

BAKU DIALOGUES

POLICY PERSPECTIVES ON THE SILK ROAD REGION

Vol. 9 No. 2 Winter 2025-2026

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Drivers, Consequences, and Impacts on Littoral States

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From Conflict Zones to Supply Chain Zones

Critical Raw Materials and the Reconfiguration of Global Power

Han Ilhan

The international system is entering a period of heightened fragmentation and strategic realignment. Economic security, supply chain resilience, and industrial competitiveness are increasingly central to national strategy. Within this evolving landscape, critical raw materials (CRMs) have moved from the margins of industrial policy to the center of geopolitical and geo-economic planning.

CRMs are foundational not only to the energy “transition,” but also to advanced manufacturing, digital infrastructure, aerospace systems, and defense technologies. Their strategic relevance derives from

both their functional indispensability and the concentration of processing capacity within a limited number of jurisdictions.

In several key mineral value chains, supply exposure remains highly concentrated, resulting in vulnerabilities for advanced economies whose industrial bases depend on secure and predictable access. As a result, diversification of supply has become a policy priority across multiple demand-side economies.

Yet the implications of CRMs extend beyond industrial competitiveness. The geography of CRM production and processing intersects with regions historically

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shaped by political tension, limited economic integration, and uneven development. As global supply chains are reconfigured, CRMs have the potential either to reinforce geopolitical rivalry or to anchor new forms of economic interdependence.

Whether CRMs become instruments of intensified competition or foundations of structural stability will depend not only on resource endowment, but on the architecture of cooperation between supply-side and demand-side economies. The defining question is therefore not simply who controls resources, but how capital, technology, and long-term strategy are aligned around them.

Understanding the evolving global CRMs landscape requires examining both the policy responses of advanced economies and the institutional models that have shaped the current concentration of supply.

The Grand American Pivot

Beyond trade leverage, the United States has increasingly activated direct financing and institutional mechanisms to accelerate

CRMs have moved from the margins of industrial policy to the center of geopolitical and geo-economic planning.

CRMs supply chains, particularly in areas where private capital has historically been reluctant to engage at early stages due to long development

timelines, permitting complexity, and commodity-cycle volatility. In other words, the United States is now seeking to pursue a policy of strategic pragmatism in critical raw materials.

The foregoing reflects growing recognition that concentrated processing capacity in a limited number of jurisdictions has created structural supply exposure that market forces alone may not correct. The United States has undertaken five concrete actions in this regard.

First, the increased utilization of the Defense Production Act (DPA) in support of domestic and allied CRM supply chains. In recent years, what are called DPA Title III authorities have been applied to fund feasibility work, processing capacity expansion, and selected early-stage development activities across certain critical mineral categories. While the DPA does not replace private investment mechanisms, its use signals institutional willingness to participate in earlier risk phases where strategic

considerations extend beyond short-term financial returns.

Second, the Department of Energy (DOE), through its Loan Programs Office (LPO) and related critical materials initiatives, has expanded engagement in battery supply chains and mineral processing projects. This reflects a willingness to consider large-scale, capital-intensive facilities that private markets have traditionally viewed as high-risk due to extended payback periods and exposure to price volatility. Such engagement suggests that long-duration industrial capacity may require public participation to reach financial close.

Third, strategic stockpiling. On 2 February 2026, the U.S. Export-Import Bank (EXIM) announced financing support for an initiative referred to publicly as “Project Vault,” positioned as a strategic critical minerals reserve concept combining EXIM backing with private-sector participation. While operational parameters continue to evolve, the initiative indicates acknowledgment that market supply

alone may not guarantee resilience in strategically sensitive CRM value chains. Strategic stockpiling, whether above-ground reserves or structured buffering mechanisms, has re-entered policy discussion as part of resilience planning.

Fourth, heightened partner engagement and coordinated frameworks. In early February 2026, the United States launched the Forum on Resource Geostrategic Engagement (FORGE) as a partner-facing framework intended to coordinate policy, trade tools, and project-level cooperation among aligned economies in CRM markets. Rather than relying solely on bilateral project engagement, this initiative reflects movement toward structured coordination across multiple demand-side jurisdictions.

Emerging discussions within this evolving policy toolkit have included consideration of mechanisms such as minimum import price concepts or coordinated price floor approaches designed to counter market distortions and improve project bankability in non-dominant supply chains. These concepts

Understanding the evolving global CRMs landscape requires examining both the policy responses of advanced economies and the institutional models that have shaped the current concentration of supply.

remain under discussion rather than fully implemented instruments, but their presence in policy debate reflects recognition that capital formation in CRMs may require market-structuring tools in addition to financing support.

Taken together, these actions represent a meaningful shift in the U.S. approach. CRMs are increasingly treated not solely as industrial inputs, but as strategic assets requiring coordinated public and private capital deployment. This evolving model establishes a reference point for other demand-side economies, particularly in Europe and parts of Asia where diversification ambitions will likely require comparable risk-sharing mechanisms and capital architecture if they are to translate policy intent into executable supply chain outcomes.

Fifth development is the emergence of blended capital platforms combining public, sovereign, and private investment. Here are two recent examples. One, in January 2025, Abu Dhabi’s sovereign investor ADQ and Orion Resource Partners (Orion) announced a 50/50 Abu Dhabi-based joint venture with an initial commitment of approximately \$1.2 billion over four years to invest in strategic metals and CRMs globally. Two, in

October 2025, the U.S. International Development Finance Corporation (DFC) joined ADQ and Orion to establish the Orion Critical Mineral Consortium (Orion CMC) with initial capital commitments totaling approximately \$1.8 billion, targeting investments in CRM projects across DFC-eligible jurisdictions to strengthen supply chains for the United States and allied markets.

These platforms illustrate an evolutionary trend in capital structuring: public capital can absorb portions of early-stage risk, private capital contributes financial discipline and structuring capability, and sovereign capital introduces long-term strategic alignment.

However, structural tensions remain. In many blended vehicles, traditional private capital underwriting standards continue to influence project sequencing. Projects are often expected to demonstrate advanced engineering work, substantial technical and ESG derisking consistent with international standards, established execution capacity, and near-construction readiness prior to major capital commitment.

Particularly in emerging CRM supply-side regions, this sequencing can create bottlenecks. If full derisking is required before strategic

capital participates, deployment slows. In a sector characterized by multi-year development cycles and capital intensity, delay compounds disadvantage. Strategic competition in CRMs may therefore require calibrated earlier-stage public participation within blended capital structures, where the pace of capital engagement becomes as important as the volume of capital available.

The China Benchmark

Any discussion of CRM diversification must begin with a clear understanding of the structural model that has shaped current supply concentration. Over the past three decades, China has developed dominant positions across multiple critical mineral processing chains.

While geological endowment plays a role, the more significant differentiator has been its deliberate construction of integrated industrial ecosystems spanning upstream extraction, mid-stream processing, downstream manufacturing, and supporting infrastructure.

China's advantage rests on five interlocking pillars.

First, patient, state-directed capital. A defining feature of China's approach has been the alignment of state-directed capital with long-term industrial strategy. State-owned enterprises, policy banks, and state-aligned financial institutions have participated across multiple stages of project development, including phases that private capital in other jurisdictions often considers premature or high-risk.

This model has enabled earlier entry into projects, absorption of geological and engineering risk, and sustained investment through commodity cycles. Rather than relying solely on market timing, capital deployment has often been linked to long-term strategic positioning objectives.

Second, midstream and downstream industrial depth. China's strength is most visible in processing and manufacturing capacity. Across several CRM value chains, it has established substantial refining and component production capabilities, supported by scale efficiencies, accumulated technical expertise, and operational experience.

Any discussion of CRM diversification must begin with a clear understanding of the structural model that has shaped current supply concentration.

Processing concentration creates structural leverage. Upstream production in other jurisdictions frequently depends on Chinese refining and intermediate manufacturing capacity. Over time, this has reinforced network effects that are difficult to replicate quickly.

Third, long-term resource positioning. In addition to domestic capacity, Chinese entities have participated in resource development projects globally over extended time horizons. In certain mineral categories, this has included investment in or acquisition of assets outside China even where domestic reserves exist.

For example, in the tungsten sector, where China remains a leading producer and processor, Chinese firms have also engaged in overseas asset acquisition and project participation. This reflects a strategic logic that extends beyond immediate supply needs, emphasizing diversification, optionality, and long-term positioning.

While advanced economies have recently focused on building "above-ground stockpiles" to buffer short-term supply risk, China has effectively pursued what might be described as "below-ground stockpiling", securing ownership stakes or long-term participation

in mineral assets internationally to reinforce future supply optionality. The distinction reflects differing conceptions of supply security; one centered on inventory buffers, the other on structural asset positioning.

Fourth, emphasis on developing top-notch homegrown human capital and execution capacity. Sustained investment over decades has also produced accumulated technical knowhow, engineering depth, and execution experience. The ability to mobilize technical teams, deploy processing expertise across jurisdictions, and manage complex project pipelines has become a structural advantage that compounds over time.

And fifth, setting its own strategic timeframes. Advanced economies are currently operating under heightened urgency. Strategic stockpiles are being expanded, trade tools are being refined, and new financing vehicles are being created to accelerate diversification. These measures are rational responses to concentrated supply exposure, yet they are primarily oriented toward mitigating immediate vulnerability.

China's approach is a structural contrast that illustrates a different

time horizon. It has simultaneously reinforced existing industrial positions while positioning for future optionality through sustained investment in assets, processing ecosystems, and technical capability. The distinction is not merely financial; it reflects the institutionalization of long-term strategy.

A further dimension of China's model is consistency of engagement. Long-term capital deployment has been accompanied by sustained institutional relationships, continuity of strategic intent, and high-level engagement across political cycles. In capital-intensive sectors measured in decades, perceived reliability and consistent deliverability reinforce trust, which in turn lowers political and commercial friction. Industrial ecosystems do not mature on capital alone; they mature on continue.

Competing effectively therefore requires more than matching policy announcements or capital volumes. It requires alignment of strategic timeframes. CRM strategies constrained by short-term political and financial cycles will struggle to compete with approaches measured in decades. In this context, the decisive variable is not geology alone, nor capital alone, but the capacity to sustain industrial strategy long enough for ecosystems and capabilities to mature.

From Transport to Industrial Corridors

If the global competition in CRMs is ultimately structural, its implications are most visible in regions where geology, geography, and geopolitics intersect, such as Central Asia and the South Caucasus—that is, what the editors of *Baku Dialogues* refer to as the Silk Road region.

Much of the conversation across this part of the world has focused on transport corridors, such as rail links, road networks, energy pipelines, and logistics routes connecting Europe and Asia. Shipping raw concentrate through a corridor generates transit revenue, but this alone does not transform economic structure. Processing and manufacturing within a corridor generate industrial transformation. This distinction matters profoundly in a fragmenting geopolitical environment.

In the context of CRMs, an industrial corridor integrates upstream mining, midstream refining and metallurgical processing, downstream component and alloy production, reliable energy infrastructure, industrial parks and specialized zones, harmonized regulatory and ESG frameworks; and cross-border customs coordination.

Industrial corridors anchor long-term capital, create employment multipliers, attract research institutions, expand local tax bases, and embed skills within the region rather than exporting value externally.

None of this, however, is possible without predictability, and predictability requires peace. Three aspects of this require elaboration: transport corridors and their limits, industrial corridors as economic transformation, and peace as economic infrastructure.

One, transport corridors are necessary components of regional integration. They reduce friction, increase trade flows, and generate transit revenue. However, transit alone does not fundamentally transform economic structure. Moving raw materials across borders captures limited value relative to processing, refining, and manufacturing those materials within the region itself.

The strategic question is therefore not only how goods move through a corridor, but what economic activity is anchored along it.

Two, an industrial corridor extends beyond logistics infrastructure. For CRMs, it integrates upstream mining, midstream

processing, downstream component production, energy systems, industrial parks, research institutions, and harmonized regulatory frameworks. Industrial corridors embed production capacity within a region's economic architecture.

Unlike transport corridors, industrial corridors anchor long-term capital. They generate employment multipliers, stimulate skills development, expand local tax bases, and create ecosystems of suppliers and service providers. Capital-intensive facilities such as refineries and metallurgical plants require stable operating environments measured in decades rather than short political cycles.

For regions rich in CRMs, industrial corridors provide a mechanism to convert geological potential into sustained economic value.

And three, industrial corridors cannot function without political stability and predictable cross-border relations. Recent developments across the Silk Road region speak to this point directly.

In parts of Central Asia, the normalization of border arrangements and improved bilateral cooperation are starting to unlock economic opportunity. Agreements clarifying border demarcation and facilitating

cross-border trade have reduced friction and enabled expanded economic interaction. While such processes remain dynamic and evolving, they demonstrate how stability directly enhances connectivity and investment attractiveness.

In the South Caucasus, efforts toward normalization and structured dialogue following prolonged conflict similarly hold economic significance. Infrastructure projects, energy interconnections, and industrial investments depend on predictability. Without stability, capital hesitates. Without capital, industrialization slows.

The relationship between peace and connectivity is therefore structural rather than rhetorical. Political tension increases transaction costs, deters long-term investment, and fragments supply chains. Stability lowers perceived risk, reduces financing costs, and enables cross-border industrial integration.

For CRM-producing regions, this dynamic is decisive. If upstream resources are to supply processing hubs and manufacturing clusters across borders, infrastructure must operate continuously, and regulatory regimes

must remain predictable. Industrial corridors transform geography into advantage only when peace reduces the probability of disruption.

In this sense, peace functions as economic infrastructure. Without stability, connectivity weakens. Without connectivity, the bridge between supply-side potential and demand-side necessity cannot be constructed effectively.

A Coordinated Supply-Side Platform

If industrial corridors depend on peace and connectivity, they also depend on coordination across borders. The two parts of the core Silk Road region—the South Caucasus and Central Asia—possess complementary strategic strengths that, if aligned, could significantly reshape their role in global critical raw materials supply chains.

Central Asia holds substantial upstream resource potential across multiple critical mineral categories. The South Caucasus occupies a pivotal geographic and diplomatic position linking

If industrial corridors depend on peace and connectivity, they also depend on coordination across borders.

regional production to European and global markets. Individually, the states belonging to these two parts of a single regional whole compete for investment and bilateral partnerships. Collectively, however, they have the potential to represent meaningful scale.

Scale is decisive in capital-intensive industries such as mining and processing. Isolated projects in fragmented jurisdictions often struggle to attract long-term strategic capital. Processing facilities require predictable feedstock volumes to justify investment. Infrastructure projects demand cross-border continuity and regulatory coordination. Offtakers seek supply reliability measured in decades rather than political cycles.

A coordinated supply-side strategy would therefore extend beyond individual project promotion. It would involve cross-border alignment of upstream development pipelines, shared or regionally synchronized midstream processing hubs, harmonized regulatory and ESG standards to reduce investor friction, coordinated infrastructure planning across transport and energy systems, and structured regional engagement with global capital markets and strategic partners.

Such coordination reduces perceived risk by creating scale, regulatory consistency, and infrastructure continuity across jurisdictions. As risk perception declines, the cost of capital correspondingly decreases, improving project viability and accelerating development timelines. These effects are material rather than incremental in capital-intensive industries, where financing conditions often determine project feasibility.

Beyond financing considerations, coordination strengthens negotiating leverage. When supply-side countries engage independently, they negotiate from the position of individual asset holders. When they operate within a coordinated regional platform, they present aggregated volume, diversified geology, and integrated logistics. This materially enhances their strategic position in discussions with global investors, offtakers, and demand-side governments seeking diversified supply.

Coordination also reinforces stability within the region itself. Cross-border infrastructure, shared processing facilities, and synchronized industrial development create economic interdependence among neighboring states. Interdependence increases the economic cost of disruption and

strengthens incentives for sustained cooperation, thereby aligning industrial strategy with regional stability objectives.

For global demand-side economies seeking diversification away from concentrated supply chains, such a coordinated platform would offer scale combined with predictability. The opportunity for the countries that make up the core of the Silk Road region is therefore not merely to supply minerals, but to position themselves as an integrated, reliable, and strategically organized diversification alternative.

The distinction between isolated resource development and coordinated supply architecture is the distinction between passive participation in global markets and the ability to shape them.

Industrialization as Stabilization

Coordination alone is insufficient if development remains confined to extraction. Resource extraction alone rarely produces durable economic transformation. While upstream mining generates revenue and employment, countries that remain confined to

exporting raw materials often experience limited value capture and heightened exposure to commodity price volatility.

When concentrates leave a country unprocessed, the majority of economic value, such as refining margins, advanced manufacturing, engineering services, and technological learning, accrues elsewhere. Over time, this structural imbalance constrains domestic industrial development and reinforces vulnerability to external market cycles. Industrialization alters this trajectory.

Midstream processing and refining increase domestic value retention and deepen economic multipliers. Downstream manufacturing amplifies those effects by generating skilled employment, fostering technical expertise, and stimulating the growth of supporting sectors such as logistics, maintenance, energy, and specialized services. Industrial clusters encourage knowledge transfer and institutional learning, particularly when metallurgical facilities operate alongside research institutions and vocational training centers.

This shift has macroeconomic implications, but its effects must be understood realistically.

Commodity-dependent economies often experience fiscal volatility linked to price fluctuations in international markets. Expanding from upstream extraction into midstream processing and downstream manufacturing does not eliminate exposure to global price cycles; price movements affect margins across the value chain. However, diversification across multiple stages of production can reduce dependence on a single revenue stream and improve value capture within the domestic economy.

Structural resilience therefore depends not only on moving “up the value chain,” but on building integrated and sustainable industrial ecosystems. Upstream mines have finite lifespans, and side industries built around a single asset may face contraction when depletion occurs unless future resource pipelines are secured. Similarly, midstream hubs require reliable and long-term feedstock supply to remain viable. Without coordinated upstream development and reserve planning, processing facilities risk underutilization.

When industrialization is approached strategically through phased resource development, diversified project pipelines, and integrated supply planning, it can strengthen fiscal resilience, broaden the employment base, and reduce vulnerability to external shocks. Stability in this context emerges not from the elimination of price volatility, but from structural diversification, disciplined capital planning, and long-term resource management.

Industrialization also reshapes political incentives. When economic activity is concentrated in extractive enclaves, benefits are unevenly distributed, and social tensions can intensify. Broader industrial value chains, by contrast, disperse economic participation across regions and sectors, expanding opportunity and reducing marginalization risk. Over time, this broader participation contributes to structural stability.

In the context of the Silk Road region, the distinction is consequential. This part of the world possesses meaningful geological

Structural resilience therefore depends not only on moving “up the value chain,” but on building integrated and sustainable industrial ecosystems

potential in several critical mineral categories. However, if these resources are treated solely as export commodities, the development dividend will remain limited and vulnerability to external cycles will persist. If CRMs are embedded within integrated industrial ecosystems—linking mining, processing, manufacturing, and skills development—they can become foundations of durable economic resilience.

Industrial interdependence adds a further stabilizing dimension. When upstream production in one country feeds processing facilities in another, and downstream manufacturing relies on cross-border supply chains, economic disruption becomes increasingly costly for all participants. While such interdependence does not eliminate political disagreement, it alters the calculus of instability by raising its economic price.

CRMs therefore represent more than export potential. Properly structured, they can serve as catalysts for industrial modernization and long-term stabilization. The

difference lies not in geology, but in whether resource development is approached as a transactional activity or as the foundation of a broader industrial strategy.

The Right Partnership Architecture

If industrialization is essential for supply-side stability and diversification is essential for demand-side resilience, then partnership architecture between demand and supply becomes the mechanism that determines whether these objectives can be achieved at scale.

Demand-side countries must bring a competitive partnership architecture, one that recognizes the scale, urgency, and structural nature of the challenge.

This requires five, clearly defined partnership pillars.

One, *value enhancement*: ensuring that cooperation expands total value across the entire supply chain. For supply-side countries, this means industrial

If CRMs are embedded within integrated industrial ecosystems—linking mining, processing, manufacturing, and skills development—they can become foundations of durable economic resilience.

upgrading, downstream integration, and expanded domestic value capture. For demand-side economies, value enhancement includes reducing dependency on concentrated single-source supply, lowering strategic exposure of key manufacturing sectors, and strengthening the resilience of industries such as automotive, aerospace, defense, digital technologies, and advanced energy systems. Diversification itself is economic value.

Two, *risk sharing*: acknowledging that early-stage geological, engineering, infrastructure, and market risks cannot rest solely with resource holders. Strategic resilience requires shared exposure, particularly in capital-intensive, long-horizon projects where urgency is high.

Three, *co-investment and coordinated financing*: aligning public, private, and sovereign capital within structured mechanisms that accelerate development timelines while preserving financial discipline. Capital architecture must reflect strategic necessity, not only private return thresholds.

Four, *technology advancement and industrial upgrading*: embedding metallurgical expertise, processing innovation, efficiency optimization, and downstream manufacturing capability into

partnership structures. Long-term competitiveness depends on shared technical depth, not merely resource access.

Five, *human capital development*: investing in training programs, technical education, institutional capacity, and operator exchange mechanisms to ensure that industrial ecosystems are locally sustainable and globally competitive.

Beyond capital structure and risk-sharing, long-term credibility is decisive. Mining and processing projects operate across decades. Governments and companies commit to infrastructure, workforce development, and regulatory alignment that outlast political cycles. Sustainable partnership therefore requires visible long-term commitment, consistent standards, and leadership-level continuity. Trust is not a rhetorical concept in capital-intensive industries; it is an economic variable that influences cost of capital, speed of execution, and durability of supply relationships.

For supply-side countries, pragmatism remains essential. China continues to represent a market, a financier, and a source of technical capability. Balanced diversification, rather than binary geopolitical alignment, preserves optionality and strengthens negotiating

leverage. The objective should not be to replace one dependency with another, but construct resilient, multi-directional integration grounded in shared value creation, reduced systemic vulnerability, and long-term strategic alignment.

Peace Through Economic Architecture

The twentieth century sought peace primarily through political agreements. The twenty-first century must reinforce peace through economic architecture. Critical raw materials present a structural opportunity to transform regions historically defined by conflict into platforms of industrial cooperation and strategic relevance.

Demand-side economies must acknowledge that China currently offers an immediate and compelling value proposition to resource-rich regions. Through long-term capital deployment, integrated infrastructure development, and execution capacity, China provides speed, scale, and certainty. At the same time, China is effectively “stockpiling below the ground” and

securing mineral assets globally as part of a long-term strategic reserve framework.

In contrast, many advanced economies are still focused primarily on “above-ground stockpiling” and short-term vulnerability mitigation. While necessary, such measures alone do not alter structural concentration. Without deeper strategic engagement in asset development and industrial ecosystems, long-term dominance patterns will persist and potentially intensify.

Equally important, supply-side countries in both parts of the Silk Road region—namely, Central Asia and the South Caucasus—must recognize that critical raw materials diplomacy cannot remain solely supply–demand oriented. It must evolve into supply-side regional diplomacy.

Stability, border resolution, regulatory harmonization, and coordinated infrastructure development are not peripheral political achievements; they are foundational economic instruments. Peace and predictability amplify the region’s attractiveness as a strategic supplier. Fragmentation diminishes it.

In the twenty-first century, connectivity and peace are inseparable.

In the twenty-first century, connectivity and peace are inseparable. Without stability, cross-border infrastructure weakens, and investment hesitates. When connectivity erodes, industrial corridors cannot function at scale. Without functioning industrial corridors, the bridge between supply-side potential and global demand for critical raw materials cannot be constructed effectively. Stability therefore becomes not merely a political objective, but an economic prerequisite.

Critical raw materials can either reinforce existing geopolitical divisions or serve as catalysts for structured cooperation. If demand-side economies are prepared to align capital architecture

with strategic urgency, and if supply-side countries are prepared to institutionalize cooperation and stability, the region can transition from geopolitical fault line to indispensable supply chain platform.

In a fragmenting geopolitical order, peace will be sustained not only by sound political messaging, but also by shared economic stakes. Those shared stakes must be anchored in long-term commitment, consistent execution, and the accumulation of trust. In the decades ahead, critical raw materials may prove to be not only the foundation of industrial transformation, but the foundation of durable stability across the Silk Road region—and beyond. **BD**

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The Corridor Changing Eurasia

Connectivity, Sovereignty, and the Strategic Awakening of the Trans-Caspian Region

Eric Rudenshiold

Since (re-)gaining independence from the Soviet Union, the countries of Central Asia and the South Caucasus have been perceived by and large as flyover states of marginal interest. They were framed in geopolitical dialogue as peripheries or regions whose importance largely derived from adjacency rather than agency—from whom they bordered rather than what roles they could play. Especially in Western policy discourse, they were generally described as buffers or backyards, almost never as strategic actors in their own right. That framing is grossly outdated.

Over the past four years or so, what has been unfolding

in Central Asia and the South Caucasus is not simply a shift in trade routing or a reaction to Russia's war in Ukraine. Instead, it is a deep structural reordering of Eurasia's political economy that is in parts driven by generational change, unfettered economic ambition, and recalibrations of sovereignty.

At the center of this transformation is the Middle Corridor, stretching from Central Asia across the Caspian and through the South Caucasus to Türkiye and Europe. Once a peripheral notion, it is now central to the entire region's growth. No longer aspirational, the Middle

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Corridor has become a strategic instrument that binds roads, rails, ports, and policy into a single, multimodal system—one that extends beyond transportation to questions of power, choice, and sovereignty. The resulting whole is proving greater than the sum of its parts.

The catalyst for this shift was crisis. When Russia invaded Ukraine for the second time in 2022, the resulting international sanctions regime effectively closed Central Asia's licit access to the northern transport corridor that transits Russian territory. The resulting disruption derailed most of the region's trade and exposed long-tolerated structural vulnerabilities and dependence on Soviet-era infrastructure still zealously controlled by Moscow.

The shock and resulting transport vacuum forced Central Asian leaders to do three things. *One*, to make tectonic decisions that reoriented commercial and geopolitical linkages; *two*, to engage more pliable diplomatic postures; and *three*, to accelerate alternatives that had previously advanced only incrementally.

The Rebirth of Eurasian Connectivity

Russia's February 2022 invasion of Ukraine marked a watershed moment not only for European security, but also for Eurasian connectivity. Northern routes that had long underpinned east-west trade suddenly became liabilities. Western sanctions against Russia transformed the region's transit infrastructure into instruments of economic coercion, and transit dependence shifted from a technical inconvenience into a strategic risk.

For Central Asia, the implications were immediate and profound. Landlocked states whose export routes flowed predominantly north confronted mounting costs and uncertainty as the promise of primary and secondary sanctions threatened the region's fragile economies precisely at the moment when they had begun to recover from COVID-19 shutdowns. The vulnerability exposed by Russia's war revealed a deeper, structural truth about sovereignty in a globalized economy: sovereignty without connectivity

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It was within this context that the Middle Corridor emerged as both remedy and declaration. Stretching from China through Central Asia, across the Caspian Sea, through Azerbaijan and Georgia, and onward to Europe via Türkiye, the corridor offered something unprecedented in the post-Soviet space: a viable, scalable east-west route that bypassed Russian territory while remaining commercially rational and politically inclusive. Unlike earlier alternatives, it offered unfettered access to global markets while not requiring wholesale realignment or ideological conformity. The Middle Corridor offered attractive optionality.

Importantly, regional leaders were careful not to frame the Middle Corridor as an anti-Russian or anti-Chinese project. The language that emerged emphasized diversification rather than decoupling. The objective was not to sever ties with major neighbors, but to end the condition of having no alternatives. This distinction matters.

By building redundancy into trade, energy, and increasingly data flows, however, the Trans-Caspian regional states are reducing the capacity of any single

external power to exercise veto influence over their economic futures. Infrastructure, in this sense, has become a quiet but powerful instrument of sovereignty for the South Caucasus and Central Asia. As a result, the Middle Corridor countries constitute an emerging geoeconomic bloc—a strategic set of economic decisions embedded in infrastructure.

The institutional expression of this shift has been equally significant. For much of the past decade, the so-called “C5” format (representing the five Central Asian states acting collectively) functioned primarily as a consultative framework, often convened in the presence of external partners. While symbolically important, it remained limited in scope and ambition. Recent developments, however, indicate an evolution from ceremony to substance as the C5 is increasingly being used to coordinate policy positions, align infrastructure priorities, and articulate shared regional interests.

This development has been further reinforced by the emergence of a “C6” dynamic that reflects Azerbaijan’s growing integration into Central Asian diplomatic, economic, and connectivity frameworks and has effectively

extended the region’s strategic perimeter westward across the Caspian. As a now de jure C6 participant, Azerbaijan has laid down markers to solidify trans-regional connectivity and cooperation, linking Central Asia more directly to the South Caucasus, Türkiye, and European markets.

In both the C5 and C6 configurations, regional states are moving beyond performative diplomacy toward practical coordination. Deals, summits, and infrastructure agreements are increasingly designed to reorient trade flows, elevate regional autonomy, and institutionalize cooperation rather than merely signal it. The Middle Corridor serves as both the catalyst and the connective tissue for this shift, binding together geography, policy, economics, and strategy.

Taken together, these developments suggest that Central Asia and the South Caucasus are no longer passive recipients of external designs. Through the evolution of the C5 and expanded C6 framework, they are constructing a trans-regional architecture that reflects their own priorities of partnership, alignment, and growing agency.

Decline and Rise

The growing assertiveness of the region’s capitals has been built upon strength in numbers and unified actions. In their collective response to Russia’s war in Ukraine, for instance, the five Central Asian states along with Azerbaijan and Georgia moved rapidly to develop alternative cargo routing, implement infrastructure improvements, and adopt new cooperation mechanisms to accelerate freight transit that did not rely on Russia. The resulting Middle Corridor connectivity also played a triggering role in precipitating the embrace of a corollary logic in Armenia and Azerbaijan that welcomed peace and prosperity over protracted and frozen conflict, offering the same access and options.

The growing logistical cooperation and adjustments that began four years ago have generated a strategic reorientation away from Russian hegemony. Central Asia and the South Caucasus are bridging the Caspian Sea to globally reemerge as increasingly unified energy and transport hub at the very center of Eurasia. Capitalizing on their geographic position, regional capitals are turning the tables on Moscow which itself long sought to dictate terms by controlling transit and,

by extension, economic leverage across the vast steppe.

Though Russia's authority in Central Asia and the South Caucasus has not collapsed, its traditional levers—security guarantees, transit control, and energy dominance—have eroded simultaneously, producing a cumulative loss of influence. In a regional perspective shift, Trans-Caspian countries see less utility in defining themselves as Russia's back yard.

In the context of Eurasian geopolitics, this decline of Russia's traditional influence is perhaps the most consequential shift of the last decade. Moscow's default and legacy capacity to serve as the region's security guarantor and economic gatekeeper has been strained by the war in Ukraine, the weight of international sanctions, and the emergence of credible alternatives. In turn, this has accelerated a rebalancing of strategic relations across Central Asia and the South Caucasus, which, reciprocally, further reduces Moscow's sway.

While Russia's market dominance across the region was surpassed by

China's economic expansionism in the 2010s, security credibility has since eroded as Russian military capacity is largely redeployed into Ukraine. Transit dominance has been challenged by westward routes that are increasingly viable and free of sanctions. Energy leverage, while still significant, now competes with diversification strategies and alternative export pathways.

What has filled this space is not a new hegemon, but a more pluralistic and strategic environment that more than counterbalances the weight of Russian (and Chinese) influence. Central Asian states are increasingly behaving as middle

power countries that may not dominate the international system, but which can shape outcomes through coordination, selective alignment, and diversified economic engage-

ment. The South Caucasus, particularly Azerbaijan, plays a similar role as the gateway between regions.

This shift has also exposed the limits of Moscow's hybrid tactics along the Middle Corridor. Efforts to delay or disrupt connectivity projects have encountered governments that are more coordinated

This once "quiet" swath of Eurasia is transforming at a velocity and direction of change that has surprised even seasoned observers.

internally, more diversified externally, and more confident in asserting their interests. Influence, once exercised through default control, must now be negotiated in the Trans-Caspian region.

Transformation and Sovereignty

This once "quiet" swath of Eurasia is transforming at a velocity and direction of change that has surprised even seasoned observers. Longstanding assumptions, alignments, and legacies are bowing to geopolitical and economic pressures and opportunities. Red lines have proven negotiable and, at times, even disregardable. Across the Trans-Caspian neighborhood, Moscow's strong-arm politics appear to have atrophied during its exhaustive pursuit of victory in Ukraine.

Left increasingly on their own, emboldened regional capitals have pursued policies grounded in national interest rather than inherited deference. The ensuing newfound connectivity has further empowered these countries to pursue diversified international engagement on their own terms, not cleave to old strategies dictated by large neighbors. As a result,

regional capitals are encouraging and enfranchising development at a breakneck pace.

From its ports and logistics firms to development banks and regional institutions, the region's secondary actors are now more empowered to shape broader outcomes. What is emerging is a systemic pattern and inclusive philosophy championing the strategic Trans-Caspian reorientation, not a series of sporadic or accidental developments. Such change and its rate of speed buoy optimism on the region's ability to transcend its roots and to evolve into successful partnerships with the West.

From Kazakhstan through the South Caucasus to Türkiye to Europe, the Middle Corridor is a case in point that can no longer be regarded simply as a trade route. It is becoming a corridor of sovereignty: a demonstration of how emerging middle powers, or, as Nikolas Gvosdev of the U.S. Naval War College first put it, "keystone states," can leverage geography and deploy infrastructure as strategic tools. By attracting substantial global investment and improving access to markets, Astana, Baku, and Tashkent (and their neighbors) have internalized a lesson long obscured by geography—connectivity is power.

While catalyzed by crisis, this transformation is sustained by choice. The region is responding to the changing geopolitical topography through adaptation. Rather than paralysis or retrenchment or unilateral action, the Trans-Caspian countries are pursuing coordination. The implications extend far beyond Eurasia's interior. At stake is the emergence of Central Asia and the South Caucasus as a cohesive strategic corridor that cross-connects the entirety of Asia, capable of engaging Russia and China without being subsumed by either, whilst partnering with the United States, the EU, and Türkiye to build economic sovereignty, resilience, and long-term connectivity.

At the heart of this shift is more than infrastructure, trade, or energy. It represents a deeper transformation in how states in the region perceive power, incentives, and opportunities. Geopolitics across the Middle Corridor region is becoming less about tradition and fixed positions than about how these countries respond when technological, economic, and political conditions shift so rapidly that the past becomes a poor guide to the future.

In this paradigm shifting environment, historical literacy is useful only insofar as it informs judgment

rather than constrains it. Now strategic advantage for this region lies not in certainty, but in a disciplined embrace of uncertainty: new markets, new technology, new infrastructure, new business methods, and new partners.

From Survival to Strategic Agency

For nearly three decades after the collapse of the Soviet Union, the countries of Central Asia and the South Caucasus were widely regarded as appendages of large, neighboring powers. Internationally, they were understood less as actors than as extensions of either Moscow, which supplied the pipelines, transit routes, and markets, or of Beijing, which offered capital, concessional loans, and an insatiable appetite for raw materials. Their considerable endowments of oil, gas, and uranium seemed perpetually to be someone else's opportunity.

This extractive model delivered growth, but on unfavorable terms. With virtually no refining capacity or direct access to Western markets, Central Asian resources were exported largely in raw or minimally processed form, often at deeply discounted prices to Russian or

Chinese processors and refiners. The result was persistent dependence on Moscow and Beijing, with limited returns as compared to global markets, and vast amounts of wealth flowing out of the region.

At the heart of this imbalance lay the persistent constraint of no connectivity or direct access to global markets. Bottlenecks of geography, legacy infrastructure, and politics bound the region to its giant neighbors and severely limited the range of viable economic choices.

Azerbaijan proved a foresighted outlier in the 1990s, successfully pursuing oil pipeline connectivity that enabled Baku far greater independence at a time when Moscow allowed little deviation from its central control. Yet infrastructure alone cannot explain the speed or unity behind today's reorientation.

Of significant importance is the generational shift in leadership and strategic culture across the region. The first post-Soviet generation governed under conditions of profound uncertainty. Their overriding priorities were consolidating power, national survival, and preserving stability in fragile governing systems. Foreign policy in this period was shaped largely by caution and

deference to legacy power structures. Accommodation was often equated with prudence, and sovereignty was generally subjugated to Russian authority.

However, the current generation of Trans-Caspian leaders operates under markedly different assumptions. Less constrained by Soviet-era precepts—particularly as Russian power erodes—they increasingly view their countries as both participants and interconnectors between markets, energy systems, and emerging value chains. Their geography, once cursed as landlocked isolation, is now reframed as an asset that intersects east-west and north-south trade flows. Multi-vector diplomacy, once a cautious act to balance Great Powers, has hardened into strategies that leverage external relationships and counterbalance neighboring influences.

This evolution is increasingly visible in the normalization of regional cooperation. Once sporadic and symbolic, Central Asian summits (now these include Azerbaijan) are becoming routinized platforms for coordination. Cross-border infrastructure planning, customs harmonization, and shared digital frameworks are no longer gestures of goodwill; they are

instruments for reducing vulnerability and increasing bargaining power. Cooperation has moved from aspiration to implementation.

The Middle Corridor crystallizes this maturation. Pushing coordination and cooperation across the Caspian to Azerbaijan and further into the South Caucasus, the benefits of reoriented connectivity and increased trade have proven a substantive allure—even to the point of promoting peace and stability between once-estranged neighbors. This is both the outcome of a changing strategic mindset and the accelerant of further transformation.

By enabling alternatives to legacy infrastructure and policy dependencies, the Middle Corridor’s new connectivity enables Trans-Caspian states to pursue innovative and independent positions in global markets and supply chains. This process not only builds independent economies for the countries of the region, but also reinforces the region’s broader shift from an extractive periphery to a strategic crossroad where connectivity becomes the foundation for sovereignty and agency.

Renewed U.S. Engagement

Over the last decade, U.S. policy toward Central Asia and the South Caucasus has evolved to reflect the region’s own strategic maturation. Rather than approaching the region primarily as an arena of Great Power competition, Washington has increasingly emphasized territorial integrity, connectivity, and economic sovereignty as strategic objectives in their own right. This

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progression reflects the belief that durable influence in Eurasia is not shaped by zero-sum positioning, but whether states possess the infrastructure, institutions, and options necessary to act autonomously.

The November 2025 U.S.-Central Asia summit marked a significant inflection point in this regard. By engaging the region collectively and through bilateral head-of-state meetings, the United States acknowledged Central Asia not just as a collection of unique bilateral relationships, but also as a strategic unit with shared interests and a growing capacity for coordination. The summit

emphasized trade-route diversification, supply-chain resilience, and development beyond dependence—priorities already reshaped by the war in Ukraine.

The summit’s dual character was instructive. On one level, it was political theater: a visible demonstration of the resolve of C5 leaders to diversify partnerships and explore new avenues of global connectivity. On the other, it revealed a more practical and increasingly institutionalized effort to re-establish a sustained American presence in the region through economic engagement, investment facilitation, and long-term partnerships. The emphasis was not on alignment, but on enablement.

In the South Caucasus, U.S. engagement has been shaped by a parallel logic explicitly linking peace to prosperity. Washington perceived that conflict resolution between Armenia and Azerbaijan was not simply a diplomatic aspiration, but a prerequisite for fully realizing the Middle Corridor. In short, peace becomes infrastructure: Without

it, connectivity splinters and potential stalls.

The 2025 peace agreement between Armenia and Azerbaijan, initialed at the White House in August 2025 in the presence of U.S. President Donald Trump—together with a follow-up visit to the region in February 2026 by Vice President

American engagement seeks to offer a pathway to translate peace on paper into peace in practice.

JD Vance—represents more than the formal end of a long and bitter war. It creates the opening to convert decades of hostility into an era of cooperation with

shared infrastructure, trade, and technology, achieving what diplomacy alone has failed to accomplish. American engagement seeks to offer a pathway to translate peace on paper into peace in practice.

For more than three decades, the frozen conflict between Armenia and Azerbaijan defined the South Caucasus as a zone of closed borders and missed opportunities. While neither Russian peacekeepers nor EU or Biden Administration mediation could impose a durable settlement, the Trump-brokered agreement now offers both sides an opportunity to break that cycle and a chance to transform the region’s geopolitical and economic architecture.

TRIPP to the Future

Managed transparently and inclusively, the U.S.-backed Trump Route for International Peace and Prosperity (TRIPP) corridor would connect Armenia to both Türkiye and the Caspian basin for the first time in decades, integrating it into east-west trade. TRIPP would operationalize the peace process by creating a viable land bridge from Central Asia to Europe, providing Armenia direct access to Azerbaijani and Central Asian markets to the east and to Türkiye and Europe to the west. In doing so, connectivity becomes the enforcement mechanism for peace.

The strategic payoff extends well beyond the South Caucasus. A stable, interconnected Armenia and Azerbaijan would double the Middle Corridor's throughput and serve as a critical expansion linking Central Asia's mineral and manufacturing corridors with the region's energy markets and onward to Europe. At a moment when global competition for secure supplies of lithium, rare-earth elements, copper, uranium, and other critical materials

is intensifying, the ability to move them efficiently through routes not controlled by Moscow, Beijing, or Tehran is a strategic asset. For the United States and its allies, backing this peace is not altruism, but a direct investment in global economic resilience and supply-chain security.

The C5's rapid move to regionalize cooperation with Azerbaijan following the Washington summit suggests that Trans-Caspian states are not content merely to align with Western-led strategic supply chains. Rather, they are seeking to capitalize on westward momentum and formalize a regional architecture that institutionalizes connectivity and cooperation as foundations of regional sovereignty.

This matters because Russia and China remain deeply invested in Central Asia's infrastructure and resource sectors. Yet the emergence of a C5-plus-Azerbaijan platform (C6) complicates external dominance by pooling resources, coordinating policy, and expanding westward connectivity. As a

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more integrated regional bloc, the six states gain leverage by negotiating from a position of choice. For Washington, supporting this process does not mean managing outcomes, but reinforcing conditions under which regional agency can thrive.

Peace as Infrastructure

No region illustrates the strategic interplay between security and commerce more clearly than the South Caucasus. For decades, the Armenia-Azerbaijan conflict disrupted not only lives, but the very geoeconomics of the region. Borders functioned as structural barriers, hardening isolation and restricting some trade flows. Some transit corridors that might have linked Central Asia to Europe were blocked or underutilized, and the region's latent potential as a hub of east-west connectivity remained underutilized.

The Trump Administration-facilitated dialogue reframed peace not as an abstract ideal but as practical infrastructure, echoing regional thinking that explicitly linked transitional security

arrangements to transport, trade, and energy networks, laying the groundwork for a substantial expansion of corridor throughput. These efforts empowered Armenia to diversify its security partnerships and reduce dependence on any single patron, while enabling Azerbaijan to consolidate its role as a hub and break a major bottleneck in regional logistics.

The strategic message is unmistakable: corridors are not merely steel, asphalt, and rail; they are the product of political will, negotiated consent, and resilient institutions capable of transforming conflict into cooperation. In this sense, the early November 2025 U.S.-Central Asia summit (C5+1) and the transformation of the C5 into the C6 (with the formal addition of Azerbaijan) in Tashkent just a few weeks later are better understood not as diplomatic endpoints, but as blueprints for a new, integrated Eurasian marketplace in which the region's long-sought sovereignty is no longer aspirational, but operational.

The anticipated reopening of Armenian transit through Azerbaijan exemplifies this shift.

U.S.-facilitated engagements have stressed that normalization is a strategic enabler in itself.

After decades of reliance on external mediation, the Trans-Caspian countries spent much of 2024 and 2025 acting on their own initiative. Instead of engaging in processes largely controlled by Russia (and for a short time, the EU), they are asserting agency, translating détente into practice, and shaping futures on their own terms, choosing the United States as an aligned partner to cement and publicize the deal they had reached. This is a moment when the South Caucasus and Central Asia, understood as one region, are moving from dependency to self-determined action.

American-facilitated engagements have stressed that normalization is a strategic enabler in itself. A durable peace opens transport routes, stabilizes borders, and significantly increases the Middle Corridor's throughput.

For Armenia, the peace dividend includes a reduced reliance on Moscow for security and access and creates space for a more balanced foreign policy. For Azerbaijan, normalization consolidates its role as the linchpin of Caspian-to-Europe connectivity, reinforcing its position as a trans-regional hub. Across the corridor, peace translates theory into practice: connectivity becomes the guarantor of security, rather than its hostage.

Undergirding Peace and Prosperity

Infrastructure upgrades follow naturally from this transformation. Caspian ports are being modernized, customs procedures digitized, rolling stock expanded. The emerging C6 architecture builds upon the U.S.-initiated C5+1 framework, connecting Central Asia and Azerbaijan to catalyze TRIPP and the broader Middle Corridor ambitions of the countries of the region as well as their neighbors and outside players like the United States. Additional rail and energy conduits traversing the South Caucasus and linking to Türkiye and the Mediterranean carry both economic and diplomatic promise. While Trans-Caspian states will continue trading with traditional neighbors, for the first time since 1991, they are increasingly doing so independently and—in the cases of Azerbaijan, Kazakhstan, and Uzbekistan—as soon to be fully-fledged “keystone states.”

Coupling the U.S.-backed initiatives and facilitating diplomacy in the South Caucasus could produce a significant multiplier effect, attracting greater investment across the corridor. Current projections by the European Bank for Reconstruction and Development

suggest the region's \$500 billion GDP could grow at 5 percent per year, fueled by investment, trade, and energy exports. Sustained, this trajectory could make the trans-Caspian region one of the most dynamic emerging economic spaces of the next decade. The logic is simple: help Central Asia and the South Caucasus capture and add value locally, and they will add resilience globally. Conversely, leaving the region as a passive resource backwater risks both economic stagnation and strategic vulnerability.

The reopening of Armenian cargo transit also signals a broader shift in political psychology. Much like Uzbekistan's opening to Tajikistan in 2017 or post-conflict initiatives between Kyrgyzstan and Tajikistan in 2022, Azerbaijan and Armenia's move reflects rising regional self-confidence. Peace is no longer imposed externally but built through practical cooperation. Enhanced connectivity between Baku and Yerevan demonstrates how economic interdependence can underwrite security, not undermine it.

In effect, what is emerging is a regional constellation of connectivity and interdependence stretching from the Eurasian steppe through the South Caucasus to the Anatolian

plateau. Trade, energy, and transit are the immediate drivers, but their strategic significance lies in the reduction of dependency on Russia, the creation of new corridors of agency, and the transformation of historical fault lines into networks of mutual interest. Peace, in the South Caucasus, has become infrastructure, an enabler of sovereignty, a multiplier of investment, and a linchpin of the Middle Corridor's broader promise.

Energy, Critical Minerals, and the Next Phase of Sovereignty

Energy has long defined the Caspian region's external relationships, but its strategic role is also evolving. As part of the economic normalization process between Azerbaijan and Armenia, Baku is providing shipments of gasoline to Yerevan, with TRIPP promising natural gas transit supplies as well. This aspect of the peace dividend also undercuts Moscow's control of Armenian energy supplies and fosters a measure of Armenian energy resilience.

Russia's multiple suspensions and Ukrainian drone attacks on the Caspian Pipeline Consortium's (CPC) oil pipeline that transits

the bulk of Kazakhstan's oil across Russia to markets in the West highlight the long-term risk of dependency on a single point of failure. Renewed discussion of potential Trans-Caspian pipelines from Kazakhstan and Turkmenistan through Azerbaijan are increasingly understood not simply as export conduits, but as instruments of economic resilience and independence.

At the same time, the broader region's potential importance for critical mineral supplies is reshaping its strategic profile. In a decisive pivot, Central Asian and South Caucasus states are seeking to transition from being commodity suppliers to potential participants in advanced value chains that link to electrification, green technologies, and digital infrastructure. Exporting raw ore to China at deep discounts is easy but strategically disempowering. Entering partnerships with international investors to develop local processing and refining capabilities builds economic sovereignty and holds the potential to significantly add value and raise revenues locally.

The Middle Corridor underpins this shift. By providing reliable access to global markets, it enables regional states to capture more value, attract investment, and reduce vulnerability to price and policy shocks. More fundamentally, the region's role in critical mineral markets, uranium, copper, gold, and rare earths is gaining widespread investor attention.

While the scale of Central Asian resources is particularly significant, the need for these resources in global supply chains for green and advanced manufacturing is vital to the region's economic evolution. The shift from traditional energy to next-generation development is strategic in multiple senses: it embeds the region in future industries, enhances bargaining power with external partners, and aligns economic transformation with regional security. Transport corridors become platforms for moving not just volume, but value.

Central Asian states are determined to capture greater value from their mineral wealth by developing domestic refining and processing capabilities rather than remaining

exporters of raw materials, but doing so requires substantial long-term investment. At present, prospective financiers continue to face inconsistent regulations, complex and opaque licensing regimes, governance and transparency concerns, and persistent logistical bottlenecks. In this context, the Organization of Turkic States (OTS) is working to advance regionwide regulatory alignment, strengthen anti-corruption standards, streamline permitting processes, and develop regional investment guarantees and reforms that should meaningfully reduce investor uncertainty and accelerate the inflow of Western capital.

Türkiye and the Westward Vector

Türkiye anchors the western end of the Middle Corridor and plays a uniquely catalytic role in the region's westward reorientation. As a NATO member state, a major power, a cultural sibling to Azerbaijan and much of Central Asia, and a logistical gateway to the EU, Türkiye translates geography into a powerful strategic pull factor. Its engagement bilaterally and through OTS has helped convert

cultural affinity into operational coordination, giving the Middle Corridor depth, momentum, and political ballast as it works to connect westward.

Ankara's role today reflects a deliberate evolution from the pan-Turkic maximalism of the 1990s toward a practical, project-based approach rooted in mutual interest and deliverables. That evolution carries an important lesson—pragmatism outperforms ideology. Türkiye was among the first to recognize

the independence of Azerbaijan and the Central Asian republics and initially promoted ambitious integration models based on shared language, markets, and institutions. Those early efforts faltered in part because Ankara underestimated the durability of Russian influence and overestimated regional appetite for any form of integration.

Over time, Türkiye adjusted. What emerged was an iterative, adaptive, and responsive approach to partner priorities that mirrors the broader regional shift toward connectivity without subordination. Today, Turkish construction firms, logistics companies, and manufacturers are deeply embedded

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across Central Asia and the South Caucasus. Defense cooperation adds another layer, offering Central Asian states critical alternatives for capacity development that complement multi-vector strategies rather than constrain them.

These engagements, though often commercially driven, reinforce Türkiye's positioning as a practical partner rather than a patron. Crucially, Ankara has become a central convenor, facilitator, and mentor for Middle Corridor coordination, supporting multimodal route planning, electronic permits, and logistics and regulatory alignment. Institutionally, the OTS provides the backbone for these efforts. It has advanced customs harmonization, digital border procedures, coordinated infrastructure investment, and shared governance standards.

As cooperation deepens, OTS observer state Hungary is working to play a bridging role that joins more closely the Turkic and EU economic spheres. Together, Türkiye, the OTS, and partners in the EU seek to shift the Trans-Caspian region from a simple supplier of raw materials to a

higher-value participant in global supply chains through support for mid-stream processing and refining. U.S. and EU priorities to diversify away from reliance on China as a critical mineral supplier intersect in the Middle Corridor.

Yet opportunity does not guarantee execution. Despite clear political will, critical mineral development along the Middle Corridor as a driver of development still faces uneven regulations, complex licensing, governance and transparency concerns, logistical bottlenecks, and spotty experience with cross-border coordination.

Infrastructure constraints impede growth: rail bottlenecks, shallow-water risks in the Caspian, fleet shortages, trade imbalances, tariff instability, and the absence of a unified digital logistics platform all undermine efficiency. Yet transit volumes have grown sixfold in five years reaching roughly 2.6 million tons in the first ten months of 2025, with ambitions to reach 10-11 million tons by 2030. Despite its inefficiencies, the Middle Corridor is growing and proving reliable, even before it optimizes to scale.

U.S. and EU priorities to diversify away from reliance on China as a critical mineral supplier intersect in the Middle Corridor.

One of Türkiye's greatest opportunities in this space is to adapt mechanisms that integrate Armenia, Georgia, and Tajikistan (non-members of the OTS) into trans-Caspian networks, if the corridor is to function as a coherent strategic space. These three countries share the same needs for customs harmonization, digitalization, and regulatory modernization. Addressing such gaps will require coordinated OTS-wide planning, Western co-financing, and Turkish facilitation. Without resolving these constraints, Central Asia and the South Caucasus cannot become a durable alternative to China-backed supply chains or Russia-dominated transit routes. With resolution, the Middle Corridor can evolve from a promising bypass into a resilient and stable backbone of Eurasian connectivity.

Strategic Agency and Regional Institutionalization

The region's own institutional evolution is noteworthy. Central Asian states, once defined as peripheries to external powers, are now exploring deeper intra-regional frameworks. One striking development in 2025 was the proposal to transition routine regional consultations into a formal

Community of Central Asia that serves as a cooperative bloc for economic, security, and environmental cooperation.

This strategic agency is not merely symbolic. It reflects a recognition built on recent experiences that regional challenges such as climate shocks, demographic shifts, and connectivity bottlenecks are more effectively and rapidly addressed through collective frameworks. It also suggests that Central Asia, long defined by and dependent on external engagement, is ready to assert an integrated identity that links its economies, societies, and partnerships.

Today's Eurasia is increasingly defined not by isolation or dependency but by interconnectivity and agency. The Middle Corridor is transforming trade patterns, peace is unlocking new possibilities, and the demand for critical minerals is tying the region's future to that of the evolving global economy.

Reframing Strategic Forecasts

One of the most striking patterns observed by those who study this region closely is not only that change is occurring, but

also how quickly strategic narratives have reformed under pressure. Long-standing assumptions about alignments, security guarantees, and acceptable partnerships have been replaced as domestic incentives, global markets, and technological change interact in unpredictable ways.

In the case of the Middle Corridor and the wider Eurasian interior, what lingers isn't simply headlines about new agreements, tunnels, or trade figures. What matters is how quickly regional leaders have recalibrated their strategic outlook, embraced new opportunities, and acted collectively to build institutional and infrastructural frameworks that reflect the region's collective vision. Anchored by its three "keystone states," the Trans-Caucasus region increasingly seeks to be actively engaged through dialogue and partnership, rather than passive objects of directives and demands from other countries.

From Strategic Positioning to Performance

In 2025, Trans-Caspian countries moved decisively from reaction to positioning. Connectivity was no longer discussed as

alternative routing, but as strategic infrastructure essential to economic sovereignty. Governments aligned policies, invested further in ports and rail, and coordinated customs and digital systems demonstrating unprecedented cooperation.

Critical minerals shifted in the perception of regional leaders from raw resources to bases of power. Discussions evolved from simple extraction to also address processing, downstream integration, and the establishment of footprints in global supply chains. A de facto regional consensus emerged around economic growth as the anchor of stability that, in turn, strengthened the logic that prosperity and security are mutually reinforcing.

Regional institutions gained momentum, reflecting a growing confidence in collective action. Energy strategies increasingly emphasized diversification, while investment inflows broadened beyond hydrocarbons into logistics, manufacturing, and digital services. Multi-vector diplomacy hardened into durable strategy. Digital sovereignty entered policy discourse alongside physical infrastructure.

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In short, 2025 was a year of alignment and 2026 is the test of execution.

If 2025 was about preparing the ground, then 2026 is about delivery and implementation. Corridors must carry more cargo, not just promise it. Mineral discoveries and deposits must actually enter and drive value chains. Diplomatic frameworks must focus on operational results over the signing of notional agreements.

Middle Corridor throughput should increase materially, if bottlenecks are addressed, intra-regional coordination deepens, and the EU's connectivity initiatives move from pledges to actual projects. With OTS and EU efforts to promote investment safeguards and transparency, mineral processing and industrial capacity should develop and follow extraction. From the Armenia-Azerbaijan peace process bearing fruit to Central Asia's partnership platforms, the institutionalization and embedding of cooperation into the region's routine governance and commerce is vital.

The continued linkage of renewable energy grids across borders,

the building out of nascent AI and digital governance frameworks, and private-sector activity that complements state-led growth are all bellwether indicators of regional evolution toward more resilient, next-generation development.

In 2026, Central Asia and the South Caucasus need to continue consolidating into a single, strategic space that is fused by infrastructure, aligned by incentives, and shaped by shared agency.

A Region That Now Shapes Outcomes

What surprised many outside observers is not the presence of conflict or competition, but the velocity and direction of change. Longstanding alignments dissipated, assumed red lines were crossed, and an once backwater region stepped onto center stage as Trans-Caspian countries recognized that connectivity must be treated as strategy. Rail lines, ports, and digital corridors are no longer just technical projects; they are the new instruments of statecraft and manifestations of regional evolution.

Connectivity must be treated as strategy.

The benefits for individual countries and the larger region are now visible. For Armenia, the opportunity is transformative, after being a connectivity outlier, cut off from its neighbors, and bound to Russia through security ties. Reopening transit through Azerbaijan offers the possibility of reintegrating into a broader regional economy increasingly driven by east-west versus north-south trade.

In other words, the benefits to Yerevan and Baku strengthen opportunities for both capitals to enjoy a wider range of partnerships and reduce vulnerability to coercion from any single power. The reopening of Armenian cargo transit through Azerbaijan unlocks a critical gateway for increased Central Asian exports, but it also reflects a recognition in Yerevan and Baku that any logic for isolation is exhausted.

Central Asia and the South Caucasus countries are no longer reacting to global change; they are actively cooperating to shape it. The

The Middle Corridor is not simply a transport route; it is a geopolitical axis through which agency, resilience, and choice are exercised.

Middle Corridor is not simply a transport route; it is a geopolitical axis through which agency, resilience, and choice are exercised. Supported by diversified partnerships, reinforced by institutional adaptation, and linked to new economic paradigms, this region's transformation represents a quiet but profound shift in Eurasia's center of gravity.

In a global era defined by fragmentation and uncertainty, Trans-Caspian countries are betting on integration as a means to pursue and secure their individual sovereignties. If they succeed, the implications will extend far beyond the boundaries of core Eurasia by demonstrating a model that successfully weaves connectivity, competition, and cooperation into the fabric of twenty-first-century international relations. **BD**

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From Karabakh to Connectivity

The Zangezur Concept and the Remaking of Power in the South Caucasus

Onur İşçi

In recent years, few words have acquired as much political weight in the South Caucasus as “corridor.” Once a largely technical term associated with infrastructure planning and trade routes, it has become shorthand for far broader debates about power, sovereignty, and regional order. Among these stands out the proposed Zangezur Corridor—with discourse now increasingly centered on the Trump Route for International Peace and Prosperity (TRIPP)—not because it is unprecedented, but because of what it represents in a rapidly transforming geopolitical environment.

At first glance, the idea appears straightforward: a transport link

connecting mainland Azerbaijan to its Nakhchivan exclave through the southern Armenia region of Syunik (the Azerbaijani term for this region is Zangezur, hence the moniker), thereby creating a more direct land route between Azerbaijan and Türkiye (in contradistinction to two more circuitous ones, south via Iran and north via Georgia).

Framed narrowly, this is a question of logistics, transit fees, customs arrangements, and infrastructure security. Framed correctly, however, the Zangezur concept is something else entirely. It is a test case for how connectivity reshapes power relations in the post-Soviet space—and for whether the

South Caucasus can move from a history of frozen conflicts toward a model of managed competition and pragmatic cooperation. The Zangezur concept is a test case for how connectivity reshapes power relations in the Silk Road region and for whether the South Caucasus can move toward a model of managed competition and pragmatic cooperation.

The renewed focus on the Zangezur Corridor is inseparable from the post-2020 regional landscape. The Second Karabakh War did not merely alter borders or military balances; it disrupted longstanding assumptions about immobility in the South Caucasus. For decades, the region had been defined by closed borders, interrupted transport routes, and unresolved disputes treated as permanent fixtures rather than temporary conditions. The Second Karabakh War—and the diplomatic processes that followed—forced all regional actors to confront a new reality: connectivity was no longer optional, and isolation was no longer sustainable.

The Zangezur concept is a test case for how connectivity reshapes power relations in the Silk Road region and for whether the South Caucasus can move toward a model of managed competition and pragmatic cooperation.

Yet it would be a mistake to view the Zangezur Corridor debate simply as a linear outcome of the end of the territorial conflict over Karabakh and the resulting Armenia-Azerbaijan peace process. The corridor has gained prominence because it sits at the

intersection of several overlapping trends. One is the growing centrality of geoeconomics in regional politics, where access, transit, and logistics increasingly matter as much as formal alliances. Another is the gradual redefinition of sovereignty in a world where states seek not absolute control, but strategic autonomy—the ability to make choices without excessive dependence on any single external power.

Seen through this lens, the Zangezur Corridor issue is less about shortening distances than about recalibrating relationships. For Azerbaijan, it promises to consolidate territorial connectivity while reinforcing its role as an indispensable regional hub linking the Caspian basin to Anatolia and beyond. For Türkiye, it offers a tangible extension of its long-articulated vision of deeper engagement

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with the South Caucasus and Central Asia—one grounded not in ideology, but in infrastructure and interdependence.

Together, these dynamics elevate the Türkiye-Azerbaijan relationship from a close bilateral partnership into a regional structuring force.

This is precisely why the Zangezur Corridor concept provokes anxiety as well as interest. For Russia and Iran, it is not threatening because it redraws borders—it does not—but because it alters patterns of influence. Both states have long operated in a South Caucasus defined by bottlenecks, dependencies, and limited alternatives. A functioning east-west and north-south network that bypasses traditional chokepoints inevitably raises questions about leverage, control, and relevance. These concerns do not amount to opposition per se, but they do ensure that the corridor will remain politically sensitive and diplomatically contested.

What is often overlooked in public debates, however, is that the Zangezur Corridor need not be a zero-sum proposition. The real risk lies not in the connectivity

The Zangezur Corridor issue is less about shortening distances than about recalibrating relationships.

project itself, but in the way it is framed and pursued. If treated as a unilateral geopolitical victory, it could deepen mistrust and provoke countermeasures. If approached as part of a broader effort to optimize connectivity and reduce structural isolation in the South Caucasus, it could contribute—gradually and imperfectly—to a more stable order across the Silk Road region (the preferred term of this journal’s editors for what is traditionally described as core Eurasia, that is the states of the South Caucasus and Central Asia, extending into their respective neighborhoods).

This article argues that the significance of the Zangezur Corridor lies precisely in this tension. It is neither a panacea nor a provocation by default. Rather, it is a lens through which to understand how the South Caucasus is being reshaped by the interaction of infrastructure, strategic partnerships, and shifting power balances. The question is not simply whether the Zangezur Corridor will open, but, more importantly, how its opening—or prolonged ambiguity—will redefine the political economy of the region.

In the sections that follow, the Zangezur Corridor debate will be situated within the broader transformation of the South Caucasus after 2020, the evolution of the Azerbaijan-Türkiye strategic axis, and the geoeconomic logic increasingly driving regional politics. By examining both opportunities and risks, the goal is to move beyond slogans and toward a more realistic assessment of what connectivity can—and cannot—deliver in a historically fragile region.

How We Got Here

The renewed debate over regional connectivity in the South Caucasus and, more broadly in the Silk Road region, cannot be understood without revisiting the political rupture resulting from the outcome of the Second Karabakh War. For nearly three decades, the region had operated under an assumption of permanence: borders were closed, transport routes severed, and unresolved conflicts treated as static realities rather than evolving problems. This stasis shaped not only diplomatic behavior but also economic planning, regional integration, and external engagement.

The results of the 2020 war shattered that equilibrium. While its

immediate consequences were military and territorial, its longer-term impact has been structural. The end of the territorial conflict over Karabakh disrupted a system built on blockage and inertia and replaced it with one characterized by movement, uncertainty, and renegotiation. In this sense, the post-2020 period initially marked a transition away from a frozen-conflict environment to a phase of managed instability—one in which new arrangements are possible, but far from guaranteed.

Connectivity emerged as a central theme precisely because it addressed the core dysfunctions of the old order. The South Caucasus had long been fragmented into disconnected sub-regions, each tied asymmetrically to external patrons and constrained by limited access to alternative routes. The absence of a diversity of east-west and north-south transit corridors was not merely an economic inefficiency; it was a political condition that reinforced dependency and reduced strategic choice.

The Armenia-Azerbaijan November 2020 ceasefire statement brokered by Russia introduced the possibility—though not the certainty—of reversing this logic. By reopening discussions on transport links and regional connections, it

implicitly challenged the notion that isolation was a necessary or permanent feature of the South Caucasus. This shift did not resolve underlying disputes, but it altered the framework within which they were managed. Connectivity became a bargaining tool, a confidence-building mechanism, and, for some actors, a source of leverage.

It is within this context that the Zangezur Corridor gained prominence. Rather than appearing as an externally imposed project, it emerged organically from the recognition that postwar arrangements would be incomplete without addressing the region's physical and economic fragmentation. The corridor's significance lies not only in its geography but in its timing. It reflects a moment when regional actors are reassessing long-held assumptions about sovereignty, control, and interdependence.

Importantly, this reassessment has not been uniform. Armenia, Azerbaijan, and their neighbors approach connectivity from distinct historical experiences and strategic priorities. For some, reopening routes represents economic opportunity and normalization; for others, it raises concerns about security, autonomy, and political vulnerability. These diverging perspectives explain why progress has

been uneven and why discussions around the Zangezur Corridor remain contested and emotionally charged.

External actors have further complicated the picture. Russia's role as both security guarantor and regional stakeholder placed it in an ambivalent position. On the one hand, Moscow has an interest in stability and managed reopening of transport links; on the other, it is wary of arrangements that could dilute its traditional influence. Iran, meanwhile, views changes in regional transit patterns through the prism of border sensitivity and strategic access, particularly in relation to its northern frontier. Of course, the recent involvement of the United States, made public during an August 2025 White House summit involving the leaders of Armenia and Azerbaijan, which made TRIPP public, has added to the intricacies.

Despite these complexities, however, what distinguishes the post-2020 environment from earlier periods is the erosion of veto power once exercised by inertia itself. In the past, doing nothing was often the default—and safest—option. Today, the costs of non-connectivity are increasingly visible. Regional economies face missed opportunities, external actors recalibrate their

engagement, and alternative routes begin to reshape broader Eurasian trade patterns without the South Caucasus at their center.

This does not mean that connectivity is inevitable or universally embraced. Rather, it suggests that the debate has shifted from whether to connect to how, on what terms, and under whose oversight. In this sense, the Zangezur Corridor concept has become a symbol of a broader transformation: a region tentatively moving away from isolation as a security strategy and toward interdependence as a risk to be managed rather than avoided.

Understanding how the South Caucasus arrived at this juncture is essential for assessing what lies ahead. The post-Karabakh period has opened space for new initiatives, but it has also exposed unresolved tensions and asymmetries. Connectivity is now on the agenda not because conflicts have disappeared, but because their persistence has proven economically and politically unsustainable.

The challenge, therefore, is not to romanticize the post-2020 shift, but

to recognize its limits. The transition from blockage to connectivity is neither linear nor guaranteed. It requires political will, diplomatic coordination, and a careful balancing of interests—conditions that remain fragile. Zangezur sits at the heart of this experiment, embodying both the promise and the uncertainty of a not only a South Caucasus in transition, but that of the Silk Road region in its entirety.

The Ankara-Baku Axis as a Regional Model

The growing prominence of the Zangezur Corridor cannot be separated from the evolution of Azerbaijan-Türkiye relations over the past decade. What was once framed primarily through the language of shared identity and historical affinity has matured into a strategic partnership—formal alliance, even—with tangible regional consequences. This transformation matters not because it is exceptional, but because it offers a model of alignment that differs from both traditional alliances and transactional partnerships common in the post-Soviet space.

The growing prominence of the Zangezur Corridor cannot be separated from the evolution of Azerbaijan-Türkiye relations over the past decade.

At its core, the Azerbaijan-Türkiye axis is built on functional coordination rather than ideological conformity. Energy cooperation, defense collaboration, transportation planning, and diplomatic synchronization have developed in parallel, reinforcing one another without being subsumed under a single institutional framework. This flexibility has allowed both sides to adapt to changing regional conditions while avoiding rigid commitments that could limit strategic maneuverability.

Energy was the first domain in which this approach became visible. Pipeline projects linking the Caspian to European markets did more than diversify supply routes; they embedded Azerbaijan and Türkiye within a shared geoeconomic logic. Over time, this logic expanded beyond hydrocarbons to encompass broader questions of connectivity and regional integration. Infrastructure ceased to be merely a commercial endeavor and became a platform for political coordination.

Defense cooperation further accelerated this shift. Joint exercises, training programs, and technology transfers created habits of coordination that extended beyond bilateral concerns. While often interpreted externally as power

projection, these initiatives were equally about interoperability and signaling predictability in a volatile region. The result was not the formation of a bloc, but the emergence of a reliable strategic partnership capable of acting decisively when circumstances required it.

The post-2020 environment amplified the significance of this strategic axis. In the aftermath of the Second Karabakh War, Azerbaijan and Türkiye demonstrated a capacity to align diplomatic messaging, manage escalation risks, and articulate shared priorities without overreliance on external mediation. This did not eliminate the role of other actors, but it reduced uncertainty regarding Ankara and Baku's respective positions. In a region accustomed to ambiguity and mixed signals, this clarity itself became a form of influence.

The Zangezur Corridor fits naturally within this framework. For Azerbaijan, the project promises to consolidate territorial connectivity and reinforce sovereignty through integration rather than isolation. For Türkiye, it represents the materialization of a long-standing aspiration to deepen engagement with the Silk Road region through practical mechanisms. Crucially, these objectives converge without

requiring either side to subordinate its broader foreign policy priorities.

This convergence has implications beyond bilateral relations. The Azerbaijan-Türkiye axis introduces a different logic into the post-Soviet political landscape—one that emphasizes strategic autonomy over dependency. Rather than positioning themselves exclusively within the orbit of a single great power, both states have sought to diversify partnerships while maintaining coherence in their regional agenda. This approach resonates with other countries belonging to the Silk Road region that are navigating similar dilemmas, even if they lack comparable resources or geopolitical leverage.

It is precisely this aspect that distinguishes the axis from traditional alliances. The partnership does not define itself against a specific adversary, nor does it seek to export a particular political model. Instead, it operates through alignment on concrete interests: secure borders, open routes, and predictable engagement. In this sense, it reflects a broader shift toward pragmatic regionalism—a recognition that stability is more likely to emerge from managed interdependence than from rigid blocs.

Critics often interpret the Azerbaijan-Türkiye relationship as inherently destabilizing, arguing that it upsets established balances and marginalizes other actors. Such assessments overlook the extent to which the previous equilibrium was sustained by stagnation rather than stability. The axis has not introduced competition into the South Caucasus; it has made existing competition more visible and, in some cases, more manageable.

None of this suggests that the model is universally applicable or free of risks. Strategic alignment requires sustained political commitment, mutual trust, and an ability to absorb external pressure. Miscalculations—particularly those driven by domestic politics or regional overconfidence—could undermine the very autonomy the partnership seeks to protect. Yet these vulnerabilities do not negate the broader significance of the model; they underscore the importance of restraint and coordination.

In the conceptual context of Zangezur, the Azerbaijan-Türkiye axis serves as both an enabler and a stabilizer. It provides the political momentum necessary to keep connectivity on the agenda while offering a framework through which competing interests can be managed rather than escalated. Whether

this balance can be maintained will depend not only on Ankara and Baku, but on the willingness of other regional actors to engage with connectivity as a shared challenge rather than a zero-sum contest. This again points to the role that TRIPP can or can't play.

Geoeconomic Logic

To understand why the Zangezur Corridor has assumed such outsized importance, it is necessary to move beyond traditional geopolitical readings and focus instead on geoeconomics—the growing interplay between economic connectivity and strategic influence. In the contemporary international system, power is increasingly exercised not through territorial expansion or formal alliances, but through control over flows of goods, energy, capital, and access.

From this perspective, Zangezur is not simply a regional infrastructure project; it is part of a broader reconfiguration of Eurasian connectivity. Over the past decade, global trade routes have become more fragmented, more politicized, and more vulnerable to disruption. Sanctions regimes, supply-chain shocks, and geopolitical rivalries have heightened the value of

alternative corridors that reduce dependence on single routes or chokepoints. The South Caucasus, long peripheral to these dynamics, is now being drawn into them (as is Central Asia).

The Zangezur Corridor's geoeconomic appeal lies first in its ability to link existing networks rather than create entirely new ones. Azerbaijan already occupies a strategic position between the Caspian basin and the Black Sea-Mediterranean space. Türkiye, in turn, serves as a gateway between Europe, the Middle East, and Central Asia. Zangezur would not invent connectivity where none exists; it would consolidate and streamline connections that are currently fragmented, indirect, or already operate at capacity.

This distinction matters. Successful corridors do not operate in isolation. They gain relevance when they reduce costs, shorten distances, and integrate seamlessly into broader trade ecosystems. By connecting mainland Azerbaijan to Nakhchivan and onward to Türkiye, Zangezur would enhance the efficiency of the Middle Corridor, reinforcing its viability as an alternative, sanctions-free east-west route across Eurasia. In doing so, it would also elevate the South Caucasus—and, indeed, the Silk Road region in its

entirety—from a transit periphery to a connective node.

For Azerbaijan, this shift carries long-term implications. The country's role as an energy exporter has already positioned it as a critical player in regional markets. Connectivity infrastructure expands this role beyond hydrocarbons, enabling Azerbaijan to leverage its unique geographical position and the resulting advantages it holds in facilitating logistics, transit services, and multimodal transport as sources of economic and political capital. Over time, this diversification reduces vulnerability to price fluctuations and external pressure, strengthening strategic autonomy.

Türkiye's calculus is complementary but distinct. Zangezur offers a concrete mechanism through which Ankara's engagement with Central Asia can move from aspiration to implementation. For decades, Türkiye's outreach to the Turkic world has been constrained by geography and limited physical access. The corridor does not eliminate these constraints entirely, but it mitigates them by embedding Türkiye more firmly within transcontinental trade flows. Connectivity, in this sense, becomes a tool of foreign

policy—not through dominance, but through relevance.

The geoeconomic logic of Zangezur also explains why the corridor generates concern among neighboring powers. Russia's traditional influence in Eurasian transit has rested on inherited infrastructure and regulatory control. Iran, similarly, has viewed north-south routes as central to its regional positioning. The emergence of alternative pathways (in addition to the existing one via Georgia) does not negate these roles, but it introduces competition into a domain long shaped by limited choice. In a system where leverage often derives from exclusivity, diversification is inherently disruptive.

Yet disruption should not be conflated with destabilization. From a geoeconomic standpoint, multiple corridors can coexist, each serving different markets and strategic priorities. The challenge lies in ensuring that competition remains commercial rather than coercive. Zangezur's viability will depend not only on physical construction, but on governance arrangements that emphasize predictability, transparency, and mutual benefit.

This is where the corridor's political dimension intersects with its

economic rationale. Geoeconomic projects succeed when they are insulated—at least partially—from day-to-day political volatility. Excessive securitization risks undermining precisely the efficiency gains that make corridors attractive in the first place. If Zangezur becomes a permanent object of geopolitical signaling, its economic potential will remain constrained.

At the same time, it would be naïve to suggest that connectivity can ever be fully depoliticized in the South Caucasus. Borders, sovereignty, and historical grievances remain deeply embedded in regional consciousness. The task, therefore, is not to strip Zangezur of political meaning, but to manage that meaning in ways that support long-term integration rather than episodic confrontation.

Ultimately, the geoeconomic promise of Zangezur lies in its capacity to normalize movement in a region long defined by blockage. By lowering the political and logistical costs of exchange, the corridor has the potential to reshape incentives—encouraging cooperation not because it is idealistic, but because it is materially advantageous.

This is what TRIPP is attempting to do, for its strategic logic consists

of “effectively combining conflict resolution, peacemaking, transport and energy connectivity, commercial opportunities, and respect for everyone’s sovereignty,” as this journal’s co-editor has written recently. Whether this potential is realized will depend on choices made not only in Ankara and Baku, but across the wider region.

Managing, Not Ignoring, the Other Powers

Any serious discussion of the Zangezur Corridor must address the positions of Russia and Iran—not as peripheral spoilers, but as enduring regional actors whose interests and perceptions will shape outcomes. Ignoring these dynamics risks turning connectivity from a stabilizing force into a source of prolonged tension. At the same time, overstating their opposition obscures the more nuanced reality in which adaptation, rather than outright resistance, increasingly defines their approach.

Russia’s perspective on the Zangezur concept is shaped by its historical role as the principal security arbiter in the South Caucasus. For decades, Moscow benefited from a regional order characterized by limited mobility and constrained

alternatives. Transport bottlenecks and unresolved conflicts reinforced its position as an indispensable intermediary. Connectivity, by contrast, introduces optionality—an attribute that naturally complicates influence built on exclusivity.

Yet Russia’s interests are not uniformly threatened by the corridor—even in its TRIPP incantation. Stability along its southern periphery remains a priority, particularly at a time when Moscow faces heightened pressures elsewhere. From this standpoint, controlled reopening of transport routes can serve as a mechanism for risk management rather than disruption. The challenge for Russia lies in balancing this interest in stability with concerns about losing regulatory and political leverage over emerging transit networks.

This ambivalence explains Moscow’s preference for frameworks that emphasize oversight and guarantees. Rather than opposing connectivity outright, Russia has sought to shape its modalities—favoring arrangements that preserve a role for external monitoring or coordination.

Such an approach reflects adaptation to new realities rather than denial of them. It also underscores a broader trend:

influence in the South Caucasus is no longer exercised solely through presence, but through participation in evolving regional processes. For Moscow, participation in shaping emerging connectivity frameworks may prove more sustainable than attempting to preserve inherited arrangements indefinitely.

The history of Russian-Turkish relations over the past century demonstrates how economic ties, from smokestacks to pipelines, have persistently tempered geopolitical rivalries, allowing both states to pursue development and strategic autonomy amid shared frustrations with Western dominance. Despite outright hostilities in the 1940s and competition in the South Caucasus during the 1990s, Moscow and Ankara repeatedly harnessed statist cooperation—from interwar textile factories to Cold War steelworks and post-Soviet energy deals—to bypass international markets and offset dependencies. This pattern of managed interdependence underscores that Russia’s ambivalence toward Zangezur need not be oppositional, but can evolve into adaptive participation in regional connectivity frameworks. Here—to emphasize—the mediative role of Türkiye toward Russia should not be downplayed, especially in the context of TRIPP.

Iran's concerns are different in origin but no less significant. Tehran views changes in regional connectivity through a lens of border sensitivity and strategic access. The southern Armenian region of Syunik occupies a unique place in Iran's regional calculus, serving as a vital link to the north and a buffer against isolation. Any initiative perceived as altering this balance inevitably triggers apprehension.

At the same time, Iran's reaction to Zangezur has often been interpreted in overly alarmist terms. The corridor does not sever Iran's access to the region, nor does it preclude Tehran from pursuing its own connectivity initiatives. What it does is introduce competition into a space where routes and options were previously limited. For a state accustomed to navigating constraints through geography, this diversification requires adjustment.

Crucially, neither Russia nor Iran operates in a vacuum. Both face incentives to recalibrate rather than obstruct. Russia's broader Eurasian ambitions increasingly depend on adaptable networks

rather than rigid hierarchies. Iran, grappling with economic pressures and sanctions, has a material interest in regional trade and transit opportunities—even if these emerge alongside competing corridors.

The risk arises when Zangezur is framed as a geopolitical fait accompli rather than a negotiated process. Perceptions of exclusion or marginalization can harden positions and provoke countermeasures, even when underlying interests might otherwise converge. Managing these perceptions is therefore as important as managing infrastructure itself.

This is where diplomatic coordination becomes indispensable. Connectivity projects succeed not simply through construction, but through sustained dialogue that addresses security concerns, legal ambiguities, and symbolic sensitivities. Transparency, incrementalism, and inclusivity are not idealistic add-ons; they are practical tools for reducing friction in a contested environment.

Ultimately, Russia and Iran are not external obstacles to be bypassed, but structural features of the South Caucasus landscape.

Transparency, incrementalism, and inclusivity are not idealistic add-ons; they are practical tools for reducing friction in a contested environment.

Their influence may be evolving, but it is not disappearing. Like Türkiye (and unlike, say, the United States and, of course, the European Union), they are geographic neighbors—an unalterable fact. The question is whether that influence will be exercised in ways that accommodate a more connected region, or whether it will resist change through destabilizing means.

Zangezur's future will hinge on this distinction. A corridor embedded within a broader framework of engagement has the potential to normalize competition and reduce uncertainty. A corridor pursued without regard for regional sensibilities risks becoming a permanent fault line. The difference lies not in geography, but in governance.

Risks, Misreadings, and False Expectations

The growing attention surrounding the Zangezur Corridor has generated not only optimism, but also a set of assumptions that risk obscuring its actual significance. Connectivity projects often invite inflated expectations, particularly in regions where isolation has long been equated with security. Zangezur, especially its TRIPP variant, is no exception.

Treating it as a transformative solution rather than a conditional opportunity could ultimately undermine the very stability it is expected to promote.

One common misreading lies in the belief that opening a corridor will, by itself, resolve deeper political disputes. Infrastructure can facilitate interaction, but it cannot substitute for trust or reconciliation. Without parallel diplomatic engagement, connectivity risks becoming transactional rather than integrative—useful for moving goods, but insufficient for easing political tensions. In the South Caucasus, where historical grievances remain deeply entrenched, this distinction is critical. Hence the importance of signing an Armenia-Azerbaijan peace treaty in the wake of the Armenian parliamentary election scheduled to take place in June 2026, followed by an Armenia-Türkiye one.

A second risk emerges from the securitization of connectivity. When transport routes are framed primarily as instruments of strategic competition, their economic logic is weakened. Excessive emphasis on control, monitoring, or symbolic dominance can raise costs and discourage participation. Over time, this undermines the corridor's commercial viability and

reinforces skepticism among stakeholders who view connectivity as a zero-sum game.

Domestic political pressures further complicate the picture. In highly polarized environments, infrastructure projects are easily absorbed into nationalist narratives, where compromise is portrayed as concession and flexibility as weakness. Such framing may generate short-term political gains, but it constrains long-term policy options. Once connectivity becomes a test of political resolve rather than a tool of mutual benefit, pragmatic adjustment becomes politically costly.

There is also the risk of strategic impatience. Expectations that Zangezur will rapidly alter regional trade patterns or geopolitical alignments underestimate the gradual nature of geoeconomic change. Corridors do not produce influence overnight. Their impact accumulates through consistent use, regulatory harmonization, and trust built over time. Pressing for immediate results may lead to overextension or miscalculation.

External misperceptions add another layer of complexity. Observers outside the region often interpret Zangezur through familiar templates—great power

rivalry, bloc formation, or proxy competition. This is especially the case with TRIPP. While these frameworks offer analytical shortcuts, they obscure local agency and the region's internal dynamics. The South Caucasus is not merely a stage on which external actors perform; it is a space where regional states actively shape outcomes, sometimes in ways that defy external expectations.

Perhaps the most significant risk, however, lies in conflating connectivity with inevitability. The assumption that economic logic will automatically override political resistance ignores the persistence of security dilemmas and institutional fragility. Connectivity is a choice, not a law of nature. It requires sustained commitment, careful sequencing, and the willingness to absorb setbacks without abandoning the broader objective.

Recognizing these risks does not diminish the importance of Zangezur; it clarifies the conditions under which it can contribute positively to regional transformation. The corridor's potential will be realized not through maximalist claims or symbolic gestures, but through incremental progress grounded in realistic assessments of capacity and constraint.

In this sense, Zangezur functions as a mirror reflecting broader regional tendencies. It exposes the tension between ambition and restraint, between geopolitical symbolism and geoeconomic pragmatism. How these tensions are managed will determine whether connectivity becomes a stabilizing force or another layer of contestation.

The challenge, therefore, is not to dampen expectations, but to recalibrate them. A corridor that is understood as part of a long-term process—rather than a decisive breakthrough—stands a far greater chance of delivering durable benefits. Managing disappointment may prove just as important as managing opportunity.

The manner in which TRIPP was rolled out and continues to be presented is perhaps a surprising testament to the Trump Administration's willingness to navigate ambiguity and complexity in this part of the world. Whether it ultimately passes the viability test remains, as of this writing, an open question. Still, it

seems to be the most realistic way forward for the actualization of the Zangezur Corridor concept.

Managed Transformation

The debate surrounding the Zangezur Corridor offers a rare window into how the South Caucasus is changing—and how it and the rest of the Silk Road region might yet change further. More than a transport project, the corridor has become a focal point for competing interpretations of sovereignty, connectivity, and regional order. Its significance lies not in the

The debate has shifted from whether borders should remain closed to how openness can be managed without sacrificing security and sovereignty, marking a departure from the zero-sum thinking that has long constrained the South Caucasus.

certainty of its outcome, but in what it reveals about a region cautiously moving beyond the logic of permanent blockage.

What distinguishes the current moment from earlier periods is not the absence of conflict, but the erosion of isolation as a default strategy.

The post-2020 landscape has exposed the economic and political costs of immobility, prompting regional actors to reconsider long-standing assumptions. Connectivity

has entered the regional vocabulary not as an idealistic aspiration, but as a pragmatic response to accumulated constraints.

Within this context, the Azerbaijan-Türkiye axis has emerged as a key driver of change. By translating political alignment into concrete mechanisms of cooperation, Ankara and Baku have demonstrated how strategic partnerships can shape regional dynamics without resorting to rigid alliances or exclusionary frameworks. This approach does not eliminate competition, but it renders it more structured and, potentially, more manageable.

At the same time, the Zangezur debate underscores the limits of unilateral action. Russia and Iran remain integral to the regional environment, not as immutable gatekeepers, but as actors whose adaptation will influence the corridor's viability. Managing their concerns through dialogue and transparency is not a concession; it is a prerequisite for sustainable connectivity. In a region where misperception often escalates into confrontation, governance matters as much as geography.

The future of the Zangezur concept, with TRIPP now situated in a pole position, will therefore depend less on technical feasibility than

on political calibration. Excessive securitization, inflated expectations, or symbolic maximalism risk transforming connectivity into a new source of friction. By contrast, incremental progress grounded in geoeconomic logic offers a path toward normalization—even if that path remains uneven and reversible.

Ultimately, the corridor's most enduring impact may be conceptual rather than physical. Zangezur has conceptually reframed how regional actors think about access, autonomy, and interdependence. TRIPP, in particular, has shifted debates from questions of whether borders should remain closed to how openness can be managed without sacrificing security and sovereignty. This shift, however tentative, marks a departure from the zero-sum thinking that has long constrained the South Caucasus.

The region's transformation will not be decided by maps alone. It will be shaped by choices—by the willingness to balance ambition with restraint, connectivity with diplomacy, and opportunity with responsibility. If approached in this spirit, Zangezur may come to represent not a rupture with the past, but a gradual reordering of regional relations—one defined less by isolation and more by managed engagement and, indeed, strategic transactionalism. **BD**



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The Role of the Middle Corridor in Eurasian Connectivity

Melina Torús

That part of the world that is still commonly referred to as “Eurasia” is characterized by its vast continental landmass, great diversity of natural and strategic resources, varied geography, and significant proportion of the global population. These features make it a prosperous area for trade and logistics. Large industrial centers and urban logistics hubs connect national, regional, and global markets. The Eurasian neighborhood is also home to major global and regional powers, including China, Russia, Iran, the European Union, and Türkiye, all of which have significant economic influence. In this context, connectivity has become a strategic resource and a foreign policy instrument.

Multimodal corridors, which integrate various modes of transport

such as rail, road and sea, are much more than mere transit routes. Growing competition between major powers and the vulnerability of supply chains have also marked a transition in international order, highlighting the importance of Eurasian corridors and alternative routes for global trade. Participation in and control of transport corridors can therefore become instruments of national power and influence.

Historically, the Eurasian region has been connected by trade routes such as the Silk Road. However, these were nothing like the integrated transport corridors seen today. In addition to technological advances in transport, there is a greater degree of institutionalization today, which in turn strengthens cooperation between states. Faced with the challenge of connecting

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the vast Eurasian landmass, multiple corridors have emerged over time, each offering different geopolitical advantages, challenges and vulnerabilities. Initiatives such as the Northern Corridor, the International North-South Transport Corridor (INSTC), Transport Corridor Europe-Caucasus-Asia (TRACECA), and the Middle Corridor are emerging in the region in response to the growing need for resilient and reliable supply chains and alternative trade routes in a context of international geopolitical tensions.

Against this backdrop, the Middle Corridor is establishing itself as a viable alternative for trade between Asia and Europe. It offers multimodal transport options, diversifying routes and reducing reliance on corridors that are more vulnerable to geopolitical tensions.

Since its launch in 2013, the Middle Corridor has established itself as a vital multimodal route connecting China and Central Asia with the Caucasus and Europe. It integrates road, rail, port, and digital infrastructure. As well as facilitating intercontinental trade,

this corridor enables countries such as Azerbaijan, Georgia, and Kazakhstan to establish themselves as strategic logistics hubs and expand their influence in regional trade flows.

Since its inception, progress has been made in legal harmonization, infrastructure modernization—especially to reduce bottlenecks—and the digitalization of processes along the corridor. In 2025, for example, the focus was on

railway modernization, customs digitalization, and port expansion, reflecting a joint effort by intra- and extra-regional actors to strengthen the corridor’s efficiency and resilience. These advances are taking place amid increased interest in the Middle Corridor, accentuated by geopolitical tensions in neighboring theaters, as reflected by the increased volume of cargo transported. To this end, regional cooperation is essential to ensure that this route is more resilient, reliable and attractive for international trade.

This paper examines the role of the Middle Corridor in the context of supply chain reconfiguration and the key interests of those involved, such as Azerbaijan,

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Kazakhstan, Türkiye, the European Union, the United States, and China.

The article is organized into five main sections. It begins by defining multimodal corridors and examining the importance of hard and soft infrastructure, as well as connectivity as a foreign policy tool. Then it analyses Eurasian corridors, identifying the chief land and multimodal routes, their history, and the associated advantages and challenges. Examples include the Northern Corridor, TRACECA, and the INSTC. Special emphasis is placed on the Middle Corridor, describing recent developments, infrastructure investments, and technological and operational advances that consolidate its operation. Moreover, the article addresses the interests of the involved parties, distinguishing between transit countries, users, and extra-regional actors. It focuses particularly on China, the European Union, Türkiye, Azerbaijan, and the United States, and includes initiatives such as the Trump Route for International Peace and Prosperity (TRIPP) in the South Caucasus. Finally, it concludes by emphasizing the advantages that

corridors offer for economic integration, regional cooperation, and diversifying trade routes. It also highlights the opportunities that corridors provide for intra- and extra-regional actors within the Eurasian geopolitical context.

Transport Corridors

Although most global trade is carried out by sea, many states lack direct access to open waters. In this context, land-based transport corridors play a pivotal role in connecting production centers with ports and markets, thereby promoting trade flows that contribute to broader processes of regional integration, development, and economic cooperation. Beyond their physical dimension, corridors offer varying levels of connectivity by integrating infrastructure, logistics services and regulatory frameworks at global, regional, and national levels. In an increasingly interconnected global context, facilitating connectivity flows is becoming ever more important.

In this regard, a central concept for transport corridors is

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multimodality, whereby different modes of transport are integrated along the same route. This involves coordinating roads, rail, air, and sea transport, thereby improving the efficiency of corridors by optimizing routes, reducing logistics costs and decreasing transit times. For example, this can be achieved through the digitization of customs processes.

In this context, infrastructure is one of the key factors in multimodal transport. Hard infrastructure comprises physical networks such as roads, railways, bridges, tunnels and telecommunications systems. In contrast, soft infrastructure comprises intangible elements, including the institutional, regulatory and administrative frameworks that underpin economic and social performance. Therefore, both types of infrastructure are relevant for multimodal transport corridors. While improving physical infrastructure can contribute to connectivity, intangible factors such as harmonizing legal and regulatory frameworks, technical standards and digitization are also necessary.

However, these transport routes are not merely passive means of circulation; they can also be tools through which states can modify their environment and project influence. In this sense, they

can serve as instruments of foreign policy and national power, since controlling key corridors provides strategic advantages in an increasingly unstable international context. They can also project influence beyond a state's borders, which is why connectivity has become a valuable resource in international integration strategies. Countries such as Azerbaijan use connectivity to establish themselves as key logistics hubs, thanks to their geographical location and the level of infrastructure this makes possible.

Therefore, the promotion and control of transport corridors have a strategic function that extends beyond logistics. By becoming an instrument of foreign policy, connectivity operates as a mechanism of influence in a context marked by the search for alternative routes due to geopolitical tensions.

In the Eurasian context, connectivity is a vital capability, given the region's vast size and geopolitical landscape, as well as the impact of economic sanctions and export-import restrictions on the search for alternative transport routes. Therefore, the Middle Corridor must be understood not only in terms of its technical capabilities, but also as a means of exerting influence on the states through which it passes and other powers, such

as the United States, the European Union, and China.

Transport Corridors in Eurasia

Eurasia's unique geography comprises vast territories with significant economic potential for connectivity projects. Accounting for almost 40 percent of the planet's land surface and around 70 percent of the world's population, this continental space significantly broadens the range of options for developing alternative, land-based transport and trade routes. Furthermore, the region is home to major powers such as Russia and China, as well as regional powers such as India and Türkiye. This adds to the region's relevance and reinforces the need to promote connectivity.

Although this region has been connected since ancient times, for example through the Silk Road, or organized around centers of power, such as during the Genghis Khan empire, these forms of connection differ significantly from the current state of Eurasian connectivity, which is defined by economic, logistical, and regulatory integration.

For long periods, exchanges were structured through chains of

intermediation rather than direct links, resulting in slow, fragmented, and limited flows. These were then disrupted by a shift in maritime commerce, in part caused by the spread of Western colonialism. Various initiatives aimed at promoting more direct, efficient and resilient intercontinental trade flows between the continent's major economic centers and improving Eurasian connectivity have emerged in the Eurasian space in recent decades, however. In this context, three major routes have become particularly relevant in shaping contemporary Eurasian trade dynamics.

The *Northern Eurasian Corridor*, also known as the Northern Corridor, connects the ports of the Russian Far East and northeastern China with Europe via various branches of the Trans-Siberian Railway, as well as through Mongolia and Kazakhstan. While rail transport is the backbone of this corridor, road transport plays a complementary role. The latter is particularly important for bilateral trade between Russia and China, facilitating significant volumes of exchange between the two countries.

In recent years, geopolitical tensions, sanctions regimes, and the increased political and military risks associated with traditional

routes have encouraged states to explore more resilient alternatives for transporting goods. In this context, other trade flows are becoming increasingly important.

Another significant initiative is TRACECA. Established in 1993 by the European Union and its partners with the aim of developing trade between Europe, the Caucasus, and Asia. Initially, it was considered a secondary alternative to traditional routes passing through Russia, due to limited coordination between participating countries and the absence of unified transit rules. However, the 2022 geopolitical crisis prompted renewed interest in ensuring the continuity of regional trade, establishing TRACECA as a strategic option that aligns European and regional interests.

Despite significant advances in digitization and infrastructure development, TRACECA still faces several systemic constraints that make it less competitive than alternative Eurasian routes. These include bureaucratic and regulatory obstacles, fragmented digital

information systems and certain operational and infrastructure limitations. These issues demonstrate that, while TRACECA has gained relevance, improving its governance and efficiency is essential for it to fulfil its role as a regional connectivity hub capable of complementing and consolidating trade flows between Europe and Asia.

Lastly, the *International North-South Transport Corridor (INSTC)*. It was established in 2000 by Russia, Iran, and India. Azerbaijan, Belarus, with the Central Asian countries later joining. Spanning over 7,000 kilometers, the corridor connects Russian ports with the Gulf region and the Indian Ocean. It offers an alternative land and sea route, facilitating trade between Europe and Asia.

Its main advantages include reduced delivery times for goods and the ability to avoid traditional bottlenecks, such as those in the Suez Canal, providing a more efficient and resilient alternative route. However, the corridor faces significant challenges, including infrastructure deficiencies, geopolitical

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tensions arising from sanctions on Iran and episodes of regional instability. Nevertheless, its development remains strategically important for the participating states, as it provides an additional route for diversifying trade and strengthening connectivity between Europe and Asia.

The proliferation of multimodal corridors in Eurasia reflects the need for alternative and complementary routes that can bypass or mitigate geopolitical and geographical vulnerabilities. Similarly, these corridors can bolster the economies of the states through which they pass by attracting investment and goods. It is in this context that the Middle Corridor emerges, which will be analyzed in the following section.

The Middle Corridor

The Middle Corridor, also known as the Trans-Caspian International Transport Route (TITR), was established in 2013 at the Second International Transport and Logistics Business Forum 'New Silk Road' in Astana. Connecting Southeast Asia and China with Kazakhstan, the Caspian Sea, Azerbaijan, Georgia, Anatolia, and the European continent, it integrates rail, road, and maritime

transport. By offering a shorter, more efficient route, the corridor enables the diversification of trade routes between Asia and Europe, thereby reducing dependence on routes crossing territories affected by sanctions or geopolitical instability. It is projected to operate as a mechanism capable of protecting supply chains between China and Europe from possible disruptions.

As well as being important for European and Asian economies, the Middle Corridor provides countries such as Kazakhstan, Azerbaijan, and Georgia with an opportunity to open up and expand their markets to global trade and to establish themselves as strategic logistics hubs. Although the corridor has been institutionalized since its establishment, significant progress has been made in recent years in consolidating its operations.

At last year's Tashkent Investors Forum, it was agreed that improving infrastructure would accelerate the development of the corridor. Consequently, investments in the modernization of railways, ports, and digital systems have been encouraged, with a particular focus on coordinating reforms and harmonizing border systems. In Kazakhstan, a dredging project has been launched at the ERSAI industrial port in Kuryk to increase cargo

capacity, consolidate its role as a key transit hub, and enable year-round navigation.

The European Union has reinforced its commitment to the Middle Corridor by investing €12 billion through the Global Gateway initiative, which aims to improve transport connectivity, access to strategic raw materials and digital networks, as well as address the intersection between water, energy, and climate change. This includes plans to modernize transport infrastructure and connections, invest in trade facilitation and customs digitalization, and improve ports, roads, and logistics services.

Digitization advances in Kazakhstan have also contributed to the corridor's efficiency by reducing customs declaration times through the integrated national platform, KEDEN. In Georgia, meanwhile, the modernization of the railway section linking Tbilisi with Makhinjauri on the coast of Adjara has increased freight capacity, reduced operating costs, and shortened transit and transport times.

Azerbaijan has invested heavily in the expansion of the Port of Baku at Alat, with the aim of tripling capacity by 2030. It has also launched a major rail upgrade program, is

working to modernize its Caspian cargo fleet and logistics centers, and reconstruct highways. Lastly, Azerbaijan is in the midst of implementing "single window" systems and digitalizing customs to eliminate bottlenecks, with the aim of reducing delivery times from China to less than a fortnight.

Investments in the hard and soft infrastructure of the Middle Corridor address the need for adaptation in light of increased traffic, reflecting the necessity to promote the consolidation of transport corridors, particularly multimodal ones. In 2024, container traffic totaled 56,500 TEU, while cargo traffic amounted to 3.3 million tons. This sustained increase in cargo volumes establishes the Middle Corridor as a reliable and viable alternative to other Eurasian routes. Beyond investments in physical infrastructure, the evolution of the Corridor has been characterized by enhanced governance, digitalization, and regional coordination.

Players and Interests

The stakeholders involved in the Middle Corridor include transit countries and users, as well as extra-regional actors, such as public bodies, transport

companies, and logistics providers, who are responsible for its governance. This diversity reflects the Middle Corridor's complexity and varied dynamics.

Transit countries are those through which transport routes pass, seeking to capitalize on their geographical position to promote development. An increase in the transit of goods through these states can strengthen their economies. Notable examples in this regard are Azerbaijan and Kazakhstan. Azerbaijan's location at the crossroads of Eurasia makes it a vital hub for connectivity, acting as an unavoidable bridge between the Caspian Sea and European markets along the Middle Corridor. In terms of infrastructure, Azerbaijan is connected to the Baku-Tbilisi-Kars railway, linking the country with Georgia and Türkiye and facilitating efficient trade between Asia and Europe. Azerbaijan is also home to the largest port on the Caspian Sea: the port of Alat near Baku (Baku International Sea Port). Integrated into the Alat Free Economic Zone, this port is designed to promote high-value, export-oriented production and attract investment based on innovative technologies, thereby contributing to sustainable economic development.

Azerbaijan is also committed to regional integration with its neighbors. This includes cooperation with both Türkiye and the European Union, as well as with the countries of Central Asia. Baku has joined the C5 leaders' meeting mechanism, at the invitation of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan, and one of the central aspects of this platform is connectivity through the Middle Corridor. Cooperation with Central Asia is essential to ensure its operational continuity.

Although Kazakhstan does not have direct access to an open sea, its location is key, as it shares borders with China, one of the world's leading economies and a user of the Middle Corridor. In terms of infrastructure, Kazakhstan boasts the longest railway network and two ports on the Caspian Sea. Similarly, the TITR plays a pivotal role in economic diversification by reducing dependence on traditional transport routes and expanding its influence as a connectivity hub in Eurasia.

Meanwhile, Türkiye is strengthening its position as a strategic transit hub by building on its strong economic and cultural ties with Azerbaijan and Central Asia. By acting as a link between Asia and

Europe, it is strengthening its geopolitical position and expanding its sphere of influence in regional trade through its participation in the corridor. Infrastructure such as the Baku-Tbilisi-Kars railway and the Marmaray tunnel in Istanbul provides direct access to European markets, bypassing traditional northern trade routes. Ankara is thus not only exploiting its cultural proximity to Central Asian and Caucasian states such as Azerbaijan, but also consolidating itself as a solid alternative for trade routes between Asia and Europe, thereby strengthening its strategic autonomy.

In addition to being one of the world's leading economies, China is the Middle Corridor's primary user state. Given its vast economic and industrial capacity, securing alternative routes, especially those located near its borders, is paramount. The Belt and Road Initiative (BRI) is the main vehicle through which China is involved in this endeavor, as it seeks to establish alternative international trade routes.

By diversifying trade routes, China aims to boost the efficiency of its exports and strengthen its economic ties with Central Asia, the South Caucasus, and the EU. In this regard, infrastructure

development is key, which is why China has promoted smart logistics centers, railway terminals and digitized customs processes along the corridor. This allows its regions to integrate into global supply chains, strengthening the growth of less developed areas. Similarly, China's investments within the framework of the Middle Corridor are crucial for consolidating this international route.

In order to reduce its dependence on traditional trade routes—especially those that pass through states it has chosen to sanction—the European Union is making an effort to invest in transport infrastructure in the region. The European Bank for Reconstruction and Development (EBRD) and the Asian Development Bank (ADB) are also key financial institutions supporting infrastructure improvements in the Middle Corridor.

In addition to the countries that are transit states or users of the corridor, there are also more distant extra-regional actors with interests in this region, which highlights the importance of connectivity in Eurasia. The United States, for example, also seeks to use connectivity as a foreign policy tool to project influence. A recent example of this strategy is TRIPP, which is located in Armenia and

was the result of a deal announced by U.S. President Donald Trump in August 2025 at the White House in the company of Armenian Prime Minister Nikol Pashinyan and Azerbaijani President Ilham Aliyev. TRIPP integrates connectivity into a broader framework of regional stability.

While Armenia is not located along the Middle Corridor route, the implementation of TRIPP would demonstrate America's influence in the region, which is home to other major regional and global actors, including Russia, China, Iran, and Türkiye. Similarly, Armenia's participation in connectivity and logistics initiatives underscores the strategic importance of the South Caucasus in facilitating trade and supply chain connections between Asia and Europe, while bolstering transit opportunities and regional development.

Although the prerequisite negotiations on the terms of TRIPP have still not been finalized, this initiative highlights the need for alternative trade and connectivity routes, as well as reflecting the importance of

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national and regional stability for international trade.

The Middle Corridor unites a variety of interests and stakeholders. While transit states aim to capitalize on their geographical location to enhance their autonomy and regional importance, user states priorities route diversification and supply chain resilience. Similarly, there has been an increase in interest from extra-regional powers, such as the United States, in the region, as evidenced by the implementation of TRIPP.

Implications of Viability

The Middle Corridor is establishing itself as a viable alternative trade route between Asia and Europe. As a foreign policy tool, it is much more than just a logistics chain; it is also a means of projecting influence and reducing vulnerabilities, while diversifying trade routes and strengthening margins of autonomy. It also promotes regional cooperation.

The growing importance of the

Middle Corridor is reflected in the increased investment in physical and intangible infrastructure, which has boosted freight traffic and reduced transport times. From the perspective of the main players, the corridor offers several advantages. For countries such as Türkiye, Azerbaijan, and Kazakhstan, it provides an opportunity to strengthen their position as strategic logistics hubs and to become more deeply integrated into Eurasian trade networks. For the European Union, the Central Corridor helps to diversify its economic ties and expand connectivity options with Asia. China incorporates this route as a flexible addition to its connectivity architecture. Similarly, growing interest from non-regional powers such as the United States highlights the importance of the South Caucasus region for the connectivity of the Eurasian continent, and the significance of regional stability in promoting international trade routes that attract other stakeholders.

In this sense, corridors are more than just transit routes; they can be used by states as a foreign policy tool to improve their economic position, project influence beyond their borders, and get an international status.

The Middle Corridor provides all its stakeholders with an opportunity to promote cooperation and economic development by facilitating market integration, route diversification, and reducing vulnerabilities to global disruptions. Combining physical infrastructure, process digitalization, and regional coordination increases efficiency and consolidates the position of transit countries as strategic hubs. As well as strengthening Eurasian connectivity and supply chain diversity, the Middle Corridor can encourage investment and regional integration, leading to sustainable peace, stability, and security. **BD**

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Slipping Out of ‘Old Geopolitics’ Through TRIPP

Vasif Huseynov

For much of the post-Cold War period, the South Caucasus was shaped by a distinct geopolitical logic in which unresolved conflicts functioned as instruments of external influence, connectivity was constrained, and stability was underpinned by interim security mechanisms and contested political arrangements, not by durable peace agreements. This *old geopolitics* did not seek resolution; it sought control. Frozen or semi-frozen conflicts allowed external actors—above all Russia—to arbitrate outcomes, limit regional autonomy, and preserve leverage by keeping borders politically charged and economically inert. Order was produced not through integration or enforcement, but through managed ambiguity.

The erosion of the old geopolitical order did not occur suddenly, nor has it unfolded uniformly across

the region. It began in earnest in 2020, when Azerbaijan fundamentally altered the regional balance of power by liberating its internationally recognized territories that had been under Armenian occupation for nearly three decades. For the first time since the early 1990s, one of the central pillars of the South Caucasus’s old geopolitical order—territorial conflicts sustained by external oversight—was dismantled through local agency rather than external arbitration.

This shift deepened in September 2023, when Azerbaijan brought an end to the Russia-backed separatist entity in Karabakh, eliminating the last institutional remnant of the unresolved-conflict paradigm in Armenia-Azerbaijan relations. The withdrawal of Russian peacekeepers from Karabakh in May 2024 confirmed the strategic significance of this moment. This

marked a turning point not only in the Armenia-Azerbaijan conflict but in the wider regional balance of influence. Old geopolitics, however, has not disappeared entirely from the South Caucasus. The Georgia-Russia conflict remains governed by old rules (i.e., military occupation, external veto power, and frozen political arrangements) and stands as one of the last strongholds of the former order in the region.

It is against this backdrop that the qualitatively new character of the normalization process between Armenia and Azerbaijan must be understood. Freed from the constraints of frozen conflict management, the two states have increasingly prioritized peacebuilding, connectivity, and economic cooperation. This transformation reached a further milestone at the August 2025 White House summit of the Armenian and Azerbaijani leaders, when the two countries reached an agreement on one of the most contested issues of the post-war period: the Zangezur Corridor, a transport route intended to connect mainland Azerbaijan

with its Nakhchivan Autonomous Republic through Armenia’s Syunik region. The corridor’s establishment was formalized under the framework of the Trump Route for International Peace and Prosperity (TRIPP), with the United States assuming a direct role in its infrastructural arrangements. By embedding regional connectivity within a U.S.-backed infrastructural framework, the TRIPP agreement effectively shifted the role of external guarantor along the corridor through Armenian territory from Russia to the United States.

The reactions of Russia and Iran to the TRIPP agreement demonstrated that the South Caucasus is not entering a post-geopolitical era. However, developments between Armenia and Azerbaijan, together with the altered geopolitical context, indicate that the region is steadily, though slowly, moving away from the older order. The most consequential conflict in the region has been resolved, and the post-war normalization process is increasingly managed through infrastructure, legal frameworks,

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and reciprocal commitments that reshape incentives on the ground. While old geopolitics persists in one part of the region (e.g., the Russia-Georgia conflict), it no longer defines the dominant trajectory of regional order.

From Transit Corridor to Strategic Framework

The origins of TRIPP can be traced back to the immediate aftermath of the Second Karabakh War. Article 9 of the 10 November 2020 trilateral statement signed by the leaders of Armenia, Azerbaijan, and Russia envisaged the establishment of transport links between mainland Azerbaijan and its Nakhchivan Autonomous Republic. Under this arrangement, control over the passage was to be exercised by Russia's Federal Security Service border guards. While the provision marked a formal acknowledgment of the need for regional connectivity, its implementation remained stalled for more than four years due to unresolved disagreements over sovereignty, security modalities, and the role of external actors. The deadlock persisted until the White House summit, where U.S. President Donald Trump succeeded in brokering a mutually acceptable framework, breaking the impasse

and transforming a long-dormant clause of the post-war settlement into an operational agreement.

Today, TRIPP represents a qualitative departure from earlier approaches to regional connectivity in the South Caucasus. Rather than functioning as a narrowly defined transit passage or a symbolic confidence-building measure, it constitutes a comprehensive strategic framework designed to lock political normalization into infrastructure, legal commitments, and long-term external guarantees. Its significance lies not only in reconnecting mainland Azerbaijan with its Nakhchivan Autonomous Republic through sovereign Armenian territory, but in how this reconnection is governed, secured, and embedded in a broader post-conflict order.

The operationalization of TRIPP was formalized on 14 January 2026, when U.S. Secretary of State Marco Rubio and Armenian Foreign Minister Ararat Mirzoyan signed the TRIPP Implementation Framework (TIF) in Washington. This document transformed the political commitments reached at the August 2025 Washington Summit into a detailed, enforceable arrangement. In contrast to previous connectivity provisions—most notably those outlined in the

November 2020 trilateral statement brokered by Russia—the TRIPP framework replaces ambiguity with institutional clarity and substitutes security-by-presence with security-by-design.

Under the framework, a dedicated TRIPP Development Company will be established with responsibility for the planning, construction, operation, and upkeep of the designated infrastructure. The ownership model grants the United States a controlling stake of 74 percent, while Armenia holds the remaining 26 percent, with a provision allowing Armenia's share to rise to 49 percent should the arrangement be extended beyond the initial 49-year lease. The lease itself may be renewed for a further 50-year term by mutual agreement. Although the framework does not exclude the involvement of third parties, such participation is conditional upon the consent of both the Armenian and U.S. governments, and any modification to ownership, share distribution, or beneficial control requires advance approval from both sides.

The transit regime established under TRIPP further reflects this

balance between efficiency and sovereignty. The introduction of a “front-office / back-office” model allows for streamlined movement without diluting state authority. Private operators contracted by the to-be-established TRIPP Development Company will handle auxiliary functions such as document collection, user assistance, and payment processing, while all sovereign decisions—document verification, security clearance, inspections, and authorization of transit—will remain exclusively with Armenian institutions.

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Armenian customs and border officials will maintain a physical presence, and no delegation of decisionmaking power is envisaged. This arrangement satisfies Azerbaijan's longstanding demand for unimpeded connectivity while preserving Armenia's control over its borders and legal space.

Some analysts were expecting additional specificity regarding TRIPP modalities to be revealed during U.S. Vice President JD Vance's visit to Yerevan (and Baku) in February 2026. This did not end up happening. Instead, Armenian Prime Minister Nikol Pashinyan

announced that his country would soon be submitting additional documentation to the United States in this regard, which suggests that at least some details still need to be worked out in the time ahead. It is likely that all will be agreed before the country's parliamentary election, scheduled to take place in June 2026.

From a strategic perspective, the TRIPP model does more than facilitate transit. It raises the political and economic costs of disruption by embedding connectivity into a dense web of contracts, digital systems, and international oversight. Any attempt to suspend or politicize the route would generate immediate financial and diplomatic consequences, not only for the directly involved states but also for the United States as the principal external stakeholder.

TRIPP's strategic character is further reinforced by its timing and context. It builds directly on the August 2025 Washington Summit, where Armenia and Azerbaijan initialed a peace treaty and agreed to dismantle obsolete mediation structures such as the OSCE Minsk

Group. In this sense, TRIPP is not an add-on to normalization but its infrastructural backbone. It translates abstract commitments to sovereignty and territorial integrity into daily practices of cooperation, thereby narrowing the space for revisionism and spoiler behavior.

The post-summit period has already demonstrated how this logic operates in practice. Azerbaijan's decision in October 2025 to lift all restrictions on transit to Armenia, followed by the resumption of wheat shipments via Azerbaijani territory and the initiation of Azerbaijani fuel exports to Armenia, illustrates a shift from symbolic reconciliation to functional interdependence.

Seen in this light, TRIPP should be understood less as a corridor and more as a governance mechanism for post-conflict coexistence. It operationalizes the erosion of the old geopolitics described above by replacing conflict management with economic cooperation, external arbitration with legally bound guarantees, and strategic ambiguity with enforceable clarity. While it does not eliminate geopolitical competition from the South

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Caucasus, it redefines the terms on which that competition unfolds.

Recalibrating Great Power Dynamics

The South Caucasus has long been a theater in which great powers assert influence, with extra-regional rivalries shaping the region's political, economic, and security landscape. This was consistent with the longstanding view, implicitly shared by all great powers since the implosion of the Soviet Union, that the South Caucasus was an object of rivalry and not a subject of international order.

In the aftermath of the Second Karabakh War, the old dynamics entered a period of unprecedented recalibration, particularly as the liberation of Azerbaijan's territories between 2020 and 2023 fundamentally altered the balance of power on the ground. Russia, which had long cast itself as the indispensable arbiter in the region, found its influence increasingly contested. The traditional mechanisms Moscow relied upon to assert control suddenly appeared insufficient in the face of new developments. The emergence of TRIPP has accelerated this shift, creating a conduit not only for trade and infrastructure but also for a

broader realignment of geopolitical loyalties and power dependencies.

This recalibration was further consolidated during Vance's recent visit to Yerevan and Baku. In Azerbaijan, Vance and President Ilham Aliyev signed a Charter on Strategic Partnership, formally elevating bilateral relations into a structured, long-term framework. The agreement institutionalizes cooperation across connectivity, energy transit, digital infrastructure, and security dialogue, marking a shift from transactional engagement toward sustained strategic coordination.

The significance of this development extends beyond symbolism. For the first time, Washington and Baku codified their cooperation in a comprehensive document that aligns Azerbaijan's growing role in east-west transport corridors with U.S. strategic interests. In doing so, the Charter anchors Azerbaijan more firmly within a Western-supported regional architecture that is simultaneously economic and geopolitical in nature.

This move also places Azerbaijan within a broader regional pattern. Armenia signed its own strategic partnership document with the United States slightly over a year earlier, just days before the Biden

Administration left office. Georgia, too, possesses a similar framework with Washington, although it is currently largely dormant amid political tensions. The result is that all three South Caucasus states now maintain formalized strategic partnership arrangements with the United States, even if their depth and operational status vary.

Taken together with TRIPP, the U.S.-Azerbaijan Strategic Partnership Charter signals that American engagement in the South Caucasus has entered a structurally embedded phase. Washington is no longer acting merely as a mediator or episodic crisis manager; it is institutionalizing its presence through long-term economic, infra-structural, and security commitments. This significantly alters the geometry of influence in a region historically dominated by Russian leverage.

Historically, Russia's dominance in the South Caucasus rested on a combination of military leverage, institutional integration, and economic penetration. Armenia's membership

in the Collective Security Treaty Organization (CSTO) and the Eurasian Economic Union (EAEU) provided Moscow with formal instruments to influence Yerevan's policy choices. The occupation of Azerbaijan's territories intensified Armenia's dependency on Russia, as this illegal occupation put Armenia in a de facto blockade following the closure of its borders with Azerbaijan and Türkiye.

Russia's dominance in the region started to shatter when Azerbaijan began to liberate its occupied territories during the Second Karabakh War. Yet, the 10 November 2020 trilateral statement that ended active hostilities reinforced Russia's claim as the primary security manager. Russia was granted the right to deploy a peacekeeping mission in the Karabakh region, and its role as the security provider over the Zangezur Corridor was recognized by both Baku and Yerevan. Once considered unsailable, this recognition has faded from the scene, in part due to the departure of Russia's peacekeeping forces from Karabakh in May 2024, as discussed above.

Taken together with TRIPP, the U.S.-Azerbaijan Strategic Partnership Charter signals that American engagement in the South Caucasus has entered a structurally embedded phase.

The TRIPP project has further cemented this new reality. By placing the corridor linking mainland Azerbaijan to Nakhchivan under U.S. oversight, the project circumvented traditional Russian control mechanisms. Moscow's initial reaction reflected both recognition of the project's inevitability and an attempt to maintain leverage where possible. On 16 December 2025, Mikhail Kalugin, Director of the Fourth CIS Department at Russia's Foreign Ministry, indicated that Moscow was open to consulting with Armenia on potential participation in the TRIPP project.

While noting that the Armenian-American initiative still required detailed analysis, Kalugin emphasized that "there are sufficient grounds for Russian participation," citing Russia's existing management of Armenia's railways through South Caucasus Railways, Armenia's membership in the EAEU, and the existing deployment of Russian border guards along portions of the proposed route. His remark that "it is clear that our partners cannot do without Russia" underscored Moscow's recognition that, although it cannot halt TRIPP, it seeks to maintain influence in a regional landscape reshaped by the conflict over Ukraine, diminishing Russian leverage in the South

Caucasus, and Trump's active personal involvement in the project.

Armenia has acted swiftly to prevent direct Russian involvement in TRIPP. On 14 January 2026, Foreign Minister Ararat Mirzoyan stressed that "the framework of TRIPP is already quite clear," indicating that the project's terms leave little room for conceptual renegotiation, including the addition of new participants. While affirming that Armenia does not intend to politically exclude Russia and recognizing Moscow's existing role in Armenian infrastructure, Mirzoyan made it clear that Russia would not serve as a managing or operational partner. Armenian officials have suggested that any future cooperation with Russia could be limited to parallel or adjacent projects, outside the U.S.-Armenian TRIPP framework.

Russia has pushed back by citing its control over Armenia's railway system. Russian authorities argue that, under the 2008 concession agreement with South Caucasus Railways, its participation in TRIPP would be both logical and necessary. Yerevan, however, has responded strategically. Pashinyan has publicly urged Russia to meet its existing obligations, including restoring key railway lines such as Ijevan-Gazakh, Yeraskh-Nakhchivan, and

Gyumri-Kars (the first two would connect with Azerbaijan, the third with Türkiye). Armenian officials have noted that Russian Railways lacks the financial capacity for these investments. As of early 2026, Russian Railways faced a severe crisis, with debts exceeding 4 trillion rubles (over \$50 billion), steep budget cuts, declining freight volumes due to Western sanctions, and mounting losses in Armenia.

Against this backdrop, Pashinyan has increasingly emphasized the legal dimension, signaling that Armenia could reclaim control of its railways if Russia fails to fulfill its contractual obligations. Since the 2008 agreement transferred management—but not ownership—to Russia, Armenia has a legal path to terminate or renegotiate the arrangement, effectively leveraging Moscow's financial weakness to regain sovereign control over critical infrastructure. Merely the possibility of moving in this direction illustrates the geopolitical and geo-economic implications of TRIPP.

Armenia's recalibration extends beyond infrastructure and security matters. Emerging economic interdependence, fostered by the opening of regional transportation channels and the upcoming opening of Armenia's borders with Azerbaijan and

Türkiye (upon the signing of peace treaties), has created new incentives for Armenia to pursue autonomy from Russian dominance. Fuel deliveries from Baku, the potential for Armenian exports to Azerbaijani markets, and bilateral management of the Armenia-Azerbaijan border delimitation are already reducing Yerevan's dependence on Moscow. In turn, TRIPP consolidates these gains by embedding U.S. participation, signaling a broader shift toward multipolar engagement in which Armenian sovereignty and agency are actively reinforced.

Yerevan's growing assertiveness vis-à-vis Moscow has been clearly reflected in the Armenian government's rhetoric. Pashinyan has increasingly shifted from implicit criticism to explicit public condemnation of Russia's role in undermining Armenia's state sovereignty. In his address marking Army Day on 28 January 2026, he stated that, as of September 2022, Armenia's CSTO allies had failed to fulfill their treaty obligations to guarantee the country's security and territorial integrity. He added that Moscow has refused to deliver hundreds of millions of dollars' worth of military equipment already paid for by Yerevan. Pashinyan characterized these failures as constituting an existential threat to the Armenian state, arguing that such

actions reflected a deliberate erosion of Armenia's sovereignty and statehood.

These statements are significant not only as an indictment of Russia's current security role in Armenia, but also as an indicator of a broader shift in Yerevan's external orientation. As U.S. involvement becomes more deeply embedded in the region through TRIPP, Moscow is not the only actor unsettled by the growing American footprint in the South Caucasus. In similar vein, Iran has viewed the rise of U.S. influence along its northern borders as a strategic challenge with direct security and economic implications.

Iran's role in this evolving landscape presents a complementary set of challenges. Tehran's strategic interests have historically revolved around maintaining influence along its northern borders, leveraging Armenia and Azerbaijan as transit and security buffers while limiting Western encroachment. From the outset, TRIPP has been viewed by Iranian officials not as a commercial or connectivity initiative, but as a potential vector for a NATO-aligned presence near its frontier. On 17 December 2025, Ali Akbar Velayati, a senior adviser to Iran's Supreme Leader, publicly voiced Tehran's objections to

TRIPP during talks with Armenia's ambassador to his country, drawing parallels between the initiative and the previously disputed "Zangezur Corridor" proposal, stating that Iran was categorically opposed to it. He warned that TRIPP could enable a NATO-linked presence near Iran's northern frontier, creating security concerns for both Iran and southern Russia. Despite repeated assurances from Armenian officials that TRIPP remains fully under Armenian sovereignty and entails no extraterritorial arrangements, Iranian doubts have endured, notwithstanding Tehran's choice to dampen the volume of its rhetorical opposition.

Amid these pressures from Russia and Iran, other actors have emerged as stabilizing or supportive forces in the region. Türkiye has been a consistent backer of TRIPP and the broader Armenia-Azerbaijan normalization process, providing both diplomatic reinforcement and economic signaling. Ankara's support is rooted in its historical and strategic relationship with Baku, its interest in facilitating East-West transport links, and its broader agenda of regional influence. Turkish engagement, aligned with U.S. oversight, enhances the credibility of TRIPP while offering Armenia a counterweight to Russian and Iranian pressures.

On 15 January 2026—i.e., one day after Armenia and the United States announced TIF—Turkish Foreign Minister Hakan Fidan publicly expressed Ankara’s support for TRIPP, highlighting its importance for the Middle Corridor and broader regional connectivity. He noted that the framework had been discussed in depth with Azerbaijani Foreign Minister Jeyhun Bayramov and confirmed that President Recep Tayyip Erdoğan had been fully informed. Fidan further reaffirmed Türkiye’s support for the conclusion of a comprehensive peace agreement between Armenia and Azerbaijan, underscoring that sufficient political will now exists in Baku, Ankara, and Yerevan to advance normalization.

Similarly, the European Union has taken a cautious but constructive role, supporting the outcomes of the White House summit through mediation efforts, the announcement of various forms of technical assistance, and statements of plans to integrate Armenia and Azerbaijan into broader transregional economic networks.

China, while less directly involved, also benefits from the emergence of a stable, U.S.-backed corridor that aligns with broader connectivity ambitions, including the Belt and Road Initiative and the Middle Corridor project, both of which link Central Asia to Europe via the South Caucasus and Anatolia. The TRIPP project, by reducing the potential for conflict and enabling predictable trade flows, indirectly complements Chinese interests in transport infrastructure across the Silk Road region without entangling Beijing in overt geopolitical contestation. This highlights the increasingly multipolar nature of influence in the South Caucasus, in which the strategic calculations of Moscow and Tehran are counterbalanced by a constellation of external stakeholders with diverse economic and political incentives.

Taken together, these developments illustrate a profound shift in the architecture of great-power dynamics in the South Caucasus. Russia, once the uncontested arbiter, now confronts structural limitations to its influence. Iran, though geographically proximate and strategically

attentive, faces a corridor that embeds American involvement, reducing Tehran’s capacity to assert dominance. Concurrently, Türkiye, the EU, and other global actors like China are increasingly integrated into regional processes, promoting stability, connectivity, and multipolar engagement rather than zero-sum competition.

Neither Automatic, nor Irreversible

The emergence of TRIPP represents more than a technical advance in regional connectivity; it signals a structural shift in how power, sovereignty, and stability are negotiated in the South Caucasus. The region is not moving beyond geopolitics, but it is increasingly departing from an older geopolitical model in which unresolved conflicts, military deployments, and external vetoes served as the primary instruments of order. In its place, a new logic is taking shape, grounded in cooperation among the three regional states, and anchored in mutual respect for territorial integrity, internationally recognized borders, and shared economic gains.

This strategic transition has been driven above all by local agency. Azerbaijan’s restoration

of its territorial integrity dismantled the longstanding assumption that conflict stasis was inevitable, while Armenia’s recalibration of its foreign and security policies reflects a growing determination to reclaim sovereignty over strategic decisions and infrastructure. TRIPP crystallizes this shift by translating political normalization into a durable governance framework that constrains revisionism and limits the effectiveness of spoiler strategies. Connectivity is no longer a promise deferred to an uncertain future; it has become an operational reality structured by law, contracts, and independent oversight.

At the regional level, TRIPP accelerates the redistribution of influence. Russia’s role has been reduced from indispensable arbiter to constrained stakeholder, its leverage weakened by the erosion of security credibility. Iran, while attentive and vocal, faces similar structural limits as U.S.-backed arrangements reshape transit routes and security perceptions along its northern frontier. By contrast, the growing involvement of the

United States, Türkiye, and, to a lesser extent, the European Union, reflects a shift toward a more plural and conditional form of external engagement—one that reinforces local sovereignty rather than substituting for it.

The broader implication is that the South Caucasus is entering a transitional phase in which infrastructure has become a key site of geopolitical

The South Caucasus is entering a transitional phase in which infrastructure has become a key site of geopolitical competition and stabilization simultaneously.

competition and stabilization simultaneously. Hereby, TRIPP stands more than just a connectivity project, it serves as an instrument of conflict transformation and regional reordering. Yet this trajectory is neither automatic nor irreversible. Its durability will depend on sustained political commitment, effective implementation, and the ability of regional actors to manage external pressures. **BD**

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Divergent Paths in the South Caucasus

Strategy, Survival, Retreat

Laura Linderman

When President Donald Trump welcomed Armenian Prime Minister Nikol Pashinyan and Azerbaijani President Ilham Aliyev to the White House in August 2025, the ceremony celebrated more than just the hope that decades of conflict between the two neighboring states might finally be coming to an end. The agreement initialed that day, which grants the United States long-term development rights to a transit corridor ambitiously named the Trump Route for International Peace and Prosperity (TRIPP), marked a watershed moment in the geopolitics of the South Caucasus. For the first time in modern history, a major peace process in the region had bypassed Moscow entirely in favor of Western mediation.

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Yet the TRIPP agreement's deeper significance lies not in American diplomatic triumph, but in what it reveals about a regional transformation—and the limits of that transformation. Russia's war in Ukraine has created a window of opportunity for the South Caucasus, a moment when Moscow's strategic distraction has given regional states unprecedented room to maneuver. The question is not whether this window exists, it clearly does, but how long it will remain open, and which states have the capacity to exploit it before it closes.

The answers vary dramatically. The South Caucasus has moved from what Zbigniew Brzezinski famously called the

“grand chessboard,” where great powers moved regional states as pawns, to what Svante E. Cornell and Damjan Krnjević Mišković describe in the introduction to their edited volume, titled *After Karabakh: War, Peace, and the forging of a New Caucasus* (2025), as a “card table,” where each state holds its own sovereign hand of playing cards.

But not all hands are equal. Azerbaijan sits at the card table with a strong hand, leveraging energy resources, geographic indispensability, and military victory to extract value from multiple powers simultaneously. Armenia plays a weak hand the best it can under the circumstances, having initiated much of the TRIPP process to escape isolation and avoid being further diminished by Azerbaijan; a survival strategy, but a strategy nonetheless. And one could say that it looks as if Georgia has lit its best cards on fire or eaten them, with its government seemingly choosing preservation over strategic opportunity.

The scene at the metaphorical card table after the most recent hand has been dealt is not, as some Western commentators have

assumed, a straightforward regional pivot away from Russia toward the West. Nor is it the emergence of a coherent new form of sovereignty. It is something messier: three states responding to the same geopolitical shock with radically different resources, constraints, and choices. The West has increasingly set aside the post-Cold War vision of liberal internationalism, with its emphasis on open markets, multilateral institutions, and shared sovereignty, in favor of a more transactional approach to statecraft. States the world over, including Armenia, Azerbaijan, and Georgia, are adapting to this reality, but adaptation looks very different depending on whether you're negotiating from strength or desperation. The three South Caucasus states are responding to the same geopolitical shock with radically different resources, constraints, and choices.

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The End of the Near Abroad

Russia's war in Ukraine has accelerated a transformation that was already underway. As Thomas de Waal of Carnegie Europe has argued, “Putin's war

on Ukraine marks the end of the near abroad —the idea that Russia enjoys a special status with its post-Soviet neighbors.” The mechanisms through which Moscow maintained regional dominance for three decades; frozen conflicts, military bases, the Collective Security Treaty Organization (CSTO), the Eurasian Economic Union (EAEU), energy dependence, and information warfare, have all eroded, some dramatically. De Waal identifies several components of this transformation: ‘sovereignty reasserted’ describes how national elites beyond Russia’s borders are reclaiming independence, while ‘situational strategy’ characterizes Russia’s shift from integration projects to ad hoc policymaking. Moscow, he notes, now has “fewer instruments of soft power and capacity to fight an information war as Russian-language media is less influential.”

The collapse of Russian security guarantees proved most consequential. When Azerbaijan went into and held Armenian sovereign territory in 2022, Armenia invoked Article 4 of the CSTO collective defense treaty. Russia explicitly rejected intervention, with officials declaring that the organization’s mutual defense provisions did not apply, arguing in part that the border with Azerbaijan had not

been delineated. This was not an isolated incident but part of a pattern: Russia had not intervened militarily on the side of Armenia in the Second Karabakh War, arguing (correctly) that Armenian sovereign territory was not under attack, and influenced by (at the time) warming ties with Baku, displeasure with Armenia’s pro-Western government led by Prime Minister Nikol Pashinyan, and reliance on Türkiye as an economic sanctions lifeline. Moscow subsequently stood aside during Baku’s September 2023 “anti-terror operation” that ended the conflict over Karabakh entirely. Months later, Russia withdrew its peacekeeping force, a striking reversal for a power that has typically treated military deployments in the former Soviet space as permanent facts on the ground.

The data on Armenian public opinion tells a stark story of this betrayal’s impact. According to International Republican Institute polling, positive views of Russia among Armenians dropped from 93 percent in 2019 to 31 percent in 2024. The Middle East Institute has documented a comprehensive “de-Russification” of Armenian defense procurement, with Russia’s share of Armenian arms purchases falling from 96 percent in 2021 to less than 10 percent in 2024. Trust in the Russian-led Eurasian

Economic Union has collapsed to just 38 percent, while confidence in the European Union has risen to 62 percent. Even more tellingly, 75 percent of Armenians now believe the European Union should play a greater role in strengthening Armenia’s defense.

Yet it would be a mistake to interpret these shifts as a permanent transformation. The region’s states have learned a hard lesson: that distant security guarantees from any external power is no substitute for the careful balancing that preserves genuine autonomy. De Waal himself warns that Russia may return to more assertive South Caucasus

Distant security guarantees from any external power is no substitute for the careful balancing that preserves genuine autonomy.

engagement once the Ukraine conflict stabilizes. The period in which the three South Caucasus states have been able to conduct foreign policy more independently of Moscow could prove temporary rather than permanent. The Chatham House analyst Laurence Broers has introduced the concept of “managed decline” to describe the withdrawal of Russian peacekeepers from Karabakh, a deliberate repositioning rather than involuntary retreat. If Broers is right, what looks like Russian weakness

may be Russian choice; and choices can be reversed.

Yet a weakened Russia may also be a more dangerous one. As my AFPC and CACI colleague Mamuka Tsereteli has argued, the war in Ukraine has produced a paradox for American strategy: it has significantly reduced Russia’s long-term strategic power while hardening Moscow into a more risk-tolerant adversary. Russia’s losses are structural, encompassing demographics, energy leverage, and regional influence, but the challenge for Western policymakers is to lock in these setbacks while managing escalation risks in Moscow’s neighborhood. Armenia’s June 2026 parliamentary elections represent a particular pressure point, where Russia retains significant leverage through its military bases in the country, control of strategic infrastructure, and soft-power tools.

This uncertainty shapes everything that follows. Regional states are not building a new permanent order; they are maneuvering within a window whose duration is unknown. The critical question is which states have the

capacity to lock in gains before that window closes.

Azerbaijan: Exploiting the Window from Strength

Azerbaijan exemplifies what strategic maneuvering looks like when executed from a position of strength. Having won the territorial conflict over Karabakh on its own terms, with crucial Turkish support but without direct Russian military intervention on the side of its adversary, Baku no longer needs to worry about Moscow using the territorial dispute as leverage. President Ilham Aliyev can now engage Washington, Moscow, Ankara, Tehran, and Beijing simultaneously, extracting value from each relationship without becoming any power's client. Cornell notes: "Azerbaijan has embarked on a foreign policy that seeks to maintain functioning relations with all neighbors and avoid making itself dependent on any particular power for its security."

The structural foundations of Azerbaijan's confident posture are substantial. The country supplies approximately 5 percent of the EU's oil and 6 percent of its gas, giving it leverage that limits

EU pressure on governance issues. The Southern Gas Corridor, linking Azerbaijan's Shah Deniz field with European markets, has elevated Baku's importance to the European Union at precisely the moment when it began desperately seeking alternatives to Russian energy. The 2021 Shusha Declaration formalized Azerbaijan's strategic alliance with Türkiye, providing security guarantees that substitute for the need for any Russian or Western commitment. This partnership has grown significantly in the energy and defense sectors, with Turkish Bayraktar drones playing a decisive role in Azerbaijan's military victory in the 2020 Second Karabakh War.

Most recently, U.S. Vice President JD Vance's February 2026 visit to Baku resulted in a Charter on Strategic Partnership between Azerbaijan and the United States, formalizing cooperation across energy, connectivity, artificial intelligence, and security. The document represents the highest level of bilateral cooperation in the history of the bilateral relationship, signaling Washington's recognition of Azerbaijan as a strategic hub rather than merely an energy supplier, a shift that reflects the Trump Administration's transactional approach to regional engagement.

Azerbaijan's geographic position amplifies these advantages. As Krnjević has argued, Azerbaijan functions as a "keystone state;" one with "sufficient force and authority to stand on its own," serving as an "interlocutor, [...] intermediary, and critical mediator" between major powers. The country straddles both ends of TRIPP and sits where the Middle Corridor "seamlessly blends" into China's Belt and Road Initiative. It is also where the east-west route optimally intersects with the International North-South Transport Corridor linking Russia, Iran, and India. This geographic indispensability means that every major power must engage Baku on its terms, though this leverage may yet be more conditional than it appears. Azerbaijan has passed peak oil production, faces fiscal pressures, and boasts a military that is formidable only by regional standards. Should the Middle Corridor remain more marketing exercise than genuine trade bonanza, and should de-globalization continue to accelerate, Baku's bargaining position could prove more fragile than current confidence suggests.

Azerbaijan is no longer merely a follower of the regional order but an active player shaping regional norms, order, and events as a rising keystone state.

Baku has translated these structural advantages into what scholars Farid Shukurlu and Joseph Shumunov call "Active Non-Alignment;" a foreign policy that actively leverages competition among external powers rather than passively avoiding alignment. Unlike Cold War-era non-alignment, which emphasized avoidance, Azerbaijan's posture is proactive, pragmatic, and sovereignty-centered. The country maintains normal ties with Russia while deepening its alliance with Türkiye, sells energy to a growing number of EU member states and candidate countries while becoming a key player in east-west trade routes, and has emerged as a tacit pillar in the growing alliance between moderate Arab states and Israel. Baku has even announced it will export 1.2 billion cubic meters of natural gas annually to Syria through Türkiye, symbolizing a significant shift in regional energy cooperation.

The transformation in Azerbaijan's foreign policy posture is captured in presidential adviser Hikmat Hajiyev's formulation:

“Azerbaijan won the war, and now Azerbaijan is winning the peace.” The main difference between Azerbaijan’s old and new foreign policy, analysts note, is that Baku now negotiates as a powerful, sovereign regional leader, placing its national interests at the center of its diplomacy. It is now certain, and undeniable, that Azerbaijan is no longer merely a follower of the regional order but an active player shaping regional norms, order, and events as a rising keystone state.

Yet success carries its own risks. The very confidence that has enabled Azerbaijan’s strategic breakthroughs may, if unchecked, move into overreach. The recent tensions with Moscow—sparked by the December 2024 passenger jet incident and subsequent mutual recriminations illustrate how quickly relationships can deteriorate when a state tests the boundaries of even a weakened partner. Azerbaijan’s careful balancing has succeeded precisely because Baku has avoided becoming the “next Georgia or Ukraine,” states that provoked Russian military responses by moving too quickly toward Western alignment.

But the friction has not come to an end; it has perhaps even deepened. At the February 2026 Munich Security Conference, Aliyev publicly accused Russia of deliberately

striking Azerbaijan’s Kyiv embassy three times in 2025, noting that even after Baku provided Moscow with the coordinates of its diplomatic missions, two additional attacks followed. That Aliyev chose to make these accusations on the same platform where he held yet another meeting with Ukrainian President Volodymyr Zelenskyy suggests Baku is increasingly willing to signal displeasure with Moscow in full public view.

The challenge now is maintaining discipline in how Azerbaijan approaches Russia amid a string of its victories. Analysts have noted that Baku’s sustained policy orientation, whether one attributes this to strategic acumen or the absence of competing visions, has enabled the kind of patient relationship-building that regional transformation requires. But this structural coherence demands strategic patience: the temptation to press advantages while Russia remains distracted must be weighed against the reality that Moscow retains significant capacity for disruption, and that the regional balance enabling Azerbaijan’s rise could shift when the Ukraine conflict concludes. The skills that won the peace, including pragmatism, restraint, and the careful cultivation of relationships across rival blocs, remain essential to preserving it.

Armenia: Making the Most of a Difficult Hand

Armenia presents a fundamentally different case: not strategic maneuvering from strength but adaptation under duress. Yerevan initiated much of the TRIPP process precisely to avoid being further diminished by Azerbaijan and to escape the isolation that followed Russia’s abandonment. The Pashinyan government has learned from what it perceives as a major betrayal that formal alliance commitments can prove worthless when a patron’s priorities shift. Armenia is not simply reacting to circumstances; it is actively shaping them within severe constraints: Yerevan is following something like the Azerbaijani playbook, but without the leverage, alliances, or military capacity that make Baku’s approach comparatively straightforward.

Russia’s decision not to intervene on Armenia’s behalf in 2022, when Armenian sovereign territory was being threatened, reflected a strategic recalculation of Moscow’s interests. Specifically, this arose from Russia’s prioritization of military resources for its conflict in Ukraine over its defense obligations in the South Caucasus. For decades, Russia benefited significantly

from its role as Armenia’s primary security guarantor, using the conflict over Karabakh to maintain regional leverage and preserve its military presence. When that calculus changed, Armenia became expendable.

The constraints Yerevan now faces are severe. Armenia remains approximately 70 percent economically dependent on Russia. It is landlocked, with Türkiye’s border closed and Azerbaijan controlling access to the east. Trade with Russia actually surged from \$2.6 billion in 2021 to \$7.3 billion in 2023, at least \$12 billion in 2024, and more than \$6 billion in 2025 (Armenia’s total foreign trade dropped 29 percent in 2025, relativizing possible overinterpretation in its decline in trade with Russia from its peak in 2024). This is a pattern visible across the South Caucasus, as all three states have experienced increased commercial flows with Russia since Western sanctions took effect. The region’s geographic position makes it a natural transit corridor, and distinguishing legitimate trade from sanctions circumvention has proven difficult for governments navigating between Western pressure and economic reality. For Armenia, this commercial entanglement complicates Yerevan’s declared pivot toward diversification. All Russian military bases,

including the largest at Gyumri, remain operational. These structural dependencies limit Yerevan's freedom of maneuver in ways that Baku does not face.

If Azerbaijan is playing poker with a strong hand, then Armenia is playing the same game with far fewer chips, but is playing it, nonetheless. Yet Armenia has achieved tangible results from Western engagement, not because it has leverage, but because Western powers see value in preventing complete Russian reconsolidation of the region. Defense cooperation with France has produced regular shipments of Bastion armored vehicles. Weapons partnerships with India have made New Delhi Armenia's largest defense supplier. Joint military exercises with the Kansas National Guard under the Eagle Partner program have continued annually since 2023. U.S. Secretary of State Antony Blinken's diplomatic interventions in late 2022 during Azerbaijani attacks on Armenian territory illustrated a Western willingness to actively support the country's sovereignty in ways that Russia had refused to do. And, most significantly, the TRIPP

agreement offers Armenia what a Trump Administration official described as the route's strategic benefit: enabling a second transit route (the first runs through Georgia) between Türkiye, Azerbaijan, and Central Asia without passing through Iran or Russia.

Armenia's political challenges are equally daunting. Pashinyan's pivot has mobilized a diverse opposition coalition that includes clergy of the Armenian Apostolic Church, disillusioned oligarchs, the exiled leadership of the secessionist Armenian entity in Karabakh, and ordinary citizens unwilling to accept that former enemies can become partners in peace. This coalition has coalesced around a central argument: that Armenia's security and regional interests can be guaranteed only through the full restoration of its security partnership with Russia. Yet this appeal to Russian protection faces fundamental obstacles that Pashinyan's opponents largely ignore. These obstacles reflect both Russia's changing strategic priorities and Armenia's diminished value as a strategic asset. Armenia's military weakness and diplomatic isolation

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have reduced its bargaining power with Moscow to near zero.

Each concession required to execute the strategic reorientation, especially those surrounding normalization with Azerbaijan and Türkiye, provides ammunition for opposition mobilization and risks electoral backlash (the country is scheduled to conduct a parliamentary election in June 2026). By agreeing to the dissolution of the OSCE Minsk Group, which was co-chaired by Russia (as well as France and the United States) without securing a signed peace agreement in return, Pashinyan has essentially placed a high stakes bet that informal Western partnerships and verbal assurances will prove more reliable than formal institutional frameworks. The forthcoming election will provide the definitive test of whether Pashinyan's government can break what might be called the "feedback loop," in which the concessions required for strategic survival generate domestic opposition that threatens the very partnerships Armenia needs.

For Armenia, the appeal of Western engagement lies not in a sophisticated multi-vector strategy but in the absence of alternatives. As Pashinyan declared in December 2025: "The normalization of Armenia-Türkiye

relations, peace between Armenia and Azerbaijan, the 'TRIPP Route' project, Armenia's and Azerbaijani good-neighborly relations with Georgia and Iran, [and] constructive dialogue with Russia, can position the South Caucasus as one of the most attractive transit corridors, alongside both the North-South and East-West routes."

This framing (integration with everyone, subordination to no one) captures an aspiration more than a reality. Whether Armenia can translate this aspiration into genuine autonomy, or whether it will simply exchange one form of dependence for another, remains to be seen.

Georgia: When Domestic Politics Overwhelms Strategy

Georgia reveals what happens when domestic political considerations overwhelm strategic opportunity. The governing Georgian Dream party has moved toward accommodation with Moscow, not primarily from strategic calculation but because it prioritizes power retention over Euro-Atlantic integration. The fear of becoming "the next Ukraine" provides convenient justification for choices driven by what the government's opponents

characterize as narrower interests. Georgia's strategic culture, as scholar Michael Cecire has argued, is "preoccupied with its relative weakness regionally, and in the international system more broadly, and seeks out friends and balancers to maximize its autonomy." Yet the Georgian government appears to have abandoned this logic. Where Azerbaijan leverages the current window to extract value from multiple powers, some Western observers argue that Georgia has chosen not to play at all; a decision that may prove catastrophic if the window closes with Tbilisi having locked in nothing.

This represents a puzzle that has confounded some Western analysts. One calls Georgia "a striking geopolitical outlier," while Armenia and Azerbaijan distance themselves from Moscow, Georgia moves closer. Like its neighbors, Georgia has also seen trade with Russia increase since 2022, benefiting economically from its position astride transit routes even as its political trajectory diverges from the regional pattern. The explanation lies in the intersection of elite interests and threat perception. Some Western analysts argue that for Georgian Dream, even the prospect of taking the country's first concrete steps toward achieving EU membership created

a dangerous dilemma: maintaining power required moving in the opposite direction, passing legislation like the April 2025 Foreign Agents Registration Act that made a break with Brussels inevitable.

The argument is this: domestic survival imperatives directly contradicted the reform trajectory that official EU candidate status demanded. Bidzina Ivanishvili, the billionaire founder of Georgian Dream who reputedly remains the party's de facto decisionmaker despite holding no formal office, appears to have made a decisive calculation that a shift in alignment toward Russia offers the most viable path forward. Unlike Western governments, which Ivanishvili apparently believes will never actually intervene to protect Georgia (the August 2008 precedent is an obvious reference point), Russia has occasionally sent troops to rescue allied regimes, as in Kazakhstan in 2022. Yet Moscow's track record in the South Caucasus offers less comfort: Russian protection neither saved Armenia's Moscow-aligned president Serzh Sargsyan from being ousted in 2018, nor prevented Armenia's military defeats in the Pashinyan era. The Georgian situation can thus be said not to be an example of multi-vector hedging, but rather represents a decisive break: Ivanishvili and the party he

founded have chosen not to believe Brussels' promises. On the other hand, they don't seem to believe Moscow's either, which explains in part Tbilisi's unwillingness to re-establish diplomatic relations with a country that occupies two parts of its sovereign territory. Still, one can argue that extensive Russian business interests further reinforce the rapprochement calculus, creating personal incentives for accommodation that appear to diverge from the country's constitutionally enshrined Euro-Atlantic aspirations. Georgia risks long-term strategic vulnerability—a bargain that Azerbaijan, with its genuine multi-vector approach, has consistently refused to make.

The result is a striking paradox: large majorities of Georgians consistently favor walking along the path toward EU membership, yet their government moves in the opposite direction. In late 2024, Georgian Dream announced it would suspend EU accession negotiations until 2028, triggering sustained protests across the country. The EU responded by withholding €121 million and freezing the start of accession talks, with the Biden Administration choosing to withhold an additional \$95 million in assistance. The country now faces a deepening divide between the implications of the government's

policy choices and public sentiment. Meanwhile, Georgian Dream has cultivated closer ties with non-Western powers: trade with Iran has tripled since the party came to power in October 2012, and Chinese surveillance technology supplied by Huawei and Hikvision has been deployed in ways that raise concerns about its use against protesters.

Yet Georgia's significance lies less in its governing party's choices than in what those choices reveal about the limits of structural opportunity. The Middle Corridor presently runs through Georgian infrastructure: the Baku-Tbilisi-Ceyhan pipeline and the Baku-Tbilisi-Kars railway make Georgia essential to east-west connectivity. This geographic reality has meant that external powers must engage Georgia on terms that preserve transit infrastructure, regardless of its domestic politics. While Tbilisi has avoided provoking Moscow, its relations with the West have deteriorated sharply, marked by hostile rhetoric toward Western diplomats and a rejection of EU conditions.

Georgia appears to be betting that geographic reality will force continued Western economic engagement regardless of political friction, though this assumption grows more precarious as the relationship

sours. Yet this leverage depends on Armenia and Azerbaijan remaining at odds. Should normalization between Yerevan, Baku, and Ankara succeed in opening direct transit routes, then it might result in a new main Middle Corridor route, bypassing Georgia in favor of TRIPP, which would be both shorter and more direct (although the Georgian route provides access to Black Sea ports—a strategic advantage). Tbilisi’s current indispensability thus needs to be understood as conditional, not permanent. This could make Georgia’s failure to exploit its strategic position, while it still holds it, all the more consequential.

Georgia thus offers a cautionary lesson: windows of opportunity require not just favorable external conditions but domestic leadership willing to exploit them. Structure creates possibilities; leadership decides whether to use them. Georgia’s trajectory poses a question for the entire region: if domestic politics can overwhelm strategic logic so completely in one case, how durable are the gains being made elsewhere?

TRIPP: A Bet, Not a Breakthrough

TRIPP exemplifies both the possibilities and the uncertainties of the current moment. The agreement grants the United States exclusive development rights to a corridor connecting Azerbaijan to its Nakhchivan exclave via Armenian territory, with a U.S.-structured consortium of commercial firms operating the necessary rail and road links, commodity transport infrastructure, and communications networks. Armenia will retain sovereignty, the corridor will operate under Armenian law, while the United States takes responsibility for ensuring it “operates safely for all parties.” Critical to the route’s long-term viability will be its function as a genuinely neutral commercial passage; one that companies from any

Regional states are not seeking American hegemony to replace Russian hegemony. They are seeking symbolic deterrents and commercial partnerships that increase their leverage without creating new dependencies.

country, Western or non-Western (including Iran and Russia), can use without political restriction. For this to work, no stakeholder, Western or non-Western, may object to any company from any country using it.

What makes TRIPP particularly revealing is its symbolic character. As one presidential adviser involved in the negotiations explained, TRIPP functions as an “evil eye talisman;” a deterrent whose power lies in the signal it sends rather than in any concrete enforcement capacity. The United States is not providing a hard security guarantee or deploying forces to the route. There will be no American bases or garrisons in Armenia, much less in Azerbaijan. Instead, the American role is, as another official put it, “holding up the parasol and the umbrella, as needed, but we won’t be trying to change the weather.” Washington appears willing to live with this arrangement partly because the American contribution is fundamentally commercial; there are no U.S. defense commitments, no U.S. troops, and no U.S. security guarantees in the traditional sense.

The effectiveness of such a “talisman,” however, depends entirely on perception; should a regional power decide to test America’s commitment, the absence of traditional defense guarantees could expose the arrangement’s limitations. The gamble is that commercial interests can provide sufficient deterrence

in a geography that has historically respected hard power above all else.

This framing captures something essential about the current moment—both its possibilities and its fragility. Regional states are not seeking American hegemony to replace Russian hegemony. They are seeking symbolic deterrents and commercial partnerships that increase their leverage without creating new dependencies. A critical uncertainty remains, however: will TRIPP demonstrate enough credible U.S. commitment to re-

For now, TRIPP represents a wager on the new regional logic rather than proof of it.

assure European, Turkish, and South Caucasus partners to advance the corridor, particularly after Trump leaves office, while simultaneously avoiding

actions that would trigger severe pushback from Russia, Iran, and China? The very structure of the agreement, commercial rather than military, symbolic rather than enforced, reflects regional preferences for transactional relationships over binding alliances.

TRIPP should be understood as a bet rather than a breakthrough. It is an experiment in whether commercial engagement can substitute for hard security guarantees—an experiment whose

results will only become clear over years of implementation. The infrastructure does not yet exist. The Trump Administration's follow-through is uncertain, although Vance's February 2026 visit to both Armenia and Azerbaijan seems to have quelled some previously expressed anxieties. The agreement has also not been tested by any serious challenge from Russia or Iran. For now, TRIPP represents a wager on the new regional logic rather than proof of it.

That being said, the country that has the most to gain from TRIPP has doubled down on its promise. Pashinyan has publicly characterized TRIPP as a strategic opportunity for economic cooperation that could benefit relations among regional powers, including those with strained bilateral ties. Iran's balanced response to TRIPP shows that caution and pragmatism, rather than ideology, increasingly guide its South Caucasus policy. One could say something similar regarding the Russian reaction. Whether this optimistic framing proves accurate remains to be seen. But the fact that TRIPP has proceeded without triggering the kind of confrontation that characterized earlier Western initiatives in the post-Soviet space suggests that the current window may offer genuine opportunities

for those positioned to exploit them.

A Crowded Card Table

The Krnjević-Cornell card table metaphor captures another essential feature of the new South Caucasus: the proliferation of external players. Russia and the Euro-Atlantic community increasingly find their influence diluted not only by regional powers like Türkiye and Iran, whose involvement long predates the current moment, but by newer entrants including China, Israel, some GCC states, and India, which have expanded the competition beyond its traditional contours. This multipolarity explicitly rejects the Cold War-era binary of Russian sphere vs. Western integration that structured earlier analysis.

Türkiye's role is particularly significant. As noted above, the 2021 Shusha Declaration elevated Ankara's relationship with Baku to a formal strategic alliance, and Turkish military support proved decisive in Azerbaijan's 2020 victory. Yet Türkiye's influence is constrained rather than hegemonic. Baku has resisted encirclement by any single ally, maintaining pragmatic and relatively stable relations with Moscow even as it moves

closer to Ankara. Azerbaijan has even played a mediating role between Israel and Türkiye, helping to establish a red line mechanism in Syria that prevented escalation between forces backed by the two neighboring powers. This demonstrates that regional states can leverage external partnerships without becoming captives of them, at least when they have sufficient leverage to begin with.

Iran presents a more complex case. Tehran has repeatedly expressed opposition to the opening of corridors that might benefit its regional rivals, and spokesmen for the Revolutionary Guard Corps had, in years past, threatened military intervention if regional borders were redrawn. Yet having been subjected to a military campaign that demonstrated Israeli supremacy and strong American backing, Iran responded with relative silence to TRIPP's inauguration. This reflected Tehran's diminishing capacity and willingness to counter shifting power dynamics. For Armenia, Iran's engagement, or at least its interest, in regional projects backed by the United States creates a favorable environment where sovereignty, security, and economic stability can be safeguarded. Iran remains neither a guarantor nor a bystander, but a decisive variable in the shifting balance.

China, meanwhile, steadily expands its economic and political presence. Chinese goods already transit westward via Azerbaijan, Georgia, and Türkiye at rapidly increasing rates, making Baku an important hub for the Belt and Road Initiative. The Middle Corridor's strategic importance has risen for both Washington and Beijing, creating opportunities for regional exporters while intensifying competition. Notably, four of five states along the Middle Corridor—i.e., Azerbaijan, Kazakhstan, Türkiye, and Uzbekistan—are members of the Organization of Turkic States, with Tbilisi maintaining strong strategic ties with both Ankara and Baku. This emerging architecture offers regional states multiple pathways for engagement, reinforcing the ability of well-positioned states to play external powers against one another.

The Window May Not Stay Open

The transformation described in this article is real yet provisional. Some analysts in Washington have begun quietly voicing concerns about what Russia's overextension might mean beyond Ukraine. According to a former U.S. official who used to be involved in regional policy,

Washington is monitoring the North Caucasus, where Moscow's control over Dagestan, Chechnya, and other Russian republics could weaken as the Kremlin remains stretched thin by the war in Ukraine. Such concerns carry particular weight for Azerbaijan, which has strong interests in stability along its northern border. Indeed, Baku may be among the world's most invested stakeholders in Russia avoiding internal fragmentation; a paradox that shapes how regional states approach their own relationships with Moscow.

For American policymakers, instinct favors managed stability: the same Russian weakness that enabled the TRIPP breakthrough could, if it deepens, generate unpredictable regional turbulence. Yet this framing may overstate the risks. Russia has historically been the primary driver of regional developments, and its further retrenchment could just as plausibly strengthen the case for alternative corridors while motivating regional powers to invest in their security.

Yet preferences do not determine outcomes. Russia's structural vulnerabilities, including adverse demographics, the strains of prolonged war, and persistent

risks of separatism in the North Caucasus, Volga region, and parts of Siberia, are not contingent on what Washington or Baku would prefer. The irony is that the very Russian weakness that has enabled the current window of opportunity could, if it deepens beyond a certain threshold, generate the kind of regional turbulence that neither American nor Azerbaijani policymakers want to manage.

Moreover, the staying power of Trump's "business diplomacy" approach remains unproven. A key uncertainty remains whether U.S. engagement will prove sufficiently sustained to ensure not only a peace deal but its effective implementation. Because Trump prefers to use informal channels and rely on a small network of close, trusted friends and advisors, his ability to dock the results of his personalized diplomacy to domestic and interstate institutions that can handle day-to-day challenges is quite limited.

The question of reversibility haunts the entire transformation. De Waal's "End of the Near Abroad" framework captures a genuine inflection point while remaining cautious about permanence. Russia may return to more assertive engagement once its Ukraine commitments ease. Many Western scholars

have suggested that Moscow's influence has genuinely diminished but may be reversible, particularly if the conflict in Ukraine concludes favorably for Russia. All three South Caucasus states are hedging against exactly this possibility, which is why even Azerbaijan, the most successful exploiter of the current window, has maintained pragmatic ties with Moscow rather than burning bridges. That said, Aliyev's public accusation at the 2026 Munich Security Conference that Russia deliberately targeted Azerbaijan's embassy in Kyiv, combined with his continued engagement with Zelenskyy, suggests that the pragmatic relationship is under real strain, and that Baku is willing to let Moscow know it (and not just behind closed doors, either).

The differential capacity of the three South Caucasus states to lock in gains before the window closes may prove decisive. Azerbaijan, with its energy leverage, Turkish alliance, and resolved territorial conflict, is best positioned to make the current moment permanent. Armenia, still desperately dependent on Russia and lacking structural leverage, may find its

recent gains erode if Moscow reasserts itself. And Georgia, having chosen not to exploit its strategic position, may discover that the window has closed with Tbilisi having secured nothing.

The Opportunity for American Policy

The Trump Administration's opportunity in the South Caucasus lies not in replacing Russian hegemony with American primacy, but in recognizing that sustainable engagement requires respecting these states' circumstances and their limits. This sidesteps the democracy-promotion and NATO-expansion frameworks that shaped earlier U.S. engagement in the post-Soviet space—approaches that generated expectations Washington was rarely prepared to fulfill.

The concept of "keystone states" that Krnjević and others have developed, including the U.S. Naval War College's Nikolas Gvosdev, offers a useful framework for understanding what effective engagement might look like. Azerbaijan,

The differential capacity of the three South Caucasus states to lock in gains before the window closes may prove decisive.

like Kazakhstan and Uzbekistan in Central Asia, possesses sufficient weight and autonomy to engage major powers on its own terms rather than as a dependent client. Treating such states as partners rather than clients, accepting their simultaneous relationships with competitors, working through commercial rather than military mechanisms, and providing symbolic backing rather than binding commitments may prove more effective than the integration-or-confrontation framework that characterized some earlier post-Cold War policies pursued by previous U.S. administrations and its European allies.

But American policymakers should be clear-eyed about the variation within the region. What works for Azerbaijan, a state with genuine leverage, may not work for Armenia, which requires more substantive support to avoid sliding back into Russian dependence. And Georgia may end up no longer being a viable partner at all, regardless of the opportunities on offer.

The South Caucasus has not pioneered a new form of sovereignty so much as it has demonstrated what happens when a hegemon gets distracted: small

states get room to maneuver, and the outcomes depend on their resources, constraints, and their leaders' choices. The region has returned to its historical pattern as a geopolitical crossroads where multiple powers compete, but none dominates. This part of the world, Krnjević argues, "stands a chance of no longer remaining merely an object of major power competition—a geography to be won and lost by others; it is, rather, on the cusp of becoming a distinct, autonomous, and emancipated subject of international order."

That chance is real; but it is a chance, not a guarantee. For the United States, this reality demands both engagement and humility. The three South Caucasus states are navigating a window of opportunity holding very different hands of playing cards. American policy that recognizes this variation—offering partnership calibrated to each state's actual capacity and circumstances has the best chance of producing durable results. The card table has room for everyone willing to play, but the hands that have been dealt are far from equal. American policy should be crafted accordingly. And it should always remember that a new round of play will inevitably follow once the current one plays itself out. **BD**

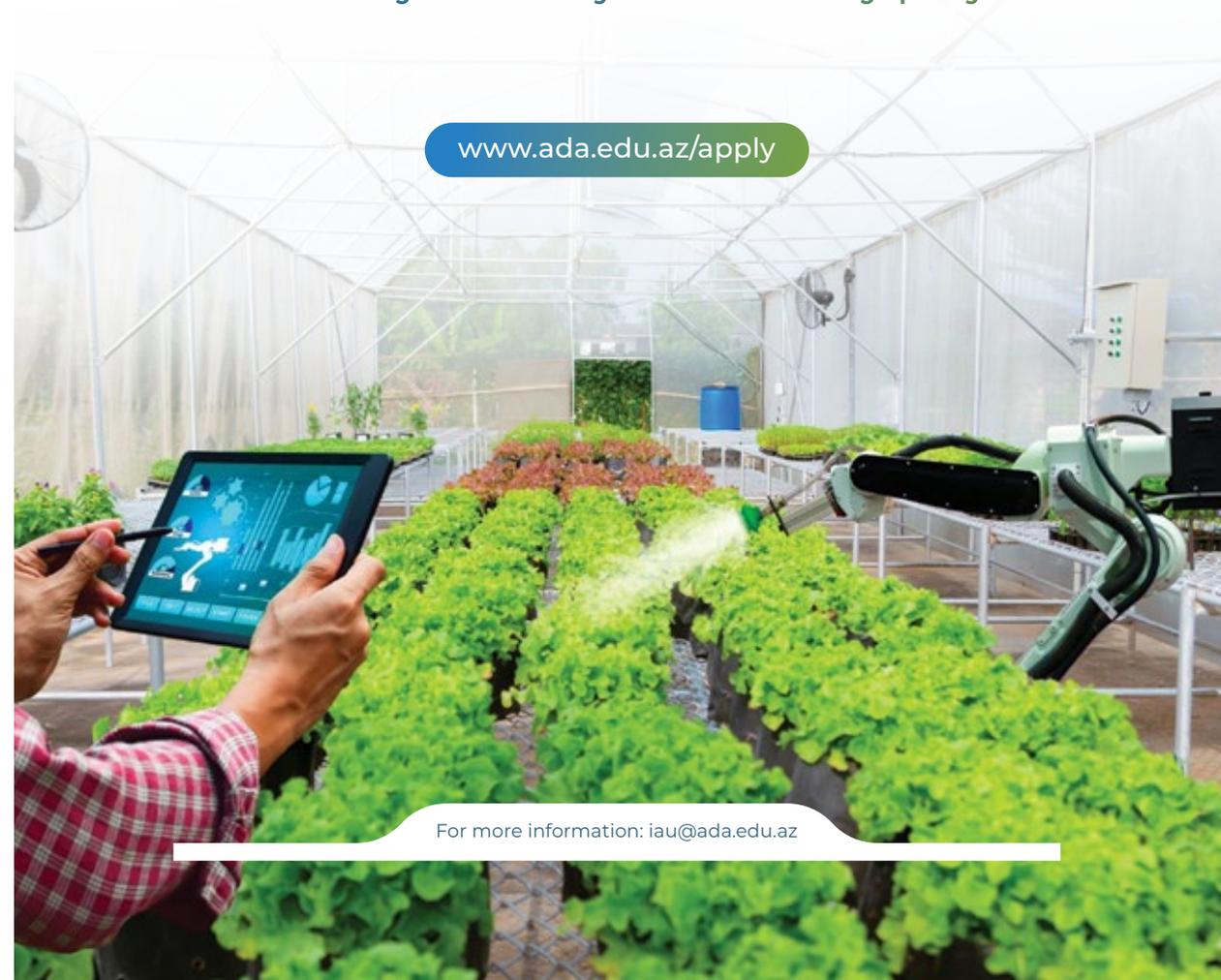


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The Case for Azerbaijan's Strategic Recalibration

Why Baku Needs to Adjust to a Global Polarized Reality

Jahangir E. Arasli

In the 35 years since the restoration of its national independence, Azerbaijan performed a spectacular ascending trajectory. Having overcome early troubles, the country restored its full territorial integrity and sovereignty, accelerated its pace of development, and firmly entrenched itself as a “keystone state” that commands international respect and credibility.

All this was not the case at first. Armenia's full-scale military invasion of Azerbaijan that began in the late 1980s, and the subsequent occupation of a significant share of national territory, overshadowed the initial stages of Azerbaijan's independence, projecting insecurity, hindering

domestic development, and consuming efforts, treasure, and blood. Certainly, the liberation of the occupied territories emerged as the ultimate national goal and remained so for nearly three decades. Eventually, in 2020-2023, Azerbaijan accomplished this mission through the application of all tools of national power (military, diplomatic, and economic).

However, the accomplishment of that principal mission does not mean that the state can afford to be complacent. The system of threats, risks, and challenges to national security evolves continuously and rapidly in all parts of its spectrum, ranging from geopolitics to technology.

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The global system has entered into a profound and turbulent period of transformation. These changes include (but are not limited to) the relative decline of status quo powers and the rise of new assertive ones, shifts in international alignments and multipolarization, mounting strategic competition and hastening alliance-building, durable conflicts and the erosion of respect for international law, and the growing impact of novel and potentially disruptive technologies. A fragmented constellation of competitive and issue-based state groupings now supersedes the largely unipolar post-Cold War global architecture. A stronger emphasis on hard power, transactionalism, the weaponization of the world economy and trade, the pursuit of control over resources and logistical routes, and the mounting factor of artificial intelligence are defining and driving geopolitics and international relations. These long-term trends will shape security dynamics worldwide in the second half of this and, at a minimum, the entirety of the next decade.

This Baku Dialogues article seeks to conceptualize and frame Azerbaijan's strategic posture within the evolving global and regional security environment and to assess its potential future trajectories.

As the existing global order reaches its inflection point, generating greater chaos and risk, Azerbaijan must adapt its strategic behavior to the emergent post-“rules-based liberal international order” era of strategic transactionalism and the return of the utility of force. Therefore, this *Baku Dialogues* article seeks to conceptualize and frame Azerbaijan's strategic posture within the evolving global and regional security environment and to assess its potential future trajectories.

Multi-Regional Nexus and the Effect of “Two Windows”

To understand Azerbaijan's strategic posture, it is necessary to assess its regional positioning. Unlike many other states, this one uses a unique polygonal metric. Placed in the pivotal location of core Eurasia, Azerbaijan fits at once into several partially overlapping geopolitical, geoeconomic, and geocultural loci, as follows:

- *Geopolitically:* the South Caucasus and the Greater Caucasus; the Caspian Sea region

(a.k.a. the Caspian-Central Asian region) and Greater Central Asia; the Wider Black Sea region; and the Greater Middle East.

- *Geoeconomically*: the Silk Road Region.
- *Geoculturally*: the Turkic world and the Muslim world.

In addition, Azerbaijan fits the political construct of the Global South and the steadily fading into history, yet enduring, virtual realm of the post-Soviet space.

All of the aforementioned *A*loci may differ in nature and be disconnected geographically. However, their inherent dynamics influence Azerbaijan, directly or indirectly, through a set of shared security, political, economic, and cultural denominators.

Such a sensitive, multilayered disposition at the conjunction of several geopolitical and geocultural platforms objectively makes Azerbaijan an essential cross-regional actor whilst simultaneously opening two “windows”—one of opportunity and one of vulnerability. Its pivotal location in core Eurasia, at the fulcrum of connectivity routes and projects, provides lucrative economic and developmental opportunities. At the same time, it presents

ongoing challenges of various kinds and at different scales.

I highlight five major aspects in this regard.

First, at the current stage and at least in the midterm perspective, the security environment in the extended outer perimeter of Azerbaijan deteriorates due to the enduring confrontations of two major neighboring powers—Russia and Iran—with extra-regional powers (Ukraine and the West in the former case, and Israel and the U.S. in the latter one). The resulting trends are the militarization of the contiguous regions and a “migration” of hostilities to very close proximity to Azerbaijan’s immediate edge, such as the Caspian Sea. Additionally, these conflicts are producing negative domestic impacts on the aforementioned neighbors, which, in turn, are making them both economically fragile and politically unstable.

Second, the resurgent trend of alliance-building also contributes to militarization and polarization in the regions contiguous to Azerbaijan. Worth watching in this regard is the robust Moscow-Tehran-Pyongyang strategic triangle and the strengthening of strategic cooperation between Armenia, India, France, Greece,

and some other states. These *ad hoc* constructs have not yet been formalized, although they have already been operationalized and made effective.

Most recently, two additional competing configurations have begun to form in the vast space consisting of the Middle East, North Africa, and the Horn of Africa: one comprising the United Arab Emirates and Israel (with additional actors), and the other anchored by Türkiye, Saudi Arabia, and Egypt. For Azerbaijan, which maintains close relations with all of the aforementioned states, this means the need to carefully calibrate a balanced political line.

Third, although the peace process between Baku and Yerevan is underway towards its definite point, opening a window for incremental reconciliation and promising economic perspectives for both states, Azerbaijan must stay vigilant and steady in order to prevent Armenia’s potential relapse into revisionism due to particularities of its domestic dynamic.

Fourth, the impact of radical ideologies derived from distorted and politicized interpretations of Islam remains a persistent challenge that is able to transcend geographic spans and national borders via the “domino effect” produced

by information technologies. Therefore, it is essential for Baku to heighten its monitoring of the potential resurgence of offshoots of the mutated transnational terrorist-extremist networks (the Islamic State and Al-Qaeda) in Afghanistan, Central Asia, and Russia’s provinces in the North Caucasus.

Fifth, some state actors became excessively addicted to a projection of “weaponized narratives” to pursue their foreign policy objectives and project influence. An irresponsible application of cognitive manipulation techniques and hybrid warfare tools from abroad is upsetting domestic stability and societal accord.

All of the aforementioned risk-and-threat facets are present in conditions characterized by the absence of a clear, overarching security architecture in the regions surrounding Azerbaijan and by an emerging power vacuum in some parts of those areas.

Building Robust International Alignments

After regaining independence in 1991, Azerbaijan sought mutually reinforcing interactions with willing foreign allies and

partners that promised strategic advantages in achieving its national goals and objectives, related foremost to the liberation of its occupied lands. At this stage, the mission of constructing partnerships remains relevant, given the evolving and challenging security dynamics described above.

Azerbaijan's objectives related to the strategic recalibration of its international alignments should cover the following five functional areas: *detering* (military and hybrid security threats, including those from assertive powers pushing back against the fading "rules-based" status quo); *counterbalancing* (alternative politico-military groupings); *protecting* (functionality of shared geoeconomic megaprojects); *containing* (proliferation of extremist ideologies and actors); and *confronting* (application of malicious cognitive narratives) in the country's interior as well as both immediate and extended neighborhoods.

In this regard, the most promising avenue for advancement is maturing cooperation within the framework of the Organization of the Turkic States (OTS). Beyond other integration projects, this interstate organization starts steadily developing its embryonic politico-military architecture. Its

foundations essentially rest on the long-existing Türkiye-Azerbaijan strategic alignment that proved its effectiveness during the 2020 Second Karabakh War and received its boost with the advent of the 2021 Shusha Declaration of strategic cooperation between the two states. The Baku-Ankara kernel strategic partnership is a model for wider defense and security collaboration within the OTS configuration, which is increasingly engaging four Central Asian states. The OTS's October 2025 summit in Gabala opened the door to joint military exercises and to collective security measures among member states in the cyber domain. It appears that defense technological standardization and the tight cooperation of intelligence and security services have also been placed on the agenda.

It is premature to forecast the transformation of the OTS into a fully-fledged defense alliance for several reasons. Enough to say that the organization encompasses the members of such antagonistic entities as NATO and the Collective Security Treaty Organization (CSTO) at the same time. Nonetheless, the nascent security coordination within the OTS already faces suspicion from other actors: foremost Russia and Iran, and to a lesser extent China. Such reactions should make the OTS

member states' integration actions more calibrated in speed and scope so as to avoid unnecessary security dilemmas that would affect regional security.

Beyond maturing cooperation within the OTS, another potential avenue for strategic assurance for Azerbaijan is its collaboration with Türkiye and Pakistan in a trilateral format. In addition to their security guarantees, Azerbaijan could benefit from both partners' renowned expertise in specific defense domains (e.g., unmanned systems from Türkiye and missile systems from Pakistan). Ankara offers a full package of defense technology, knowledge, training, tactical solutions, and doctrinal interoperability. Furthermore, trilateral cooperation can facilitate the outspreading of Azerbaijan's defense and security relations with countries within Türkiye's and Pakistan's (non-Western) strategic ecosystems, such as Saudi Arabia, Qatar, Oman, Syria, some Western Balkan states, and some Global South states.

A further potential avenue of strategic assurance is NATO, with which Azerbaijan has

maintained a sustained association since 1994, when the country joined its Partnership for Peace program. This measured and rational cooperation provides Azerbaijan with additional multipliers, including political and security dialogue, NATO-grade defense education standards, interoperability procedures, and selective engagement in NATO-led multinational missions. Baku is also open for reciprocal security cooperation with Western powers at the bilateral level, the latest evidence of which is the Charter of Strategic Cooperation signed with America in February 2026 during U.S. Vice President JD Vance's visit to Baku.

Sharpening the Defense Edge

The superfluity of ongoing armed conflicts and wars worldwide illuminates rapid and fundamental changes in the character of warfare, its increasing multilayered complexity, innovation, and sophistication, and the general utility of force. Lessons learned from these compel Baku to uphold and continually refine its deterrent

Azerbaijan serves as a notable example of the ebb and flow of global energy development, given its nearly two-century-long history at the forefront of the industry.

potential capabilities and instruments. To that end, Azerbaijan could leverage its foreign partnerships to develop more advanced defense capabilities, including, among other elements, a high-profile pool of deep-strike assets (e.g., missiles and unmanned aerial systems), multi-spectral sensors, AI-enabled command-and-control networks, efficient logistics, and a robust cyber-defense shield.

Azerbaijan should also consider the possibility of raising limited but effective deployable expeditionary capabilities for potential participation in multinational stabilization missions (such as peace support and humanitarian operations) in regions related to advancing its national interests (in the spirit of its initial experience in Afghanistan and Iraq in the 2000s-2010s).

Continuity in its current, well-balanced defense procurement policy is an imperative. Intelligent diversification of weapons and technology acquisitions would help circumvent one-sided dependencies on particular foreign suppliers. A further advancement of the already existing domestic defense technological-industrial base is one of the cornerstone elements of national defense and security policy.

Last but not least is bolstering its national intelligence apparatus, an issue that is becoming increasingly relevant as a tool of heightened security awareness and assessment in an increasingly uncertain global environment.

Certainly, implementing all aforementioned endeavors requires political commitment, financial resources, administrative prioritization, and time. However, strengthening and enhancing national security is worth the burden.

Geo-Logistics: Azerbaijan in the Context of the “Game of Corridors”

Control over global logistical itineraries, waterways, and nodes is emerging as a central issue in the unfolding strategic competition among power centers. Due to the circumstances of geography, Azerbaijan’s location precisely fits one of the critical spots of this competition. Several already existing, emerging, or projected vital transnational transportation and energy corridors originate from or pass through its territory and waters, constituting a web that includes:

- The Trans-Caspian International Transit Route

- (TITR), also known as the “Middle Corridor,” a mega-project that links Asia to Europe and embeds the Trump Road for Peace and Prosperity (TRIPP) into the region’s geo-strategic architecture, which also includes the China-led Belt and Road Initiative (BRI).
- The International North-South Transportation Corridor (INSTC), a longitudinal venture that threads together Russia, Iran, India, and both the Central Asian and GCC states.
- The Southern Gas Corridor (SGC), which encompasses the Trans-Anatolian (TANAP) and Trans-Adriatic (TAP) pipelines, delivers Azerbaijani natural gas to Europe and enhances the energy security of the EU and its member states.
- The Trans-Caspian Pipeline (TCP), a contemplated project related to the exploration and exploitation of Caspian offshore gas.
- The Baku-Tbilisi-Ceyhan oil pipeline (BTC), one of the first Caspian energy-related enterprises, whose relevance grows again with the redirection of a share of the Kazakh oil export to its terminals.
- The Black Sea and Trans-Caspian Green Electricity Corridors, a two-part proposed joint Hungary-Romania-Georgia-Azerbaijan-

Kazakhstan-Uzbekistan undertaking to export electricity from renewable sources (solar, wind, and tidal) to the European continent.

- The Digital Silk Road (DSR), a planned communications project to connect several regions with cyber cables laid across the Caspian seabed.

In addition to its full engagement in the aforementioned strategic infrastructural endeavors, Azerbaijan could potentially associate itself, in one form or another, with the India-Middle East-Europe Economic Corridor (IMEC), which is correlated to the U.S.-engineered Abraham Accords, and the U.S.-led Pax Silica initiative on the development of secure and sustainable supply chains of critical minerals.

The heavy concentration of such strategic routes underscores Azerbaijan’s growing strategic value, which in turn could transform a fully engaged Azerbaijan into Eurasia’s “solar plexus.” Just a single glance at a map of Eurasia makes a clear impression of Russia and Iran together “cutting” the continent in two from the Indian Ocean to the Arctic shores. In these settings, Azerbaijan emerges as a “valve” that enables circumvention of that major chokepoint.

There are three relevant aspects stemming from the foregoing. First, significant economic stakes in the projects of trans-regional magnitude compel Azerbaijan to be concerned and, if needed, to be practically involved in contributing to stability in its extended neighborhood. The key areas in this regard are Georgia (Azerbaijan's western "gateway"), Central Asia, the Eastern Mediterranean, the Gulf, the Balkans, and the Russian North Caucasus.

Second, the vital interests of various extra-regional actors (the U.S., the EU, China, India, Japan, South Korea, the GCC states, Israel, and others) in these projects increase Azerbaijan's international prominence and incentives to cooperate with it, including in defense and security. Assurances from stakeholders reinforce the country's strategic posture.

Third, Azerbaijan emerges not only as a security consumer but also as a security provider. A particular example is the country's contribution to the EU's energy security, which helped its member states

After liberating the occupied parts of its national territory and formalizing the resulting peace treaty with Yerevan, Baku's paramount task is to ensure and enhance security in the Caspian maritime domain.

overcome the initial 2022 shock of the war in Ukraine, establish a reliable supply chain, and diversify energy sources.

Taken together, Azerbaijan's deep and multifaceted incorporation into

the geoeconomic landscape of the Silk Road region confers strategic benefits on the country, strengthens its international capitalization, and objectively enhances its security amid existing and emerging challenges.

Azerbaijan as a Landlocked Maritime Nation

The Caspian Sea is a national treasure and a key strategic asset for Azerbaijan, whose history, culture, economy, and security are inherently related to this water basin. The greatest share of its national wealth proceeds from the exploitation of offshore and onshore energy resources. The infrastructural web of logistical and energy corridors, referred to in the previous section, stretches out across the Caspian waters and coast. The national capital, government institutions, most economic activities

and industrial facilities, and over half of the population remain concentrated within a 10-kilometer radius from the coastline.

All of the above make a prioritized focus on maritime security Azerbaijan's strategic imperative. The lessons learned from the ongoing wars in Ukraine and the Middle East illustrate clearly that the maritime domain (due to its natural characteristics) is the most vulnerable to the potential hostile power projection, especially when released in a hybrid manner. After liberating the occupied parts of its national territory and formalizing the resulting peace treaty with Yerevan, Baku's paramount task is to ensure and enhance security in the Caspian maritime domain.

Moreover, one of Baku's top priorities should be establishing a sophisticated, technology-enabled maritime domain awareness system covering surface, underwater, aerial, and coastal subdomains, based on a versatile network of early-warning seabed sensors, radars, unmanned aerial systems, and uncrewed surface vehicles.

An equally important priority is the acquisition of surface naval platforms to provide effective protection (and defense) of offshore

and onshore critical infrastructure related to geoeconomic projects, which has strategic significance for national interests revealed in the previous section.

Beyond the defense domain, Azerbaijan must focus on expanding its merchant fleet. The soaring significance of the Caspian Sea as the vital intersection of transit corridors necessitates the construction of more hulls (e.g., oil tankers, Ro-Ro and dry cargo vessels, and ferries). Suffice it to remember that beyond the Caspian basin, Azerbaijan operates numerous vessels on commercial shipping lanes in the outer maritime theaters, including the Black and the Mediterranean Seas. These considerations underscore the necessity of developing a national shipbuilding industry and port infrastructure.

Strategic Synopsis

Serving as both a summary of the argument contained in this article and a look beyond it, what follows should be considered as a sort of synopsis to provide food for thought to policymakers and observers of Azerbaijan's strategic posture:

- By the end of the first quarter of the twenty-first century, with the full restoration of its territorial

integrity and sovereignty—a paramount mission for three decades—Azerbaijan has solidified its national security posture.

- Meanwhile, a sensitive multi-locus positioning of the country entails a system of present-day intricate risks and threats that require continuous monitoring, forecasting and foresight, prevention, and, in some extreme cases, agile preemption.
- Above that, the nature of existing and emerging realities necessitates out-of-the-box visionary thinking and a proactive approach rather than a reactive one.
- To address its challenges effectively, Azerbaijan must maintain an efficient, sophisticated defense and security system with matching capabilities and should accept the associated burden.
- Elaborating on its strategic posture, Azerbaijan should grasp that its increased significance on a Eurasian scale, international weight, and outreach of power have their natural limits. Therefore, international defense and security alignments with kin, friendly, or willing states emerge as an indispensable instrument in Azerbaijan's national security toolbox.
- With that, international pooling should be designed to minimize impact on third parties; Azerbaijan must avoid its

integration into a framework of strategic competition and “new great games” on either side and find a measured balance between national sovereignty and commitments stemming from external alignments.

In an ideal world, Azerbaijan's recalibrated strategic posture should be codified in a new National Security Strategy (NSS) and related conceptual documents. The early procedures already materialized with the official endorsement of the National Security Concept (2007), the Military Doctrine (2010), and the Maritime Strategy (2013). Nowadays, it would make sense to adjust the national security calculus articulated in the aforementioned documents with evolving paradigms. It would also be appropriate, in line with the accepted international practice, to enhance the mentioned set with other issue-focused documentation, for instance, a cybersecurity strategy or a countering terrorism, violent extremism, and radicalization strategy. Such a bundle of architectonic scripts would identify the nature and sources of existing and emerging security risks, threats, and challenges; define key national interests, priorities, goals, and objectives; and outline ways and instruments of national power applicable for their implementation.

Geography is destiny, shaping geopolitical opportunities and flexibility: Azerbaijan stands where it sits. In the emerging new era of uncertainty and fragility, Baku is obliged to keep pace with the global realities, exploring its unique path to maintain rational strategic autonomy and agency, an independent policy based

Geography is destiny, shaping geopolitical opportunities and flexibility: Azerbaijan stands where it sits.

on a primacy of national interests, a sufficient defense and security organization, a technological edge, and carefully balanced international alignments. These interrelated mechanisms should serve the ultimate goal of sustaining safer and more secure life, peace, and prosperity for present and future generations. **BD**

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Caspian Sea Water Level Decline

Drivers, Consequences, and Impacts on Littoral States

Vali Kaleji

Fluctuations in the water level of the Caspian Sea and the shoreline's retreat are not new phenomena; they have happened repeatedly throughout the sea's long history. My hometown is in Mazandaran Province on the southern coast of the Caspian in Iran, and I personally observed a significant rise in water levels after the Soviet Union's implosion, during which many houses and coastal facilities were submerged. About thirty years later, I saw a notable retreat of the Caspian from its shores again. What is especially notable, however, is that the current rate of shoreline retreat—caused by a decline in the sea's water level—is much greater than during previous historical periods. Scientific reports and empirical studies further support these observations.

The average water level of the Caspian Sea has fluctuated over the past century, but has generally remained between 26 and 27 meters below the Baltic Sea level. According to the Convention on the Legal Status of the Caspian Sea (signed in Aktau at the presidential level in August 2018), the sea level was officially set at -28 meters, meaning 28 meters below the level of the world's oceans and open seas, using the Baltic Sea as the reference point for measuring fluctuations in the Caspian Sea. Specialists at the Volga-Caspian Fisheries Research Institute have reported that the Caspian Sea's water level has dropped to more than 29 meters below the Baltic Sea (-29 m), which serves as the standard reference system in

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Russia and several post-Soviet states for measuring water levels in landlocked bodies of water.

The water level of the Caspian Sea has been declining since the mid-1990s, with the pace of decline speeding up after 2005, leading to a drop of about 1.5 meters. Between 2005 and 2023, roughly 185 centimeters of water level reduction resulted in the loss of approximately 31,000 square kilometers of surface area. In

recent years, many reports have documented this ongoing decline. According to one estimate, the Caspian Sea's water level could fall by 9 to 18 meters by the end of the twenty-first century, potentially shrinking its surface area by nearly a quarter and exposing about 93,000 square kilometers of dry land—an area similar in size to Portugal. Additionally, estimates by the European Institute for Asia Studies (EIAS) suggest that the northern part of the Caspian Sea, where water depths are less than 5 meters, may disappear within 75 years if water levels continue to decline at an average rate of 7 centimeters per year.

According to a study published in the journal *Nature*, a drop of 9-18 meters in the Caspian Sea's water level would expose the vast northern Caspian shelf, the Turkmen shelf in the southeastern sector, and all coastal zones in the central and southern parts of the sea. Additionally, Karabogaz-Gol Bay along the eastern edge would become completely desiccated. Overall, the Caspian Sea's surface area would decrease by roughly 23 percent with a 9-meter drop, and

by about 34 percent with an 18-meter decline in sea level.

Substantial shoreline retreat has taken place along the coasts of the littoral states due to the decline in the Caspian Sea's water level. Along the Russian shoreline, the retreat is estimated at roughly 15-70 centimeters per year, varying by local conditions and data sources, leading to exposure of former seabeds and significant ecological and economic impacts. In Derbent, Dagestan (Russia), the shoreline has receded by nearly 100 meters, resulting in the formation of new sand dunes.

Fluctuations in the water level of the Caspian Sea and the shoreline's retreat are not new phenomena; still, some experts warn that the Caspian Sea might be nearing a point of no return.

In Kazakhstan, the shoreline has moved seaward by over 20 kilometers in the past twenty years. Likewise, in Turkmenistan, the shoreline in one coastal town has retreated by around 800 meters within a relatively short timeframe. Furthermore, a significant and rapidly accelerating retreat has been observed along Azerbaijan's coast, where a 2.5-meter sea-level drop has uncovered about 218 square miles of new land and caused shoreline shifts of 10-20 meters in some areas, highlighting the extent of the change. Finally, along Iran's southern Caspian coast, the shoreline has moved inland by about 300 meters, and if current trends continue, this retreat could reach 500-600 meters, possibly leading to desert-like conditions.

These projections are very concerning, and some experts warn that the Caspian Sea might be nearing a point of no return.

Causes and Reasons

The declining water level of the Caspian Sea is driven by multiple factors, making it impossible to assign the recent decline to a single cause. These factors include a mix of natural and human influences, similar to those seen in other environmental crises like the Aral

Sea disaster. There appear to be six main natural and anthropogenic factors contributing to the Caspian Sea's declining water level.

One, a cyclical process of Caspian Sea water level fluctuations. Some experts consider the recent decline in the Caspian Sea's water level to be part of a natural cycle, characterized by repeated periods of rise and fall throughout history. According to a study published in the journal *Nature*, at the beginning of the twentieth century, the Caspian Sea level was approximately -25.8 meters relative to the global mean sea level. It subsequently declined by 2 meters, stabilized during the 1950s and 1960s, and then fell sharply between 1970 and 1977, reaching its lowest point in a century at -29 meters. Between 1978 and 1995, the water level rose by 2.5 meters. However, reports indicate that the decline resumed in 1995, with a drop of approximately 2 meters between 2006 and 2024, bringing the sea to its lowest recorded level of -29 meters.

Some experts predict that this downward trend is likely to continue. On the other hand, other experts see recent events as a manifestation of a well-recorded cyclical pattern of Caspian Sea water level fluctuations. For example, Telman Zinalov, Director of the Azerbaijan

Environmental Forecasting Centre, stated in a 2022 interview that "the fluctuation of the Caspian Sea's volume has a cyclical and recurring nature, which has been repeated many times throughout history." Similarly, Hamid Alizadeh, a professor at the National Institute of Oceanography and Atmospheric Sciences in Iran, has noted that "there is a possibility for the Caspian Sea's water level to rise. Just as in 1977, when the sea reached its lowest level and most predictions anticipated further decline, the water level began to increase in 1978."

However, the sharp decline in the Caspian Sea's water level, coupled with the significant, continuous, and accelerating retreat of water from the coast, has raised concerns that the current trend may exceed the historical cyclical patterns of rise and fall. Aida Amangeldina, coordinator at the Sustainable Kazakhstan Research Institute at Narxoz University, notes that between 1930 and 1941, sea level declined by an average of 14.7 centimeters per year. From 1941 to 1978, the Caspian Sea continued to shrink, albeit at a slower rate of approximately 3 centimeters per year. By contrast, as noted earlier, the water level declined by approximately 2 meters between 2006 and 2024.

Two, climate change—particularly atmospheric warming, reduced precipitation, and increasing evaporation. As CNN Senior Climate Writer Laura Paddison explains, while climate change is driving global sea-level rise, the situation is different for landlocked bodies of water, such as the Caspian Sea. These systems depend on a delicate balance between river inflows, precipitation, and losses through evaporation.

As the climate warms, this balance is being disrupted, leading to the shrinkage of many lakes. Since 1979, the average surface temperature of the Caspian Sea has increased by approximately 1°C. Under medium to high greenhouse gas emission scenarios, the Caspian Sea level is projected to decline by 9-18 meters by the end of the twenty-first century, primarily due to a substantial increase in evaporation that is not offset by rising river inflows or precipitation. The ecological consequences of such a decline would be severe.

Research led by the University of Leeds indicates that water levels in the Caspian Sea are declining, as higher temperatures drive greater evaporation than inflow. Even if global warming is limited to below 2°C—the goal established at various Conferences of

the Parties (COPs) to the United Nations Framework Convention on Climate Change (UNFCCC), starting at COP15 in Copenhagen in 2009—the Caspian Sea level is projected to fall by 5 to 10 meters; under higher warming scenarios, water levels could decline by as much as 21 meters by 2100.

The Leeds study estimates that an area of approximately 112,000 square kilometers—larger than Iceland—could be exposed, even under the more optimistic scenario of a 10-meter decline. Given that many of the region's most ecologically and economically important zones are located in shallow waters, such changes could have severe implications for biodiversity and the sustainability of local human populations. In addition, intensified wind speeds enhance evaporation across the sea, with moisture transported eastward, resulting in a net loss for the Caspian Sea drainage basin.

Three, *increasing population in coastal cities and exploitation of river water resources.* The Caspian Sea receives inflows from approximately 130 large and small rivers across its five coastal countries, including the Volga (Russia), Ural (Kazakhstan and Russia), Aras (Türkiye, Armenia, Iran, and Azerbaijan), Kura (Türkiye,

Georgia, and Azerbaijan), Samur (Azerbaijan), Atrek (Iran and Turkmenistan), and the Sepid-Rud and Gorganrud (Iran).

Simultaneously, more than 15 million people reside along the Caspian coastline in cities and ports across these countries, including Makhachkala, Olya, Astrakhan, Solyanka, and Lagan (Russia); Baku, Sumgait, and Lankaran (Azerbaijan); Bandar Anzali, Astara, Amirabad, Nowshahr, and Bandar Turkmen (Iran); Turkmenbashi (Turkmenistan); and Aktau and Atyrau (Kazakhstan).

The economies and livelihoods of these populations are closely linked to the Caspian Sea, particularly in fisheries, maritime transport, shipping, and tourism. In recent decades, rapid population growth, migration, industrial expansion, port development, and urbanization have intensified the exploitation of river water resources, contributing to the decline in the Caspian Sea's water level. The accelerated construction of desalination plants for human consumption, cotton cultivation, and agriculture has further compounded these pressures. Population density is highest along Iran's southern shores and in Azerbaijan, reflecting a favorable climate, fertile land, and abundant economic opportunities.

Four, *desalination projects.* The Caspian Sea's water level is also influenced by desalination projects undertaken by Kazakhstan, Turkmenistan, Azerbaijan, and Iran. As Aida Amangeldina notes, desalinated water is gradually becoming an increasingly important source for the countries of the Greater Caspian Region. It has, for example, played a pivotal role in the development of Kazakhstan's Mangystau Province, including the port city of Aktau. Similarly, Turkmenistan's new port city of Turkmenbashi and Azerbaijan's ports of Alat and Sumgait plan to rely on desalination for freshwater supply. Iran, facing its own water shortage challenges, recently entered this process, launching its first desalination plant in August 2025 in the coastal city of Neka, located in central Mazandaran Province.

It is understandable that these coastal states turn to desalination of Caspian Sea water to address local water shortages. However, it is noteworthy that approximately five tons of desalinated water are required to produce just one megawatt of energy. Aida Amangeldina notes that Kazakhstan is pursuing several projects in cooperation with the EU and some of its member states to produce and import hydrogen. While such initiatives contribute to improving the EU's environmental

situation by reducing greenhouse gas emissions, they have adverse impacts on the Caspian Sea by accelerating the decline in water levels. Moreover, desalination processes leave behind about 37 to 38 grams of salt per liter of water, which further exacerbates the environmental challenges facing the Caspian Sea.

Five, *oil exploitation and hydrocarbon production.* While Russia and Iran do not exhibit significant activity in hydrocarbon production within the Caspian region, Kazakhstan, Azerbaijan, and Turkmenistan actively extract and export oil, contributing to oil spills and pollution in the Caspian Sea. Just in the Kazakh sector of the Caspian, approximately 8,000 tons of oil enter the sea annually. Oil spills from Azerbaijan have been particularly significant, as the country operates most of the Caspian Sea's oil wells and maintains the highest production rates.

Aida Amangeldina identifies three primary ways in which hydrocarbon production has accelerated the decline in the Caspian Sea's water level. First, hydrocarbon extraction releases greenhouse gases, reducing precipitation over the basin and promoting desiccation. Second, the process induces soil erosion, which further contributes

to declines in water levels. Finally, the production process itself heavily pollutes the water, representing the most direct negative impact of hydrocarbon activity in the Caspian Sea. Consequently, a key consideration for sustainable development and integrated management is mitigating the environmental impacts of hydrocarbon production, including pollution and water-level decline.

Six, Russia's dams and intensified agricultural development along the Volga River.

Although approximately 130 large and small rivers from the five coastal countries flow into the Caspian Sea, about 80 percent of its water resources are supplied by the Volga River. Consequently, the Volga, geographical Europe's longest river, plays a crucial and vital role in sustaining the Caspian Sea.

The river is integrated with a series of eight major hydroelectric dams—collectively known as the Volga-Kama Cascade—including Volzhskaya, Cheboksary, Zhiguli, and Nizhny Novgorod, most of which were constructed during the mid-twentieth century under the Soviet Union. As a result of these dams and hydroelectric plants, the Caspian Sea's volume decreased by an estimated 25

cubic kilometers annually between 1956 and 1969.

Lidiya Parkhomchik, a researcher at the Institute of World Economics and Politics, notes that shipping was adversely affected as navigation channels, particularly in the Volga delta and along the northern Caspian coast, became shallower. In response, in 1970 the USSR Government issued Resolution No. 612 outlining land reclamation and development plans for 1971-1985, including flow regulation and redistribution measures. By 1976, the Siberian rivers flow transfer project was incorporated into the Main Directions of USSR Economic Development. Consequently, from 1978 onward, the Caspian Sea's water level gradually rose, a trend that continued until 1995. This historical sequence clearly illustrates the pivotal role of Russian water management along the Volga River in influencing the Caspian Sea's water levels.

Currently, these hydroelectric dams control a catchment area of approximately 1.38 million square kilometers and account for over 80 percent of the Caspian Sea's total inflow. Although no entirely new dams are under construction or have recently been completed on the Volga River, Russia has intensified agricultural development

along the river since the onset of the present phase of the conflict over Ukraine, leading to increased water consumption. This expansion aims to strengthen domestic food production amid global supply chain disruptions.

In 2024, Russia's grain harvest reached a record 147 million metric tons, with the total cultivated area expanding by 300,000 hectares to 84.5 million hectares, including 20 million hectares of winter crops. According to a report by the FAO Liaison Office with the Russian Federation, the Volga Federal District produced approximately 27.4 million tons of grain in 2024, representing a 10 percent decline compared to 2023, alongside 4.81 million tons of sunflower seeds (up 19 percent) and 0.662 million tons of soybeans (up nearly 80 percent). To support this intensified cultivation, irrigation along the Volga River has significantly increased, placing additional stress on an already declining water supply and exacerbating the pressure on the Caspian Sea's water levels.

Under these circumstances, the Volga River has experienced a significant decline in water levels, exposing areas that were previously submerged. In 2025, the reduction was so severe that it sparked disputes over water use between

Russia's upper and lower Volga regions. Upper Volga areas, such as Tatarstan, prioritize maintaining high water levels to support energy production and shipping, whereas lower Volga regions, like Astrakhan, emphasize a full-water regime to sustain fish farming. These competing demands have generated public policy debates over the allocation of water resources.

The reduction in water inflow from the Volga River, which has significantly contributed to the decline of the Caspian Sea's water level, has drawn criticism from coastal countries. Despite growing geostrategic alignment between Tehran and Moscow, Ali Salajegheh, former Head of Iran's Department of Environment, issued a notably strong statement in August 2023: "Water inflows, particularly from the Volga River, into the Caspian Sea have been blocked by neighboring countries. We hope to resolve water rights and pollution issues within the framework of the Tehran Convention"—that is to say, the Framework Convention for the Protection of the Marine Environment of the Caspian Sea, which was signed in November 2003 and entered into force in August 2006. Azerbaijan attributes part of the sea's decline to Russian dam operations on the Volga and has raised concerns through a

joint working group established in April 2025 to monitor and address the issue. Kazakhstan has similarly urged Russia to maintain minimum Volga flows to stabilize the Caspian, although Russia asserts its capacity to release additional water is limited. Addressing these challenges requires a balanced approach that reconciles both food security and environmental sustainability.

Implications

The environmental implications of the ‘shrinking sea’ are devastating. The consequences of the decline in the Caspian Sea’s water level are very significant, and some of them are currently clearly visible, while others will have negative and destructive consequences in the medium and long term. What follows is a discussion of the seven top consequences of declining water levels for the Caspian Sea.

One, *the drying up of the northern Caspian Sea along Kazakhstan’s coast*. The most immediate consequence of the Caspian Sea’s declining water levels, if the current trend continues, will be the drying of the northern region along Kazakhstan’s coast. According to a report by Carnegie Politika, Kazakhstan accounts for 29 percent of the Caspian coastline. Between

2001 and 2022, the surface area of the northeastern Caspian Sea decreased by 39 percent, while the shoreline receded by 37.25 kilometers. If the water level drops by 10 meters, the distance between the shoreline and coastal settlements in this sector could reach 89 kilometers, the largest along the entire Caspian Sea. Consequently, compared to other regions, the northern Caspian bordering Kazakhstan faces the most immediate threat from declining water levels.

The shrinkage is most pronounced along the northeastern coast near Aktau. Kazakhstan’s Ministry of Ecology estimates that up to 22,000 square kilometers could be lost. As Aida Amangeldina notes, approximately 70 percent of the water area experiencing shallowing is in Kazakhstan. The northern region is particularly vulnerable due to its shallow depth, representing only 1 percent of the Caspian’s total water volume, with an average depth of 4.5 meters. This negative trend became evident a few years ago in Aktau, located on the Caspian shore. On 8 June 2023, a state of emergency was declared in the port city due to declining sea levels. Shortly thereafter, Kazakhstan’s Minister of Ecology, Zulfiya Suleimenova, stated that the environmental situation in the Caspian is severe, with the adverse

consequences primarily affecting the Kazakh sector.

Two, *threats and loss of biodiversity*. The decline in the Caspian Sea’s water level, along with rising salinity, is posing severe threats to the region’s biodiversity. The sea supports more than 800 species of plants and animals, including 147 fish species, 450 species or forms of plankton, 87 species of algae, and 315 species of zooplankton. It is home to over 90 percent of the world’s sturgeon population, and one of the rarest aquatic mammals globally, the Caspian seal (*Pusa caspica*), inhabits only the Caspian Sea and its tributary rivers.

The drying of the Caspian Sea is expected to have severe impacts on the Caspian seal population. These seals have already experienced a population decline of roughly 90 percent since the early twentieth century, with current estimates ranging from 75,000 to 270,000 individuals—dramatically lower than the over one million that once inhabited the sea. The most recent sharp decline occurred in 2022 along Russia’s Caspian coast, where 2,500 dead seals were recorded. The results of the Leeds research indicate that the ongoing decline in the Caspian Sea’s water level could create dead zones similar to those observed in global oceans, threatening biodiversity

hotspots in both shallow and deeper areas of the sea.

Moreover, if the shallow northern Caspian dries up, the ecological consequences would be significant. A 10-meter drop in water level could result in the disappearance of four out of ten ecosystem types unique to the Caspian Sea, as well as reduce the coverage of existing marine protected areas by up to 94 percent. Caspian seals give birth to their white-coated pups on the northern Caspian ice between mid-January and early March. Studies show that a 5-meter decline in water level could shrink this critical habitat by up to 81 percent, placing enormous stress on an already diminished population.

Sturgeon, an ancient family of large fish, are critically endangered due to overfishing for their meat and roe (i.e., caviar). These fish typically inhabit the shallower regions of the sea during summer and autumn, but these areas are projected to shrink 25-45 percent as water levels decline, potentially preventing them from reaching the few remaining spawning sites in rivers that flow into the Caspian Sea.

Three, *degradation of coastal ecosystems, protected areas, and wetlands*. The receding waters of the Caspian Sea have put

coastal wetlands and protected areas around the sea at risk. A recent report by the *Tehran Times* warns that “Caspian Sea wetlands [are] imperiled.” As the Caspian Sea shrinks, the sediment balance in these wetlands is disrupted, and the resulting height difference between the wetlands and the sea causes freshwater inflows to be discharged directly into the sea. This phenomenon is currently occurring in the Anzali Wetland along Iran’s Caspian coastline. A major concern regarding the Anzali Wetland is the dramatic reduction in water depth, which has declined between 1 and 11 meters in recent years.

Wetlands in the eastern and northwestern Caspian, which covers an area of 40,000 square kilometers, are progressing toward complete aridification. If the Caspian Sea level falls to -29 meters, Qarebaghaz in Turkmenistan, the Astrakhan Wetlands, and the protected natural areas of the Volga Delta in Russia are at risk of severe depletion. While the impacts of the sea’s decline on wetlands and protected areas in Turkmenistan, Kazakhstan, and Russia are particularly severe, biodiversity could also be threatened in Azerbaijan’s Gizilgaj National Park on the southwestern Caspian coast—a critical wetland for the wintering

and breeding of aquatic birds in the Western Palearctic region.

In the southern Caspian region, lagoons, coastal wetlands, and other protected areas in Iran—such as Anzali, the Miankaleh Peninsula, Gorgan Bay, and Gomishan—are also severely affected by fluctuations in the Caspian Sea’s water level. These areas, characterized by submerged and floating vegetation as well as extensive reed beds, are shaped by the temperate climate of the southern Caspian coast. They hold international significance for the breeding, staging, and wintering of waterbirds. Consequently, the decline in the Caspian Sea’s water level and the retreat of water, which reduces or interrupts water availability in these wetlands and protected areas, poses a serious threat to the natural functioning of the ecosystem and the region’s biodiversity.

Four, *the drying of wetlands, expansion of salt flats, and an increase in dust and air pollution.* The drying of wetlands and the retreat of the Caspian coastline can lead to the formation of salt marshes, increased dust, and alterations in the weather of coastal countries. The Leeds research mentioned above indicates that exposed seabeds are likely to release dust containing industrial contaminants and salt,

posing serious risks to human health, as was observed with the drying of the Aral Sea.

In recent years, the expansion of the Great Karakum Desert (350,000 square kilometers, equivalent to four-fifths of Turkmenistan), the increase in fine dust, and the environmental damage from the Aral Sea’s desiccation in the Dash Aghuz region of northern Turkmenistan have severely affected northeastern provinces and cities of Iran with dust storms and air pollution. Consequently, the ongoing drying of wetlands and protected areas, coupled with water retreat and salt marsh expansion, could extend across the region, significantly impacting the climate and ecosystems of all Caspian Sea littoral states.

In addition, the loss of water from the Caspian Sea could reciprocally affect Central Asia’s regional climate, leading to reduced rainfall and drier conditions, with indirect consequences for agriculture. In recent decades, air temperatures in Central Asia have risen at twice the global average, contributing to warming and desertification across the region. Under these circumstances, the Caspian Sea plays a crucial role in regulating the regional climate. However, the ongoing decline in water levels and the drying of wetlands and

protected areas threaten to disrupt this vital climatic balance and moderating effect.

Five, *the negative impact of water retreat on ports, coastal facilities, shipping, and fishing.* Existing transport infrastructure, including piers, docks, cranes, and terminals, has been designed for current sea levels. As the Caspian Sea recedes, shallower waters around ports make it difficult for larger cargo ships, ferries, and fishing vessels to dock. Receding water may leave port facilities stranded inland, necessitating costly extensions and redesigns. Additionally, increased coastal dredging may be required to maintain sufficient depth and draft for ships, imposing substantial financial and logistical burdens. This is especially concerning since the cost-effective use of the Caspian’s waters is critically important to the optimization of both the Middle Corridor and the International North-South Transport Corridor (INSTC).

Research led by the University of Leeds predicts a worrying future for industry, with major ports across all Caspian littoral states facing serious impacts. Baku (Azerbaijan), Anzali (Iran), and Aktau (Kazakhstan) could see the shoreline retreat by 1 kilometer or more, while Turkmenbashi (Turkmenistan) and Lagan (Russia; a planned

future site) might see increases of 16 kilometers and 115 kilometers, respectively. In northern Caspian areas, some settlements, ports, and industrial facilities could end up stranded tens or even hundreds of kilometers from the new shoreline.

In Turkmenistan, the port of Turkmenbashi now lies approximately 2.42 kilometers from the water's edge as sea levels decline. In the Avaza tourism zone, beaches that were once popular have turned into rocky sea-beds, with beach infrastructure now located 150-200 meters inland, making swimming hazardous. The retreat of the Caspian Sea also significantly impacts Kazakhstan's ports, especially Aktau, Kuryk, and Bautino, disrupting oil export terminals, ship docking, and the export of grains and metals. In Azerbaijan, the declining water level is increasingly affecting key ports, notably the Port of Baku (Alat), along with smaller regional ports such as Sumgait, Lankaran, and Neftchala. Despite major investments to modernize and improve the competitiveness of these ports, falling sea levels pose long-term risks to infrastructure, trade, and regional connectivity.

The cost-effective use of the Caspian's waters is critically important to the optimization of both the Middle Corridor and the INSTC.

Overall, the declining water levels of the Caspian Sea threaten port operations and infrastructure in Azerbaijan, Kazakhstan, and Turkmenistan, with possible impacts on trans-Caspian connectivity routes.

If the current trend of declining Caspian Sea levels continues, all piers at the Bandar Anzali port in northern Iran are projected to lose about 30 percent of their operational capacity by 2027 and will need repairs. At Nowshahr Port, at least six piers are expected to face a similar 30 percent reduction in performance, requiring maintenance. All docks at Amirabad Port are also likely to encounter serious operational challenges. Moreover, as sea levels keep falling, Iranian ports will need an additional 750,000 cubic meters of annual dredging—an amount that surpasses the country's current capacity and financial resources.

Furthermore, this decline poses a serious threat to Russian ports, including Makhachkala, Olya, Astrakhan, Solyanka, and Lagan. Notably, access to the Caspian Sea for international shipping via

the Volga River would be critically impacted by a 5-meter drop, with significant effects on navigation and trade. In recent years, inadequate dredging of the Volga River and the Volga-Don Canal has led to falling water levels, making navigation increasingly difficult. Currently, ships can operate only at a draft of 3.7 meters, limiting their cargo to about 70 percent of capacity. To enable full-capacity shipping, dredging to reach a 4.5-meter draft is necessary. As a result, declining Caspian Sea levels will worsen existing challenges for the Volga River and Volga-Don Canal, harming maritime transit and shipping between coastal states and Russia, and disrupting both the volume and speed of trade along the Middle and North-South Corridor routes connecting Russia and Iran.

Six, threats related to pipelines, offshore oil and gas fields, and terminals. Pipelines and offshore terminals associated with oil (but also gas) fields are particularly vulnerable, especially in the shallow coastal zones of the Caspian Sea. The relatively low water depths in the northern and central sectors have facilitated the construction of offshore oil and gas facilities in Azerbaijan, Kazakhstan, and Turkmenistan. However, the ongoing decline in

Caspian Sea water levels poses significant risks to these installations, as well as to ports and other marine infrastructure. According to *Nature*, current operations at offshore platforms rely on ship-based logistics, which could be severely disrupted or rendered landlocked if sea levels drop by 5 to 15 meters. Notably, the Kashagan field in Kazakhstan and the Filanovsky field in Russia, located in the northern Caspian, represent two of the region's most critical hydrocarbon production sites and are particularly susceptible to these emerging challenges.

Seven, declining economic growth and population displacement in coastal cities. The declining water level of the Caspian Sea and the retreat of its coastline pose serious threats to the economies of littoral states, particularly through losses in shipping, maritime industries, and fisheries. This could result in cascading human and social consequences. Ecological changes induced by these water-level declines may drive migration and population decreases in coastal cities, towns, and villages surrounding the Caspian Sea. The experience of the Aral Sea provides a stark precedent for the potentially profound socio-economic impacts of such environmental transformations.

The Leeds study indicates that northern coastal communities are especially vulnerable, as declining fish stocks diminish local incomes and harsh climatic conditions further constrain agricultural productivity, thereby threatening social stability. In addition, Aida Amangeldina notes that in January 2023, adverse weather caused a water intake channel in the port city of Aktau to freeze, disabling desalination operations and leaving residents without water for over ten days. This incident underscores the critical dependence of coastal populations on the Caspian Sea and highlights the severe risks to human well-being should the sea continue to recede.

Lessons from the Aral Sea and Lake Urmia

Until the mid-20th century, the Aral Sea was the fourth-largest lake on Earth, covering about 68,000 square kilometers—similar in size to Ireland. Extensive diversion of its inflowing rivers for cotton and rice irrigation, combined with dam construction and a steady drop in water levels, caused the Aral Sea to break into smaller, mostly dried-out basins by the 1980s and 1990s. By 2010, its surface area had shrunk by over 50,000 square kilometers

(19,000 square miles), marking an unprecedented ecological disaster.

The desiccation of Lake Urmia, located in northwestern Iran, closely resembled the decline of the Aral Sea. At its peak, Lake Urmia was Iran's largest inland lake, the biggest in the Middle East, and the sixth-largest saltwater lake worldwide, covering about 6,000 square kilometers. Over twenty years, the lake's water level dropped at an average of 40 centimeters per year. This gradual drying is driven by multiple interconnected factors, including excessive water withdrawal from the lake's watershed, unregulated agricultural growth that uses basin water resources, dam construction, and climate change—shown by higher temperatures, less rainfall, and more evaporation. The rising salinity in the remaining water caused widespread ecosystem collapse, resulting in the loss of many fish and animal species.

The drying processes of the Aral Sea and Lake Urmia are remarkably similar: in both cases, the lakes fragmented into smaller basins before eventually facing near-complete desiccation.

If warnings are ignored and proper mitigation measures are not taken, the Caspian Sea could face ecological disasters similar to

those experienced by the Aral Sea and Lake Urmia. However, the environmental, social, human, and economic impacts in the Caspian region would likely be much more widespread and severe, significantly affecting all littoral states. Until recent decades, few would have expected such disasters to happen, even in areas with abundant river systems like the Amu Darya and Syr Darya in Central Asia or the rivers and freshwater sources in northwestern Iran. The lessons from the Aral Sea and Lake Urmia highlight the urgent need for coordinated sustainable water and ecosystem management in the Caspian basin.

In recent years, Central Asian countries have undertaken efforts to restore the Aral Sea, supported by collaborative ecological and scientific initiatives. To coordinate funding and implementation, the International Fund for Saving the Aral Sea (IFAS) was established. These efforts have produced important results, especially in the northern part of the Aral Sea in Kazakhstan, where some ecological recovery has occurred. Conversely, restoring the southern Aral Sea

in Uzbekistan continues to be a significant challenge. Similarly, in Iran, the Urmia Lake Restoration Headquarters has been established, and considerable financial and logistical resources have been dedicated to restoration activities. Some experts believe that the relative success in reviving the northern Aral Sea could serve as a model for ecologically restoring Lake Urmia.

The substantial financial investments and budgets allocated in recent years for restoring the Aral Sea and Lake Urmia—neither of which have completely succeeded—highlight a vital lesson: preventive policies and proactive programs must be prioritized by the leadership and policymakers of Caspian coastal countries. Immediate action is crucial to halt the ongoing decline of the Caspian Sea's water levels, the retreat of water from its shores, and the environmental issues that follow. In this context, all available financial, technical, advisory, and scientific resources from the international community should be mobilized to prevent ecological crises like those experienced by the Aral Sea and Lake Urmia from recurring.

If warnings are ignored and proper mitigation measures are not taken, the Caspian Sea could face ecological disasters similar to those experienced by the Aral Sea and Lake Urmia.

These efforts should be guided by a coordinated, policy-driven, and time-sensitive framework with full commitment and cooperation from all Caspian littoral states.

Shared Responsibility

The Caspian Sea is a shared natural and cultural heritage for all littoral nations and must be protected to ensure that future generations do not see deserts and salt flats, as happened with the Aral Sea, instead of its unique landscapes, wetlands, and protected areas. Addressing the challenges facing the Caspian Sea—including environmental degradation, pollution, and declining water levels—requires a commitment to sustainable and balanced development, as well as coordinated management among all coastal countries. Responsibility cannot fall on a single country; instead, all five littoral states have a duty to preserve the sea's ecological health and manage the environmental conditions in their respective sectors.

I believe that the biggest risk in this situation is viewing the Caspian Sea's declining water level as just a natural cyclical event, one that recurs over time and will inevitably restore balance. Focusing too much on this idea distracts

from the important influence of human activities and climate change in causing the current worrying trends, which could lead to delays in taking necessary action and implementing effective management strategies.

Indeed, a variety of human interventions—including dam construction, inter-basin water transfers, agricultural expansion, port and dock development, rapid growth of coastal populations, and increased groundwater extraction—have significantly decreased the amount of water entering the Caspian Sea. These activities have also led to higher levels of urban, industrial, and agricultural waste entering the sea through rivers and coastal runoff, posing a serious threat to the Caspian ecosystem. Adding to these pressures, climate change—evident through rising temperatures, reduced rainfall, and increased evaporation—has further worsened the decline in the Caspian Sea's water level.

Therefore, improving the condition of the Caspian Sea must be seen as a shared responsibility among all five littoral states. Although the Convention on the Legal Status of the Caspian Sea has not yet been ratified by all five signatory states, the Tehran Convention arguably provides an

adequate enough legal and institutional framework for coordinated joint efforts by the coastal states.

Unfortunately, the Tehran Convention has not been effectively implemented, and many of its provisions remain largely on paper. Even the most comprehensive treaties and agreements are of limited value if they are not enforced, and the environmental challenges of the Caspian Sea cannot be addressed without actionable implementation—this includes the ratification of the Convention on the Legal Status of the Caspian Sea by the last holdout.

Achieving sustainable and balanced development in the Caspian region is therefore essential. Additionally, measures should be taken to limit new dam construction and the expansion of agricultural lands in the upper reaches of the Volga River, as these activities significantly decrease the water

improving the condition of the Caspian Sea must be seen as a shared responsibility among all five littoral states.

flow into the Caspian Sea. In this context, the Russian Federation—home to most of the Caspian's inflowing rivers—must implement sustainable irrigation practices while carefully monitoring both the quantity and quality of discharged

water. Such measures could help offset some impacts of climate change, including rising temperatures, increased evaporation, and reduced precipitation. Essentially, Russia today has the potential to play a role similar to that of the former USSR in 1976, when the Siberian rivers flow transfer project contributed to rising Caspian Sea levels by 1978.

Like all conflicts, the ongoing conflict over Ukraine will eventually conclude, and the affected regions will eventually be rebuilt. However, there is no guarantee that the water resources and ecological balance of the Caspian Sea will naturally recover. Historical precedents, such as the desiccation of the Aral Sea from the 1960s to the 1980s and

the recent drying of Lake Urmia in northwestern Iran, serve as stark reminders that similar environmental crises could occur in the Caspian Sea over the long term. Until the mid-twentieth century, when the Aral Sea was the fourth-largest lake on Earth, few could have envisioned that such a vast water body could one day disappear entirely, leaving behind desertified landscapes. These

sobering examples underscore the urgent responsibility of the Caspian Sea littoral states to act collectively and decisively to address ongoing and future environmental threats.

Speaking at ADA University in Baku on 17 February 2026, Nazim Mahmudov, the head of Azerbaijan's National Hydrometeorological Service, said that "effective management of the Caspian's hydrometeorological regime directly depends on the level of interstate cooperation, and only joint actions based on mutual trust can ensure the region's sustainable future." This and similar logic reinforces my belief that the five Caspian littoral states should establish a joint working group tasked with formulating policies and implementing comprehensive measures to mitigate the

impact of anthropogenic pressures on the sea's water level. This framework should include strengthened hydrometeorological data sharing among coastal countries about trends in Caspian Sea water levels, related effects, and risk assessments; Russia's commitment to maintaining sustainable flows from the Volga River; monitoring and regulating desalination projects; shared advanced climate modeling; coordinated dredging efforts along coastlines and ports; and joint initiatives to lower hydrocarbon pollution.

Such coordinated actions are crucial to prevent further acceleration of water level decline and to protect the region's economic, social, and environmental stability—its sustainable development. **BD**

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