



G|U|A|M 2.0:

RELOADING THE EASTERN PARTNERSHIP

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GUAM 2.0: RELOADING THE EASTERN PARTNERSHIP

A SYSTEM FAILURE

Until now, the efforts to push through integration and cooperation in the EU's eastern neighborhood in order to secure long-term stability and peace in the region have not been particularly successful. The reason is not the EU's naïve idealism or its emphasis on a supposed anti-geopolitical normative agenda. The EU has a geopolitical agenda. However, the EU's geopolitical vision is neither adequate to deal with the complexity of the region, nor is it an adequate response to the key strategic challenge posed by Russia in the region.

First, the EU's approach to the region has been based more on bilateral outcomes vis-à-vis one

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country while ignoring the regional ramifications of these outcomes or how these outcomes could affect different regional stakeholders. Over time such an approach led to the fragmentation and decrease in regional security. The complexity of the region cannot be dealt with isolated bilateral relations.

Second, in its approach, the EU has striven for a grand bargain to resolve many issues in one bold stroke. For the most part, the EU has not been pragmatic and flexible enough to move forward with things that can be resolved for now, while leaving aside issues that cannot be resolved immediately. Compartmentalization is effective because it contains issues, limits the areas of dispute, and resolves things gradually.

Third, within the Eastern Partnership, security has never been a priority. While calls for the EU to embrace a more complex and nuanced approach to regional configuration geopolitics have fallen on deaf ears, Russia has seen it primarily through security lenses and as an

encroachment on its sphere of influence. As a result, a lack of security dimension rendered the EU's geopolitical vision and policies ineffective.

Fourth, the absence of consensus among core Western powers on how deal with the "Russia problem": contain, engage, or hedge against it. Russia presents a multi-dimensional challenge both for the transatlantic community and to the eastern neighborhood countries. Nevertheless, we are constantly witnessing signs of disunity within the West over its relations with Russia. The EU has long attempted to speak with one voice when it comes to its relations with Russia, failing to do so time and time again. While Poland and Baltic countries call for a tougher response to the Kremlin's actions, Germany and France want to engage Russia and are cautious not to undermine their political and economic ties with Russia. Engagement is not appeasement. Unlike appeasement, a strategy of effective engagement should be based on the use of sticks as well as carrots – thus basically mixing concessions with credible threats. When it comes to designing specific engagement attempts, the EU has failed to strike a balance between cooperation and a robust deterrence posture so that Russia would not end up taking advantage of the situation. The lack of internal cohesiveness has been a major challenge for the EU.

Moreover, many regional cooperation initiatives in the post-Soviet space have been stillborn because they have lacked an effective political ownership, resilience and been incredibly inefficient in dealing with emergent challenges. Worse still, they substituted real cooperation with empty rhetoric and political slogans. As a result, regional cooperation platforms did not yield better outcomes in the long run than unilateral actions by the states.

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Finally, Russia is constantly seeking new and sophisticated ways to identify and target ever-increasing vulnerabilities of regional actors due to rising complexity. Russia is trying to achieve its objectives by overwhelming its opponents through harnessing complexity and forcing circumstances to change more rapidly than an opponent can respond. Change is a fundamental

property of an international system, along with anarchy and interdependence. Actions in international politics tend to have infinite number of consequences, some of them are intentional while others neither intentional nor predictable. A changing international system is also nonlinear, which means that in this system consequences are not necessarily proportional to actions. Moreover, to use a famous paraphrase of Tolstoy in the field of nonlinear dynamics: all linear systems are linear in the same way, nonlinear systems are nonlinear in many different ways. The core western powers and institutions have been very slow to adjust to these changes. This has rendered the whole system paralyzed by making the rate at which new information is thrown at the Western powers greater than the rate at which they could possibly respond.

Enter GUAM+

The GUAM – Organization for Democracy and Economic Development – is a regional organization of four post-Soviet states: Georgia, Ukraine, Azerbaijan, and Moldova.

The story of the GUAM to date has been one of overpromising and under-delivering.

Established in 1997 to enhance political, economic, and security ties among its members, GUAM treaty charter was signed in 2001. Uzbekistan was also a member of GUAM in 1999–2005. In 2007, GUAM established a military peacekeeping force and organized joint military

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drills. In 2017, agreements on a free-trade area were signed for the first time. Nevertheless, the story of the GUAM to date has been one of overpromising and under-delivering. Currently, levels of economic interdependence among the GUAM countries remain comparatively low, while no positive spillover effects take place.

The GUAM has never amounted to much because there wasn't real substance behind strategic intent due to a lack of effective political ownership, institutional power and resources. But despite the failure to deliver on past commitments, the GUAM could still take off if it involves

powerful stakeholders that have sufficient interests, capabilities, and resources to streamline it.

Russia is the power that Georgia, Ukraine, Azerbaijan, and Moldova cannot afford to ignore. Whether the West wants it or not, Russia is seeking to reclaim its sphere of influence in the European borderlands. Regional conflicts have become a cornerstone of Russia's assertive foreign policy to secure strategic leverage in the region.

In contrast to NATO's more fragmented and asymmetric deterrence posture in its eastern flank, Moscow has a more unified and coherent view towards its western flank (NATO's eastern flank) and considers the whole area its organic sphere of influence. NATO is more actively engaged with the Baltic Sea region (enhanced Forward Presence) than with the Black Sea region (tailored Forward Presence) which creates vulnerabilities for the region. The Black Sea region has an enormous strategic value for Russia which was demonstrated repeatedly by Moscow's willingness to use force in the region over the past decades.

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To regain its sphere of influence, the Kremlin favors instrumentalizing hybrid tools: from misinformation, economic pressure, and exploitation of social divisions to subversive operations, local proxies and cyber-attacks. Usually these efforts remain below the radar, but they are effective enough to grant measurable traction over time in a rapidly evolving geopolitical landscape of the region. Russia prefers hybrid warfare because it is cheap, asymmetric and difficult to respond to. It is also impossible to lose: you cannot be defeated if there is no decisive battle to be won.

Stemming from a shared vision of regional and international order based on territorial integrity and sovereignty, all GUAM countries have clear incentives to constrain and push back against Russia's actions that undermine their sovereignty and territorial integrity. Because of the complex regional security architecture, each of the four countries will always be at a slightly different point in the up-and-down cycle of their relationship with Russia. For instance, it is obvious that for Ukraine and Georgia Russia is a top security challenge right now, while Moldova

and Azerbaijan have a way more complex relationship and nuanced approach towards Russia. At the same time, the need to mitigate their relationship with Moscow, hedge against the possibility of an aggressive Russia – simultaneously having the capacity to be able to quickly remove themselves from this relationship if the costs of the relationship grow unacceptable – is a fundamental priority for both Azerbaijan and Moldova. In essence, the awareness that managing Russia is the fundamental security challenge is what unites the GUAM countries.

Given the absence of consensus among core Western powers on how to rein in Russia, Poland's and Turkey's leadership on this issue is sorely needed. Turkey and Poland stand apart in the region, not only by size and economic strength, but also their military power and commitment to collective defence through NATO. Both Turkey and Poland are highly conscious of the fact that they could have unprecedented role to play in the stabilization of the political and security

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situation in their immediate neighborhood. Both countries are valuable assets for NATO and perceive the alliance to be an integral part of their security strategies. Ankara and Warsaw can play a pioneering role as partners in regional security and

defence. At first glance, Poland and Turkey have different approach towards Russia, but both countries share a common geopolitical interest to counter Russia's assertiveness. They also have sufficient capacity and experience in containing Russia. Poland has already had the experience of working with Turkey to achieve its security objectives. In 2019, it was Poland who managed to convince Turkey to support Warsaw's position to strengthen NATO's Eastern flank with more troops and resources.

As a result, Poland and Turkey should be in the driver's seat on the GUAM. Their institutionalized involvement in the region could be an important check on Russian assertiveness. No major power single-handedly is able to satisfy all of regional needs, but Turkey and Poland working together could address many challenges faced by the region. Strengthening relations with Turkey and Poland could help the GUAM countries to offset Russia's domination in the region.

Poland and Turkey could assist the GUAM countries in developing a deterrence capability that will be based on the *poison pill* strategy which would help them to deter hostile acts from Russia by raising the probability of sustaining unacceptably high operational losses from an attack on these countries for Moscow.

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Obviously, the GUAM countries cannot realistically deter Russia, if Moscow sets its mind to occupy them, but with the assistance from Poland and Turkey, they can drastically raise the cost for Russia and help convince the Kremlin that it will not be able to achieve its immediate objectives at a low cost that it hopes for. In a nutshell, the revival of the GUAM in a GUAM+ configuration could help regional countries to optimize their deterrence-based security policies through burdens-sharing at a fraction of the cost.

While regional partnerships serve as a central pillar of the *poison pill* doctrine, establishing and maintaining a qualitative edge over potential adversary is the critical component of this doctrine. The GUAM countries do not have the minimum critical mass to obtain strategic and defence-industrial capability in all domains. The main role of Turkey and Poland should be helping them to develop those capabilities and increase their resilience against Russia without undermining their own security, limiting their room for maneuver vis-à-vis Russia, or getting entrapped in a potential conflict with Moscow themselves.

At the same time, the GUAM+ configuration should not just be limited to Poland and Turkey's participation. The organization should have its natural center of gravity and Romania should be that center. Romania is already the core element of NATO's tailored forward presence in the Black Sea region. The importance of the GUAM+ could be augmented if the states within it start to form their security policies based on the wider Black Sea-Caspian Sea geographical concept, which makes Romania an indispensable element for the organization. The blueprint for Romania's engagement with the organization is already there. In 2012, at Bucharest's initiative, the trilateral format dialogue between Turkey, Romania, and Poland was launched in support of NATO's efforts to strengthen security on the NATO's Eastern Flank, while also

unequivocally reaffirming the constant support of Romania, Poland and Turkey towards the partners from NATO's Eastern Neighborhood.

The GUAM+ configuration will compensate for lacking economies of scale and critical mass to maintain credible deterrence capabilities, while helping to cope with emerging challenges and manage the effects of fixed costs of building a modern military for regional countries. Building a common security architecture in the wider Black Sea-Caspian Sea region, however limited in practice initially, will open up new opportunities for cooperation. There is a flawed understanding of cooperation as a product of trust between countries when, in reality, cooperation is as much a result of trust between the countries as a producer of trust. The more you cooperate, the more you trust each other and stronger you become. This could eventually lead to a more unified and holistic approach from the member states and regional players. It will be a slow process with no guarantees, which requires enormous political will to be employed. When employed, however, it could maximize security and prosperity for the whole region.

REBOOTING THE SYSTEM

Overall, the GUAM+ has potential to become a powerful regional structure that can help bring about security, stability, and prosperity to the European eastern neighborhood. Building a functional security architecture in the Black Sea-Caspian Sea region will help regional countries

For the GUAM+ to be effective, it should focus on two main objectives: security and economic integration. | to resist, check, and counter Russia and, to a lesser extent, China. If this approach works, the GUAM+ could serve as a blueprint for other regional cooperation initiatives as well. For the GUAM+ to be effective, it should

focus on two main objectives: security and economic integration. Successfully achieving these objectives require careful thought and calibrated strategy.

To achieve security objectives, the strategy should comprise the following integrated components:

- Both the format and the composition of the GUAM should be flexible and should not result in lost opportunities to advance other preferences. The GUAM+ should be a container for different bilateral and trilateral configurations within and beyond the organization as long as those arrangements don't hinder a shared vision of the regional order based on territorial integrity and sovereignty
- The objective of the organization should be to deter aggression through the development of the *poison pill* capabilities of the countries and increase their resilience. The GUAM+ should also help to optimize deterrence-based security in all domains
- The GUAM+ countries should pursue a more effective diplomatic campaign in Brussels and Washington to raise the wider Black Sea-Caspian Sea region's profile.
- GUAM countries should be able to send a credible signal that the cost of subversive attacks and military probing will always exceed the benefit. Since the credibility of the signal depends on the ability to impose costs, respond quickly, and resource capabilities, those areas should be the main focus. In this context, Turkey and Poland should also assist in strengthening the special operations component of GUAM militaries that could deter such subversive attacks
- The threats faced by GUAM countries go beyond the conventional military challenges. Interconnected economies, financial and digital infrastructure, cyber vulnerabilities, global health and climate threats all present new challenges to state security that require nuanced solutions. For example, building an effective strategy against cyber-attacks requires the intellectual and technical support that Poland, Turkey, Romania, along with other NATO members such as Estonia, could provide.
- Commitments must be tempered with real actions. Therefore, regular combined armed exercises should become a staple of the GUAM+. Since Azerbaijan's relations with Turkey is naturally much more developed, while, trilaterally, Turkey–Azerbaijan–Georgia security partnership is the most advanced, already in 2014, the defense ministers of the three countries agreed on holding regular joint military exercises in order to enhance the combat capabilities of their armed forces. This format should be expanded to other members of the GUAM+. Annual joint military drills between the GUAM countries and Turkey, Poland, and

Romania will both produce significant qualitative warfighting outcomes for the regional countries and signal the real commitment to the defense of the region

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While total domestic defense self-sufficiency might be unattainable and, for

the most part, even undesirable for small and medium-size states like Azerbaijan, Georgia, Moldova, and Ukraine, indigenous defense industrialization with the help of Poland and Turkey still has its own undeniable benefits. Military innovation and capability aggregation should go together. While *technological convergence* could be used by Russia to target the vulnerabilities of the GUAM countries, it also could be used by GUAM countries to offset the asymmetric nature of their relationship with Moscow. The defense-industrial cooperation between GUAM+ countries should include the following:

- Recognizing that defense industry cooperation is a fundamental element of a larger institutionalized defense framework and part of a broader hedging strategy against future uncertainties
- Recognizing that since indigenous engineers and technologists understand and address battlefield problems of the country's armed forces better, domestic firms are able to offer more tailor-made solutions to the challenges faced by the military
- Focusing on cost sharing through joint capability building projects and joint defense investment
- Aspiring to move away from the typical "buyer-seller" dynamic in their military procurements towards one based on co-development and co-manufacturing with GUAM+ partners
- Establishing joint ventures and productions facilities with GUAM+ defense companies

- Pursuing a cost-effective, niche industrial strategy focused on the development of 'add-on' engineering, upgrading and retrofitting capabilities to be able to integrate new elements into existing weapons platforms to enhance operational capability and cut the cost
- Ramping up military spending and investing vigorously in various military technologies to gain qualitative edge
- Mixing foreign off-the-shelf systems with indigenous development of niche defence industrial expertise
- Developing tailor-made military solutions by utilizing the capacity of not only GUAM+ countries, but also by attracting outside partners such as South Korea and Israel
- Developing mini-technological edge to provide a dynamic comparative advantage, at least, in a few areas to increase deterrence capabilities
- Maximizing added value wherever possible
- Developing technology multipliers to compensate for their inability to deploy a large military force
- Investing in capabilities that are germane to both conventional military deterrence and the wide range of asymmetrical threats
- Supporting the development of industrial and technological clusters that can spur the growth of new high value-added industries, however small, comparatively speaking.
- Focusing on the 'dual-use' technology fields that have both civil and military application (systems integration, software development, guidance and control, communications, sensors, command and data handling, electro-optics)

To achieve economic integration objectives, the GUAM+ should strive to create a reliable, secure gateway between Europe and Asia and enhance the region's connectivity potential.

To achieve economic integration objectives, the GUAM+ should strive to create a reliable, secure gateway between Europe and Asia and enhance the region's connectivity potential. Despite the declared end of geographical boundaries, globalization and

the digital revolution did not render distance obsolete. On the contrary, with old geopolitical rivalries returning to the spotlight as an increasingly important driver of global market movements, geography matters now more than ever. However, new geopolitical rivalries are

taking place not just over territory but also over connectivity. Connectivity has become a crucial driver in establishing physical networks with infrastructure alliances stretching across borders as a global good. Currently, strategic interaction and competition of the West with Russian and Chinese infrastructure projects in the region are intensifying. GUAM+ countries have a chance to profit and should push for shifting production activities, value and supply chains from Eurasian coastal regions toward more inland located regions. Implementing such a strategy should include the following components:

- Creating efficient value and supply chains that could function both at the regional level and be integrated into global supply and value chains, if necessary. Fragmented and dysfunctional value and supply chains are one of the main reasons why regional countries have underdeveloped and resource-based economies prone to rent-seeking behavior. Creating functioning regional production networks should be a priority. Transit revenues from increased connectivity between Europe and Asia cannot and should not be a sole source of profit for these countries. The only sustainable way forward is generating added-value.
- Pushing for competitive, profitable, cost-efficient, environmentally friendly connectivity projects in the region. While the importance of the Eurasian overland transportation has been greatly exaggerated thanks to Belt and Road Initiative, there is an undeniable increase in cargo flows between Europe and Asia. Unlike China's rail cargo flow to Europe as part of their Belt and Road Initiative, which is commercially unsustainable, politically motivated, and primarily relies on subsidies, it is possible to develop commercially viable alternatives that will not require any subsidies and still be both competitive and profitable. It requires optimizing supply chains and creating resilient logistics solutions.
- Developing end-to-end logistics solutions. GUAM+ countries might benefit from increased connectivity between Europe and Asia, but it requires a joint effort and innovative thinking. Developing tailored intercontinental trains from Asia to European countries. (block train solutions from the same sender to the same recipient), a non-stop service from shipping to destination points, cutting of red tape, providing more comprehensive and flexible tailored solutions, offering smooth and fast deliveries for customers can only be achieved through

working together at the regional level. Otherwise, the connectivity potential of the region will remain underutilized, underdeveloped, and underfinanced.

Better intra-regional connectivity with such initiatives as Turkey's Middle Corridor and Poland's Three Seas Initiative, along with the extension of the EU's TEN-T core network corridors, would also benefit the Black Sea-Caspian Sea region and help integrating the region into expanding European supply and value chains by connecting it to the main east-west link across the continental Europe - *the Rhine-Danube Corridor*. Connecting the Black Sea-Caspian Sea region to the Rhine-Danube Corridor should include the following components:

- Recognizing that the EU's new connectivity strategy, along with updated Central Asian strategy, Poland's Three Seas Initiative and Turkey and Azerbaijan's Middle Corridor initiative (based around the Baku-Tbilisi-Kars railway line) are key elements of fostering economic integration in the European eastern neighborhood.
- Recognizing that Romania is an important element of these initiatives because *the Rhine-Danube Corridor* culminates at the Romanian Black Sea port of Constanta.
- Recognizing the need to modernize port and port-rail facilities on the Black Sea (such as Georgian deep sea port of Anaklia)
- Optimizing transport solutions between the port of Turkmenbashi in Turkmenistan, the port of Alat in Azerbaijan, the deep-water port of Anaklia in Georgia and the port of Constanta in Romania
- Pushing for greater coordination between the BSCS and the Three Seas Initiative, while also considering the ways Uzbekistan might play in the EU's new connectivity strategy for Central Asia and potential of the Lapis Lazuli corridor, linking Afghanistan to Turkey via Turkmenistan, Azerbaijan and Georgia
- Attracting investments into the field of digital corridors, green energy infrastructure and connectivity solutions for building unified electricity grids in the Black Sea-Caspian Sea region. Azerbaijan has already laid the groundwork for this by launching the construction of fiber-optic cables across the Caspian Sea.

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