

Rebus that Troubles Caucasus

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This traditionally unstable region is once again gripped by geopolitical tensions due to barely subsided conflicts and the formation of new alliances. The peace between Baku and Yerevan is being put to new tests, and the role of the key powers — Russia and Turkey — continues to be transformed

The South Caucasus is currently experiencing a very dynamic political period, transforming in many ways both the political and economic processes in the region, often severing ties with the recent past. Under the leadership of the Georgian Dream party, Georgia reversed its long-standing pro-Western course, taking the direction of confrontation with the European Union, which led to the suspension of the European integration process. On the other hand, in Armenia, which maintained close ties with Moscow until the so-called “velvet revolution” of 2018, Prime Minister Pashinyan is confidently leading the country toward a final break with Russia and rapprochement with the West.

Thus, on February 12, 2025, the Parliament of Yerevan passed in the first reading a bill empowering the government to apply for accession to the European Union. The process itself, however, may well take decades. Of course, Russia, which remains Armenia’s main trading partner, strongly opposes the attempt of its longtime ally to switch to the Western camp.

Today Armenia finds itself in an extremely difficult situation: deprived of its traditional alliance with Moscow, it is sandwiched between the two most powerful regional players — Azerbaijan and Turkey. The arrival of large numbers of refugees from Nagorno-Karabakh has only exacerbated the already dire situation of a country that has suffered a recent defeat and has less than three million inhabitants. In such an unstable and tense situation, the current Armenian leadership is betting on normalizing relations with its Turkish and Azerbaijani neighbors, first and foremost working to

reach a peace agreement with Baku based on mutual recognition of borders and, consequently, on the final renunciation — including at the constitutional level — of Nagorno-Karabakh.

Today, Armenian society is deeply polarized between Pashinyan's supporters and the opposition, which has only partially succeeded in becoming effectively organized, relying mainly on the Church. A vivid example of this was the success of Archbishop Bagrat Galstanyan, who in 2024 opposed the transfer of a number of border villages to Azerbaijan and managed to gain popular support. His arrest, which took place a few weeks ago and coincided with the detention of another influential hierarch (Mikael Ajapakhyan), and soon afterwards with Pashinyan's sharp personal attack on Catholicos of All Armenians Garegin II, indicates that it is the Church that is now becoming the main center of resistance to the Armenian political elite, whose popularity, however, is noticeably waning. Parliamentary elections scheduled for 2026 will clarify the direction in which the country's political environment is evolving.

The situation in Azerbaijan, primarily in relations with Russia, is no less interesting. In recent years, cooperation between the two countries has strengthened considerably against the backdrop of the progressive deterioration of relations between Moscow and Yerevan. It is hard to imagine that Azerbaijan would dare to attack Nagorno-Karabakh in 2020 and 2023 without the Kremlin's consent. Baku plays a key role in Russia's plans to enter the markets of Iran, India, and Southeast Asia through the so-called North-South International Transport Corridor. However, today, we are witnessing a rapid cooling of relations between the two states. The main impetus for this was the tragedy of December 2024, when an Azerbaijani airplane was hit by a missile of the Russian air defense system over Grozny and, crashing on the territory of Kazakhstan, claimed many lives. Moscow never formally apologized or offered to pay compensation. It was this incident that became the decisive factor that prompted President Aliyev to refuse to participate in the May 9 parade: his absence in Moscow acquired a pronounced symbolic significance.

Another crisis erupted in mid-June 2025, following the arrest of several Azerbaijani nationals in Russia, two of whom reportedly died due to beatings. In response, Azerbaijani authorities detained several Russian citizens in Baku, including several editors of the state media holding Sputnik. In addition, all concerts and cultural events involving Russian performers were canceled. This seemingly disproportionate reaction is primarily due to President Aliyev's desire to prevent a new blow to Azerbaijan's national pride, which has become hypertrophied over the years of economic, political, and military success.

However, the current Azerbaijani-Russian crisis can also be viewed in a broader, simultaneously economic and strategic, perspective. A key role here is played by the promotion of the Zangezur corridor project, which will connect Azerbaijan with its exclave of Nakhchivan and then with Turkey, passing through southern Armenia. According to numerous experts, the Zangezur corridor plays an extremely important role in facilitating the trade process between Europe and Asia. To maintain its influence in the region, Russia has long tried to participate in the project as an oversight party. As long as relations between Moscow and Baku remained positive, this seemed quite possible. Recently, however, the situation might have changed. Primarily because the United States, for its part, has put forward a project with two objectives: to provide Baku with security guarantees and to preserve the sovereignty of Armenia, which is less and less inclined to accept Russian control.

According to the American project, control over the Zangezur corridor will be transferred not to Russia, but to a Western logistics company, which may noticeably weaken Moscow's position in the South Caucasus. Thus, the Zangezur corridor will become a crucial element of the South Caucasus' geopolitical landscape, fitting into the broader rivalry for strategic dominance in the region. The crisis in Azerbaijani-Russian relations should be perceived as part of a broader plot to further weaken Moscow's position. Moreover, the ambitions of Baku (and Ankara) coincide here with the interests of the United States.

However, this scenario is still uncertain and will largely depend on developments in Ukraine. If Moscow manages to end the conflict on satisfactory terms, it could regain a more active position in the South Caucasus. In this case, it cannot be ruled out that Armenia will partially revise its foreign policy course and restore cooperation with Russia, primarily on security issues. On the other hand, the recent aggravation in relations between Russia and Azerbaijan may contribute to this course, in a sense foreshadowed by Aliyev's absence from the Victory Parade on May 9 in Moscow. Notably, Pashinyan, on the contrary, attended the parade.

In such a scenario, Russia could reassert itself as the primary mediator between Armenia and Azerbaijan, while attempting to contain its growing competition with Turkey and limit Western influence in the South Caucasus. However, it is too early to make predictions about the further development of the situation in the region, which still remains a kind of geopolitical "fault zone." The stability of the South Caucasus and its prospects for development ultimately depend on how internal and external players manage to arrange a balance of interests and deal with the situation, which continues to look extremely tangled and tense.