

Geopolitical Realities in the Black Sea/Caspian Region after Georgia-Russia War

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Abstract

In the presentation author discusses about importance of the geopolitical location of the Black Sea/Caspian Region, positive and negative events, which took place in the Region after the ending of the “Cold War”.

In the research, the important attention is paid to the main reasons of the Georgia-Russia war and its influence on the geopolitical situation in the Black Sea/Caspian Region.

At the second part of the presentation, the research is implemented related to the analysis of the geopolitical interests of the main “geopolitical players” (USA, Turkey, EU, Russia) in the region and foreign-policy priorities of the comparatively small states-located in the region (Romania, Bulgaria, Ukraine, Moldova, Georgia, Armenia, Azerbaijan).

At the third part of the presentation, it is analyzed the regional cooperation initiatives in spheres of trade, transport and communication, economic cooperation, Caspian energy projects etc.

At the last part, there are considered the possible scenarios of the situation in the Black Sea/Caspian Regions.

Introduction

Due to the convenient geopolitical location, Black Sea/Caspian Region is one of the most important area in the world and plays an extremely important role in the modern global security affairs.

As it is known, that the fundamental changes on the political map of the region took place at the end of 80s and the beginning of 90s of the last Century, which was interrelated with the political changes in eastern Europe and post-soviet space, such as democratic transitions in Romania and Bulgaria, disintegration of the USSR and gaining the national independence by the former soviet republics from the greater Black Sea Region- Russian Federation, Ukraine, Moldova, Georgia, Armenia, Azerbaijan.

Today each state of the region has its own foreign policy and national security priorities.

Positive Aspects in Black Sea Region

The post cold war period in the Black Sea Region brought lots of positive results. Among those it is necessary to mention the following:

Foundation of the Organization - Black Sea Economic Cooperation (BSEC);

Joining to the NATO Program Partnership for Peace countries of the Region;

Joining to Council of Europe former Communist countries and former Soviet Republics;

Foundation of GUAM with participation of the four countries of the Region;

Expansion of NATO and EU and joining Bulgaria and Romania to the North-Atlantic Alliance and European Union;

Activate the negotiation process between Turkey and EU regarding the joining of Turkey to the European Union;



*“Rose revolution” in Georgia and “Orange Revolution” in Ukraine;
Starting the Intensive Dialogue process with NATO by Ukraine and Georgia;
Involvement of the several countries of the region to the EU neighborhood Initiative;
Beginning of the implementation of Global Economic projects with the participation of the States of the Region; 1. Euro-Asian transport corridor 2. Caspian Oil Projects;
Starting of the EU Eastern Partnership Program.¹*

Negative Aspect in the Black Sea Region

Above-mentioned facts give us the reason to assume, that in the beginning of XXI Century, Region is more democratic and more secure. However, this part of the World still faces many problems and challenges, which have to be solved by the countries of the Region and on a global level by the International Community. Among those challenges it is necessary to mention the following issues:

Terrorism - terrorist groups still continue to carry out the terrorist acts. In this case first of all should be mentioned about Kurdish terrorist groups in Turkey, existence of the terrorist groups in Chechnya, Abkhazia and South Ossetia.

Other reason of the expansion of terrorism is aggressive separatism. Separatist regions represent the uncontrolled territories and create very convenient conditions for the establishment of the terrorist camps, for example, we can mention here the cases of Abkhazia, South Ossetia and Chechnya. Separatist territories also represent a good base for illegal trade, especially illegal circulation of drugs. Besides, the biggest problems of separatism is the presence of illegal Armed formations, which are armed with the modern military equipment. In most of the cases the reason of separatist movement is the existence of some states in Black Sea Region, in which official Authorities encourage the separatist movements and terrorist groups in other states by providing de-facto authorities of separatist regions by weapons, financial support etc. Clear example of the support of the separatist Regions was aggression of Russia against Georgia in August 2008, when Russian Armed forces have occupied the whole territory of “South Ossetia” and Abkhazia.

The most important problem, which hampers the development of cooperation in the Black Sea Region is existence of confrontations between Russia and Georgia, Armenia and Azerbaijan, Armenia and Turkey, Russia and Moldova;

Among the economic problems has to be mentioned the problem, regarding the energy security of the Region.

One of the most important event, which has affected on the security environment in Black Sea/Caspian Region was Russian aggression against Georgia.

Georgia-Russia War and its influence on the Foreign Policy and National Security Priorities of Georgia

The Russian invasion in Georgia has not changed the balance of power in the South Caucasus and Black Sea Region. It simply announced that the balance of power had already shifted. As it is known, the Russian-Georgian war led to Moscow’s formal acknowledgement of Abkhazia and South Ossetia’s independent status.²

Main reasons of the Russian aggression in Georgia

For the better understanding of Russian policy in August 2008, it is important to analyse the global processes that were triggered by the collapse of the Soviet Union in the beginning of 90-th of the XX Century, and to clarify, how these processes were perceived by Russia itself.

It is necessary to point out four major factors, which shaped the post-Soviet international environment for Russia:

1. the eastward enlargement of NATO and the European Union after the ending of “Cold war”;
2. alternative oil and gas transit routes
3. the “colour revolutions” in Georgia and Ukraine
4. Recognition of the independence of Kosovo by western states

The eastward enlargement of NATO and the European Union. After the collapse of USSR, former socialist countries from the Central and East Europe joined western alliances, notably NATO and the EU. Russia considered this process as a threat to its foreign policy and national security priorities. At the same time, the increasing cooperation of former Soviet Republics with North-Atlantic Alliance and EU via NATO program partnership for peace and European Neighbourhood policy, or their admission to these organizations, was especially worrying for Political elite of Russia.

Alternative oil and gas transit routes. In 1994, leading international oil companies and Azerbaijan signed a “century contract” to operate the country’s offshore oil fields. Later, governments of western countries and companies also agreed to construct Baku-Supsa (in 1996-1997) and the Baku-Tbilisi-Ceyhan (in 1999) oil pipelines and Baku-Tbilisi-Erzurum (1999) gas pipeline to deliver Azerbaijani oil and gas to European markets, bypassing Russian territory. On June 27, 2006, the European Commission, three countries from Black Sea Region - Turkey, Bulgaria, Romania, together with Hungary and Austria signed an agreement to build Nabucco, a natural gas pipeline that will transport about 20-26 billion cubic meters of natural gas. Russia, which as it is known is a major supplier of oil and natural gas to world markets, especially to Europe, was very irritated about alternative energy transit projects. Russian authorities are afraid that Moscow will lose its leverage to influence politically and economically on post-Soviet countries and European Union, and lose additional income from transit fees, in case if alternative energy projects are implemented.

The “color revolutions” in three former Soviet Republics. Massive electoral falsification in the November 2003 parliamentary polls, sparked civil unrest in Georgia and led to the fall of Eduard Shevardnadze’s government in November 23, 2003. One of the main leader of the so-called Rose revolution was US-educated Michael Saakashvili, who had the support of a majority of population of Georgia. The success of the Georgian revolution inspired similar events in Ukraine one year later. The so-called Orange revolution in December 2004, which as in Georgia was triggered by presidential election rigging, swept Viktor Yushchenko and his pro-western “orange coalition” to power.

Recognition of the independence of Kosovo by western states. When NATO declared about its bombing campaign against Serbia in March 1999, main purpose of which was protection of the ethnic Albanian minority of Kosovo from Serbian Armed forces, Russia felt that its international prestige and credibility were dealt a severe blow.

After the ending of the military operation of NATO in Serbia, opposition to Kosovo’s independence became one of the main elements of Russian foreign policy. Prestige apart, Russia’s objections were caused by the fear that possible recognition of the independence of Kosovo could cause separatist tendencies in its ethnic enclaves (mainly in the North Caucasus and Volga region). Kosovo formally declared independence from Serbia on February 17, 2008. Almost immediately, a majority of NATO and EU member states responded by acknowledgement the former Serbian province as an independent country.

Moscow felt that it was necessary to respond to these events firmly in order to reassert its credibility and prestige as a major world power. After Kosovo’s independence, Russia issued strongly worded political statements but took few practical steps. This led many, separatist authorities among them, to question Russia’s real capabilities.

Apart from the having necessity to protect and/or restore its international prestige, Russia’s motivation

for implementation aggressive actions against Georgia can be explained by several other factors: 1) Rapid increasing of oil and gas prices over the past five years boosted Russia's revenues and pumped billions of petrodollars into its coffers. Due to it, GDP of Russia was increased from 200 billion US dollars in 2000, till 1,1 trillion US dollars in 2007; 2) the European Union has become increasingly dependent on Russian oil and gas supplies; 3) USA and NATO were involved in two wars in Afghanistan and Iraq; 4) the presidential campaign was full gear in the USA.³

Geopolitical Interests of the "Main Players" in the Black Sea/Caspian Regions after August 2008

US and EU Attitude toward Black Sea/Caspian Region

America and EU have three main interests in the region:

1) USA and EU import oil from the Persian Gulf and Latin America (in case of USA), which are politically unstable regions. Therefore, America and EU are looking for alternative sources for its oil import.

2) US and EU Authorities have their commercial interests in the field of exploitation and transportation of oil. They hope that expansion of the American and European companies in the region will contribute to economic development in the countries of the Caucasus and Central Asia, and further integration of the region into the world economic system. Expansion of commercial activities of the American and European companies in Caucasus, important investments and installation of modern American and European technologies will bring the increasing of political influence of USA and EU in the Caspian Sea Territory.

3) These projects will reduce foreign threat, support independence and territorial integrity of Black Sea and Caspian states. It will also promote development of the democratic institutions and principles of market economy in Caucasus and Central Asia. According to the opinion of western scientists, transportation of Caspian oil will be one of the main contributors to economic development and political stability in oil-rich Azerbaijan, Kazakhstan and also for Georgia, as a transit state.

So, The USA, which satisfies more than 50% of oil import from politically instable region such as Persian Gulf, views Black and Caspian Sea regions as the possible alternative way of getting "Black Gold" and reducing dependence on Persian Gulf oil. This brilliant opportunity came to the USA after Soviet collapse. The emergence of new nations in the region contributed to the fulfilment of the US geopolitical ambitions.

EU is depended for about 70% on the imported oil. Interests of Europe toward the Caspian and Black Sea Regions are determined almost with the same factors as for USA.

Imperialistic Ambitions of the Russian Federation in the Caspian/Black Sea Region

Russia - Influence of the war on Russia's domestic and foreign policy

The Russian military aggression against independent country led the international community to reinterpret Moscow's foreign policy goals, and to reconsider Russia's place in the International system in general. After the collapse of the USSR, some in the west believed that Russian Federation would choose the democratic direction. They also thought that Putin's assertive foreign policy was more or less appropriate for an economically ascendant country. Russia was invited and joined G7, an informal grouping of leading industrial states (now G8), and Russian companies were included in major foreign stock exchanges. Furthermore, Russia managed to be as major player in world energy markets, with the EU heavily reliant on Russian oil and gas supplies.

After the war, the Russian economy was the first to feel the negative effect of the military aggression. According to various estimates, several billions USD in foreign investment capital fled Russia, the benchmark Russian trading system (RTS) stock index dropped to its lowest level, and several of the biggest foreign investors

pulled out of the country. The central bank of Russia had to pour a huge amount of cash into the money markets to keep the Russian national currency rouble from falling.⁴

Together with the economic damage, Russia is facing military fall-out from the war. The Central European and Baltic states intend to develop and strengthen their military ties with Washington. After the Russian aggression in Georgia, Poland – which was hesitating before, rushed to sign a deal with the USA to place elements of the US missile defense system on Polish the territory. Other Eastern European countries are expected to follow suit. Following the Georgia-Russia war, the US and NATO naval presence in the Black Sea has become almost permanent, leaving Russia seething with anger. Meanwhile, the Pentagon promised to do its best to assist in the restoration the Georgian Armed forces. It cannot be ruled out that Georgia will upgrade its military cooperation with USA and NATO in the near future.

American and EU leaders openly condemned Moscow for its illegal actions in Georgia and suggested that Russia may face international isolation. Their critical attitude may become ever stronger in the future. The European Union implements active measures for the development alternative energy transit routes. In September 2008, the USA suspended its civilian nuclear cooperation deal with Moscow. In addition, for Russia will be more difficult to join the World Trade Organization (WTO). Russian economic growth will certainly be decreased.⁵

Russia failed to secure the support from strategic partners of Moscow in CIS and Shanghai Cooperation Organization. Despite the Kremlin’s pressure, no member of the CIS, a Russia-controlled alliance, has agreed to recognize the independence of Abkhazia and South Ossetia. The Shanghai Cooperation Organization, an alliance of several Central Asian countries, Russia and China, also refrained from endorsing the birth of the two independent republics of South Ossetia and Abkhazia, largely due to China’s firm position. The Russian invasion of Georgia will certainly make CIS countries more wary of Moscow’s intentions. In the long term each of them-especially those facing the danger of separatism on their own territories – will seek alternative alliances.

At the same time, it is expected that Russia will continue to cause destabilization on the territory of Georgia, thus to weaken Georgian statehood. It can be implemented by creating destabilization near the occupied zones, implementation terrorist attacks against infrastructure on the territory of Georgia, to support pro-Russian political forces etc. The deterioration of the political situation in Georgia will cause loosing the trust of the western states toward Georgia and failure of the further integration of Tbilisi to European and Euro-Atlantic structures and implementation of the energy projects, which are bypassing Russian territory.

Involvement of Russia in Energy Projects:

Among the political circles of Russia, there is a fear that implementation of oil and gas projects in Caspian Region will result the losing of Russia’s political influence in the region, and will decrease the volume of Russia’s oil and gas exports. Additional volume of oil and gas will decrease the international prices on oil and gas, which subsequently will reduce incomes to the Russian state budget. It’s also worth mentioning that Russia itself is an active participant in Caspian oil projects. Since 1997 an oil pipeline connecting Baku (Azerbaijan) to the Russian port of Novorossiysk has been put into operation. Besides, in the beginning of 21-st century, the pipeline from Kazakhstan to Novorossiysk was also recovered. Russian Company `Lukoil` represents the shareholder of International oil consortium which is engaged in oil projects on the territory of Azerbaijan.

Alternative projects presented by Russia:

In 2006, Gazprom proposed an alternative project, in competition with the Nabucco Pipeline, that would involve constructing a second section of the Blue Stream pipeline beneath the Black Sea to Turkey, and extending this up through Bulgaria, Serbia and Croatia to western Hungary. In 2007, the South Stream project through Bulgaria, Serbia and Hungary to Austria, or alternatively through Slovenia to Italy, was proposed. It is

seen as a rival to the Nabucco pipeline.

South Stream

South Stream is a proposed gas pipeline to transport Russian natural gas to the Black Sea to Bulgaria and further to Italy and Austria. The project would partly replace the planned extension of Blue Stream from Turkey through Bulgaria and Serbia to Hungary and Austria, and it seen as rival to the planned Nabucco pipeline. The completion is due by 2015.

The South Stream pipeline project was announced on 23 June 2007, when the Chief Executive Officer of Italian energy company Eni Paolo Scaroni and the Vice-Chairman of Russian Gazprom Alexander Medvedev signed in Rome a memorandum of understanding of construction South Stream. On 22 November 2007, Gazprom and Eni signed in Moscow an agreement about establishing a joint project company for the commissioning of the marketing and technical feasibility studies of the project. The joint venture South Stream AG, equally owned by Gazprom and Eni, was registered on 18 January 2008 in Switzerland.

Turkey

The end of the cold war has had a profound effect on Turkey's regional agenda and standing. Long a pivotal member of NATO, it was presented with an opportunity for regional leadership, based on geographic position, multiple historic ties, and strategic heft. While its special relationship with the United States is a matter of public record, an expanded American, as well as NATO, role in the South Caucasus Region would risk complicating Turkey's own role there.

The south Caucasus is of particular geopolitical interest for three reasons. First, the region is a gateway to Central Asia. Second, it provides direct access to the markets of the West for the Caspian oil and Gas. Here Iran's anti-western policies and US "containment" of Iran have made the region even more significant. Third, Azerbaijan and Georgia are of the utmost strategic importance to Turkey. Their independence and territorial integrity are regarded as indispensable for the security and stability not only of the South Caucasus but also of Central Asia.

At the same time, Turkey faces even more formidable external constraints and policy dilemmas in Georgia and South Caucasus Region. First, Russia's political objectives and military presence in the occupied regions of Georgia and deployment of military bases in Armenia often clash with Turkey's interests in the Region. Russia is Turkey's major economic partner and its most energy supplier. Russian-Turkish trade is worth more than 30 billion dollars and includes natural gas (imports from Russia account for close to 70 percent of Turkish gas consumption), construction and tourism. The Blue Stream gas pipeline, built according to a 1997 agreement between Turkey and Russia, was in direct competition with the East-West energy corridor from the Caspian to the Mediterranean⁶. But other factors are likely to affect Turkey's policy with regard to western involvement in South Caucasus Region. These include, but are not limited to, tensions between in bilateral U.S.-Turkish relations over Iraq war and after its aftermath; Turkish concerns about the impact of development in Iraq on Turkey's own Kurdish population; and Ankara's reluctance to take a back seat to the United States in Regional activities that directly effect Turkey's national interests.

While Turkey is bound to play an important role in any U.S. or NATO policy in the Black Sea Region, it is not content to serve merely as a conduit of US and NATO policies in the far south-eastern corner of Europe, or as the bridge between the Euro-Atlantic community, the South Caucasus, and, beyond. Thus, there is no substitute for direct U.S. and wider NATO involvement in the Region⁷.

These include, but are not limited to, tensions in bilateral US-Turkish relations over the Iraq war and Ankara's reluctance to take a back seat to the United States in regional activities that directly affect Turkey's national interests.

Due to the deterioration relations with west, which are interrelated with some tensions between USA and Turkey and existence of the problems related to the becoming of Turkey the plenipotentiary member of EU, it can be explained the initiative of Turkey after Georgia-Russia war, to establish “Stability platform for South Caucasus” and involvement to this initiative Russian Federation.

It should be mentioned, that Ankara will try to have balanced policy toward Georgia and Russia. It was pointed out the interests of cooperation between Moscow and Ankara, but at the same time Turkey has important interest toward cooperation with Georgia. Particularly, it is interrelated with the energy projects-Baku-Tbilisi-Ceyhan oil pipeline and Baku-Tbilisi-Erzurum gas pipeline, also the involvement of both states in the consideration of Baku-Tbilisi-Akhalkalaki-Kars railway project. It is expected to connect two countries railway system through this project. It is expected to finish the construction of this pipeline in 2012.

Furthermore, Turkey is number first foreign-trade partner of Georgia. On the share of Turkey comes about 20% of the foreign-trade operations of Georgia⁸.

It is necessary to point out, that territory of Georgia gives the possibility to Turkey to establish contacts with Azerbaijan, the closest partner of Ankara.

Iran

In essence three broad developments at the end of the 1980's and early 90's directed Iran to develop relations with its South Caucasian neighbours. Simultaneously, the collapse of the Soviet Union and the rise of New Independent States (NIS) changed Iran's geopolitical situation to the North. New immediate security threats arose, such as conflict between Armenia and Azerbaijan, the escalation of inner conflicts in Georgia. So while the political developments of Iran's western border limited its ability to conduct active policies, developments on its northern border opened up opportunities as well as serious threats. Under enormous pressure from its young population to achieve economic progress, and as a result of the increasing instability in the region, Iran turned its attention towards its northern neighbours.

To have a better understanding of Iran's foreign policy approach towards the South Caucasus, it should be analysed Tehran's relations with Georgia.

Georgia shares no common border with Iran and has the least developed relations with Iran among the South Caucasian states. Diplomatic relations were not very strong in the past and Iran kept out of Georgia's internal disputes. However, the war between Georgia and Russia has opened a new chapter of bilateral cooperation. Georgia is desperately seeking a way out of its political dependence on Russia and Iran can play positive role in this issue. For example, when in 2006 Moscow imposed heavy economic sanctions against Georgia, cut transport links and announced that it would more than double the current gas price for Georgia from \$110 to \$230 per 1,000 cubic meters⁹. After this fact, it became clear, why a closer relationship with Iran is so important to Georgia. By the decision of the Authorities in Tehran, in January 2006 import of natural gas from Iran to Georgia was implemented. As one of the regional powers in the South Caucasus, Iran has the potential to supply Georgia with gas and be alternative energy importer for Georgia. Stronger economic ties with the Islamic Republic could help Tbilisi to diversify its trade. Tehran is eager to find a new customer for energy exports and to expand its economic ties. Following the conflict between Moscow and Tbilisi, Tbilisi announced that gas from Iran and Azerbaijan could fully replace Russian gas. Moreover Iran and Georgia agreed to swap electricity via Armenia.

It is interesting to pay attention to the fact, that in October 2008, Minister for Foreign Affairs of Iran visited Georgia. Despite the fact, that for mass-media main topics of negotiation are not familiar, it can be assumed, that possibility of the joining of Iran to stability pact in South Caucasus has been considered.

At the same time, it should be pointed out, that Iranian President Ahmadinejad, during the making speech at the General Assembly of UN in September 2008, openly blamed US and NATO in the escalation the

conflict between Georgia and Russia.¹⁰

Foreign policy and National Security Priorities of the South Caucasus States in the Region

Armenia

Among Russia's allies on the post-soviet space, it was Armenia that suffered the greatest impact from the Russian-Georgian war. Due to the ongoing blockade of Armenia by Azerbaijan and Turkey, Georgia is seen by Yerevan as vital link between that country and the rest of the world. About 70% of the foreign-trade operations of Armenia are implemented via by the using transport infrastructure of Georgia. During this war Armenia has lost about 680 million US dollars¹¹. When Russian troops destroyed a key railway bridge in Georgia, Armenia was quick to send materials and engineers to assist the reconstruction of the bridge.¹²

The war posed a foreign policy dilemma for Armenia. As Moscow's most faithful ally in the region, Armenia was expected to endorse the Russian aggression against Georgia. But its heavy reliance on Georgia as a crucial transport link to reach the outer world caused Yerevan to adopt a more moderate position in order to avoid irritating Tbilisi. Despite strong pressure from Moscow, it was only on August 13 that the Armenian president Serzh Sarkisian phoned Dimitry Medvedev to praise Russia's efforts to bring "stability" to the region. However, despite the Russia's attempt, Erevan has refused to recognize the independence of Abkhazia and South Ossetia.¹³

The Russian-Georgian war may become an important milestone for Armenian foreign policy. Russia's illegal recognition of two breakaway regions in the South Caucasus – on the territory of Georgia has serious implications for the resolution of the Nagorno-Karabakh problem. During the Russian-Georgian confrontation, Yerevan called for the peaceful settlement of the conflict. The Armenian leadership hopes that official Baku will learn the Georgian lesson and never attempt to restore its territorial integrity by force, while the independence of Abkhazia and South Ossetia may pave the way for recognition of Nagorno-Karabakh.

The war between Russia and Georgia convinced Yerevan that it was an appropriate time to normalize relations with Turkey, set aside its historical grudges and starting discussion about possibility to open border between two countries. "Football diplomacy" reached a new level in Armenia on September 6, when the national teams of Armenia and Turkey met for their first-ever match in a World Cup qualifier in the Armenian capital.¹⁴ The Turkish leader's unprecedented visit to Yerevan, when Armenia and Turkey did not have diplomatic relations during the long time and his talks with Serzh Sarkisian raised hopes of better relations between the two countries, although there is still a long way to go despite the decision, which has been reached in Geneva about restoration the diplomatic relations.

If Armenian-Turkish relations improve, Georgia will become more vulnerable to Russian pressure, Moscow will consider the Armenia has alternative transport routes and may decrease the volume of goods via Georgia and put Tbilisi under increased pressure. But, at the same time Armenia will still be dependent on the transport routes of Georgia, especially after the reopening of the Russia-Georgia border in Larsi (northern part of Georgia) in March of 2010

Azerbaijan

In the first days of the war Azerbaijan declared that regaining the lost territories by military force was the right solution. Later, however, Baku refrained from such statements, apparently trying to avoid to irritate Russi¹⁵. Two aspects of the Russian-Georgian war are important for Azerbaijan.

Firstly, if Tbilisi had succeeded in restoration its territorial integrity by the using force, Azerbaijan would have had a stronger argument for resolving the problem of Nagorno-Karabakh by military means. Azerbaijan's defence budget is increasing year by year, especially after the increasing the World price on oil, and a military solution to the Karabakh problem is a popular talking point for the Azerbaijani political elite. But the

Georgian experience is likely to discourage Baku from using its armed forces to regain Nagorno-Karabakh. Baku understands that the Russian-Georgian war is a good illustration of what a military conflict with Russia's ally may entail, especially taking into consideration the fact, that Armenia is a member of CIS Collective Security Treaty Organization, and Russia has legal obligations to protect Armenia in case of war¹⁶.

At the same time, Georgia's failure to restore its territorial integrity by force after the illegal interference of Russia in the military operations on the territory of Georgia, has eased the pressure from political hawks and hundreds of thousands of refugees on Azerbaijani president Ilham Aliyev. Secondly, the conflict may force political elite of Azerbaijan to revise its foreign policy if the West, and especially the US, fails to protect Georgia from the Russian aggression and fails to provide the country with strong economic and military assistance in the post-war period. If so, Ilham Aliyev could find it advantageous to strengthen ties with Moscow. At the same time, official Baku still refuses to import the whole volume of natural gas to Russia, and tries to have balanced policy between North and West. For example, Azerbaijan considers to increase the volume of export of Natural gas and oil to Russia, but at the same time Azerbaijan has become the member of EU Eastern Partnership Program in 2009 and actively considers with the EU to be actively involved in “Nabucco” gas pipeline project.

New Security Environment in Georgia after Georgia-Russia War.

The war in August 2008 changed the political situation in Georgia dramatically. It is clear, that there are no Georgian-Abkhaz and Georgian-Ossetia conflicts any longer, as they effectively mutated into a wider confrontation between Russia and Georgia. The problem of Georgia's territorial integrity has become the question of national statehood and sovereignty as the Georgian central government controls less territory today than it did before the escalation of conflict, when its control was spreading on the important parts of South Ossetia and Abkhazia. Georgia's image as an “efficient state” was shattered and the country may plunge into new internal political turmoil. Georgia's future depends on international security guarantees and support as ever before.

Implication of the war for the breakaway regions

After the events in August, crisis it has become clear that a direct negotiation process between the conflicting parties is highly unlikely. It is especially relevant to South Ossetia, as its de-facto authorities are closely connected (and depended) with Russian military circles, while unification with North Ossetia seems a more attractive option for local residents than does independence. So, the de facto annexation of South Ossetia may soon become de jure and the region will be simply incorporated into the Russian Federation. At the same time, it is a paradox that South Ossetia has become independent while North Ossetia – where historically Ossetian statehood existed, remains part of Russia. It will be interesting to see how Moscow will sort out this problem.

With regard of Abkhazia, part of its ruling elite is strongly supports the idea of independence and despite the close ties, opposes Russia's full hegemony in the region, giving the Georgian government some room for manoeuvre. But unless the international community is strongly involved in Abkhazia, Moscow will easily get rid of the pro-independence Abkhaz elite. It is important to remember in this regard that ethnic Abkhaz do not form a majority in Abkhazia – there are about 30% of ethnic Abkhaz in this separatist region.

Influence of the war on Georgia's foreign policy

After the August 2008 events, the western democratic community found itself in a strange predicament. On the one hand, the west has pledged to take active part in the conflict resolution process; on the other hand, opportunities for western involvement are limited, since both conflict zones remain under the full Russian control and, given the current rhetoric, Moscow will hardly agree to an international peacekeeping operation in Abkhazia and South Ossetia. So the prospects for the internationalization of the conflict



settlement process and entrance of the EU monitors inside of the conflict zones seem as dim as ever.

The impact of the August 2008 crisis on the European and Euro-Atlantic prospects is not immediately clear. On the one hand, it is obvious that the Russian aggression turned the Georgian problem into an international security issue. Russia's repeated statements that it will block Georgia's (and Ukraine) joining to NATO, whatever it costs, might motivate NATO member-states to stand up to Moscow's blackmail and support the integration process. Besides, against the backdrop of political decisions, some questions need to be answered – How should the expansion go ahead before the conflicts are settled? What measures are necessary to ensure a strong western presence in the conflict zones?

The rapid deployment of EU observers in the buffer zones around Abkhazia and South Ossetia is quite a realistic short-term goal that the west can achieve in Georgia. It is feasible as long as Russia is unlikely to pull out its troops from Abkhazia and South Ossetia in the near future. In addition, it is a vital precondition for getting the political and economic process in Georgia back to normal, rebuilding its war-damaged infrastructure, and facilitating the country's European integration.

Main Threats and challenges to the National Security of Georgia

Political Threats: Among the main threat should be mentioned about Internal conflicts and occupation by Russian Federation about 18% of the territory of Georgia in August 2008. This factor endanger Georgia's sovereignty, territorial integrity, non-violability of borders and jeopardize establishment of constitutional order on the whole territory of the country. Illegal arms and drugs trade, trafficking and other transnational crimes have found fertile ground on the occupied territories. Moreover, Russian occupants and representatives of the separatist regimes systematically violate human rights on the uncontrolled territories, especially in the occupied regions, which are mostly populated by ethnic Georgians in Gali district of Abkhazia and Akhagori district of South Ossetia. Moreover, these territories can be used by terrorist groups for achieving their aims.

After Georgia-Russia war, Russian Federation's military forces are present on the territory of two historic regions of Georgia (Abkhazia and South Ossetia) without any political or legal ground. Their presence has a negative impact on the security environment and stability of Georgia and the entire region.

International terrorism is a serious threat to the national security of Georgia, especially considering that Georgia finds itself in the region close to the terrorist bases of the North Caucasus and Middle East. Moreover, existence of the territories uncontrolled by Georgian government creates favorable conditions for the activities of international terrorist groups. International terrorism is especially problematic for Georgia, taking into consideration that despite implementation of some reforms after "Rose Revolution", single national crisis management system in final shape has not yet been developed.

Poor control of the state borders represents a major problem for the national security. Illegal cross-border movement of the citizens of other countries, additional deployment of the occupational forces in two occupied territories of Georgia and entrance illegal arms and drugs trade, as well as systematic violation of Georgia's air and maritime borders after August 2008 events often take place.

Possible actions directed against the infrastructure of strategic importance especially after Georgia-Russia war pose threat to the stability of the country and efficient functioning of national institutions. It is especially important to protect oil and gas pipelines and objects of energy and transport infrastructure at the territory of Georgia from terrorists and illegal armed formations, which are deployed at the occupied territories of Georgia. Moreover, attempts of occupational and separatist forces to damage of domestic and international transport networks, as well as of the institutions of strategic importance represents a threat to national security.

Deepening of political confrontation among the political forces, extremism, intolerance and xenophobic trends in the society endanger constitutional order of Georgia, national unity, protection of human

rights, promotion of the values of liberal democracy and state stability in general.

Military Threats: Despite the occupation of the 18% of the Georgian territory in August 2008, due to the readiness for further resistance of the Armed Forces of Georgia and pressure from the International Democratic community, Russia has not managed to implement its final goal – to occupy whole Georgia and overthrow government in the country. Accordingly it still exists the Possibility of second military aggression against Georgia from Russian side, which will pose an immense threat to the independence, territorial integrity, liberty, national unity, welfare and peace of the country.

Lacking of some defense capabilities, especially anti-aircraft systems jeopardizes national security.

Conflicts in the neighboring countries represent potential source for Georgia’s destabilization, illegal movement of armament, activation of terrorism, possible involvement of the country in the conflict and the mass influx of refugees to the territory of Georgia.

Among the New Challenges should be pointed out about:

New forms of terrorism, such as bio-terrorism;

Possible proliferation of the weapons of mass destruction, its components and technologies necessary for its development;

Illegal arms and drugs trade, trafficking, smuggling and other transnational organized crime; Information related challenges.

Main Directions of Georgia’s National Security Policy of Georgia after Georgia-Russia War

National Security Policy of Georgia is based on fundamental national values of Georgia, serves the realization of Georgia’s national interests and addresses threats and challenges before the national security.

Strengthening of public administration and consolidation of democratic institutions. For the avoiding further political confrontation between the Government and oppositional forces of Georgia, it is necessary to build democratic and free society and to create a transparent and accountable system of governance based on the rule of law.

For this purpose it is necessary to clearly distribute functions between executive, legislative and judiciary branches of the government, to reform all three branches, foster democratic principles of governance and establish a culture of changing government through constitutional procedure.

Political system should become open for all citizens, what envisages their participation in the decision-making and implementation process, constant public control over the decision-making institutions and strengthening of the sense of accountability towards the society in the government.

Eradication of corruption, which after “rose revolution” exists in the “nepotism” form, is a necessary precondition for strengthen public administration and democratic institutions of the country.

Enhancement of defense capabilities. Taking into account the fact, that possibility of the implementation next aggression against Georgia by from Russian Federation still exists, the first priority in defense planning is to achieve maximum deterrence to avoid an attack on the country. In the event that aggression fails to be deterred, the primary military objective is the protection of sovereignty and territorial integrity of Georgia. Territorial integrity of Georgia must be maintained consistent with international law and along internationally recognized borders. Timely discovery of the sources of a threat, accurate analysis of the intelligence reports and effective interagency coordination are very important to effectively ensuring defense measures are taken. Based on the threats emanating from Russian combat forces, including those present in occupied regions, and taking account of the “lessons learned” during the August 2008 Russian aggression, re-balancing of Georgian Armed forces training is necessary to ensure greater emphasis on developing both



conventional and unconventional defense capabilities while maintaining the capability to participate in international peace support and stability operations.

When facing military aggression, the Armed Forces, as well as other state agencies will use all means possible to provide active resistance and will act in close coordination, while all resources of the state will be mobilized to reinforce its defensive capability. Under the concept of “total and unconditional defense”, rapid mobilization of reserve forces, combined with the coordinated actions of the Armed Forces and other state agencies will enable the country to inflict considerable damage and to hinder the enemy in achieving its strategic objectives.

Restoration of constitutional order on the whole territory of Georgia. As it is known, after Russian aggression, Georgia has lost control over the part of territories in Abkhazia and South Ossetia, where before the war jurisdiction of Tbilisi was spread. At this stage, country is unable to control 18% of its territories. Despite the starting negotiation process in the framework of Geneva format, restoration of the jurisdiction of Georgia on the above mentioned territories through peaceful negotiations is impossible on this stage since the central government of Georgia demands recognition of Georgia’s territorial integrity from de facto leadership of the occupied regions in return of acquisition of broad autonomy rights within unified Georgia. However, the “leadership” of both regions exclusively insists on the independence during the negotiations and does not consent to recognition of Abkhazia and South Ossetia as part of the territory of Georgia in any way. Especially after the recognition of the two above-mentioned regions by Russia in August 2008.

As the events of August 2008 have shown, the issues of conflict resolution and restoration of territorial integrity may not be solved through military means either Georgia will have difficulty in carrying out large military operations on the territories, where Russian occupation forces are deployed.

The only way for the restoration of the existing conflicts and de-occupation of Georgia is the economic development of the country. Economic development of Georgia will increase interest towards Georgia in the “disobedient” regions which ultimately may cause their consent to participate in various economic projects in return of restoration of Georgia’s territorial integrity.

Interests of Georgia to join NATO

Georgia views NATO as an organization of collective defence that is the central mechanism for providing security and stability in the Euro-Atlantic area. Georgia’s cooperation with NATO contributes to strengthening of democratic values in the country, accomplishment of democratic reforms, especially in the field of defence, as well as establishment of a secure and stable environment. Membership of NATO would not only endow Georgia with an unprecedented degree of military and political security, but would allow it to contribute to strengthening the security of Europe, particularly the Black Sea region. Georgia has already proved its readiness to share the responsibility of the collective security by sending its troops to Kosovo and Afghanistan”.

It can be asked the question, what specifically does NATO membership signify for Georgia?

The first view is that NATO membership is very effective tool for political and security reform. The second is that NATO is a club in which membership can and does favor state building. In this second view NATO membership is seen as a destination, to which a country can arrive only if it has completed a process of state building. The aspiration to join NATO raises the question “Where is Georgia headed”? The answer is toward assimilation with the Euro-Atlantic family of politically likeminded states.

It is important to note that Georgia has a somewhat different road to travel toward NATO membership than the Baltic Republics or other Eastern European countries had. Although the Baltic States were administered by the USSR, they were perceived internationally as having legitimate claims to statehood throughout the Soviet period. Georgia, in contradistinction, had to invent a modern statehood in the context of

the disintegration of the Soviet Union and the rampant conflict and confusion that was left in its wake.

For Georgia, NATO signifies a necessary tool to aid in building not just any state, but a democratic state. The standards for joining NATO are different now than they were in the 1950s. Georgia understands that the NATO integration requires real democratic development. Therefore, the democratic character of the state is paramount.

Georgia naturally suffers from an insecurity complex, especially after Georgia-Russia war in August 2008. It seeks a secure environment for its own existence and for the life and development of its citizens. NATO, primarily a security institution, addresses these needs and is considered as an umbrella or safe haven for small and weak countries who alone cannot overcome security threats.

Other aspect why Georgia strives to NATO is to develop economic stability, NATO brings stability and security in the region and so it brings economic development. NATO also gives the framework for the International Security operations. In which Georgia is already involved.

Georgia has shown convincing performance in both reforming its military forces and contributing to international security. It has developed into a full fledged democratic society. Georgia is ready to take its place as an essential member of the Euro-Atlantic community.

As for Georgia, it's clear from stated ambitions of the government that Georgia is taking a path targeted at integration with the European Union and NATO. To foster closer cooperation and to guide the relationship between NATO and the Caucasus and Central Asia, it has been appointed the Special Representative of the Secretary General of NATO for the Caucasus and Central Asia.

As NATO is making efforts to promote closer relationships with its partners, these partners also need to make their own efforts. For example, partners can participate in NATO peacekeeping operations and make progress in their own society on the values that NATO promotes, such as defense reform, defense restructuring, and fighting corruption. Georgia should be commended for a variety of initiatives on its part to work with NATO and to contribute to the relationship. Georgia has a long and winding road ahead of it if it wants to achieve integration into NATO.

Georgia's NATO membership will inevitably open and widen the path for the membership of the other countries of the South Caucasus, Armenia and Azerbaijan. These countries give increasingly frequent signals of readiness to participate in transatlantic cooperation at a much more advanced level than the Partnership for Peace (PfP) program currently offers.

Integration into the European Union

Historically Georgia represents a geographic, political and cultural part of the European space. Integration into European and Euro-Atlantic political, economic and security systems is a firm will of Georgian people.

Georgia considers accession to the European Union to be an important guarantee for economic and political development and a precondition for security.

At present, main legal framework of relationship between Georgia and the EU is the Partnership and Cooperation Agreement (PCA), signed in 1996. Since June 2004, Georgia is a member of the European Neighborhood Policy, what represents a precondition for the future approximation of Georgia with the EU. In November of 2006, Georgia and EU signed Action Plan, which takes into consideration cooperation in various spheres, including political, legal, security, economic, social, cultural etc. In May 2009, Georgia together with other five post-soviet states joined “Eastern Partnership Program”. It is a priority for Georgia to develop and an Action Plan within the European Neighborhood Policy and to timely and efficiently implement all priorities in the framework of the “Eastern Partnership Program”. In July 2010, EU and Georgia started the negotiation



process on the signing the Associate Agreement.

The Russian-Georgian conflict will increase the engagement of the European Union in Georgia. Consequently, it will be able to play a greater role in the South Caucasus. The European Union's large-scale economic and political support for Georgia and closer EU-Georgia ties will help the country recover from the conflict quickly, while the EU's international prestige will grow considerably.

Diversification of the energy sources has become an urgent theme for the European Union, an aspect reflected in the final resolution of the EU summit on September 1, 2008. The Russian-Georgian war high-lighted the danger of Russia's intentions to monopolise energy transits from Asia to Europe. It is very likely, therefore, that the west will begin lobbying for alternative gas and oil pipelines more actively.

Relations with the United States of America

Bilateral cooperation and strengthening of partnership with the United States is of a great significance for Georgia, especially after war with Russia. From the very day of declaring Georgia's independence, United States has been actively supporting its statehood, democracy, defense capabilities, and economic development.

United States of America represents the strategic ally of Georgia, and cooperation with Washington will remain one of the main direction of the Foreign policy of Georgia.

After the signing the Charter on Strategic Partnership, USA-Georgia relations will become more intensive.

If Washington's policy is successful in Georgia, i.e. if Russian troops are pulled out from occupation zone, Georgia's government system and national economy remain functional, and democratic processes continue unabated, US influence in the region will increase substantially, nearby countries will be more willing to cooperate with the US, and prospects of alternative energy transit projects will improve.

Perspectives of solution the security problems in Black Sea Region

In spite the existence of many problems in the Region, above mentioned latest positive events give us the reason to say that there are possibilities for solving security problems. First of all, the most important factor is the NATO enlargement and it's raising role in the world's global security environment.

After the fact the new members of Baltic and western coast of the Black Sea region joined NATO, the main strategy of the Alliance can now include more intensive cooperation with the former soviet republics from the Black Sea Region. First of all, it is necessary to mention about speech of former Secretary General of NATO in August of 2002 in Glasgow. He mentioned that `New and energetic relations with the countries of Caucasus would be one of the symbol of NATO in 21st Century.` Certainly, it does not mean that very soon states of Caucasus, also Ukraine and Moldova will become the plenipotentiary members of NATO, but active cooperation in terms of sharing NATO's experience in the field of security sector reform (civil-military relations), transition the Armed forces to the NATO standards, defense management, strengthening the democratic institutions, social-economic development and so forth, will play a positive role in the democratic processes in the Black Sea area by strengthening national independence and national security of this countries.

Economic aspects are very important for the solution of the security problems in the Region. Economic development can defeat separatism, because de-facto authorities and population of the separatist regions will be willing more to be integrated into the country, which they are separated from.

Among the economic aspects for solving security problems in the Region, implementation of international economic projects are key to mention. In these projects many states of Europe and Asia – including countries from Black Sea Region are engaged, which clearly demonstrates the process of

Globalization. First of all, it is project of Euro-Asian Transport Corridor and revival of the `Great Silk Road.` Starting from the 8-7 century B. C., states of Asia (China, India) had very close relations with antique Greek cities and later regions of Roman Empire through the territories of modern Turkey, Caucasus Region, western part of the Black Sea coast. The territory of the `Great Silk Road` included several routes on the way between Europe and Asia but the most important territory represents Black Sea Region.

In September of 1998, the International conference called `Revival of the historical silk road` was held. The representatives of 32 states including of course states from the Black Sea Region and 13 International Organizations attended the conference. Participants signed an agreement on the beginning of the construction works for the creation communication and transport corridor of Eurasia. Today, the main coordinator of TRACECA (Transport Corridor Europe-Caucasus-Asia) is the European Union funded - TACIS program.

Energy Projects which are implemented in the Region

Oil and Gas are the main sources of energy and their share is more than 60% in the world fuel economy and according to the forecast of experts, demand on oil will be increased about 25-30% for 2015. At the same time most of the countries of the Black Sea Region represent oil and gas importers. In this regard states of the region are trying to find the different alternative ways for the import of the energy resources. In this case one of the key role can play Caspian energy projects, where can be involved both-oil and gas-producers and oil and gas-importers of the Region.

Because of significant amount of oil and natural gas in Caspian Region – 200 Billion Barrels (32 Billion Tones) – Caspian Sea region has become the area of strategic interests of many leading Countries of the world. America and other democratic and economically developed states during the last several years are seriously considering extraction and exploration of Caspian Oil and Natural gas, which is a very important political and economic factor. One of the priorities for western states is to avoid the dependence on politically unstable Middle East and Russia, to find the alternatives sources in the oil-rich regions and to allow their oil companies to explore oil fields there.

There are several main players in the in the wide Black Sea area, which have their own strategic interests toward the energy projects. In this regard should be pointed out the following countries:

Involvement of Georgia in the Energy projects

Due to the important geopolitical location between East and West and because of its foreign political orientation, Georgia was actively involved in the Caspian energy projects implementation process. In this case, this South Caucasian country can play very important role as a transit state in the providing Black Sea countries by oil and gas, which as it is known is transported and will be transported in the future from Azerbaijan and Central Asia. There are projects, which are already implemented and projects, which can be implemented.

Among the projects, which have started functioning are the following:

Baku-Supsa oil pipeline:

Implementation of the project started in April 17, 1999 and by this pipeline is transported more than 5 million tones of oil per year. Through the Georgian port Supsa, part of the oil by tankers is exported to the Bulgarian port of Burgas, Romanian port Constanta and Ukrainian port Odessa. There are conducting negotiations with Kazakstan by the Azerbaijan and Georgian authorities about supply this pipeline by additional resources of oil. If the negotiation process is finished successfully, transport capacity of this route can be increased till 10 million tone per year and this factor will raise the possibility to increase export of oil to the Bulgarian, Ukrainian and Romanian ports and further transportation of oil from this ports toward the Europe by the using existing pipelines in Eastern Europe. In this case, very important role can play oil refinery factory in Constanta, which can produce more than 35 million tones of oil products per year. Besides, there are



perspectives of the oil transportation from the Supsa terminal to Odessa by tankers and later to pump “black gold” toward the pipeline “Drudzba”.

Baku-Tbilisi-Ceyhan oil pipeline:

With regard of the Baku-Tbilisi-Ceyhan pipeline, agreement about construction of this pipeline was signed on 18 November, 1999 in Istanbul. As it is known, pipeline has already started its functioning. Since 2011, it will be possible to transport more than 50 million tones of oil toward the Turkish port Ceyhan for its further export to the west. If pipeline receives an additional volume of oil from the Kazakh port Aktay, capacity will be increased till 80 million tones per year.

Kazakhstan Oil and Georgia:

The important role in the Black Sea energy security can play oil, which is transported by railway from the territory of Kazakhstan through the territory of Georgia till Georgian Black Sea port Batumi. Till the August of 2008, the volume of the transported oil was about 4 million tones. Implementation of this project was started in 1997 and it should be pointed out, that according to the experts, volume of oil-producing in Kazakhstan in 2012 can be reached 170-180 million tones per year but at the same time, oil-refinery factories of Kazakhstan can produce no more than 20 million tones of oil. In this regard, will be very interesting to conduct negotiations about transportation of the additional quantity of oil from Kazakhstan not only toward China and Russia, but also through territory of Georgia by pipeline and railway for its further transporting to the Black Sea ports. It is necessary to point out, that before the Russian invasion in Georgia, Georgian and Kazakh authorities conducted negotiations about building of the oil-refinery factory in Batumi, which should receive “black gold” from Kazakhstan.

Baku-Tbilisi-Erzurum gas pipeline:

Agreement about construction of the Baku-Tbilisi-Erzurum gas pipeline was signed in 2001 and at the in the beginning of 2007 gas transportation has been started. According to the plan, at the first stage pipeline will transport 8,4 billion cubic meter of natural gas and later volume will be increased till 16-18 billion cubic meters. Implementation of this project will improve the gas supply of Georgia and Turkey. This two countries which are mostly depended to the imported gas from Russia and particularly from Iran, will have an opportunity to receive alternative source of gas. Besides, it will create the convenient base for the further transportation of gas toward the other states of the Black Sea region.

Besides, of the above-mentioned projects, where Georgia plays a key role as transit state and which are already implemented, there are other projects and versions, which are being considered and can be implemented in the future by the using territory of Georgia.

Baku-Tbilisi-Akhalkalaki-Kars Railway

The determined role in the Black Sea energy security can play Kars (Turkey)-Akhalkalaki (Georgia) railway. Negotiations about starting the construction of the railway line were going on several years and in the beginning of 2007, representatives of Azerbaijan, Georgia and Turkey signed an agreement about project beginning in the second half of 2008. By this route will be possible to transport oil from Kazakhstan and Azerbaijan toward the Turkish ports and oil-refinery stations with perspective of the further export of oil and oil products to the west including countries of Black Sea region. If the project is implemented, circulation of commodities by the “TRACECA” line will be increased on 20 million tones.

NABUCCO Project

After the starting negotiation process in 2002, finally The intergovernmental agreement between Turkey, Romania, Bulgaria, Hungary and Austria was signed by five prime ministers on 13 July 2009 in Ankara. The European Union was represented at the ceremony by the President Jose Manuel Barroso and the

Commissioner for Energy Andris Piebalgs, and the United States was represented by Special Envoy for Eurasian Energy Richard Morningstar and Ranking Member of the United States Senate Committee on Foreign Relations Senator Richard Lugar.

The 3,300 kilometres (2,050 mi) long pipeline will run from Erzurum in Turkey via Bulgaria, Romania, and Hungary to Baumgarten an der March in Austria.

In early years after completion the deliveries are expected to be between 4.5 and 13 billion cubic meters (bcm) per year. Around 2020, the supply volume is expected to reach 31 bcm. The diameter of the pipeline would be 1,420 mm.

Construction of the pipeline is expected to begin in 2010 and is planned to be finished in 2014. It estimated to cost around €7.9 billion. The company leading the project is OMV.¹⁷

EU Projects:

Finding the alternative sources of gas import is actively considered among the political circles of EU. In the beginning of 2006, EU has founded a special commission, which should work out recommendations regarding the possible building of the Central Asia-Azerbaijan-Georgia-Turkey-Balkans gas pipeline. If the project starts, it is planned to connect pipeline with branch Ukraine-Moldova. According to the experts, for the project implementation will be necessary 6-7 years. Besides, exists other chance, by which will be possible the connection with Baku-Tbilisi-Erzurum pipeline branch from Central Asia, particularly from the gas fields of Turkmenistan and Kazakstan. In this case will be necessary to build 300 kilometer length pipeline via Caspian Sea. By this way will be possible to transport additionally 14-16 billion cubic meter of gas.

In January 2007, the issues regarding the EU future energy strategy were discussed during the meeting of the European Commission.

Together with other reasons, the necessity for the finding the alternative sources of gas import to Europe including the Black Sea Region is caused by the fact, that since 2007 Europe imports gas by higher prices. Main reason of it is that Russian “Gazprom” and Turkmenistan signed the contract, according to which “Gazprom” will be the exporter of Turkmen gas in Europe during the next three years. With regard of the price, “Gazprom” will purchase 162 billion meter of gas from Turkmenistan by higher prices, particularly by 100 \$ for 1000 cubic meter.

Conclusion

21st century creates good prospects for cooperation among the states. The reason of it is democratization of the world including of course, Black Sea Region. It gives us the reason to say, that security, political and economic problems in the region including the energy security problems will be gradually solved.

Finally, It is necessary to pay attention to the opinion of the great German philosopher, Immanuel Kant, who has mentioned that humanity would get the common and eternal peace. Let’s hope that this time will come very soon in all regions of the world, including Black Sea/Caspian Region.

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