

## GEOPOLITICS AND SECURITY

### THE OBAMA ADMINISTRATION'S RUSSIA "RESET" POLICY AND THE SOUTHERN CAUCASUS

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#### ABSTRACT

**T**his article reviews the key priorities of President Obama's "reset" policy with Russia. The author analyzes the impact of the "reset" on the Southern Caucasus. He emphasizes the region's strategic importance for U.S. policy toward both the Greater Middle East and the post-Soviet space. The author discusses the failure of

the "Russia reset" to improve America's interests, particularly in the Southern Caucasus. He also evaluates the Putin doctrine priorities and the implications of the Crimean crisis. The author calls for new U.S. initiatives to enforce peace, international borders, and America's strategic interests in the Southern Caucasus and Central Asia.

**KEYWORDS:** *President Obama's "reset" policy, Russia, the Southern Caucasus, Central Asia, Azerbaijan, the Contract of the Century, the Eurasian Union.*

## *Introduction*

Since the collapse of the U.S.S.R., the Southern Caucasus has been an arena for the power struggle between the West and Russia. The Southern Caucasus is acquiring greater importance due to its geostrategic location and access to the Caspian's energy resources. Geographically, the region is a land bridge between the Black and Caspian Seas. Its proximity to the Middle East increases the Southern Caucasus' importance for America's Middle East policy. The Southern Caucasus is also a sensitive region of the former Soviet space. The huge energy resources of the Caspian increase the Southern Caucasus' role for Europe's energy security.

## **Immediate Post-Soviet Period**

It is a well-known fact that the Southern Caucasus has always been in the focus of U.S. foreign policy toward the U.S.S.R. However, the first high level contacts with the leaders of all three Southern Caucasus states since the Soviet Union's disintegration took place during Secretary of State James Baker III's historical trip to Azerbaijan, Armenia, and Central Asia on 12 February, 1992 and to Georgia on 26 May, 1992. This trip occurred shortly after the dissolution of the U.S.S.R. in December 1991. The visit indicated that the South Caucasian states are of strategic importance for America's interests in the post-Soviet space. It also generated a clear message that the United States has strong intentions to launch active diplomacy regarding all three newly independent countries of the Southern Caucasus without discrimination. So, despite the strong opposition of the Armenian-American diaspora, the United States opened its embassy in Baku, Azerbaijan, without delay in March 1992.

Immediately after the breakup of the Soviet Union, the newly independent states of the Southern Caucasus had an unbalanced influence on Capitol Hill. Unlike Armenia, Azerbaijan and Georgia did not have influential diasporas or bold political experience at the time to deal with the U.S. Congress and Administration. However, thanks to its powerful diaspora, Armenia had a more advanced position in the United States. And Armenia widely explored the diaspora's network to shift America's policy toward a more pro-Armenian stance in the Southern Caucasus.

In fact, Congress excluded Azerbaijan from receiving U.S. government assistance under Section 907 of the 1992 Freedom Support Act (FSA). Despite the strong opposition of the George H.W. Bush administration, the language of Section 907 of FSA prohibited U.S. government-to-government assistance to Azerbaijan. Capitalizing on the temporary advantages, the Armenian-America diaspora tried to place Armenia in the center of America's regional policy, while pushing Armenia to be a key promoter of American interests in the Southern Caucasus. Strong efforts have also been launched to gain U.S. support for Armenia's position in the conflict with Azerbaijan over Nagorno-Karabakh. However, as further political events proved, the diaspora miscalculated or overestimated Armenia's power to promote U.S. interests in the region. Later, both the diaspora's and Armenia's goals began to contradict America's strategic interests in the Southern Caucasus and the Caspian Basin.

## **Azerbaijan's Contract of the Century and America's Regional Engagement**

On 20 September, 1994, Azerbaijan signed a production sharing contract or Contract of the Century with a consortium of international oil companies (British and American oil giants) to exploit

oil in the Azerbaijani sector of the Caspian Sea. The discovery of the Azeri, Chirag, and Gunashli oil reserves in the Azerbaijani sector of the Caspian has significantly energized U.S. policy and diplomacy to transform the region into an important source of non-Middle Eastern energy. The huge Azeri oil and gas reserves have raised the issue of energy transportation routes to bypass Russia. In this light, some experts emphasized three main drivers of U.S. foreign policy at that time: the role of energy production to strengthen the sovereignty of the South Caucasian nations; U.S. corporate interests; and the role of Caspian energy resources for global energy security.<sup>1</sup>

No doubt the decision of late Azerbaijani President Heydar Aliev to bring American and British oil giants into South Caucasian/Caspian affairs was a successful step in his strategy to find a delicate balance to enforce Azerbaijan's security and promote U.S. interests. He and President Shevardnadze of Georgia also attempted to bring Azerbaijan and Georgia into the focus of U.S. policy, while counterbalancing Russia's influence.

Since the Soviet disintegration, Azerbaijan has tried to strengthen its national independence and security, as well as liberate the territories occupied by Armenia. Azerbaijan needed to contain strong pressure from both Iran and Russia, the latter of which has been providing Azerbaijan's regional rival—Armenia with large-scale assistance. In an attempt to stabilize and strengthen Azerbaijan's independence, late Azerbaijani President Heydar Aliev oriented the country's foreign policy toward the West and Israel. Thus the Contract of the Century was President Heydar Aliev's strategic step to anchor Azerbaijan to the West.

Undoubtedly, the Contract has changed the region's political landscape. The Contract confirmed Azerbaijan's strategic characteristics to promote U.S. interests in the region. The Contract also became a long-term tool for projecting U.S. power deep into Central Asia. So the Contract opened the "gates" for the West's direct engagement in South Caucasian and Caspian Basin affairs. The Contract sent a clear message to Russia: the West is back. After the British withdrawal from Baku in August 1919, which put an end to the West's presence in the Southern Caucasus, the West is now back as a strong and influential actor.

Indeed, the United States and the EU, as well as Turkey and Israel, have started to play an increasing role in South Caucasian affairs, which traditionally have been orchestrated by Iran and Russia. The Clinton Administration launched and the Bush Administration expanded a package of long-term programs (Partnership for Peace, the Silk Road Strategy Act, and later the Caspian Watch and the EU's Eastern Partnership) oriented toward strengthening the West's presence and minimizing both Iranian and Russian influence.

After the tragic events of 11 September, the United States significantly expanded political, military, and security cooperation with the South Caucasian countries, which were enlisted by the United States in its war on terror. All three countries agreed to allow passage through their airspace. On 16 December, 2001, U.S. Defense Secretary Donald Rumsfeld visited all three capitals of the South Caucasian countries to consolidate U.S. military ties with this vital region. In Baku, Rumsfeld also announced that "the United States Congress appears within days of waiving sanctions imposed in 1992 under the Freedom Support Act."<sup>2</sup> By early 2002, the U.S. started a train-and-equip program for the Georgian military. There were also some indications that the U.S. Defense Department intended to establish a military presence in Azerbaijan. In December 2003, at a meeting with Azerbai-

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<sup>1</sup> See: S. Cornell, "U.S. Engagement in the South Caucasus: Changing Gears," *Helsinki Monitor*, No. 2, 2005, available at [[http://www.silkroadstudies.org/new/inside/publications/0506\\_hmonitor.pdf](http://www.silkroadstudies.org/new/inside/publications/0506_hmonitor.pdf)].

<sup>2</sup> Th. Shanker, "A Nation Challenged: The Allies; Rumsfeld to Visit Troops Stationed in Afghanistan," *The New York Times*, 16 December, 2001, available at [<http://www.nytimes.com/2001/12/16/world/a-nation-challenged-the-allies-rumsfeld-to-visit-troops-stationed-in-afghanistan.html>].

jani President Ilham Aliev, Donald Rumsfeld expressed an interest in establishing a U.S. air base on the Absheron peninsula.<sup>3</sup> But Azerbaijan rejected this option so as not to anger Iran and Russia.

Within a couple of years, Azerbaijan and Georgia started to rank amongst NATO's most reliable and committed partners involved in providing support for the International Security Assistance Force (ISAF) in Afghanistan. The United States has also realized that Azerbaijan and Georgia, unlike Armenia, are critical countries for promoting America's interests in the region and beyond. In this context, the Baku-Tbilisi-Ceyhan (BTC), the main export pipeline for pumping Caspian oil to the world markets via Georgia, was the next strategic step involving Azerbaijan and Georgia to strengthen America's influence. The BTC also enforced the Contract of the Century strategy: to engage the West, while counterbalancing Russia's influence.

Meanwhile, the huge and long-term international projects to pump and transport Caspian energy without passing through Russia have shifted America's policy toward the region. The Southern Caucasus has become an increasingly important component of U.S. foreign policy. Azerbaijan and Georgia both aligned themselves with the United States and sought integration into the Euro-Atlantic structures, while Armenia strengthened its ties with Moscow. So the United States placed Azerbaijan and Georgia in the focus of its regional policy and increased direct assistance to Baku and Tbilisi.<sup>4</sup> Finally, the large energy projects helped Washington to gain strategic momentum in the Caspian Basin, which greatly angered Moscow.

Since the BTC started operating in 2005, Russia has realized that the United States is rapidly increasing its operational abilities to limit Russia's influence. Moscow has come to understand that Washington is becoming a powerful actor that seriously jeopardizes Moscow's interests in this sensitive part of the world.

## Russia's Response: The War with Georgia

Azerbaijan's Contract of the Century undoubtedly accelerated American economic and political penetration. Washington became a key player, which was directly engaged in the intense and complex affairs in the Southern Caucasus and Caspian Basin. This gave the United States considerable momentum to expand its influence in the region and beyond, which aroused serious concern in Moscow and Tehran because it meant inevitable erosion of Russia's and Iran's historical dominance.<sup>5</sup>

Indeed, Russia reacted painfully to America's rapid "advance" into a region that Moscow decision-makers traditionally considered part of Russia's backyard. Some scholars noted: "...to counter this development, one of Russia's tactics is to slow down Western advances..."<sup>6</sup> In this context, the Russo-Georgian war of 2008 possibly originates from this tactics. Sources confirm that the plan for Georgia was prepared by the Russia's Armed Forces General Staff as early as the end of 2006-beginning of 2007<sup>7</sup>; that was quite soon after the BTC started to operate in 2005. Moscow's goals were clear: stop Russia's retreat; reverse strategic momentum; and ensure protection of Russia's interests.

<sup>3</sup> See: B. Graham, "Rumsfeld Discusses Tighter Ties with Azerbaijan," *Washington Post*, 4 December, 2003.

<sup>4</sup> See: "U.S. Assistance to Europe and Eurasia: Fact Sheets and Remarks," U.S. Department of State, available at [<http://www.state.gov/p/eur/ace/c11609.htm>].

<sup>5</sup> See: M. Khalifa-zadeh, "Iran and the Southern Caucasus: A Struggle for Influence," *Central Asia and the Caucasus*, Vol. 12, Issue 1, 2011, pp. 51-62, available at [<http://www.ca-c.org/journal/2011-01-eng/05.shtml>].

<sup>6</sup> M. de Haas, "Current Geostrategy in the South Caucasus," *Eurasianet.org*, 6 January, 2007, available at [<http://www.eurasianet.org/departments/insight/articles/pp010707.shtml>].

<sup>7</sup> See: "Russian Generals Accuse Medvedev of Hesitation in Russia-Georgia War," *Radio Free Europe, Radio Liberty*, 8 August, 2012, available at [<http://www.rferl.org/content/putin-says-russia-had-plans-for-georgian-aggression-in-late-2006/24670673.html>].

Unfortunately, former Georgian President Saakashvili's miscalculations gave Russia an opportunity to strengthen Moscow's security posture in the region. Moreover, the war with Georgia provided a brilliant opportunity for Russia to shift the region's balance of power and regain strategic momentum to enforce Moscow's influence in its immediate neighborhood. Russia has demonstrated to the global and regional powers that the Southern Caucasus (like the whole of the CIS) is Russia's Near Abroad and Moscow has exclusive rights to use force and manage the situation in accordance with its strategic interests.

As a result, Georgia and Ukraine's movement toward NATO membership has been removed from the agenda. And two parts of Georgia, South Ossetia and Abkhazia, have been recognized by Russia as independent states. Some scholars indicated: "Western actors have in practice been forced to recognize Russia's military dominance in the region and act only in areas approved by Russia and within the limits set by Russia."<sup>8</sup>

It can be said that the Georgia war was a message to the West: Russia is reviving its old imperial ambitions, and the Russian military once again is a working tool in Moscow's strategic calculations. "As the Russia-Georgia conflict demonstrates, military force has become a major factor in Russian foreign policy."<sup>9</sup> Moreover, Russia's rapid advance deep into Georgia also confirms that Russia can reach both capitals Baku and Tbilisi (key U.S. partners) easily; and there is no power to stop Russia's forces. So the war has demonstrated that the Western companies' oil and pipeline infrastructures in the Caspian could be under threat and the West has no effective tools to stop Russia's military.

As further political development indicates, the Russo-Georgian war became a turning point in Russia's foreign and security policy toward the former Soviet republics. There are many indications that the Kremlin has adopted a new strategy: to expand Russia's military presence in the Near Abroad in order to increase Moscow's power to keep the former Soviet republics in Russia's orbit. Moscow has launched a double-track policy: to intensify a military buildup in Russia's immediate neighborhood and to pressure neighboring countries into joining the Moscow-dominated Eurasian Union, which is due to start operating in 2015. In parallel, Russia is pushing the Collective Security Treaty Organization (CSTO), a Russia-dominated post-Soviet security block.

In fact, in 2009, soon after the Georgia war, Russia pressured Kyrgyzstan to close the U.S. military air base in Manas.<sup>10</sup> A year later, Russia extended the lease of the military base in Armenia through 2044<sup>11</sup> and offered large amounts of military hardware to Kyrgyzstan and Tajikistan, two Central Asian countries that also host Russian military bases.<sup>12</sup> Earlier, Russia signed a deal with Kyrgyzstan to allow Moscow to keep a military base in the country until 2032.<sup>13</sup> Russia also signed a \$4 billion military deal with Azerbaijan in 2010<sup>14</sup> and negotiated plans to open a military air base

<sup>8</sup> K. Strachota, cooperation with W. Gorecki, *The Southern Caucasus and Central Asia after the Russian-Georgian War*, 24 September, 2008, Center for Eastern Studies, Poland, available at [<http://www.isn.ethz.ch/Digital-Library/Publications/Detail/?ots591=0c54e3b3-1e9c-be1e-2c24-a6a8c7060233&lng=en&id=92868>].

<sup>9</sup> M. Tsereteli, *The Impact of the Russo-Georgia War on the South Caucasus Transportation Corridor*, The Jamestown Foundation, Washington D.C., 2009, available at [[http://www.jamestown.org/uploads/media/Full\\_Mamuka\\_RussiaGeorgia.pdf](http://www.jamestown.org/uploads/media/Full_Mamuka_RussiaGeorgia.pdf)].

<sup>10</sup> See: L. Harding, "Kyrgyzstan to Close Key US Military Airbase," *The Guardian*, 4 February, 2009, available at [<http://www.theguardian.com/world/2009/feb/04/kyrgyzstan-us-base-afghanistan>].

<sup>11</sup> See: "Russia Extends Military Base in Armenia through 2044," *RIA Novosti*, 20 August, 2010, available at [[http://en.ria.ru/military\\_news/20100820/160276128.html](http://en.ria.ru/military_news/20100820/160276128.html)].

<sup>12</sup> See: F. Mashrab, "Russian Arms Nudge Central Asia to Edge," *Asia Times*, 8 January, 2014, available at [[http://www.atimes.com/atimes/Central\\_Asia/CEN-01-080114.html](http://www.atimes.com/atimes/Central_Asia/CEN-01-080114.html)].

<sup>13</sup> See: "Russia To Keep Kyrgyzstan Military Base, Forgive Debt," *Defense News*, 20 September, 2012, available at [<http://www.defensenews.com/article/20120920/DEFREG03/309200007/>].

<sup>14</sup> See: Z. Agayev, "Azeri-Russian Arms Trade \$4 Billion amid Tension with Armenia," *Bloomberg News*, USA, 13 August, 2013, available at [<http://www.bloomberg.com/news/2013-08-13/azeri-russian-arms-trade-4-billion-amid-tension-with-armenia.html>].

in Belarus until 2015.<sup>15</sup> Russia increased its military personnel to 5,000 servicemen and added combat helicopters to the fighter unit in Armenia.<sup>16</sup>

The Russo-Georgian war of 2008 was undoubtedly a milestone development in the post-Soviet space. Russia enforced its dominance in the Near Abroad and increased its efforts to launch the Moscow-dominated Eurasian Union. But the United States was shocked and pushed to adopt a new strategy.

## America's Response: "Reset" with Russia

When President Obama took office in 2009, he immediately announced a new foreign policy strategy regarding Russia: resetting relations. Relations between the United States and post-Soviet Russia were so bad at the time that some observers characterized them as a new Cold War.<sup>17</sup>

However, attempts to improve relations with Russia are not unique to the Obama administration. As Paul J. Sanders, Executive Director of the Nixon Center, believes, "...efforts made by previous two administrations included resets that ultimately failed to live up to expectations."<sup>18</sup> But Dr. James M. Goldgeier of Hoover Institution emphasized that the origin of America's Russia "reset" policy has roots that run deep into the Clinton-Yeltsin period.<sup>19</sup>

Meanwhile, in 2009, the "reset" policy was prompted by the serious disagreements between Washington and Moscow regarding the Europe-based missile-defense system, Iran's nuclear program, post-Soviet policy, NATO's eastward expansion, the Georgian war of 2008, and other issues. In this context, it is thought that the Russo-Georgian war of 2008 was a crucial factor on the Southern Caucasus "frontline" of opposition between the United States and Russia, which pushed Obama's administration to reset relations with Russia. Political analysts even emphasized that the war in Georgia was a proxy American-Russian war for the Georgian forces supplied and trained by Washington.

It is necessary to note that the Obama administration considered the "reset" an essential step toward improving relations and overcoming distrust. The goal was to replace conflicts with cooperation or "selective cooperation" on issues that were top U.S. priorities. Some commentators, like specialists on Russia Thomas E. Graham of Kissinger Associates and Peter Baker of *The New York Times*, believed that Obama's "reset" was a "new partnership."<sup>20</sup>

In fact, both President Obama and Russian President Medvedev considered their personal friendship evidence of the reset's success. At the 2010 APEC summit in Japan's Yokohama, during

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<sup>15</sup> See: "Russia Sends First Fighter Jets to Belarus Base," *RIA Novosti*, 9 December, 2013, available at [[http://en.ria.ru/military\\_news/20131209/185396200/Russia-Sends-First-Fighter-Jets-to-Belarus-Base.html](http://en.ria.ru/military_news/20131209/185396200/Russia-Sends-First-Fighter-Jets-to-Belarus-Base.html)].

<sup>16</sup> See: "Russia to Deploy Combat Helicopters at Armenian Base," *RIA Novosti*, 18 October, 2013, available at [[http://en.ria.ru/military\\_news/20131018/184232826/Russia-to-Deploy-Combat-Helicopters-at-Armenian-Base.html](http://en.ria.ru/military_news/20131018/184232826/Russia-to-Deploy-Combat-Helicopters-at-Armenian-Base.html)].

<sup>17</sup> See: St.F. Cohen, "The New American Cold War," *The Nation*, 10 July, 2010, available at [<http://www.thenation.com/article/new-american-cold-war>].

<sup>18</sup> P. J. Sanders, Executive Director of The Nixon Center and Associate Publisher of *The National Interest*, "The U.S.-Russia Reset: Status and Prospects," Lecture at Kennan Institute, Wilson Center, 10 January, 2011, available at [<http://www.wilsoncenter.org/event/the-us-russia-reset-status-and-prospects>].

<sup>19</sup> See: J.M. Goldgeier, "A Realistic Reset with Russia," *Policy Review*, No. 156, Hoover Institution, 3 August, 2009, available at [<http://www.hoover.org/publications/policy-review/article/5474>].

<sup>20</sup> St.F. Cohen, "Obama's Russia 'Reset': Another Lost Opportunity?" *The Nation*, 20 June, 2011, available at [<http://www.thenation.com/article/161063/obamas-russia-reset-another-lost-opportunity#>].



an informal meeting with Russian President Medvedev to discuss a wide range of bilateral and global issues, President Obama made statements such as “my friend Dmitri” and “an excellent partner,” whereas President Medvedev replied with “very pleasant for me” and “we understand each other very well.”<sup>21</sup> So within the “reset” policy, as scholars believe, the United States was able to gain Moscow’s cooperation on some U.S. priorities, such as the war in Afghanistan, Iran’s nuclear-weapons aspirations, the New START, and nuclear proliferation.<sup>22</sup>

## Doubts about Obama’s “Reset” with Russia

At the same time, political analysts on both sides of the Atlantic expressed serious doubts about President Obama’s success in improving Russia-United States relations. Some of them accused President Obama’s reset of being “capitulation” and a “dangerous bargain,” a policy of “seeing no evil.”<sup>23</sup> They directly criticized the Obama administration for its wrong approach or even possibly a “grand bargain” between the United States and Russia as part of the administration’s reset efforts with Russia.<sup>24</sup>

David J. Kramer, former deputy assistant secretary of state for European and Eurasian affairs in the George W. Bush administration, stated in the *Washington Post*: “...the administration would pursue a ‘Russia first’ policy at the expense of Russia’s neighbors. The problem, it appears, is actually worse: the administration seems to have moved toward a ‘Russia only’ approach, neglecting and even abandoning other countries in the region.”<sup>25</sup>

Dr. Ariel Cohen from the Washington D.C.-based Heritage Foundation believed that a “Russia first” approach seriously damaged U.S. interests. He strongly argued that Obama’s “reset” failed to improve bilateral relations and conceded too much to Russia at the expense of American interests. He stated: “...the Kremlin is exploiting Obama’s ‘see no evil’ approach in Russia’s expansion into the former Soviet space and cooperation with anti-Western regimes... The Obama administration’s Russia policy will inevitably produce a massive loss of American influence in Eurasia and jeopardize the security of the U.S. and its friends and allies east of the Oder.”<sup>26</sup>

## The Putin Doctrine and Its Practice in the Region

There is a well-known statement by President Putin of Russia that the breakup of the U.S.S.R. was “the biggest geopolitical catastrophe of the century.” Since his election in 2000, President Putin

<sup>21</sup> St.F. Cohen, op. cit.

<sup>22</sup> See: Sh.G. Stolberg, “Obama Calls Arms Treaty a Priority,” *The New York Times*, 13 November, 2010 available at [<http://www.nytimes.com/2010/11/14/world/europe/14dipl.html>].?ref=us].

<sup>23</sup> See: F. Gaffney, Jr., “‘Reset’ Translates as ‘Capitulation,’” Center for Security Policy, 17 September, 2009, available at [<http://www.centerforsecuritypolicy.org/2009/09/17/reset-translates-as-capitulation-2/>].

<sup>24</sup> M. Aristova, “US-Russia Relations of Reset: Results and Perspectives,” Research Institute of European and American Studies (RIEAS), 2 November, 2013, available at [<http://www.rieas.gr/research-areas/global-issues/russian-studies/2048-us-russia-relations-of-reset-results-and-perspectives.html>].

<sup>25</sup> D.J. Kramer, “U.S. Abandoning Russia’s Neighbors,” *The Washington Post*, 15 May, 2010, available at [<http://www.washingtonpost.com/wp-dyn/content/article/2010/05/14/AR2010051404496.html>].

<sup>26</sup> A. Cohen, “Time to Revise Obama’s Russian ‘Reset’ Policy,” *WebMemo*, No. 3042, 26 October, 2010, The Heritage Foundation, available at [<http://www.heritage.org/research/reports/2010/10/time-to-revise-obamas-russian-reset-policy>].

has been trying to recover Russia's political and geostrategic assets lost by the U.S.S.R. in 1991. President Putin seeks to renew Russia's status and influence in both regional and global politics and make the Russian Federation a great power again. He is increasing Russia's military budget and trying to frustrate and foil U.S. initiatives which, as he believes, can seriously damage Russian interests. He is also expanding relations with countries that share anti-American policies and is trying to exploit diplomatic friction between the U.S. and its allies. President Putin's attempt to restore Russia's sphere of influence and regain its superpower status, as some analysts argue, is Russia's new foreign policy concept or the Putin Doctrine.<sup>27</sup>

The first component of Putin's foreign policy consensus, as Leon Aron stated in *Foreign Affairs*, is to maintain Russia as a nuclear superpower.<sup>28</sup> The second pillar is to export nuclear technologies and thus enhance Russia's position as a global power. The third is to recover Russia's close relations with former Soviet clients in the Middle East. Next is to ensure Russia's regional hegemony in the Near Abroad and "...to strive for the political, economic, military, and cultural reintegration of the former Soviet bloc under Russian leadership." Regarding Russia's efforts to strengthen the Kremlin's position in the Near Abroad, Leon Aron also emphasized: "Under the Putin Doctrine, the pursuit of regional hegemony has acquired a new dimension: an attempt at the 'Finlandization' of the post-Soviet states, harkening back to the Soviet Union's control over Finland's foreign policy during the Cold War. In such an arrangement, Moscow would allow its neighbors to choose their own domestic political and economic systems but maintain final say over their external orientation. Accordingly, Moscow has taken an especially hard line against former Soviet republics that have sought to reorient their foreign policy."<sup>29</sup>

In fact, under direct pressure from Moscow, Ukraine's President Yanukovich did not sign a political association and free trade pact with the European Union, which was scheduled to take place at the Eastern Partnership Summit on 28-29 November, 2013 in Vilnius, Lithuania.<sup>30</sup> Armenia was forced to abandon the process to sign a free trade agreement with the European Union as well.<sup>31</sup> Russia also pressured Armenia into joining the Russia-led Customs Union of Belarus, Russia, Kazakhstan, and Kyrgyzstan, which is set to transform into the Eurasian Union by 2015.<sup>32</sup>

Meanwhile, Russia is strengthening the Collective Security Treaty Organization of Russia, Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Tajikistan and increasing its military presence in these countries, apart from Kazakhstan. It can be emphasized that the unchallenged Russian military superiority in Russia's Near Abroad is a crucial element of the Putin doctrine to keep former Soviet republics under Moscow's control and stop NATO's eastward expansion. Russia is using its military installations as a tool to force the West not to deploy U.S./NATO troops or troops of any NATO member country in the Russia's immediate neighborhood.

In this light, Russia's military base in Armenia is transforming this country into a so-called Russian "fortress" to ensure Russia's regional dominance and prevent NATO's deployments in the Southern Caucasus, which is of geostrategic importance for the Greater Middle East and Central Asia. The base,

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<sup>27</sup> See: I. Saltzman, "The Putin Doctrine," *Los Angeles Time*, 12 September, 2013, available at [<http://articles.latimes.com/2013/sep/12/opinion/la-oe-saltzman-syria-putin-doctrine-20130912>].

<sup>28</sup> See: L. Aron, "The Putin Doctrine: Russia's Quest to Rebuild the Soviet State," *Foreign Affairs*, 8 March, 2013, available at [<http://www.foreignaffairs.com/articles/139049/leon-aron/the-putin-doctrine>].

<sup>29</sup> Ibidem.

<sup>30</sup> See: N. Buckley, R. Olearchyk, "Ukraine Refuses to Sign Up to Europe Deal," *Financial Times*, 29 November, 2013, available at [<http://www.ft.com/cms/s/0/2a1380b2-58de-11e3-9798-00144feabdc0.html>].#axzz2zj0nOWdC].

<sup>31</sup> See: "EU Loses Armenia to Russia's Customs Union," *EurActive.com*, 4 September, 2013, available at [<http://www.euractiv.com/europes-east/eu-loses-armenia-russia-customs-news-530224>].

<sup>32</sup> See: "Armenia Signs Customs Union Roadmap, Kyrgyzstan Needs More Talks," *Russia Today*, 24 December, 2013, available at [<http://rt.com/business/kyrgyzstan-armenia-customs-union-749/>].



thanks to newly deployed Fulcrum fighter jets<sup>33</sup> and attack helicopters,<sup>34</sup> has all strategic characteristics to become a key military installation in the region to project Russia's military power as far as the Persian Gulf and deep into the Middle East. In this context, Russia is not interested in a Turkish-Armenian rapprochement. If this occurs, it will no doubt undermine the need to retain the base in Armenia.

Moreover, in the light of Russia's recent annexation of the Crimea (Ukraine), the Russian military base in Armenia is a real threat to Azerbaijan's and Georgia's independence. In 2008, as the Russo-Georgia war started, Georgian President Saakashvili was seriously concerned about a possible invasion by Russian troops from Russia's military base in Armenia. Russia is putting pressure on Azerbaijan and Georgia due to their pro-Western foreign policy. Russia demands a corridor for its military base in Armenia through Georgia. Recently, Russia announced plans to expand its military presence in Abkhazia. Russia is also pushing Tbilisi to accept the new reality and recognize South Ossetia's and Abkhazia's independence as a precondition to restore the diplomatic ties broken off after the 2008 war. In this way, Russia is trying to kill Georgia's NATO and EU ambitions.

In Azerbaijan, Russia is keeping the Nagorno-Karabakh conflict "frozen" and holds the key to unfreeze the conflict at any moment. Russia is prolonging the conflict and retaining Azeri-Armenian hostility as an effective tool for manipulating both Baku and Erevan to secure Russia's interests and dominance in the Southern Caucasus. Some Russian political analysts do not exclude further cases of territorial "revisions" of both Azerbaijan and Georgia if they escape from Russia's orbit.

In addition, Russia is increasing its efforts to consolidate its influence in the Caspian basin. On 22 April, 2014, during a meeting of the foreign ministers of Caspian Sea littoral states—Iran, Russia, Kazakhstan, Azerbaijan, and Turkmenistan—in Moscow, Russia, along with Iran, cautioned against the military presence of any non-littoral states in the Caspian Sea.<sup>35</sup>

## *Conclusions:*

### **Crimea Crisis: The End of the "Reset?"**

Despite sound criticism of the Obama administration's Russia "reset" policy, the key goal of the "reset"—to replace conflicts with cooperation—was a correct and strategic goal to try to restore relations with post-Soviet Russia. Within the "reset," the United States has gained Russia's support on some key priorities of American foreign policy like Iran and Afghanistan. However, the United States canceled planned deployment of missile interceptors and radar in Poland and the Czech Republic. The United States postponed offering Georgia and Ukraine a NATO Membership Action Plan (MAP). Later, Washington started sending signals to Tbilisi to improve relations with Moscow, which were seriously damaged after the Russo-Georgian war of 2008.

Meanwhile, there are some indications that the Russian political elite interpreted President Obama's "reset" policy as a sign of American weakness.<sup>36</sup> The decade-long American wars in Iraq and Afghanistan have fully exhausted the U.S. military machine and pushed the Pentagon to abandon

<sup>33</sup> See: "Russia Reinforces Armenian Base with Overhauled MiG-29 Fighter Jets," *RIA Novosti*, 4 March, 2014, available at [[http://en.ria.ru/military\\_news/20140305/188092268/Russia-Reinforces-Armenian-Base-With-Overhauled-MiG-29-Fighter.html](http://en.ria.ru/military_news/20140305/188092268/Russia-Reinforces-Armenian-Base-With-Overhauled-MiG-29-Fighter.html)].

<sup>34</sup> See: "Russia Forms Helicopter Squadron for Armenian Base," *RIA Novosti*, 17 January, 2014, available at [[http://en.ria.ru/military\\_news/20140117/186629314.html](http://en.ria.ru/military_news/20140117/186629314.html)].

<sup>35</sup> See: "Caspian States Agree to Prevent Foreign Presence: Iran FM," *PressTv*, Iran, 23 April, 2014, available at [<http://www.presstv.ir/detail/2014/04/23/359731/no-foreign-presence-in-caspian-sea/>].

<sup>36</sup> See: L. Shevtsova, "A Second Act for U.S. Foreign Policy," *The American Interest*, 8 April, 2014, available at [<http://www.the-american-interest.com/articles/2014/04/08/a-second-act-for-u-s-foreign-policy/>].

the two-war doctrine requesting America's military to fight two simultaneous conventional wars.<sup>37</sup> The Pentagon's move to reject the concept of winning two wars has generated serious speculations that America's global power is on the decline. Thus the significant shift in America's foreign policy presented by Obama's "reset" initiative, as well as the fact that the new U.S. military doctrine focused on China rather than Russia,<sup>38</sup> sent the wrong message to Moscow, pushing the Kremlin to energize the newly adopted foreign policy concept, otherwise known as the Putin doctrine. In addition, President Obama's policy of non-intervention in Syria, as well as the Pentagon's plans to shrink the U.S. army to pre-World War II level,<sup>39</sup> probably ensured Moscow that the United States is not interested in being a global arbiter. "The Russian elite interpreted the reset as weakness on the part of the Obama administration and as an invitation to be more assertive in the post-Soviet space and beyond."<sup>40</sup> In this context, the Crimean crisis is the Kremlin's powerful message to the world powers: Russia has a strong intention to restore its non-Red Empire and resume its superpower status. And Russia's Crimean 'Anschluss' provides an example of the Putin doctrine in practice, which is a clear sign of the threat to the post-Soviet states.

In fact, on 11 February, 2014, Russia started large-scale military exercises in Armenia<sup>41</sup>; and, beginning on 15 March, 2014, a group of Russia's Caspian Flotilla ships, including landing boats (*to drop Russia's troops in Azerbaijan or Turkmenistan!*), launched two-week-long exercises in the Caspian Sea.<sup>42</sup> In February 2014, Vladimir Zhirinovskiy, Vice-Chairman of the Russian State Duma and leader of the Liberal Democratic Party of Russia (LDPR), called for Russia to annex five entire countries—Kazakhstan, Uzbekistan, Tajikistan, Turkmenistan, and Kyrgyzstan—as Russia's "Central Asian Federal Region."<sup>43</sup> He also called for occupying Georgia and used offensive and humiliating words and phrases to refer to Azerbaijan and Ukraine.<sup>44</sup>

Sergey Fedunyak, an expert at the Kennan Institute, Wilson Center, believes that "there is an increasing risk of the use of force by Russia against its neighboring countries, particularly, Azerbaijan, Georgia, Ukraine, Kazakhstan, and Belarus. In the first three cases, it may develop into hostilities of different intensity ranging from classical war with armed forces to 'hybrid wars' with a high autonomy of soldiers and subversive small units. Georgia has already suffered from, and Ukraine has begun to experience, Russia's new approaches to war. In the cases of Kazakhstan and Belarus, there may be a 'mild' annexation of a part of a territory or complete absorption that may be facilitated with populations' psychological and military unpreparedness to resist Russian occupation."<sup>45</sup>

<sup>37</sup> See: A. Spillius, "Pentagon Abandons Two-War Doctrine," *The Telegraph*, 2 February, 2010, available at [<http://www.telegraph.co.uk/news/worldnews/northamerica/usa/7140418/Pentagon-abandons-two-war-doctrine.html>].

<sup>38</sup> See: J. Cherian, "New Military Doctrine: America is 'Looking for Enemies': Threatening China," Centre for Research on Globalization, 29 January, 2012, available at [<http://www.globalresearch.ca/new-military-doctrine-america-is-looking-for-enemies-threatening-china/28943>].

<sup>39</sup> See: Th. Shanker, H. Cooper, "Pentagon Plans to Shrink Army to Pre-World War II Level," *The New York Times*, 23 February, 2014, available at [<http://www.nytimes.com/2014/02/24/us/politics/pentagon-plans-to-shrink-army-to-pre-world-war-ii-level.html>].?\_r=0].

<sup>40</sup> L. Shevtsova, op. cit.

<sup>41</sup> See: "Russian Military Exercises Start in Armenia," TREND News Agency, 11 February, 2014, available at [<http://en.trend.az/regions/scaucasus/armenia/2240666.html>].

<sup>42</sup> See: R. Suleymanov, "Russian Navy Conducting Exercises in Caspian Sea," APA News Agency, 17 March, 2014, available at [<http://en.apa.az/news/208726>].

<sup>43</sup> "Kyrgyzstan Asks for Explanation of Zhirinovskiy Comments," *Radio Free Europe*, 19 March, 2014, available at [<http://www.rferl.org/content/kyrgyzstan-russia-explanation-zhirinovskiy/25276649.html>].

<sup>44</sup> See: "Russian Politician Offends Azerbaijanis, Ukrainians," TERT News Agency, 17 March, 2014, available at [<http://www.tert.am/en/news/2014/03/17/zhirinovski-azer/>].

<sup>45</sup> S. Fedunyak, "'Putin's Doctrine' as a Threat to the International System," Wilson Center, Kennan Institute, 20 May, 2014, available at [<http://www.wilsoncenter.org/article/%E2%80%9Cputin%E2%80%99s-doctrine%E2%80%9D-threat-to-the-international-system>].

It can be emphasized that Russia's annexation of the Crimean Peninsula (Ukraine) is a failure of President Obama's Russia "reset" policy. The failure of the "reset" policy generates long-term implications for U.S. foreign and security policy. Dr. Condoleezza Rice, former U.S. secretary of state, emphasizes: "Most important, the United States must restore its standing in the international community, which has been eroded by too many extended hands of friendship to our adversaries, sometimes at the expense of our friends."<sup>46</sup>

Indeed, the United States and NATO, we strongly believe, have to reassure their full and unconditional support of the independence and territorial integrity of Azerbaijan and Georgia. Unlike Armenia, Azerbaijan and Georgia are America's allies implementing a pro-Western foreign policy that angers Moscow. No doubt Russia will consistently follow a policy to undermine the West's influence and put pressure on America's friends in the Southern Caucasus.

Since Putin's annexation of the Crimea, no one can exclude the idea that Moscow may select Azerbaijan and/or Georgia as its next targets for Russia's intervention to protect Russians and Russian-speakers. Russia will continue its efforts to incorporate both Azerbaijan and Georgia into the so-called "Russian world." If Russia regains Azerbaijan and/or Georgia, it will re-establish Russia's full control over Caspian energy reserves and energy transportation routes, jeopardizing America's interests and multibillion dollar oil investments. Thus, the collapse of both Azerbaijan's and Georgia's independence will put an end to the West's plans to expand the Southern Corridor to bring Caspian gas to Europe and, ultimately, to decrease Europe's dependence on Russian gas.

Meanwhile, European leaders recently agreed to step up moves to cut energy dependency, notably on Russia, after the events in Ukraine. British Foreign Secretary William Hague expressed the idea of increasing gas exports to Europe and supporting projects such as the Southern Corridor pipeline in Baku, Azerbaijan, which will bring Caspian gas to Europe, bypassing Russia and its supplies.<sup>47</sup>

In this context, Turkmenistan's involvement in the Southern Corridor is essential for the strategy aimed at reducing Europe's dependence on Russia's gas. The project of a Trans-Caspian Pipeline (TCP) between Turkmenistan and Azerbaijan via the Caspian Sea needs to be on the table again to bring Turkmenistan's gas to the European Union via the Trans-Anatolian Pipeline (TANAP) and Trans-Adriatic Pipeline (TAP) projects. Pumping Turkmen gas to Europe would be the next logic step in the development of the Southern Corridor. In this light, the first Trilateral Meeting of the Ministers of Foreign Affairs of Turkey, Azerbaijan, and Turkmenistan in Baku, on 26 May, 2014, is an important step in this direction. "The meeting is expected to address the opportunities for developing cooperation at bilateral and regional levels in matters of common interest to all three countries, especially in the fields of energy and transportation and to enable an exchange of views on international and regional developments."<sup>48</sup> So Ankara already emphasized the importance of TANAP for the EU's energy security following Russia's military intervention in Crimea.

However, there is a problem: the West does not have an effective political or military tool to balance Russia's military in Armenia. Since the Crimean crisis, the unbalanced and overwhelming

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<sup>46</sup> C. Rice, "Will America Heed the Wake-Up Call of Ukraine?," *Washington Post*, 7 March, 2014, available at [[http://www.washingtonpost.com/opinions/condoleezza-rice-will-america-heed-the-wake-up-call-of-ukraine/2014/03/07/cf087f74-a630-11e3-84d4-e59b1709222c\\_story.html](http://www.washingtonpost.com/opinions/condoleezza-rice-will-america-heed-the-wake-up-call-of-ukraine/2014/03/07/cf087f74-a630-11e3-84d4-e59b1709222c_story.html)].

<sup>47</sup> See: N. Winning, "Europe Considering Increasing U.S. Gas Imports, Says U.K.'s Hague," *The Wall Street Journal*, 9 March, 2014, available at [<http://online.wsj.com/news/articles/SB10001424052702303795904579428813878337946>].

<sup>48</sup> "First Trilateral Meeting of the Foreign Ministers of Turkey, Azerbaijan and Turkmenistan Held in Baku," Press Release, No. 163, 25 May, 2014, Turkish Ministry of Foreign Affairs, available at [[http://www.mfa.gov.tr/no\\_-163\\_-25-may-2014\\_-press-release-regarding-the-trilateral-meeting-of-the-ministers-of-foreign-affairs-of-turkey\\_-azerbaijan-and-turkmenistan.en.mfa](http://www.mfa.gov.tr/no_-163_-25-may-2014_-press-release-regarding-the-trilateral-meeting-of-the-ministers-of-foreign-affairs-of-turkey_-azerbaijan-and-turkmenistan.en.mfa)].

Russian military presence in Armenia creates a serious and direct threat to America's strategic interests and generates security problems for Western-oriented Azerbaijan and Georgia. It is also a threat to Western oil and gas infrastructures and pipelines.

In this context, the triangular cooperation between Turkey, Azerbaijan, and Georgia has valuable reasons to be transformed into an effective defence tool to enforce peace, stability, and international borders in the Southern Caucasus. Today's cooperation addresses politics, security, energy, transportation, trade and investment, but it should have a military dimension as well. A defence alliance could be created on the basis of Turkey-Azerbaijan-Georgia triangle to protect the West's oil and gas infrastructure and enforce Azerbaijan's and Georgia's independence. The next possible option is to sign Turkey-Azerbaijan and/or Turkey-Georgia bilateral defence agreements to strengthen both Azerbaijan and Georgia defence capabilities. So these alliances could be NATO-connected and containment alliances.

In this light, it is necessary to note that the trilateral cooperation among Georgia, Turkey, and Azerbaijan in the military sphere was discussed during the Tbilisi meeting of the presidents of Azerbaijan, Georgia, and Turkey held on 6 May 2014. In parallel, the United States needs to support Azerbaijani-Georgian military cooperation, which should be expanded upon and transformed into a defence alliance in the foreseeable future. Furthermore, the formation of an Azeri-Georgian or joint Turkish-Azeri-Georgian peacekeeping battalion should be considered as well.

However, it may now be the time to consider the option of having Turkish or U.S./NATO boots on the ground. The U.S. troops from Afghanistan could be deployed under a bilateral agreement in Azerbaijan and/or Georgia for a temporary stay. Even in 2010, the Heritage Foundation's Dr. Ariel Cohen urged: "The Pentagon should explore possibilities of deploying 'lily pad' military bases in Georgia, Azerbaijan and Central Asian states."<sup>49</sup>

Since the Crimean crisis, the deployment of troops might be the only effective tool to counter-balance Russia's overwhelming military presence in Armenia, as well as to prevent Russia from taking potentially irreversible and aggressive steps toward Georgia and Azerbaijan. In fact, the people in Azerbaijan and Georgia are very concerned that Russia may move as it did in 1920-1921. At that time, Bolshevik Russia occupied all three countries in the Southern Caucasus and terminated their short-lived independence.

Unfortunately, a negative aspect of the "reset" was that the United States decreased its attention on, as well as its involvement in the Southern Caucasus. As a result, the "reset" policy has failed to improve the political atmosphere and solve the "frozen" conflicts in the Southern Caucasus. Thus, there is no peace along the pipelines pumping Caspian energy to Europe. Moreover, there are indications that the region's political situation is deteriorating and America's strategic interests are now under threat.

Indeed, Russia is strengthening its influence and considering cementing its position in this region of paramount importance, as well as securing its interests at any cost. Russia is pushing America to retreat and increasing its pressure on Azerbaijan and Georgia, which are America's real friends. On 27 March, 2014, from the list of South Caucasian and Central Asian states, only two countries—Azerbaijan and Georgia—openly supported the U.S. backed U.N. resolution on Ukraine's sovereignty and territorial integrity and deemed the referendum that led to Russia's annexation of the Crimean Peninsula illegal.

After Ukraine, what is President Putin's next target?—is an alarming question. The collapse of both Azerbaijan and Georgia, as independent states, will have irreversible consequences for the entire post-Soviet space. The unstable Central Asian states may also become the next target for Russia.

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<sup>49</sup> A. Cohen, *op. cit.*

Russian hardliners like Deputy Chairman of the Russian State Duma and leader of the LDPR Vladimir Zhirinovskiy have already begun urging for Russians to be protected in Kazakhstan and the Central Asia states.

President Putin's statement that Russia has the right to protect Russians and Russian-speakers outside Russia's borders is a critical update of the Putin doctrine. Such an update opens the "door" for a Russian military intervention in the post-Soviet space, as well as in the Central and Eastern Europe. Russia's annexation of Ukraine's Crimea challenges the post-Cold War order and America's role as a global arbiter. It also provokes NATO's defense strategies and challenges the vision that Europe is whole and free.

The United States needs to abandon the "reset" policy. It has been exhausted and has failed to protect and advance U.S. interests. Moreover, President Obama's "reset" made America look weak, likely resulting in President Putin's miscalculations regarding America's global responsibility and investment in foreign policy goals. The United States needs to reaffirm its commitments to its allies in Central and Eastern Europe, as well as increase its own engagement in the Southern Caucasus and Central Asia.<sup>50</sup>

In this context, the United States should launch a new assistance program to replace the old and outdated Freedom Support Act (FSA) of 1992, which no longer reflects the new reality in the post-Soviet space. Unlike the FSA, which mainly concentrated on Russia, the new strategic program must be focused precisely on Russia's immediate neighbors to support their independence, territorial integrity, defense, and economic capabilities. Since the Crimean crisis, Russia no longer needs America's assistance.

The United States and the European Union have to increase their direct assistance to the republics of the former Soviet Union. Regarding the Southern Caucasus, the United States needs to be re-engaged in the region's affairs and develop a strategy aimed at strengthening the region's links with the Europe. The European Union also needs to update the Eastern Partnership program. And NATO should update and expand the Individual Partnership Action Plan (IPAP) with Azerbaijan for 2014-2015. Meanwhile, Georgia should offer a NATO Membership Action Plan (MAP) at the September 2014 NATO summit in Wales.

There is no doubt that the doors to NATO and the EU must be open for new members. In parallel, Dr. George Friedman (Chairman of Stratfor, U.S.-based geopolitical intelligence firm) argues that containment alliances should be created from Estonia to Azerbaijan to enforce the independence of the former Soviet republics and stop Putin's Russia.<sup>51</sup>

Lastly, French President François Hollande's three-day (11-13 May, 2014) visit to the Southern Caucasus, as well as U.S. Secretary of State John Kerry's intention to visit Azerbaijan and Georgia in the coming months<sup>52</sup> create the understanding that the West and particularly the United States (unlike Britain, in 1919) will enforce its presence and influence. It also reinforces Washington's intentions to oppose Russia's imperial ambitions in this sensitive part of the world. In December 2012, U.S. Secretary of State Hillary Clinton warned that the U.S. was trying to prevent Russia from recreating a new version of the Soviet Union. So now is the time for America to abandon the "reset" policy with Russia and demonstrate America's global power to enforce peace, stability, and international borders. However, such a policy is probably not for President Obama's administration,

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<sup>50</sup> See: A.A. Michta, "A Strategy for Eurasia," *The American Interest*, 14 April, 2014, available at [<http://www.the-american-interest.com/articles/2014/04/14/a-u-s-strategy-for-eurasia/>].

<sup>51</sup> See: G. Fridman, "From Estonia to Azerbaijan: American Strategy After Ukraine," 25 March, 2014, Stratfor, available at [<http://www.stratfor.com/weekly/estonia-azerbaijan-american-strategy-after-ukraine>].

<sup>52</sup> See: "U.S. Secretary of State John Kerry to Visit Azerbaijan," *Xinhua*, 18 March, 2014, available at [[http://news.xinhuanet.com/english/world/2014-03/19/c\\_133196212.htm](http://news.xinhuanet.com/english/world/2014-03/19/c_133196212.htm)].

which has invested a lot of political capital in reset relations with Russia, but is for the next U.S. administration.

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