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Russian Grand Strategy

Evolving Towards a G-Zero/Silk Road Paradigm

Nikolas K. Gvosdev

The contours of Russian grand strategy have remained remarkably stable over time. Russian global engagement is first meant to ensure that Moscow remains one of the agenda-setting countries of the international system (or, at minimum, that it is able to prevent other major powers from imposing domestic and foreign policy agendas on Russia). The second is to guarantee that Russia has access to the financial and technological resources necessary to maintain the sources of Russian power. How Moscow pursues those objectives, however, can vary depending on the international context.

Two decades ago, the Kremlin believed that the United States and

the major states of Europe would be inclined to create a global concert of major powers that would regulate the international system—with Russia as one of its key members. Russia would also enhance its capacity to sustain its great power position by pursuing a degree of integration with Europe that would connect Russia's bounty of commodities and raw materials to Europe's industrial base while ensuring access to technological and financial investment.

Under the rubric of the “Common Spaces” (including a common economic space and a common external security space) Russia, in the understanding of then President of the European Commission Romano Prodi, would share

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“everything with the [European] Union except institutions,” as he put it in a speech he delivered on 6 December 2002. In turn, both Presidents Vladimir Putin and Dmitry Medvedev hoped that closer integration would encourage a greater degree of EU autonomy from the United States,

which would facilitate a more truly multipolar order that they saw as being in the interest of their country. In short, Russia followed a C/E (concert/Europe) approach—promoting a concert approach to international affairs while prioritizing Europe as its main economic and strategic partner.

But the pursuit of these objectives—and the methods by which the Kremlin sought to re-establish Russia's international position—clashed with Western preferences as understood on both sides of the Atlantic. This, in turn, called into question whether Russia's objectives could be achieved via a strategic partnership with the United States and closer economic interdependence with the European Union

Many of the countries The Economist has dubbed the “Transactional 25” are located in whole or in part within the loose geographical parameters defined as the “Silk Road region.” It is absolutely essential for Russia to have one of the main critical economic regions of the world remain open and accessible.

and its member states. Already in November 2012, retired foreign minister Igor Ivanov was warning that the Kremlin elite was considering whether Russian goals would be better met by forming “partnerships with more dynamic countries”—i.e., the rising powers of the Global South

and East (Ivanov, of course, argued for a continued Russian-European entente to ensure that both sides would not be “left behind” in the changed geopolitical and geoeconomic conditions of the twenty-first century).

Then, two years later, after the first direct clashes occurred in Ukraine in 2014, which led to the first major disruptions of the relationship between Russia and the West, the Russian government and business establishment began to consider raising the importance of Russia's “southern strategy.” The idea was to provide Moscow with new access points for projecting power and to reach the main engines of the global economy as well as to forge new business and financial relationships

that could help mitigate the impact of Western sanctions.

Accelerated Decoupling

Putin's decision to restart full-scale military operations in Ukraine in February 2022 accelerated and deepened a process of decoupling between Russia and the West, as did the Western decision to impose an economic sanctions and export restrictions regime on his country. Russia's efforts to pursue integration with Europe, especially under the rubric of the "Common Spaces," have ended as the financial, economic, infrastructure, and business ties have ruptured over the past two years—quite literally, in the case of the Nord Stream pipelines.

In turn, the Russian government believes that the United States not only believes that no constructive partnership for managing global security is possible with Russia under its current management, but that the United States is actively seeking to degrade Russian tools of statecraft to reduce its overall levels of national power. As the 2023 Concept of the Foreign Policy of the Russian Federation makes clear, these developments are leading to a profound shift in how the Kremlin seeks to achieve overall Russian grand strategic objectives and are

driving a major reorientation of Russian priorities

First, the Kremlin is coming to terms with the realization that Russia will never be part of the Euro-Atlantic world in any shape or form, whether as a full member or via an ongoing association. There is no longer any question as to whether there will again be a line between Russia and the West—the only two questions that remain unanswered at present are, one, where that line will be drawn and, two, how formidable a barrier it will represent.

There simply will be no place for Russia in its current configuration within the decisionmaking institutions of the Western world. Moreover, the United States and its European partners will continue their efforts to bypass or even exclude Russia from any substantive role in setting the agenda for international affairs. On 13 June 2024, Russian Deputy Foreign Minister Aleksandr Grushko bluntly declared that "today, there is no perspective for the restoration of a substantive dialogue" between Russia and the West.

The *second* concern flows from the threat that the Western powers will be able to isolate Russia from the main sinews of the globalized

system and cut Russia off from the mainstream of the global economy. Concerted U.S., EU, and G7 actions have negatively impacted Russia's economy and its ability to generate power. Manifestations of this include having assets frozen in Western jurisdictions, domestic budget cuts for social welfare programs, and having to put major new economic projects, especially in the Arctic, on hold.

In particular, recent events have shown that Russia's ambitious Arctic development strategy—which Putin believes is critical to renewing Russia's base as a great power—over-relied on European finance, investment, and technology transfers. The latest round of Western sanctions announced in advance of the June 2024 "Leaders' Summit" of the G7 explicitly targets entities "engaged in the development of Russia's future energy, metals, and mining production and export capacity" in the hopes of retarding Russia's ability to secure its role and influence in the global economy of the mid-21st century.

The related ideas that Moscow, one, could serve as the vice chair of a U.S.-led international order and that, two, a common economic, financial, and technological space with Europe could be formed, are no longer seen as

feasible. Thus, these two closely related policy ambitions are no longer being pursued by the Kremlin in its quest to implement Russia's grand strategic objectives. To respond to the challenges that have resulted from the foregoing, Moscow has strengthened and solidified its entente with the People's Republic of China.

This should not have been particularly surprising, at least for those who were paying attention. For instance, right after the West's Kosovo gambit in February 2008 but before Russia's response in Georgia in August of that same year, Peter A. Wilson, Lowell Schwartz, and Howard J. Shatz predicted in the pages of *The National Interest* how a Russia-China entente might evolve if Russia's relations with the West began to worsen. They even explained how Moscow and Beijing would be able to institutionalize their collaboration in a variety of fields like business, energy, and military cooperation.

Concert/China Strategy

Based on diplomatic readouts released after a series of summit meetings over the last several years between Putin and Chinese president Xi Jinping, it

would seem that Moscow is now counting on achieving a concert not via partnership with the United States, but by co-directing with China the emergence of a countering system to the Euro-Atlantic world. Further, it would seem that the Kremlin has decided that China will replace Europe as Russia's principal economic partner. Think of it as a C/C (Concert/China) approach to replace the C/E (Concert/Europe) model of the 2000s.

Yet Moscow is well aware of the risks of a "from the frying pan into the fire" dilemma, whereby Russia becomes overdependent on Beijing and loses its freedom of maneuver on the world stage. While Chinese needs are currently served by its partnership with Russia, Beijing can envision a future in which Russia, as an independent pole of power, conflicts with Chinese interests.

Already, Moscow has begun to experience a situation in which China draws and enforces limits in its "no limits" partnership with Russia. The Chinese government is not prepared to bankroll major projects to replace those suspended by the Europeans, for example. And Chinese firms are cautious in risking more lucrative connections with the West in order to assist their Russian counterparts.

However unlikely or improbable it may seem in 2024, given the rising tensions between China and the United States, there is always the risk that China could form a new concert with the United States, and the West in general, that would bypass Russia and be able to dictate terms to Moscow. We may have forgotten, but the Russians certainly have not, how there was talk in the 2000s about the possibility of a U.S.-China convergence that, in turn, would mean Beijing would be much less interested in supporting Russia's regional and global position.

G-Zero/Silk Road Approach

To hedge against Beijing's possible unreliability, Moscow is also simultaneously pursuing a hedging strategy—a G-Zero/Silk Road (G-0/SR) approach alongside its C/C (China/Concert) strategy.

Building on the concept described by Ian Bremmer and Nouriel Roubini (in an article published in *Foreign Affairs* in 2011), who describe a "G-Zero world" as one in which no one country or bloc of states can set and execute an international agenda, a G-Zero (G-0) approach is one that gives greater

leeway to middle and rising powers to negotiate with the major international players. In a G-0 environment, as opposed to a unipolar world or a G-2, G-3 or even G-8 world, middle and rising powers will have "much more agency [...] in acquiring their own influence

in international affairs," to quote from a policy brief published by the European Council on Foreign Relations in October 2023. Those powers, that paper argues, will seek to maximize their sovereignty as opposed to having to accept the ideological and geopolitical preferences of one of the major powers. They will also ground their approach to international relations in a transactional manner. Azerbaijan, Kazakhstan, and Uzbekistan are all good examples of such a posture.

Russia, which must consider the reality that its current trajectory is leading towards an exit from "great power" to "middle power" status, therefore also has considerable incentives to strengthen and deepen this much more transactional approach to world affairs. But for the Russian foreign policy

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establishment, the profound change in mindset such a profound shift would require is challenging, to say the least. Moscow traditionally divided the countries of the world into agenda-setting and agenda-accepting powers. Russian policymakers must accept that states

Russia previously categorized as agenda-accepters are now in a much stronger position to set the terms for interaction with Russia—especially the price for having these states be able to leverage U.S./West versus China competition as a way for Moscow to prevent the emergence of a concert system from which Russia would be excluded.

As it so happens, many of the countries *The Economist* has dubbed the "Transactional 25" are located in whole or in part within the loose geographical parameters defined as the "Silk Road region," which the Editorial Statement of this journal defines as roughly comprising "the world that looks west past Anatolia to the warm seas beyond; north across the Caspian towards the Great Steppe; east to the peaks of the Altai and the arid sands

of the Taklamakan; south towards the Hindu Kush and the Indus valley; and then looping around down to the Persian Gulf and back up across the Fertile Crescent and onward to the Black Sea littoral.” This conception of the Silk Road region embraces an emergent rising great power like India, major regional powers including Türkiye, Iran, Saudi Arabia, and Indonesia, and the emerging regional grouping of keystone states Azerbaijan, Kazakhstan, and Uzbekistan—with the addition, in my view, of the ASEAN geography bringing in a maritime extension to the Silk Road region beyond the definition provided by the editors of *Baku Dialogues*. In short, this strategic area interconnects the Euro-Atlantic and Indo-Pacific basins and ties together the Eurasian space, the Middle East, and South Asia. It is the geographic focal point (the SR) of a G-Zero (G-0) strategy from the Russian perspective.

Futurist Parag Khanna argues in a May 2024 *Noema* article that this reorientation by the Kremlin—both towards China but also the G-0/SR approach—makes overarching

geopolitical and geoeconomic sense, noting that “conventional analysis has become so accustomed to viewing Russia as an Eastern European power with an incidental Eurasian geography that it has missed the fact that Russia’s geopolitical orientation is (perhaps permanently) realigning with its true geography.”

Because of direct Western sanctions on the one hand, and the very conditional nature of the Chinese lifeline on the other, it is absolutely

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essential for Russia to have one of the main critical economic regions of the world remain open and accessible. Thus, Russian firms are reorienting some trade flows from European customers to Central Asia states, accepting a diminishment of income in order to retain or increase market share. The terms of natural gas shipments and new nuclear power agreements between Russia and Uzbekistan are good examples of this development. It is also a vital interest for Moscow to strengthen the capacity of the countries of the greater Silk Road region to be able to bargain with, or even

outright refuse, the United States, the EU, and China.

As Russia decouples from Europe, and as China weighs cooperation with Russia against its core interests with the West, Moscow needs its southern Silk Road region partners for two critical reasons. The first is to ensure the adequate functioning of what is sometimes referred to as the “Eurasian roundabout”—the use of the core states of the Silk Road region like Armenia and Kyrgyzstan as third-party intermediaries to broker trade between Russia and Europe, and also to conceal aspects of the Russia-China economic relationship. These roundabouts are increasingly critical as Russia loses direct infrastructure linkages, either through sanctions or other actions that interrupt commerce, in order to transport commodities and goods to intermediate third-party staging sites. Examples include making use of energy depots in Türkiye or using the existing Central Asian pipeline grid to divert energy previously exported to Europe to reach China and other Asian markets.

Given that Russia’s Soviet and immediate post-Soviet infrastructure plans emphasized connectivity with Europe, there is also an imperative now to link Russia to the

Middle Corridor and build out the north-south linkages that allow Russia to interact with the markets of the Global South. Deputy Prime Minister Alexei Overchuk noted, “we have already discussed the infrastructure projects, including creating the North-South corridor. [...] We are working closely with Azerbaijan, Kazakhstan, Turkmenistan, Uzbekistan, Tajikistan, and Kyrgyzstan [...] on both rail and road transportation [...] to ensure the transport and logistics connectivity of Greater Eurasia.” Increasingly, it is Russia’s access to the Silk Road, not its traditional Baltic ports, that will serve as its “window to the world.”

The second reason Moscow needs its southern Silk Road region partners is that by forging stronger yet non-hegemonic ties with them, Russia can do its part to ensure it emerges as a “center of non-alignment,” to use the description provided by Damjan Krnjevic Miskovic in the Summer 2023 edition of *Orbis*.

This means finding ways to promote infrastructure connectivity, develop new industries and transport corridors, and find mechanisms for banking, insurance, and payment services that define the region and can bypass the dollar and euro financial and

legal ecosystems. At the 2024 St. Petersburg International Economic Forum, Sergei Glazyev, the Commissioner for Integration and Macroeconomics within the Eurasian Economic Commission, discussed how progress could be made in promoting a common payments mechanism and how to better harmonize regulations between Russia, the Eurasian Economic Union, and other Silk Road region states and associations like ASEAN—especially in the areas of energy, food security, transportation, logistics, and finance.

Russian Prime Minister Mikhail Mishustin, echoing Khanna, argued earlier this year that “reorienting Eurasian trade flows towards the most promising markets and friendly states” (most of which fall within the extended Silk Road region, as he identified countries such as Iran, the United Arab Emirates, Mongolia, and Indonesia) is “especially important.”

The Russian pitch to the broader Silk Road region to engage in these efforts—especially because the success of these projects will require considerable buy-in from these countries themselves—is not that building out these networks is a favor to Russia, but that the development of the area as an effective “center of non-alignment”

gives these countries a hedge if the United States or, more broadly, the West applies similar sanctions measures directed against them, or if there are concerns about Chinese pressure.

These concerns are on display, for instance, in India’s decision to develop the Shahid-Behesti terminal at the Iranian port of Chabahar—itsself meant to be connected to Russia via Azerbaijan as part of the International North-South Transport Corridor (Overchuk referred to this infrastructure project in his speech, as noted above. India risks running afoul of U.S. sanctions, yet it wants to develop this complex as a way to balance Chinese Belt and Road infrastructure investments and to ensure access, over time, to Russian and Eurasian commodities that are vital to its economic growth and development.

Mindset Shift

The success of the G-0/SR approach, however, will require a fundamental shift in mindset in the Russian foreign policy establishment. It will require, in other words, a recognition by Moscow that maintaining any degree of Russian autonomy and agenda-setting power in the international

system now rests not on the projection of Russian compelling power, but on the goodwill of China and of a set of rising and middle powers in the core Silk Road region (i.e., the countries of the South Caucasus and Central Asia) and Türkiye (and, to a lesser extent Iran and Afghanistan).

Much of the core of the Silk Road region (particularly its three keystone states) together with Türkiye represents the backbone of the emerging Middle Corridor—a network of connectivity and infrastructure nodes that now offer the shortest and, given ongoing problems in the Red Sea, the safest linkage between the markets of the Indo-Pacific and Euro-Atlantic basins. As Russia’s own direct linkages with Europe are interrupted, this route is now becoming the preferred method of interconnecting East Asia with Europe and, as such, gives the relevant states of the Silk Road region options for their own economic development and security that do not run through or depend on Moscow.

At the same time, access to the Middle Corridor is a paramount national interest for Russia. Not only is it absolutely necessary for the operation of Russia’s Eurasian roundabout lifelines to the global economy, but Moscow’s own plans

for deepening the interconnection between Russia and the greater Silk Road region require the active cooperation and participation of the Middle Corridor states to facilitate those proposals. This applies particularly to the three keystone states of the Silk Road region—and also Türkiye. Consider, in this context, the comment made by Kazakhstan’s president, Kassym-Jomart Tokayev, in December 2023 on proposed new data networks that would connect Russia to Kazakhstan, and via those connections enable Russia to then have new points of access to global networks.

With all the states of the Silk Road region, but notably with its three keystone states, the Russian government (and society as a whole) will have to evolve from seeing these countries not as “junior siblings” but as near-peer states. It appears that, at least in some sense, this is already beginning to take place, as evidenced by shifts in both the tone and substance of the public speeches and statements made during recent meetings between Putin and his Azerbaijani, Kazakh, and Uzbek counterparts.

Russia also must transition its thinking away from the “concert” emphasis on distinct “spheres of influence” allotted to each major power in favor of accepting the

reality that the South Caucasus-Central Asian core of the Silk Road region, as well as the greater Silk Road region overall (including its maritime extension into the ASEAN geographic space, as noted above), will have a diversity of geopolitical and geoeconomic options. Rather than insisting on or trying to force exclusivity, the Russian approach must be to encourage the Silk Road region to pursue economic, diplomatic, military, and technological ties with all of the major power centers—concentrating its efforts on ensuring that Russia’s own access is not compromised. (A similar approach by Türkiye can be ascertained by reflecting on the recent steps taken by Ankara to balance its own alliance commitments to the West, especially the United States, its outreach to China, and the development of its strategic partnership with Russia.)

A more realistic approach for Russia, and one that aligns with its actual power potentials, is to make it worth the while for core Silk Road region states not to completely ignore or oppose Russian interests, and not to join the United States and the EU in working to ensure Russia is completely circumvented within the regional and global political and economic system.

Transactional Neutrality

A G-0/SR strategy for Russia will increasingly come to rest on the deft execution of the concept of “transactional neutrality” as the foundation for how Moscow interacts with the individual countries and the regional associations of the Silk Road region. As I have explained elsewhere, even prior to the dramatic developments of 2022, Russia was beginning to reformulate its outreach—particularly towards Azerbaijan and Türkiye—on the basis of the “transactional neutrality” concept.

“Transactional neutrality,” on Russia’s part, reluctantly accepts the reality that the core states of the Silk Road region can take advantage of “multipolarity,” and that Moscow cannot prevent this. This means that these countries will have economic, political, and even security relationships with other major power centers, including China, the EU, and the United States. Rather than trying to force a country like Azerbaijan to limit, much less sever those ties, the Russian approach focuses on managing those interactions so that Moscow’s fundamental equities are not threatened.

In practice, “transactional neutrality” looks something like this.

The core states of the Silk Road region have their own linkages, corridors, and export routes that bypass Russia—but they also commit to continuing to utilize Russia as one of their options and partners. Most critically, they do commit not to join any effort to contain Moscow or to use their geography to block Russia’s access to the Middle Corridor or the southern North-South vector that extends into India and the Gulf. In return, Moscow accepts that, in other areas, these countries can and likely will choose options that go against Russian preferences, and it understands that this is the price for keeping the Silk Road region as a “center of non-alignment.”

A “concert” approach to Russian foreign policy, which would try to sustain the Middle Corridor as part of its exclusive sphere of influence, would counsel Kremlin policymakers, for instance, to vigorously oppose the expansion by the EU of infrastructure investment to develop the corridor—which was the Russian approach in the first decade after the collapse of the USSR. Under the

G-0 perspective, advising a transactional neutral approach would entail focusing Russian efforts on ensuring unimpeded Russian access to any projects developed as part of the EU’s Global Gateway or the China-led Belt and Road Initiative. Indeed, it would be effectually impossible for the EU (or China) to design, finance, and execute Middle Corridor projects that would successfully keep Russia from benefiting strategically or economically from them.

The Silk Road region component of Russia’s G-0/SR approach also reinforces the attractiveness of “transactional neutrality,” because the West has shown clear limits in the amount of power—especially military and economic—that it is willing to deploy to incentivize the core states of the Silk Road region to completely cut Russia off (either by offering recompense for losses or protection against Russian pressure). Indeed, a key component of Russia’s diplomatic and informational strategy toward the states of the Silk Road region has been to show how and

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where the United States and the EU have demonstrated their unreliability—and that Washington and Brussels have challenges in bridging stated commitments with an actual ability to keep all of its promises. The post-2008 fate of Georgia—where tangible support for Tbilisi's efforts to break with Moscow was lacking—has been a major factor driving the current government's embrace of a more transactionally neutral approach to Russia. This lesson has not been lost on most of the rest of the region (Armenia seems not to have grasped it fully quite yet).

While maintaining (as in the case of Türkiye) or even accelerating (as in the case of India) their ties to the United States and the EU, most of the countries that make up the greater Silk Road region do not see the benefits of adopting an exclusionary approach (whether to Russia, Iran, or China) and also are reasonably confident that the benefits of their relations with the West mitigate Western preferences that they freely abandon their relationship with Russia.

For Moscow, a shift to a G-0/SR approach is not its preference, but an (at least implicit) acknowledgment of the real diminishment of its power. The Kremlin is well aware that this shift will introduce a much greater degree of turbulence in its southern relations and that the outcomes that result will be suboptimal from Moscow's perspective. Take the example of Kazakhstan. As

Maximilian Hess has argued, since 2022, the country has benefited from Western sanctions on Russia to take up a greater slice of Russia's pre-war oil exports to the EU, being able to use Russian infrastructure to do so, and to receive the full world price for its energy, while benefiting from helping to support the transport of discounted Russian energy to India and China. Astana is also freer to renegotiate long-standing arrangements in its favor.

At the same time, if the Ukraine operation continues to absorb Russian resources and diminish the sources of its power, then the attractiveness of accommodating Russia via a policy of "transactional neutrality," especially if it creates complications with other partners

like the EU, will fade. Indeed, under such a scenario, Russia would be able to do little to enhance the continued evolution of the Silk Road region as a "center of non-alignment." Here it is useful to refer to the assessment made by Indian analyst Primit Pal Chaudhari that "Russia will emerge greatly diminished no matter how the war ends." This, he concludes, will lead to "an acceleration of India's strategic drift towards the United States."

Basically, unless the Russian state is prepared to fundamentally abandon its core grand strategic goals, the G-0/SR approach is the only feasible strategy to achieve them. If the world is moving towards a bipolar construction,

divided between a Euro-Atlantic world (along with its outposts in East Asia) and a Chinese sphere of influence, then Russia's future as an independent actor may rest on the emergence of a "center of non-alignment" encompassing the greater Silk Road region that can serve as a partner to Moscow's efforts to prevent Russia's own de facto division into Western and Chinese spheres of influence. Only by giving up on its efforts to craft and defend its own hegemonic sphere of influence—and strengthening the Middle Corridor core as an independent force in world affairs rather than as the object of major power rivalries—can Russia remain one such power in its own right. ^{BD}

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