

# US-Azerbaijani Relations: State of the 'Strategic Partnership'



November 9, 2010



## *Event Summary*

### **“US-Azerbaijan Relations: State of the Strategic Partnership”**



**Tuesday November 9<sup>th</sup>, 2010**

**10:30 a.m. to 2:20 p.m.**

**Carnegie Endowment for International Peace**

**Root Conference Room**

**1779 Massachusetts Avenue, N.W.**

**Washington, D.C. 20036**

**Photo Credits (Clockwise):** US Secretary of Defense Robert Gates meeting with President of Azerbaijan Ilham Aliyev on June 6, 2010 in Baku; President Barack Obama meeting with Azerbaijani President Ilham Aliyev on September 24, 2010 in New York; US Secretary of State Hillary Clinton meeting with Azerbaijani President Ilham Aliyev on July 4, 2010 in Baku; Azerbaijan’s first commercial satellite is being built in coordination with US company Orbital Science Corporation; part of the Azerbaijani troop contingent serving as part of the coalition in Iraq; a Boeing aircraft in Azerbaijani livery that is part of an agreement between Azerbaijan and Boeing to purchase American-made aircraft as part of Azerbaijan’s civilian aviation fleet.

Introduction:

10:30 AM

**Glen E. Howard**

*President*

*The Jamestown Foundation*

The Changing Strategic Environment of the South Caucasus:

10:30 A.M. to 12:15 PM

**“Azerbaijan’s Foreign Policy Strategy & Great Power Politics”**

Dr. Elkhan Nuriyev

*Former Director*

*Center for Strategic Studies under the President of the Republic of*

*Azerbaijan*

**“US-Azerbaijan Partnership: What It Has Delivered and Where It  
Falters”**

Vladimir Socor

*Senior Fellow*

*The Jamestown Foundation*

Moderator

Dr. S. Frederick Starr

*Chairman*

*Central-Asia Caucasus Institute, SAIS*

Q & A

Keynote Address:

12:30 to 1:30 PM

Luncheon:

Introduction by Dr. S. Frederick Starr

***Chairman***

***Central-Asia Caucasus Institute, SAIS***

Ambassador Richard Morningstar

**“Azerbaijan & U.S. Energy Policy in the Caspian”**

***Special Envoy for Eurasian Energy***

***U. S. State Department***

Q & A

Special Presentation:

1:30 to 2:15 PM

Azerbaijan’s Role in the World Today:

A Conversation with Dr. Zbigniew Brzezinski

***Counselor and Trustee***

***Center for Strategic and International Studies***

Moderator

Glen E. Howard

***President***

***The Jamestown Foundation***

Q & A

Conclusion:

2:20 PM



***Remarks by Dr. Elkhan Nuriyev,  
Former Director of the Center for Strategic Studies under the President of the Republic  
of Azerbaijan***

Thank you very much Mister Chairman, Professor Starr, ladies and gentlemen, distinguished guests, I am very pleased to be here with you. First let me fully express my gratitude to the organizers of this well-attended event for the opportunity to exchange views with our colleagues on the issue of the changing security and strategic environment of the South Caucasus. Certainly the topic is too broad to cover in a single presentation. Instead I would like to focus on what are in my opinion the major geopolitical determinants of Azerbaijan's foreign and security policy.

Well Azerbaijan's foreign policy priorities mainly include the restoration of the territorial integrity, the promotion of international peace and stability, promotion of an effective multilateral international relations system, the development of constructive and mutually beneficial bilateral relations, integrations into the European and Euro-Atlantic structures, and the development of the Eurasian energy and transport corridor. Recognition of being an integral part of a wider and closely interlinked Black Sea-Caspian basin has enabled Azerbaijani leadership to pursue a balanced interest-based policy in foreign relations with major regional powers. Azerbaijan cultivates warm and friendly relations with Russia, Turkey, Iran, the United States, and the European Union, thus trying to satisfy the interests of all powerful actors whether near or far. From a geopolitical standpoint, only through such a balanced diplomatic stance, Azerbaijan has been able to guarantee national security and good economic prospects. Azerbaijan has always been able to play a more independent role because of Caspian energy riches and a very experienced political leadership. Azerbaijan endeavors to expand cooperation with Euro-Atlantic structures, though the Azerbaijani ruling elite continues to strengthen warm and mutually beneficial relations with Moscow and Tehran while maintaining a strong strategic partnership with the United States and the European Union. President Ilham Aliyev has skillfully played the relations with Russia, Iran, and the West to preserve a balanced, multi-vectored, and pragmatic foreign policy; and with that consolidating stability in the country and in the entire region. In reality, the Azerbaijani leader has succeeded in deepening the strategic partnership with major neighboring powers and managed to find a way to cooperate with every powerful actor in the South Caucasus-Caspian basin.

For Azerbaijan, national interests have indeed begun to take on a more pronounced role in the country's strategy for developing bilateral and multilateral ties.

The strengthening of the US–Azerbaijani security relationship has also cleared the way for wide-ranging cooperation with other Western democracies, most notably the EU member states such as Great Britain, Germany, France, and Italy. To date, the development of pragmatic and mutually advantageous bilateral relations has enabled Azerbaijan and its partners to find mutually acceptable solutions to the major regional security problems.

In recent times, world nations have witnessed a change in the international, political, and economic environment, thus facing a number of new security challenges. In order to meet these challenges, in the past several years, Azerbaijan has begun to increasingly play an effective role in creating a certain space for developing an active dialogue among cultures and civilizations. Being a bridge, connecting East and West, Azerbaijan is a unique country that could contribute significantly to expanding dialogue among cultures and civilizations and could also unite the major economic systems of Europe and Asia. Consequently these new initiatives allow the Azerbaijani authorities not only to consolidate the country’s regional stance, but also to attract more attention from Azerbaijan’s allies and partners to the problem of maintaining stability and security in the South Caucasus-Caspian basin. Likewise these initiatives help the Azerbaijani leadership to intensify mutually beneficial cooperation in the entire region.

Meanwhile, small countries like South Caucasian states with small territories, populations, and economies find it hard to resist great powers in the international arena. They have to maneuver between them to draw attention in their country, and often play the role of supplicant seeking understanding and support. It is even harder for young states that have recently acquired or restored independence. The early years of independence showed how Azerbaijan was in difficulties while formulating new geopolitics and entering in the international system. In fact, Azerbaijan was expected not only to make its position clear for foreign politicians and diplomats, but also to report basic information about its history, geography and potential. Being a victim of military aggression and part of its lands being occupied, Azerbaijan faced abroad misunderstandings and misconceptions about itself and the nature of the Armenian-Azerbaijani conflict over Nagorno-Karabakh, specifically formed by the Armenians, their lobbies, and backers.

However, the situation improved step-by-step especially after nation-wide leader Heydar Aliyev developed the country’s active diplomacy and multi-faceted policy which boosted Azerbaijan’s independence and foreign policy positions on the international arena. Signing and implementation of large scale energy projects, rapid economic growth, accumulation of significant monetary resources, enabled Azerbaijan to establish itself as a larger and more attractive country in the South Caucasus. The volume of

foreign trade turnover, which is several times higher than their corresponding figures for Armenia and Georgia together, testifies to this fact. Azerbaijan outperforms its neighbors in the region, also in terms of major foreign policy events, contacts at the level of ministers and other senior officials. The situation is similar in its relations with major transnational companies, corporations, and investors.

Unlike other CIS countries, Azerbaijan does have more opportunities to offer and give international partners. Azerbaijan has growing and solvent market. Today it is impossible to implement major energy and transportation and communication projects in the region without Azerbaijan's participation. The country's strategic position is extremely important in the context of regional security and modern-day geopolitics. This allowed focusing foreign policy on consistent upholding interests of Azerbaijan. A good example could be the discussions around Nabucco strategic gas pipeline in relation to which Azerbaijani leadership acted independently, particularly emphasizing that it is interested in this project and stands ready to fill it up with gas from Shah Deniz II. However, without regard as to how this can be seen in the United States and the European Union, the Azerbaijani leadership took steps to diversify gas exports in the northwards (Russia) and southwards (Iran). At the same time the Azerbaijani authorities took a hard bargaining with Ankara on price of gas and tariffs for the gas exports to European markets through Turkey.

Nevertheless, aggressive separatism, terrorism, regional conflicts and transnational organized crime continue threatening the majorities of the countries of the world. The aggression of Armenia against Azerbaijan, including military occupation and notorious ethnic cleansing of the vast part of the country, indicates that the illegal use of force for the acquisition of lands have not been removed from the context of international relations. The military invasion by Armenia remains the major determinant of Azerbaijan's security environment and is a key factor affecting the formulation of the country's foreign and security policy. So, the settlement of the conflict with Armenia stands out as the immediate security concern and remains a number one priority of Azerbaijan's foreign policy. It is about the restoration of Azerbaijan's territorial integrity and the return of the ethnically cleansed internally displaced people to their homelands. It is obvious that the integration of the South Caucasus states into the world community can happen only on the basis of respect for international law, recognition of the value of diversity and rejection of ethnic cleansing and violence against civilians.

Turning to the issue of U.S.-Azerbaijani partnership, one can emphasize that Azerbaijan and the U.S. share a number of strategic interests, including energy, terrorism, and stability, peace and security in the South Caucasus-Caspian basin where the security dynamics are rapidly changing. In recent years the U.S. has ignored these developments



to its own detriment. By contributing troops to missions in Kosovo, Iraq and Afghanistan, Azerbaijan is also seen as a major player in the region, thus helping to curb international terrorism and regional extremism. In addition, Azerbaijan's strong economic growth makes the country a burgeoning force in the Caucasus-Caspian basin.

However, the U.S. lacks any coherent vision on where and how Azerbaijan fits into a broader American strategic vision. Clearly, the U.S. really needs to have an effective and strategically visionary policy in the region. The U.S. needs a strong ally in Azerbaijan, and continuing to cooperate together successfully on the shared interests actually requires that Washington craft a more coherent, strategic policy towards Azerbaijan. This means that U.S. policy should aim at offering greater support on the issues that are of crucial importance to Azerbaijan. It is about a principled approach of the U.S. administration to the resolution of the Nagorno-Karabakh conflict. Strong partnership with Azerbaijan answers to the consolidation of America's strategic presence in the Caucasus-Caspian basin.

So the foreign policy strategy of Azerbaijan over the past nineteen years of independence actually proved to be successful. It is precisely so because Azerbaijan adapted to the constantly shifting international environment and particularly managed to generate global influence so as to rapidly transform the young country into the main integrator of regional processes as a result of which Azerbaijan became a regional leader and a reliable actor within the international relations system. Azerbaijan's foreign policy remains independent, confident and persistent. Clearly, a delicate balance, a multi-vectored approach and a solid pragmatism will remain the main characteristic of Azerbaijan's foreign policy for coming years. I will stop here and look forward to answering your questions. Thank you very much.

Remarks by Vladimir Socor,  
Jamestown Senior Fellow



A process of alienation has developed in the last few years between the United States and its strategic partner Azerbaijan. It is important to recognize that this process has developed and is deepening; to examine its causes, and to suggest remedies, given Azerbaijan's importance as a strategic partner to the United States and to the European Union in the South Caucasus-Caspian region.

The US has attempted to address this situation through a flurry of high-level visits to Azerbaijan in recent months. In June, Defense Secretary Robert Gates stopped over in Azerbaijan to deliver a personal letter from President Obama to President Ilham Aliyev. In that letter, the US President recognized the existence of problems and promised to address those problems cooperatively with Azerbaijan. This was followed by Secretary of State Clinton's "get-acquainted" visit to all three South Caucasus countries in just two days, in early July; and the meeting of Presidents Obama and Aliyev on the sidelines of the United Nations General Assembly in September. The U.S. deliverables from those meetings have yet to be seen. On the Azerbaijani side, however, the deliverables are many, amounting to a continuous process.

- Azerbaijan grants wide-ranging overflight rights for US and NATO forces operating in Afghanistan. It also grants overland transit passage along the railroad from Georgia, across Azerbaijan and using Azerbaijani ferries across the Caspian Sea to Turkmenistan, transporting cargo for allied forces in Afghanistan. Azerbaijan provides training in the country of Azerbaijan for Afghan personnel, ranging from police and security personnel to de-mining squads to medical personnel.

- Azerbaijan deploys a company-size unit on the ground in Afghanistan operating with allied forces.
- Azerbaijan adheres to United Nations Security Council sanctions against Iran.
- Azerbaijan has just concluded a contract with the Boeing Corporation worth \$1 billion to buy seven Boeing jumbo jets, including two (787) Dreamliners accounting for approximately 11,000 high-tech jobs on US territory. In addition, Azerbaijan has contracted to buy the country's first telecommunications satellite from the Virginia-based Orbital Science Corporation, worth \$120 million in the first stage, with follow-up stages to come.
- Azerbaijan last year purchased almost \$1 billion dollars worth of United States government securities.

These deliverables on the Azerbaijani side continue a historical pattern that started in 1997. In that year, then-president Heydar Aliyev issued a decree on “strategic partnership relations between Azerbaijan and the United States”. It was the immediate consequence of President Heydar Aliyev's first visit to the U.S. Since that time, Azerbaijan has been a de facto ally of the United States; and regarding energy policy, a de facto ally of the European Union.

During the 1990s, the United States was, as Secretary of State Madeleine Albright put it at the time, “the indispensable country.” Azerbaijan along with its South Caucasus neighbor Georgia and other countries did perceive the United States as such. Azerbaijan cast its lot with the United States in terms of state development as a modern nation.

This country played a vanguard role in the development of oil and gas pipelines from the Caspian basin to Europe; pioneering the delimitation of the Caspian Sea into national sovereign sectors; and promoting trans-Caspian transportation solutions for energy resources. Azerbaijan's political orientation toward the West was mirrored by the orientation of its energy policy. It chose Western companies for developing its energy resources, and Western directions for its exports of oil and gas.

Azerbaijan aligned itself with the United States in successfully resisting, suppressing or containing terrorism, the proliferation of mass destruction weapons, and Islamist radical subversion. It provided listening posts for the United States in the North and the South of Azerbaijan, and joined the US Caspian Guard program while it lasted. It deployed troops with US and NATO-led operations in Kosovo, Iraq, and Afghanistan.

This country has established a successful example of secular development of a Muslim state, aligned strategically with the West --- an example that the United States was eager to demonstrate for other Muslim states to follow. Of course this development could not have been without its blemishes. These include corruption (societal as well as political) and slow development of institutions. It is a work in progress that needs to be improved; but, considering Azerbaijan's starting level, it is clearly a success story in the making.

For its part, the United States had taken the lead in promoting the Caspian energy agenda, mostly on behalf of the European allies of the United States. In the 1990s and shortly after the turn of the millennium, U.S. policy toward Georgia and Azerbaijan operated largely as an extension U.S. policy toward Europe. The strategic rationale was-- and remains valid--that Europe must not fall into over-dependency on Russian energy supplies. Such over-dependency would adversely affect political solidarity in NATO, constraining the ability of America's European allies to take decisions in the common interests.

The U.S. took the lead in developing the agenda of an East-West Energy Corridor, although European countries would be the consumers of Caspian oil and gas. This agenda rested on U.S. strategic partnerships with Azerbaijan and Georgia as an indivisible tandem. It was during the second term of the Clinton Administration that U.S. policy in the South Caucasus-Caspian region was at its most effective. It laid the groundwork for the Baku-Tbilisi-Ceyhan oil pipeline and the Baku-Tbilisi-Erzurum gas pipeline. It supported a Turkmenistan-Azerbaijan pipeline for gas supplies to Europe --- an initiative dropped by the Bush administration. And it undertook a serious effort to resolve the Armenia-Azerbaijan conflict.

Following 9/11, 2001, the Bush Administration gradually became distracted from the energy agenda in this region. On the other hand, after 9/11, the U.S. gained a great deal of added value from its relationship with Azerbaijan. This country formed together with Georgia a corridor for the projection of US and allied forces from Europe into the greater Middle East, Central Asia, and Afghanistan. Apart from this narrow focus, however, U.S. policy gradually lost coherence and strategic purpose in this region generally, and toward Azerbaijan in particular.

Over-concentration on terrorism and associated threats from non-state actors in this region, proved misplaced. It led to neglect of conventional military threats to regional security, posed by state actors. Prime examples are the conflicts in Karabakh, Abkhazia, and South Ossetia, with the threats they posed to Georgia and Azerbaijan. These states

were dealing successfully with externally supported terrorists and Islamist militants, but could not resolve the “frozen” conflicts that Russia and Armenia perpetuated. The United States failed to address the frozen conflicts seriously and consistently at the diplomatic level; and NATO recused itself altogether from any security arrangements in its own neighborhood.

The Bush Administration gradually reduced the level of its engagement on energy and regional security issues. State Department offices variously dealing with conflict-resolution and energy policy were downgraded and merged, resulting in loss of effectiveness; and White House involvement became sporadic at best.

US domestic and ethnic politics increasingly impinged on US policy toward Azerbaijan. Since 1992, Section 907 of the Freedom Support Act promoted by Armenian interest groups in Congress prohibits US government assistance to Azerbaijan. This flies in the face of the fact that Armenia occupies seven districts of Azerbaijan, beyond the Armenian-inhabited Upper Karabakh. Some 800,000 Azerbaijanis were evicted from their homes by Armenian forces, but US legislation penalizes Azerbaijan; and does so despite the strategic partnership. For many years, Azerbaijan was left to cope alone with one of the highest per-capita refugee burdens in the world.

Since 1998, the US Congress has mandated the allocation of direct aid to the unrecognized Karabakh, bypassing the government of Azerbaijan.

In 2006-2007, the United States declined to provide EximBank credits for the Kars-Tbilisi-Baku Railroad, a project of inter-continental significance, fully in line with the declared US policy goals in the region. Armenian advocacy groups in the US Congress opposed EximBank credits for that project, and the Administration caved in.

In 2008, apparently for similar reasons, the US opposed a resolution promoted by Azerbaijan in the UN General Assembly, which reaffirmed Azerbaijan’s territorial integrity and called for the reversal of the ethnic cleansing.

Such are the many reasons why this strategic partnership, which had started so promisingly and brought such remarkable fruits in the 1990s, is now in trouble. It has turned into a one-sided process, whereby Azerbaijan alone delivers.

New irritants have intruded into the relationship under the Obama administration. Their list, as Thomas Goltz recently noted, is growing. I would single out the Administration’s push for Turkey to reopen its border with Armenia unconditionally, no longer linked to withdrawal of Armenian troops from Azerbaijan’s districts adjacent

to Upper Karabakh. Breaking that conditional linkage, the US State Department strongly encouraged Turkey to sign the Zurich Protocols with Armenia in October 2009 for unconditional “normalization of relations,” including the reopening of Turkey’s border with Armenia. The US initiative has led to the following consequences:

First, it jeopardized Turkish-Azerbaijan solidarity, which had been based since 1993 on the common position that the Turkey-Armenia border would reopen in linkage with the withdrawal of Armenian troops from those seven Azerbaijani districts.

Second, the linkage-breaking undermined the stage-by-stage negotiation process under the Minsk Group, whereby the first stage envisages withdrawal of Armenian troops from those districts. The reopening of borders was and remains the main positive incentive that Azerbaijan has available to induce a peaceful withdrawal of Armenian troops from those seven districts. Without that linkage, there would be no incentive for Armenian troops to withdraw. If Azerbaijan is deprived of this peaceful leverage, it would be difficult from that point on to ask Azerbaijan to adhere to an exclusively peaceful resolution of the conflict.

Third, the procedure itself was also deeply objectionable to Azerbaijan. The Obama Administration was pressing this initiative on Turkey without informing Azerbaijan, even as the US was delaying the nomination of an ambassador in Baku. Thus, Azerbaijan felt that it had become the object of a secret maneuver against its core national interest.

Fourth, and transcending US-Azerbaijan relations, the Administration’s initiative was largely inspired by domestic electoral considerations. Presidential candidate Obama had promised to deliver recognition of an “Armenian genocide” by Ottoman Turks, but was unable to deliver on that promise without ruining US relations with Turkey. Thus, the proposed reopening of the Turkey-Armenia border became a substitute for genocide recognition. It also aimed to defuse pressures from Congress and from Armenian advocacy groups for genocide recognition every year. In sum, it was a gambit for securing US Armenian votes in elections to come.

This episode is now behind us. It seems that the United States has recognized that this policy led nowhere. The Zurich Protocols were signed in October 2009. Only two months later, in December 2009, Turkish Prime Minister Recep Tayyip Erdogan made clear that Turkey would insist on maintaining the linkage between the reopening of the Turkey-Armenia border on the one hand and withdrawal of Armenian troops from seven Azerbaijani districts on the other hand.

It is important to realize that Azerbaijan does not oppose the reopening of borders as such. On the contrary, Azerbaijan advocates a solution whereby the Turkey-Armenia border, and indeed the Azerbaijan-Armenia border, would reopen for trade and transit, in conjunction with the first stage toward conflict-resolution within the Minsk process. That first stage would see Armenian troop withdrawals from the Azerbaijani districts adjacent to the Armenian-populated Upper Karabakh.

The latest irritant, known to everyone in this hall, is the failure to station an American ambassador in Baku. Again this is partially the result of ethnic politics in the US Congress spilling over into the executive branch. The Administration delayed the ambassadorial nomination by a full year. When submitted to the Senate at long last, two Senators placed Matt Bryza's nomination on hold.

The US should weigh the possible consequences of a continuing blockage, or the consequences of the administration withdrawing this nomination in favor of another. In that case, not only Azerbaijan but other countries also would conclude that one particular interest group in the United States has veto power over American ambassadorial appointments and over US policy. If this nomination is withdrawn, the credibility of another envoy would suffer: that envoy would inevitably be regarded as compatible with certain interest groups whereas the other envoy was not compatible or was not perceived as compatible.

It is proper to differentiate between the opponents of this nomination. The Armenian National Committee of America (ANCA) opposes it vociferously. The Armenian Assembly of America (AAA), however, does not actively oppose it. ANCA is the most militant advocacy group for Armenian interests in the United States. It is also officially linked to the radical Dashnaksutiun party. Senators and Congressmen receptive to ANCA cater to the most radical section of the US Armenian community, not the community as a whole, nor to Armenia.

This being the current picture of US-Azerbaijan relations, we need to consider a comparative view of Russia's policy toward Azerbaijan. Between 2005 and 2008, Russia initiated no fewer than 21 meetings at the presidential level, involving talks between the Russian and Azerbaijani presidents. In 2008-2010, Russian President Dmitry Medvedev paid three visits to Azerbaijan in three years. In addition of course, there were meetings between Presidents Medvedev and Aliyev in multilateral formats. President Medvedev has hosted in Russia six meetings in a trilateral format with Presidents Ilham Aliyev and Serzh Sargsyan of Armenia, to discuss Karabakh. Compare this level of involvement and engagement with the US level of involvement and engagement.

In the latest visit, in September, Gazprom CEO Alexei Miller accompanying President Medvedev offered to purchase the entire gas production from Phase Two of the Shah Deniz field. That production, however, is earmarked for the European Union's planned Southern Gas Corridor to Europe. Alexei Miller also offered to buy a stake for Gazprom in the Shah Deniz project. He offered to maximize purchases of Russian gas from Azerbaijani fields other than Shakh Deniz. And President Medvedev publicly proposed the holding of a bilateral, Russia-Azerbaijan summit, to be dedicated exclusively to cooperation projects on oil, gas, and electricity. If such a summit is held, there will be irresistible pressure on Azerbaijan to deliver something in connection with that event or afterward. This could entail a reorientation of Azerbaijan's energy policy and export policy. If such pressure intensifies, where is the offsetting factor?

US policy toward Iran has the potential to become a further irritant in US-Azerbaijan relations, unless handled carefully. Azerbaijan does oppose the proliferation of nuclear weapons, and strictly observes the sanctions approved by the UN Security Council against Iran. At the same time, Azerbaijan also opposes a military solution to the problem posed by Iran's nuclear development program. Azerbaijan, like Turkey, considers that there are more than enough conflicts in this region to add another one, in this case against Iran, with unpredictable consequences.

From Azerbaijan's perspective, Iran is a powerful neighbor that can be either an important cooperation partner or, potentially, a source of trouble, as it was in the 1990s. Azerbaijan has millions of fellow ethnic Azeris in Iran. Azerbaijan depends on Iran for the supply of Azerbaijan's exclave of Nakhchivan with fuel and basic commodities. Access from mainland Azerbaijan to Nakhchivan passes through Iranian territory. As long as the Karabakh conflict persists, Iran will have leverage, both on Azerbaijan and on Armenia. The best way to reduce Iran's leverage would be to seriously address the Karabakh conflict.

Azerbaijan's relations with Turkey have improved again, after the brief eclipse from 2009 caused by Turkey's signature on the Zurich protocols. As already mentioned, Prime Minister Erdogan reinstated the linkage between Turkish border opening and Armenian troop withdrawal when Erdogan met with Obama in Washington in December 2009, only two months after the signing of the Zurich protocols. The Turkish government and public opinion have closed ranks with Azerbaijan again on this issue. Some medium-level Obama administration officials are trying to keep the Zurich protocols alive, apparently expecting Turkey to embrace again the Zurich protocols after Turkey's parliamentary elections in 2011. This seems unrealistic, however. Instead, they should allow Secretary of State Hillary Clinton a graceful exit from this failed policy.



The European Union plays an underappreciated role in Azerbaijan's relations with the United States. There is plenty of room for the European Union to work with the United States in promoting energy development and transportation projects in the Azerbaijan-Georgia corridor. The transit corridor, as well as energy development on the Eastern shore of the Caspian basin, ought to figure prominently on the agenda of the US-EU Energy Council. This council must recognize the importance of reaching out to Azerbaijan and Turkmenistan as a tandem. Azerbaijan's potential to serve as a gateway for Central Asian energy to America's allies in Europe remains an under-fulfilled potential, as long as Turkmen gas does not find a transportation solution via Azerbaijan and Georgia to Europe, within the planned Southern Corridor.

Here I conclude with several policy recommendations. The US can and should work to reinstate the strategic partnership with Azerbaijan, in the US interest and that of America's European allies.

First, in chronological order, the Obama administration should fight for its ambassador-designate to Azerbaijan. The nomination's failure would be perceived by Azerbaijan and any number of countries as indicating dysfunctionality in the US government and a gross intrusion of ethnic politics into US foreign policy. If this nominee is withdrawn under a militant ethnic lobby's pressure, another nomination would lack the necessary credibility in Azerbaijan and elsewhere.

Next, recognize the validity of linking the reopening of the Turkey-Armenia and Azerbaijan-Armenia borders with the withdrawal of Armenian troops from Azerbaijani districts around Karabakh. This conditional linkage would be consistent with the stage-by-stage resolution process under the Minsk Group co-chairs' mediation. Otherwise, unilateral opening of the border would freeze the Karabakh conflict even more deeply. Armenia would see no incentive to peacefully withdraw its troops and allow the return of Azerbaijani expellees to their homes. The US can regain its previous position as an honest broker between Azerbaijan and Armenia, equally credible to both sides.

The Administration can and should repeal section 907 of the "Freedom Support Act," which practically bans US government assistance to the strategic partner Azerbaijan.

The United States can consider a limited presence on the ground in Azerbaijan, for logistical support of operations in Afghanistan. A ground presence in Azerbaijan can take the form of handling supplies en route via Georgia and Azerbaijan to Afghanistan. A military hospital to treat American and other allied wounded evacuated from Afghanistan

is also possible. A presence on the ground would signal in all directions that the United States takes Azerbaijan's security interests seriously.

Azerbaijan needs an upgraded NATO Individual Partnership Action Plan (IPAP). Most countries that went through IPAP have gained NATO membership. Azerbaijan does not seek membership, but is interested in a higher level of cooperation and consultation with the Alliance. A more advanced IPAP would involve training events in Azerbaijan and programs to ensure a fuller interoperability between NATO and selected Azerbaijani units, for example in peace-support operations. The United States can use its influence in the Alliance for upgrading Azerbaijan's IPAP.

The United States jointly with the European Union should encourage the Shah Deniz consortium to dedicate the second phase of production to the Southern Gas Corridor to Europe. The consortium, and Azerbaijan itself, need a convincing commercial offer and transportation solution: Nabucco for the Corridor's first stage (correlated with Shah Deniz second phase), and trans-Caspian for the second stage of the transportation corridor (correlated with Turkmenistan's production). Otherwise, Shah Deniz production might be distributed among a number of small nonstrategic projects: a few bcm to Russia, a few bcm to Iran, a few bcm into small size pipelines such as the Turkey-Greece-Italy Interconnector or the Trans Adriatic pipeline, all to the detriment of Nabucco; in fact, dooming the Nabucco project. Similarly, the United States should support the European Union in reaching out to Turkmenistan for a trans-Caspian transportation solution.

Obviously there is a need for more frequent and higher-level visits of the United States with Azerbaijan. Not just stopovers for a few hours, not just fleeting "get-acquainted" visits, but a process with continuity, deliverables, and follow-up.

There is very little presence of the United States in Azerbaijan in terms of engagement with Azerbaijan's society at large. This must not be limited to narrow opposition groups that are being portrayed as representing civil society. Azerbaijan's society is far broader than that. The US needs to engage with Azerbaijani society as a whole. The US outreach needs to be depoliticized in order to regain credibility.

To conclude: the United States needs to recognize even belatedly that Azerbaijan is a success story in the making. Its political system delivers stability, strong economic growth, and rapid modernization from a low starting level. This is also true of neighboring Georgia; and is also true of Azerbaijan's neighbor across the Caspian Sea, Kazakhstan. Each one of these political systems is performing well in its specific terms

and specific circumstances. I will gladly elaborate on this during the Q & A session. Thank you.

### **Question and Answer**

#### **Question (Dr. S. Frederick Starr):**

Why does Azerbaijan need all these measures from the United States given its “balanced” foreign policy? If Mr. Socor’s recommendations are put in place, what would that mean for Azerbaijan’s foreign policy? Is it a long-term strategic approach or is it an accommodation to the American passivity in the last couple of years?

#### **Vladimir Socor:**

I describe Azerbaijan’s overall foreign policy as being Western-oriented. Elements of a balanced foreign policy can be seen in Azerbaijan’s relations with Iran, trying to preserve a cooperative relationship with the neighboring country, without damaging Azerbaijan’s relations with the United States. That is a balanced policy element. We are beginning to see a balanced policy in Azerbaijan’s agreements with Gazprom to deliver one billion cubic meters of Azerbaijani gas to Russia in 2010, two bcm in 2011, that is, small portions of Azerbaijan’s overall output. Azerbaijan is maintaining flexibility in this regard. It has that export surplus of those few bcm per year at this time. Nabucco is not materializing yet. Thus, exporting those small volumes to Russia is a tiding-over solution, until Nabucco materializes.

Such elements of a balanced Azerbaijani policy are the product of the last three years. They will probably grow, if US and EU engagements do not work synchronically, and as long as the United States policy does not regain its previous strategic focus. US, just as EU policy towards Azerbaijan is most effectively pursued as an extension of Europe policy, particularly with regard to energy supplies and hard security in the EU’s neighborhood. That is a policy based on solid interests. It developed in that direction during the 1990s and this is how it should continue.

#### **Dr. Elkhan Nuriyev:**

Azerbaijani foreign policy will remain balanced and multi-vectored. This is the main characteristic of foreign policy strategy for the coming years. Why is Azerbaijan’s foreign policy balanced? Azerbaijan is situated in a very complicated geostrategic and geographic location in the South Caucasus and Caspian basin, generally, the Caucasus, the Middle East, and the Greater Middle East. Azerbaijan is successfully balanced between the US and Russia, between Russia and Iran, between US and Iran, between Russia and Turkey, and even between Turkey and the United States. With regard to US policy, I would say

that the United States and Azerbaijan share a number of strategic interests including energy, terrorism, security, peace and stability in the South Caucasus. From my point of view they continue to work together, to cooperate most successfully on these shared interests. This requires that the United States craft a more coherent policy and a more comprehensive strategic vision towards Azerbaijan, because Azerbaijan is much a more important country in the South Caucasus, Caspian basin. It is not because of oil riches, it is because of its strategic location and other regional security issues. So the United States should also take a more balanced and most importantly pragmatic approach to the Nagorno-Karabakh issue.

**Question:**

(Representative from the Armenian Embassy) I do not believe there is a linkage between Turkey, Armenia normalization process and the Nagorno-Karabakh conflict. There has never been any evidence of this linkage. Any efforts to link these issues are going to lead to the failure of both processes. These issues have been recognized by the international community, including the US government, the leadership of the European Union, the Russian Federation, and the Swiss government. As for the nomination of Matthew Bryza, our government does not interfere with the nominations of foreign governments on particular positions. My government has no position.

**Vladimir Socor:**

The Turkey-Armenia border and Azerbaijan-Armenia border can only be reopened if Armenian troops withdraw from Azerbaijan's interior districts, adjacent to Upper Karabakh. This conditional linkage is inherent to the stage-by-stage resolution process under negotiation within the Minsk Group. It is also the Turkish position since 1993, when Turkey closed the land border after Armenian troops overran Azerbaijan's Kelbajar district.

The Armenian government has not officially opposed the Bryza nomination. The Armenian Assembly of America (AAA) has not officially acted against it either. It is the Armenian National Committee of America (ANCA) that campaigns against it.

**Question:**

If the policy recommendations from Vlad Socor are not taken into consideration by the United States, what might be the consequences, given that little progress has occurred on Nagorno-Karabakh? What do you expect next year in the region? How might the upcoming OSCE summit in Astana help change policy about Nagorno-Karabakh?

**Vladimir Socor:**

It is difficult to forecast because the United States faces so many challenges in this region and in nearby regions. Often, US attention towards one issue or another tends to be sporadic, reactive, lacking continuity, which sometimes makes it difficult to predict the next steps. With regard to the OSCE summit in Astana, I am not familiar with the drafting work of the final documents. Perhaps Astana will provide an occasion to see whether Armenia accepts the updated Madrid principles or not. Thus far, Azerbaijan has accepted the updated Madrid principles as worked out within the Minsk group, while Armenia has reserved its answer. We should look at the Astana summit for a possible reply on the Armenian side to the updated Madrid principles.

**Question (Tod Lindberg):**

Could you comment on Azerbaijani issues related to human rights, democratization, and freedom of speech as well as the “proverbial” bloggers that have been in prison in Azerbaijan? I found the use of the word “proverbial” particularly unfortunate. The United States should not only engage with Azerbaijan on the high levels of policy and strategy but also on these important issues related to political development.

**Vladimir Socor:**

“Proverbial” bloggers because they occupy such a disproportionate part of US discourse addressed to Azerbaijan. It is a virtuous exercise to build foreign policy on humanitarian considerations. In that case let us be just as compassionate about the many hundreds of thousands of Azerbaijani expellees from the territories. It seems to me that the two bloggers command far more US attention, towards Azerbaijan, compared to those hundreds of thousands of refugees.

**Dr. Elkhan Nuriyev:**

Well in Azerbaijan we do not consider the issue of the bloggers to be a problem of journalism. It is an ordinary case related to an ordinary [incident] at a Baku restaurant. According to world information access, 64 bloggers were arrested and convicted by the result of the blogosphere study in the past five years. Even Western democracies, including the United States, Canada, France, Germany, and Italy were among those who were criticized over their bloggers. Bloggers are brought to criminal responsibility for abuse, appeals to change the constitutional regime throughout the world based mostly on their notes and their diaries. We think that it is an ordinary case. It is frustrating that two young educated and socially safe people are in prison under the court verdict, but it is even more frustrating that some foreign and even international institutions call these two young people political prisoners which damages the country’s image. The foreign interference, since the first day of the investigation drew the country’s authorities to a

difficult and complicated situation. It is odd that European politicians do reconcile with the face that there cannot be colonial democracy in Azerbaijan. From my point of view, pressure and interference on the Azerbaijani government especially in such a ridiculous form, really causes a reverse effect. A standard story that can occur to anyone can end in their reconciliation of the parties in the discussed dispute. However I consider it immoral to turn this case into a big political show [with a certainly high price].

**Question (Dr. S. Frederick Starr):**

Mr. Socor said that pressure might have adverse effects, but engagement does have results. Therefore what is the difference between pressure and engagement? What works and what does not work?

**Vladimir Socor:**

I would elaborate on what I mentioned briefly. The United States and European organizations as well as media freedom organizations could achieve more effective results in their dialogue with Azerbaijani authorities, including in the case of the bloggers, by situating such cases within the broader picture. The broader picture is one of progress. It is one of evolutionary improvement. This needs to be recognized. It seldom is. Mostly it goes either unrecognized or under-appreciated. Putting the Azerbaijani government on a public pillory in order to achieve the resolution of other individual humanitarian cases, is obviously counterproductive and ineffective. Perhaps some media freedom organizations consider their mission to be vocal about it, or to be seen “standing up” publicly. Has quiet diplomacy been forgotten?

**Dr. Elkhan Nuriyev:**

Pressure does not work because pressure causes a reverse effect. Azerbaijan’s policy is open. If someone violates the law, he or she should be sentenced in court. Everything should be in a democratic way.

**Question:**

Could the speakers address the opportunity costs of not having better regional economic integration, not just in terms of oil, but agriculture, and industry?

**Vladimir Socor:**

Kazakhstan and Turkmenistan are very cautious not to irritate Russia in their export policies. Yet there is great opportunity in Turkmenistan. Turkmenistan holds vast gas reserves sufficient to go in a number of directions, not only to Europe. The European Commission envisages an aggregate commercial offer for Turkmen gas to Europe, a transparent and lucrative market for Turkmenistan. The United States can join with the

European Union in offering political assurances to Turkmenistan, so as to mitigate Turkmenistan's potential risks vis-à-vis Russia. The EU's policy would rest on a single leg in the absence of comparable engagement by the United States on the political and security side. It would be a pity if the US-Russia "reset" would hamstring a proactive US role in Turkmenistan. It would also be a pity if past unedifying experience with the former leadership of Turkmenistan would perpetuate Turkmenistan fatigue in Washington. There is no justification for that. All Turkmen pipeline projects underway go in directions other than Russia. Among them, the 30 bcm East-West pipeline, from Turkmenistan's east to the Caspian shore, to be available by 2015 for transportation via Azerbaijan and Georgia into the EU-planned Southern Corridor to Europe, provided there is a trans-Caspian solution. It would be wrong, as has been attempted in the last few years, to offer Turkmenistan just 5 or 8 bcm capacity, in the 31 bcm Nabucco pipeline. A small volume would not incentivize Turkmenistan to take the political risks.

**Dr. Elkhan Nuriyev:**

With regard to economic development in Azerbaijan, Azerbaijan is a stable country. Stability actually helps Azerbaijan to reform and to modernize the society and the country. It is a way of moving stability towards modernization. I would like to particularly emphasize that we do not Westernize our country. We are modernizing our country. We look at the Western democracies and their experience and get their best practices and apply these practices in Azerbaijan. The policy of reform conducting during the recent years actually has enabled Azerbaijani authorities to reach the necessary levels of political and economic development which testifies to the efficient steps taken towards maintaining a stable political situation and building an effective system of market economic structure. The main concept being laid in the contemporary reform agenda of the government and most particularly of President Ilham Aliyev can be simply explained by the desire of the Azerbaijani political elite to ensure that competitiveness of Azerbaijan in regional processes and the consolidation of economic leadership in the South Caucasus Caspian basin.

**Question:**

Do we still have faith in the Minsk Group process to resolve Azerbaijan-Armenia issues? Will there be a resolution through that process, given that a resolution from the OSCE process remains skeptical?

**Question:**

If there is no resolution to the Nagorno-Karabakh conflict, do you expect a renewed conflict in the near future?

**Vladimir Socor:**

The Minsk process is an official umbrella, just like the 5 plus 2 format in the Transnistria conflict in Moldova. The real solution would come from unofficial negotiations between the big players who will then submit that solution, if they arrive at one, for ratification in the broader format. So if President Medvedev is granted a free hand, as seems to be the case, to take the lead in brokering a settlement between Armenia and Azerbaijan, it would be difficult to say no, because the parties would have agreed among themselves under Russian auspices, outside of the Minsk format. That is why it is important for the United States to restore its credibility as an honest broker. Of course it has greater credibility than Russia with both parties. It is a credibility capital that the United States is not using. That settlement came very close in Key West as many of you remember, because the United States does have the necessary credibility. Unlike Russia, it has the resources to back up a settlement, once it is politically agreed. So the United States can engage directly with the parties. Of course nobody is suggesting that the United States should compete with Russia in terms of the number of meetings held. But the credibility is far higher.

Indeed the OSCE no longer has the necessary credibility. We have seen this in other conflicts. So there is no substitute for the “indispensable country,” the United States, to get involved proactively.

**Dr. Elkhan Nuriyev:**

I think much will depend on how successfully Russia, the United States, and the European Union develop multilateral cooperation with the OSCE and create new possibilities for intensifying constructive dialogue. Azerbaijan is certainly keen to see a larger US and EU role in resolving the conflict. Azerbaijan is committed to the peaceful settlement in the framework of the OSCE Minsk Group. However, the success of the peace process depends on a similar commitment and constructive approach from the part of Armenia, as well as the active contribution of the co-chairs of the Minsk Group. International organizations and principal powers such as Russia, the United States and the European Union should provide a clear signal to those destructive forces who attempt to lead the peace process into a deadlock and accept the occupation of Azerbaijani lands as a fait-accompli.

**Question (Dr. S. Frederick Starr):**

You have suggested here that there is a sort of community of energy transporters and producers, Kazakhstan, Georgia, Turkmenistan, and Azerbaijan. Have they ever met as a group? Why have there not been any sit-down discussions among any of these regional groupings informal or formal? Is this a result of some external pressure? Is it not a logical thing for Azerbaijan to lead or at least participate in?



**Dr. Elkhan Nuriyev:**

Kazakhstan's foreign policy is different from Azerbaijan's foreign policy strategy. There are several factors that testify to the fact that Kazakhstan's strategic vision towards the developments currently underway in the Caspian basin. Generally, Kazakhstan's policies towards pipeline politics as well as Turkmenistan's policy are different. Azerbaijan's policy from the very beginning was built on balanced and multi-vectored tendencies. Why? Because we realize one simple thing, it is realpolitik. Nationwide leader Heydar Aliyev and the present Aliyev are also now realizing that there are great powers and unfortunately there is Halford Mackinder's concept which brings us back to the early 20th century, is still in effect and on the agenda. Azerbaijan's foreign policy is confident and persistent. We cannot say that about Kazakhstan's and Turkmenistan's foreign policy. Azerbaijan is trying to maneuver between the interests of the United States and Russia. At present US and Russian interests coincide in Azerbaijan which could not be said in regard to Georgia and Armenia, as well as in Turkmenistan and Kazakhstan. Why does Azerbaijan matter? Because everything that goes in and around Azerbaijan strongly affects the developments in the South Caucasus, as well as the greater Middle East. So the United States should think strategically on Azerbaijan's role in the South Caucasus Caspian basin and perhaps in the greater Middle East in the coming years. In parallel, the US administration should devise a new approach if you want an action plan this important country which is striving to build a democratic society. Being an economically developed country in the region, in the South Caucasus, compared to Georgia and Armenia, it is worth it to think strategically of Azerbaijan's new geopolitical and geostrategic role in the 21st century. I do not think currently that Azerbaijan needs the United States as much. The United States needs Azerbaijan. It is not only because of current processes occurring in the Middle East or because of Iran. There are many scenarios in which Azerbaijan can participate on the positive and can contribute significantly by establishing or restoring security, stability and peace in the entire South Caucasus and Caspian basin.

*Remarks by Ambassador Richard Morningstar,  
Special Envoy for Eurasian Energy, U. S. State Department*



**I. Introduction**

We have a long history of working with Azerbaijan and its neighbors Turkey and Georgia on regional energy issues. When we worked on issues such as BTC during the Clinton administration, I remember fondly that if something needed to get done, the presidents of the countries in the region would pick up the phone and talk directly with one another. I can remember sitting in President Demirel’s office in Ankara when he would pick up the phone and call President Heydar Aliyev to solve a problem. The level of engagement and coordination was remarkable. Leaders were personally involved and everyone was working from the same playbook. Today, the Baku-Tiblisi-Ceyhan pipeline and the offshore oil fields in Azerbaijan that supply it are major milestones of Eurasian energy security.

While regional dynamics in the Caucasus and Caspian might appear to be more complicated today, the same level of engagement and coordination is required if we are to be successful. That’s why events such as this one are important to get us on the same page.

U.S.-Azerbaijan relations are shaped by both continuity and evolution. I say continuity because Azerbaijan remains central to the issues of energy security, as well as a range of other bilateral and multilateral issues. I also say our relationship is evolving because we have new challenges that our countries are trying to tackle together. Today,

one of those challenges we are both committed to meeting is bringing natural gas supplies from the Caspian and other sources to markets in Europe.

In the Caucasus and Central Asia, it has long been our policy to encourage diversification in producer countries and help them find new routes to market for their oil and gas. We support opening a new corridor – the Southern Corridor – to bring natural gas from the Caspian region to Europe. This corridor could include Nabucco, the Italy-Turkey-Greece Interconnector, or the Trans-Adriatic Pipeline. All are important from a strategic standpoint to diversify gas sources and open new supply routes to Europe. A Southern Corridor would not only provide commercial benefit for the countries of the Caucasus and Central Asia, it would also create a long-term partnership based on mutual interests with Europe.

## **II. Policy and Realities**

The Obama Administration's approach to the Southern Corridor is grounded in certain core principles:

- Europe's energy security is in America's national interest and America's energy security is in Europe's interest. Our economies are interdependent.
- Diversity brings security. Just as in investing, having alternatives in terms of sources of energy, suppliers, and transit options will ultimately benefit all players and will make more resources available on global markets.
- The best solutions are those that the market produces. Indeed, they are likely to be the only solutions.

We also realize that European and Eurasian energy security will not be met just by new pipelines. In all countries, we support initiatives like energy efficiency that reduce energy demand; initiatives like the construction of gas and electricity interconnectors that will allow for more competition and liberalized prices; initiatives like the development of alternative technologies and renewable energy resources that will help curb greenhouse gas emissions. All these initiatives are part of a balanced energy policy that would help bring any country more energy security.

We also have to be prepared for changes in the market. With the financial and economic crisis, global energy use declined and prices fell, which led to an oversupply of natural gas on world markets. This was coupled with a significant transformation in the global supply picture. The boom in shale gas production in the United States, for

example, has meant LNG cargos once bound for our shores are being rerouted to Europe to capture higher prices.

This situation is creating both opportunity and risk in the market. Lower gas prices could result in replacement of coal-fired power production with natural gas-fired power, which would ultimately mean more demand for gas. At the same time, current depressed prices have led oil and gas companies to delay projects and investments that would bring more production on line. Depending on the speed of economic recovery and the extent of investment delays, energy markets could very well swing in the other direction.

So while we know that the world economy will recover and with it gas demand, we need to be aware that decisions we make today will have long-term consequences for future markets. Because many of the assumptions underlying gas markets have changed over the past couple years, flexibility will be the key and the projects with the greatest commercial creativity will likely win out.

But the reality is there will remain a place in the Eurasian energy security picture for new, major infrastructure projects. Demand for Eurasian energy in Europe will ultimately exceed the ability of existing infrastructure to supply it. There is nothing that comes close to matching the reliability and economies of scale that large-capacity, dedicated pipelines or similar fixed infrastructure can provide.

We are entering what will be an especially important period for Eurasian energy, particularly as it relates to the diversity of gas supplies for Europe. Indeed, in some respects the period ahead will be decisive and I believe a number of things will soon become clear.

First, there will be a Southern Energy Corridor. The June 7 conclusion of a Turkish-Azeri gas purchase/transit agreement removed the last major uncertainty regarding terms for moving substantial volumes of Azeri gas across Anatolia. On that basis the Shah Deniz II consortium, which is developing a large offshore gas field in the Caspian, is moving ahead with project planning.

Negotiations with potential buyers and shippers are underway. Potential shippers of Shah Deniz gas – the Nabucco, ITGI and TAP consortia – are lining up financing and putting in place the organizational structure to transport the gas. Sometime between now and next spring, the Shah Deniz II consortium will decide which of these three groups vying to ship its gas to European markets gets the nod. A Southern Corridor is going to happen.

Second, it will become clear in the months ahead whether Turkmenistan will contribute to the Southern Corridor by shipping gas across the Caspian, or will choose to focus on other routes for diversifying its energy exports, such as the TAPI project. If it could be realized, TAPI could bring significant economic and political benefits. However, we understand that there are many issues that still need to be addressed such as security before the project can be implemented.

The Nabucco consortium, supported by the EU, has worked hard to elicit a firm commitment from Ashgabat to ship its gas west. The U.S., for our part, has supported the concept of a trans-Caspian gas pipeline since the nineties. Turkmenistan, for its own political reasons, may not be ready to commit to a pipeline. Given, however, that the Shah Deniz consortium is looking to make their decisions in the next six months, other sources of gas must be considered.

Lastly, it's important to keep in mind that there are multiple sources of gas for the Southern Corridor, and prospects for bringing in gas from points to the south looks more and more promising.

When a new government is finally formed in Iraq – hopefully sooner, rather than later – it is our hope that a priority of the new government will be ending the long-standing stalemate between Baghdad and Erbil on a hydrocarbon law and revenue sharing agreement. This would not only bring important benefits to Iraq in terms of further development of its oil and gas infrastructure, it would also allow for a serious discussion of how to bring Iraqi gas into the Southern Corridor.

Let's be clear. This won't be easy. Iraqi domestic priorities must first be sorted out. And in our view, any arrangement for exporting resources from the north must be endorsed by Iraq's central government. But there seems to be a consensus among experts that Iraq has ample gas – in the north and the south. Once these reserves are developed, Iraq should be able to meet domestic demand with significant volumes left over for export. We should not forget that Prime Minister Maliki said last year in Ankara that Iraq could provide 15 BCM of gas to Nabucco.

And good news is coming out of Azerbaijan as well. Just over a month ago, BP and SOCAR reached an agreement on more projects in Azerbaijan that will mean, if successful, BP and SOCAR will have much more gas going to market, thus making large pipeline projects more attractive.

Having said this, commercial considerations will still ultimately determine which project gets the go ahead and with which sources of gas. But for our part, we have always said that we support the Southern Corridor.

And any of the three competing projects could, in our view, serve as the basis for that Corridor. In the abstract, Nabucco would be preferable. It has clear advantages in terms of meeting the needs of consumers in the eastern EU countries. A dedicated large pipeline, like Nabucco, operating to international standards, would have important advantages over existing infrastructure, and might be the most profitable solution if operated at full capacity. This is why it is important to line up additional early sources of gas from Iraq and elsewhere.

The conundrum is that beefing up existing infrastructure could be in the short term the most cost-effective way to handle initial Shah Deniz II volumes, although this may prove to be easier said than done. At the same time, no one seriously questions that, in the long term, improvements to current infrastructure will be inadequate to handle expanding European and Turkish demand. And as new gas sources become available for the Southern Corridor, it will need a way to get to market. The challenge of the months ahead is to get the Southern Corridor up and running in a way that reflects current gas availability, but that also allows room to grow, and that meets in a timely manner the needs of Europe's less well-served consumers.

### **III. Russia**

This being the Jamestown Foundation, I'd be remiss if I didn't mention Russia. We have a constructive dialogue on energy issues with Russia. As part of the U.S.-Russia Presidential Commission, I chair a sub working group on energy security. My counterpart, Deputy Energy Minister Kudryashov and I have pledged to work together to improve investment opportunities. I hope we will be able to have the next meeting of our group before the end of the year. Russia is both a key energy producer and a critically important player in the region and will continue to be one. And Russia is and will continue to be a major player in world energy markets. It is in all of our interests for Russia to increase production of oil and gas resources. That is not inconsistent with seeking diversification or competition.

I'm encouraged by the recent gas agreement between Russia and Poland. With its involvement in the negotiations, the Commission showed that (1) it is serious about implementing its energy directives that will help increase competition and liberalize energy markets in Europe; and (2) it will be a partner for member states who are trying to

implement these directives. In the Polish case, the European Commission helped secure provisions for third-party access and unbundling of ownership and management for the Yamal pipeline and could set a precedent for future projects.

#### **IV. Conclusion**

So in conclusion, we have made much progress in recent months. This is not to say that the road ahead is not without challenges. But we are optimistic that our partners in the region – including Azerbaijan – and Europe as a whole will be able to take the political and commercial steps necessary to make the Southern Corridor a reality.

Thank you. I look forward to your questions.

#### **Question and Answer**

##### **Question**

Who are the players with regards to the TAPI pipeline?

##### **Ambassador Morningstar**

Well, the players, certainly Turkmenistan has taken that on as a major role. Their policy is to have a multidirectional energy policy and they feel, from their standpoint that TAPI makes a lot of sense. I cannot tell you specific names of individuals, but they have been working closely with Afghanistan, Pakistan, and India over the past several months. They have had several experts meetings. They have reached a consensus on heads of agreement obviously the devil will ultimately be in the details. I know that President Berdimuhamedow said that there would be a summit for leaders in December, although I have not heard much about that in recent days or weeks so we will see if that has happened. The Asian Development Bank has somewhat of a renewed interest in it as a result of these developments. It is going to be hard, but we have learned from a lot of other situations to never say never. From a security standpoint, who knows what the security situation will be ten years from now, something that we would try to work with. There would be commercial issues that would need to be worked out, particularly in Pakistan as to who is going to buy the gas and who is going to pay for the gas. The initial comments from India have been positive, but again we will have to see.

##### **Question**

North Afghanistan has tremendous potential for natural gas, maybe even as much as Turkmenistan.

**Ambassador Morningstar**

Well that may be, and I know that we have been working closely with Afghanistan in trying to develop that, but we will see how that progresses as well.

**Question**

Who do you see as the most viable supplier for the first phase of the Nabucco pipeline and the Southern Corridor? Would it be Iraq or Azerbaijan or perhaps even Israel with the recent gas discoveries?

**Ambassador Morningstar**

Well clearly Azerbaijan is a necessary ingredient and will be the primary supplier for a long time. The question has always been is there going to be enough gas presently produced by Shah Deniz I and II given what Turkey would be taking off from a commercial standpoint to justify a Nabucco pipeline. That is a question. I am not going to say it is impossible, but that raises the importance of Iraq as a second source of all of the questions I raised and I would not discount ultimately the area off of Israel and Lebanon. I think a lot of politics have to be worked out with respect to all of that. There are indications that there is a lot of gas there. I think that would be number three. From a midterm standpoint, number would be gas coming up from Qatar and the Middle East in some way.

**Question**

Could you speak about Iran and its participation in the Shah Deniz field; and if the US has objected to Iran as a source for Nabucco?

**Ambassador Morningstar**

First of all, as far as actual Iranian gas being used as part of the Southern Corridor, we object to that fully. If the situation changes, who knows. Under present circumstances, we and our friends in Europe are solidly behind the fact that there will be no Iranian gas as part of the Southern Corridor. You raise a very interesting question as far as the Iranian participation in Shah Deniz. NICO which is a subsidiary the National Iranian Company owns 10% of Shah Deniz. I am not going to reach a conclusion at this point whether that today trigger any of the new sanctions, but I am not the one voicing that opinion. I do think that we ought to try to avoid an ironic situation where the Southern Corridor became difficult or impossible or came to different results because of a 10% Iranian ownership in the Shah Deniz project. I do not want to discount the seriousness of that, but it is something that would have to be thought through. Without spelling it out,



you can imagine ironic consequences which ultimately could be the result of that, including gas from the Caspian just going to Russia and Iran. It is something we have to skirt very carefully. I don't think it will happen by the way. We have to stay in tune with, and come to some kind of rational solution.

**Question**

Could you give us your views on South Stream?

**Ambassador Morningstar**

First of all our position is that we do not oppose South Stream. It is between the countries involved. Having said that, there are difficulties with South Stream and I do not think there are any reasons not to say that. The Russians say that there are difficulties with the Southern Corridor and Nabucco. It might be an area that we agree to disagree on and does not need to be a matter of a huge dispute. There are certainly issues with respect to South Stream. I see them as being three-fold.

Ukraine has made very clear and they have been very public about it that they see South Stream as an existential threat. They are saying: why should we modernize our transit system if you are going to have North Stream, South Stream and there is going to be nothing to transit through Ukraine? This maybe somewhat of an overstatement but that is their view. They feel that this is a tremendously important issue and they want help with respect to South Stream. At the same time, Ukraine, and they have made some progress, needs to clean up their act as well. They need to take the steps to reform their energy sector including taking steps to allow them to get financing to modernize the transit system, to create a better investment climate that they are working on, conventional and unconventional projects. But to do all those things, which ultimately could make South Stream unnecessary, there are other issues as well. There are potentially EU regulatory issues as was shown on the dealings with the Russia Poland gas contract. There are questions of financing. Some of those regulatory issues are going to relate to the financing. So there are questions. Again we do not oppose it. We think that there are these issues that are going to have to be worked through; and we will see what happens. These are major issues and my guess is that the Russians would say pretty much the same about the Southern Corridor.

**Question**

Where is the gas coming from for South Stream?

**Ambassador Morningstar**

Where within Russia? That raises some real issues with respect to what South Stream would mean. The argument has always been that South Stream would simply be a replacement for Ukraine and that it would come from similar sources that presently, with some new developments in the North, it would replace gas presently going through Ukraine and putting it into South Stream which obviously creates problems for Ukraine. But they cannot have it both ways either. If gas comes from Turkmenistan, Azerbaijan, or other places in Russia, it could have a direct effect on the Southern Corridor. If South Stream were mainly used to supply Eastern, Central Europe and the Balkans, those are the same customers basically that the Southern Corridor would be supplying. So it is still a little bit unclear as to what the effects that South Stream would have. I do not think you can make a blanket statement that South Stream would not affect the Southern Corridor. It could.

**Question**

Why should we be so reticent on speaking out about South Stream?

**Ambassador Morningstar**

Yes, that is a question. Let me emphasize the issues that I raised earlier.

**Question**

Given the latest development in shale gas and LNG technologies, would do you think about conventional gas infrastructure development like South Stream and other that are a bit expensive. What effect would that have?

**Ambassador Morningstar**

It is really hard to predict. It is much too early to tell. We still do not really know what is going to happen with shale particularly in Europe. There are various environmental issues and the like that still need to be worked through. Every shale project is different. I think it is very hopeful. I think that countries like Poland, Ukraine and other countries are getting interested. I think they should clearly pursue these projects. It ultimately could be a game changer, but I emphasize it could. It is hard to predict at this point. What we have been saying is: look these projects are a little bit uncertain. They are going to take a long time to develop. If you look at the projects we have, it took basically ten to fifteen years before they reached major production. We are probably talking at this point from 2020 to 2025.

It is important but it needs to be one part of a balanced energy policy. So if you look at a country like Poland, they are obviously going to continue to get gas from Russia, but they

also need to develop liquefied natural gas terminals in the North of Poland. They have to have interconnections to the West. I think that the Russia Poland gas agreement might help in fact to allow that possibility to take place. There may be liquefied natural gas coming from the South, so it is important that all of these countries have balanced policies that have four or five parts to it.

The other thing that we have been emphasizing is, and I think is really important is that the countries of the Baltic states and the Central and Eastern European states, that those ten members of the EU, Croatia, the Balkan countries, really need to act as much as possible in a coordinated way. If they act in a coordinated way with Brussels, then politically within the EU, they are going to be in a much better position to get what they need. The Slovaks who have not been quite as forthcoming on energy issues with its new government has been much more so; and they sent a letter on behalf of the Visegrad Four to the commission talking about what it needed for infrastructure. So that is why sometimes people say we are not as Nabucco centric as we had been in the past. That is not the case. We would still like Nabucco as much as ever. There are commercial questions which we have raised, which I raise today, but we have to understand from a European standpoint, what they do themselves is going to be much more important than any single pipeline.

### **Summarized Questions:**

#### **Question**

Will the Obama Administration back the appointment of Matthew Bryza as ambassador to Azerbaijan despite Armenia pressure?

#### **Ambassador Morningstar**

The Administration has not back away a bit from the nomination. I do not know what is going to happen in this lame duck session or what would happen afterwards. I see no indication that the Administration is going to back off. Matthew Bryza would be a terrific ambassador to Azerbaijan. If the post is vacant for too long, maybe we should look at other considerations, but that is all hypothetical. I do not think it is for me or any of us to speculate. My guess is that our friends in Azerbaijan would not be terribly thrilled if we did back away Matthew Bryza at this point. Hopefully it can be resolved.

#### **Question**

Could you give us a status report on the Caspian Sea delimitation process?

**Ambassador Morningstar**

That is easy. Not much has happened. There have been 'expert' meetings between Azerbaijan and Turkmenistan. They have not produced any concrete results. But overall the relationship between the two countries appears to be very good. The presidents get along. They would appear to be talking passed each other regarding the boundary issue. I just think it is a shame that a dispute which centers around one project, Kapaz if you are an Azeri, and Serdar if you are Turkmen that could hold what could be a tremendous commercial benefit to both sides. There are also political issues that are involved. The Russian and Iranians claim that you need to have the agreement of all five littoral countries. That politics plays a role. The politics of Russia and Iran play a role as well.

**Question**

Do you support the Azerbaijani view of the Kapaz field dispute in the Caspian Sea?

**Ambassador Morningstar**

We absolutely are not taking sides on that issue. I have my own views as to what would happen if it all came to arbitration. We would never get ourselves in a situation where we would support one country over the other. That is guaranteed trouble. We just wish it would get resolved. What we will say is that it is in both of your interests to get this resolved.

**Question**

How would you prioritize human rights issues in the context of US-Azerbaijani relations given that VOA and Radio Liberty are banned in Azerbaijan?

**Ambassador Morningstar**

With regards to US-Azerbaijan relations, I am not responsible for the overall relationship. I will tell you this; human rights are part of the agenda. They come up as part of the discussion. They certainly came up when Secretary [Clinton] visited. I am not going to tell you that gas is more important than human rights or start laying a hierarchy of issues other than to say that human rights are obviously an issue that is discussed with Azerbaijan.

**“Azerbaijan’s Role in the World Today”**  
**A Conversation with Dr. Zbigniew Brzezinski**



**Glen Howard:**

Thank you very much for coming today everyone and for staying with us for this long. Dr. Brzezinski needs no introduction. He has had a great impact on The Jamestown Foundation and a great impact on Eurasian affairs with his knowledge of world geopolitics. We are going to start off today with a few questions for Dr. Brzezinski and then we will go to the audience and begin some questions and answers there. Dr. Brzezinski has very limited time today and we are very grateful that he could be here. First of all, the discussion today is on U.S.-Azerbaijan relations and the state of the strategic relationship. How do you see Azerbaijan’s role changing in Eurasian affairs? You have been traveling to the region since the break up of the Soviet Union and you have visited Azerbaijan on several occasions. What are your impressions about how Azerbaijan has evolved in global affairs and in the geopolitics of Eurasia?

**Dr. Zbigniew Brzezinski:**

First of all let me say I am delighted to be here. I think you, Glen, and The Jamestown Foundation have done a really terrific job because you are rendering a public service in keeping people in this city well informed about what is taking place in the space of the former Soviet Union. I think the daily report is really a tremendous asset. I do not think anyone who is seriously interested in major geopolitical issues can operate without reading it almost every day. You have recruited, I have to say, a remarkable group of people who contribute to it. In fact, I am amazed at some of those whose addresses are probably in somewhat ambiguously safe areas that may speak out so frankly and so strongly. So really, my hat’s off to you. Now, on the issue of how has Azerbaijan evolved? I think positively. I think it is an important player. It has established itself as a reasonably successful state in spite of a major handicap produced by a military conflict that has been debilitating in terms of national aspirations and a sense of national fulfillment, a kind of

open wound in a sense. It has evolved steadily as a country that has the capacity to transform itself. Anyone who visits Azerbaijan has to be impressed by the physical evidence of social development. Obviously there are shortcomings. I think the democratic issue is wide open, but one also has to look at that in a historical perspective. I really mean that: historical perspective. I think our aspirations for a world of democracy are ones that I very much embrace and when I was playing policy making I was propounding that as a major U.S. aspiration and also as a tool of international competition. But, one also has to be aware of the fact that, even in America, the attainment of a full democracy has been a torturous process and one which has not been yet entirely fulfilled. In fact, until 40 years or so ago, there were tremendously embarrassing gaps in the quality of American democracy. So, I think we ought to keep that in mind also when we are making judgments about other countries including Azerbaijan. I think the consolidation of an independent state, the institutionalization of a national identity and the definition of shared geopolitical objectives are very difficult tasks to accomplish when a new state emerges from a protracted period of non-sovereignty and I think Azerbaijan has made significant progress in these respects. The progress towards a more perfect democracy has to be seen in that context and not as an absolute abstraction divorced from any larger context.

**Glen Howard:**

What do you think the role of Heydar Aliyev was in helping Azerbaijan evolve as a state?

**Dr. Zbigniew Brzezinski:**

Well, he was basically the builder of the state, the person who infused it with a sense of direction and who made the right strategic choices at a difficult moment. I happen to have gotten to know him quite well because I was President Clinton's emissary to him back in the relatively early-90s. I was asked to, in effect, convince him that he ought to commit to the Baku-Ceyhan pipeline, not because it was a potentially lucrative economic undertaking but because that commitment would entail a strategic partnership with the United States. I went on that mission and he first entertained me with a prolonged dinner with opera singers. He subsequently became a friendly acquaintance and visited us in our house here. Obviously he was not immune to the sort of benefits of having a cordial relationship with the other half of humanity. However, I could not get him to talk seriously. I once said to him several times, "I have an important message for you, I have to get together with you separately." So, finally around 11:30 at night I said to him, "Look, we have to stop right now. I have to talk to you one on one, immediately." The reason was that there was a Russian delegation in town headed by the deputy prime minister. There were about 30 people with him and he was determined to sign an agreement. I sat down with Aliyev, told him about the interest of the United States in the Baku-Ceyhan line and

the reasons for it, but then also emphasized this was not just a commercial arrangement, this was a strategic choice. In effect, the United States was offering Azerbaijan a formal strategic partnership which would have implications for the area, which would make the Caspian Sea accessible to the West, and which would entail, of course, a commitment also to Georgia through Azerbaijan and Georgia via Turkey. Then I said to him, "I have a letter for you from the President." I pulled it out of my pocket and I gave it to him. It [his reaction] was rather interesting; maybe it has something to do with diplomatic styles of the former Soviet Union and the United States. He took the envelope from me, looked at it and said, "Oh, it is open." I said to him, "Yes, of course. The president of the United States trusts me and wants me to know what is in it as I talk to you." He was perplexed that the letter from the president of the United States to him was open. Anyway, we continued late into the night and to make along story short, the deal was made. It was a strategic choice. I think that had a lot to do with Azerbaijan not experiencing some of the difficulties that some of the former Soviet republics, now independent states, experienced subsequently because we were able to harness a relationship which was fairly productive in a fairly short period of time for the economy of the country. Not everything was resolved to the satisfaction of the Azeris. They obviously would have hoped that Nagorno-Karabakh would be somewhat rather pushed forward more rapidly. But, national survival, national development, national stability and national sovereignty came first and he knew that. In that sense I think he was a visionary.

**Glen Howard:**

Thank you, it is very interesting to hear your personal insight on Heydar Aliev's legacy and inside negotiations. Now I would like to turn to a more contemporary situation. I have a question that consists of three components. After the midterm elections, will the Obama administration be a foreign policy presidency or will it mostly focus on domestic issues? What will its policy be towards the South Caucasus; will the United States rely on Russia to keep order in the region, or will the United States reverse its trends on disengagement with the region? And lastly, what value does the United States get from the following three countries: Georgia, Azerbaijan and Armenia?

**Dr. Zbigniew Brzezinski:**

Obviously domestic issues are going to be preponderating in terms of Congressional agenda. They are going to be derisive and they are also going to be very time consuming. It is going to be very difficult to reach consensus on some crucial issues and we may go through a period of gridlock. At some point, however, I think that will come to an end because that gridlock, the longer it lasts, the more damaging it is going to become to the Republican Party. So, at some point it will become in the interest of the Republicans to have some sort of compromise resolution on this issue. However, foreign policy issues

remain on the agenda and they cannot be ignored. I think the president has made a big mistake in not pushing hard on the Middle Eastern problem in the first year. That is what I felt was always the most propitious way of moving forward because his position, his influence and his standing of course are always the highest immediately after winning the elections. The argument can be made that he was busy with Medicare, with TARP, with the financial crisis and everything else; all very true and all very time consuming. But, to make a push in the Middle East requires an act of will, some specific actions but not protracted time involvement. So, I dismiss the argument that he was too busy and prevented from dealing with the problem. I do not know why he did not move. I think he was badly advised and badly served by those who had been advising him. He was bought into the incrementalism approach idea, which means that nothing much happens, but then as the presidential influence goes down the opposition to some of his initiatives goes up. For example, Prime Minister Netanyahu yesterday announced the construction of hundreds and hundreds of more new homes around Jerusalem and at the same time is demanding that we ratchet up our threats against Iran to the point of perhaps saying we will use force. Well, I mean, who is making American foreign policy in this context? Are we making it, or is someone making it for us? And I think that is the kind of posture that is likely to be very costly in the long run both for the United States and for Israel. This is not agitation against Israel, this is recognition of the fact that our fates are interdependent, but they're more dependent on our fate than we are on theirs. They ought to think about that but we also have to think about that, because if there is a bigger mess in the Middle East and, God forbid it leads to war with Iran, the cost to the United States, in the region specifically, but in the world at large will be prohibitive. So, I think the president has no choice but to deal with these issues. And there are options. He can decide that if the peace process by itself cannot move forward because both parties have irreconcilable differences – and it is not a question of just blaming Israel, both parties have irreconcilable differences – then someone on the outside has to push. And only the United States can push. If the United States pushes, the entire world community will be behind it, and most importantly, the majority of American troops, the majority of Israelis and the majority of Palestinians will be. I think right now we know enough about the state of public opinion and if that is crystallized, for a variety of reasons, both sides will be up for it, but only if the United States pushes. If it doesn't, the situation will progressively become worse.

**Glen Howard:**

What will U.S. policy be toward the South Caucasus?



**Dr. Zbigniew Brzezinski:**

Well, it will be what it is. We have obligations vis-à-vis Azerbaijan. We have obligations vis-à-vis Georgia. We are providing a lot of support for Georgia. Secretary Clinton recently referred to Abkhazia and Ossetia as occupied territory, using that formula very deliberately. So, our position is very clear. We stand in support of these two countries that have chosen to develop themselves as part of a larger global, and more specifically European, community, and I think that is very clear. I think the problems that are getting more serious are in the southern/northern Caucasus, and those are problems for Russia. More and more Russians realize that existing policies of relying on somebody like Kadyrov and on local security types in the other parts of the Caucasus is not productive for Russia. My suspicion is that there are more and more people now in Moscow who realize that a serious re-thinking of Russia's policies is needed, especially since the deadline of the Sochi winter Olympics is getting close and that could be a monumental embarrassment if the issue is not somehow resolved. I think by now we know it cannot be resolved the way Putin thought it was resolved, which it has not been, in Chechnya, because that kind of a resolution is not a resolution. Unless you are prepared to be like Stalin— either kill everybody or deport everybody, and that even Putin cannot do. Now, insofar as Georgia, Azerbaijan and Armenia are concerned, I have talked already in a way about Georgia and Azerbaijan. Armenia is a big question mark that of course also involves our relations with Turkey and Turkey's relations with Armenia and Azerbaijan. There was, it seemed, prospect for movement some months ago; it now has somewhat lost momentum. I suspect there is now some spreading recognition in all three countries that progress among all three is the sine-qua-non for real progress eventually, and that a prolonged stalemate between Armenia and Azerbaijan does not serve anyone's interests. So, I am mildly optimistic, but I certainly do not harbor any great expectation of a major breakthrough in the near future.

**Glen Howard:**

You recently mentioned the notion of who is making American foreign policy. I have a question I would like to ask that came up today at this conference. As you know, Secretary Gates visited Baku in June of this year. Unfortunately since July of 2009 there has not been a U.S. ambassador in Baku. As has been reported by Jamestown and also in the Washington Post the current nominee for that position is Matt Bryza and that nomination has been held up due to the opposition of the Armenian lobby in the United States, specifically ANCA (Armenian National Committee of America). So far that nomination of Bryza has been held up and it is creating a dangerous gap in not having an ambassador there at a time that is very important. Also, it does create a dangerous precedent when, in effect, an ethnic lobby is particularly influencing and trying to direct

American foreign policy toward another country. What do you think about that and what are your perceptions?

**Dr. Zbigniew Brzezinski:**

First of all I think we have had some real “snafoos” in our relationship with Azerbaijan in recent times which fortunately have been corrected, but probably could have been avoided. I know that President Obama met with Ilham Aliyev recently in New York City. That was a very good meeting and I think they were both quite satisfied with it, which is at least my impression or insight. So, that is more or less now on an even keel. But, the fact also is that there have been some serious bureaucratic “snafoos.” The failure to invite Ilham Aliyev to a conference on nuclear proliferation was a staggering bureaucratic mistake which really is not inexcusable in so far as staff work is concerned. I do not think it was a deliberate decision at the very highest levels – which means the president, Jones and Clinton—but somebody is responsible for it and it is just hard for me to understand. When the administration was informed of the issue it reacted with surprise, and then recently afterwards Gates was sent to Baku to talk to Aliyev and Clinton followed. So, the problem was to some extent rectified, but that kind of mishandling is certainly nonprofessional and I think serious in its consequences, at least for a while. I think now it is on an even keel. Pretty much the same applies to the Bryza appointment. I think that unless there are serious and legitimate objections to a candidate who has been selected by the president of the United States on the advice of the secretary of state and who has a very reputable record, this kind of arbitrary hold-up stimulated by interested parties from other countries or with attachments to other countries is, I think, not the way the system should be working. I have no idea actually as to what bureaucratic options are open in a situation like this when a hold has been put on a nominee. I would think that with some imagination it might be possible to, for example, simply designate someone, specifically Bryza, as acting head of mission or as presidential representative in Baku to whom the embassy would be subordinated. There are ways of playing hard-nose when someone else is playing hard-nose for reasons which are not really formally acceptable. You cannot, I think, pick on an individual or paralyze the diplomatic process simply because you do not like the general contours of international relationships in the area and therefore want to symbolically demonstrate your capacity to block the choice. I would think that some form of self assertion here might be a productive way of responding.

## **Participant Biographies**

### **Dr. Zbigniew Brzezinski**

Dr. Zbigniew Brzezinski is the Counselor and Trustee at the Center for Strategic & International Studies, and a Professor of American Foreign Policy at the Paul Nitze School of Advanced International Studies at Johns Hopkins University in Washington, DC. From 1977 to 1981, he served as the National Security Adviser to the President of the United States. In 1981, he was awarded the Presidential Medal of Freedom “for his role in the normalization of U.S.-Chinese relations and for his contributions to the human rights and national security policies of the United States.” From 1966 to 1968, Dr. Brzezinski served as a member of the Policy Planning Council of the Department of State. From 1987 to 1988, he served as member of the NSC-Defense Department Commission on Integrated Long-Term Strategy; and from 1987 to 1989, as a member of the President’s Foreign Intelligence Advisory Board (a Presidential commission to oversee U.S. intelligence activities). He received his Ph.D. from Harvard University in 1953, and a B.A. and M.A. from McGill University in 1949 and in 1950.

### **Ambassador Richard L. Morningstar**

Ambassador Richard L. Morningstar is the Secretary of State’s Special Envoy for Eurasian Energy. Appointed by Secretary Clinton, he was sworn in on April 6, 2009. Prior to his appointment, Ambassador Morningstar lectured at the Kennedy School of Government at Harvard and Stanford Law School. He has also taught at Brown University and Boston College Law School. From June 1999 to September 2001, he served as United States Ambassador to the European Union. Prior to this, Ambassador Morningstar served as Special Advisor to the President and Secretary of State for Caspian Basin Energy Diplomacy. From April 1995 to July 1998, he served as Ambassador and Special Advisor to the President and Secretary of State on Assistance for the New Independent States of the Former Soviet Union where he oversaw all U.S. bilateral assistance and trade investment activities in the NIS. From 1993 to 1995, he served as Senior Vice President of the Overseas Private Investment Corporation (OPIC). He is currently a member of the Council on Foreign Relations. Ambassador Morningstar is the author of numerous articles on foreign policy, including “The FSC Challenge”, “The Three-Dimensional Practice of Law in the International Arena,” “Unilateralism, Multilateralism and the National Interest” (co-authored with Coit Blacker), “The Baku-Tbilisi-Ceyhan Pipeline: A Retrospective and a Look at the Future,” and “The Great Game: An Opportunity for Transatlantic Cooperation.” He received his B.A. from Harvard in 1967 and J.D. from Stanford Law School in 1970.

### **Dr. Elkhan Nuriyev**

Dr. Elkhan Nuriyev is the former Director of the Center for Strategic Studies under the President of the Republic of Azerbaijan. After a career in government and policy studies, Dr. Elkhan Nuriyev assumed the directorship of the Center for Strategic Studies under the President of Azerbaijan according to the Decree of the President of the Republic of Azerbaijan dated February 8, 2008. From 1992 to 1994 he held diplomatic positions in the Ministry of Foreign Affairs of Azerbaijan. In 1996- 97, Dr. Nuriyev served as a J. William Fulbright Research Fellow at The George Washington University (GWU) in Washington, DC. He was a Senior Research Associate at the Monterey Institute of International Studies (California, 1998- 99), a Research Fellow at the Kennan Institute of the Woodrow Wilson International Center for Scholars (Washington, DC, 1999), Alexander von Humboldt Research Fellow at the Peace Research Institute (Bonn, 2000-2003), a Visiting Research Fellow at the German Institute for International and Security Affairs (Berlin, 2005-2006). From 2001 to 2004, Dr. Nuriyev served as a Co-chairman of the Southern Caucasus Regional Stability Study Group of the Partnership for Peace (PfP) Consortium at the George C. Marshall European Center for Security Studies in Garmisch, Germany.

### **Vladimir Socor**

Vladimir Socor is a Senior Fellow of the Washington-based Jamestown Foundation and its flagship publication, Eurasia Daily Monitor (1995 to date), where he writes analytical articles on a daily basis. An internationally recognized expert on the former Soviet-ruled countries in Eastern Europe, the South Caucasus, and Central Asia, he covers Russian and Western policies, focusing on energy, regional security issues, Russian foreign affairs, secessionist conflicts, and NATO policies and programs. Mr. Socor is a frequent speaker at U.S. and European policy conferences and think-tank institutions; as well as a regular guest lecturer at the NATO Defense College and at Harvard University's National Security Program's Black Sea Program. He is also a frequent contributor to edited volumes. Mr. Socor was previously an analyst with the Radio Free Europe/Radio Liberty Research Institute (1983-1994). He is a Romanian-born citizen of the United States based in Munich, Germany.

### **Dr. S. Frederick Starr**

Dr. S. Frederick Starr is Chairman of the Central Asia-Caucasus Institute and Silk Road Studies Program. He is a Research Professor at the Paul H. Nitze School of Advanced International Studies, Johns Hopkins University. Dr. Starr for several years served as Rector Pro Tem of the University of Central Asia, and is a Trustee of the Eurasia Foundation. Prior to founding the Central Asia-Caucasus Institute, he served as founding Director of the Kennan Institute for Advanced Russian Studies 1974-79; as Vice-President for Academic Affairs at Tulane University in 1979-1982; as Scholar-in-Residence of the Historical New Orleans Foundation in 1982-83. He was appointed President of Oberlin College in 1983, a position he held for eleven years. In 1994-96, he served as President of the Aspen Institute. Dr. Starr served as an advisor on Soviet Affairs to President Reagan in 1985-86 and to President George H.W. Bush in 1990-92. Starr holds a Ph.D. in History from Princeton University, an MA from King's College, Cambridge University, and a BA from Yale University.