By George Friedman

U.S. Secretary of State Hillary Clinton visited some interesting spots over the July 4 weekend. Her itinerary included Poland and Ukraine, both intriguing choices in light of the recent Obama-Medvedev talks in Washington. But she also traveled to a region that has not been on the American radar screen much in the last two years &#65533; namely, the Caucasus &#65533; visiting Georgia, Azerbaijan and Armenia.

The stop in Poland coincided with the signing of a new agreement on ballistic missile defense and was designed to sustain U.S.-Polish relations in the face of the German-Russian discussions we have discussed. The stop in Ukraine was meant simply to show the flag in a country rapidly moving into the Russian orbit. In both cases, the trip was about the Russians. Regardless of how warm the atmospherics are between the United States and Russia, the fact is that the Russians are continuing to rebuild their regional influence and are taking advantage of European disequilibrium to build new relationships there, too. The United States, still focused on Iraq and Afghanistan, has limited surplus capacity to apply to resisting the Russians. No amount of atmospherics can hide that fact, certainly not from the Poles or the Ukrainians. Therefore, if not a substantial contribution, the secretary of state's visit was a symbolic one. But when there is little of substance, symbols matter. That the Poland and Ukraine stops so obviously were about the Russians makes the stops in Georgia, Azerbaijan and Armenia all the more interesting. Clinton's statements during the Caucasian leg of her visit were positive, as one would expect. She expressed her support for Georgia without committing the United States to any arms shipments for Georgia to resist the Russians, who currently are stationed inside Georgia's northern secessionist regions. In Azerbaijan and Armenia, she called on both countries to settle the issue of Nagorno-Karabakh, a disputed region within western Azerbaijan proper. Armenia took control of the region by force following the Soviet collapse. For Azerbaijan, the return of Nagorno-Karabakh under a U.N. resolution is fundamental to its national security and political strategy. For Armenia, retreat is not politically possible.

This means Clinton's call for negotiations and her offer of U.S. help are not particularly significant, especially since the call was for Washington to help under the guise of international, not bilateral, negotiations. This is particularly true after Clinton seemed to indicate that the collapse in Turkish-Armenian talks was Turkey's responsibility and that it was up to Turkey to make the next move. Given that her visit to the region seems on the surface to have achieved little &#65533; and indeed, little seems to have been intended &#65533; it is worth taking time to understand why she went there in the first place, and the region's strategic significance.
The Strategic Significance of the Caucasus

The Caucasus is the point where Russia, Iran and Turkey meet. For most of the 19th century, the three powers dueled for dominance of the region. This dispute froze during the Soviet period but is certainly in motion again. With none of these primary powers directly controlling the region, there are secondary competitions involving Armenia, Azerbaijan and Georgia, both among these secondary powers and between the secondary powers and the major powers. And given that the region involves the Russians, Iranians and Turks, it is inevitable that the global power would have an interest as well &#65533; hence, Hillary Clinton's visit.
Of all the regions of the world, this one is among the most potentially explosive. It is the most likely to draw in major powers and the most likely to involve the United States. It is quiet now &#65533; but like the Balkans in 1990, quiet does not necessarily reassure any of the players. Therefore, seven players are involved in a very small space. Think of it as a cauldron framed by Russia, Iran and Turkey, occasionally stirred by Washington, for whom each of the other three major powers poses special challenges of varying degrees.

The Caucasus region

dominates a land bridge between the Black and Caspian seas. The bridge connects Turkey and Iran to the south with Russia in the north. The region is divided between two mountain ranges, the Greater Caucasus to the north and the Lesser Caucasus in the south; and two plains divided from one another, one in Western Georgia on the Black Sea and another, larger plain in the east in Azerbaijan along the Kura River. A narrow river valley cuts through Georgia, connecting the two plains.

The Greater Caucasus Mountains serve as the southern frontier of Russia. To the north of these mountains, running east to west, lies the Russian agricultural heartland, flat and without any natural barriers. Thus, ever since the beginning of the 19th century, Russia has fought for a significant portion of the Caucasus to block any ambitions by the Turkish or Persian empires. The Caucasus mountains are so difficult to traverse by major military forces that as long as Russia maintains a hold somewhere in the Caucasus, its southern frontier is secure. During the latter part of the 19th century and for most of the Soviet period (except a brief time at the beginning of the era), the Soviet position in the Caucasus ran along the frontier with Turkey and Persia (later Iran). Armenia, Azerbaijan and Georgia were incorporated into the Soviet Union, giving the Soviets a deep penetration of the Caucasus and, along with this, security.

After the fall of the Soviet Union, the three Caucasian republics broke free of Moscow, pushing Russia's frontier north by between about 160 to 320 kilometers (100-200 miles). The Russians still maintained a position in the Caucasus, but their position was not secure. The northern portion of the Caucasus consisted of Chechnya, Ingushetia, Dagestan and others, all of which had significant Islamist insurgencies under way. If the Russians abandoned the northeastern Caucasus, their position was breached. But if they stood, they faced an interminable fight.

Georgia borders most of the Russian frontier. In the chaos of the fall of the Soviet Union, various Georgian regions attempted to secede from Georgia with Russian encouragement. From the Georgian point of view, Russia represented a threat. But from the Russian point of view, Georgia represented a double threat. First, the Russians suspected the Georgians of supporting Chechen rebels in the 1990s • a charge the Georgians deny. The more important threat was that the United States selected Georgia as its main ally in the region. The choice made sense if the United States was conducting an encirclement strategy of Russia, which Washington was doing in the 1990s (though it became somewhat distracted from this strategy after 2001). In response to what it saw as U.S. pressure around its periphery, the Russians countered in Georgia in 2008 to demonstrate U.S. impotence in the region.

The Russians also maintained a close relationship with Armenia, where they continue to station more than 3,000 troops. The Armenians are deeply hostile to the Turks over demands that Turkey admit to massacres of large number of Armenians in 1915-16. The Armenians and Turks were recently involved in negotiations over the normalization of relations, but these talks collapsed • in our view, because of Russian interference. The issue was further complicated when a U.S. congressional committee passed a resolution in March condemning Turkey for committing genocide, infuriating the Turks.

One of the countercharges against Armenia is that it has conducted its own massacres of Azerbaijanis. Around the time of the Soviet breakup, it conducted a war against Azerbaijan, replete with the ethnic cleansing of hundreds of thousands of Azerbaijanis in a region known as Nagorno-Karabakh in western Azerbaijan, leaving Azerbaijan with a massive refugee problem. While the U.N. Security Council condemned the invasion, the conflict has been frozen, to use the jargon of diplomats.
The Importance of Azerbaijan

For its part, Azerbaijan cannot afford to fight a war against Russian troops in Armenia while it also shares a northern

border with Russia. Azerbaijan also faces a significant Iranian problem. There are more Azerbaijanis living in Iran than in Azerbaijan; Iran's supreme leader, Ayatollah Ali Khamenei, is a prominent Azerbaijani-Iranian. The Soviets occupied all of Azerbaijan during World War II but were forced to retreat under British and American pressure after the war, leaving most of Azerbaijan inside Iran. The remainder became a Soviet republic and then an independent state.

The Azerbaijanis are deeply concerned about the Iranians. Azerbaijan is profoundly different from Iran. It is Muslim but heavily secular. It maintains close and formal relations with Israel. It has supported the war in Afghanistan and made logistical facilities available to the United States. The Azerbaijanis claim that Iran is sending clerics north to build Shiite schools that threaten the regime. Obviously, Iran also operates an intelligence network there.

Adding to the complexity, Azerbaijan has long been a major producer of oil and has recently become an exporter of natural gas near the capital of Baku, exporting it to Turkey via a pipeline passing through Georgia. From the Turkish point of view, this provides alternative sources of energy to Russia and Iran, something that obviously pleases the United States. It is also an obvious reason why Russia sees Azerbaijan as undermining its position as the region's dominant energy exporter.

The Russians have an interest, demonstrated in 2008, to move southward into Georgia. Obviously, if they were able to do this – preferably by a change in government and policy in Tbilisi – they would link up with their position in Armenia, becoming a force both on the Turkish border and facing Azerbaijan. The Russians would like to be able to integrate Azerbaijan's exports into its broader energy policy, which would concentrate power in Russian hands and increase Russian influence on Russia's periphery. This was made clear by Russia's recent offer to buy all of Azerbaijan's natural gas at European-level prices. The Turks would obviously oppose this for the same reason the Russians would want it. Hence, the Turks must support Georgia.

Iran, which should be viewed as an Azerbaijani country as well as a Persian one, has two reasons to want to dominate Azerbaijan. First, it would give Tehran access to Baku oil, and second, it would give Tehran strategic bargaining power with the Russians, something it does not currently have. In addition, talk of present unrest in Iran notwithstanding, Iran's single most vulnerable point in the long term is the potential for Azerbaijanis living in Iran to want to unite with an independent Azerbaijani state. This is not in the offing, but if any critical vulnerability exists in the Iranian polity, this is it.

Consider this from the American side. When we look at the map, we notice that Azerbaijan borders both Russia and Iran. That strategic position alone makes it a major asset to the United States. Add to it oil in Baku and investment by U.S. companies, and Azerbaijan becomes even more attractive. Add to this that its oil exports support Turkey and weaken Russian influence, and its value goes up again. Finally, add to it that Turkey infuriated Azerbaijan by negotiating with Armenia without tying the issue of Nagorno-Karabakh to any Turkish-Armenian settlement. Altogether, the United States has the opportunity to forge a beneficial relationship with Azerbaijan that would put U.S. hands on one of Turkey's sources of oil. At a time when the Turks recognize a declining dependence on the United States, anything that could increase that dependence helps Washington. Moreover, Azerbaijan is a platform from which Washington could make the Iranians uncomfortable, or from which to conduct negotiations with Iran.

An American strategy should include Georgia, but Georgia is always going to be weaker than Russia, and unless the United States is prepared to commit major forces there, the Russians can act, overtly and covertly, at their discretion. A Georgian strategy requires a strong rear base, which Azerbaijan provides, not only strategically but also as a source of capital for Georgia. Georgian-Azerbaijani relations are

good, and in the long run so is Turkey's relation with these two countries.

For Azerbaijan, the burning issue is Nagorno-Karabakh. This is not a burning issue for the United States, but the creation of a stable platform in the region is. Armenia, by far the weakest country economically, is allied with the Russians, and it has Russian troops on its territory. Given that the United States has no interest in who governs Nagorno-Karabakh and there is a U.N. resolution on the table favoring Azerbaijan that serves as cover, it is difficult to understand why the United States is effectively neutral. If the United States is committed to Georgia, which is official policy, then it follows that satisfying Azerbaijan and bringing it into a close relationship to the United States would be beneficial to Washington's ability to manage relations with Russia, Iran and Turkey.

U.S. Defense Secretary Robert Gates visited Azerbaijan a month ago and Clinton visited this weekend. As complex as the politics of this region are to outsiders, they are clearly increasing in importance to the United States. We could put it this way: Bosnia and Kosovo were obscure concepts to the world until they blew up. Nagorno-Karabakh, South Ossetia and Abkhazia are equally obscure now. They will not remain obscure unless strategic measures are taken. It is not clear to us that Clinton was simply making a courtesy call or had strategy on her mind. But the logic of the American position is that it should think strategically about the Caucasus, and in doing so, logic and regional dynamics point to a strong relationship with Azerbaijan.

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