

# BAKU DIALOGUES

POLICY PERSPECTIVES ON THE SILK ROAD REGION

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# Time to Dream?

## Toward a 'Shared Future' Perspective for the South Caucasus

*Alpaslan Özerdem*

The South Caucasus—a region at the intersection of Europe and Asia and a constituent part of what the editors of *Baku Dialogues* call the Silk Road region—is rich in history and cultural diversity, yet marked by complex geopolitical challenges. Comprising Armenia, Azerbaijan, and Georgia, this region is not only a mosaic of cultures and languages but also a nexus of strategic interests for global powers. The intricate landscape of the South Caucasus is defined by its history of territorial disputes, ethnic tensions, and the influence of neighboring powers, notably Russia, Türkiye, and Iran. These factors and the region's significant energy

resources have made it a focal point of international diplomacy and regional power struggles.

The present-day dynamics in the South Caucasus are shaped by the legacies of the Soviet era and more recent territorial disputes, notably the conflict between Armenia and Azerbaijan over the former Nagorno-Karabakh Autonomous Oblast (and surrounding areas) and the conflict between Georgia and Russia over Abkhazia and South Ossetia. As these states navigate their post-Soviet identities and relationships, the potential for a cooperative, shared future presents itself as both a monumental challenge and a transformative opportunity.

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This article explores the prospects for peace, cooperation, and regional integration in the South Caucasus, delving into the complex interplay of historical legacies, current tensions, and future possibilities for a region at a crossroads.

Geography is one of the critical features of nations and states for their peace, prosperity, and culture. However, geography is not the only determinant that dictates how countries live in peace and security. Climate, landscape, and natural resources are essential, but also political factors such as governance, corruption, trade laws, and political stability. Being landlocked

does not mean a country cannot build a strong economy and trade with the rest of the world. There are many examples of countries in challenging geographies that have still developed strong economies with high levels of human development. The Netherlands is a small country, where around 20 percent of its current land has been reclaimed from the sea or lakes, but it is one of the world's largest exporters of agricultural products. Costa Rica is surrounded by countries torn apart

by armed conflict, but it does not even have an army.

Similarly, although history is a critical defining factor in forming political, social, and economic relations, it does not need to dictate whether nations live in peace or conflict with each other in the same geographical regions. The legacy of the past can be transformed to generate new ideas and opportunities for living in peace in the future.

There are many examples of regions where countries experienced historical enmities but built new types of relations to live side by side and prosper together. They even managed to form alliances and economic cooperation organizations, such as the European Union.

Can the South Caucasus be one of these regions? Can Armenia, Azerbaijan, and Georgia live in peace and prosper together? Can their populations envisage a future defined not by division but by connection? How could such a Shared Future idea for this region look like, and how could that be achieved?

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*Can Armenia, Azerbaijan, and Georgia live in peace and prosper together? Can their populations envisage a future defined not by division but by connection?*

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With the current narratives of fear, anger, resentment, separation, division, and otherness in the South Caucasus in mind, the idea of a Shared Future in the region might seem to be a lofty goal. However, this is not impossible! Could the countries of Europe imagine being part of an economic and political union when they were slaughtering each other during WWII? According to former German Chancellor Helmut Kohl, European integration through the European Union “is in reality a question of war and peace in the twenty-first century.”

Let’s also remember that living side by side peacefully and cooperating economically does not need to aim for full integration, as even this can be affected and influenced by difficulties, contradictions, and crises. Building a Shared Future is a dynamic process rather than necessarily an end goal in which not only state and international actors can interweave a broad spectrum of common interests and needs but also civil society and market networks and structures.

Ultimately, as pointed out by Lev Voronkov in his 1999 article in *Medzinárodné otázky* titled “Regional Cooperation: Conflict Prevention and Security through Interdependence,” a quest for a

Shared Future starts with the intention of identifying, cherishing, and strengthening mutual interdependence. The gradual nature of this process, with a deliberate intent of engaging a from-below approach, works on deepening cooperation between states in political and economic areas and building social and cultural bridges between communities. Subsequently, multilateral interdependencies established by economic cooperation are likely to make the settlement of disputes through violence harmful to all sides concerned.

Based on Barry Buzan and Ole Wæver’s “regional security complex theory” (RSCT), Rodrigo Taveras’ *Contemporary Politics* article in 2008 proposes “regional peace and security clusters” (RPSCs) as a framework for analyzing regional peace and security challenges and trajectories. The framework of RPSC is defined as “a set of peace and security relations that occur in a broad territory (region), driven by agents, operating at various levels of regional integration, who use various instruments to change the patterns of security, conflict, and positive peace.” There are six clusters in this typology:

- agents of peace and security;
- instruments of peace and security;

- security pattern;
- conflict pattern;
- positive peace pattern; and
- level of regional integration.

To unpack how a Shared Future prospect can be developed for the South Caucasus, the RPSC will be used in this article to take a 30,000-foot picture of the region through a peace and security lens. The focus of this mapping will be the security, conflict, positive peace patterns, and the existing regional integration structures in the first part, followed by discussions on the agents and instruments of peace and security in the second. By doing this, the goal is to explore how to disrupt the dominant narrative of mistrust and conflict in the region and move toward how economic cooperation and pathways of positive peace collectively can set a new way of thinking for living together in the area.

### *Security Pattern*

Suppose security is primarily about managing threats, while peace is the management of violence and transforming it in such a way that there will be no return to it. In that case, the relationship between peace and security can be understood through the observable materialization of those threats in

terms of physical and structural violence. Furthermore, the security pattern in regional relations is based on how the actors securitize each other and, as a response to these challenges, how agents and instruments of peace and security go about with processes of desecuritization. In other words, regional security relationships can be understood as security interdependence within which securitization and desecuritization define the spectrum and characteristics of amity and enmity.

Buzan’s RSCT framework identifies three types of security patterns: Conflict Formation, Security Regimes, and Pluralistic Security Community. In its current security context, the South Caucasus resonates best with the Conflict Formation pattern, as there are still trends with ongoing intra-state and inter-state conflicts. The interdependence between Armenia and Azerbaijan arises primarily from rivalry, fear, and mutual perception of threat. However, it is also important to note that Georgia has built positive interdependence with both countries on bilateral terms.

A Shared Future perspective can explore how to turn the Conflict Formation pattern into at least a Security Regimes pattern so that although these states

continue to see each other as potential threats, they would undertake measures to reduce the security dilemma among themselves. Within this transformation, the broader regional context, including neighboring countries like Iran, Russia, and Türkiye and neighboring regions such as the North Caucasus, should also be incorporated into the imagination of a Shared Future. Ultimately, the long-term goal here is to move to a Pluralistic Security Community pattern, as, for example, the European experience with the European Union, within which states abstain from threatening each other.

### *Conflict Pattern*

The RPSC framework identifies three types of conflict patterns: violence-prone, absence of violence, and conciliation. Considering that there are several disputed territories in Georgia, such as Abkhazia and South Ossetia, which are in a state of frozen conflict, the occupation of large Azerbaijani territories by Armenia has only ended recently; the last war between Armenia and Azerbaijan over Karabakh was fought as recently as back in 2020, the South Caucasus could still be described with the characteristics of the violence-prone pattern. The

region is affected by the lingering consequences of intra- and inter-state conflicts, which have spill-over effects due to the relations of Iran, Russia, and Türkiye with the area and some regional countries.

In the aftermath of the Second Karabakh War in 2020, the South Caucasus region has the most plausible opportunity for attaining inter-state regional negative peace. Since the early 1990s, when the three regional countries regained their independence, the relationship between Armenia and Azerbaijan has been hugely challenging. However, there is now a new era that can imagine the future of peace differently, accepting that what is there between these two countries is a fragile peace. It is also the case that there is always a risk of returning to violence over territory between these two states. However, it is essential to acknowledge an environment of negative peace for the first time over the last 30 years. This was not based on a peace accord and resulted in the departure of many Armenians from Karabakh. Still, it also ended the Armenian occupation of a large swathe of Azerbaijan's territory. It will also lead to the opportunity for those Azerbaijanis who were displaced from Karabakh and other formerly Armenian-occupied territories to their homes. If used as a starting

point for a deeper engagement between these two states, the current negative peace could even lead to a process that those Armenians who were displaced from Karabakh could go back to their homes one day.

In other words, the South Caucasus region might seem too far from the goal of a Conciliation type of conflict pattern in the current regional geopolitics. Still, the Absence of Violence pattern experienced right now could be its foundation. Within a possible future Conciliation conflict pattern, the region will need advanced internal dispute resolution mechanisms and appropriately trained human resources for peacemaking and peacebuilding, which will be explored in the second part. The Conciliation pattern can be achieved through the transformation from the current Absence of Violence pattern to a Positive Peace pattern in which the regional actors will need to work together to attain human security, human development, and peaceful coexistence.

In fact, according to the Global Peace Index (GPI) 2022 results, the state of peace in the three countries concerned was in the 'Medium' category, as Armenia ranked 66<sup>th</sup> out of 163 countries, while Georgia

was 94<sup>th</sup> and Azerbaijan was 95<sup>th</sup>. To put these rankings in a broader context, it is essential to note that France ranked 67<sup>th</sup>, the U.S. ranked 131<sup>st</sup>, Türkiye and Iran ranked 147<sup>th</sup>, and Russia ranked 158<sup>th</sup>. It is also good to note that compared to 2021, Armenia's ranking improved by three places, while Azerbaijan jumped by 15 and Georgia by 1. Overall, with the GPI trajectories in mind, there is an excellent basis to be hopeful for the region to move from an absence of violence to a conciliation pattern. Hence, developing a new narrative of a Shared Future is not too unrealistic to consider. The regional conflict and peace trends show adequate ripeness to design strategies to build a stronger momentum for a transformation toward positive peace and conciliation.

### *Positive Peace Pattern*

Approaches based on negative peace are likely to fail to reflect and address the fundamental issues that lie behind the violence. Hence, in the positive peace pattern, 'positive' represents the rule of law, justice, and order. It means the absence of violence in all its forms—physical-psychological, explicit-implicit (while explicit violence refers to forms of violence that are observable, latent violence

denotes violence that may not be apparent, such as those caused by economic exploitation), and direct-indirect (direct violence means armed hostile action that can be traced to a perpetrator such as war, extortion, torture, while indirect violence includes structural and cultural violence).

Structural violence concerns the manipulation of the structures that exist in society by people/groups to suppress others. Suppression of human rights, gender/age discrimination, institutional violence, and exclusion of some ethno-religious groups are examples of domestic structural violence. Also, the regional and global security, financial, and economic structures can impose wide-scale structural violence on populations and nations. Cultural violence has strong links with the day-to-day activities and perceptions of a social group. Various aspects of culture, such as religion and language, can be used to justify violence against specific sectors of society, thus preventing people from meeting their basic needs and reaching their full potential. Although cultural violence may be considered more of an intra-state conflict matter, it is a critical factor for regional conflict and peace patterns, too, as minorities are often linked with neighboring countries.

For regional positive peace goals, another helpful framework for understanding the conditions of peace is 'level,' which views peace as a ladder of stages: frozen peace, cold peace, normal peace, and warm peace. Frozen peace level refers to a situation in which coercion is the primary means of dealing with conflict. While on the surface, things appear to carry on as usual, the causes of conflict (both underlying and immediate) have not been resolved, and the probability for violence to erupt remains high, such as the situation in the Abkhazia and South Ossetia territories of Georgia. At the level of cold peace, parties in disagreement recognize each other's rights to existence, access to resources, and so on. Although there is a level of interaction and cooperation between disputants, the underlying and immediate issues surrounding the conflict remain unresolved. While the probability of returning to violence is reduced at this level, it has not disappeared entirely and might easily be triggered. The separation of the Greek and Turkish sides in Cyprus is an excellent example of such a level of peace. Cold peace is often regarded as a step towards resolving a conflict and offers an opportunity for achieving a sustainable and higher level of peace.

Frozen and cold peace levels represent the attainment of negative peace, and for positive peace in a regional context, the levels to aim for are Normal and Warm peace. At the Normal Peace level, the significant issues that had caused severe tensions or violent conflicts between disputants have been largely resolved or mitigated, and their relations are normalized. The possibility of cooperation is higher than in conditions of cold peace, and in regional and international relations cases, a transnational collaboration between civil societies emerges.

Meanwhile, Warm Peace describes a situation in which the issues of rivalries and incompatibilities between states or within society have been addressed. This level of peace is characterized by cooperation between various actors, effective organization of civil society, and active conflict resolution processes. In a regional peace context, although these differences between the different states may persist, these differences are no longer seen as threats to each other's security. For a region to attain positive peace, the trajectories with conflict and peace patterns must move from frozen and cold peace to normal and warm peace levels. Such a transformation through a Shared Future perspective can be used to measure how regional peace

trajectories can change over time. This is hardly novel. For example, the post-World War II European experience between Germany and its arch-enemies France and the UK, or the unification of East and West Germany after the Cold War and the integration of Eastern and Central European countries and the Baltic states into the European Union all went through such a transformation moving from frozen to warm peace. Similarly, Vietnam, Laos, and Cambodia went through a similar transformation after the violent relations in the 1970s and today, benefiting from an environment of warm peace. Lastly, South Africa was at war with Namibia, Zambia, and Angola from the mid-1960s to 1990, but today these countries are in warm peace.

In such a measurement, the following clusters of indicators, namely, the deprived, moderate, and wealthy regions, presented by Tavares' RPSCs framework, could be a helpful starting point. A deprived region is stricken by low Human Development Index (HDI) indicators, while in a moderate region, populations, on average, live in satisfactory conditions regarding their basic human needs and development. A wealthy region represents a high HDI ranking with all characteristics of human development.

According to the UNDP's 2021-22 Human Development Report:

- Armenia's HDI value for 2021 was 0.759—which put the country in the High Human Development category—positioning it at 85 out of 191 countries. Between 1990 and 2021, Armenia's HDI value improved from 0.656 to 0.759, a change of 15.7 percent.
- Azerbaijan's HDI value for 2021 was 0.745—which put the country in the High Human Development category—positioning it at 91 out of 191 countries. Between 1995 and 2021, Azerbaijan's HDI value improved from 0.590 to 0.745, a change of 26.3 percent.
- Georgia's HDI value for 2021 is 0.802—which puts the country in the Very High Human Development category—positioning it at 63 out of 191 countries. Between 2000 and 2021, Georgia's HDI value improved from 0.702 to 0.802, a change of 14.2 percent.

From a broader regional perspective, in the same year, Türkiye's HDI value was 0.838, positioning it at 48 out of 191 countries; Russia's was 0.822, positioning it at 52<sup>nd</sup> place; and finally, Iran's was 0.774, setting it at 76<sup>th</sup> place. With the

HDI indicator in mind, the South Caucasus region is 'wealthy,' where Georgia, for example, attains a very high human development ranking, while others are in the high human development category.

However, with the positive peace objectives in mind, it is also essential to look at other rankings, such as the Inequality-Adjusted Human Development Index (IHDI) and the Gender Development Index (GDI). The IHDI value equals the HDI value when there is no inequality across people but falls below the HDI value as inequality rises. In this sense, the IHDI measures the level of human development when inequality is accounted for. The following are the IHDI values of the three South Caucasus concerned:

- Armenia: 0.688, scoring 13 places higher than its HDI ranking.
- Azerbaijan: 0.685, scoring 14 places higher than its HDI ranking.
- Georgia: 0.706, scoring two places lower than its HDI ranking.

Regarding the IHDI rankings, all three countries present no significant inequality issues, which is highly promising for developing an environment of positive peace in the region. This is further

supported by the high rankings of these three countries on the Gender Development Index.

These results are encouraging for building a peaceful regional environment in the future, particularly in comparison to other conflict-affected regions worldwide. For example, in many parts of Africa and the Middle East, the human development basis tends to be much more challenging. Thus, in the South Caucasus, we have a context that would enable the building of positive domestic and regional peace.

### *Level of Regional Integration*

Regional integration is about reconstructing political/institutional, economic, and socio-cultural linkages. It is about building a momentum of intensity so that state, civil society, and private sector actors explore and build bridges of cooperation and collaboration for their common needs and interests vis-à-vis their sovereignty in different sectors. It is about finding win-win scenarios for regional peace and prosperity and providing new opportunities for meaningful connections for populations under separate sovereignties. It is

a process of finding new ways of dealing with the legacy of the past and developing new pathways for living the future together.

Tavares approaches levels of regional integration through a taxonomy of three levels: low, medium, and high. In the low level of integration, the priority is on states' self-sufficiency to the detriment of regional integration. Within the medium level of integration, states are prepared to give up some of their sovereignty on regionalization, especially in non-sensitive technical areas. Finally, at the high level of integration, national sovereignty is no longer a detriment in policymaking at the regional level. A regional body coordinates and manages policymaking in a wide range of areas, including political and economic. The way that six Western European countries cooperated in atomic energy and coal production in the 1950s led to a monetary union first, and the present 27-member state political union is an excellent example of how these three levels of regional integration can change over time.

There are many examples of regional organizations with security functions worldwide, from the African Union, the Economic Community of West African States (ECOWAS), the Southern

African Development Community (SADC), and the Association of Southeast Asian Nations (ASEAN) to the Organization of American States (OAS), the Caribbean Community (CARICOM), the Arab League, the Organization of the Islamic Conference (OIC), the Organization of the Black Sea Economic Cooperation (BSEC), and North Atlantic Treaty Organization (NATO).

The level and areas of integration, as well as the institutional structures created for such purposes, differ among the foregoing organizations. Some of them are a lot more active than others. Their policymaking capabilities can vary greatly, and some regional organizations do not even last long due to difficulties with state sovereignty and states' willingness to lose control over the implementation of policies at the national level. According to a 2006 article titled "Regional Security Cooperation in the Early Twenty-First Century" by Alyson Bailes and Andrew Cottey, "at the most basic level, regional security institutions serve as frameworks for communication and dialogue among their members. Regular meetings of heads of state or government, ministers and lower-level officials, and the military arguably help build trust between states, avoid miscommunication, resolve

disagreements, and develop a sense of common interests and identity."

**I**n this regard, a closer look at BSEC is warranted. Founded in 1992, it is the only regional organization to which all three South Caucasus states are members. Although the Black Sea is bounded by Bulgaria, Georgia, Romania, Russia, Türkiye, and Ukraine, BSEC members also include Albania, Armenia, Azerbaijan, Greece, Moldova, North Macedonia, and Serbia. BSEC's working areas are comprehensive, ranging from agriculture, energy, education, and culture to combating crimes, trade, environmental protection, and tourism.

However, cooperation in the Black Sea region has historically suffered due to different geopolitical rivalries between the EU and NATO on the one hand and Russia on the other, with Türkiye straddling the middle. The current war between Russia and Ukraine, the Russian interference in the territorial integrity of Georgia, Türkiye's historically challenging relations with Greece, and the still unresolved territorial dispute between Armenia and Azerbaijan continue to provide a problematic context for building cohesive cooperation strategies between BSEC members. Therefore, the Black Sea as a

regional context has not enabled stronger regionalization, as has been the case with Western Europe or the Baltic states, primarily due to the lack of a shared cultural identity and political or strategic notions.

Therefore, from a short-to-medium-term perspective, BSEC will likely be of limited value for building a Shared Future narrative for the South Caucasus. Nevertheless, as only the regional structure that numbers all three South Caucasus countries as members, developing a Shared Future narrative could benefit from its current working areas and regional policymaking capabilities, though they are currently limited.

**F**or the South Caucasus' regional integration—as has been the case for similar regional cooperation frameworks—economic integration will likely be more accessible to implement and also more significantly impactful, leading to more political integration possibilities. With that in mind, the terms of the 10 November 2020 tripartite statement that ended the Second Karabakh War explicitly refer to the unblocking of all economic and transport connections in the region. Building on this, Azerbaijan's proposal to optimize both intra- and trans-regional connectivity through the optimization

of the Middle Corridor, as well as Armenia's "Crossroads of Peace" idea, shows that there is now a much greater readiness to consider regional integration.

The proposed implementation of such and similar projects will not only be critical for the economic development of the South Caucasus, but rather for the entirety of the Silk Road region and even perhaps beyond: connecting the Caspian Sea to the Mediterranean will have much more significant positive implications. A broad scope of infrastructural connection also covers Azerbaijan's desire to connect the mainland with its Nakhchivan exclave through the Zangezur corridor. It is important here to note the terminological significance of the Armenian initiative, which explicitly links economic cooperation through infrastructure building with prospects of peace in the region. The actualization of such projects, irrespective of their specific details and the moniker that ends up being used to characterize them, could represent a significant step in transforming the chances of a Shared Future in the region. The execution of such projects could set a positive precedent for cooperation in other areas.

As all these also aim to bring direct benefits for other regional

powers and connect neighboring states and regions, it will likely get the buy-in from a much greater scope of regional and international actors. However, as such connections will change the balances of regional geopolitics, affecting the interest of some other actors, it will also likely face a high level of national and international resistance.

Be that as it may, having now reviewed the patterns of security, conflict, and positive peace and regional integration prospects in the region, the next section will focus on the components of regional peace and security in terms of instruments and agents.

### *Peace Instruments and Economic Cooperation*

Taveras identifies nine instruments for peace: armed violence, balance of power, hegemony, military alliances, regional peace and security management by regional organizations, trade arrangements, normative engagement and institutionalism, regional identity, and federalism/local representation. Each of these instruments differs, and using those such as armed violence, balance of power, and hegemony for peace sounds paradoxical as peace instruments. Still,

such tools represent the current context of the South Caucasus well and how the current environment of negative peace is built and sustained by state actors. However, the first part of this article presented, the region cannot maintain its peace by only relying on conservative policymaking for peace. For a Shared Future narrative, one of the primary goals is to develop ways of changing the conflict pattern-based peace instruments into peace pattern ones.

This essay has already focused on the role of regional organizations in the regional integration section, and federalism can be discounted in the scope of a Shared Future narrative for the time being because of its current trajectories for political transformation. Therefore, the primary focus of this section will be on trade arrangements, normative engagement, and regional identity.

We begin with *trade arrangements*. Within the liberal peace framework, the central premise is based on a relationship between democracy and war and the need for a market economy to sustain democracy. Therefore, trade arrangements can become a peace instrument as countries with the possibility of losing trade and, subsequently,

economic gains will likely want to avoid conflict and build cooperation.

This is the most promising peace instrument for the South Caucasus in the current context. For example, closer economic ties and trade routes such as the Baku-Tbilisi-Ceyhan (BTC) pipeline are critical in maintaining good relations between Georgia and Azerbaijan. Therefore, it is encouraging that Kazakhstan, Azerbaijan, Georgia, and Türkiye proposed specific measures to optimize the Middle Corridor trade route to link Central Asia through the South Caucasus with Anatolia and Europe in late 2022. To that effect, a logistics company was established to facilitate transportation between Central Asia and the South Caucasus. The EU also seems to be looking at this trade route favorably for its broader geopolitical and economic interests in the region as part of its Global Gateway Initiative, a multibillion-dollar program for developing rail and port infrastructure in response to China's Belt and Road Initiative.

Due to the territorial conflicts between Armenia and Azerbaijan, the former has been excluded from most trade route development initiatives in the past. Still, in line with possible improvements in

bilateral relations between them and between Armenia and Türkiye with the end of the conflict over Karabakh, Armenia could somewhat be integrated into such projects. Armenia's desire has been articulated through its "Crossroads of Peace" idea, which could play a critical role in lessening its economic isolation in the region. The current framework of economic ties between Armenia, Azerbaijan, and Georgia shows this clearly.

On the one hand, in 2023, for example, Georgia's good bilateral relations with the other two countries resulted in a significant trade turnover. Azerbaijan was the third biggest destination for Georgian exports, with a 22 percent year-on-year growth reaching \$595 million, and Armenia was the fourth, with a 120 percent increase reaching \$495 million. Similarly, these two countries played a vital supplier role in importing goods—Azerbaijan being the sixth and Armenia the seventh. Georgia has a trade turnover of over \$1 billion with both countries. On the other hand, as Armenia and Azerbaijan have no diplomatic relations, they have no direct trade links between them.

A report prepared by Berlin Economics in 2018 on the economic effect of a resolution of the conflict over Karabakh identified



several “benefits of peace” for both Armenia and Azerbaijan in the realms of public finances, the energy and water sectors, and financial markets and investments. With the normalization of relations between Armenia, Azerbaijan, and Türkiye with open borders, trade, and the potential for cooperation, Armenia and Azerbaijan would need to spend significantly less on military expenditures, which would help them increase their spending in areas like education and health. According to this report, Armenia would be the primary beneficiary of an integrated electricity market. Similarly, Armenia is likely to benefit significantly from the ability to purchase gas from Azerbaijan, and in return, Azerbaijan would gain a new customer and transit route. While the energy area is where Armenia would be the primary beneficiary from normalizing relations, Azerbaijan could have clear gains in dealing with its water scarcity problem through more efficient usage of natural water resources from the Kura-Aras basin (the territorial outcome of the Second Karabakh War has already helped Azerbaijan mitigate its water scarcity issues). Subsequently, both countries could attract increased foreign investment for new regional infrastructure projects. While Armenia could access cheaper energy resources, Azerbaijan could

increase its agricultural production through more significant freshwater resources, reducing its dependency on oil and gas revenues.

Overall, in connection with building a Shared Future narrative for the region, the context of trade, energy, transportation, and water can provide a more enabling environment for cooperation. These areas would demand reciprocal relations between Armenia, Azerbaijan, and Georgia, as they would need to consider the region, its logistical opportunities, and natural resources from a holistic perspective. They can keep the current status quo for political reasons or think about their future in a way that benefits from each area could be magnified significantly through cooperation. In other words, a Shared Future ideal is not necessarily a matter of existentialist politics: it is the ability to deal with a complex web of political, technical, and economic challenges for more prosperity for all populations in the region.

**N**ext is *normative engagement*. Any attempt to develop a Shared Future narrative must identify norms that could motivate states in the same region to work together. Based on experience with other regional cooperation narratives such as ASEAN, ECOWAS,

or SADC, some have to do with regional security standards to reduce risks and threats and build trust. Institutionalism, as discussed, is a crucial component of this process, and the region will need to develop such structures or try to benefit from the capacities of existing institutions, such as BSEC. This is a high-level political and strategic process. Still, it should also create opportunities for cooperation at a more operational level, and, chosen carefully, such cooperation efforts could play a critical role in building trust amongst states and societies. For example, considering that the South Caucasus is prone to natural disasters caused by earthquakes, landslides, and floods, one area of institutional cooperation could be coordinating civil defense against disasters. This could be initiated by altruistic steps between the civil defense organizations of the three countries to identify means of joint disaster response and rescue. They can build collaborative capacities to help borderland communities or allow information flow in transboundary disasters. There could also be opportunities for joint training programs delivered by international actors.

Normative engagement cannot and should not be handled only by state actors. It would be critical for the long-term sustainability of

such norms and institutions that civil society and private sector actors could find ample opportunity to contribute to building them. Their inputs help build bridges between policymaking for critical socio-economic issues and how they are experienced on the ground as an environment of everyday peace and development. Based on a sense of dialogue and partnership, the private sector and civil society can provide critical resources, knowledge, and implementation capacities that state actors would otherwise be unable to tap into. A Shared Future narrative would need to handle this issue sensitively and identify how to internalize the importance of reciprocity between the state and civil society.

Another pathway for generating regional normative engagement can be incentivized and built through a future European Union membership trajectory. Georgia applied for EU membership in March 2022, and in December 2023, the European Council granted Georgia EU candidate status as part of its decision to fast-track Ukraine, Moldova, and Georgia in the membership process after the Russian invasion of Ukraine. Nevertheless, a full EU enlargement in the South Caucasus is not envisaged in the foreseeable future, especially with the continuation of the war in Ukraine and

Russia's security sensitivities to the presence of NATO and the EU in the region. However, depending on how the war in Ukraine will end, some of these geopolitical balances can rapidly change, and there can be new opportunities for engagement with those organizations by the regional countries. Even if full membership is not presently in the cards, the EU and NATO can develop different partnership frameworks for the regional countries to help them build constructive normative engagement frameworks, notwithstanding the fact that neither Armenia nor Azerbaijan has shown any interest in joining these two flagship Western institutions. The membership of all three South Caucasus states in the EU's Eastern Partnership initiative, transitioning from a one-size-fits-all to a more tailor-made set of initiatives, represents another shared normative framework possibility.

Finally, *regional identity*. For Armenia, Azerbaijan, and Georgia, one of the most critical responsibilities for joint action is building a positive regional identity for the South Caucasus. Whether it is in the world of public opinion, investors, the media, or academia, the South Caucasus is seen as being a trouble-stricken part of the world known for its energy resources and historical enmities. Its reputation

is also tied to being seen as an area where Russia dominates and manipulates regional actors. Overall, the negative image that the region holds is a major detrimental factor against its development and prosperity. Therefore, these three countries have a choice to make here: either keeping the current status quo or working together to transform such an image into something constructive and enabling and taking advantage of many economic and geopolitical opportunities.

Amongst the three regional countries, Azerbaijan has been the most active one in this space, mainly to improve its world public image by taking on the chairmanship of the Non-Aligned Movement (2019-2023), which has involved hosting several high-level summits and meetings, and, most recently—thanks to a breakthrough deal involving direct negotiations with Armenia—being elected to host COP29 in 2024. Azerbaijan has also invested in the organization of significant sports and cultural events such as the 2012 Eurovision Song Contest, the 2015 European Games, the 2017 Islamic Solidarity Games, the 2019 European Youth Summer Olympic Festival, and, since 2016, an annual Formula One racing event. All three countries are active in the sports and arts scenes and have rich traditions in these areas,

which could be used to transform the region's image. For example, there could be opportunities to organize some of these events jointly, as holding European football tournaments by several regional countries has become a common practice. Such joint undertakings would improve the region's image and be critical milestones for transforming negative peace into a more positive one. Therefore, a Shared Future perspective could mark such objectives as areas of possible collaboration. Even aiming for such goals and setting the systems to work towards them would significantly impact building more reciprocal relations.

Another low-hanging fruit opportunity for building a regional identity can be through a regional tourism plan. Surrounded by the Black Sea from the West and the Caspian Sea from the East, all three countries have rich cultural heritage, unique gastronomy and folklore, natural attractions, and a culture of hospitality that transcends national borders. Based on comprehensive marketing and planning strategies, the three countries can identify a symbiotic and reciprocal tourism plan for their region. This would open opportunities for diplomatic relations, building the necessary transportation links, and promoting what

the area could offer tourists as part of connected holiday packages. All three countries can benefit from such a tourism plan individually, as there is already significant interest from the broader geographies from the Middle East to Central Asia. After the energy sector, tourism is the most profitable sector for Azerbaijan. Georgia makes one-fifth of its GDP from tourism. Armenia gets the least tourists among the three countries, but tourism is still a critical part of its GDP. The ongoing war in Ukraine continues to be a detrimental factor. Still, from a mid-to-long-term perspective, a regional development perspective of the tourism sector must be one of the primary elements of a Shared Future vision.

### *Agents of Peace and Security*

Our discussions have already identified a clear taxonomy for possible agents of peace and security in terms of national, regional, and international. The state is the most significant factor at these three levels, especially in providing an enabling environment through diplomatic means and establishing security and cooperation frameworks. The state actors' readiness to engage in constructive dialogue

and build means for a regional positive peace transformation cannot be ignored. Elite politics must take responsibility for changing the trajectory of living and prospering together.

The respective leaderships of the three countries face a litmus test in grabbing the opportunity of a new era of peace and security or keeping the region in its orthodoxy of conflict and security patterns. This is essentially a choice that leaders will make between negative and positive peace for their populations, countries, and the South Caucasus as a region. However, in the globalized context, where such geopolitical interests will have much broader implications for the regional and international hegemonic powers, the intentions of a Shared Future by the national leadership will need to benefit from a broader enabling environment. What is currently happening in Ukraine and the Middle East raises challenging questions on whether the South Caucasus could benefit from such a constructive international ecosystem. Still, if there is any possibility for the three countries to build their regional destiny, then they need to engage in direct dialogue with each other.

As presented in the Peace Instruments section, there are several areas where civil society and

the private sector could play a more active role as agents of peace and security. Building trust between states takes much longer, but common economic goals with transboundary benefits could germinate means of cooperation between actors at the operational level. In other words, vertical trust at the strategic level should not be the only area of focus, though its impact is broad and deep. Horizontal trust-building efforts between civil society and private sector actors can be easier to achieve. Let's consider the efforts of moving from an environment of negative peace to positive peace as a transformation and group possible agents into three levels in a triangle where state/international at the top, civil society/the private sector in the middle, and community-based organizations and civic actors at the bottom to represent their power levels and numbers. In the early stages of the transformation, most activity will occur at the top end of the triangle. Still, in time, with trajectories of moving toward positive peace, we could witness a much deeper engagement by actors in the space between the middle and bottom of the triangle.

Within all these three levels, one of the critical priorities must be building peace infrastructures in all three countries. That means the three countries must invest in

human resources and institutional structures that can play an active role in conflict prevention, peace, and reconciliation. This is essential because although most conflicts occur in the developing world (this includes the South Caucasus), most institutional and trained human capabilities and resources are located in the developed world. This disjointed dichotomy must be reversed. The South Caucasus needs to develop its own, home-grown institutions of peace and conflict resolution. The region's higher education institutions and governments need to invest in this area urgently. If the local actors have no means, resources, and capacities to do this, then the vacuum created is filled by external actors. The people of South Caucasus should build their peace and security. This is an area where external actors can help regional and national actors, if, that is, they are genuine about building sustainable peace and prosperity in the South Caucasus. Building such peace infrastructures would impact the three countries and their shared geography and the surrounding areas such as the North Caucasus, the Middle East, and Central Asia.

## Charting a Path

It is time to dream of a Shared Future in the South Caucasus. Dreaming is not utopic. Dreaming is part of leadership. It is time to change and transform the narratives of conflict into peace. The South Caucasus now has a unique opportunity that was not the case only a couple of years ago. The relations between the three regional

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countries might still be shaky, informed by a high level of mistrust. The region might still be considered by some living in a "garden" to be part of the "jungle" or by those with outdated aspirations of regional hegemony as being their ex-

clusive backyard. The energy needs of powerful countries might have led them to approach the region as a proxy for their geopolitics, and in fact, they might even continue to do so. However, rather than seeing them as given and unsurmountable challenges, it is time to take the lead to change them.

This essay is thus a call for action. It is time to bring together representations from academia and civil society to work towards a white paper

identifying how such a Shared Future could be built collectively. It is time to imagine how the region could look in 2050 by moving from negative regional peace to positive peace. How can that comprehensive journey with complex and interrelated priorities be planned? What would be its critical parameters, needs, and low-hanging opportunities in such a process? What investments need to be made, by whom, and where? What role would there be for international actors? What

roles can the private sector and civil society play?

A White Paper for a Shared Future 2050 is the roadmap for a call to action leading a comprehensive process with multiple levels of political, economic, and socio-cultural approaches. A Shared Future is a dream, but it is a dream that can be made come true with the right type of leadership and political willingness at all national and international levels. **BD**

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