

countries is more potential than actual. The widely held view that political integration between states is determined by their economic complementarity does not apply to GUAM. In this case, a deepening of economic cooperation is a logical continuation of political partnership.

For a complete analysis, it would be well to consider the sociocultural, including religious, compatibility of the GUAM countries. But this problem is beyond the scope of this article and should be considered separately.

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## THE GUAM PHENOMENON: ITS EXPERIENCE AS A REGIONAL COOPERATION STRUCTURE AND ITS PROSPECTS AS AN INTERNATIONAL ORGANIZATION

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The appearance of the GUAM (Georgia, Ukraine, Azerbaijan, and Moldova) cooperation group in the second half of the 1990s was motivated by the need to create a consultative mechanism within the framework of European international organizations in order to coordinate the positions of the member states and form regional cooperation structures. At the same time, definition of the role and clarification of the functions of GUAM at all stages of cooperation among the interested sides and development of this structure was in no way simple and unequivocal due to the changes in the transnational system and the special features of the processes occurring in the post-Soviet expanse. These circumstances demand a more in-depth assessment of the special roles played by the member states and of the regional processes that have been going on during the last 15 years.

The profound political differences among the post-Soviet states in foreign policy, security, and military partnership designated after the collapse of the U.S.S.R. as early as the first half of 1992 can be regarded as the trigger that launched the formation of GUAM as a separate structural component. After refusing to sign the Collective Security Treaty at the CIS Tashkent summit on 15 May, 1992, several countries, including Ukraine, Moldova, Belarus, Azerbaijan, and Turkmenistan, voiced their objection to Russia's dominating status in the former Soviet expanse and proclaimed their own foreign policy in the European and Euro-Atlantic context.

As early as 1992-1993, political observers led everyone to believe that Kiev could become an alternative center of consolidation within the CIS. This development of events was considered a premise for the possible breakdown of the CIS

into two zones, one of which would be more subject to Western influence, while the other would retain its primary orientation toward Moscow.

The CIS European countries took a long time to adapt to the reality of post-bipolar Europe, and it was not an easy process. Their cooperation potential on an interstate basis, which was envisaged in the CIS founding documents, was poorly tapped. During the transition to capitalism, each of the post-Soviet states strove to set and resolve their domestic development and foreign policy tasks independently, without interacting with the other post-Soviet states. Most of the Central Asian countries and Armenia still hoped to preserve alliance relations with Russia, which was reinforced by the need to guarantee security. In contrast, the political elites of Ukraine, Moldova, Azerbaijan, and Georgia looked for ways to strengthen their independence in their relations with Moscow, rejecting participation in proto-coalition military-political structures, such as the Headquarters for Coordinating Military Cooperation among the CIS Member States (it was in effect from 24 September, 1993 to 1 January, 2006) and the Joint Command Headquarters of CIS Collective Peacekeeping Forces. The question of territorial integrity remained a constant bone of contention for the governments of Moldova, Georgia, and Azerbaijan. In so doing, Russia's position was regarded as a serious obstacle to restoring these countries' control over the autonomies declaring independence. Ukraine viewed the events of 1992-1994 relating to the status of the Black Sea Fleet and the separatist moods in the Crimea as confirmation of Russia's imperial ambitions.

Another important factor was the direct influence of the enlargement of the EU and NATO, which motivated Ukraine and Moldova to declare their pro-European orientation, and also encouraged Georgia and Azerbaijan to move closer to NATO and the EU. In the 1990s, the European integration processes seemed to be the trend that would sooner or later also spread to the European republics of the former Soviet Union. Against this background, refusal to engage in military and military-political cooperation with Russia was viewed as the main prerequisite for a successful pro-Western orientation. Z. Brzezinski's idea about the need for Moscow's preventive deterrence in order to stop a revival of the Russian empire had a significant influence on the formation of political views. Z. Brzezinski saw the creation of a Balto-Black Sea arc—an alliance of states between the Baltic and Black seas—as an effective means for putting pressure on Russia.<sup>1</sup>

Since GUAM's declaration coincided with attempts to establish permanent forms of political coordination between Ukraine, on the one hand, and Poland and Lithuania, on the other, this project was a direct reminder for the Russian elite of the "limitrophe spaces" of the 18th century and of various versions of the "cordon sanitaire" of the 1920s-1930s. So it is not surprising that Moscow's attitude toward GUAM was unequivocally negative from the very beginning.

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<sup>1</sup> See: Z. Brzezinski, *Out of Control: Global Turmoil on the Eve of Twenty-first Century*, New York, 1993, pp. 187-205.

## GUAM's Formation as a Multilateral Consultative Mechanism

In 1995-1996, interaction among the diplomatic corps of Ukraine, Moldova, Azerbaijan, and Georgia was carried out in the form of political consultations within the framework of the U.N., OSCE, and the Council of Europe. More active rapprochement of the positions of these countries was

designated after the OSCE Lisbon summit within the framework of the discussion of the flank limitations of the Treaty on Conventional Weapons and Armed Forces in Europe. GUAM's appearance as a political-consultative mechanism was declared during the meeting of the heads of state and government of the member states of the Council of Europe in Strasbourg on 10 October, 1997. The joint declaration of the presidents of the four states envisaged close cooperation aimed at "strengthening stability and security in Europe based on the principles of sovereignty, territorial integrity, and inviolability of state borders." Stepping up the deadlines for withdrawing Russian troops and military bases from Transnistria and Georgia was considered one of the important goals of this interaction. The document stated that the GUAM states shared the same views on the key international problems, including the processes in the post-Soviet expanse.

GUAM's goals and tasks were defined in general terms during the meeting of the delegation heads of Ukraine, Georgia, Moldova, and Azerbaijan in Washington and during the annual assembly of the IMF and World Bank in October 1998. The sides placed the emphasis on development of a Trans-Caucasian transportation corridor, which was presented as a potentially important direction of regional integration and as a factor for strengthening the economic and political sovereignty of the countries in this group. From Ukraine's viewpoint, the creation of GUAM opened up the possibility of gaining access to Caspian oil, as well as use of the Odessa-Brody oil pipeline with subsequent transportation of energy resources to the European market. Ensuring the security of transportation corridors was regarded as a concomitant goal.

During the NATO summit held in Washington on 24 April, 1999, Uzbekistan also joined the group after suspending its participation in the Tashkent Pact of 1992 in 1999, but not denouncing this document. The enlarged union of states was named GUUAM.

The statements of the GUUAM member states' presidents adopted in Washington clarified the principles and main vectors in the activity of this union with the emphasis on security issues, including:

- strengthening multilateral cooperation within the framework of international organizations and forums;
- developing interaction within the framework of the Euro-Atlantic Partnership Council and NATO Partnership for Peace program;
- cooperating in the peaceful settlement of conflicts and crisis situations;
- intensifying practical cooperation aimed at reinforcing the peacekeeping potential;
- opposing ethnic intolerance, separatism, religious extremism, and terrorism;
- strengthening conditions for the non-dissemination of nuclear weapons and other types of WMD;
- preventing deliveries of arms to conflict zones;
- cooperating in the development of a Europe-Caucasus-Asia transportation corridor;
- holding regular consultations on issues of mutual interest.

Until 2001, GUUAM was primarily regarded as an interstate coordination mechanism. Diplomatic prudence in the member states called for not posing the new structure as an opposition organization to the CIS and other unions that appeared in the post-Soviet expanse. From the viewpoint of Ukraine, GUUAM's main prospects were associated with building and operating a Eurasian transportation corridor, reviving the TRACECA project along the Great Silk Road, and expanding regional cooperation with European and Euro-Atlantic structures, since it was obvious that without their sup-

port it would not be possible to implement the project designed to transport Caspian oil to Europe through Georgia and Ukraine.

In addition, the Ukrainian military-political complex was interested in delivering arms to the GUAM countries and rendering services to modernize military technology. Beginning in 1998, a proposal was made by the Ukrainian high brass to create a joint GUAM military contingent with a specific set of assignments, which included ensuring the security of transportation corridors and pipelines. On 21 January, 1999, at a meeting of the defense ministers of the GUAM states, the formation of a joint peacekeeping battalion was approved. The first common thematic exercises of Ukrainian, Georgian, and Azerbaijani contingents were held in Georgia in the spring of 1999, on the eve of the official opening of the Baku-Supsa oil pipeline and Poti-Ilyichevsk rail ferry crossing.<sup>2</sup>

But official Kiev was clearly in no hurry to use the GUUAM peacekeeping forces in local conflicts. According to A. Kuzmuk (Ukrainian defense minister in July 1996-October 2001 and in September 2004-February 2005), Ukraine was ready to participate in political consultations, create a trans-Caucasian corridor, and restore the Silk Road in order to ensure stability in the Caucasian region, which did "not require sending a peacekeeping contingent to the Caucasus."<sup>3</sup> A. Kuzmuk also emphasized that it was not a matter of creating an official coalition or encouraging the activity of a joint contingent in the CIS.

During Leonid Kuchma's presidency, Nagorno-Karabakh was considered the most likely area for applying the GUUAM peacekeeping efforts (if mutual consent of the sides, i.e. Armenia and Azerbaijan, was reached on this question). As for Abkhazia, the Ukrainian leadership placed its stakes on the offer to provide mediation services to settle the conflict by diplomatic means.

In 1999-2001, almost all the main concepts and ideas about the prospects for the Organization's development had been outlined, including the possibility of its enlargement by means of Poland, Rumania, and Bulgaria, as well as its transformation into an international structure. On Ukraine's initiative, the GUUAM summit in Yalta (6-7 June, 2001) adopted the Organization's Charter, which contained several provisions of a founding nature and specified the goals of activity. In July 2002, an agreement was signed to form a free trade area. In 2004, a decision was made to create a GUUAM Parliamentary Assembly.

On 14 June, 2002, Uzbekistan announced its intention to suspend its membership in the Organization, and in 2005 entirely ceased its participation in its bodies and structures. At the same time, this republic continues to participate in the free trade area and transportation projects, including the TRACECA program supported by the EU, in the framework of which freight from Uzbekistan to Europe passes along the Tashkent-Turkmenbashi-Baku-Poti-Ilyichevsk route. The change in the country's position was motivated primarily by GUUAM's shift toward cooperation with NATO, as well as the advance of plans representing a potential alternative to the CIS projects despite the weak economic integration potential of this Organization.

It is worth noting that GUUAM's potential as a multilateral structure has long been a standby option for Kiev. According to Ukraine, the transport-energy vector was the most important, which was motivated by the need for more sustainable energy security. The emphasis was placed on achieving the maximum yield of the international transportation corridors passing through the GUUAM states, which was considered the Organization's main cohesive element and the main significance of its historical designation.<sup>4</sup>

<sup>2</sup> See: V. Badrak, "Vivat GUUAM!" *Zerkalo nedeli*, No. 40 (313), 14 October, 2000.

<sup>3</sup> V. Badrak, "Batalionotvorchestvo, ili Novaia filosofii voennogo sotrudnichestva," *Zerkalo nedeli*, No. 3 (276), 22 January, 2000.

<sup>4</sup> Speech by Ukrainian President Leonid Kuchma during discussion of Item 3 on the agenda of the GUUAM summit "Current State of Cooperation in GUUAM and the Prospects for its Development" (Yalta, 7 June, 2001).

Nevertheless, no stable prospects were defined for the Baku-Supsa-Odessa-Brody energy route, despite the constant efforts of the Ukrainian side and Poland's token consent to support this project, as well as the serious attempts undertaken by the Ukrainian government in 2003-2004 to come to terms on the possibility of delivering oil from Kazakhstan and Azerbaijan. The plans formulated in the Yalta Charter of 2001 to transform GUUAM into a full-fledged transnational organization were carried out slowly. Moreover, in 2002-2004, during the Ukrainian-Russian talks, the sides succeeded in coordinating and normalizing the mid-term conditions for the delivery and transit of Russian oil and gas through Ukraine, which reinforced Ukraine's status as the main transit state and helped to defuse tension in relations with Moscow, which was most perceptible in 2002-2004. The pragmatic possibilism of the foreign policy of Leonid Kuchma's presidency (in the form of so-called multi-vectorism) was subjected to targeted criticism with respect to its "indefiniteness" and "situation-orient- edness." This became an important factor motivating the support from political circles and various U.S. and EU foundations of the transfer of power to Viktor Yushchenko, who declared an unequivocal Western orientation.

## The Democracy Rage and Development Problems

When Victor Yushchenko came to power in Ukraine (2005), an attempt was made to activate GUAM's activity and launch its new phase. There were three components among the main factors regarded as prerequisites for this Organization's more active role in the context of the changed political situation in the Black Sea-Caspian sub-region:

- the enlargement of NATO and the EU, as well as Rumania and Bulgaria's entry into the Alliance, which gave NATO the status of direct participant in the security relations in the Black Sea Region;
- acceleration of the democratic processes as a result of the development of direct contacts between the region's states and NATO and the EU;
- dynamic development of new energy projects, which prompted a search for mutually beneficial cooperation conditions between the GUAM states and the European and Central Asian countries.

The new tasks were motivated by the fact that the states of the Black Sea-Caspian zone could no longer remain outside the European processes, waiting for the Russian leadership to show it was ready for mutually beneficial cooperation. In order to ensure more sustainable development prospects, it was suggested that attention be concentrated on strengthening regional security, since without this the prospects for ambitious economic projects would remain indefinite. The GUAM member states set their general sights on putting a halt to the Russian military presence in Georgia and Moldova, assisting transfer of the separated provinces to the control of the central authorities, and rendering mutual assistance in crisis situations.

Drawing up a plan for settling the Transnistrian conflict and declaring its willingness to promote democratization of the post-Soviet expanse were new elements in GUAM's political positioning at the summit in Chisinau (22 April, 2005). It was hoped that GUAM's activation would ensure continuation of the processes designed to enlarge NATO and the EU, which would ensure the Black Sea-Caspian states economic advantages, participation in the oil and gas transportation projects, as well as large investments and access to new technology. Of course, this approach meant putting forward if

not an economic, at least a political alternative to the CIS. Giving GUAM a more pronounced political-ideological orientation led to Uzbekistan putting an ultimate halt to its participation in the Organization's activity. During the Chisinau summit, Viktor Yushchenko suggested transforming GUUAM into a regional international structure. GUUAM's goal was defined as "creating a zone of stability, security, and prosperity, which is closely tied to the European Union and is developing according to European rules and standards." According to Viktor Yushchenko, GUUAM's activity as a "coalition of states" is based on three universal principles:

- the Organization should become a "bastion and guarantor of democratic change and stability in the Black Sea-Caspian region." The establishment and reinforcement of these values is impossible without the member states' progress toward European integration;
- strengthening the economic power of the region's states and their joint participation in implementing international projects, primarily in the transport and energy fields. Execution of the agreements on creating a free GUAM trade area will create prerequisites for carrying out other joint projects, "particularly in the transit of energy resources in the European direction;"
- cooperation in security, including combating "the growing menace of international terrorism, separatism, extremism, and transnational organized crime" as a direct threat to democracy and economic development. This goal should be achieved by means of joint peacekeeping forces intended for resolving local contradictions in the regions—presumably in the zone of the Georgian-Abkhazian and Georgian-Ossetian conflicts.<sup>5</sup>

In search of support for its political initiatives, the Georgian and Ukrainian leaders initiated a forum called the Community of Democratic Choice (CDC), which was regarded as a regional projection of the global Community of Democracies created at the end of the 1990s for encouraging the democratization of political systems in developing countries. During the CDC forum held in Kiev on 1-2 December, 2005, the accent was placed on its association with the Balto-Black Sea-Caspian region as a project parallel to GUAM. Since the CDC did not envisage the creation of structural and organizational elements, GUAM became the main practical mechanism for implementing the new policy in the Black Sea-Caspian region.

Convocation of the CDC forum was dictated by the striving of the Ukrainian leadership to demonstrate its potential as ideological leader in the political transformation processes in the CIS expanse and contiguous regions. The official aim of this event was to stimulate the democratic processes in the Balto-Black Sea-Caspian region. The declaration adopted by nongovernmental public organizations expressed the confirmation of the principles of political democracy, supremacy of the law, and civil society, as well as the strengthening of cultural ties among the states of the Baltic, Central-Eastern, and Eastern Europe, the Balkans, Black Sea, and the Caucasus. The actual goals of the new community consisted of placing greater political-ideological pressure on Russia, Belarus, and other post-Soviet states by creating a platform for criticizing their ruling circles.

But, due to the dearth of constructive initiatives and real methods of influence, the forum did not become a viable entity. There can be no doubt that the dynamics of the regime changes in Afghanistan, Iraq, Georgia, Ukraine, and Kyrgyzstan created an additional boost for putting pressure on the Russian leadership by "advertising" standard ways to resolve similar political problems. Nevertheless, Ukraine's claim to regional leadership was rather ambitious, since a state wishing to act as a dominating regional entity needs at least to be sure that the other countries playing the role

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<sup>5</sup> See: "Yushchenko pryzivaet k sozdaniiu na base GUUAM 'oplota demokratii i stabil'nosti'," 22 April, 2005, available at [<http://www.podrobnosti.ua/power/intpol/2005/04/22/206716.html>].



of junior partners are interested in this and that they are willing to join forces to resolve several common functional tasks. As for the Euro-Atlantic periphery, the influence on it of the rigid system of Western institutions excludes the possibility of alternative centers of power and influence emerging. The existence of two decision-making centers (the U.S. and the EU) in the bipolar Euro-Atlantic system is creating a specific configuration of relations, under which the United States and the European Union are either vying with each other (which happens quite rarely) or are finding ways to coordinate common approaches. The intensification of NATO's presence in the Black Sea Basin is helping to raise the activity of the regional states, but there is no talk of alternative leadership to them in this situation. Under these conditions, the thesis of Ukraine's regional leadership is sooner playing the role of an emotional factor for encouraging the execution of functions which the governments of the "new" NATO members, such as Poland or Rumania, are loath to carry out.

In 2006, another GUAM summit was held in Kiev (22-23 May), during which a decision was made to turn GUAM into an international organization. Several documents were signed, including the Charter of the Organization for Democracy and Economic Development—GUAM, which, in contrast to the Yalta Charter of 2001, was drafted as an interstate international treaty subject to ratification by the parliaments of the member states.

Speaking at this event, Viktor Yushchenko placed particular emphasis on Ukraine's interest in energy cooperation, which is one of the most important issues for the GUAM states. Primarily, the Ukrainian side expressed an interest in "the new prospects for oil transportation"—keeping in mind the possibilities of the "oil producers, which are Azerbaijan and Kazakhstan," and the interests of consumers in the European Union. Kiev is interested in developing its "obvious transit function" to the utmost and is willing to invest the capacities it has in advancing energy projects, including the Odessa-Brody oil pipeline. It was noted again that Ukraine saw great prospects for this project, including the possibility of building a new oil refinery and terminal for Caspian oil. Viktor Yushchenko confirmed Kiev's willingness to look at projects for building new oil pipelines and gas deliveries from Central Asia through the Caspian Sea, the Caucasus, and Ukraine to Europe, but he evaluated the project for laying a gas pipeline along the bed of the Black Sea bypassing Russia as unrealistic.<sup>6</sup>

Since democratic rhetoric did not ensure a rise in status of the GUAM states in their relations with the EU, but did aggravate the contradictions with the Russian leadership, in 2006-2007, the accents were shifted to popularizing and lobbying several economic projects, particularly those applying to transport infrastructure.

Viktor Yushchenko came forward with these initiatives at the summit of the Black Sea Economic Cooperation Organization (BSECO) in Istanbul on 25-26 June, 2007, proposing that a common energy policy be formed for all the BSECO member states based on transparent and non-discriminating access of all the countries to the energy resources. It was also proposed that a Black Sea free trade area be created and attention concentrated on implementing transport projects and developing international transportation corridors.

The statements of the Ukrainian politicians indirectly express an understanding of GUAM's narrow parameters for developing economic integration projects. Keeping in mind the clearly unrealistic nature of the ideas that if the nature of power in Russia changes, Moscow's attitude toward the prospects and projects of the CIS could significantly change, Kiev declared its willingness to implement an energy policy in GUAM that "would bring these countries closer to the EU" and

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<sup>6</sup> See: *Stenogramma sovmestnoi press-konferentsii i glav gosudarstv-uchastnikov GUAM*, 23 May, 2006, available at [[http://www7.president.gov.ua/ru/news/data/28\\_8461.html](http://www7.president.gov.ua/ru/news/data/28_8461.html)]; "GUAM Sammit—eto ne protivovoes SNG ili Rossii," 23 May, 2006, available at [<http://www.obozrevatel.com/news/2006/5/22/113961.htm>].

voiced its support of Central Eastern European states—EU and NATO members—joining GUAM.<sup>7</sup>

They also talked about unspecified projects aimed at creating a wider market space within the BSECO based on a free trade area with developed transportation routes, which would be regulated by WTO principles and be more open, accessible, and liberal than the European Union market for the countries of the European periphery.

## Plans and Initiatives

In 2006-2007, the plans for GUAM's activity were concentrated on two or three main vectors, including the idea of creating a "common space" for the production and transit of energy resources, a project for an energy transportation corridor based on the use of the Odessa-Brody oil pipeline, and joint representation and advance of the interests of the member states on the international arena, which envisages the creation of peacekeeping structures and their potential use in local conflict zones.

During 2007, two energy summits were held attended by the presidents of Ukraine, Poland, Lithuania, Georgia, and Azerbaijan. The idea of creating a "common Balto-Black Sea-Caspian energy transit space," which was formulated at the Krakow energy summit on 11 May, 2007 was considered the joint initiative of Azerbaijan, Georgia, Lithuania, Poland, and Ukraine. Kazakhstan was also represented at this meeting by Minister of Energy and Mineral Resources B. Izmukhambetov. Kazakhstan President Nursultan Nazarbaev, who was invited to the conference in Krakow, cancelled the trip due to Vladimir Putin's official visit to Kazakhstan scheduled to begin on 10 May. During this event, an agreement was reached to lay a Caspian gas pipeline with the participation of Russia, Kazakhstan, and Turkmenistan.

At the summit in Krakow, Viktor Yushchenko made a statement to the effect that Ukraine's energy development strategy was based on achieving energy efficiency, diversifying sources of energy supply, and ensuring full-fledged use of transit potential. Kiev was interested in forming a common energy space in Central Eastern Europe, which would make it possible to find an optimal combination of the potential of specific countries and encourage execution of the regulations of the European Energy Charter.

Use of the Odessa-Brody oil pipeline was offered as an important component of this strategy. In October 2007, Azerbaijani government approved the candidacy of the State Oil Company of the Azerbaijani Republic (SOCAR) as a shareholder of the Sarmatia enterprise, which was created to finish building the Odessa-Brody oil pipeline to the city of Plońk in Poland. Azerbaijani Minister of Industry and Energy N. Aliev noted that "Azerbaijan is ready to participate in this project," although it is still not clear how the oil pipeline will be loaded.

At an energy summit called "The Development of Energy Cooperation with the Caspian and Black Sea Regions: Toward Enlargement of the Energy Market" (10-11 October, 2007) held in Vilnius, questions were discussed relating to the increase in number of shareholders in the Sarmatia Joint Venture, which was created in July 2004 for laying the Brody-Plock oil pipeline of 490 km in length.<sup>8</sup>

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<sup>7</sup> See: "Yushchenko: GUAM—naibolee perspektivnaia initsiativa sotrudnichestva stran v regione," 12 April, 2005 available at [<http://www.podrobnosti.ua/power/intpol/2005/04/12/203669.html>]; "Ukraina i Gruziiia vystupaiut za otkrytost' GUAM dlia stran vne granits byvshego SSSR," 20 April, 2005, available at [<http://www.podrobnosti.ua/power/intpol/2005/04/20/206014.html>].

<sup>8</sup> The main vectors in the activity of the Sarmatia JV are preparing design and estimate documentation, attracting investments, and supporting construction work. Sarmatia should draw up the feasibility report and determine the efficien-



On Ukraine's initiative, a Round Table meeting was held during the summit to discuss the formation of a common European transit space in Central and Eastern Europe for resolving transit questions in compliance with the European Energy Charter and the national interests of the member states.

A meeting of the Council of GUAM Heads of State in Vilnius (10 October, 2007) adopted a decision to focus the Organization's attention on regional transport and infrastructure projects, including the completion and use of the Odessa-Brody-Plock-Gdansk oil pipeline, the laying of railroads to Georgia, the building of a Kerch-Poti-Batumi ferry crossing, and so on.

The statements by Viktor Yushchenko and the other Ukrainian politicians called for, first, steering clear of issues concerning rivalry with Turkey for the role of main transit state and, second, for interesting the EU in indirectly protecting European energy interests (including by putting pressure on Russia and demanding it join the European Energy Charter). The Ukrainian leadership is continuing to view the Odessa-Brody-Plock oil pipeline as essentially the only realistic way to diversify oil deliveries, as well as ensure relative energy independence. In order to internationalize and Europeanize the problem of energy transit, attention will be focused on drawing up "fundamental principles of a common energy policy," which will make it possible to achieve "greater common benefit" and decrease "the threat of using energy issues as levers of external pressure."<sup>9</sup>

At the moment, only rough outlines of the "common energy transit space" have appeared. By putting forward this initiative, Yushchenko's presidential apparatus tried to unite Polish leader Lech Kaczyński idea to form a unified position of the EU countries and NATO in the sphere of energy security with the Ukrainian side's efforts to convince the European Commission of the realistic nature and benefit of the transit of Caspian oil to the European Union states along the shortest route—through Georgia, Ukraine, and Poland. Nevertheless, in the statements of the Ukrainian politicians, the outlines of the Balto-Black Sea-Caspian energy transit space look very vague and indefinite. Based on the public statements of the GUAM states' leaders, it can be concluded that the matter concerns an attempt to find common ground with several different systems and projects, such as the plans proposed by the U.S. to lay trans-Caspian pipelines, which presume concentrating the energy resources of the Central Asian states on the Turkish transit route, as well as the Nabucco gas pipeline project with the participation of Austria, Turkey, Bulgaria, Rumania, and Hungary, which will pass through Azerbaijan, Georgia, and Turkey to Austria.

It should be noted that the systems offered vie with Russia's plans and projects, such as the Burgas-Alexandroupolis oil pipeline being developed, the currently operating Blue Stream gas pipeline (Tuapse, Russian Federation-Samsun, Turkey) and the planned South Stream gas pipeline (from Tuapse via the Black Sea, Bulgaria, and Greece to the borders of Italy), which is a direct alternative to the Ukrainian gas transit route to the EU countries.

The main idea of the proposed common space is to prevent opposition between the Baku-Supsa-Odessa-Brody Eurasian energy corridor and the current oil transportation route along the Baku-Tbilisi-Ceyhan pipeline, which could be filled to its projected capacity as early as 2008. Since Azerbaijan is planning to significantly increase its oil production (to 65 million tons by 2010), the additional volumes of black gold could be sent along the Georgia-Ukraine-Poland route,

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cy of oil deliveries from the Caspian region to Poland. On 10 October, 2007 state oil and oil transport companies of Azerbaijan, Lithuania, Georgia, Poland, and Ukraine signed an agreement on laying the Brody-Plock oil pipeline and a corporative agreement on share participation in the international Sarmatia enterprise. The share of Ukraine, Azerbaijan, Georgia, and Poland each amounts to 24.75%, of Lithuania—1%. After the oil pipeline is finished, there are plans to extend a branch line from it to Lithuania for delivering oil to the Mažeikių Nafta refinery purchased by the Polish company (see: [<http://delo.ua/news/politics/ukraine/info-59665.html>]).

<sup>9</sup> "Yushchenko vystupaet za sozdanie Chernomorskoi zony svobodnoi torgovli," 25 June, 2007, available at [<http://korrespondent.net/business/196225>].

which, however, will require significant efforts to reconstruct and complete the existing pipelines to Plock and Gdansk, as well as a search for potential consumers. If the project is launched, the energy corridor can be realistically extended in the easterly direction (to the fields in Turkmenistan and Kazakhstan).

Why Viktor Yushchenko and Ilham Aliev mentioned Turkey, Rumania, and Bulgaria as featuring in this space is a mystery. Bulgaria and Rumania are key participants in all the alternative Russian projects and Turkey is Ukraine's direct rival in essentially all the energy transit systems.

Attempts to export oil and gas from Central Asia to Europe without going through Russia are motivated by references to Gazprom's intentions to retain the role of monopolist supplier. Moreover, all the exporter countries, with the exception of Azerbaijan, are still looking for ways to maneuver between the Russian Federation and Western companies. By upholding this tactic, Kazakhstan, Turkmenistan, and Uzbekistan were able to raise the price on gas to be exported, which is resold to Gazpromexport.

Of course if Moscow had agreed to more transparent and mutually advantageous oil and gas transit conditions through the Russian territory, at least for the CIS countries, there would have been no reason to build numerous alternative routes, or this would, at least, not have been regarded as a primary task. At the same time, the absence of transit payments, as well as Gazprom's worries that sooner or later the transit countries will try to unite and impose monopoly consolidated delivery conditions on Russia are important arguments in favor of offshore pipelines.

There were several objective and subjective reasons for the recent reserved assessment of the prospects for using the Odessa-Brody oil pipeline, including the shortage of black gold, as well as problems relating to the quality (grade) of oil and its potential consumers. The oil-producing companies of the Central European states have their own priorities, and they are unlikely to begin looking at the practical possibilities of the Odessa-Brody-Plock pipeline before it goes into operation. As for the oil refineries in the countries of this region, they are oriented mainly toward Russian or Kazakh oil. Correspondingly, if Caspian black gold is delivered, this raw material will either be transported on to the West European states, or several plants will require reconstruction and re-profiling in order to refine the Caspian's light oil. In April 2003, during the Ukrainian-German intergovernmental talks, extending the Odessa-Brody oil pipeline to the German port of Wilhelmshaven was even mentioned as a possible solution to the problem.

Experts most frequently name the subjective reasons as the relatively low level of project management in Ukraine, the insufficiently serious attitude of Polish politicians, and the absence of direct interest on the part of any of the large transnational energy companies.

Exerting common efforts to achieve peaceful settlement of the frozen conflicts existing in the Organization's member states is another priority that defines GUAM's prospects. There is no clarity in this question, which is not surprising given the parameters of the problem and its possible consequences.

The question of "unfreezing" the local conflicts in Transnistria, Abkhazia, South Ossetia, and Nagorno-Karabakh has not been clarified and looks much simpler from the perspective of abstract concepts than in the form of specific actions and efforts. Essentially nothing has been said about eliminating the reasons that led to the conflicts, which are viewed only from the perspective of the external, Russian factor.

But we cannot ignore the fact that in every case, the breakaway autonomies have long been functioning as separate unrecognized states with their own political systems and have no intention of returning to the states they at one time dissociated themselves from. The GUAM countries have not offered their own adequate model for reintegrating the breakaway autonomies in any of the listed cases, relying mainly on the decisions of transnational organizations and the possibility of introduc-

ing multilateral military or police formations as a prerequisite for changing the power structure in these territories. The Ukrainian settlement plan for the Transnistria conflict (April 2005) can be presented as an exception to the general rule. However, it only related to the general framework of the problem and left the question of reintegrating Moldova's and Transnistria's political systems and management bodies unanswered. The main element in the plan consisted of holding free elections to the Supreme Council of Transnistria in 2005, which international observers were supposed to participate in. However, this would only be possible if Moldova's official authorities invited the OSCE, CIS, and European structures to attend. This was very problematic for the Moldovan government, since it would serve as grounds for inevitable criticism from the opposition on the pretext of legitimizing Transnistria's current status.

Since those in favor of returning Transnistria to Moldova with the rights of an autonomy had no chance of winning for the simple reason that there was no one who held such views, Ukraine's economic blockade of Transnistria on the pretext of the non-democratic nature of the political regime in Tiraspol provided a foregone conclusion for recognizing the elections in Transnistria as undemocratic. This created an artificial situation designed to promote capitulation of the enclave. At the same time, neither the opening of the EU mission in Ukraine on 30 November, 2005 to assist in monitoring the Ukrainian-Moldovan border in its Transnistrian section, nor the subsequent enforcement of the economic blockade helped to promote political resolution of the problem.

At the GUAM Baku summit (18-19 June, 2007), a preliminary agreement was reached on creating a joint GUAM peacekeeping battalion, which was proposed to replace the Russian military contingents that operate under the U.N. or CIS mandate or in compliance with regional agreements in the conflict zones. A. Gritsenko (Ukrainian defense minister in 2007) noted that the GUAM battalion for carrying out assignments under the auspices of the U.N., OSCE, "or other regional organizations" would be made up of around 530 servicemen. The battalion was to be formed from three companies, a mortar platoon, an intelligence platoon, a liaison platoon, a sapper platoon, a military police platoon, logistics companies, and other auxiliary units. Each of the states would be represented at the level of one company, but the support units would be formed in compliance with the Ukraine's quota. According to G. Gritsenko, "the decision to send the contingent to a specific hotspot will be made based on a corresponding mandate and with the consent of all the sides."<sup>10</sup>

It should be noted that the designated size of the joint GUAM contingent was too small to have any serious influence on the military situation in the local conflict zones. It was clearly insufficient for effectively separating the fighting sides. But whereas "unfreezing" conflicts implies returning them to the active phase, the replacement of peacekeeping contingents might indeed have a decisive impact on the development of events, giving rise to prerequisites for bringing Moldova's and Georgia's government troops into the territory of the breakaway autonomies. Nevertheless, if use of the GUAM contingent was presumed to be an auxiliary rather than self-contained factor, a logical continuation of the deployment of GUAM's peacekeeping formations in specific conflict zones is regarded as bringing in multinational forces under the auspices of NATO. Such evaluations have already been expressed by officials of the North Atlantic bloc (in particular, NATO Officer-Coordinator for the South Caucasus Romualdas Razuks, who expressed the opinion that, if necessary, deployment of peacekeeping forces in the Caucasus would be possible with the consent of the sides in the conflict and with the support of the OSCE).<sup>11</sup>

<sup>10</sup> "Mirotvortsy GUAM budut vypolniti zadachi pod egidoi OON," 20 June, 2007, available at [<http://news.liga.net/news/N0727478.html>].

<sup>11</sup> "NATO gotovo perebrositi voiska na Kavkaz," 9 November, 2005, available at [[http://dialogs.org.ua/ua/news\\_full.php?nw\\_id=10566](http://dialogs.org.ua/ua/news_full.php?nw_id=10566)].

The cautious nature of the comments by Ukrainian politicians should be noted, as well as the constant references to the fact that Ukraine will only participate in the peacekeeping operations in the local conflict zone under the auspices of the U.N. A. Iatseniuk (foreign minister in 2007) suggested using “economic stimulants” to settle the frozen conflicts and proposed holding an informal consultative meeting at the level of foreign ministers of the GUAM member states to discuss this issue.

## Trends and Prospects

The nature and special features of the GUAM states’ position were generated by the regional specifics of the international processes after the collapse of the bipolar system. The low efficiency of the CIS’s organizational structures, the Commonwealth’s lack of correspondence, as a cooperation mechanism, to the needs of several post-Soviet countries, as well as their objection to Moscow’s geopolitical and economic control and preservation of the dominating position of the Russian political elite were the most important reasons for forming GUAM.<sup>12</sup>

Assessments of the processes in the post-Soviet expanse were defined by the transformation logic, according to which further enlargement of the EU and NATO is giving rise to “intensification of European integration for creating a common security space, as well as expanding economic and humanitarian cooperation.”<sup>13</sup>

But GUAM could not become an integration international organization due to its own limited potential and economic insufficiency. The fact that the GUAM states have no common borders gave rise to the primarily political nature of the interaction among the member states, which lower the Organization’s integration prospects. Since the Central Asian states (Uzbekistan and Kyrgyzstan) refused to participate in this structure, no significant integration prospects for the development of this Organization have been seen so far. The idea that the collapse of the CIS is historically inevitable from the geopolitical viewpoint does not take account of the member states’ interest in using its mechanisms, rejection of which could lead to the curtailment of trade relations. Even if the CIS collapses, most of the members of this union will retain mutual contacts and obligations within the framework of the EurAsEC, the Customs Union, and the Shanghai Cooperation Organization. Despite the relatively low efficiency of economic interaction within the CIS and Russia’s protectionist position on many issues, this structure presents certain economic advantages for its participants, including those relating to the functioning of a free trade area, despite the current exemptions and limitations. The CIS’s amorphous nature gave Ukraine room to maneuver and uphold its own balanced position in the post-Soviet expanse in the sphere of economic relations. The change in Russia’s position and emphasis on the formation of a more integrated space within the CIS mean transferring the main accents to the EurAsEC. It is obvious that GUAM cannot provide its participants with equal mutual advantages, despite the equal status of its members and the indiscriminating nature of their relations.

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<sup>12</sup> See: S. Pirozhkov, B. Parakhonskiy, “Formirovanie modeli regional’nogo sotrudnichestva v sisteme GUAM,” in: *Ukraina i problemy bezopasnosti transportnykh koridorov v Chernomorsko-Kaspiiskom regione. Materialy Pervoi mezhdunarodnoi nauchno-prakticheskoi konferentsii (Sevastopol, 8-9 iunia, 1999)*, Kiev, 1999, pp. 21-22.

<sup>13</sup> Charter of the Organization for Democracy and Economic Development—GUAM, available at [<http://www.guam.org.ua/267.0.0.1.0.0.phtml>].

The influence of the external factor was nevertheless global in the establishment and development of GUAM and defined the Organization's functional potential as a transitional multilateral cooperation structure. GUAM does not have a stable internal center of gravity, which makes this formation directly dependent on external impulses and decisions. GUAM's activity is mainly being stepped up by the extra-statutory participation of Central European states (including Poland, Lithuania, Rumania, and others) in this structure, as well as the political and financial support of the U.S. and EU, which arouses Moscow's concern and its opposition. In the foreseeable future, GUAM could play an auxiliary role in the political projects of NATO and the European Union by filling the space between the control zone of the Euro-Atlantic structures and Russia, which will ensure gradual expansion of the zone of the Alliance's responsibility and create the effect of a "cordon sanitaire" along the perimeter of Russia's borders. At some point, the U.S. and NATO will consider it beneficial to use GUAM's non-bloc participants in particular to put pressure on Moscow, since the Alliance and the Kremlin are bound by sufficiently developed consultative security mechanisms, which is making it difficult for NATO to apply active pressure against Russia. The time-limit and intensity of this transition period will depend on the nature of the relations between the United States/Alliance and Moscow, the state of interrelations between Russia and the European Union, as well as the speed at which controversial and conflict problems are resolved in Moscow's relations with Georgia, Ukraine, and Azerbaijan, including questions relating to the borders, the status of military bases, and local contradictions. At this time, it is obvious that GUAM's role as a regional counterbalance to Russia would be extremely dubious if it did not have outside support.

The interests of the GUAM states and their approaches to the local conflicts are also extremely different. Apart from Transnistria, Ukraine does not have enough means and resources to settle local conflicts. In this sense, Ukrainian experts are expressing concern that, in the event of more active attempts to settle the conflicts in the Caucasus, Kiev could become the hostage of third-country interests,<sup>14</sup> particularly in the context of Kosovo's independence, a precedent that is clearly underestimated by the U.S. and the EU.

GUAM's orientation toward security problems is leading to a further aggravation of relations with Russia and increasing the likelihood of a CIS crisis, which will deal a painful blow to the economic interests of the member states, since the European Union and the United States are not likely to provide sufficient compensation. Geopolitical interests in the form of ousting Russia, both bodily and intellectually, from Transnistria, Abkhazia, and South Ossetia, as well as withdrawal of the Russian naval base from Sevastopol, are regarded as prerequisites for Ukraine and Georgia joining NATO and a significant condition for the security of energy transit bypassing Russia. In turn, Kiev's participation in unfreezing the local conflicts in the Caucasus can be viewed as an independent and very dangerous factor conducive to raising the tension in relations with Moscow. This in turn, due to the anticipated economic losses, threatens the stability of economic development and indirectly pushes the "European prospect" further into the distance.

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<sup>14</sup> See: V. Kulik, "Dialog Kieva i Moskvyy: strategicheskoe partnerstvo ili 'kholodnaia voina'?", available at [<http://ura-inform.com/ru/politics/2006/05/07/dialog/>].