

*Regionalism in the South Caucasus
from a theoretical perspective: is the*

SouthCaucasus *a region?*

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Abstract

This article will attempt to shed light on the question of whether the South Caucasus is a region, and whether the nature of this regionalism is sufficiently established to serve as the starting point of broader processes such as regional cooperation and integration. These questions will be answered with reference to the existing literature on regionalism. Notwithstanding the fact that the literature on regionalism is to some extent inconsistent and excessively abstract, the minimal and maximal criteria established are adequate to measure the regional dynamic of the South Caucasus. On their own, the minimal criteria are not sufficient to deepen regionalism to the extent of integration. Based on the application of existing theories on regionalism, the article concludes that the South Caucasus as a sub-region of the broader Caucasus has weak regional characteristics, which cannot provide the basis of any further integration. The components required for integration or a deeper level of regionalism are apparently absent in this region.

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There has been much speculation about the regional character of the South Caucasus. The notion of the South Caucasus as a single “unit” with a strong level of regionalism has been a recurring matter in the international relations of the states in question: Azerbaijan, Armenia, and Georgia. At various stages during their independence, these three states have had to consider the issue of integration of the South Caucasus as a sub-regional confederation or a larger union to include the whole of the Caucasus. The issue of regionalism, and the regional cooperation and integration it would entail, has recently been advocated as a security mechanism, or a tool for conflict resolution and economic prosperity in the region, in the light of the success of the European model of integration functioning as a security concept in a hostile environment.¹ The successfully implemented oil and gas projects between Georgia and Azerbaijan have been a further source of speculation on integration in the region.²

*1 This paper does not treat regionalism as a response to globalisation, and employs a narrow definition of regionalism in compliance with Andrew Hurrell's definition, which emphasises regional inter-state cooperation. See Andrew Hurrell, 'Regionalism in theoretical perspective', in Fawcett and Hurrell eds., *Regionalism in world politics: regional organisation and international order* (Oxford: Oxford University Press, 1995).*

*2 The issue of regionalism in the South Caucasus has been dominantly been addressed in a normative approach by now. This is due to two factors: on the one hand there is a tendency for most studies on regionalism to be normative, on the other hand this is caused by the political concerns and interests of certain states and institutions. This former point is well caught by Fawcett and Hurrell, who argue that studies of regionalism tend to shift from description to prescription, prescribing how the international relations of certain regions should be organised. See Fawcett and Hurrell, *ibid.**

Moreover, at various stages in the peace process between Armenia and Azerbaijan, particularly during periods of stalemate, regional integration has been suggested as an abstract solution.

Before defining the regional character of the South Caucasus, it would be useful to refer to existing literature on regionalism and to explore what exactly a region is. There is no universal agreement among scholars about the definition of a region; thus a number of attributes are used to test what constitutes a region. A minimum definition was set forth by Nye as ‘a limited number of states linked together by a geographical relationship and by a degree of mutual interdependence’.³ Based on these factors, it has been widely accepted that the primary criteria for identifying a region are geographic proximity and regularity of interaction, complemented by attributes such as ethnic and cultural similarity, secondary criteria being the level of economic development, political systems, the degree of interdependence, and a degree of autonomy in relation to the global system. Some of these variables can be correlated, e.g. geographic proximity producing security and economic interdependence. Geographic proximity and cultural/ethnic similarities (intertwined with identity) are fairly unchanging properties factors and create a regional identity,

*3 Joseph Nye, *Pan-Africanism and the East African integration* (Cambridge: Cambridge University Press, 1965), p. vii.*

whereas the political and economic indicators are more flexible variables.

A further conceptualization of regionalism focuses on regional subsystems. Regional subsystems reflect groups of states coexisting in geographical proximity as interrelated units that sustain significant security, economic and political relations, and above all autonomy from the international system. The literature dealing with regional subsystems is mainly driven by rational-choice arguments, which treats the structure and content of the subsystem as anarchic or hierarchic, bipolar or unipolar.⁴ In contrast, constructivist scholarship has a different approach, based upon shared perceptions rather than material factors; they argue that a region exists if its states and outside parties believe that the states in question constitute a region. In other words, a region is what states make of it. It is self-perception and identity that produce observable behaviours, so in this context regions cannot be pre-defined, and states' attachment to a regional order is not fixed. As Katzenstein points out, the flexibility of these terms explains why international relations scholarship shows so little progress in the analysis of regionalism.⁵

⁴ That said, it should be noted that neo-realism and neo-liberalism awards only minimum attention to spatiality. For a broader discussion, see Väyrynen Raimo, 'Regionalism: Old and New', *International Studies Review*, 2003, vol. 5, no. 1, pp. 25-51.

⁵ See Peter Katzenstein, Takashi Shiraishi, *Beyond Japan: the dynamics of East Asian regionalism* (New York: Cornell University Press, 2006).

An elaborate explanation of regional subsystems in international relations has been produced by Thompson, Cantori and Spiegel, Russett, Väyrynen, Fawcett and Hurrell. A comprehensive study by Cantori and Spiegel puts the emphasis on geographic proximity, regularity of interaction, ethnic, linguistic, cultural, social and historical relations, and a sense of common identity and regional perception that can be produced or strengthened by the attitudes of external states. They define a subordinate system as '*consisting of one state or of two or more proximate and interacting states which have some common ethnic, linguistic, cultural, social and historical bonds, and whose sense of identity is sometimes increased by the actions and attitudes of states external to the system*'.⁶ Accordingly, for each state in the region, the activities of other members of the region (be they cooperative or antagonistic) are significant determinants of its foreign policy. They further define four pattern variables in a subsystem which include 1) the nature and level of cohesion; 2) the nature of communications; 3) the level of power; 4) the structure of relations. Size, interestingly does not matter in subsystems- it can comprise one state or several states, but if a single state occupies a region then the subsystem and the internal system are identical. Meanwhile, a state

⁶ Louis J. Cantori and Steven L. Spiegel, *The international politics of regions: a comparative approach* (Englewood Cliffs: Prentice-Hall, 1970), p. 6.

or even a region can belong to more than one regional subsystem. This usually happens when the subsystem has a weak regional identity. Bruce Russett's criteria (social and cultural homogeneity, external behaviour, political institutions, economic interdependence and geographic proximity) also illustrate the ambiguity of region as an organizing concept. Russett's work treats geographic criteria as complementary, not of vital importance for the existence of a region.⁷ Similarly, Thompson's definition lists twenty-one commonly cited attributes, which he later shortens to a list of three conditions for defining a regional subsystem: general proximity, regularity and intensity of interactions, and shared perceptions of the regional subsystem.⁸ These three conditions overlap with those given by Cantori and Spiegel. According to Thompson, a subordinate (hereafter subsystem) system is a component of a larger system with systemic properties of its own, with identifiable boundaries that separate it from its environment. A recent study by Hurrell and Fawcett determines seven forms of regionalism: regionalization, regional awareness and identity (cognitive regionalism), state promoted regional integration and regional cohesion. Among other factors, the absence of regional coopera-

7 Bruce M. Russett, *International regions and the international system: A study in political ecology*, (Chicago: Rand McNally, 1967), p. 11.

8 William Thompson, 'The regional subsystem', *International Studies Quarterly*, 1973, vol. 17, no. 1., pp. 89-117.

tion is attributed by Hurrell to state weakness and lack of state cohesion.

⁹ Other recent studies on the so called 'new regionalism' stress the relationship between globalisation and regionalization, specifically, looking at the latter as a response to the former.¹⁰

South Caucasus as a regional subordinate system

When talking about regionalism in the South Caucasus, the first question that arises is to what extent such a politically divided region can be viewed as a regional subsystem. In other words, what makes the South Caucasus a region? Is it a social construct formed during the Soviet discourse with no substantial regional attributes? These questions will be answered with reference to the conceptualizations made by Spiegel and Cantori on regional subsystems.

Geographic proximity

The term "Caucasus" has been used to refer to the mountainous geographical area between the Black and Caspian Seas, across the borders of Turkey, Iran and Russia. In terms of its geographical features, owing mostly to its mountain range, the Caucasus may be considered a single unit, but as with other regions, it is not always easy to determine where the exact boundary lies. Within the

9 See Hurrell, 'Regionalism in theoretical perspective'.

10 See Björn Hettne, 'The new regionalism revisited', in Frederik Soderbaum and Timothy Shaw, *Theories of new regionalism*, pp. 22-42.

Soviet Union, the Caucasus, along with the Baltic region, Central Asia and to a much lesser extent the Ukraine, Belarus, and Moldova had a regional identity. As a geographic unit, the Caucasus comprises two distinct regions- Transcaucasia with Armenia, Azerbaijan and Georgia, and the North Caucasus, which includes seven republics within the Russian Federation (Adyge, Dagestan, Chechnya, Ingushetia, North Ossetia, Kabardino-Balkaria and Karachay-Cherkessia). The distinction between the North and South Caucasus dates

geographical and political identity of the Caucasus has especially been strong in the Southern Caucasus, primarily due to the national independence movements.

There are more than 50 different ethnic groups in the Caucasus. During the centuries between pre-classical antiquity and the fourteenth century AD, the Caucasus underwent successive invasions by various groups, including the Scythians, Alani, Huns, Khazars, Arabs, Seljuq Turks, and Mongols. The region was also a host to different religions and enjoyed contact with the Mediterranean and Asia. These varied influences have left their mark on the culture of the peoples of the Caucasus.

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To understand to what extent such a mutually hostile and politically divided region as the

back to the early nineteenth century and was drawn by the then-Russian Empire, using the Caucasus mountain range as criteria. Thus the region north of the Greater Caucasus Mountains was called Hither Caucasia (Northern Caucasus) and the part to the south, along the lesser Caucasus Mountains, became Transcaucasia (Southern Caucasus). The nineteenth and twentieth centuries have seen the formation of a Transcaucasian political identity through the establishment of Russian imperial rule of the Transcaucasus as a single unit, the Transcaucasian Confederation in 1917 and later on the Transcaucasian Soviet Socialist Union (1921-1936). The

South Caucasus can qualify as a region, it is necessary to refer additionally to Thompson’s attributes for regions and the four pattern variables developed by Spiegel and Cantori. The primary factor of geographic proximity is present in the case of the South Caucasus. A secondary factor, regional awareness or internal and external recognition as a region, is also strong. The international community has historically tended to view the countries as a region. The European Union, OSCE and NATO in particular have sought to strengthen the regional identity of the South Caucasus since the collapse of the Soviet Union. Self-identification is

also very clear; the sense of a Caucasian identity is strongly felt in the three societies. The size of the region does play a role to a degree, in that a larger South Caucasus that included more states would make it easier to strengthen the aspects of regionalism. Theoretically, the region is too small to form an alliance that would influence the balance of power in the regional security complex; therefore alliances as GUAM need the involvement of external actors. The pattern of relations between the states in question suggests a particular degree of regularity and intensity. The interaction between Georgia and Azerbaijan has intensified over the last few years thanks to the Baku-Tbilisi-Ceyhan and Baku-Tbilisi-Erzurum pipelines. However, the regularity of interactions is not as high as between the Benelux states during the 1950s, for instance. As for Armenia and Georgia, the pattern of relations remains passive due to the different foreign-policy orientations of the two states as well as a lack of economic potential. It should be noted that these inter-country interactions were more intense under the Soviet Union. The subsystem in the South Caucasus is clearly subordinated to the dominant system, whereby changes to the dominant system (whether the global system or broader regional system) will affect the subsystem. It does not enjoy broad autonomy. The subsystem in the South Caucasus is not interdependent, but rather dependent on the dominant system. It has very

restricted autonomy and the intrusive system (in this case the broader regional system centred around Russia) is extremely clear. Institutional relations at the regional level do not exist in the South Caucasus; although Georgia and Azerbaijan are represented in GUAM, there is no explicit subsystemic organization that brings together all three countries.

Social cohesion

Social cohesion is a key factor in the regional subsystem. Without a high level of social cohesion, neither integration nor consolidation (whereby nations are not preparing for war against one another, but are not becoming unified) can occur.¹¹ Cohesion is divided into ethnic, linguistic, religious, social, political and economic fields. In the South Caucasus, social cohesion is minimal. There are social similarities represented in a common history and the consciousness of a common heritage. The three states and the relevant autonomous regions all share a common Caucasian culture that exists independently of religious distinction. This culture, used by the Soviet Union as a means to achieve unity in the ethnically diverse South Caucasus, is observed in the form of similarities in dance, cuisine, values and social behaviours, leftover from a common historical heritage. However, diversity in ethnicity and religion (Azerbaijan is over 92% Muslim, Armenia is over 99% Gregorian, Georgia is 85% Orthodox)

¹¹ See Cantori and Spiegel, p.11.

along with entirely different languages and alphabets, all elements that form the basis of social cohesion, draw significant divisions between the peoples of the South Caucasus. Traditions that derive from religion provide further divisions. The Caucasus has never had the level of religious cohesion that Western Europe has, with the religious unification between Catholic and Protestant states, and the impact of the Vatican on the former. The South Caucasus experienced a period of direct imperial rule from Moscow beginning in the eighteenth century, but prior to that it had never experienced any form of unification, either through a religious organization such as the Papacy, or a regional institution like the Concert of Europe. Before Russian rule, the de-facto principalities in the Caucasus were defined by religious identity. Thus, in terms of social cohesion, regional identity in the South Caucasus faces greater challenges.

Economic cohesion

Economic cohesion implies distribution and complementarity of resources. Regional subsystems require a common level of development. Hence, if all states in a region are poor, there will be a low level of interaction. At present, there is hardly any trade-based economic complementarity in the region. The only economic complementarity in the South

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Caucasus is in the oil and gas sector, between Georgia and Azerbaijan, the former offering a transit for the fossil fuel resources from the Azerbaijani sector of the Caspian Sea. Given that energy production is a vital sector of the Azerbaijani economy, this transit might have a spill-over effect to other bilateral trade opportunities. So far, this has not occurred, primarily due to the low levels of trade potential in both countries. The trade turnover between either of the three countries with any of the other regional states is larger than between themselves. Direct trade between Armenia and Azerbaijan is ruled out, and trade between Georgia and Armenia is minimal. Most products not produced in either of the three countries are cheaply imported from Russia, Turkey or Iran. The complementarity of resources between Germany and France (coal and steel), or between the Benelux states, is not comparable to the South Caucasus. In addition, the region is too small to benefit from the elimination of trade barriers or

the formation of a customs union. As a result, any free trade area specific to the Transcaucasus area must include states outside the region. Thus, at present the complementarity of resources is too weak to support regionalism in the South Caucasus.

Interdependence

Interdependence is one of the key attributes of a regional subsystem. In the South Caucasus it is observed in the security and economic sectors. In terms of security, there is a high level of interdependence between Armenia and Azerbaijan, Armenia and Georgia and Azerbaijan and Georgia. Any political instability in Armenia has an impact on the Nagorno-Karabakh conflict, and Azerbaijan's exercising of its right to restore territorial sovereignty by use of force would have immediate implications for Armenian security. The elites in both states are well aware that a military settlement of the conflict would have serious implications, but at the same time a unilateral settlement in favour of one of the parties is not viable; that would create a negative form of interdependence. As for Georgia and Armenia, the latter has a vested interest in the security of ethnic Armenians living in the Javakhetia province in Georgia - any disturbance there could damage relations between the two countries. Georgia and Azerbaijan enjoy positive interdependence largely thanks to the existing oil pipeline and the forthcoming gas transit route. The Azerbaijani minority in Georgia has

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not so far been the object of any political discontent between the two countries. Any instability on Georgian territory (including Abkhazia and South Ossetia) will have a negative impact on Azerbaijan's economic stability.

The region remains highly dependent on Russia in security and economic areas. Any military intervention by the Georgian government in South Ossetia would have a spill-over effect in North Ossetia, and the resumption of military operations in Mountainous Karabakh could have implications for the Russian military bases in Armenia. Economic dependence on Russia is felt strongly in Armenia and Georgia, and to a lesser extent in Azerbaijan. Developments in Azerbaijan's large oil and gas sector have reduced the country's economic dependence on Russia in recent years. Nevertheless, all three states have large migrant labor force in the Russian market and their primary trade is with Russia. The souring of relations between Moscow and Tbilisi in 2006

led to the ban on Georgian wine in the Russian market and the deportation of a large number of migrant workers, at high economic cost to Tbilisi. Armenia's dependence on Russia for national security is even higher.

Communications

The nature of communications across the region is defined by the structure of relations between the states (conflict/cooperation/antagonism). The political problems that emerged in the wake of the collapse of the Soviet Union have had a long-term impact on the level of regionalism in the South Caucasus. It is true that Russian colonialism in the eighteenth and nineteenth centuries helped to construct a regional identity, which was further strengthened during the Soviet era. However, the post-colonial state-building processes of the early 1990s were specific to each country, which undermined the development of regionalism. The nationalistic rhetoric used by elites in all three countries as a means of nation-building, along with the subsequent conflicts, acted as impediments to the consolidation and development of the existing common cultural heritage in the South Caucasus. There were few attempts in 1990s by the then Georgian President Gamsakhurdia to establish a common Caucasian confederation (to include the North Caucasus), but these were ultimately unsuccessful. Furthermore, relations between religiously and linguistically semi-homogenous Azerbaijan and Iran and

religiously homogenous Georgia and Russia were overshadowed by political problems. Besides, interaction capacity (technological and social infrastructure for transportation and communication) in the South Caucasus is not particularly well-developed.

Communication between the government elites is extremely limited between Armenia and Azerbaijan, but not between Armenians and Azerbaijanis. There are about 30,000 Armenians still living in Azerbaijan, although the number of indigenous Azerbaijanis in Armenia is almost zero. There are large numbers of mixed marriages left over from Soviet times. Couples tend to live in Russia, Azerbaijan or abroad. As for Georgia and Azerbaijan, political communications exist at a high level, but societal or individual communications are not at a level comparable to areas of advanced regionalism such as Western Europe or Latin America. This is mainly due to the low level of interaction capacity; additionally, the ethno-cultural differences between the two nations constitute a further obstacle. On the other hand, communication between Azerbaijanis and Turks is very frequent, despite the relative geographic distance in comparison to Georgia. This is due to the economic and overall attractiveness of Turkey and the ethno-linguistic ties between the countries (Turkish and Azerbaijani languages are similar). Both Georgia and Azer-

baijan have expressed mutual solidarity during tough times, and political dialogue between the elites of the two states has been ongoing since independence. In addition, there is a strong network between Georgian and Azerbaijani NGOs.

Conclusion

According to the criteria established by the literature on regionalism, the South Caucasus could at best be considered a sub-region of the larger Caucasus region. The Caucasus region meets the minimal criteria of regionalism, but there remains limited potential for development. The attempts to unite the Caucasus in a confederation were largely based upon these criteria, but have failed to progress beyond the minimal criteria of geographic proximity and to a lesser extent regularity of interaction.

As a sub-region, the South Caucasus is a long way from becoming a regional subsystem that is autonomous from the international system or even the regional hierarchy. It does not enjoy that degree of autonomy from the regional subsystem of the CIS; most of the security and economic processes in the South Caucasus operate very much within the context of the CIS and Russian hegemony. That said, this paper also notes that the South Caucasus as a sub-region does meet the minimal criteria of regionalism, and has better chances of

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developing regional characteristics than the Caucasus does as a whole.

Cantori and Spiegel's assessment criteria suggest that for the moment, the South Caucasus does not have much foundation for regionalism. The important indicators for the potential of regionalism are all absent in the South Caucasus. Social and economic cohesion are not at a sufficiently high level, nor is the level of communication (interaction capacity and communication between societies). The region is dominated by ethno-territorial conflicts, power-political rivalries, alignment efforts (often with external powers), and divergent foreign policies. If the secondary variables of regionalism were stronger, then one could speak of overcoming the challenges mentioned above. However, at a time when those criteria are also missing, it would be premature to speak of evolving regionalism in the South Caucasus. Equally, the calls of international organizations and international community for integration in the South Caucasus are ill-founded.

In conclusion, the elements of regionalism in the South Caucasus are too weak to lead to any substantial integration. It can develop along two paths- either the countries will work to enhance the existing features of regionalism (geographic, common heritage, historical links), or the individual states might integrate with other broader regions. Since regionalism in the South Caucasus has a limited natural basis, whichever trajectory the three countries follow will be determined and dominated by political factors, rather than the cultural or other factors discussed in the literature. For example, more regular interaction between Central Asia and Azerbaijan could potentially undermine another endogenous variable- the common Caucasian heritage. This could lead to Azerbaijan's regional integration with Central Asia rather than the Caucasus. Equally, predictions that the common cultural, religious and ethnic links shared by Iran and Azerbaijan would lead to a closer union between the two countries after Azerbaijan's independence. The uneasy political relations between the two countries and the non-appeal of the Iranian state model have undermined the common cultural basis that could have served closer cooperation or regionalism. In contrast, the political and cultural appeal, common historical and ethnic roots and the linguistic similarity between Turkey and Azerbaijan has produced a high level of cooperation between the two countries. Regionalism in the South

Caucasus is so weak that it is impossible to predict what path its development will take.

With regard to the vociferous calls by the international community for integration in the South Caucasus, this article concludes that such a process has no exogenous or endogenous support or basis. Integration is a distant prospect for this region, which lacks virtually all of the factors necessary for this process. Right now, there is little basis for discussion of integration in a region where relations are dominated by highly politicized ethnic and inter-state conflicts.