner or resource at least, for the European Union (the EU), for example—the closest political entity to GUAM and a center of attraction for all the GUAM member states. The EU still looks at GUAM, mildly speaking and at best, and despite certain recent and more than modest activities in their relations, with certain neutral curiosity, although there are many politicians and policy-makers, mainly in Old Europe, who perceive GUAM as a sort of organizational “enfant terrible,” a “spoiler” within the established political status quo, but mixing these emotional and trivial notions either with a certain amount of political apathy or even disdain and sarcasm toward GUAM.

One may ask why these sentiments are so prevailing within the European community today. Because GUAM has only just, in 2007, become a full-fledged Organization; whether it ever becomes a full-fledged nascent political union as, for example, the EU and other existing international organizations, remains a big question mark.

To counter this skepticism, GUAM needs to start promoting and offering its hypothetical partners some modest, but viable and doable, either strategic or economic, ideas or projects. Only these steps can attract the Europeans in general and, specifically, those who belong to the group of so-called Euro-skeptics.

This group of policy-makers still happens to be sort of politically neurotic after the last EU and NATO enlargements, and they will remain cautious toward any, even more or less formally better than GUAM, established and structured/institutionalized organizations beyond the EU space. For example, it took long years of passive and non-binding discourse before the EU opened a sort of formal interaction dialog with BSEC, identifying certain “clusters” of cooperation as transport, energy, environmental issues, and good governance, and fighting organized crime and terrorism.

Naturally, it is not only certain political instincts that make GUAM, for example, not that welcome within the EU community. The long-term strategic goals and aims of the EU member states are simply too complex, diverse, and contradictory for the new engagements and enlargements, and the economic and political gravitational pull of the EU and the Euro-Atlantic community is too overburdened and diffident.

I realize that such an assessment may appear harsh and pessimistic. But, perhaps, the seeds of the GUAM’s strategy toward the EU can be discerned in it as well since, ultimately, it is events on the ground that will eventually drive and shape the EU’s policy toward GUAM. We need to put GUAM within the EU’s decision-making cycle, and the ensuing GUAM engagement strategy should be built around serving the self-interests of the EU. Perhaps then GUAM will stand the best chance of real relevancy and success.

Certain recent developments within the EU space, the introduction of the so-called ENP policy, may change the dire European perceptions. As Lili di Puppò, a European expert, admits, “the EU has been reluctant to support regional initiatives such as GUAM in the past, indirectly arguing that these initiatives had little substance, provided no added value, and de facto alienated Russia.

However, the prominence of the energy issue on the European agenda in 2006 has pushed the EU to become more pro-active, to claim a more strategic role in the Black Sea, and to claim a ‘piece of the pie’ from Russia.”¹³

Even Uzbekistan’s instant and impromptu inclusion in GUAM in 1999, as it appeared later, was more a show of political will than a well-calculated strategic move which, in my opinion, did not resonate particularly positively within the international community, indicating the lack of strategic vision and capacity of the GUAM member states. Although the considerations and prognoses, as far as I remember, happened to be that the involvement of Uzbekistan (with a big “U,” as experts defined this development), as a more distant country from the formal GUAM space, would add strategic value to GUAM, thus engaging Uzbekistan, this double-land-locked country, in the budding dynamics and diversity in the post-Soviet space through the emerging Eurasian Transport Corridor, membership in NATO’s PfP programs, and affiliation of all the GUAM member states with the Euro-Atlantic Partnership Council.

With the addition of a big “U” to GUAM, certain strategists thought that it could have made GUUAM an ideally placed strategic bridge for different European institutions to the heart of Central Asia, thinking naively that by walking along that two-way corridor toward integration into the Euro- and Euro-Atlantic structures, the GUUAM member states would benefit immeasurably and would raise the awareness of NATO and the EU regarding GUUAM, as well as the latter’s visibility and mission in the eyes of the international community.

The expanded format of the Organization—GUUAM—happened to be a short-lived innovation and, after a while, when Uzbekistan suspended its membership and then withdrew from it, it returned to its initial abbreviation—GUAM. After the withdrawal of Uzbekistan, GUAM, as Eldar Ismailov, a prominent Azerbaijani analyst, admits, has returned to its natural geographic and political equation.¹⁴

But this failed experiment proved once more to be an axiomatic strategic truism: in today’s world affairs it is not enough to be “anti” or “thorny,” as GUAM has been perceived and sometimes even clumsily tried to play that role. Any new organization or format should have a positive agenda and, even having some strategic differences with some of the neighboring countries, be oriented toward cooperation and stability.

Specifically, some strategists envision that either the Eurasian “Heartland” or “Rimland” (GUAM could geographically fit both of these equations) may become a sort of launching pad for “a global anti-Western movement whose goal is the ultimate expulsion of European and Euro-Atlantic influence from Eurasia.”¹⁵

But we need to remember that it is not only the geographic location that might matter for this kind of geostrategic system. The viability of any Organization or country, its functional operability, as admitted above, and its usefulness and attractiveness to the outside world, and specifically the international community, is usually taken into account alongside its place on the global map.

¹³ L. de Puppò, *The EU Looks Carefully at the Caucasus and its Energy Potential*, London, 4 June, 2006.

¹⁴ See: E. Ismailov, V. Papava, *The Central Caucasus. Essays On Geopolitical Economy*, CA&CC Press®, Stockholm, 2006, p. 77.

¹⁵ During World War II, Nicholas Spykman, an American strategist, challenged the centrality of the concept of the “Heartland” developed a generation earlier by Halford Mackinder (against Mahan’s sea power thesis), and focused instead on what he called the “Rimland,” by which he meant essentially continental countries with a maritime façade. Some GUAM member states, Ukraine, Georgia, and partially Azerbaijan have these features, although the Black Sea itself—the main body water, as mentioned above, that lies within the GUAM region—does not have, as acknowledged by most experts, some of the obvious strategic dimensions and happens to be perceived as a sort of “lake” divided between Turkey and Russia (see: Ch.J. Fettweis, “Sir Halford Mackinder, Geopolitics and Policymaking in the 21st Century,” *Parameters*, Summer 2000, pp. 58-71; T. Horn, “The Revolution in Transatlantic Affairs. Perils and Promises of a Global NATO,” *Policy Review*, August 2007).

There are obvious trends toward deterioration in the relations between Russia, and the West in general, and GUAM: if GUAM wants to be a successful and productive organization, there should not be a “negative charge” in these relations. Just the opposite, it should try to identify resources and specific projects to soothe these tensions and thus prove that security and economic prosperity are two indivisible components of sustainable development. In my opinion, GUAM would benefit much more if it implements such a positive agenda and if its member states are committed to these noble goals.

The GUAM Summits: Declarations and Reality

As we admitted above, the last GUAM summits have injected a certain amount of new energy and opened up new prospects and expectations among the population of the member states and throughout the international community.

The GUAM summit held in Kiev on 23 May, 2006 took resolute steps to activate the Organization and increase its institutional capacity. That summit expanded its international visibility and was attended by President Valdas Adamkus of Lithuania, in line with his country’s active role in the implementation of the Baltic-Black Sea initiatives.

The summit dramatically recalibrated the existing format and structure of GUAM and declared in its place the establishment of a full-fledged international regional format—the Organization for Democracy and Economic Development—GUAM with its Permanent International Secretariat based in Kiev.¹⁶

The heads of the GUAM member states retargeted the Organization’s agenda and aimed GUAM’s activities toward the enhancement of democracy, adherence to the rule of law, respect for fundamental human rights and freedoms, sustainable economic development of the member states, and assuring security and stability within the GUAM region and beyond.

The Kiev summit reaffirmed the desire of the GUAM states to deepen European integration and enhance relations with the EU and NATO and emphasized the willingness of GUAM to further develop partnership relations with the United States of America and other countries and organizations, in particular, regarding the implementation of joint economic projects.

The GUAM presidents signed a special protocol in Kiev on the entry into force of the earlier agreement to create a GUAM Free Trade Area. However, as some experts admitted after the Kiev summit, they did not share the optimism of the GUAM leaders, based on certain previous experience regarding the Organization’s “efficiency,” that this decision would be implemented in the foreseeable future.

The summit placed special emphasis on the unresolved, or protracted, conflicts within the GUAM region. The summit acknowledged the necessity of intensifying conflict settlement efforts, and the GUAM heads of state called upon international and regional organizations and institutions to further facilitate, within their competence, the settlement of the “frozen” conflicts in the GUAM region.

The presidents especially emphasized the importance of demilitarizing conflict zones and promoting security regimes in these areas with the help of multinational peacemaking forces deployed

¹⁶ See: *Kiev Declaration on Establishment of the Organization for Democracy and Economic Development-GUAM*, available at [<http://www.guam.org.ua/226.1087.0.0.1.0.phtml>].

therein under the U.N. or OSCE auspices to provide conditions for the return of the population and the peaceful coexistence of ethnic communities.

The presidents expressed a certain amount of enthusiasm in Kiev that such meetings would help the GUAM countries become part of the democratic world of the civilized system of international relations, and that GUAM might indeed become a case in which such intangible—though real—benefits outweigh the quantifiable—though elusive—ones.

But at the last, follow-up, annual summit of GUAM in Baku, Azerbaijan proved again that there is a lot of work to be done before all these declarations can be put into practice.

The GUAM heads of state were joined in Baku by presidents Traian Basescu of Rumania, Valdas Adamkus of Lithuania, and Lech Kaczyński of Poland, in keeping with the flexible GUAM-Plus formula of cooperation with the group's partner countries and further expanding its international visibility.

But the agenda of the summit was not fully accomplished, since the participants merely focused on the main items and made some declarative decisions on the transportation of Caspian oil and the settlement of the protracted conflicts.

The idea of making GUAM function as an energy bridge between Central Asia and Europe (that idea was supposed to be implemented at the Baku summit) remains on paper, since the realization of this concept inherently depends on the active cooperation and engagement of Kazakhstan and Turkmenistan, along with the EU.

The signals from both directions were negative: Kazakhstan President Nursultan Nazarbaev turned down the invitation to attend the Baku summit (although he offered to send a representative), while Turkmenistan President Gurbanguly Berdymukhammedov simply ignored the invitation of the Azerbaijani Government to attend. The EU's response was also more than cool: Austria's Ministry of Foreign Affairs, invited to represent the lead country of the Nabucco gas transport project at this summit, also declined to attend.

As Vladimir Socor admitted, "such responses may be seen as corollary to these three countries' recent agreements with Russia on energy supplies and transit, which, if implemented, could kill the idea of the trans-Caspian westbound transport projects to Europe via the GUAM countries. Their responses reflect an unraveling of Western policies on Caspian energy. The EU, a putative beneficiary of energy transit projects through GUAM countries and a focus of their reform programs, did not deign to take up the invitation to attend the GUAM summit."¹⁷ But it seems that these are more general trends in the EU energy policy, which has failed to develop a coherent strategy, and the Nabucco project, as many other issues and concepts, remains just that—a project, the subject of studies and reports.¹⁸

Another item on the Baku summit's agenda—creating a GUAM peacekeeping battalion—was not realized again. As we know, the proposal to create a GUAM peacekeeping battalion dates back several years and was preceded by long and vibrant discussions, since 2000, among the representatives of the member states, including some American and NATO experts.¹⁹

This idea was last reactivated at GUAM's Kiev summit in 2006 when the Ukrainian side, as a long-time proponent of this proposal, commissioned the Ukrainian Armed Forces' General Staff to draw up plans for such a battalion. The proposal envisaged a 500- to 600-strong unit, including 150 to 200 Ukrainians. A police element was to be added. Each of the four national components would be

¹⁷ V. Socor, "Summit Takes Stock of GUAM's Projects, Institutional Development," *Eurasia Daily Monitor*, The Jamestown Foundation, Vol. 4, Issue 120, 20 June, 2007.

¹⁸ See: *The Financial Times*, 26 August, 2007.

¹⁹ See: *A Workshop on the Prospects of GUAM*, Stanford University, The Institute for International Studies, 18 November, 2000.

based in their respective countries and could be called up by the chiefs of general staffs for annual exercises in one of the four countries.²⁰

As some analysts admitted, this battalion could be used for intervening in the ongoing conflicts, or for the purpose of conflict-prevention, or for humanitarian operations mandated by the United Nations or the OSCE in any location, potentially including the GUAM member states. But some experts on security issues wisely admitted earlier that peacekeeping should not be an end-point of cooperation. It should be a process to improve interoperability among the GUAM member states' military components, and a good example to follow in that direction would be the scope of activities of the Baltic battalion.²¹

Although the idea of a GUAM peacekeeping battalion looks attractive and may have certain practical value, at the Baku summit, Georgia (with two protracted conflicts on its territory) withheld its consent on the creation of that unit at the final stage of institutional development of GUAM, and in general, admitted that at this moment the Georgian Government did not support the idea of placing a GUAM battalion on the territories of its member states.

Meanwhile, Georgia had almost doubled the number of its soldiers in the NATO- and U.S.-led operations in Afghanistan, Iraq, and the Balkans and could hardly spare resources for additional commitments such as a GUAM battalion. For its part, Moldova declined outright to participate in the proposed battalion, citing Moldova's status as "a neutral state."

At the Baku summit, Ukraine alone proposed going ahead with a GUAM peacekeeping battalion or at least returning to the issue later on. The summit's final documents did not mention this subject at all and, as has happened many times with GUAM, some good ideas and intentions that could have made GUAM functionally relevant and operable merely dissipated or crumbled entirely during the discussions.

As has become a bad GUAM bureaucratic habit, certain good ideas and concepts again remain just on paper.

As usual and according to traditional patterns, the EU again, as we mentioned above, remained almost demonstratively aloof from the GUAM Baku summit.

At the same time, despite the EU's visible passiveness or lack of interest in the Organization, the GUAM member states themselves have offered an Action Plan of the Missions of GUAM member states to the EU through their embassies in Brussels.²² This plan opens a channel of communication between GUAM and the EU and may prompt the establishment of an active partnership dialog between these two Organizations (if implemented accordingly), thus expanding to a broader regional format based on the already established contractual and structured relations each of the GUAM member states has with the EU through relevant Partnership and Cooperation Agreements and ENP Action Plans, which encourage regional cooperation.²³

According to this Memo, some of the modalities of the dialog with the EU were elaborated and must be built on a truly pragmatic approach held at any level (CNC, heads of missions, experts, and so forth), in any form (GUAM + EU Troika, EU presidency, EC, or EU SG) or format (formal or informal meetings), as well as at the parliamentary (cooperation between the GUAM Parliamentary Assembly and the European Parliament) and nongovernmental levels.

²⁰ See: *Interfax-Ukraine*, 15 June, 2007.

²¹ See: *Echo*, 16 May, 2007 (see also: *A Workshop on the Prospects of GUAM*).

²² See: *Developing Partnership and Cooperation between the Organization for Democracy and Economic Development—GUAM and the European Union for 2007-2008*, available at [http://www.mfa.gov.az/ssi_eng/international/organizations/guam/Baku_Summit_2007/Interaction_Plan_rus.pdf].

²³ The so-called "clusters" of possible cooperation with the EU have been identified by the member states, particularly: democracy, respect for human rights and good governance, strengthening of security cooperation, border management, resolution of protracted conflicts, energy and transport, environment, trade, agriculture and fisheries, employment and social affairs, regional development and cross-border cooperation, research and education, science and technology.

I need to admit that the introduction of this Memorandum has been one of the most resolute steps by the GUAM member states to deliver a strong message to the entire European community about the regional prospects and potential of the GUAM region. I understand that the implementation of this initiative of the GUAM member states would be a Sisyphean toil and I am not sure about an immediate and instant full-action response from the EU. But I am confident that the existence of this Memo would raise the awareness of the European policy-makers and experts regarding GUAM. We will talk about how GUAM needs to become more active and practical in its relations with the EU and its structures in the concluding paragraph of this article.

However, the Baku summit had another delightful surprise for the member states as well.

Japan has recently been showing a certain amount of interest in launching partnership relations with GUAM. The Japanese government announced this concept in some policy-setting priorities by 2006, which were later published in the government's Blue Book in 2007.

The policy outline envisages Japanese support for the creation of an "Arc of Freedom and Prosperity" stretching from Central Asia to the Caspian and Black Sea basins and on to Ukraine. The Japanese government discussed that initiative with the EU in Brussels, and later it delegated Deputy Minister of Foreign Affairs Mitoji Yabunaka to the GUAM summit in Baku. Thus, a new format of meetings within GUAM, the GUAM-Japan Dialog, was instituted at this summit. This format is due to continue with a focus on Japanese investments in energy production and transport and mutual political support in international organizations.²⁴

One of the most positive steps taken at the Baku GUAM summit was the inception of the Sectoral Cooperation Development Strategy—a concrete plan of practical actions the member states should elaborate in different areas of the economy and trade within the GUAM region. That has been the first resolute attempt by the GUAM member states (along with the above-mentioned GUAM-the EU Memo) to move the Organization from virtual concepts and ideas to a geo-economic reality.²⁵

The Baku summit also made some organizational decisions: it elected the first Secretary General of GUAM and formalized the existence of the Permanent International Secretariat.

So now the GUAM Organization has its own bureaucracy, designed to run it efficiently and properly on a daily basis, as well as a sectoral plan to make it functionally viable. Now GUAM needs to make these decisions operable as soon as possible. But it still lacks enough political will and sufficient money to implement these decisions in full. As we know, some decisions of the last summits have not yet been ratified by all the member states. And some domestic policies are interfering, as they always have in any international organization, in the activities of GUAM.

The Public Pluses and Public Minuses of the GUAM Region and Beyond: Certain Perspectives on Sustainable Development, Security Risks, and Old Dilemmas

However, it is not only the new energy, strong political will, and vibrant ideas brewing currently within GUAM that may open up certain new prospects and inject new dynamics into the Organization.

²⁴ See: *Eurasia Daily Monitor*, 20 June, 2007 (see also: *Joint Press Statement on the GUAM-Japan Meeting*, Baku, 2007).

²⁵ See: *GUAM Sectoral Cooperation Development Strategy*, The Baku Summit, 2007.

To use a sort of metaphor, while GUAM stood still or just limited its activity for more than ten years, its immediate neighborhood, including the Russian Federation, the Wider Black Sea Region, part of which GUAM happens to be, the EU space itself and, in general, the entire strategic context of the world order has changed dramatically.

What has prompted this strategic and vibrant political/economic shift?

First of all, a dramatic move resulted from the last eastward enlargement of the EU. With the accession of Rumania and Bulgaria to the EU, the Wider Black Sea Region, which naturally includes GUAM, has become the EU's Near Abroad, and the Black Sea (I would add the Caspian Sea Basin to this equation as well) itself has been identified as the EU's body of water. The region has now been transformed (and GUAM has a unique opportunity to become part of these fascinating dynamics) into the southeastern corner of Europe, complicating traditional strategic considerations in the East-West corridor.

There is one more specific strategic point which we need to keep in mind regarding the recent EU enlargement.

As we know, Turkey has been deeply immersed in the EU accession process. There can be no doubt that Turkey's gigantic internal transformation, associated with EU integration, has already impacted and will continue to impact, dramatically and resolutely, the lives of the people within the entire GUAM neighborhood. So it appears that the Turkish-EU integration process will promote additional stability and economic prosperity within the GUAM member states, each of which has good neighborly relations and active trade and commercial interaction with Turkey based on shared values and strategic interests.

As for the broader strategic context, I think that the GUAM member states should become strategically more important in the three "baskets" of Euro-Atlantic interests, specifically within the framework of the dramatically increasing multitude of threats ranging from "softer" to "harder" issues—sovereignty and democracy, energy and trade, and security aspects.

When I say "multitude of new threats," I include, for example, in this comprehensive package some new-born threats as well: ecological and economic challenges and risks which have nothing whatsoever to do with the so-called classical threats that have been discussed in the international community for many years now, including by the GUAM member states.

I hope that we all agree on one almost axiomatic fact, which was alluded to above: the content (and the context) of global security has changed dramatically and we are all, strong and weak countries alike, going through painful adaptation to this new reality and becoming involved in a process that will require a new comprehensive and sophisticated understanding of the concept and notion of security itself.

Just one illustration: if, for example, the climate researchers' reports are to be believed, global warming is a huge medium- and long-term threat, one which could have dramatic consequences on such matters as refugee flows and armed conflicts. The GUAM region, as you all know, has been plagued by these kinds of developments, and those who are involved in the conflict-resolution process need to take into account these elements of the new global security framework.

By all means, the implementation of certain significant energy projects, like the Baku-Tbilisi-Ceyhan (BTC), the South Caucasus gas pipeline (SCP), and the prospects for opening certain new transportation routes, communications, or access through the implementation of projects like the Kars-Akhalkalaki-Baku Railway link, for example, will add an absolutely new dynamic to the regional political and commercial landscape, including to certain parts of the GUAM region.

As we discussed above, the physical/geographic location of the GUAM member states makes them a sort of strategic corridor, and we should not forget the importance and quality of commodities, both welcome and unwelcome, that pass through that space. As noted above and regarding the

so-called public pluses, certain GUAM member states (Azerbaijan and Georgia) are major conduits for the transfer of energy through the BTC and SCP from the Azerbaijan sector of the Caspian Sea.

These projects, without any exaggeration, go far beyond the energy security of only Georgia and Azerbaijan and will dramatically increase and strengthen the sovereignty and independency of all the GUAM member states, if those advantages are accordingly calculated and used. More than that, the proper functioning of the SCP through the 4 Energy Corridor will be one of the basic elements for European energy security, thus making GUAM a guarantor of that security. And in general, both of these projects are mainly about Europe's multiple and diverse approach toward its energy security and energy independence.²⁶

Along with energy resources, the region is host to a variety of potential economic and commercial development projects and opportunities that could be extended, for example, within GUAM or beyond it. I hope that the recent developments and some of regional commercial projects presented to the Organization will be truly revolutionary and modernize GUAM itself and make it relevant for sustainable development—first of all, regarding the tumultuous capacity-building process in the Wider Black Sea Region and specifically in the GUAM member states. All of these above-mentioned developments have already had, or will have, a huge strategic impact on the political landscape of the Wider Black Sea Region and are supposed to reactivate and re-energize GUAM.

I need to admit and acknowledge that the GUAM member states are taking certain specific and practical steps to diversify their engagement in these new opportunities, particularly in the energy area. More than that, the GUAM member states are trying to engage representatives from Bulgaria, Italy, Iran, Kazakhstan, Poland, Rumania, Turkey, Turkmenistan, the United States, and the European Commission in this process. As we noted above, these attempts have not been successful yet, but I think that GUAM needs to look for more innovative ways and means in this regard.

As most experts state, the 2006 Russian-Ukrainian gas crisis led the EU to take drastic actions to diversify its energy supply routes. The EU views the Wider Black Sea/Caspian Region and trans-Caspian projects as major components of Europe's diversification policy in the energy sector. From this perspective, GUAM, with Azerbaijan, Georgia and Ukraine, definitely has a unique opportunity not only to become visible, but also to be functionally useful for Europe.

On 16 February, 2007, Benita Ferrero-Waldner, European Commissioner for Foreign Affairs, underlined the importance of energy cooperation between the EU and Azerbaijan during her visit to Baku, admitting that Azerbaijan's access to European markets will "give impetus to the country's European integration process."²⁷ I hope that this impetus will be applied to the entire GUAM region, since Azeri oil and gas could be transported to European markets either through Turkey (via Georgia) or Ukraine, if the Odessa-Brody pipeline is used accordingly.

The prospects for using the Ukrainian infrastructure to transport Caspian energy assets to the European markets could be hampered by the overly protracted political stalemate in Kiev, which is also hampering the appropriate functioning of GUAM as certain documents have not been yet ratified by the Ukrainian Rada.

The ongoing dispute between Ukrainian and Russian experts regarding relations in the energy area may create certain obstacles for GUAM. Experts admit that the Ukrainian side would be playing this game with a weak hand. Answering my hypothetical question about whether Ukraine would use its potential to be a leader of GUAM, one American analyst sarcastically noted: "We need to wait

²⁶ See: *Emerging Threats to Energy Security and Stability*, NATO Security through Science Series, ed. by H. McPherson, W. Duncan Wood, D. M. Robinson, London, 2004.

²⁷ *Trend*, 16 February, 2007.

until the winter comes closer, when the Ukrainian Government will think twice about whether to bargain appropriately with the Russian side or be active in GUAM.”²⁸

After discussing the public pluses above, I need to also mention some public minuses that pass through the GUAM region, although the problems of illicit trafficking are of a global nature. In this connection, the region happens to also be one of the major conduits for all kinds of illicit trafficking, particularly small arms, ammunition, narcotics, nuclear materials, and human beings, as well as an area fraught with unresolved conflicts and uncontrolled, lawless territories. But the main obstacles to sustainable development within certain GUAM territories are the so-called frozen or protracted conflicts.

If anyone wants to be serious about the sustainable development, stability, and security prospects within the GUAM region, there is no way to accomplish these goals without settling the so-called frozen, or protracted, conflicts, as certain international experts currently prefer to call them. If the world’s leading powers continue to narrowly define their interests in the region, or ignore the region altogether, there is the risk that the political reforms carried out since the collapse of communism in 1991 will be reversed and latent regional frozen conflicts will come to a head.

Despite the fact that the current conflicts in the region are currently of the low-intensity variety (Nagorno-Karabakh, Abkhazia, and South Ossetia in particular), the potential sources of escalation are numerous, especially if the policy of neglect and disinterest prevails and if the local “lunacy” becomes dominant. These conflicts weigh heavily on the local as well as the regional psyche.

These conflicts are also a macrocosm of the intertwined and interconnected hard and soft security issues, as well as of commercial and economic issues (in their legal and illegal forms) in general. Certain experts admit that three of the twelve currently existing conflicts in the world, as noted above, are in the GUAM region.

The international community and all the international organizations in particular acknowledge, in their myriad official documents and statements, that these conflicts are in fact brewing, draining resources and energy, and strengthening the existence of uncontrolled and lawless enclaves. These enclaves have become safe havens for terrorists, criminals, and all sorts of illicit trafficking and are significant breeding grounds for international terrorism.

There is one more specific and sensitive element that has just re-emerged and is closely connected with these unresolved conflicts: the current impromptu and harsh discourse and exchange among the representatives of Russia, on the one hand, and NATO and the entire European security community in general, on the other, regarding the current state of implementation of the CFE Treaty. We all recognize that the GUAM countries have run into serious problems in this connection because of the military structures of these unrecognized states in the conflict zones. Experts are still arguing about how the forces should be counted: formally, including in the quotas of Georgia, Armenia or Azerbaijan, or in a certain specific manner? I have not heard an adequate answer in this connection or, what is more important, an adequate lead on how to resolve this problem.

But what I did hear was President Putin’s recent statement concerning Russia’s prompt decision to withdraw from the CFE Treaty, considering it too out-dated and against Russia’s current security challenges and risks, specifically fighting international terrorism within Russia’s vicinity.

The reactions from the international expert community to the specifically CFE/GUAM problem have been relatively mute, as though these unresolved issues are only the concern of certain GUAM member states and should not concern anyone outside the region.

These conflicts are not frozen, and I need to admit that the U.N. and OSCE have not come up with a fully satisfactory definition. The conflicts are in fact simmering, draining the resources and

²⁸ *A Roundtable on the Situation in Ukraine*, The Wilson Center For International Scholars, The Kennan Institute, January 2007.

energy of certain GUAM countries, and perpetuating the existence of uncontrolled and lawless territories. As was noted above, these enclaves have become safe havens for terrorists, criminals, and all sorts of illicit trafficking, and happen to be breeding grounds for international terrorism.

These de-facto entities are heavily armed, criminalized, and authoritarian and have preserved, intact, the old Soviet era capacity of depots and factories for producing weapons, military equipment, and ammunition, and have the capacity for producing counterfeit currencies. With more than loose or even non-existent border controls and customs mechanisms in the GUAM region, this “strategic corridor” makes an ideal gateway to reach the most distant and secure areas in Europe, America, or even Asia.

As an illustration, I would like to introduce two concrete examples. Some time ago, as a result of two joint operations, the U.S. and Georgian law enforcement agencies arrested a network of well-organized criminals in Baltimore, including individuals from Georgia, the conflict zone in South Ossetia, and Israeli citizens, who were charged with circulating counterfeit \$100 bills in at least four American cities.

Another case that has just recently become public is connected with an attempt to smuggle enriched uranium from Russia via Georgia to unidentified customers in the Wider Black Sea Region. According to the *New York Times* (24 January, 2007), interviews with Georgian and American officials, along with a review of confidential government documents, provide a glimpse into the world of smugglers who slip across poorly policed borders. This latest uranium seizure (an earlier seizure took place in 2003), stated American Ambassador to Georgia, John F. Tefft, “highlights how smuggling and loose border control, associated with Georgia’s separatist conflicts, pose a threat” not just to Georgia, but to the entire international community. The I.A.E.A. listed more than a dozen cases of illicit trade in highly enriched uranium, along with dozens of seizures of highly radioactive material within the Wider Black Sea Region, specifically in the FSU countries, including the GUAM region, and this is evidence of how “globalized” and well-equipped these criminal organizations are.

However, should GUAM, being currently an international Organization, pay special attention only to the sensitive and delicate issues of unresolved conflicts or the fascinating and strategic energy developments—corridors, diverse and multiple routes, certain other technical innovations and devices for the uninterrupted transportation of energy assets?

I think we should always remember that all of these opportunities—corridors and routes, transportation links and access—could be used not only for development but, as I noted above, also by criminal elements. As Geoffrey Simon and Eugene Rumer from the National Defense University have noted, “along with commercial cargo from the littoral states, Black Sea traffic has included weapons, military equipment and ammunition from Cold War-era depots and factories that are still producing hardware that few of the militaries in the region need or can afford to procure.”²⁹

Experts say that a big fear among the European and Euro-Atlantic communities is insecurity, and they are convinced more than confident that they are importing insecurity from outside the Euro-Atlantic area—illegal emigration, drugs, trafficking in persons and small arms, smuggling of different nuclear assets and components, and organized crime, which breeds so efficiently and effectively, is well-elaborated, and globally spread over the networks of international terrorism.

Prosperity and security issues, as well as sovereignty and cooperation, are interconnected and interdependent. Economic prosperity is impossible without security. The GUAM member states are becoming more aware of those obvious notions, but we are talking about much more than these prob-

²⁹ E. Rumer, G. Simon, *Toward a Euro-Atlantic Strategy for the Black Sea Region*, The Institute for National Strategic Studies, The National Defense University, Washington D.C., April 2006.

lems: we have not taken concrete, practical, comprehensive, and resolute steps in this regard. A certain dilemma still exists: how to make GUAM relevant and adaptable to the new realities in world politics?

The Organization for Democracy and Economic Development—GUAM: A Road Map to Relevance?

As we noted above, the strategic and regional landscape has radically changed between the time GUAM was initiated and today. In the broadest sense, the Wider Black Sea Region, which through GUAM partially embraces the Caspian Sea Basin, can no longer be considered in isolation from the larger important dynamics emerging around us.

While the Wider Black Sea Region, including the GUAM member states, was once a road to “somewhere else,” today it is a vital crossroads in its own right and a place where things happening elsewhere intersect and impact the lives of tens of millions of people.

As we noted above, due to these changes, the GUAM region has become the European Union’s Near Abroad and the Black Sea has become the EU’s body of water. All the GUAM member states are parties to the European Neighborhood Policy (ENP), and it is obvious that, as these changes take place, interest in GUAM from the EU community, the United States, Japan, and other countries beyond that space cannot be far behind, if it is not in fact already here. On the other hand, GUAM itself needs to diversify that approach beyond its “EU allure” and try to look at the economic and commercial prospects of the emerging and already dominating Pacific markets.³⁰

It is obvious that GUAM needs to respond to this new strategic road map in ways that are appropriate to its objectives and the Charter of the Organization, keeping in mind that, upon inception, the member states envisioned (at least on paper) that this institution would become dynamic and within the context of permanent progress and readjustment. Changes and recalibration are the basic and essential elements in the daily activities of any international organization and all the basic GUAM documents that outline its operating framework are intended to serve only these critical objectives.

By all means, GUAM could have matured and developed more rapidly and dynamically into a full-fledged and respected multilateral organization with a unique and important international and regional outlook after its formal inception as an informal caucus in 1996. But still, despite all these setbacks and failures, GUAM has accumulated a certain amount of experience and institutional memory and possesses untapped potential to develop its own vision and visibility with a focus on the execution of realistic issue-oriented activities. The last GUAM summits proved this positive tendency.

However, we admit once again that GUAM could have become more visible to the outside world and raised the awareness of the international community with respect to its activities. We all

³⁰ However, it seems that, as experts admit, throughout the 1990s, the infatuation with globalization and “a time-space compression” in the virtual world entrapped many Western countries, including the GUAM member states, and led these countries to ignore the gradual and eventual transfer of the center of gravity of world politics and the global economy from the Atlantic to the Pacific. Analysts, and specifically those within GUAM, which is trying to merge the components of stability: sustainable development and security, need to keep in mind that globalization has significantly increased the importance of the maritime dimension on the commercial side (85 percent of the world trade volume and 60 percent of oil and gas travel by sea) and the emphasis in this regard should be made on maritime security, which all too often is confused with — and reduced to — maritime safety (see: T. Horn, *op. cit.*).

acknowledged a long time ago that GUAM needed a new road map and needed to be fully engaged in the dynamics of regional and world politics. The last GUAM summits have acknowledged this problem and have initiated certain steps (although at a slow pace) in that direction.

However, it appears that it is time for GUAM to focus not only on certain new declarations and documents (we have seen a lot since 1997!), but more on what it could have accomplished but failed to do for certain well-known or, as yet, unclear reasons. We need to focus mainly on how to tune and fit GUAM to these new developments and delineate the obstacles that are hampering the proper functioning of GUAM—obstacles which have accumulated since its establishment, including certain legal, institutional, and structural capacities and attributes, as well as needs which should be utilized in an appropriate manner and according to the prevailing realities and trends of contemporary world affairs.

Perhaps, even within our own GUAM family, some individuals have still been unable to see the relevance of GUAM in the economic and political development of their respective countries and preferred to be engaged in more efficient and effective bilateral frameworks. And, perhaps, some of this pessimism can be traced back to GUAM's reluctance to even discuss many sensitive issues, as happened with the idea to establish a GUAM peacekeeping force, or to take certain really resolute and practical steps (and not only declarations and statements) regarding the persistence of frozen conflicts and disputes within the GUAM region, all of which continue to damage the external perceptions of the Organization, as well as its economic prospects and investment climate.

In today's intensely competitive international environment, the concepts of "development" and "security" are intertwined and can no longer be viewed as separate subjects. Whatever the exact causes, the pessimism was tangible and real. Perhaps that has forced certain people to think, even within GUAM, more seriously about alternative structures and institutions to enhance stability and encourage economic growth.

But there has also been, in my view, a psychological and existential change in how many external actors and observers perceive GUAM as an organization where many issues of mutual interest must be dealt with regionally as well as on a national, bilateral level.

GUAM has an unique opportunity (at least according to its Charter and the decisions of its last summits) to unite the issues of security and sustainable development, which certain regional forums, as the Black Sea Economic Cooperation Organization (BSECO) for example, are reluctant or refuse to do. If GUAM is successful and resolute in this regard, this, in turn, will translate directly and specifically into jobs and lots of opportunities for the people of the GUAM nations and far beyond.

Good politics make good economics, and vice versa, while political stalemate invites economic stagnation.

But how can GUAM contribute? What is appropriate and possible? How can GUAM best leverage its position, potential, and certain modest expertise in a way that significantly advances the Organization's mission without making it unmanageable or embroiling it in intractable political disputes?

We posed these questions above, but we did not find adequate answers. However, there are some ready patterns and models throughout the world that are based on three pillars: sustainable development, security, and good governance (i.e., transparent democratic institutions appropriate to the circumstances, traditions, and cultures of individual states).

In order to resolve these sensitive issues and accomplish GUAM's objectives, we need to find internal resources to redefine and recharge the Organization, reassess its potential, reformulate and reformat its agenda and goals, tuning them, as I mentioned earlier, to the new strategic realities within GUAM and beyond. If GUAM is to adjust and adapt to the changing political landscape, live up to its potential, implement appropriate structural and personnel changes, and engage other international

institutions and bodies in this process, GUAM will, at the very outset, need to reinvent itself once again.

Even as globalization takes root in the region and begins to affect the daily lives of our populations, a countervailing force of unilateralism has emerged. That is perhaps understandable as each of our member states grapples with its relations with the rest of Europe and the wider world. But unilateralism should not prevent the member states from exploiting intra-regional opportunities or benefiting from greater cooperation.

We need to broaden GUAM's vision and focus on areas where it can provide real and tangible results for our populations. As important as they are, and as noted above, we must not let existing practices and legal frameworks hamper GUAM's ability to respond to the changing circumstances or to undermine our ability to implement the positive and inspiring principles upon which GUAM was initially and ultimately based.

It seems to me that the developments within GUAM are often too much in the hands of "experts." But most of those "experts" have never built a business enterprise or met a payroll, for example. Investment bankers are often seen as the storm troopers of globalization. One idea which I would like to share with you on how to recharge our activities (and make them open to the outside world) would be to second, for example, EU-based investment bankers for say three-to-six-month periods to particular regions of individual GUAM member states. There they could evaluate the opportunities for creating businesses with the potential of forming niches on the markets in Europe and report back about their observations and reflections to GUAM's superior bodies.

GUAM needs to use its regional outlook to foster what could be called a high-level globalization "early warning system" and communicate its views as widely as possible. The only limit to our ability to innovate and re-energize the activities of GUAM should be our intellectual capacity, transparent and honest interpretation of our rules, and procedures and interaction to seek sound compromise.

But these goals can be accomplished only with increased political will and the interest of the governments of the GUAM member states in our Organization. Only the member states are able and have the capacity to implement them. An urgent priority is to demonstrate to all the GUAM governments that GUAM is a vital and viable Organization and one that is relevant to their ultimate goals and ambitions.

To progress and move ahead, the Organization needs funding which, by the way, could come from different financial institutions and donors, but only if GUAM itself is reformed and innovated and creates accountable and transparent mechanisms for executing the new programs and initiatives.

We need to demonstrate more creativity and innovation. Areas such as using GUAM's rich legacy and diversity of cultural heritage as a tool of economic change and development must be assessed and acted upon in a timely manner.

We must always remember that GUAM was founded as an Organization to serve the people of our member states through the creation of regional and sub-regional business networks, helping both SMEs and larger enterprises to enhance their efficiency and implement this capacity in our region, thus strengthening the security equation of the GUAM member states.

Advances in the rule of law and good governance would be irreversible guarantees for sustainable economic development within the GUAM region. We have sufficient means and expertise to do this. But we need to remember an elementary point: all of these foreign-made and naturally good ideas, prospects, patterns, and concepts on how to make the GUAM nations prosperous, secure, and stable will recede into the background, or will just become just insignificant, if the member states do not go resolutely through the painful and tumultuous capacity/state- and democracy-building process on a parallel track as opposed to one coming before or after the other, as we are witnessing in almost all the GUAM countries. Although it is also obvious that while building democracy in the GUAM coun-

tries (as anywhere else) certain local traditions, psychologies, and habits need to be taken into account.

If things do not happen this way and if the development of **democracy** is not liberal and **secure**, we may witness the re-emergence of certain habits of “**demokratura**,” the so-called inner circle of “**democratocracy**,” where those closest to the source of power do what they please in the name of and for the sake of that pattern of democracy they created according to their own experience, knowledge, or imagination. We are, to be honest and blunt, already witnessing certain trends of this kind within the GUAM region.

Who will take this burden of moving GUAM ahead and making it relevant?

Ukraine—the largest and the most economically developed and security-wise country?

Can Azerbaijan contribute with its vast energy resources and obvious potential and prospects for dynamic economic development?

Or Georgia and Moldova, which, according to certain experts, have accumulated significant experience of democratic and reformist transformation?

I think that the best results on this fascinatingly interesting reformist journey will be accomplished through joint and collective efforts of all the GUAM member states. Only these joint and concerted efforts will make GUAM a relevant organization.

We all need to jointly overcome certain old Soviet habits, such as inter-elite ties, similar bureaucratic and business cultures, plus the multiplicity of economic linkages and dependencies on certain regional countries (specifically in the energy sector), that may limit our sovereignty and our capacity to exercise independence—which our Russian colleagues call “samostoyatel’nost.” We can be an independent country—which we currently are—but not yet fully “samostoytel’ni,” by standing firmly on our own two feet and making our own sovereign decisions.

GUAM is going through crunch time and I am more than confident that it will come out of this tumultuous transformation strong, resolute, and productive.