

Assessing the Strategic Importance of The Black Sea Region

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Abstract: This paper will examine the strategic importance of the Black Sea region focusing on the principal geopolitical, geo-strategic and geo-diplomatic factors influencing the regional security system. It will assess the role of, and importance, to NATO, the EU, the United States, and Russia, of the Black Sea and its wider region, in particular Ukraine and the South Caucasus. The paper will also examine the evolving military balance in the region especially with regard to the developing military cooperation between Romania, Bulgaria and the United States, and the posture of the Russian Armed Forces; most notably those assigned to the North Caucasian Military District, the Black Sea Fleet and those based in Armenia. The importance of the Black Sea region as a hub for strategic projection; for the US and NATO east- and southwards to the Middle East, Caucasus and Central Asia; for Russia westwards toward the Balkans and Mediterranean, will be evaluated. The geo-economic importance of the region, particularly vis-à-vis hydrocarbon resources will also be assessed. The core objective of this paper is to assess the strategic importance of the Black Sea region; indicate the principal politico-military, strategic, diplomatic and geo-economic dynamics influencing the region; and evaluate potential policy options to ensure regional security and integration with the Euro-Atlantic Community.

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Introduction

The Black Sea region¹ is of increasing strategic significance. This is particularly so since the accession to membership of NATO in 2004 and the EU in 2007 of Bulgaria and Romania. The Black Sea region is thus effectively the border region for NATO and the EU, and the various issues pervading the regional geopolitical, geo-strategic and geo-economic systems are of direct significance to the European/Euro-Atlantic community. Of particular importance are the continuing frozen conflicts afflicting Moldova (vis-à-vis Transnistria), Georgia (vis-à-vis Abkhazia and South Ossetia) and Armenia and Azerbaijan (vis-à-vis Nagorno-Karabakh); the political trajectories of Ukraine and Georgia; the resurgence of Russia; and soft-security threats including human, narcotics and arms trafficking, transnational terrorism and organised criminal activity. The region is also assuming greater geo-economic importance as it becomes a hub for oil and gas pipelines from Russia and the Caspian (in particular Azerbaijan), and may become a key node within a Pan-European transport system. The regions' proximity to the hydrocarbon resources of the Caspian Basin and by extension, Central Asia, further adds to its strategic importance due to the growing emphasis on energy security within both the EU and NATO. This is also a source of competition with Russia as the latter seeks to preserve its monopolistic position regarding energy exports and ownership of infrastructure in the wider Eurasian post-Soviet space. The Black Sea region is a zone of vital interest to Russia, in particular with regard to the future of Ukraine and the states of the South Caucasus; the situation in the North Caucasus; the enlargement of NATO and the EU in the region; the growing US presence in the region; and the aforementioned geo-economic interests. This places the Black Sea

¹ Defined as the littoral states; Bulgaria, Romania, Ukraine, Russia, Georgia and Turkey, and those states in the vicinity including; Greece, Albania, Serbia, Moldova, Armenia and Azerbaijan (based upon membership of the Organisation for Black Sea Economic Cooperation – BSEC).

region at the crux of NATO/EU-Russia relations and as a core area of competition in US-Russia relations. This is especially so considering that both the US and Russia see the Black Sea and its surrounding region as a pad for power-projection; for the US eastward into the South Caucasus, Middle East and Central Asia; for Russia south and westwards into the Middle East and Mediterranean. The geopolitical, geo-strategic and geo-economic significance of the Black Sea region ensures its strategic importance. European/Euro-Atlantic engagement with the region must be directed toward securing the region and developing a stable and prosperous environment to the benefit of those states in the region and the wider Euro-Atlantic community.

The Black Sea Region and the Euro-Atlantic Community

The Black Sea region is a zone of common interest for the two principal institutions of the Euro-Atlantic Community; the North Atlantic Treaty Organisation and the European Union. Both institutions are Black Sea powers following the accession to NATO membership in 2004 and the EU in 2007 of Romania and Bulgaria and both organisations are engaged in dialogue with interested parties and aspirant members in the region via the Partnership for Peace and the European Neighbourhood Policy. These include Ukraine, Georgia, Armenia and Azerbaijan; the EU is also engaged in dialogue with Turkey that could possibly result in membership in the long-term. Such engagement between the states of the region and the Euro-Atlantic community is essential for securing the strategic interests of both parties and assuring the security, stability and prosperity of the wider Black Sea region and the Euro-Atlantic as a whole. The Black Sea region constitutes the key strategic hub for south-eastern Europe and the Caucasus; it is also a region of many challenges. For NATO, the principal challenge in the region is the developing resurgence of Russia and its potential

expansionism (especially vis-à-vis Georgia) in addition to the increasing destabilisation of the republics within the Russian North Caucasus. For the EU, weak governance, pervasive criminality and corruption threatening the stability of the regional states is the primary nexus of challenges confronting the organisation's engagement in the region². However, both NATO and the EU face common challenges including the continuing frozen conflicts in Transnistria, Abkhazia, South Ossetia and Nagorno-Karabakh; the uncertain political trajectories of, in particular, Ukraine and Georgia; and developing energy security³ via access to the resources of the Caspian Basin.

The Black Sea region is also an opportunity for the European/Euro-Atlantic community. Positive and constructive engagement with the states of the former Soviet Union – Moldova, Ukraine, Georgia, Armenia and Azerbaijan to promote and develop security, stability and prosperity will serve to enhance both the interests of those states and the interests of Europe and the Euro-Atlantic through mutual cooperation, the mitigation of threats to security, and the expansion of economic activity. Engagement with the Russian Federation can also be on a positive basis. The EU, NATO and Russia share common interests in the Black Sea region, namely, resolution of the conflict situations in Moldova, Georgia and between Armenia and Azerbaijan, the stabilisation of the North Caucasus (in particular, preventing the consolidation of Islamist extremist entities)⁴, and developing the region as an energy hub linking Europe to the hydrocarbon resources of the Caspian and Central Asia. However, should relations with Russia continue to deteriorate, the Black Sea region could constitute a valuable bulwark vis-à-vis Russia; this is especially so if Ukraine, Georgia

² Cornell, *et. al.* 2006.

³ Shea, 2006.

⁴ Sagramoso, 2007.

and Azerbaijan continue on pro-Western trajectories. Unfortunately, engagement between the states of the region and the Euro-Atlantic community is perceived by the hard-line *Siloviki* in Moscow as provocative⁵. This is particularly the case regarding NATO cooperation and dialogue with Ukraine and Georgia to the extent of perceiving Ukrainian/Georgian dialogue with, and potential membership of NATO as a direct threat to Russia⁶. It is thus probable that the tone of NATO-Black Sea region-Russia relations will assume the character of a zero-sum, balance-of-power relationship predicated on confrontation and competition, rather than on cooperation, due to the hard-line perspective of Moscow.

The Black Sea region is geo-economically significant for the Euro-Atlantic community, in particular with regard to energy and as a component of a wider European transportation system. Baillie (2006) states that in 2006 approximately half of the energy consumed in the EU came from outside the organisation and that this figure may increase to as high as 70 per cent in twenty or thirty years. Furthermore, by 2030, 80 per cent of European gas demand will be met by non-EU sources of which Russia will be the principal supplier; at present, Russia provides 25 per cent of European gas⁷. To mitigate dependence on Russia, the EU has undertaken efforts to increase the supply of oil and gas from alternative sources, in particular from Caspian and Central Asian states (namely Azerbaijan and Kazakhstan). The Black Sea area constitutes the principal hub for the West-East energy corridor linking the European market to production in Azerbaijan. In addition to the Black Sea region's importance as an energy hub, the region is also a key element of the nascent Pan-European

⁵ From private source.

⁶ From private source.

⁷ Baillie, 2006.

Transport Area (PETrA) and the Transport Corridor Europe-Caucasus-Asia (TRACECA)⁸.

The Black Sea region, constituting the south-eastern frontier of Europe and the Euro-Atlantic community, is of increasing geopolitical and geo-economic significance. This increasing importance is reflected by the region's developing strategic profile and military value. This is indicated by the growing US military interest and presence in Romania, Bulgaria and the South Caucasus. Further, the region is also a means for projecting power into the Middle East and Eurasia and is therefore of great importance to the security of Europe.

The Black Sea Region: An Emerging Military-Strategic Hub

The Black Sea region is a complex strategic environment with a set of competing influences involving regional (Russo-Turkish competition, Russo-Ukrainian and Russo-Georgian tensions), extra-regional (such as the developing presence of the US in the region), and organisational (for example, NATO) actors. Since 2002, the US has actively utilised bases in the region, in particular, the Mihail Kogalniceanu Air Base in Romania for supporting operations in Afghanistan and Iraq⁹, and is developing a presence in Romania and Bulgaria under the auspices of the United States Army Europe (USAREUR) Joint Task Force East (JTF-E)¹⁰. The military position of Romania and Bulgaria additionally has been enhanced geopolitically since 2004 following accession to membership of NATO. Both states are at the forefront of a military realignment in Europe involving a shift in focus from central Europe south

⁸ The geo-economic importance of the Black Sea region will be examined in further detail in *The Geo-economics of the Black Sea Region* (page 15)

⁹ Tudor, 2004.

¹⁰ Dorschner, 2006.

and east-ward so as to be better positioned for projecting power into the Middle East and Eurasia. The Black Sea region is central to this strategy as it enables rapid access to the Balkans, Caucasus and the Caspian region. This is reflected in the structure of JTF-E which utilises facilities in Bulgaria and Romania for the pre-positioning of equipment, training and the forward-deployment of forces as required¹¹. The US has also surveyed locations in Georgia, Armenia and Azerbaijan which could be utilised if necessary in the event of a crisis¹². The increasing importance of the Black Sea and its surrounding region with the attendant increase in attention devoted to the area has however caused concern with littoral states, in particular, Russia and Turkey. This is illustrated by the cooperative security operation Black Sea Harmony. This operation launched in 2004 by Turkey to secure the Bosphorus has subsequently expanded into a multinational maritime security operation in the Black Sea with the participation of Russia in December 2006 and Ukraine in January 2007¹³. NATO had expressed interest in extending its Mediterranean-based maritime security/counter-terrorism Operation Active Endeavour into the Black Sea¹⁴; this was however opposed by Moscow and Turkey. The latter, although a NATO member, did not wish to see NATO and the US establishing a presence in the Black Sea and thus undermining the Turkish-weighted balance-of-power as established by the 1936 Montreux Convention. Turkey has also taken the lead in the fore-runner to Black Sea Harmony; the Black Sea Naval Cooperation Task Group, or Black Sea Force (BLACKSEAFOR)¹⁵. This organisation, established in 2001, has brought together all the littoral states of the Black Sea for

¹¹ Ibid.

¹² Knights, 2005.

¹³ Dorschner, 2007.

¹⁴ Cornell, *et. al.* 2006.

¹⁵ Dorschner, 2007.

maritime cooperation and security operations. It has also functioned as a confidence-building measure¹⁶ between the littoral states.

The security environment of the wider Black Sea region is unstable with a range of threats affecting regional security. Of particular importance are the continuing conflicts in Moldova with its secessionist region of Transnistria; the conflicts between Georgia and the secessionist regions of Abkhazia and South Ossetia; the Armenia-Azerbaijan conflict over Nagorno-Karabakh; the increasing destabilisation of the Russian North Caucasus and developing *jihadist* presence¹⁷; continuing Russo-Ukrainian tensions; and the deterioration in relations between Russia and the West. The conflicts in Moldova, Georgia and between Armenia and Azerbaijan threaten regional security through providing areas (the secessionist regions) that are havens for criminal elements, sources of munitions and explosives for illicit “export”, and prevent the development of good governance and stable economies (national and regional) in the afflicted states and surrounding regions. Furthermore, equipment limited by the Conventional Armed Forces in Europe (CFE) Treaty remains unaccounted for in Abkhazia, South Ossetia and Nagorno-Karabakh¹⁸. Transnistria, Abkhazia and South Ossetia are also problematic due to the Russian support and backing they receive. This is exacerbated by the desire for the central authorities in Moldova and Georgia to seek greater engagement with the Euro-Atlantic community thus transforming what were ethnic conflicts into a subset of Russo-Western tension alongside issues such as the CFE Treaty, Missile Defence deployments in Europe, and the future of Kosovo¹⁹. In the mid-to-long term, the most significant threat to security and stability in the wider

¹⁶ Cornell, *et. al.* 2006.

¹⁷ Sagramoso, 2007.

¹⁸ Lachowski, “Arms Control in the Caucasus”, in Bailes, *et. al.* 2003.

¹⁹ See Bosbotinis and Ghaplanyan, 2007b, for further discussion of the relationship between the situation regarding Kosovo and the frozen conflicts of Moldova and the South Caucasus.

Black Sea region will likely be renewed confrontation between Russia and the West. Russia is particularly concerned that Ukraine and Georgia will join NATO and Russo-Ukrainian relations reflect this concern. This is especially so since the Orange Revolution in 2004 and the continuing polarisation of Ukrainian politics between pro-Western and pro-Russian parties, Russia's increasing re-assertiveness, and the potential restlessness of the ethnic Russian majority in the Crimea²⁰ are factors indicating an increasing element of risk in Russo-Ukrainian relations and wider security in the Black Sea region. The decision by the Ukrainian government to resume the development and deployment of tactical ballistic missile systems "to deter other states from aggressive actions against our country"²¹ indicates that Kiev has concerns that its security environment may deteriorate in the relative near-term (the new system is due to enter service early in the next decade²²). Russo-Georgian relations are a further potential flashpoint in the region, in particular due to Russian support for Abkhaz and South Ossetian secessionism, Russian interest in maintaining a military presence in those two territories²³, and Russia's vehement opposition to Georgia's engagement with the US and NATO. The extent of Russian opposition to Ukrainian and Georgian membership of NATO is such that a military response (albeit not necessarily a direct use of force) would be likely to Ukrainian and/or Georgian accession to the Alliance²⁴.

The Black Sea region is an emerging military-strategic hub. It is strategically located at the crossroads of Europe and Asia thus making it ideal for power projection into the Middle East, Eurasia and Asia and serving as a bulwark against threats to Europe. The

²⁰ Ibid.

²¹ Interview with the then-Ukrainian Minister of Defence Anatolii Hrytsenko in *Kommersant Ukrainy* cited in Bukkvoll, 2007.

²² Richardson, 2007.

²³ From private source.

²⁴ From private source.

region is also an area of historic Russian interest and influence and the developing military presence of NATO and the US is perceived to be a direct threat to Russia. This paper will now examine why the Black Sea region is of such importance to Russia.

Russia and the Black Sea Region

The Black Sea region is an area of critical national interest for Russia in the broadest terms encompassing politico-military, strategic and economic interests. The region has been an area of Russian interest for over two centuries and due to its proximity to the Russian heartland will likely remain so. Of particular importance to Russia is the political trajectory of Ukraine, countering secessionism in the North Caucasian republics and defending Russian interests in the South Caucasus, including its alliance with Armenia which includes a mutual defence clause²⁵. The Black Sea provides Russia with one of its two means of direct access to “warm waters” (the other being the Russian Far East’s Pacific coast) albeit constrained by Turkish control of the Bosphorus. In addition, the Russo-Ukrainian frontier accounts for nearly half of Russia’s western frontier (the other states on its’ western frontier being Belarus and the three Baltic republics). Russia has traditionally placed an emphasis in its foreign policy on the maintaining of “buffer zones” between it and potential adversaries. It is therefore possible to understand Russian concern that Ukraine is in dialogue with a military alliance that Moscow perceives is an existential threat²⁶. The Russian attitude toward Georgia is similar; Georgian courting of NATO and the US is designed explicitly to remove Russian influence from an area of longstanding Russian interest. This is compounded by the ongoing and increasing conflict(s) in the North Caucasian

²⁵ Roy Allison, “Russia, Regional Conflict, and the Use of Military Power” in Miller and Trenin (eds.), 2004.

²⁶ From private source.

republics which have an increasingly *jihadist* overtone, including proclamations of a “Caucasus emirate” and stated objectives including the “liberation of Caucasian lands from the ‘Russian infidel’”²⁷. The challenges that confront Russia and its recovery from the collapse of the Soviet Union are exemplified by the encroachment of the West into its “near-abroad”, that is, the former Soviet republics such as Moldova, Ukraine and those of the South Caucasus. Thus, to consolidate its position and recover a position of eminence in the international system, Russia must successfully protect and project its national interest in its “near-abroad” including the Black Sea region. This entails the effective containment of NATO and US efforts to develop a presence in the region; ensure the political trajectories of, in particular, Ukraine and Georgia is favourable to the Russian interest; and utilise the Black Sea region as a launch-pad for projecting Russian influence into the Balkans, Mediterranean, and Middle East. Russian support for the secessionist territories of Transnistria, Abkhazia and South Ossetia and the large ethnic Russian population of eastern Ukraine provides it with levers to use against Chisinau, Tbilisi and Kiev but also provides sources of potential conflict. This is especially so with regard to Abkhazia and South Ossetia where Russian citizenship has been granted to the majority of the populations and thus any action by Georgia to re-establish control over its secessionist regions could provide the pretext for Russian military intervention.

Russia maintains a significant military presence in the Black Sea region concentrated in the North Caucasus Military District (MD) and the Black Sea Fleet with additional forces based in Armenia. The North Caucasus MD includes a substantial Ground Forces component principally based in North Ossetia, Chechnya and Dagestan and a

²⁷ Sagramoso, 2007.

strong Special Forces component of around four thousand personnel²⁸. The second principal concentration of forces and infrastructure is within the Krasnodar and Rostov regions on, or in proximity to, the Black Sea and Sea of Azov coasts. The Russian Air Force maintains a dedicated Air Army; the 4th Army, headquartered at Rostov-on-Don²⁹. The 4th Army of the Russian Air Force includes a significant tactical attack capability based on five regiments of Sukhoi Su-25 *Frogfoot* attack and Su-24 *Fencer* bomber aircraft³⁰. This reinforced attack capability is derived from combat operations in Chechnya but also provides the Russian military with the requisite capability for power projection into the South Caucasus and Caspian region or vis-à-vis Ukraine. The Black Sea Fleet maintains a limited high-intensity combat capability centred on the *Slava*-class cruiser *Moskva*, the *Kara*-class anti-submarine warfare (ASW) cruiser *Kerch*, three frigates including two *Krivak*-class vessels³¹, and two diesel submarines³² (plus a larger number of smaller surface-combatants and amphibious vessels). The Black Sea Fleet additionally has a shore-based offensive aviation component of Su-24 *Fencer* attack aircraft. Russia also maintains a military presence in Armenia including MiG-29 fighters, SA-12 air-defence systems, and mechanised infantry. The importance of the Black Sea Fleet and North Caucasus MD within wider Russian Grand Strategy is demonstrated by the position they occupy in Russian military planning and with regard to current or planned investment in these forces. *The Priority Tasks of the Development of the Armed Forces of the Russian Federation* (2003) places the Black Sea region within a zone defined by “The possibility of the deployment of considerable groups of foreign troops and creation of strike groups in the territory of new NATO members and countries that aspire to join the bloc”. The structuring of the North Caucasus MD and

²⁸ Trifanov, 2006.

²⁹ Butowski, 2007.

³⁰ Ibid.

³¹ Barabanov, 2006.

³² Socor, 2007.

the Black Sea Fleet order-of-battle is indicative of the Russian perception that NATO is the most likely adversary. For example, the first deployment of the SS-26 *Stone* tactical ballistic missile system was with the North Caucasus MD; the small batch (~12) of Kamov Ka-52 attack helicopters built was deployed with the GRU³³ in the North Caucasus MD; the first deliveries of modernised helicopters, upgraded Su-25SM *Frogfoot* and the new Mil Mi-28N *Havoc* attack helicopter will also be to the 4th Army³⁴; and the planned modernisation of the Black Sea Fleet is focused on high-intensity war-fighting capabilities, including deploying between 12-15 submarines and one of six planned new aircraft carriers to the Fleet³⁵. The Black Sea Fleet is also intended to provide the basis of a re-established Mediterranean Squadron³⁶; the current Russian naval task group deployed to the Mediterranean headed by the aircraft carrier *Admiral Kuznetsov* includes the Black Sea Fleet flagship *Moskva*.

The Black Sea region is also an integral component of Russia's geo-economic strategy as it seeks to secure a monopoly over exports of oil and gas from the Caspian Basin and Central Asia to Europe. It is furthermore an area where Russia has used energy as a component of coercive diplomacy namely vis-à-vis Ukraine and Georgia which have both suffered energy supply disruptions due to divergent interests from Moscow. It is from this perspective, that one can assess the core element of Russian Grand Strategy as remaining preoccupied with confrontation and coercion either by military, economic or other means and its policy toward the states of the Black Sea region is generally reflective of this, especially with regard to those states that seek closer relations with the Euro-Atlantic community.

³³ *Glavnoye Upravlenie Razvedyvatelnoye* – the Military Intelligence Directorate of the General Staff.

³⁴ Butowski, 2007.

³⁵ Socor, 2007.

³⁶ Barabanov, 2006.

The Geo-economics of the Black Sea Region

The Black Sea region is emerging as a critical economic hub linking Europe with wider Eurasia. This is particularly so with regard to energy as the Black Sea region forms the central hub for pipelines linking Europe to the hydrocarbon resources of the Caspian Basin. In this respect, the Black Sea region is *strategically vital* to Europe for developing energy security. The aforementioned figures given by Baillie (2006) of approximately half of Europe's energy demand being met by imports of which 25 per cent is imported from Russia indicates the importance of developing energy security through diversity of sources (oil, gas, nuclear, renewable, et cetera) and supply. The latter is particularly important due to the current significance of Russia to the European energy market and the penchant for Russia to utilise energy supply as a means of coercion. Due to this, it is of critical importance that sources of supply be developed that are not dependent on Russian infrastructure for delivery to Europe. The exploitation of oil and gas reserves in the Caspian Basin and in the mid-to-long term, Central Asia, can provide Europe with an alternative to Russian energy imports. As a means of developing relations between Europe and Caspian/Central Asia producers, the EU launched the Interstate Oil and Gas Transport to Europe (INOGATE) programme in 1995. The Black Sea region constitutes a key element within INOGATE as it forms the central hub of the East-West corridor for oil and gas exports from the Caspian and Central Asia. Of particular importance are Turkey, Bulgaria, Romania and Ukraine. Turkey is host to the Ceyhan and Erzurum oil and gas terminals for exports from Azerbaijan and the Samsun-Ankara-Ceyhan trans-Anatolian pipeline; Bulgaria provides the start for the Burgas-Alexandroupoli pipeline³⁷; Romania is via Constanta

³⁷ The Burgas-Alexandroupoli pipeline does however feature majority Russian (Gazprom) ownership.

the start of the Southeast Europe Line (SEEL – Constanta-Trieste)³⁸; and Ukraine is host to the Odessa-Brody pipeline. Although some of these pipelines (for example, Burgas-Alexandroupoli, Samsun-Ceyhan) currently transport Russian oil or gas, the dependence on Russia is nonetheless being mitigated as imports from Azerbaijan increase. The development of energy export routes provides a further element of competition between Russia and the West as the former seeks to maintain a position of dominance across the Eurasian energy export infrastructure whilst Western companies and states seek to develop links directly with the states of the Caspian and Central Asia (principally Azerbaijan, Kazakhstan and Turkmenistan). This is particularly the case with regard to the development of trans-Caspian pipelines (an already fraught issue due to the lack of agreement over the status of the Caspian Sea). An added complication with regard to gaining access to Central Asian oil and gas is the increasing presence of China as it seeks to gain access to, in particular, Kazakh oil and gas resources.

The Black Sea region is an emerging hub for the nascent Pan-European Transport Area (PETrA) and the TRACECA programme linking Europe via the South Caucasus to Central Asia (and potentially in the long-term, the Indian sub-continent and China). The TRACECA programme, launched in 1993, has the objective of developing multi-modal (road, rail, and maritime) transportation links between Europe and the states of Central Asia via the South Caucasus. The Black Sea region is integral to this project as the key linkages connecting Europe with the South Caucasus are within the Black Sea region; in particular Ukraine (Odessa), Romania (Constanta), Bulgaria (Varna and Burgas), Turkey (Istanbul, Ankara, Samsun, Trabzon) and Georgia (Batumi and Poti). The development of projects such as TRACECA and INOGATE alongside a PETrA provide the opportunity for fully anchoring the Black Sea region within the European

³⁸ Katik, 2007.

and wider Euro-Atlantic community. Both TRACECA and INOGATE are of substantial importance for European economic development (especially in terms of developing trans-Eurasian trade) and energy security. The programmes are also of vital importance to the states of the Black Sea region and further, Central Asia, in terms of aiding their economic and wider development via engagement with Europe. The geo-economic importance of the Black Sea region cannot however be considered separately from its geopolitical and geo-strategic position. The principal inhibitor to the development of the region's geo-economic potential is the nexus of threats and challenges pervading the region's political and security environment. Of particular importance are the continuing "frozen conflicts" in Moldova, Georgia and between Armenia and Azerbaijan with the attendant deficits in governance, law and order and general stability that persist due to these conflicts. Furthermore, the wider regional destabilisation caused by these conflicts in particular between Russia and Georgia and Armenia vis-à-vis Azerbaijan and Turkey³⁹ serves to significantly increase the risk factor in the region and constrain national and regional economic development. It is therefore necessary to frame engagement with the Black Sea regional states not on the basis of economic or political or military issues but rather to structure engagement holistically so as to promote security, stability and prosperity through conflict resolution, confidence-building and cooperation.

Conclusion

The strategic value of the Black Sea region is derived from its geographical, geopolitical, and geo-economic position. The region constitutes the south-eastern frontier of NATO and the EU and is the juncture at which Europe, Russia, Asia and the Middle

³⁹ For example, see Bosbotinis and Ghaplanyan, 2007a.

East meet. In geopolitical terms, the region is a zone of instability with direct repercussions for European security, yet is also a zone of opportunity for developing as a partner within the Euro-Atlantic community via NATO and the EU. The region however, is at the crux of two spheres of influence, that is, those of the West and Russia. This does not need to result in rivalry; Russia and the West share a common interest in ensuring the peace and prosperity of the regional states, but Russian perceptions of zero-sum diplomacy, balances-of-power, and confrontation constitute a major obstacle to cooperation. It is in this context that the Black Sea region is vital to the security of the Euro-Atlantic community as it can constitute, if necessary, a bulwark against a resurgent Russian posture predicated on confrontation. The region is also vital for projecting power into the Caucasus, Central Asia and the Middle East to contain threats and challenges to security before they can mature as a direct threat to Euro-Atlantic security. The Black Sea region's importance is further enhanced due to its position as a critical economic hub, in particular, with regard to energy and transportation. The development of the hydrocarbon resources of the Caspian Basin and Central Asia is a core interest for Europe to promote energy security. The Black Sea region is critical to this as it is the lynchpin for export infrastructure. In this context, it is perhaps useful to consider not the Black Sea region, but the Black Sea-Caspian region. The economic potential of the Black Sea region provides a significant opportunity for cooperation with Russia. Isakova (2004) states Russia's desire to serve as a bridge linking Europe with the Asia-Pacific. Projects such as PETrA and TRACECA provide the basis for integration with Russia's transport network and the potential to develop a true Eurasian transportation/trading space serving the interests of all involved.

The nexus of geographical, geopolitical and geo-economic factors demonstrate the strategic value of the Black Sea region and it is of paramount importance that the security, stability and prosperity of the region are assured. This requires a grand strategic engagement covering political, military-strategic and economic spheres, including cooperation between the principal European/Euro-Atlantic organisations (EU, NATO, and OSCE⁴⁰), to ensure the integration of the region as a core element of the Euro-Atlantic community. Engagement with Russia must also be structured in this way so as to build confidence and assure Russia that the West does not harbour malevolent intentions. This will allow relations in the Black Sea region to be based on cooperation rather than confrontation thus enabling the development of stability and prosperity for the region and beyond.

⁴⁰ The Organisation for Security and Cooperation in Europe)

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