



IDENTITY AND CONFLICT: REVISIONING RELATIONS IN THE EU NEIGHBOURHOOD



Bettina Ahrens, Thomas Diez,
Iris Rehlau, Oliver Reisner,
Sebastian Schäffer



CONTENT

Bettina Ahrens, Thomas Diez, Iris Rehklaue, Oliver Reisner, Sebastian Schäffer: Introduction	2
Marie-Christine Koytek, Abbas Zeynalli, Andranik Shirinyan, Tinatini Dvalishvili, Janna Articus Scenario 1: Same World «2030: A waiting hall for peace»	3
Susanne Brunnbauer, Aygun Aliyeva, Flora Mirzakhanyan, Irakli Gabidzashvili, Rubina Arakelyan Scenario 2: Better World «Peacolution: Gun is gone!»	10
Anna Mkrtychyan, Carolotta Doring, Lidija Beganović, Mahammad Kekalov, Mariam Gvagvalia Scenario 3: Worse World «The Caucasus in 2030 – 1990s revived?»	21
Pasha Babayev, Rossana Bernardi, Davit Demetrashvili, Khanum Gevorgyan, Johanna Preißler, Markus Sattler Scenario 4: Weirder World «The Marneulization Of Nagorno-Karabakh»	33
Disclaimer	40

BETTINA AHRENS, THOMAS DIEZ, IRIS REHKLAU,
OLIVER REISNER, SEBASTIAN SCHÄFFER

INTRODUCTION

The future of the European Union and its relationship to neighboring countries is one that is difficult to imagine, given the complexity of the situation and its endless possible outcomes. Nevertheless, participants in the workshop «Identity and Conflict: Revisioning Relations in the EU Neighbourhood», which took place at Ilia State University in Tbilisi, Georgia, from 11 to 16 March 2019, met the challenge of developing future scenarios for the South Caucasus and the region's relationship to the EU, with a special focus on conflict resolution. In the three-part workshop, students from Armenia, Azerbaijan, Georgia and Germany participated in an intercultural competence workshop, heard from lecturers about identity and conflict, and finally developed the following scenarios for how the world might look in 2030.

Using the lectures on identity and conflict and EU and conflict resolution as a basis, students began the development of their scenarios by determining which "worlds" they would imagine. Each world is meant to explore a future that is distinct from the others, yet still possible given the current situation of the region. When choosing which worlds to explore, students did not yet know to which they would be assigned. Although there are certainly countless other possibilities, the students agreed on four worlds to develop scenarios for:

- Same world
- Better world
- Worse world
- Weirder world

Following this step, students brainstormed to determine possible drivers and narrowed the results down to a set of four drivers, which were analyzed within each world. These were meant to provide a general framework for each of the four worlds:

- Societal developments
- Internal political dynamics
- External political developments
- Economic developments

Students were then randomly divided into groups and given a world, ensuring that each country was represented in each group. Although we can't be sure of what the future holds, the scenarios in this publication certainly give a glimpse of what the Caucasus region may look like in the next decade. It's unlikely that any of these worlds will match the future entirely, but certain aspects of each world may become reality. Whatever the future holds, these scenarios have prompted us to think more critically and in-depth about the various paths and possibilities that could await. The scenarios developed are helpful not just for understanding the future, but for understanding the present and our role in how the future may unfold as well.

The editors

MARIE-CHRISTINE KOYTEK, ABBAS ZEYNALLI,
ANDRANIK SHIRINYAN, TINATINI DVALISHVILI, JANNA ARTICUS

Scenario 1: Same World

2030: A WAITING HALL FOR PEACE

The South Caucasus, including the three states of Armenia, Azerbaijan and Georgia, has been a contested region, characterized by unsolved political conflicts, political and economic instability and has served as a subject to external political and economic influence for decades. After the Soviet break-up, the region has undergone tremendous change until the current situation in the year of 2030.

Overall, the relations between the governments regarding the conflicts stagnated, but the situation within the countries developed for the better. The common things for the South Caucasus were diversification of the economy, deepening the trade relations with the EU and different types of reforms in government bodies. The societies in all three countries became more open-minded and tolerant towards minorities and also towards each other. This is not least an effect of intensified exchange programs between the countries and also with other countries. People benefit from a social

welfare system, as well as from more sustainable environmental policies. As a result of some governmental reforms, living conditions got better and people's attitude towards certain issues like gender equality and minority rights became more liberal.

However, the emerged conflicts did not resolve, but some progress was made in order to prepare the populations for peace with the funding of EU. The situation in 2030 can be described as a waiting hall for peace: the cause of stagnation is mainly on the diplomatic level and in order to achieve diplomatic success resolving the conflicts in the South Caucasus, governments' approaches should be changed. The best way to achieve this alternative approach is through societal pressure on their respective governments. During the last decade, interaction between society has been established through the efforts of civil society organization which organized frequent confidence building projects.

1. SOCIETY

Taking into account that Georgia and Armenia signed agreements with the European Union and Azerbaijan also took some steps in order to deepen the cooperation, this opened the window for strengthening democratic values in the South Caucasus. One effect of this was the increased number of youth exchange programs that became accessible for a broader public. Not only students, but also young professionals and those willing to volunteer for social purposes could benefit from them. In this regard, the establishment of visa-free regimes between the EU and Georgia as well as Armenia was important as it became easier and cheaper for citizens to travel to the EU. Even though Azerbaijan did not join the visa-free regime, visas were made easier to obtain for its citizens. This increased exchange led to the widening of world vision of the citizens, not only from the bigger cities, but also from rural areas.

In Armenia, after the Velvet Revolution and the establishment of a legitimate and liberal government which was keen on taking the pro-European path rather than continuing policies depending on Russia, the society became more liberal. This opened more possibilities for women to take an active role in politics and also in shaping the society. In the elections of 2024, women constituted more than one third within the members of parliament. Even though gender inequality is still a big issue in the country in 2030, there has been progress in certain other areas: sex-selective abortion became unacceptable for the broader public and it became easier for women to achieve high positions in their professional careers. With

the enforcement of more exchange programs (incoming as well as outgoing) educational institutions became more advanced and improved their quality by internationalization. This led to a higher number of bilateral agreements between European and Armenian universities. The country improved its policy towards the regions: with the help of EU-funds, infrastructure connecting the regions and the capital became more advanced. This process was started by building the North-South Highway. Furthermore, health care services also became more accessible in the regions. Emigration from Armenia decreased significantly and immigration from diaspora communities lowered the average age of the population.

Even though not on a comparable level like in Armenia or Georgia, the society in Azerbaijan also opened up for pro-European values. One sign is the increasing number of international and EU-funded NGOs. They started to work on issues related to gender inequality and LGBTQI+ rights, something that would have been hardly possible only 15 years ago. The numbers of sex-selective abortion declined in high amounts in Azerbaijan as well. As an effect of the higher awareness of people about the consequences of climate change, more NGOs started working on environmental issues. Minority rights also became priority for civil society activism. Equal regional development was reached during the last ten years which led to improvement of the quality of life also in the regions.

The requirements of the Association agreement between the EU and

Georgia were substantially met in the last decade. With the help of the EU providing more funding for CSOs the population became more tolerant towards ethnic, gender and religious minorities. A civic understanding of nationhood became more prevalent among the members of different ethnicities. Citizens deepened more active participation in shaping the state politics. A number of labor unions were founded and employees started to engage in negotiations in order to improve the working conditions. The minimum wage was increased as a consequence.

As democracy continues to prevail, the societies in the South Caucasus started craving peace more rather than preparing for war. This was partly facilitated by the several EU-funded programs for peace projects that started in the beginning of the 20s. For the first time, more and more Armenian and Azerbaijani people started communicating and interacting with each other, which had a significant effect on tackling prejudices about each other and eliminating hate speech in both countries. Crossing the border became easier for people living in Georgia and Abkhazia and South Ossetia. Overall, the region became more stable and peace oriented.

2. INTERNAL DYNAMICS

The internal politics of the South Caucasus countries has been a subject to change and further reforming. The reforms involve all dimensions of social life. The cycles of reforming occurred to transform the governmental structures and turned them into a more democratic, flexible, citizen-oriented and anti-corrupted system. Such an approach supported the emergence of new policies in the field of defense, education, welfare, economy, regional development and environment. The judiciary is now free from improper influence and its independence now serves as a guarantee to respect human rights. The democratic and free elections are held in due course and the choice of the people is respected. In Armenia, Pashinyan was re-elected in 2024 and served until the end of his second term. In 2029, the members of the parliaments elected a woman as prime minister for the first time in Armenia's

history. The ruling party in the country remained the "Civil Contract" until now. The government implemented stricter environmental policies and an obligatory public health insurance.

In Azerbaijan, democratic reforms paved the way for opposition parties to raise their voice and compete with the ruling party. They work together with the rising number of NGOs in the country and back up their work in the field of democratic development. However, Aliyev is still in power in 2030.

In Georgia, even though the party "Georgian Dream" was forced to modify its internal structures after the 2020 elections, it still rules until today. The "Unified National Movement", formerly led by Saakashvili, acts as the main opposition party.

The defense policy is more focused on a regular-based professional army, respectively disciplined and skilled.

The internal affairs also included the reforming of the police system that was essential to maintain the rule of law and public trust. The South Caucasus region effectively defined and met the requirements of the labor market that produced the positive impact of the social well-being. In all three countries, the essentials of the education system are dedicated to provide quality assurance in line with the Bologna system. The three countries strengthened their cooperation in the field of higher education over the years, which resulted in the opening of a new first of its kind Transcaucasian University in Tbilisi in 2025. University courses are available in English but the university also provides language classes in

Georgian, Armenian, Azerbaijani and now thinking about opening up new classes in other dialects/languages of the respective minorities in the three countries. Education is provided by funds of the European Union.

The economic system is diversified to avoid any dependence on one source and instead, to promote the growth of other markets and sectors. The polysemic development of other markets is facilitating more balanced territorial development that contributes to the urban planning and implementation of sustainable environment policy. Such dynamic internal change increased the quality of social life in the region and contributed to its overall performance.

3. EXTERNAL POLITICS

Change has transformed the countries of the South Caucasus on the internal level. Civil society actors speak up about the needs of the people initiating change on the grassroots-level in the respective countries. However, the relations between the individual countries remain far from one circle of friends tackling the existent conflicts together with a common and coordinated approach.

In 2030, Azerbaijan still acts as a balancing power in the South Caucasus with good relations to both the European Union and Russia. Energy resources hereby still play an important role as Azerbaijan functions as a partner in the field of gas for the European Union but the diminishing resources of oil in the country also enhance further cooperation with Brussels. In contrast to the balanced and so portrayed neutral position

of Azerbaijan, Armenia after the democratic changes within the country slowly diminished its dependency from Russia and deepened its relations with the European Union. In 2021, Pashinyan signed the Association Agreement with the European Union. The Agreement also entails a visa free regime allowing Armenian citizens to travel to the European Union, further facilitating opportunities for exchange between societies in the fields of education and trade.

2019 brought great changes for the European Union. Populist parties won a landslide victory during the elections to the European Parliament in May 2019 and Great-Britain finally left the European Union at the end of 2019. Both incidents served as a warning signal for the Union and lead to the establishment of a pro-European democratic movement based on the

EU's founding principle as a union for cooperation and peace, both within the union and with its neighboring countries. The EU's re-empowered strength and its return to its founding principles of peace and its vision for friendship within Europe were followed by the creation of funds for approaches of conflict transformation on the level of civil society.

After the option for membership with regards to Turkey did not change for years, the European Parliament after the elections in 2024 initiated talks between Erdogan and Pashinyan finally resulting in the opening of the border between Turkey and Armenia in 2027. Turkey today hopes and looks forward to becoming possibly the next member of the European Union in the nearer future.

After the economic sanctions against Russia were prolonged and the state was weakened due to increased spending on military budget for the war in Ukraine, an economic depression shook Russia. As a consequence, Putin's position as the president of the Russian Federation began to crumble. Russia could not maintain its position of power and Armenia finally heralded the end of the Eurasian Economic Union in 2025. Currently the EU has established a special working group to advance the EU-Russia relations in the field of the Four Common Spaces.

After years of political standstill in the conflict of Nagorno-Karabakh, multiple initiatives to transform the Minsk

Group have not yet reached their goals in the year of 2030. However, with the financial assistance from the European Union, new channels of communication were established to promote dialogue between Armenians, Azerbaijanis, the residents of the territory in Nagorno-Karabakh and Internally Displaced People from Azerbaijan. This enhanced dialogue and confidence building measures on the grassroots-level will hopefully facilitate communication on the governmental level. During the last decade, Pashinyan and Aliyev met regularly in Brussels but could not agree on a common approach to the conflict. The newly elected prime minister of Armenia has promised to continue talks with Aliyev.

Compared to the situation in 2019, only marginal steps in the direction of conflict resolution have been achieved with regards to the conflicts of South-Ossetia and Abkhazia. South-Ossetia continues to pursue the goal of unification with North-Ossetia. Abkhazia managed to loosen its ties to the Russian Federation as Russia faced the need to concentrate on its internal problems to stabilize its economy. Nevertheless, despite efforts of EU-funded peace initiatives aiming at opening opportunities for dialogue between Abkhazians, South-Ossetians with the rest of the population of Georgian a solution of the conflicts seems to be not to be very likely in the nearer future due to deep mistrust between the societies and limited efforts on societal level.

4. ECONOMY

Starting from 2019, all three South Caucasus states have had several economic reforms forming better conditions for entrepreneurs and by diversifying the economy achieved more sustainable economic conditions. In order to lease its dependence from oil, Azerbaijan started to invest more in other parts of the economy such as tourism and agriculture. Armenia also succeeded in economic progress by diversifying its economy from coal and mining, towards Information Technologies and textile manufacturing. Georgia, on the other hand, reached economic development by the implementation of market-related regulations and building new infrastructure.

By the implementation of liberal principles into the economy, all three states managed to form a liberal market economy, softened customs regulations increased the foreign investments and money flowing, strict regulations applied over the monopolization so, it paved the way for development of middle and small businesses in the competitive condition. As a result, the role of Free Trade Areas increased, Alat FTA became one of the main ports of Caspian Sea and a strategic hub for transferring the goods from China to Europe through Azerbaijan-Georgia-Black Sea route. On the other hand, Gyumri became an important trade point for both Armenia and Iran and Meghri FTA was formed. Under the roof of the liberal market economy, Poti Free Trade Area was enlarged in Georgia in order to further promote and deepen the trade relations in South Caucasus. As the interaction of all three nations is now focused in one point, Poti, societal development has been achieved, especially between Armenian and Azerbaijani populations.

Income per capita propagated itself and came closer to the world standards, but this was not the only indicator of economic growth. As a result of investments in different industrial areas new work places opened and led to the decrease in the poverty rate. Also, the economy shifted from agriculture to industrial production. By investing in human capital, South Caucasus states managed to decrease the percentage of illiterate people, life expectancy at birth got higher and the infant mortality rate declined.

On the other hand, the economic sanctions over Russia affected the oil prices and, considering the lack of natural resources in Georgia and it being heavily dependent on Azerbaijani oil, Georgia had some troubles with energy issues. Political disbalance between Armenia and Azerbaijan also made the situation worse for Armenia because of the impossibility of getting oil from the nearest resource – Azerbaijan. But foreign investments had quite an effective role in the natural energy resources by developing alternative energy resources through solar panel stations and wind turbines. As the geo-thermal energy is limited to the tectonically active zones and considering the seismic activity of the region, there is a potential to diversify the energy sources, but the cost of this kind of activity is too high so it requires lots of investments and new technology. In order to diminish the oil dependency of the region, geo-thermal energy is also applicable in the long-term.

5. CONCLUSION

Taking into the account the changes within the region in during 2019 to 2030, the possibility for war is considerably low. Constructive approaches are pursued by all countries towards conflict resolution. As the Russian presence decreased in the South Caucasus, the countries are now oriented towards the EU. However, how this cooperation will evolve in the future cannot be foreseen at this point. Depending on whether the EU can sustainably face its internal problems and not experience a new populist backlash,

this will heavily influence the relations between the EU and the countries of the South Caucasus.

The influence of the society on the policies of the governments grew over the last decade. For the nearer future it can be expected to slowly transform governmental approaches towards conflict transformation measures. As the countries became more democratic, societies are now the ones to shape the future of the South Caucasus.

SUSANNE BRUNNBAUER, AYGUN ALIYEVA, FLORA MIRZAKHANYAN,
IRAKLI GABIDZASHVILI, RUBINA ARAKELYAN

Scenario 2: Better World

PEACOLUTION: GUN IS GONE!

WELCOME TO MY WORLD IN 2030

Profound changes have been taken place in my region in the course of the last decade – “peacolution” is the new dominant term in the common discourse. In short, this was triggered by significant changes of political elites in all three South Caucasian countries, which happened through democratic elections in Armenia and Georgia. As for Azerbaijan, pressures from civil movements led to revolutionary changes and reforms. As a result of this, a coalition has been formed between the ruling party and the opposition, and the country is now run by a new woman leader.

Societies in the three countries developed along the lines of freedom of speech, association and press thanks to the formation of the Caucasus Youth Forum (CYF). As the former main dispute in the region was buried in the historical contradictions, a new Committee of Experts on education and history of the Caucasus region has been formed with the participation of neutral foreign researchers.

All the changes on the political and societal level boosted the peaceful regulation of the regional conflicts eliminating any future possibilities of military interventions.

Furthermore, the democratic path that has been chosen by these countries inevitably brought economic prosperity and sustainable development in the region. The latter is backed by the current negotiations about the future establishment of a South Caucasian Customs Union (SCCU) which will assume the free movement of people, capital, goods and services.

All three countries formed common foreign policy strategies in the issues concerning the region and developed similar positions towards regional actors. This profound regional integration enables more independence from the Russian Federation.

I understand that it may seem utopian. However, here is my world, about which I’m willing to share more information in detail with you:

SOCIETY

«Where civil society thrives, governments operate with more transparency and accountability. This creates a tangible impact on the lives of everyday citizens.» – Ben Rhodes

As to recreate new and free civil society, peoples of Armenia, Azerbaijan and Georgia who studied abroad and gained liberal ideas there decided to change people's consciousness, increase activity of civil society in political life of the countries and help them to get rid of prejudices and dogmas. One of the best ways to do so is using new techniques in EDUCATION. For these purposes Expert Committee on Education (ECE) was created. This committee consists of 6 member states' (Armenia, Azerbaijan, England, France, Georgia, Germany) researchers, who composed three-volume history book called «Caucasus History». In that book one can find impartial facts on the Caucasus history fetched from neutral historic resources. At Armenian, Azerbaijani and Georgian schools, pupils are taught by these books. With the help of these books, hatred and antagonism toward these nations was reduced to the minimum, as the coming generation (those who study at schools) understood that they have a lot of things in common and that the history which their parents taught is subjective, non-scientific and provocative. Composition of «Caucasus History» book opened the pathway of friendship and cooperation of these three countries. The same year, Caucasus Youth Forum (CYF) was created. Members of this forum are students, young researchers from Armenia, Azerbaijan and Georgia who meet every quarter of the year and discuss political, economic, military and cultural issues and

exchange their ideas. One more important thing about this forum: it is the center, where the mechanisms of the «Peace Preparation» are developed. These mechanisms not only help to gain regional peace, but also, they play a role in other countries conflict resolutions. The forum also strengthened people to people contact because it gave an opportunity for youth to share their ideas on the future of the region and for people to work collaboratively to prepare new social projects for the development of the region. After these collective actions one can see positive changes in the civil societies of Armenia, Azerbaijan and Georgia. Oppression on youth movements, non-governmental organizations (NGO) and other kind of unions and organizations decreased considerably. This phenomenon has some reasons:

- Governments of the countries understand the irreplaceable role of civil society.
- Organizations are financed not only by one person, a group of people or a company (which increases chances to be dependent only on one entity and from time to time oppressed by the latter because their interests, goals and means of fulfilling the goals can contradict each other and the clash is unavoidable), but some other entities, which understood the role of developed civil society and allocate some resources

without any personal interest.

- Social changes brought new attitudes, values and beliefs to the communities of the three countries, and active participation

of civil society in all fields such as economy and politics made an opportunity for the communities to establish dialogues and find new alternative ways for solving all societal problems.

INTERNAL DYNAMIC

A decade ago the eyes of the world were set on Armenia with surprise and excitement – hope spread all around the region triggered by the Velvet Revolution in 2018, however, no one predicted the spill-over to Azerbaijan to happen only a few years later. The latter developed in a less revolutionary manner and followed a more gradual process of transformation and political power change. The hard grip of Aliyev's family loosened as first civil movements started to erupt in Baku in early 2020s, culminating in the formation of human chains in the regions just in the run up of the scheduled elections of 2025. More and more people loudly condemned the long-term tight repressions on civil society and they increasingly voiced claims to guaranteeing basic human rights and civil liberties. Violent crackdown would have been too costly for the ruling family due to the unwavering continuation of protests and the already bad reputation of Ilham Aliyev. Therefore, he decided to accept the formation of a first oppositional political party – “Azerbaijan's new way” – in 2023. This opened up a decisive window of opportunity for liberal, soft and reformist politically active people to receive decision making power and step into the political arena. This radical development culminated with the presidential elections in 2025 bringing the new

female leader, Zeynab Mammadova, to power. During the last five years she's been actively propagating the further democratization of the country. This transition of power end had a tremendous effect on the political constitution of Azerbaijan: During the past five years this new team of political elites changed the political landscape profoundly, promoting essential progress in the field of an independent judiciary as well as the reduction of the term of presidency to five years instead of seven. More recently, new parties are now able to register which led to a huge increase in political activism and the formation of left as well as right wing political parties. While to date it's still too early to judge the sustainability of the groundbreaking developments in Azerbaijan, it enabled the kick-off of many peaceful and solution-oriented processes in the region.

Of course, several of these events have been inspired by the progressive developments of its neighboring country, who showed increased signs of willingness to peacefully collaborate. Armenia worked hard on its reputation, eliminating corruption very effectively while not demanding too much from its people and by drawing lessons from the Georgian experience after the Rose Revolution. The first peaceful and democratic elections in 2024 further consolidated

the democratic pathway of Armenia. Furthermore, the acting coalition government of Civil Contract and Political Discourse – one of the several new parties that established itself after the revolution out of the many civil initiatives – introduced a transitional court for special cases (TCSC) in order to regulate pressing judicial disputes in a very effective way. Also, after many years of advocacy by very active civil society actors, protection of the rights of minorities is finally guaranteed and their representation ensured.

Even though Georgia had always been ahead in terms of democratic governance compared to its regional counterparts, state capture, power concentration, low trust and superficial pluralism had been very troublesome for the country during its first three decades of independence. In the early 2020s the long desired electoral reform got adopted due to rising pressures from the international community as well as civil society, which transformed the political landscape effectively. Decentralization finally solidified empowering local self-government and increased political pluralism. Alongside, former dominant figures

of power like Mikheil Saakashvili and Bidzina Ivanishvili receded into the political background; while the former is still active but acknowledged his disputed and continuously worsening reputation, the latter is entangled in an international trial of high scale money laundering since several years. New political parties gained strength accompanied by very effective youth branches activating the human resources of the new generation. Today the Georgians can be proud of their coalition government of European Georgia and Progressive Georgia, which consists mainly of the more reformist orientated former members of Georgian Dream. The most recent and innovative initiative has been the digital voting system which is operating in some of the major cities like Tbilisi, Kutaisi and Batumi since the local elections in 2025.

Overall, when I look at the latest reports of Freedom House, the statistics prove the very positive and promising internal dynamics of the three South Caucasian countries. We are still far from high trust societies, but small steps are those that count the most.

EXTERNAL POLITICS

South Caucasus has a geopolitical importance for all the countries thanks to its geographical position, existence of natural resources and demographical diversity. However, conflicts in the region exerted a negative effect on the political and economic disposition of the three countries and made them to adapt their external policies to the political preconditions taking into account the interests of all the regional players. Changes in the balance of powers in the global political arena,

and simultaneous internal reforms in the member countries led the governments of Armenia, Azerbaijan and Georgia to formulate their foreign policies on the basis of peace and cooperation rejecting any possibility of aggression and hard power.

Specifically, the main triggers of the external political changes were:

- the deteriorating relations between the EU and Turkey: The

highly conservative government in Turkey represented by the Rejep Tayyip Erdogan and his political party, Justice and Development Party (JDP), intensified the strained relations between the EU and Turkey. It seemed that in the very nearest future the EU is on the edge of losing Turkey as its main geopolitical corridor for its policy towards the East. As one of the main players in the region, the EU is even more incentivized to intervene and affect the internal political processes of the South Caucasian countries. Hence, as all the three countries were preparing for a very significant political reforms through presidential and parliamentary elections, the EU was keen to increase its influence on these regional changes and decide the outcome of the elections for the sake of its political and economic interests.

- significant decrease in democracy in Turkey and deteriorating relations with the USA: The government of Erdogan, its political activities regarding especially the goal to stop the secularization of Turkey and increase the role of the religion in the country questioned Turkey's relation with NATO. Regardless the geopolitical importance Turkey has for the NATO, the internal developments in the country raised suspicions regarding the credibility of Turkey as the main regional partner for the NATO. The presidential elections in 2020 in the USA brought the Democrats to the power after 4 years in the face of Alexandria Ocasio-Cortez and changed the main pillars of the US foreign policy.

The democratic values, especially gender equality issues, became even more important for the new political elite, which were the main reasons of the tensed relations between the USA and Turkey. The ongoing theocratization of Turkey put an obstacle towards this country to integrate into the Western values and slow down the democratic changes in the country. Hereafter, there was a tangible tension between the USA and Turkey, which decreased the reliability of Turkey for the USA making it to seek for new partners in the South Caucasus, especially in terms of Black Sea Security Policy creating more opportunities for the South Caucasus countries to benefit from the layout of new balance of political forces.

- the imperialistic policy and usage of hard power for meeting its interests in the region: The increased engagement of the EU in the region, on the other hand, triggered the Russian Federation to expand its activities in the South Caucasus trying to preserve its stance as a main player and to continue its imperialistic policy towards the three countries. However, the past experience of the Russian foreign policy and its militaristic positions has already proven to the South Caucasus countries that the Russian Federation has always been exerting and still exerts its hard power and uses its military presence to influence the political processes of Armenia, Azerbaijan and Georgia. Although, in 2024 there were presidential elections in Russia, the result of the latter was not that promising regarding

the drastic changes in the foreign policy of Russia: the individuals changed, but the course of the political processes stayed the same leaving no space for optimism in the nearest future.

- growing importance of China as the main economic player: In addition to all the above mentioned developments, the People's Republic of China became the most economically powerful country in the world realizing the predictions of the past, maintaining its stance of «Eastern Tiger» and seeking new markets for its realization.
- the resolution of conflicts in the region and the effects of global changes in the regional conflict management:
 - * Steps undertaken towards the NKR conflict resolution: The development of internal dynamics, new elites and active participation of civil society in the decision-making processes forced governments to change their policies of conflict-management and undertake peaceful steps towards each-other. When it comes to Nagorno-Karabakh War, the two sides conducted several initiatives with the aim of decreasing aggression in the communities and raised a white flag for the peaceful resolution of the regional conflict. For instance, the main steps towards the non-military regulation of the NKR conflicts both on political and cultural frameworks were to demilitarize the countries by reducing the military budget to max 2% of the GDP, allow

free motion of Armenians and Azerbaijanis in the territory of the NKR and 7 surrounding regions and restore the cultural heritage in these territories.

- * Steps undertaken towards the Abkhazia-Ossetian conflict resolution: The interregional cooperation between Armenia, Azerbaijan and Georgia boosted the economies of the three countries and provided the possibility to attract even more FDIs from the EU, China and the USA in the region. As a result, Georgia acquired an opportunity to continue funding peace-oriented initiatives for confidence building and reconciliation between Georgian and Abkhazia-Ossetian population. The latter boosted tight cooperation between the societies and laid proper grounds for future P2P collaboration. Having a far goal to support the development of the economy of Tskhinvali region and reduce the dependence of the region from the Russian Federation, Georgia propelled mutual trade, the cooperation in different fields, such as education, technology and agriculture benefiting the two sides. Another step was the ease of the complex documentation process for Abkhazians and South Ossetians who wanted to move to Georgia for jobs, education and other purposes.

To sum up, all the following changes stimulated the South Caucasus countries to collaborate, to face the external tensions and influences together through developing common foreign policy and boosting cooperation

within the framework of regional integration. This made these three countries even stronger and created a

new geopolitical player in the face of South Caucasus Cooperation (SCC).

ECONOMIC POLICY

The internal political reforms and the drastic changes in the balance of external players in the region laid proper foundations for boost in the regional economic cooperation, further enhancement of international trade and foreign investments in the South Caucasus. Firstly, as the elites in all three countries had been changed and at the moment they are more open for cooperation, the region is no longer considered to be hotspot of conflicts and tension: just vice versa, as fast growing economies with very high-quality labor and capital potential the region became very attractive for foreign investors. The latter is mostly thanks to the fact that all three countries in the region had been declared among the 20th world most favorable business environments. For instance, in 2025 Armenia was the 15th (The European External Action Service, 2014) and Georgia is 6th friendliest country for foreign investors (The World Bank, 2018). As for Azerbaijan, it highly improved its stances moving from 25th in 2018 (Trading Economics, 2019) to 20th in 2025. All the above mentioned is the vivid example of the significant improvements in the region in terms of higher level of foreign investments and prosperous new start-ups.

The enhancement of the economic cooperation between the three South Caucasus countries, and further collaboration in the framework of the Association Agreements provided wide opportunities for Armenia, Georgia

and Azerbaijan to approximate their production to the EU standards and opened the huge EU market for all the three countries. As a result, many new productions were settled already from 2020 especially in the sector of agriculture: the region became well-known by its eco-fruits, eco-vegetables and conserved food productions. Association agreements also propelled the interregional intra-industry trade highly decreasing the production costs for the regional farmers and boosting cooperation in the South Caucasus.

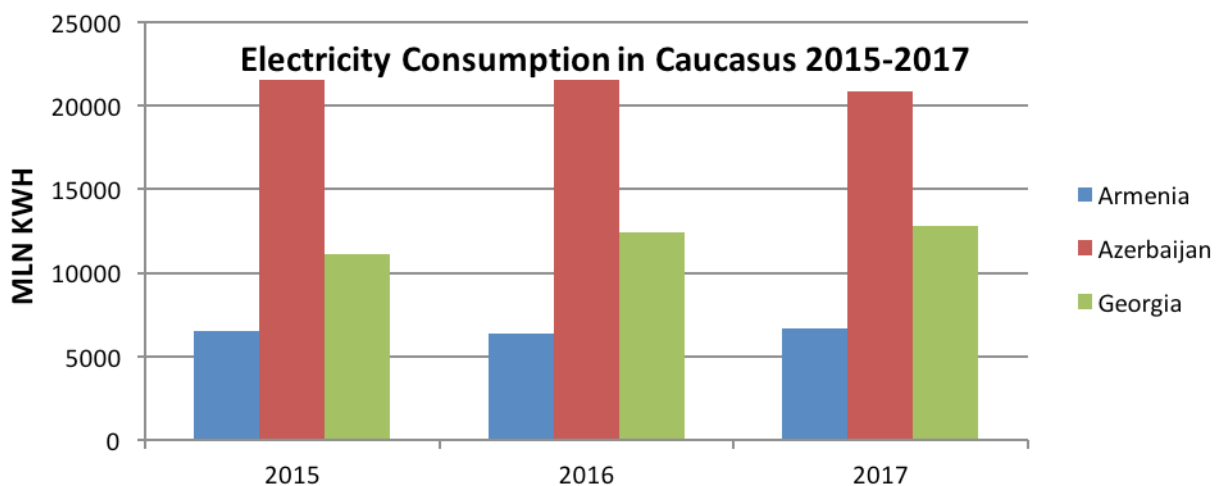
The two main sectors by which the regional countries became the world actors are the IT sector. The analysis of the recent statistics in the period of 10 years showed an upsurge in the economic development especially in the fields of IT in three countries. The high-educated and skilled labor force, relatively low-cost production and, most importantly, the interregional cooperation through sharing experience between the IT specialists of the three countries made them to become change-makers in the international market and compete with actors such as South Korea and China.

The South Caucasus is mostly depicted to be the main doorway to the energy-rich Caspian region for the European Union and other Western political actors in the framework of the regional energy security policy. The rich resources of oil and gas in Azerbaijan and the growing renewable energy industry in Armenia and

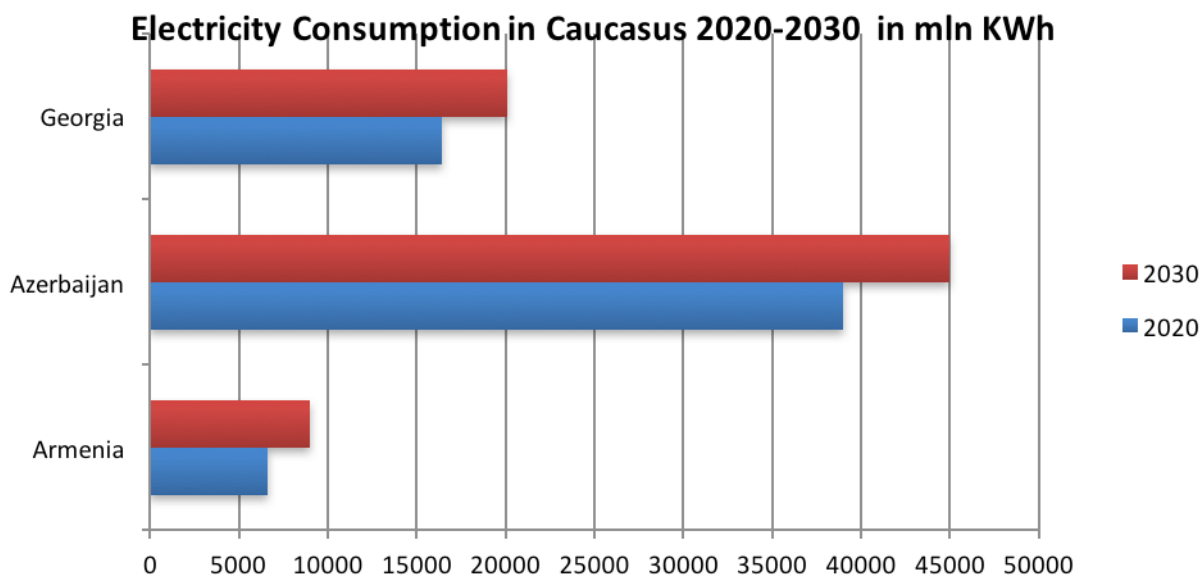
Georgia especially attracted the attention of many foreign investors and boosted mutually beneficiary regional cooperation within these countries even more. The latter led to the situation, when these three countries created a competition in the renewable energy world market mostly thanks to the solar energy production. Already in the 2020s, this sector of production was highly developed in Armenia, attracting huge funds and foreign investments from abroad. Thanks to the cooperation on the social and political level and transmitted knowledge and experience, similar trends of development were reported also in Azerbaijan and Georgia. As a result, the South Caucasus managed to develop a very successful industry of renewable energy and become a decision-making actor in the world market.

Another very promising sector of development is the electricity production in the region, thanks to the

natural water resources and previous valuable experience in nuclear and thermal energy stations in the South Caucasus countries. Already starting from 2020s, Armenia and Azerbaijan have managed to accumulate enough experience for the electricity generation, especially from renewable energy sources such as hydropower, wind, solar, geothermal, and biogas. As for Georgia, it is the one which gains the most from the regional cooperation, as in the past Georgia was highly dependent on the imported electricity from Russia because of the seasonality of water flow in rivers. However, currently Armenia and Azerbaijan are the biggest providers of electricity for Georgia, which, as a result, decreases also the influence of Russia on the Georgian energy market. Here is the graphical representation of the electricity consumption by the three Caucasian countries before launching the regional cooperation (Goliadze, 2018) and currently:



Graph 1: Electricity Consumption in Caucasus during 2015-2017
Source: (Goliadze, 2018)



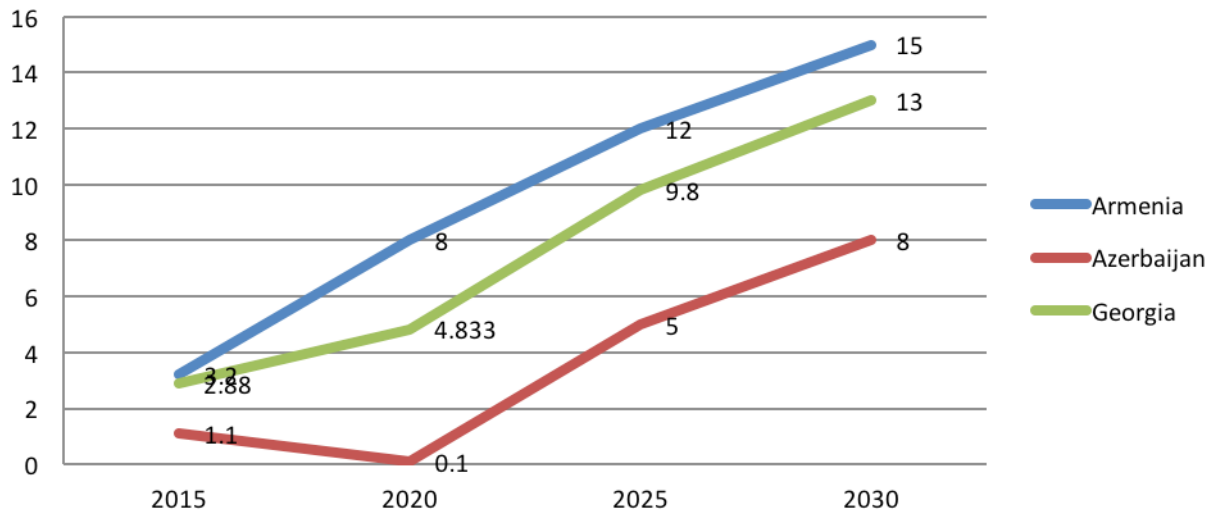
Graph 2: Electricity Consumption in Caucasus during 2020-2030
 Source: (USAID, 2012); (Opitz, 2015); (USAID, 2013)

The South Caucasus has been historically known to be an origin of wine production, which is mostly thanks to the tradition of wine production over the centuries. Very recently, traces of the first and the oldest wine production were discovered in the territory of Georgia, south of Tbilisi dating back to 6000 B.C. in 2017 (Herrmann, 2017). After this discovery, the boutique tourism was highly boosted in the region: every year thousands of wine producers were coming to the South Caucasus to make the exchange of knowledge and skills and to learn the technique of high-quality wine production. As a result, world-known regional wine production was settled in 2026, branded AmAzGeWINE, which became one of the biggest exporters of a high-quality wine.

Moreover, taking into account the well-known fact that all the three countries have been attracting thousands of tourists thanks to their ancient cultural heritage, mountains and special health resorts, the boost in the boutique wine production after the establishment of peace in the region even more increased the flow of people to the South Caucasus, benefiting the GDPs of all the three countries.

As a result of all these reforms and positive waves, the GDP of all the countries took a trend of fast and sustainable increase thanks to many new productions, promising undertakings and start-ups, significant export increase, huge Foreign Direct Investment flow to the region and intra-regional cooperation in all sectors of the economy.

Annual GDP Growth Rate in %



Graph 3: Annual GDP Growth Rate in the South Caucasus from 2015-2030
Source: World Bank Data (The World Bank , 2019)

Thus, in conclusion, all the external and internal political changes guaranteed a sustainable and fast growth in the region, provided proper preconditions for promising economic enhancement and made the region one of the future

leading players in world. In 2030, we are living in a region, which is going to be an example of peaceful resolution of conflicts, interregional cooperation and balanced foreign policy for the whole world.

**WELCOME TO THE SOUTH CAUCASUS,
WHERE THE GUN IS GONE AND PEACOLUTION HAS WON!**

BIBLIOGRAPHY

- Goliadze, G. (2018, November 13). Business Caucasus Week. Retrieved from Electricity Sector of Caucasus – Short Sector Overview: <http://cbw.ge/economy/electricity-sector-of-caucasus-short-sector-overview/>
- Herrmann, S. (2017, November 17). Georgian Journal. Retrieved from Scientists about oldest wine traces discovered in Georgia: <https://www.georgianjournal.ge/discover-georgia/33945-scientists-about-oldest-wine-traces-discovered-in-georgia.html>
- Opitz, P. (2015). South Caucasus Regional Office of the Heinrich Boell Foundation. Retrieved from Sustainable Energy Pathways in the South Caucasus: Opportunities for Development and Political Choices: https://ge.boell.org/sites/default/files/book_200x240mm.pdf
- The European External Action Service. (2014, March 27). Retrieved from Armenia Development Strategy for 2014-2025: https://eeas.europa.eu/sites/eeas/files/armenia_development_strategy_for_2014-2025.pdf
- The World Bank . (2019). Retrieved from GDP growth (annual %): <https://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?locations=AM-AZ-GE>
- The World Bank. (2018, October 31). Retrieved from Doing Business: Georgia Has Moved Up to 6th Place in the Global Rankings: <https://www.worldbank.org/en/news/press-release/2018/10/31/doing-business-georgia-has-moved-up-to-6th-place-in-the-global-rankings>
- Trading Economics. (2019). Retrieved from <https://tradingeconomics.com/azerbaijan/ease-of-doing-business>
- USAID. (2012, November). Retrieved from Armenia Electricity Demand Forecast: http://advisory.am/pdf/12_USAID_Electricity_Demand_Forecast_ENG_2012.pdf
- USAID. (2013, August). Retrieved from Regional Electricity Market Review: Hydropower Investment Promotion Project: http://hydropower.ge/user_upload/9.Regional_Electricity_Market_Review_Aug_2013.pdf

ANNA MKRTCHYAN, CAROLOTTA DURING, LIDIJA BEGANOVIĆ,
MAHAMMAD KEKALOV, MARIAM GVAGVALIA

Scenario 3: Worse World

THE CAUCASUS IN 2030 – 1990S REVIVED?

The developments in the past ten years led to authoritarianism spreading out throughout all three states in the South Caucasus, including human rights violations, fading democracy, poor participation of civil society and increasing corruption. If one compares the situation of 2030 one can find a very big resemblance to the situation in the 1990s: The conflicts in Nagorno-Karabakh escalated as did the conflicts in South Ossetia and Abkhazia. Nationalists got into power positions due to identity problems and in this way were able to fuel the

conflicts. Due to changes in the power structures in the EU and an increase of nationalist movements in that matter, the EU followed a protective foreign policy approach and declined its involvement in its neighborhood. The Eastern Partnership does not exist anymore as we have known it before, and the relations are kept to an economic minimum. Russia successfully maintains its regional supremacy and is able to intensify the conflicts.

In the following, different levels will be analyzed in which the development of the region will be elaborated on.

1. INTERNAL DYNAMICS

ARMENIA 2019-2020

Over the year the change of In 2018, the longtime leadership of Serzh Sargsyan ended after days of mass protest initiated by the movement My Step headed by Pashinyan, who fought his entire political life against the political system of Serzh Sargsyan, his power concentration and domination of the Republican Party. Pashinyan's main objectives were the fight for the rule of law, equal rights and greater

opportunities for small and medium enterprises. At the same time, he was working against corruption, monopolies and economic oligarchs. Pashinyan used the strong desire that Armenians have expressed to get rid of the oligarchic system and to implement a more democratic and just system of governance to mobilize the people. Pashinyan opted for breaking with the past and highlighted the importance of

rule of law, human rights, and the need to create a more equitable society, with everyone being equal before the law. In the meantime, Robert Kocharyan was arrested for the corruption actions during his presidency, the destabilization of the constitutional system and for questioning the bloody events in Yerevan in March 2008.

In the scenario unexpectedly by the end of 2019, Kocharyan is freed from the prison, also because of demonstrations in Nagorno-Karabakh, where he is considered to be one of the heroes of the Nagorno-Karabakh war of 1988-1994. As Pashinyan does not want to increase tensions between Armenia and Nagorno-Karabakh he agrees to set Kocharyan free and allows him to return to Nagorno-Karabakh. Back in Nagorno-Karabakh Kocharyan aims at unifying the people of Nagorno-Karabakh to increase its popularity. He is successful to do so and, in this way, able to make the people of Nagorno-Karabakh start demonstrations for a new referendum referred for final independence of Nagorno-Karabakh. In 2020 Bako Sahakyan's presidency is finished and Robert Kocharyan decides to participate in the elections. Robert Kocharyan wins the elections by the majority of votes and is therefore finally able to get into a

ARMENIA 2023-2026

In 2023, My Step Alliance headed by Nikol Pashinyan wins the elections for the second time. Despite the fact that Pashinyan could not realize all his promises, the development of Armenia goes in a good direction and Pashinyan still remains popular and gets the majority of votes. When it comes to his foreign policy, Pashinyan continues his pro-Russian approach, which became

power position that many people have already been waiting for. This nationalist movement in Nagorno-Karabakh was not well perceived by the Azerbaijani government which leads to increased armament on the side of Azerbaijani forces. Especially, after troops of Nagorno-Karabakh try to get the access to Cocuq Marjanli back, a village that previously declared no man's land, during the April War in 2016, they start to take action to annex the village to Nagorno-Karabakh which damaged the relationships with Azerbaijan even further.

In Armenia, Pashinyan is in power. However, one needs to keep in mind the difficulties of developing a programme of action to address the main political, economic and social issues of the country, as promised during the revolution. These difficulties will especially be noticed after his second election. Furthermore, Pashinyan makes some interesting announcements: As he already indicated after he took over the power, he makes clear again that Armenia will not be negotiating on behalf of Nagorno-Karabakh and make decision for them, but that we will solely do its best to protect the rights and ensure the security of the Armenians living in Nagorno-Karabakh.

one of his main foreign policy priorities. He has meetings with various Russian officials that also have a great interest in Pashinyan continuing having good relations with them. They want to ensure he does not have the intention to leave the Eurasian Economic Union and continues being committed to Armenia's existing international agreements and obligations.

In order to ensure continued support of Russia, he deepens the cooperation between Armenia and the Eurasian Economic Union.

In the course of the year, Pashinyan announces the beginning of an Armenian Economic Revolution. However, already in 2024, he starts losing his popularity: Pashinyan made a lot of promises starting with the Velvet Revolution and continuing during his presidencies, however, even after six years the people of Armenia do not notice any changes and start being suspicious about Pashinyan's real intentions. The people of Armenia thought that they would benefit from the revolution and the new president but eventually, they did not as much as they expected.

Only two years after the second elections, in 2025, Pashinyan is accused of corruption actions. In addition, the disappointment of Armenians regarding the existing political and economic situation is increasing. Also, the constant tensions of Nagorno-Karabakh which started with the

AZERBAIJAN

The status quo in Azerbaijan remains unchanged throughout the entire process in the region. The leading party keeps its supremacy as the authoritarian regime and keeps violating the fundamental rights of the Azerbaijani citizens limiting their freedoms of speech, expression and assembly. Their attitude towards the Nagorno-Karabakh conflict also remains the same as Azerbaijan demands liberation for its occupied territories for the peaceful resolution of the conflict. It is again denied by the Armenian administration leaving no option for peace but preserving the ceasefire agreement on the frontline.

return of Kocharyan impacted Armenia more than Pashinyan anticipated. This leads to the fact that people start worrying about the external policy of Armenia. The consequences are the following: the revolutionary spirit of 2018 revived and Armenian civil society started expressing its concerns towards Pashinyan's administration more openly. Consequently, in Armenia new waves of protest start, this time directed against Pashinyan. Armenian civil society demands besides the end of corruption and change of economic system to involve Armenia in the struggle against Azerbaijanis troops in Nagorno-Karabakh and efficiently ensure the security of Armenians living in Nagorno-Karabakh. In order to keep this power and authority in the Armenian government, Pashinyan decides in 2026 to change its direction in Nagorno-Karabakh and to enter the war. He actively starts deploying troops in Nagorno-Karabakh and so Nagorno-Karabakh conflict turns into a three-sided conflict and escalates. In this way, Pashinyan is able to ensure its power position.

Kocharyan's arrival in Nagorno-Karabakh and the revival of Armenians in the region motivated to restore the minor changes in the border after the April War in 2016 has caused some disturbances in Azerbaijan. Azerbaijan is worried to lose the territories it could finally get access to; therefore, the territorial conflict between the two countries has intensified and started taking a more violent turn. Preserving the Baku-centered authoritarian regime, the nationalist movement supported by the leading party starts to consider the recent activities in Nagorno-Karabakh as a threat to the territorial integrity of Azerbaijan and

take action to answer the claims to restore the pre-April frontiers in case of trying to take back Cocuq Marjanli village. Another case that triggered the conflict was the alleged murder of an Armenian trespasser in Azerbaijan, claiming to be a spy by Azerbaijani authorities. According to the Armenian sources, he was illegally murdered without a trial which was denied by Azerbaijan State Ministry of Justice and claimed that he had committed suicide before legal procedure had been initiated. This, among other things, was another reason to violate the Bishkek Protocol of 1994 to establish the ceasefire in the Nagorno-Karabakh region; therefore, held grounds for the constant gunshots to be heard. Triggered by all of these incidents, the frontline between Azerbaijan and Armenia became a conflict hotspot with casualties and a situation developing into an actual War.

GEORGIA

After the new activity in the Nagorno-Karabakh region and the increased stress between Azerbaijan and Armenia in 2019, Russia encourages Abkhazia and South Ossetia to stand up for their independence and recognition as well. They increase the number of troops in these regions to which Georgia replies with repeating the same thing. In previous years the communication included the creation of an ideology/identity by "Passportization", military, economic and social assistance and others. The targeted communication that encourages the population to stand up for their autonomy was powerful and over the course of several months, the society starts arming, getting more separatrices and increasing a negative attitude towards ethnic Georgians living in Abkhazia and South Ossetia.

In 2025, Azerbaijani authoritarian regime wins elections again. Aliyev remains the supreme decision-maker in the country and starts taking a more militaristic approach towards the conflict.

In 2026, the conflict finally completely escalates when Armenia announces its active involvement in the conflict. In the conflict one cannot notice any party being stronger than the other. As all three conflict parties are supported by Russia which is trying to fuel the conflict to increase instability in the region, no party is stronger than the other. This leads to ongoing fighting on the ground, with constant change of power dominance. By 2030, no party will be able to establish itself as a clear winner of the conflict and fights continue.

At the same time, there were increased tensions between Georgia and Azerbaijan. After erecting a monument for Mikhail Avagyan, an Armenian hero from the war in Nagorno-Karabakh, in Akhalkalaki in early 2019, the relations between Georgia and Azerbaijan start getting worse. Azerbaijan was offended since he was an Armenian hero who fought against Azerbaijan - unveiling the statue was a crucial step towards damaged relations between the two countries. This subsequently leads to Azerbaijan doubling the gas prices to Georgia which was their primary sources of gas and costs the Georgian economy an enormous amount of extra expenses. Its consequences for Georgia are very negative since Azerbaijan was one of their closest trade partners and the tense relations between these two countries brings it to an economic

downturn in Georgia as a result of the doubled gas prices and its further effects on the Georgian economy. This is the start of what would eventually turn into an economic crisis.

Both developments, the regional conflicts as well as the poor economic situation, are reasons for the EU revising its partnership with its Eastern neighbors, especially with Georgia. It leads to the cease of financial assistance for Georgia in 2021, that was targeted at the development of economy until the necessary measurements are taken to address the challenges related to the conflicts Georgia is involved in.

With all these incidents happening, we observe an increase in the number of citizens leaving Georgia for EU countries, taking advantage of the visa-free regime and seeking asylum in their respective destinations. The EU Parliament following a protectionist approach, takes into consideration the negative developments in the Georgian economy and the misuse of visa-free benefits. The EU decides to withdraw from the visa agreement, putting an end to the Georgian citizens illegally migrating to EU countries. This is a crucial step in the process of EU withdrawal from Georgia and the regions, which eventually leads to more and more problems in the near future.

The 2024 elections in Georgia do not improve the situation in the country either. The populist national forces win the elections and take over the government and most seats in the Parliament are now taken by nationalists. The new government takes a different direction, not respecting human rights and being willing to engage more in the conflict within the contested territory.

Starting in 2025, the new regime in Georgia takes a more despotic stand on the governance of the country. The constant violations of the fundamental human rights and basic freedoms start becoming a normal thing in Georgia.

The negative trends in the Georgian economy start taking the appearance of an economic crisis. Now Georgia is on the eve of a serious breakdown left without any allies, trade of cooperation partners in the region whatsoever. Because of the lack of EU funding, drastically increased prices, high inflation rate and inevitable economic risk factors, foreign investments and international companies leave Georgia and most local businesses and enterprises fail due to the depressing economic conditions. However, in 2028 the government is able to win the elections again taking a strong authoritarian rule and eventually establishing itself as an authoritarian regime. This turn destroys the democratization and integration path Georgia has been taking for the course of the past two decades. Things start getting more and more serious in the region with Russia establishing a protectorate in the two conflicted regions of Georgia, Abkhazia and South Ossetia.

By 2028 it develops into a region where economic activity is almost impossible to achieve. But this process isn't eternal as there seems to be a way out of the crisis when China decides to expand the "Belt and Road Initiative" to Georgia purely for their economic outcomes. It doesn't necessarily bring back the Georgian economy to the prosperous and constantly developing phase like it was before the conflicts and related incidents in the past ten years, but it gives a new breath

and creates new opportunities for more activity in the economy. Under China's economic supremacy, Georgia slowly takes the path to a brighter future as it goes towards 2030. At the same time, the situation in the contested territories gets tenser. Russia is provoking the Georgian

government by not respecting any of the initiatives taken by the government and by not respecting the rights of the Georgian population in the contested territory. The ongoing provocations of Russia eventually led to an outbreak of the conflict.

2. EXTERNAL POLITICS

THE EU

When we look at the situation within the EU, we can notice strong changes already in May 2019. In the elections for the European Parliament, the nationalist forces and the right-wing parties gain the majority. Consequently, the direction of the EU is influenced by that: The new commissioner is a member of the right-wing party, Europe of Freedom and Direct Democracy. Obviously, the new Commission is not able to change completely their course since they are bounded by European Law in their actions. Nevertheless, the proactive approach of the EU towards its neighborhood suffers. They change their priorities and put a focus on the protection of their internal integrity and therefore also shift their budget: the amount of money that will be given to the European Neighborhood is highly reduced. The first target point is reducing the budget towards the countries on the Southern borders of Europe, respectively Tunisia, Morocco and Egypt, but it becomes obvious that also the interest in the Eastern European Partnership is reduced. Their approach towards East is not as radical as towards the South: towards the beginning of the legislative period they continue having friendly relations with the Eastern neighbors still support the

countries especially of the Southern Caucasus. However, due to increased tensions in Nagorno-Karabakh towards the middle of 2020, the EU becomes more and more hesitant since they see a potential threat towards their new protectionist approach and consequently the integrity of the Union. What they did not foresee is the spread of the conflict over the region and the immense influence Russia still has within the region. After Russia pushes the citizens of Abkhazia and South Ossetia to follow the example of the people of Nagorno-Karabakh and opt for independence, the EU requests its embassies to strictly monitor the situations in Georgia, Armenia and Azerbaijan and opt for an end of the conflicts and independence movements. The governments of the countries are promising the EU representatives to take care of the conflicts and try to put an end to them. Even though the countries ask for support of the EU, the EU is not willing to support the countries with anything else but expertise and diplomacy. They offer to interact with Russian diplomats and open a space for discussion and potential resolving of the conflict.

The relations the EU keeps with the countries stagnate for the following

year. They continue to monitor the conflicts and year by year reduce the money they are giving the region, using the excuse of still unresolved conflicts and unwillingness to ensure stability in the region. The lowest point of the relationship is reached when Georgia suffers an immense economic crisis in 2021 due to the increase of oil prices and a steady decrease of EU money. Georgia is not able to get over the economic crisis, which leads to the fact that foreign companies stop operating in Georgia. The first to notice the side effects of the crisis are the workers which take the opportunity of the visa liberalization and start migrating more and more to the European Union: Mostly countries in which in the meantime populist parties have gained or remained in power, for example, France, Denmark, Sweden, Italy, Netherlands, Poland and Hungary, are very skeptical with the increased amount of Asylum seekers coming from Georgia. In a session of the European Parliament in 2023, Denmark raises the issue and sets, therefore, an end to visa liberalization. This is the first major step the EU takes towards the region.

RUSSIA

When looking at Russia, we can see a development towards increased involvement in the region, which reaches its high point once the EU definitely abandons the region and Russia basically has no restrictions in their actions anymore. The situation slowly adds up until Russia is able to fully establish itself as the main regional power. The following steps are taking by the Russian government in order to achieve its goals.

The next European Parliament elections in 2024 lead to an even better outcome for the right-wing populist and nationalist parties which means that they are able to spread their power even more and initiate more changes towards the neighborhood. Due to ongoing economic problems in Georgia and Armenia, the corruption of the countries increases. In 2024 there is a change of government in Georgia which leads to even more corruption and misuse of the limited money the EU is still giving to Georgia. The change in government also leads to increased human rights violations within the country. These facts are misused by the EU and they finally have an excuse that they have been waiting for to end the Association Agreement and the Deep and Comprehensive Free trade Agreement. Thus, by the end of 2025, the EU puts an end to the political cooperation with Georgia first and later also to Armenia, who is increasing its ties with Russia.

However, the EU still does not completely end the relationships but limits them to economic exchange. They remain dependent on gas from Azerbaijan and the pipelines going through Georgia.

In general, one can see that Russia continues the provision of arms to the Nagorno-Karabakh region: they are supporting both Armenian and Azerbaijani soldiers with arms in order to ensure further destabilization of the region and fuel the conflict since they see a chance to create a dependence of the countries. Furthermore, Russia misuses the situation of the conflict in Nagorno-Karabakh to push the people of Abkhazia and South Ossetia to follow the example of the people in

Nagorno-Karabakh and opt again for independence and rebellion. They fuel the conflict by spreading the rumor that the integrity of the territory is even more contested than ever. At the same time, Russia increases its military presence in Abkhazia and South Ossetia. These steps lead to the first increase also of the military presence of Georgian soldiers in the contested areas. However, due to the request of the EU not to further continue the conflict in the region, the Georgian government does not start any military conflict with the Russian soldiers. As Russia realizes that Georgia will not react to their provocation, Russia slowly increases the pressure on the South Ossetian and Abkhazian authorities but also bringing them even closer to Russia by offering incentives. By 2022 South Ossetian and Abkhazian authorities are completely relying on Russian funding. Therefore, Russia is able to push the authorities to decrease the

ties with the Georgian government. A first step taken in 2023 is the closure of crossing points and therefore creating a situation of isolation: people are not able to enter Georgian territory. In 2024 eventually, Russia is not even trying to hide anymore that they were able to establish a protectorate in the contested regions. All ties with Georgian authorities are ended by 2026 and all the efforts taken by the Georgian government for creating integrity within its borders fail. By 2027 Russia pushes for the complete restriction of the rights of ethnic Georgians and increase the violations of their human rights. These steps are taken to provoke a reaction of the Georgian government and start a military conflict. The final strike of Russia is to stop the Geneva negotiations between Georgia and the contested territory which then eventually leads to an end of the ceasefire and the revival of the armed conflict in 2029.

3. ECONOMIC DEVELOPMENT

Caused primarily by the increase in gas prices provided by Azerbaijan after they erected a statue for an Armenian NK war hero, Georgia's economy started getting worse and worse to the extent that it started looking like rather a crisis than a downturn in the economy starting in 2021 and on. Georgia found itself in a more isolated and loner situation, surrounded by former allies as Azerbaijan with failing trade relationships, Russia with a comprehensive history of military interventions to Georgia making it undesirable to cooperate with, and Armenia with little to no economic potential to help Georgia find a way

out of the crisis. After the new, more nationalistic administration elected in 2019, the EU now didn't provide necessary assistance for Georgia to get back on the track and as they saw the South Caucasus as a threat, it was no option for Georgia to build even stronger trade and cooperation ties with the EU and its countries. Leaving the Georgian government desperate for a solution to change the direction where the things were going, most international companies and corporations ceased their partnership with Georgia and it has led to seeking new partners and allies in other parts of the World. China

noticed the economic potential in Georgia now that there was less competition in the market than ever and decided to expand the “Belt and Road Initiative” to Georgia, increasing the foreign investments in the country and giving a new breath to the Georgian economy. The notable thing in Chinese policies towards Georgia was that it had pure economic interest in the territory and only served the purpose to maximize Chinese profits and take advantage of the vulnerable situation that Georgia was in.

After the unsuccessful economic reforms of Pashinyan, Armenian economy also observed negative trends that led people to lose their trust and support in Pashinyan making him look unreliable. Azerbaijan, on the other hand, didn't have any extreme changes in terms of the economic activity. Considering it was vastly already affected by failing domestic and international policies of the Azeri government, it looked steadier while Armenian economy was fluctuating, and Georgia was dealing with the crisis.

4. SOCIETAL DEVELOPMENT

GEORGIA

While the Georgian society in 2019 is rather conservative on the one hand, we can on the other hand as well observe very liberal tendencies connected to Western/European norms and values, driven by European aspirations and close EU-Georgia cooperation. However, over the course of ten years until 2030, there is a complete turn in the common sense within the Georgian society, caused by several events.

The big economic challenges in 2021 in Georgia caused by tremendously increased prices for oil and gas by Azerbaijan leads to severe challenges for the society. The government is urged to increase the prices for daily products, as well as taxes. Most Georgian citizens struggle to maintain their standard of living. This is partly caused by a severe loss of value of the Georgian currency Lari, leading to strong inflation and shocking currency exchange rates. While it is not allowed to pay salaries in other currencies, the majority of the

Georgian society faces a loss of wealth and living standards. Caused by these developments, the poverty in Georgia increases strongly in the regions as well as in the cities. Those facing the poverty threshold are increasingly suffering, while the state is unable to react appropriately to the situation. Georgia faces increasingly high rates of unemployment among all groups of society, having a negative impact on vulnerable groups such as minorities, youth and women. Over the course of a few months immense discontent evolves in the society – caused as well by the increased tensions in the region.

Having no realistic perspectives and seeking better opportunities, the only perceived alternative is leaving the country. Hoping for better conditions, high numbers of Georgian citizens move to European countries, taking advantage of the visa-free regime with the EU that is in place since March 2017.

However, they do not return after the agreed period of 90 days, but

illegally stay in the countries they moved to, still hoping for a better future than back home in Georgia. This violation of the visa liberalization and increased migration causes immense discontent and hatred in the respective European states. The issue is raised in the European Parliament.

Caused by the increased migration and evolving conflicts in the region, the EU is steadily withdrawing from the region. The diminished influence and engagement of the EU in its Eastern neighborhood, particularly in Georgia causes great consternation. Always having been the role model, main point of interest, and closest partner, the EU is turning away from the South Caucasus. Thus, the latest developments in the EU foreign policy cause tremendous disappointment, mistrust, and anger among the majority of the society towards the EU. The numerous non-governmental organizations that based their work on the European aspirations of Georgia are feeling left behind and betrayed. The new EU approach towards the South Caucasus includes a crucial cut of funding for all sorts of activities, both for civil society organizations and projects of international organizations in the region. Without the financial support, most of the organizations are unable to continue their work. Consequently, civil society loses its core platform for participation, having no possibilities to make their voices be heard and engage in decision making. The civil society becomes paralyzed, unable to react to political developments. This in turn causes increased discontent within the civil society since they feel overlooked and not involved in any public processes. Eventually, these developments and new circumstances lead the majority

of civil society towards a loss of trust in the EU, including its norms and values.

The economic crisis and the unsatisfying relations with the EU enhance the nationalist movement in Georgia since the society is increasingly afraid to lose their unique identity. The Georgian society feel surged to protect its identity and values, its national uniqueness and protect its core norms, values and culture - feeling betrayed and left behind by the EU, suffering from bad relations with its neighbor Azerbaijan, and under threat from Russia over the two regions. This perceived threat of identity plays a crucial role in the elections in 2024, leading to a nationalist government and authoritarian political approach.

After the elections in 2024 and under the new nationalist administration, Georgia faces an intense decline of human rights. Basic human rights such as the freedom of expression, freedom of assembly and minority rights, among others, are increasingly violated. Only very few civil society organizations are still able work, however they lack the resources due to the lack of funding that was mostly coming from the EU and influence to raise awareness and act on these violations. Thus, the monitoring of these violations is very poor. At the same time, the news coverage as well is very poor since the administration is restricting the publication of opposition newspapers and the freedom of expression in general.

By 2030, the Georgian civil society is increasingly suffering from the lack of opportunities or perspectives, being stuck in a nationalist and authoritarian regime that limits all public participation to a basic minimum. The partly liberal society of

2019 doesn't exist anymore – instead the Georgian society is paralyzed,

ARMENIA

After the Velvet Revolution in 2018, the Armenian civil society is putting all its hope for a better future in the hands of Nikol Pashinyan. The expectations are very high, hoping for nothing less but the end to corruption, a flawless democracy, a stronger economy and a settlement of the conflict over Nagorno-Karabakh. Over the course of events leading to a new violent confrontation in the region, the society is increasingly disappointed by the direction of Pashinyan's politics. Not only due to the corruption in his administration and the failure of its economic reforms, but especially

AZERBAIJAN

As in 2019, the civil society of Azerbaijan remains rather invisible in 2030. Due to the strong restrictions of fundamental rights, there is no involvement in decision making or public policy processes. The civil society is unable to participate and has no opportunity whatsoever to raise its

unable to act and hopelessly facing strong human rights violations.

over his position in the conflict in Nagorno-Karabakh. When the violence reaches its peak, the Armenian society demands the protection and security of Armenians living in Nagorno-Karabakh. New protests evolve in Yerevan, remembering the power of civil society during the revolution in 2018. Pashinyan, under pressure due to the civil movement whose spirit he created years ago, needs to react to this to maintain his political power. He gives in to the demands of the Armenian society and sends military to Nagorno-Karabakh.

voice, since the freedom of assembly is heavily restricted. Therefore, the civil society of Azerbaijan cannot play a role or influence decisions with regard to the newly evolving conflict in Nagorno-Karabakh or any other political processes, including the tensions with Georgia.

OUTLOOK

The aim of the scenario was to create a situation in which a world is described that is worse than expected. As the conflicts in the region are not resolved and evolve around different perceptions of the conflict the scenario assumes that the conflicts, currently frozen, will escalate and turn into open conflicts. The EU, due to the rise of right-wing nationalist parties, changes its course in its neighborhood and becomes more protectionist. This has an especially negative impact in Georgia.

Due to Russian manipulation, the EU is completely withdrawing from Georgia. By eventually annexing the contested territory, an open conflict between Russia and Georgia breaks out in 2029. By 2030 the conflict is not resolved but as it seems Russia will be able to win. Even though international organizations are implementing sanctions against Russia, a similar situation as in Crimea is to be expected. China continues to have

influence in Georgia and becomes one of Georgia's main references points. In this way, Georgia is able to keep its economy going and to restart.

In Armenia and Azerbaijan, the role of Russia is also notable. Russia sees the potential of instability in the region which is caused by an open conflict between Armenia and Azerbaijan. In order to ensure that the conflict goes on, Russia supports the warring parties with weapons, which leads to the fact that no party is able to win the conflict. International efforts to stop the conflict cannot be made as Russia vetoes in the Security Council which would make any intervention illegal. However, it seems that Armenia and Azerbaijan will be willing to engage in first negotiations to put an end to the conflict or at least implement a ceasefire, because both governments of the country fear to lose their political power as their people have to suffer due to the ongoing conflict.

PASHA BABAYEV, ROSSANA BERNARDI, DAVIT DEMETRASHVILI,
KHANUM GEVORGYAN, JOHANNA PREISSLER, MARKUS SATTLER

Scenario 4: Weirder World

THE MARNEULIZATION OF NAGORNO-KARABAKH

1. PREFACE

In the weird world, Nagorno-Karabakh takes on a whole new meaning. Nagorno-Karabakh is an internationally administered territory by different international actors. Azerbaijanis and Armenians live side by side, more or less peacefully. The border between Armenia and Azerbaijan

is demilitarized and the border to Turkey is reopened. The Kars-Gyumri and the Russian-Armenian railway through Abkhazia are reestablished. The conflict between Georgia and its contested territories and Russia is not meaningfully transformed.

2. BACKGROUND

On May 28 2019 - 101 years after the declaration of independence of both Armenia and Azerbaijan which cemented effectively the dissolution of the Transcaucasian Federative Democratic Republic - a major earthquake occurred in Armenia. With a magnitude of 9.3 on the Richter scale and its epicentre only 5km from the Armenian capital Yerevan, the results of the earthquake were as tremendous as they were fatal. At least half of the buildings in Yerevan collapsed within minutes. Luckily, the death toll remained comparatively

low for an earthquake of this magnitude. However, its proximity to the Metsamor nuclear power plant caused a major nuclear accident. The disaster required the resettlement of no less than 1.5 million inhabitants, including those from the devastated capital. Due to the direction of the wind westwards, the nuclear accident also severely affected the mainly Kurdish inhabited regions of Eastern Turkey, leaving the Armenian national symbol Ararat clouded in nuclear fog.

Although Turkey's easternmost regions were sparsely populated, the accident

still affected approximately 400.000 people who had to be temporarily evacuated, as well as permanently displacing those who lived closest to the power plant. The northern tip of the Azerbaijani enclave Nakhichevan was also affected, though the effects were not as dramatic as in the Turkey and Armenia. The catastrophe triggered mass migrations: those who had the means rejoined their relatives abroad, yet the majority of Armenians had to move either north or eastwards. A great share of Armenians was also encouraged to enter Nagorno-Karabakh, which was unaffected by the earthquake and the ramifications of the nuclear accident. Due to

the threat of a renewed large-scale military escalation between the hardly coordinated Armenian forces and the Azerbaijani military, the international community urges for an international conference in which both relief and conflict resolution should be addressed. The huge catastrophe is considered to be a unique window of opportunity to meaningfully transform the impasse of unsustainable relations in the Caucasus. Without conflict resolution measures, the relief efforts would be seriously undermined. Symbolically, Marneuli is chosen as the site for the conference as Azerbaijanis, Georgian, Armenians, Russians and many other ethnicities peacefully live together in the city.

3. MARNEULI CONFERENCE

The damage caused by the disaster urged the international community to provide a forum where Caucasian countries, along with neighbouring states and international partners, could convene together to take necessary measures. At the Marneuli International Conference, held in the homonymous locality in southern Georgia, officials from Armenia, Azerbaijan, Georgia, Russia, Turkey, Iran, the US and the EU, along with international organizations and prominent NGOs representatives were present. The first issue to be addressed was the humanitarian crisis. The part of the Armenian population that survived the nuclear accident had fled the most affected areas following two main directions: one going north towards Georgia, and the other going southeast in the country and entering Nagorno-

Karabakh. The participants agreed on the need to provide humanitarian assistance for Armenian refugees in Armenia and Georgia and for the Turkish side. However, the main issue of contention regarded the massive movement of Armenian refugees into Nagorno-Karabakh territory, making the Azerbaijani position over the matter hostile and not collaborative. The impossibility to legally provide help to refugees in Nagorno-Karabakh and the escalating tensions between the Azerbaijani and Armenian side, the former accusing the latter of plotting the illegal annexation of Nagorno-Karabakh through the refugees, encouraged the proposal of a compromise devised by the US and the EU. The proposal envisaged the establishment of an internationally managed free zone in Nagorno-Karabakh. This arrangement

would have made it possible for the humanitarian assistance to be legally funneled through Karabakh and internationally monitored. Despite a fierce opposition of the Azerbaijani side to this provision, the Turkish side insisted on the need to collaborate with the international community in order to manage the crisis and stabilize the situation. From its side, the Russian Federation expressed its skepticism over the proposal, which would increase the influence of outside powers over Armenia, and demanded the re-opening of the Railway connecting Russia and Armenia through Abkhazia and Georgia. This would have enabled the

Russian side to re-establish a dominant position over the remaining Armenian population and to secure trade connections. It would also provide extensive benefits to the Armenian side. Despite reluctance from the Georgian side, after extended negotiations these conditions were accepted by all parties. The exact amount of aid coming from the respective countries was jointly established, of which the Russian part was the biggest. Turkey was pushed by the international partners to also contribute to the aid directed to Armenian refugees. Eventually Turkey accepted, in turn compelling the Azerbaijani counterpart to act likewise.

4. CIVIL SOCIETY AND INTERNAL DYNAMICS

The civil society is still traumatized. The demographic change in the

last 10 years was enormous.

4.1 HEALTH AND HUMANITARIAN AID

While lots of Armenians and Turks died during the earthquake and the effects of it, and the humanitarian aid solved a lot of problems in the last 11 years, there are still big health challenges for these populations. The health care system broke down completely, as well as almost the rest of Armenia's economy. For the society, in a long-term view, there exist various illnesses and genetic

problems. One of the main problems is a rise of mental health problems and alcohol and tobacco abuse, as it is also still existing for Chernobyl. Lots of Armenians are psychically traumatized by losing their family members and all their properties and belongings. The area around Armavir is still contaminated, but slowly more people are moving back to their homeland.

4.2 QUESTION OF ETHNICITY AND BELONGING

Inside of the international ruled territory of Nagorno-Karabakh, the ethnic Armenians see the earthquake as a huge part of their national identity. This second big trauma in the country's history does not

only define the future, but also the past. Armenia and Turkey continue constantly to build a better bilateral exchange and cooperation. Not only in a political dimension, but also because of a shared history. Even though the

Genocide was a reason against a cooperative partnership in the past, the catastrophe brought them together, which also influenced the relation to Azerbaijan in a positive way. But there are still various conflicts inside of the society. The “Karabakhtsi”, the ones who lived in Nagorno-Karabakh already 11 years ago, still do not agree with the International Territory as a replacement for ‘their homeland’. After the enormous migration of Armenians into the territory, they were afraid of ‘contaminated foreigners’. In the last 10 years, however, the outcomes of the Marneuli Conference in 2019 have brought great success. In addition, the collaboration of

the border to Turkey and the new railway between Russia to Armenia through Abkhazia opened the possibility for many Armenians to move abroad. Georgia was also one of the main directions for immigrants during that time, especially the Javakheti region in the South. The Ministry of Reconciliation and Civic Equality continue with a policy, which supports immigrants primarily through Georgian language classes. The former population of İğdır, Ağrı and Kars moved mostly to Erzurum, Mus, Istanbul or Ankara. The Turkish government supports these groups by offering housing or health care or in other financial ways.

4.3 SOCIAL CONSEQUENCES

The resettlement is a positive development, but it relates to regulations which are still not cleared up. The different aspects of the impact of migration on social structures include the housing situation, language teaching abroad, the unemployment

problem and encouraging migrants to maintain their cultural identity. Especially abroad, this is still a big issue. Many countries in which the diaspora has expanded integrate and recognize Armenian migrants only partially.

4.4 DOMESTIC POLITICS

The domestic political situation has remained largely stable despite the extreme situation. Armenia has a functioning and stable democratic government. Through international support, the country is steadily rebuilding itself. The focus is on the reconstruction of the economy, the health system and support of the civilian population. Through international relief funds the government can avoid further damage. Turkey’s government does

the same for its damaged and no longer habitable area in the East. Their economic situation at large is still in a good position. In 2025, Azerbaijan voted for Mehriban Əliyeva with 87%. Through her, a new era of diplomacy in the Caucasus began. It is aimed at an ever greater approximation of the two countries. Not only to improve the plight in Armenia and the international community, but also to symbolize the loyalty to Turkey and the trauma they got.

5. ECONOMIC RECOVERY

After the Yerevan earthquake, the economy of Armenia in 2019 was severely damaged. Armenia was experiencing shortage of energy caused by the incident of the Metsamor nuclear power plant, which used to account for approximately 40% of the country's energy needs before. Thus Armenian government strengthened its economic relations with its existing energy suppliers, Russia and Iran. By 2023, China had helped build 3 new hydro power plants (HPPs) in Armenia after reassessing the country's renewable energy potential, increasing the reliability of the electricity system while considerably decreasing the energy dependence of Armenia from importing fossil fuels.

The incident had also impacted the territories near the Turkish border, damaging the infrastructure, causing air pollution and making the conditions unlivable. Depopulation of these areas created favorable conditions for human and drug trafficking near the border. During the Marneuli Conference, Turkey and Armenia decided to cooperate together to revive the affected areas, each on their respective side of the border. With the help of the United Nations Office on Drugs and Crime, two countries started fighting against organized crime in Armenian-Turkish border. Railway lines connecting Armenia with Turkey (Kars-Gyumri) and Armenia with Russian Federation were reopened by 2020 to help foster the process, transport goods and humanitarian aid. By 2030, Russia was still maintaining its influence on the Armenian economy through improved trade via the reopened railway lines, but faces slight decline due to the competition from western countries increasing

their share in Armenia's total trade.

Meanwhile, the amount of foreign aid to the Armenian government from the European Union and the United States had risen further in light of the recent events. In addition, the World Bank, the International Monetary Fund and the People's Republic of China provided funding for the country's economic recovery. The aid was mainly being used in construction, repair of the infrastructure and help facilitate the resettlement of the victims of the disaster to Nagorno-Karabakh. Azerbaijani IDPs had a chance to return to Nagorno-Karabakh, making it multiethnic, as it was before the war. Therefore, Azerbaijan also became a key contributor in the economic prosperity of Nagorno-Karabakh.

Armenia and Azerbaijan adhere to a policy with a focus on confidence building. For this, Azerbaijan helped to rebuild the educational system through financial aid. Both countries opened a new university in the international admitted territory called the Aliyev-Pashinyan-University as the new center of conflict management after natural disasters with a close cooperation with China. As well as it is getting known as the new "NK Valley" for its innovative solutions in the IT sector which attracts the brightest students from the both countries Armenia and Azerbaijan.

By 2027, tourism sector in Armenia started flourishing. The Armenian government, with the help of The International Atomic Energy Agency, managed to neutralize the harmful effects of the explosion site, transforming Metsamor into a major tourist attraction. The number of tourists visiting Armenia each year surpassed the 2.5 million milestones.

6. EXTERNAL POLITICS

The Marneuli conference has changed relations between South Caucasus and its neighboring countries. Earthquake diplomacy melted the ice between Turkey and Armenia. Because of the radiation of the power plant and the earthquake, the two countries start to negotiate on the opening of the border between Armenia and Turkey because of human trafficking and contaminated lands. It's the second time for Turkey of the earthquake diplomacy, but the gap between the scales is huge. This time destroyed nuclear power plant is added to the calculation, that brought radiation to Turkish lands. It was right after the earthquake that the Turkish government sent help to the east. Huge migration waves hit Istanbul, which continued further to European lands. There is also a threat towards the BTK and BTC because of the power plant radiation. Common trauma pushed the relations with Armenia to a warmer stance. Pragmatic relations started to develop between the two countries. What is left from borders is opened and trade and transportation are slowly increasing.

Right after the disastrous earthquake, all the big powers' eyes were on the region. The change had to come. It was quite hard times for the external powers to gain zones of influence. Russia lost its bases in Armenia. A lot of Russian soldiers are lost; many are sick because of radiation. The first assumption of the Armenian side that they would be able to contain Russian influence in their state was lost during Marneuli Conference in 2019 when Russia was granted the right to deploy its peacekeepers in the internationally administered territory of NK. The opening of the railway through Abkhazia made the

country even more dependent on the northern partner. Leading up to 2030, Russia gradually lost influence in Armenia, election after election, until new governments of Armenia became more western-oriented, following pragmatic relations to Turkey.

The Nagorno-Karabakh has become an internationally administered territory; newly established warm relations are fragile and exposed to external threats and challenges. Azerbaijani refugees are accepted back to the newly emerged international territory. Still, relations are halted, due to historical experience. Armenia and Azerbaijan try to improve their relations through the newly opened university in the international territory of NK.

Luckily for Georgia, the radiation didn't reach its territories. However, Georgia took responsibility for Armenians who were forced to leave their homes due to catastrophe and let them settle in Javakheti, with the help of the international community. Due to warmer relations between Turkey and Armenia, Georgia faces a decline in regional geopolitics. There were some doubts from Georgian government over opening railway lines through Abkhazian territory, but after NATO took responsibility to deploy its peacekeepers as watchdogs for Russia not to use this possibility for bad means, the government agreed. Economically, the region gets gradually more dependent on Russia, but the opening of Anaklia port is on the way and Georgian government hopes that it will diversify its economy.

The United States allowed Iran-Armenian relations to deepen, but only under supervision. Right after the earthquake, the energy sector

of Armenia partially depended on Iran. Only after the Abkhazian corridor is opened, could diversification start. On the other hand, Iran found a window in world politics, where it tried hard to push its reputation forward.

China lost its total delegation. Tian Erlong, ambassador of China to Armenia is found dead, among others at the embassy. Official

Beijing started new relations with south Caucasus, to play a benign actor it shifted its economic aspirations to the region.

Central Asia once again becomes dependent on Russia to get to Europe. Any negotiations with Turkmenistan over transporting oil and gas are off the table.

7. CONCLUSION

The major nuclear accident caused by the earthquake dramatically transformed peace dynamics and reconfigured the regional economy, along with power relations in the Caucasus. The plight of the Armenian citizens left no other possibility than migrating. While some Armenians left the country for the better abroad, the majority moved to either northern Armenia or the contested Nagorno-Karabakh region. Concerned over possible escalation of the situation due to the migration, the international community convened an unprecedented conference in Marneuli. During the conference, relief issues in Armenia and Turkey were coupled with conflict resolution measures. Most importantly, Armenia and Azerbaijan were able to agree on a new status of Nagorno-Karabakh as an internationally administered territory. Both Yerevan Armenians and Azerbaijani IDPs migrated into the territory of Nagorno-Karabakh, which lead to certain tensions between the different populations. However, no violent conflict occurred. The regular border between Azerbaijan and Armenia remains closed, but it was demilitarized.

The economy of Armenia struggles to recover. The cooperation with neighboring countries increases, particularly in the energy sector. Nagorno-Karabakh remains the poorest territory in the region, although the international donors spend considerable money with little effect. Relations between Armenia and Turkey did significantly

improve, as the border reopened. The joint trauma contributed to fostering solidarity between Turkey and Armenia. Yet, Turkey did not officially recognize the Armenian genocide. As a consequence, Georgia

lost its dominant position as a transit country because of the newly emerging Turkish-Armenian trans-border movement of goods.

However, the new railway connecting Russia and Armenia through Abkhazia facilitated trade between Russia and Georgia. The relations between Georgia and Abkhazia remained largely unaffected. The railway was nevertheless unable to prevent the decline of Russian economic leverage over Armenia, due to the intensification of Turkish-Armenian contacts. The Iranian aspirations to play a more active role in the region was counterbalanced by the increased presence of Turkey. However, the relief measures brokered by Iran in Armenia and Nagorno-Karabakh improved Iran's reputation among the international community. The costly management of the Internationally administered territory of Nagorno-Karabakh and the inability to address political issues, urges the international community to push for an alternative solution to be negotiated by the Azerbaijani and the Armenian side in the near future.

DISCLAIMER

Responsibility for the information and views set out in this publication lies entirely with the authors of the respective scenarios. The groups were randomly distributed and consisted of participants from Armenia, Azerbaijan, Germany, and Georgia.

Scenario 1: Same World «2030: A waiting hall for peace»: Marie-Christine Koytek, Abbas Zeynalli, Andranik Shirinyan, Tinatini Dvalishvili, Janna Articus.

Scenario 2: Better World «Peacolution: Gun is gone!»: Susanne Brunnbauer, Aygun Aliyeva, Flora Mirzakhanyan, Irakli Gabidzashvili, Rubina Arakelyan.

Scenario 3: Worse World «The Caucasus in 2030 – 1990s revived?»: Anna Mkrtchyan, Carolotta Doring, Lidija Beganović, Mahammad Kekalov, Mariam Gvagvalia.

Scenario 4: Weirder World «The Marneulization Of Nagorno-Karabakh»: Pasha Babayev, Rossana Bernardi, Davit Demetrashvili, Khanum Gevorgyan, Johanna Preißler, Markus Sattler.

The Summer School was conducted at the Ilia State University in Tbilisi/Georgia.

PROJECT TEAM:

Prof. Dr. Thomas Diez
(Eberhard Karls University of Tübingen)

Dr. Bettina Ahrens
(Eberhard Karls University of Tübingen)

Iris Rehlau
(SSC Europe, Vienna)

Sebastian Schäffer
(SSC Europe, Vienna)

Prof. Dr. Oliver Reisner
(Ilia State University Tbilisi)

LECTURERS:

Prof. Dr. Kerry Longhurst
(College of Europe)

This publication is the result of a project funded by the German Foreign Office (Auswärtiges Amt) and promoted by the German Academic Exchange Service (DAAD).



CONTACT SSC EUROPE

Seminars Simulations Consulting (SSC) Europe is a platform of experts for its three segments Seminars, Simulations and Consulting.



Seminars
Simulations
Consulting
Europe



info@ssc-europe.eu



www.facebook.com/SSCEurope/



www.ssc-europe.eu