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## Regional conflicts in the South Caucasus: the role of Russia and the US

Both the Northern and The Southern Caucasus have always possessed a high conflict potential. Solving problems here has been complicated by an array of ethnic, religious, cultural, political, socio-economic, and ideological components the region is full of. At the same time, its importance as a trade route is hard to underestimate as it once was a part of the Great Silk Road. This diverse plethora of actors and factors on a relatively small territory has inevitably led to their continuous interweaving. Top it all off with the geographical peculiarities of the region and mindsets of its peoples and it becomes crystal clear that a number of tangency points couldn't help prompting a tight "knot of contradictions".

Historically, the Caucasus has been an arena for both struggle and cooperation between three regional actors – Russia, Turkey and Iran. The situation has been getting more aggravated as great world powers turned their eyes to the region – first Great Britain (XIX-XX centuries), Germany (during WWII), later – the USA. They all resorted to different means from open confrontation to "tacit hostilities" but eventually they were all trying to secure their own positions in the Caucasus that, without a doubt, possesses a colossal cultural, energy, transportation and trade potential and an overriding geostrategic significance.

With the collapse of the Soviet Union, the Caucasus has become a source of chronic instability. Dominated for decades by Russian Empire and the USSR, the region has turned out to be "vacant". Eventually, it could have not only exacerbate its security level but also be potentially fraught with real military clashes along the both sides of the Caucasian mountain chain. The region's ethnic and religious variety could have become an instrument for achieving foreign policy objectives of some states. Ethnic tensions, some of which stemmed into gory skirmishes and wars, growing Islamic radicalism, competition for access to the oil and natural gas reserves of the Caspian basin – these and some other factors have ensured, as Craig Nation, Professor of Strategy and Director of Russian and Eurasian Studies at the US Army War College, argues, that the region "would become and remain a source of significant international engagement and concern." [6].

Russia, significantly weakened by the chaos in home affairs, has faced brand new challenges: geopolitical rivalry with the only global power – the United States – has now moved to its southern borders. America, on the other hand, realizing the importance of the historic chance to secure its footing in the region, has included the Caucasus in the sphere of its vital interests, therefore wrapping up the so called "Great Game" [16].

In this regard, the Nagorno Karabakh conflict, 1988-1994, was a critical opportunity for the US to entrench itself in the region. Without going into details of the very conflict in the framework of this paper, it's important to emphasize two things. Firstly, the conflict was "truly ethnic" only for Armenia and Azerbaijan, while for other key actors of the peace settlement it was more of a result of serious geopolitical alterations in the region following the USSR collapse and a chance to gain as much

(geo)political and other benefits as possible. Secondly, during the war Armenia got the better hand and Erevan, as it seemed, could have dictated its terms during negotiations, moreover, its positions were strongly backed up by Russia and Iran. However, by that time Azerbaijan had had a considerable geopolitical advantage – first and foremost in terms of the interest on the side of Europeans and Americans for promising access to its Caspian (and, potentially, Central Asian) oil and gas reserves. Indeed, over the past decade assessments of the basin's potential have been put on several disputes and ranged widely, from predictions of vast reserves destined to make the Caspian a land of milk and honey (or oil and gas), to fairly skeptical arguments, stating that production rates will highly likely be low and the impact on world energy markets inessential [1]. In 1997, Strobe Talbott described the Caspian region and the entire southern flank of Russia as a "strategically vital region", destined to become part of Euro-Atlantic Community, which the United States could "not afford" to neglect [8], while military analysts identified access to the Caspian as a "vital American interests" worth pursuing, if needed be, with armed force [9].

Surely, Baku tried to make the most of it, enlisting support not only from Turkey (which desperately wanted to reinforce its positions in the region and to secure gas transit through its territory) but also from the USA. Interests of the latter, in addition to the above-mentioned, were tied to obvious concerns regarding possible strengthening of Iran in the Caucasus. During the Helsinki meeting of the Council for Security and Cooperation in Europe (what is now the OSCE) the American delegation blamed Armenia for the conflict breakout and escalation and supported Turkey in favor of Azerbaijan. Russia, on the other hand, though was conducting inconsistent policy in the conflict (primarily due to domestic instability and acute dissonance in decision-making circles) finally took a more pro-Armenian stance.

Both Russia and the United States have tried to play a more important role than one another. America's way of resolving the conflict, as stated by US representative in the Minsk OSCE (peace settlement) Group is the following: "Armenian troops have to be pulled out from seven areas around Nagorno Karabakh – instead, international peacekeeping forces should be located there, all the refugees have to have the right and conditions necessary to return to their homes, there must be a corridor connecting Armenia and Nagorno Karabakh and there must be a referendum concerning the future of Nagorno Karabakh." [10] However the initial points Armenians do not agree with is that Karabakh is an integral part of Azerbaijan and that any further talks should be based on this principle.

Quite naturally, Washington's activity in the conflict management and in the entire region makes Moscow be alert. It is concerned that in time when the US lays ambitious plans for the Caucasus, its own "self-distancing" may entail loss of power, authority and any leverage it has so far. US statements concerning "common interests with its strategic partners in the region in the sphere of

security” are taken with a fair amount of skepticism, if not distrust, especially after the Georgia-Ossetia conflict in August 2008. It’s obvious that the US position and leverage in the region could be more flexible as America’s security is not *directly* affected by instability in the Caucasus. In fact, issues of natural resources and geopolitical influence may be nowadays ranked higher on the list of US foreign policy priorities in the region. While for Russia security in the region is a top national priority as the Southern arc is deemed to be number one security challenge for the country.

At the same time we cannot underestimate the importance of the region as a joint platform for potential deployment of ballistic missile defense systems (which acquires special significance in light of Iran’s nuclear program) and as a promising gateway to Central Asia with its gas and oil opportunities, a huge potential for anti-terrorist cooperation and a possible containment of China – something that “movers and shakers” in both Russia and the United States are fully aware of.

There is an opinion that the situation in Nagorno Karabakh is to the advantage of both Russia and the US. The standpoint argues that while the conflict is “frozen” the two countries can make moves necessary to dominate the region under pretence of peace keeping and settlement. However, it’s obvious that Russia will not be happy with a hazardous unresolved conflict near its frontiers that could easily once again break out in a war. In this sense, one of the prime challenges Russia meets is how to work out a correct approach to the conflicting parties without damaging the bilateral cooperation and strategic partnership with both Azerbaijan and Armenia.

Today, Armenia is the only pro-Russian country in the Southern Caucasus; however one should not deny a trend to rethink “a degree of favorability” vis-à-vis Russia. Analysts tend to attribute it to two major factors.

First – several “unfriendly” steps from Russia toward Armenia which triggered massive discontent in the country. Among them a drastic increase in gas prices in 2006 – from \$54 to \$110 for 1000 cubic meters, as well as absence of investments in most of Armenian companies purchased by either Russian government or private entities.

Second – hyperactive work of the US in the country. It’s critical to note the combination of two approaches in American policy in Armenia – humanistic and pragmatic. On the one hand, the United States shows sympathy toward the so called “Armenian question” (issue of the genocide), on the other hand though, interests of American oil companies and financial circles along with geopolitical imperatives have pushed Washington to support Azerbaijan [18].

So far the two ties connecting Moscow and Erevan have been Armenia’s membership in the CIS Organization of the Collective Security Agreement and traditional ally-like relations between the countries. Moreover, Russia sells to Armenia military equipment at cost of its domestic market and trains 90% of Armenian army officers. The only Russian military base in the Southern Caucasus operates in Armenia with 5,000 soldiers of the motor rifle division, antiaircraft missile systems C-300 and MiG-29 fighter jets – something that has a powerful deterrent effect, as any attack or intent of such would be an attack on Russia as well. The Russian Federation fully supplies Armenia with gas while all the gas pipelines are possessed by Gazprom; Russian VneshtorgBank holds controlling interest of the State Bank of Armenia. Several promising projects have been designed in the field of energy. Besides, Armenian

community in Russia – more than 7 million people – is large, rich and, and fairly influential as many Armenians occupy various leading positions and run profitable businesses from fancy restaurants and hotels to factories.

However there are serious concerns, including those on the Russian side, that it may be not enough for a full-scale partnership. Many are inclined to see an extensive, 800 employees, American Embassy in Erevan, where the lights are on around the clock, as a token of Washington’s ambitious plans in the country (Russia’s 17-stored Embassy, on the contrary, works as a random small business office – 8 hours a day). Since 1991, the US has transferred around \$1,5 billions. In March, 2008, the US and Armenia signed an agreement under which Americans would allocate some \$235 M to under-resourced Armenia. The Pentagon sent 30 instructors to train Armenian soldiers while 45 top military officers and Defense Minister were invited to G. Marshall’s Center to analyze issues of security [12]. In a nutshell, Armenia found itself in the situation when it is like a rope in a tag-of-war being dragged from one side to the other with the significant difference that the “rope” can make its own, fateful to some degree, choice.

Although the White House plays a key role in decision-making process in the United States of America it is *not the only place* where “politics is made”. As Brenda Shaffer, Director of the Center for the Caspian Region Studies at Harvard University, asserts” in case of Nagorno Karabakh conflict the US policy was a mix of positions and moves of several state structures that from time to time take different, and sometimes, just incompatible positions.” [19].

Traditionally, the role of Armenian lobby in the American Congress is high. Another very powerful lobby – the Jewish one – is thought to be a rival with Armenians in many areas. However, when the issue of the Nagorno Karabakh conflict (and closely tied to it the issue of Armenian genocide by Ottoman Empire in 1915) was raised the Jews supported Armenians. Nevertheless, there’s an alleged discord within the Jewish lobby on the issue – some Jewish organizations are against Amendment 106 (condemning the genocide) for the fear of worsening of Israeli-Turkish relations and a potential abuse of Jewish community in Turkey.

Although, nobody should downplay the fact that the Armenian lobby (including Armenian Assembly of America – AAA) have succeeded in garnering increased economic and humanitarian aid (already second highest per capita in the world, after Israel) and reducing economic aid to Turkey, its performance is inhibited by the emerging counter power of Azerbaijan’s lobbies, which are supported by Turkey and major US oil companies [3]. The companies have always had a fair amount of “political heft” and put the pressure on both the Clinton and George W. Bush Administrations to cancel the 907<sup>th</sup> Amendment which banned any US aid to Azerbaijan. Many representatives of various US Department of State ministries motivated it by saying that America cannot be an unbiased mediator in the Nagorno Karabakh conflict under these circumstances. The most interesting thing, however, is that initially Congress seemed to be more pro-Armenian, while the State Department more pro-Azeri.

Nevertheless, when after 9/11 the US needed Azerbaijan as a platform to launch strikes on Afghanistan and Iraq George W. Bush managed to get the Amendment temporary canceled in Congress to galvanize anti-

terrorism cooperation. Eventually, Azerbaijan not only provided such a platform but also sent its troops to Afghanistan and Iraq.

Importance of Azerbaijan for US national interests is indeed critical and American politicians fully realize it. As Stanley Weiss, Founder and Chairman of Business Executives for National Security cites an American diplomat in his article in International Herald Tribune: "Azerbaijan plays a pivotal role in pretty much everything we are trying to do in this part of the planet. The country is a key element in reducing Europe's reliance on Russia's energy, since it possesses pipelines bypassing Russia. Without Azerbaijan the so called "new generation of export routes" (the term coined by Samuel W. Bodman, the United States ex-Secretary of Energy) is merely inconceivable." [11].

Realizing its magnitude in the region, "The Caspian Houston", as Americans came to call Baku, charted a course toward finely balanced viewpoints not only between Moscow and Washington in particular, but between the East and the West in general. In January, 2002, Russian and Azeri presidents signed an agreement under which Moscow would rent for ten years a base "Daryal" near the town of Gabala, North-East Azerbaijan, for \$7 million a year. In July, 2008, Presidents Medvedev and Aliev signed the Declaration of Friendship and Strategic Partnership [14]. Whatever the prime message Moscow is trying to send by these moves is, one thing is absolutely clear – nowadays Russia wants to play a central role not only in the conflict settlement but also in the entire Southern Caucasus.

However this doesn't prevent Baku from being involved in projects, such as Baku-Tbilisi-Ceyhan (BTC), perceived by many as "strongly anti-Russian". Indeed, the BTC, initiated in 2002 and opened in 2006 along with a Baku-Tbilisi-Erzurum natural gas pipeline, targeted at the Turkish market, represent US-led challenges to what once was Russia's total control of access to Caspian resources [13].

Although all of the facts are true it's critical to note that Russia's energy politics goes well beyond the Caspian area. There are several reasons for Russians not to be scared (but it doesn't mean not to be seriously concerned) with the projects from economic standpoint.

Firstly, even though it raises market competitiveness for Russia, the projects, may have difficulty in finding amounts of the gas necessary to fill in the pipe. Russian authorities, fastidiously it may look, have recently stated that they do have strong doubts about it. Indeed, neither Azerbaijan nor Turkmenistan, which has been considered a second option as a gas supplier for the BTC project, allegedly possesses enough resources for the pipeline to function properly in the long run. But since the assessments of the Caspian basin vary significantly it's really difficult to estimate the situation from this perspective, nevertheless we definitely should not waive it as a probable scenario.

Secondly, Russia's alternative projects aimed at Europe – the Northern and Southern Streams – are potentially much more effective in this regard when put into operation. Moreover, Russia chose quite an insightful strategy of clinching business deals directly with its "transit and export competitors": in 2008 Gazprom concluded several agreements enabling it to buy Azerbaijan's gas, while Russia's Blue Stream natural gas link to Turkey is going to support a dominant part of the Turkish market. By doing this Russia is trying to "tie" its "rivaling" neighbors to its dependency in case they put its interests in this sphere at a grave risk.

Thirdly, the pipelines go through a very unstable region and even a small-scale armed conflict may disrupt the supply. For example, the BTC pipeline runs close to Nagorno Karabakh and could easily be endangered by sabotage. The Europeans exporting gas realize it and in this matter do not totally pin their hopes to the routes, Italy and Germany's desire to invest in and develop the North and Southern Streams testify this argument.

In a nutshell, although the economics is a big concern for Russians, the prime "headache" at this time is geopolitics. Russian sources assert that US policy in the post-Soviet space "will not be limited to uniting the region with the Western economic system but will also include political and military cooperation and a high degree of readiness to strengthen and defend its position with the most resolute measures." [15] In this context, the two states rivalry for access and influence in the region remains a burning issue complicating the broader agenda.

Meanwhile the balance of forces in the region is gradually shifting to Azerbaijan's advantage. The "frozen state" of the conflict enables Azeri to build their national economy and, as some analysts opine, gain time to resume the conflict when Azerbaijan feels strong enough "to take revenge". But it is still not clear what the outcome of the conflict would look like. On the one hand, Baku's tight cooperation with Turkey, Armenia's isolation and virtually marginal status of Nagorno Karabakh play to Azerbaijan's game. On the other hand though, an outbreak of violence in the area could strike a hard blow at country's intentions to leverage its energy resources on world markets, damage its overall international standing and also, as it was mentioned earlier, lay down at stake vital export routes, in which "volumes" were invested – good enough reasons why a renewal of military operations would not be in Azeri interests.

But this does not belittle Armenia's "locked" position in the area. Poor relations with its neighbors leave it excluded from all major regional development and pipeline projects. Despite the stable economic growth the country demonstrated up until the crisis, its population remains massively impoverished and keeps considerably reducing by migration and aging, inflation rate is high – all of these and other problems trigger popular discontent and Armenia faces a stormy domestic political environment. Some political figures, such as the leader of Armenian Liberal-progressive Party, O. Ovanesyan, state that only "by joining NATO and withdrawing from the CIS will Armenia finally direct for development and prosperity." [17]. Statements like this do not usually fall flat, especially for those forces who would like to see Armenia being "torn" from Russia.

In fact, Armenia has made several interesting moves toward improvement of its relations with immediate neighbors. Take, for instance, a "sudden" and cautious "rapprochement" with Turkey, when Armenian and Turkish soccer teams were seeded in the same preliminary group for the World Cup in 2010. For the first time in Armenia's new history Turkish President, Abdullah Gul, visited the country and held important talks on the bilateral relations. During the game the two leaders sit together and cheered for their own national squads. Even though it's too early to draw any conclusions – firstly, because the parties have not really made any agreements, secondly, the second round of these "talks" will take place in October, 2009 in Turkey – the phenomenon itself, came to be known as "soccer diplomacy", may be an essential move toward a renewal of diplomatic rela-

tions or at least lessening of the tension shackling the two countries for decades. However a lot will depend on Turkey's attitude to Armenian genocide of 1915 and its close alliance with Azerbaijan – both have been a gigantic stumbling block until now.

If the Turkish direction of Armenia's policy is still quite "vague", relations with European Union seem to be taking a central stage in Armenian political, economic and cultural agenda. The question of "self-identification" for Armenians nowadays is very volatile. They like to identify themselves as Europeans and see the EU not only as a driving economic force or a political supporter but a cultural locomotive. Polls of 2004 have shown public support for a stronger European orientation [7] but there are some unspoken but rigid limits defined above all by strategic dependency on Russia, to how far the cooperation may proceed.

The EU, on their side, may not always be a visible actor in the area but its interests are clear and their fulfillment demands more robust European engagement in the region, including that via mediation in different conflicts.

At the center of these conflicts, as Vassilis Fouskas, a Senior Research Fellow in European and International Studies (UK) argues, was and is "control over strategic territorial zones that bridge the Caspian with the Black Sea as oil and gas transport routes. Time and again, the headache for the US has been how to avoid a repetition of the Middle East volatility in the Caspian and the Caucasus; how to guarantee the safe transportation of oil to Western markets; as well as how to eliminate other regional (e.g. Russia, Iran) or global competitors (e.g. EU states)." [5] In different terms, the Europeans pundits are trying to foresee some arenas where Europe can not only collaborate but also challenge US (and Russian) interests.

Although, Russia's political and economic heritage, influence and leverage are still remarkable and US's involvement in the industry is grand – for instance, American companies have more than 50 per cent of the stakes in the Azerbaijan oil consortium – the more dynamic European engagement – companies like British Petroleum, France's Total, Italy's Agip have been quite productively operating there for a while – means an even more complex picture when interest of another powerful actor have to be taking into consideration.

Apart from hydrocarbon reserves of the Caspian, the Caucasus, in a broader sense, serves not only as a crucial prospective transit corridor for bringing the resources into regional and global markets, but also as an emerging transportation artery defined by the EU's transport Corridor Europe Caucasus Asia (TRACECA) and launched by the European Union in 1993. The project includes a series of infrastructure initiatives including the construction of railroads, highways, oil gas pipelines and fiber optic cables as well as a targeted expansion of exports, intended to recreate the Great Silk Road of the medieval centuries binding Europe to Asia [6]. TRACECA may be a key instrument for advocating European interests in the region if they prefer to conduct a more "assertive" policy. However, nowadays, the EU is more active in the economic sector of the region (and, lately, peacekeeping and conflict mediation) and tries to achieve its objectives by primarily "soft power".

To get the full picture, however, one has to scrutinize the interests of two other major players in the region – Iran and Turkey. Their implications in the area are grand but due to the potentially huge volume of the analysis this paper will conclude by outlining the posi-

tions of only Russia and the United States.

In recent years, the situation in the area has been more of a zero-sum "Great Game" for influence and leverage. Mass media reports have been describing it as a "polarization" of interests. In this sense, polarization does not benefit either party. Instead, it contributes to a deterioration of division in so fragile an area. Although the situation in the Caucasus is not all that bad and a bunch of conflicts are in a latent state it potentially has all the ingredients to turn into another Middle East, if its conflict potential is kept being fueled by the internal contradictions and external "polarization". The history of the Caucasus is packed with wars and skirmishes and historic wounds of its peoples are still fresh. So, it all need not be exacerbated.

Indeed, the Caspian pipeline politics remain an apple of discord with the US and Russia advocating competing frameworks for access and market development, Georgia is actively seeking NATO membership and leans on geopolitical and military sponsorship of the United States, while Russia supports Abkhazia and Southern Ossetia. Azerbaijan maintains a tight relationship with Turkey; meanwhile Armenia keeps holding on to Russia but at the same time is looking around for other actors to ally with. The EU presence in the area is on the rise, even though many argue that it hasn't established itself as an independent actor.

Under these circumstances there seems to be no way of finding a compromise since the positions of the two countries (Russia and the US) vary significantly and it is one of the major stumbling blocks. However if we look at it from the standpoint R. Fisher and W. Ury suggest – instead of focusing on each other's *position* the negotiating parties should rather concentrate on each other's *interests* [4] – than we can possibly find some middle ground. But if we tackle the issue from this angle we have to line out clearly both major Russian and American interests in the region.

In his monograph Craig Nation divides the interests into two categories – "regional" and "global". So, among the US regional goals are: 1) containing Russia; 2) isolating Iran; 3) ensuring some degree of control over the hydrocarbon reserves of the Caspian and developing alternative pipeline access routes; 4) rewarding and sustaining the allegiance of regional allies including Turkey, Georgia, and Azerbaijan; 5) opening up the possibility of greater military access including possible basing rights; 6) reinforcing regional stability and resolving the issues of Abkhazia, Southern Ossetia, and Nagorno-Karabakh by encouraging their reintegration into the metropolitan states with some kind of guaranteed autonomy. While more generally objectives the United States seeks seem to be: 1) to project influence into a regional power vacuum with the larger goals of checking Russian reassertion; 2) to preempt an expansion of Iranian and Chinese influence; 3) to reduce Islamist penetration [6]. Of course, these are ambitious goals that will be difficult to achieve and the author recognizes that. But what needs to be emphasized that neither Abkhazia nor Southern Ossetia seem to want to ever reintegrate into Georgia (at least not in a peaceful way) while Nagorno Karabakh itself doesn't deem Azerbaijan as a "metropolitan" state, so their "return" is something highly unlikely.

Russian policy in the Caucasus, on the other side focuses on 1) reinforcing its influence and leverage in the region; 2) cultivating relations with Armenia, Southern Ossetia, Abkhazia and building a profitable partnership with Azerbaijan; 3) enhancing stability and control over the Northern Caucasus, especially in its national republics of Chechnya, Ingushetia, Kabardino-Balkaria,

Karachay-Cherkessia, Northern Ossetia and Adygea, where Islamist movements have lately been gaining more power and launched a series of terrorist attacks, murders and attempts on regional, pro-central government leaders. In a broader sense Russia seeks: 1) to sustain the geopolitical parity; 2) to pursue its economic interests (including those in the Caspian basin); 3) to fight terrorism and violent extremism; 4) frustrate US and EU encroachment. Relationship and regional cooperation with Iran has always been important for the bilateral agenda but in the light of recent events it's hard to predict if the joint (Moscow-Washington-EU) efforts for pushing Iran to stop its nuclear program supersede historically extensive multilateral cooperation between Moscow and Tehran and multi-billion business contracts.

Ilan Berman, Vice president of the American Foreign Policy Council (AFPC) asserts that "the way in which the United States and Russia are defining their interests in the Caucasus region is a recipe for protracted conflict." [2] Unfortunately, it is rather true. What is also frustrating that they seem to be at odds with the interests on a global scale that could be defining US-Russian relations in the 21<sup>st</sup> century.

Indeed, the two countries' interests in a larger framework are, by and large, coincidental. Firstly, both states possess nuclear arsenals capable of wreaking major damage to one another and, therefore, are very much interested in nonproliferation. Secondly, both Russian Federation and the United States share an interest in regulating world oil and gas (generally, energy) markets since Russia is a second largest oil producer while America is the largest consumer. Thirdly, the two states acknowledge terrorism and [Islamist] violent extremism as prime security challenges which opens up new horizons for cooperation (lately, for example, Russia agreed to let Americans go through its territory to transport military equipment to fight the Taliban in Afghanistan). The last, but definitely not the least, both Moscow and Washington are concerned with emerging power of Beijing and its possible rise to a position of a superpower.

The ruling elites of the two countries have to change the basic paradigm Russians and Americans are used to thinking in. The United States has to realize that Russia is not a predator-like empire seeking to take over its southern neighbors and that the very thing *Russia does not need is any instability* in the region. Instead, Moscow deems the region as a sphere of its vital national interests and tries to fervently defend it from any kind of encroachment (even when there's no such endeavor and sometimes with too tough measures, which need to be revised as well). It is important for Russia to feel that US involvement in the region doesn't pose any threat toward Russia's interests and expansion of NATO to the region is for the benefit of regional stability. For now, however, Moscow has no obvious reason to think so. On the one hand, Georgia's strongly anti-Russian rhetoric and military assault on its peacekeeping forces in Southern Ossetia and the initially zealous support from the West make Russia feel that its position in the area is placed at risk. On the other hand, NATO, designed as a counter-balance to the Warsaw Pact, is still regarded by both the ruling circles and the people, as an anti-Russian military organization and its presence nearby Russia's frontiers is alarming. Indeed it is a very burning issue, but revision of NATO's "destination" and activity can be something that would work. The organization may be "re-tailored" to the

brand new challenges facing the world, mainly, fighting terrorism, and in this regard it cannot neglect Russia's engagement and help.

In this context, US initiative for the "recharge" of relationship with Russia ("perezagruzka") is a very smart and promising move, but we need to see if the deeds on both sides follow on words. What is important to emphasize, however, is that the two states seem to come to understanding that a "tag of war" (specifically in the Caucasus) isn't working and is fraught with disastrous consequences threatening to destabilize the whole region. So, further attempts to achieve more robust cooperation in areas where interests overlap might be an option worth considering.

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