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## Azerbaijan: The Key to the Caucasus

By Stanley A. Weiss

**BAKU, Azerbaijan**—"Welcome to Houston on the Caspian" said Anne Derse, the U.S. ambassador to this booming, oil-rich nation, as our delegation of American business executives arrived on the final leg of a visit to Georgia, Armenia and Azerbaijan.

After days of discussion with political, military and business leaders across the region—including a talk with President Ilham Aliyev of Azerbaijan, whose office overlooks the Caspian Sea, home to perhaps a quarter of the world's new oil production—it all seemed obvious. As one U.S. diplomat put it, Azerbaijan "is central to all we're trying to do in this part of the world."

Azerbaijan is the indispensable link to reducing European energy dependence on Moscow, with the only pipelines exporting Caspian oil and gas that bypass Russia altogether, with routes through Georgia and Turkey.

Without Azerbaijan, there will never be what the U.S. energy secretary Samuel Bodman calls "a new generation of export routes" bypassing Russia. Known as the "southern corridor," it includes plans by Kazakhstan and Turkmenistan to ship oil and gas by barge across the Caspian to Baku, as well as the EU's long-planned Nabucco gas pipeline from Turkey to Europe.

Aliyev stresses that (unlike President Mikheil Saakashvili of Georgia) he will not taunt the Russian bear, continuing instead to walk a fine line between East and West. This policy includes allowing his military to train with NATO, but not rushing to become a NATO member.

Aliyev insists that "time is up" for the return of the Azerbaijani territory of Nagorno-Karabakh—the Armenian-majority region occupied by Armenia, with Russian support, since the war over the area in the early 1990s. Still, he seems determined not to give Moscow a pretext to intervene, as it did with its invasion of Georgia this summer.

Azerbaijan—like Turkey, with which it shares deep ethnic and linguistic ties—is one the world's most secularized Muslim countries, with a strict separation between mosque and state. Moreover, the nearly 20 million ethnic Azeris living in neighboring Iran—about a quarter of Iran's population—are culturally closer to their brethren in Baku than their Persian rulers in Tehran. Azerbaijan also draws the ayatollahs' ire as one of the few Muslim nations with diplomatic ties with Israel.

Yet for all its strategic significance—and its support for the U.S. war on terrorism, including sending troops to Afghanistan and Iraq—Azerbaijan remains the neglected stepchild of U.S. Caucasus policy.

Despite Saakashvili's miscalculations with Russia, Georgia remains the darling of the West, garnering another \$1 billion in post-war aid from the U.S. atop the nearly \$2 billion Washington has bestowed over the years. The powerful Armenian-American lobby has not only secured some \$2 billion for Armenia to date, it has succeeded in limiting U.S. aid to Azerbaijan because of the dispute over Nagorno-Karabakh.

To be sure, this country is no democracy; the 46-year-old Aliyev learned well from his authoritarian father, who ruled Azerbaijan both as a Soviet Republic and after independence. Indeed, not long before our delegation arrived, Aliyev claimed re-election with 89 percent of the vote.

But if Azerbaijan is "central" to everything Washington is trying to accomplish in the Caucasus, then Azerbaijan should be at the forefront of U.S. Caucasus policy.

To help Azerbaijan—and the region—realize its full economic potential, the incoming Obama administration should make a major push to resolve Nagorno-Karabakh, which—as one development official here tells me—"is the main issue that prevents regional integration."

A breakthrough is possible. Every member of the so-called Minsk Group charged with resolving the conflict—Azerbaijan, Armenia, Russia, several European countries and the U.S.—have powerful incentives for compromise.

Aliyev wants Nagorno-Karabakh back, but understands that Moscow won't allow him to take it by force. Landlocked, impoverished Armenia desperately wants Azerbaijan and Turkey to end a 16-year economic blockade of its borders. Turkey wants to improve relations with Armenia. Europe wants to avert another crisis that would complicate plans for its Nabucco pipeline. And with new competing diplomatic initiatives, Turkey and Russia clearly want to play a leadership role in the region.

This "frozen conflict" will not thaw easily. But through a gradual process backed by the major powers, the Caucasus countries could finally focus on economic cooperation rather than military confrontation. And the trade routes of the old Silk Road could become a new energy corridor of the 21st century.