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Master thesis

Small states under pressure: Armenia, Azerbaijan and Georgia's strategies vis-à-vis Russia

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Abstract

The three small countries in the Caucasus mountains, Armenia, Azerbaijan and Georgia, share a common history of Soviet occupation. From 1991 on these countries have become independent states struggling to survive under Russian pressure. Classic literature suggests that states in situations like these choose to balance against the greater power or bandwagon with it. This thesis, however, argues that the three countries initially applied a different strategy: hedging. While Azerbaijan has not changed its strategy since, Armenia and Georgia each decided on a different strategy toward Russia. This study finds no single variable that accounts for these changes of behavior, nor for the direction of these changes. Each country had its own incentives to ultimately balance against Russia (in the case of Georgia) or to bandwagon with Russia (in the case of Armenia).

Introduction

The Caucasus is a region on the borders of Europe and Asia and includes the territories of six countries: Armenia, Azerbaijan, Georgia, Iran, Russia and Turkey. The former three states were part of the Soviet Union until the end of the Cold War and reclaimed their independence in 1991. Ever since, the region has experienced a lot of turmoil, such as contested territorial disputes and claims of independence by Georgian territories, Abkhazia and South Ossetia. These claims have not been recognized by any major power except Russia.[1] This study focuses on the strategic behavior of three small independent states in this region: Armenia, Azerbaijan and Georgia. These three small countries have each adopted different alignment strategies to cope with pressures from Russia, making a comparison of their foreign policies an interesting

[1] Only four countries have recognized Abkhazia's and South Ossetia's independence: Nauru, Nicaragua, Russia and Venezuela. Abkhazia and South Ossetia are also recognized by each other.

research topic. This study tries to explain which factors best account for the varying behavior of these countries towards the European Union (EU) and Russia, after having initially used similar strategies, and why they changed their behavior specifically.

Russia is the major powerhouse in the region and directly borders Georgia and Azerbaijan, but the European Union's borders are quite close as well with Bulgaria and Romania just across the Black Sea. The EU and Georgia signed an Association Agreement in 2014 that entered into force in 2016. Azerbaijan and the EU are currently negotiating over a new agreement, while Armenia has had a Partnership and Cooperation Agreement with the EU since 1999. The latter has failed to negotiate an Association Agreement similar to the one with Georgia as the Armenian President unilaterally called off negotiations in 2013. In that sense, these three small Caucasian countries have opted for different strategies towards the EU.

The relationships between Russia and the three Caucasian states are different as well. Georgia is in a major dispute with Russia about the status of two 'Georgian' regions, Abkhazia and South-Ossetia, which led to a war in 2008, with Russia taking the side of Abkhazia and South-Ossetia and ultimately occupying these regions since. Armenia, the only country in this study not bordering Russia, has chosen to align with Russia and to distance itself from the EU association agreement in order to keep strong ties with Russia. Azerbaijan, on the other hand, knowns no enmity towards Russia in principle, but is very hostile towards Armenia (the bordering Nagorno-Karabakh region is claimed by both countries). Since Armenia and Russia are allies (and Russia thus backs Armenia in this conflict), Azerbaijan's position in this diplomatic issue has been uneasy, as it may not want to clearly align with a country that has taken the side of its enemy. Georgia maintains friendly relations with both Armenia and Azerbaijan, but the latter are in a conflict with each other over the Nagorno-Karabakh region. As a result, not only do the small states' relations with the EU and Russia make the Caucasus

an interesting region to study – the three small states' relations with one another further increase the region's political complexity and thus make it an interesting research subject.

Traditional literature on small states' foreign policy behavior has mainly focused on balancing and bandwagoning (see Walt 1987; 2009; Schweller 1994) as strategic options for small states. This study aims to evaluate whether the behaviors of Armenia, Azerbaijan and Georgia fit the theory of balancing or bandwagoning, and goes on to argue that these three states have instead initially applied a hedging strategy since their post-Cold War independence (and Azerbaijan has continued doing so). However, even though at first sight the three small Caucasian states look similar, as they are roughly of equal size, are geographically located right next to each other in the Caucasus mountain range, and share a common history of Soviet Union occupation, there are significant differences that can account for when and how these states applied their strategies of hedging.

Since Armenia, Azerbaijan and Georgia's strategies towards the EU and Russia seem to deviate from the dominant balancing and bandwagoning theories, it is of theoretical relevance to determine why they deviate. The theory of strategic hedging has so far mostly been applied to Southeast Asian countries in order to account for their behavior towards China (for examples, see Medeiros 2005; Goh 2006; 2008; Cheng-Chwee 2008; 2016a; 2016b), but has not yet been applied to understand the external behavior of the small states in the Caucasus. In that sense, this study aims to contribute to the existing scholarship on hedging strategies of small states. Moreover, studying these states' behavior towards the EU and Russia may provide useful information for policymakers in these countries.

The first section of this study discusses the existing literature on small states' behavior, focusing on theories of balancing and bandwagoning and how these apply (or not) to these cases. It then discusses the concept of strategic hedging and explains why it can be used outside the Southeast Asian region as well. This study's main body consists of case studies of Georgia,

Armenia and Azerbaijan, showing that these countries (have) hedged and that Georgia and Armenia stopped doing so and instead started balancing and bandwagoning. The analysis section of this study reveals which factors led the three states, in spite of their similarities, to decide on a different course with regard to their alignment strategies toward Russia. The final section of this thesis is attributed to conclusions and final remarks.

Literature review

As small states are powerless by themselves, they need to make alliances with other states in order for them to gain protection against potential threats. This is especially true when a big power is in a small state's proximity. Building upon realist assumptions regarding the balance of power, Stephen M. Walt (1987) argues that in such a situation, the small state either chooses to bandwagon with the powerful state in its proximity, or balances against it by making alliances with other (powerful) states. Throughout this study, Walt's definitions of balancing and bandwagoning will be adopted as they are very clear and parsimonious. Walt defines balancing as "allying with others against the prevailing threat" (1987, 17) and bandwagoning as "alignment with the source of danger" (Ibid.). When discussing under what circumstances states opt for balancing behavior, Walt also adds that states balance not against power, but against a threat (1987, 148). Moreover, in almost all instances, states tend to prefer balancing over bandwagoning. Walt argues that they do so because it is the safer option. He illustrates this neatly with a hypothetical situation: "[balancing] will be superfluous – but probably not dangerous – if the state in question turns out to be benign. By contrast, bandwagoning may fail catastrophically if one chooses to ally with a powerful state and subsequently discovers that its intentions are in fact hostile" (Walt 1987, 179-180). When choosing to balance, it thus does not really matter whether the state one balances against is correctly perceived as a threat, whereas this does matter for bandwagoning. According to this explanation, states do not simply balance

against a threat, but against a *perceived* threat, so perceptions of other states' intentions are to be considered as well, as Walt also points out (1987, 179).

According to Walt, there are situations in which states in fact do prefer bandwagoning over balancing. First, weak states tend to opt for bandwagoning more than strong states, since "they are more vulnerable to pressure, and they can do little to determine their own fates" (Walt 1987, 173). Second, "[s]tates are more likely to bandwagon when useful allies are unavailable, for they will face the threat alone if they choose to resist" (Walt 1987, 175) and third, when a threatened state thinks that it can appease the threatening power by bandwagoning with it, it often does so in order to "moderate its aggressive intentions" (Walt 1987, 176). In the absence of at least one of these three criteria, states will certainly opt for balancing, as it is considered to be the safer of the two options.

This view on balancing and bandwagoning has been contested by Randall Schweller, who argues that states may also opt for bandwagoning when they see opportunities for profit by bandwagoning with a bigger power, as opposed to merely "giving in to threats" (1994, 74; 1997, 928) Therefore, "[t]he presence of a significant external threat … is unnecessary for states to bandwagon" (Schweller 1994, 74). This adaptation results into the identification of more occurrences of bandwagoning than with Walt's theory. Therefore, small states' preferences for balancing should be questioned when one includes Schweller's view on bandwagoning. Schweller argues, without definitively concluding that either balancing or bandwagoning is more prevalent than the other, that states do not per se prefer to balance, as many opportunities for bandwagoning are utilized without the existence of a clear significant external threat (1994, 106-107).

When comparing Walt's and Schweller's views on bandwagoning, there seems to be a discrepancy not only between what causes states to bandwagon, but between which type of behavior should be classified as bandwagoning behavior as well. Schweller's conceptualization

of bandwagoning is broader and thus includes more cases than Walt's – notably cases where no threat is perceived, but opportunities for profit are present. Due to Schweller's definition of bandwagoning being broader than Walt's, not only the amount of cases of bandwagoning increases, but as a result, the ratio of bandwagoning to balancing increases in favor of the former as well. Furthermore, whereas Walt treats balancing and bandwagoning as opposite types of behavior, Schweller argues that they are not dichotomous (Schweller 1994, 74; 106) and treats them as two completely different types of behavior. Two issues follow from this discussion. First, the disagreement on which cases should be treated as bandwagoning behavior indicates that the concept of bandwagoning is not as clear-cut as it should be. Second, especially when balancing and bandwagoning are not treated as opposite types of behavior, other strategies that explain small states' behavior can be regarded. This shows when one tries to explain Armenia, Azerbaijan and Georgia's strategies towards Russia, as one will find that existing theories of balancing and bandwagoning are insufficient when trying to explain these countries' strategies.

When one then tries to use balancing and bandwagoning theories to explain the three Caucasian states' strategies towards Russia, the greatest power and potential threat in their proximity, one finds that none of these three cases seem to perfectly fit the expected behavior. When these states became independent in 1991 after the Soviet Union dissolved, neither of them showed obvious signs of balancing or bandwagoning behavior vis-à-vis Russia. All three states entered diplomatic talks with the EU, as did all the other former members of the Soviet Union, but until 2014 these did not lead to anything more than superficial agreements that were signed by every former Soviet state. All three states had signed a Partnership and Cooperation Agreement (PCA) in 1999. These PCAs, however, were designed to be broad frameworks to promote security, stability and prosperity on the European continent in the broadest sense and were thus not very specific and far-reaching (Hillion 1998). In 2014, Georgia signed an Association Agreement with the EU, further specifying the framework in which their relations

exist. This type of EU agreement has a much farther and deeper reach than PCAs and is therefore viewed as a strong move toward the EU.

From the perspective of balancing and bandwagoning theories, one would expect these countries to have picked their sides at the moment they re-gained their independence in 1991. However, it took them much longer to decide what the appropriate strategy vis-à-vis Russia should be (and Azerbaijan has apparently still not decided whom to align with). As this thesis will further demonstrate through its comparative case study, neither Armenia, nor Azerbaijan, nor Georgia have convincingly acted along the lines of either balancing against or bandwagoning with the major power in their proximity, Russia, and thus appear to be deviant cases when it comes to the expectations of balancing and bandwagoning theories. It is therefore necessary to explore different ways to account for these small states' diplomatic behavior. The next section of this study explains the concept of hedging, which I argue is a better explanans for these states' deviating behavior.

Alternative theory: hedging

To better explain why Armenia, Azerbaijan and Georgia have opted for different strategic behaviors vis-à-vis Russia since the end of the Cold War, this study builds on the concept of hedging. The idea of hedging finds its origins in the financial sector, but has been adopted by foreign policy analysts to describe a situation in which a state adopts "a set of strategies aimed at avoiding (or planning for contingencies in) a situation in which states cannot decide upon more straightforward alternatives such as balancing, bandwagoning, or neutrality. Instead they cultivate a middle position that forestalls or avoids having to choose one side [or one straightforward policy stance] at the obvious expense of another" (Goh 2006). Furthermore,

Evelyn Goh calls hedging an "avoidance strategy" (2008, 119). She, however, does not flesh out how hedging works, making it necessary to study other scholars' views on hedging.

Brock Tessman and Wojtek Wolfe define hedging as an "[expansion] on traditional balance of power theory because it accounts for a wider range of both military and non-military strategies used by states while still maintaining an emphasis on system-level variables" (2011, 216). They argue that hedging consists of four elements and that all four criteria should be met in order to observe a case of hedging. These criteria make it clear that Tessman and Wolfe treat hedging as a strategy that is used *consciously* by state leaders in order to improve the hedging state's *competitiveness vis-à-vis the system leader* (2011, 219-223). The problem with their view on hedging, though, is that they base their arguments upon a unipolar world and all strategies are vis-à-vis the global hegemon. In this study, the focus lies on potential threats from a regional hegemon, Russia. Furthermore, they argue that the level of analysis should be the system-level, while they overlook domestic factors that may explain small states' strategies (Cheng-Chwee 2008). It is thus necessary to look at a theory of hedging that is applicable in the context of this study.

Kuik Cheng-Chwee explains that since powerful states have the power to "make or break [less powerful states'] risk-mitigation efforts" (2008, 164), the less powerful state has to think carefully about the strategy it will adopt regarding the greater power so that it "allow[s] it to maximize benefits while simultaneously cushioning against any undesirable dangers from [the] stronger power" (Ibid.). Cheng-Chwee argues that whether a state decides to balance against or bandwagon with a greater power is – in principle – dependent of "whether it is faced with *an imminent security threat*" (2008, 164). When it is faced with such an immediate threat, it decides to balance against the threat, and when it does not view the greater power as a threat, it decides to bandwagon with it. However, most of the times, situations are not so clear-cut, and states under threat may view these threats to be "more *versatile*, *multifaceted* and *uncertain*"

(Cheng-Chwee 2008, 164). As Cheng-Chwee illustrates on the basis of the position of most small Asian countries in the Pacific after the end of the Cold War, uncertainty in the region has led the small states to see that they could "no longer afford to develop too close or too distant a relationship with *any* of the major powers" (2008, 164), as they have to consider whose side to choose ultimately in order for them to gain the maximum amount of benefits (2008, 164-165).

Because of the uncertainty over what the future might hold for them, small states inherently have a tendency to hedge, namely to monitor how the power structure fluctuates as they keep themselves as unaligned as possible. In order for this tendency to be put into practice, however, three conditions have to be met, according to Cheng-Chwee: "(a) the *absence* of an immediate threat (that might compel a state to ally with a power for protection); (b) the *absence* of any ideological fault-lines (that might rigidly divide states into opposing camps); and (c) the absence of an all-out [g]reat [p]ower rivalry (that might force smaller states to choose sides)" (2008, 165). From these conditions follow this study's first two hypotheses regarding when Armenia, Azerbaijan and Georgia were expected to hedge and when not. From the first condition follows that:

H1: Small countries that face an immediate threat are more likely to change their strategic behavior vis-à-vis the regional hegemon and opt for balancing or bandwagoning strategies over strategic hedging.

From the second condition suggested by Cheng-Chwee follows that:

H2: Small countries that experience deep ideological fault-lines are more likely to change their strategic behavior vis-à-vis the regional hegemon and opt for balancing or bandwagoning strategies over strategic hedging.

Cheng-Chwee does not explain, though, what creates deep ideological fault-lines. It is, therefore, necessary to look at other literatures on this topic.

One ideological fault-line that could potentially influence a small country's decision to either hedge, balance or bandwagon vis-à-vis the regional hegemon is the existence of ethnic minorities in a country. Stephen M. Saideman (2002) argues that ethnic minorities have the ability to influence their host country's foreign policy, mainly because they are often concerned with one single issue that they can then focus on. Saideman also argues that ethnic minorities often have cross-border ethnic affinities that "are instrumental in irredentist crises; in addition, they determine the level of support given to ethnic groups, particularly secessionist groups, and they even increase the likelihood of war" (Saideman 2002, 96).

H3: The existence of ethnic minorities has an influence on the country's strategy vis-à-vis the regional hegemon.

The third condition highlighted by Cheng-Chwee will not be considered in this study, as *all-out* great power rivalries have ceased to exist since the end of the Cold War.[2] Therefore, this condition cannot be tested in the context of this study.

Whereas balancing and bandwagoning are mostly explained by structural factors, Cheng-Chwee argues that in order to explain differences in alignment strategies one should also focus on unit-level variables, such as domestic factors, as from his comparative case study of Malaysia and Singapore's strategies towards China follows that "structural factors per se *have no inherent consequence on state behavior*" (2008, 179-180), as both states operate within the

[2] Some argue that China (and Russia to a lesser extent) has begun to threaten the global order and that all-out great power rivalry consequently is becoming a serious issue once again (for examples, see Yuan 2016). While I acknowledge that great power rivalry is increasingly becoming a serious issue, I currently do not regard this rivalry as *all-out*, as one would then expect to see more acts of aggression between great power rivals.

same international and regional structure, but at the same time have opted for different strategies. The most important factor to look at is, according to Cheng-Chwee, the elite level within a state, as state leaders try to gain legitimacy and authority at home by correctly assessing when and how to act with regard to the bigger power in their proximity to gain the best momentum (2008, 180-181).

This view is supported by Cristian Cantir and Ryan Kennedy (2015), who argue that two variables at the domestic level influence small states' foreign policy strategies. Both variables are based on the political survival of the elite in a country. "First, the intensity of threat to elite survival is based on how threatening the [regional] hegemon's actions are to the continuing power of the ruling elites in the weaker state. Second, a permissive internal environment allows ruling elites to shift geopolitical strategy without adverse electoral consequences" (Cantir and Kennedy 2015, 398).

Two variables can be derived from these arguments. First, electoral consequences mostly play a role in democracies, as opposed to autocratic regimes. The political system of a state thus matters. This, however, is not only reflected by democracies or non-democracies, but other political institutions within a country can also play a role. When, for example, electoral institutions in a country change, the political survival of the state leader may be at stake, and s/he may change the country's (foreign) policy as much as is needed in order to still gain enough votes to remain in power (Bueno de Mesquita et al. 2003). This example leads to the fourth hypothesis:

H4: A change in a country's institutions leads to a change in foreign policy strategy vis-à-vis the regional hegemon.

Second, state leadership is an important variable to consider. This claim is supported by Michaela Mattes et al. (2015), who argue that state leadership change leads to foreign policy change, especially when state leadership changes from one group to another (not within the same political party). A fifth hypothesis can be derived:

H5: A change in state leadership leads to a change in foreign policy strategy vis-à-vis the regional hegemon.

This study thus not only aims to look at structural factors, but aims to open the black box of domestic politics as well to understand small states' strategies vis-à-vis regional hegemons. It looks at threats, ideological fault-lines, ethnic minorities, secessionist groups, leadership within countries and political institutions within countries. The following section will lay down the research design of this study and the operationalization of the aforementioned variables.

Research method

As Armenia, Azerbaijan and Georgia are of similar size, share the same Caucasus mountains, share similar threats as they are surrounded by Iran, Russia and Turkey, and share a history of Soviet Union occupation, this study will use a most similar systems design. This is particularly useful when cases have "similar general characteristics and different values on the [dependent] variable" (Van Evera 1997, 57). In order to explain why Armenia, Azerbaijan and Georgia all showed hedging behavior during the 1990s, but started to vary in their alignment strategies during the 2000s and 2010s (with the Russo-Georgian War of 2008 as a clear indicator of this), I will carry out a comparative case study of these three countries. Through a structured focused comparison of these three cases, this study will try to reveal why these countries started to act so differently after they had initially shown similar hedging behavior. By comparing the

similarities and differences between the three countries, this research hopes to account for the observed differences. A structured focused comparison is particularly useful in studies like this one, as "[t]he method was devised to study historical experience in ways that would yield useful generic knowledge of important foreign policy problems. The particular challenge was to analyze phenomena … in ways that would draw the explanations of each case of a particular phenomenon into a broader, more complex theory" (George and Bennett 2004, 67).

What this study will further do is to compare the individual cases through time (from their independence from the Soviet Union in 1991 until the start of 2017) in order to explain the shifts in strategic behavior from hedging to balancing against Russia in the case of Georgia, from hedging to bandwagoning with Russia in the case of Armenia and to explain why Azerbaijan has not changed its course dramatically as of yet. By looking over time within the cases themselves, this study aims to explain why the states changed their alignment strategy, and by comparing the cases with each other, this study tries to explain why they have all chosen a different path of alignment strategy. The sole dependent variable that this study tries to account for is *alignment strategy vis-à-vis Russia*. The three most important options are *balancing*, *bandwagoning* and *hedging*.

Indicators for hedging behavior are introduced by Cheng-Chwee (2008) and consist of the following sub-strategies: *indirect-balancing*, *dominance-denial*, *economic-pragmatism*, *binding-engagement* and *limited-bandwagoning*. On both ends of this spectrum (the former is close to balancing, the latter is close to bandwagoning), one finds pure balancing and pure bandwagoning (Cheng-Chwee 2008, 166). Indirect-balancing "is a policy wherein a state makes *military* efforts to cope with *diffuse* uncertainties … by forging defence cooperation and by upgrading its own military" (Cheng-Chwee 2008, 170). Dominance-denial "is *political* in nature, wherein the smaller actors, either individually or collectively, seek to attain [prevention and denial of the emergence of a predominant power that may exert undue interference on

smaller states] by: (a) involving other powers in regional affairs; and (b) developing their own resilience and strengthening their collective diplomatic clout" (Cheng-Chwee 2008, 169-170). Economic-pragmatism is "a policy wherein a state seeks to maximize economic gains from its direct trade and investment links with a [g]reat [p]ower, regardless of any political problems that might exist between them" (Cheng-Chwee 2008, 167). Binding-engagement consists of two elements: "Engagement refers to a policy wherein a state seeks to establish and maintain contact with a [g]reat [p]ower, for the purposes of creating channels of communication, increasing 'voice opportunities' and influencing the power's policy choices. Binding, on the other hand, refers to an act in which a state seeks to institutionalize its relations with a power by enmeshing it in *regularized* diplomatic activities" (Cheng-Chwee 2008, 167). Lastly, limited-bandwagoning involves only political partnership, and not military alignment as is the case with full bandwagoning. Furthermore, with limited-bandwagoning, a state may still maintain relations with competing powers (Cheng-Chwee 2008, 168-169). When states do not act through middle strategies like these, but act through all-out alliances, they will be treated as balancing or bandwagoning.

Hedging can, thus, consist of strategies that are economic, military or political, but at no point are these strategies completely favoring one side or another (Russia or the EU), always keeping the hedging state's options open, not fully committing to either one side. Cheng-Chwee's five sub-strategies should not be viewed as the only indicators for hedging behavior, as perfect fits with these are difficult to observe. In this study, strategies that are similar to the strategies introduced by Cheng-Chwee, as they are economic, military or political, while not fully favoring Russia or the EU, will be used as indicators for hedging. The tipping points where hedging turns into either balancing or bandwagoning are difficult to define as this is not a discrete variable, but a continuous one. The differences between the three cases, and over time within the cases, however, provide relative differences that suggest that the cases lie far from

each other on the spectrum of balancing-hedging-bandwagoning. In the case studies, I will focus on trade relations, military conflicts and diplomatic actions as economic, military and political indicators respectively.

Independent variables that try to explain the varying behavior of the three cases are *external threats*, *ideological fault-lines* (*the existence of ethnic minorities), institutional change* and *leadership change*. External threats are related to the external situation in the region, mainly with regard to the regional hegemon. Big powers like Russia might, for example, pressure states into behavior desired by Russia. They could do so, for example, by threatening smaller states with acts of aggression, or by halting economic or military cooperation. Ideological fault-lines are internal issues that create a cleavage in a country's society. In this particular study, this will be measured by looking at the existence of ethnic minorities. These, in turn, are best measured by studying censuses. I try to use censuses that are as recent as possible. These censuses are available from countries' government sources. Institutional change and leadership change are easy to observe. Examples of institutional change would be a country adopting new rules for bill proposals (think about voting procedures), or adopting laws that empower a country's leader. Leadership change mainly occurs following elections, and is expected to have an impact particularly when a different party is voted into power. Revolutions or other pressures may, however, cause state leaders to step down and make way for new leadership as well. The hypotheses expect such changes to have an impact on the alignment strategy vis-à-vis Russia.

As few scholars have written about Armenia and Azerbaijan, most of the data on these countries will come from these states' official governmental sources published in English and from international organizations like the EU and NATO. As Georgia has maintained friendly relations with both the EU and the United States (US), some academic research on Georgia's foreign policy is accessible and will be used to deepen the knowledge about the case (see, for examples, Tsygankov and Tarver-Wahlquist 2009; German 2015; Oskanian 2016).

Ultimately, this study tests all hypotheses and tries to find which explains the varying behaviors of Armenia, Azerbaijan and Georgia best. All hypotheses are competing with each other, and I do not expect that they all account for the observed variance equally. All independent variables are expected to have their share, though. This study now moves on to the data collection section, scrutinizing each of the three Caucasian states. These case studies aim to expose the important factors in each of the countries that account for the observed diversity in their foreign policy strategy vis-à-vis Russia.

Case studies

First, summaries of the three countries' post-Soviet Union histories are given, in order to show that these countries (have) hedged and that Georgia and Armenia stopped doing so and started balancing and bandwagoning respectively. Next, the variables discussed in the previous sections of this thesis are covered one by one, looking at each of the three countries per variable. This method makes it easy to observe the impact that each variable has on the alignment strategy vis-à-vis Russia.

Georgia

Georgia has, since the three small Caucasian states re-gained their independence following the break-down of the Soviet Union in 1991, been the most successful of the three with regard to creating and maintaining a fair state that protects its citizens' freedom and rights. Looking at the ratings Georgia and the two other states received from the Freedom House, it shows that between 1998 and 2017 neither Armenia nor Azerbaijan have fared better than Georgia even once with regard to freedom, civil liberties and political rights, constantly receiving scores

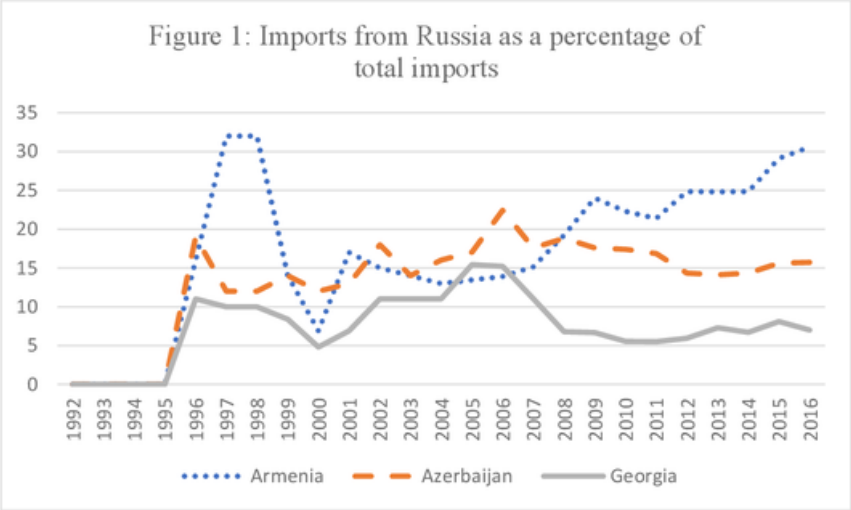
between 3 and 4 on a scale from 1 (best) to 7 (worst) on these three aspects (Freedom House 1998-2017).

According to Kevork Oskanian (2016), Georgia's policy towards Russia has changed over time. After the independence of the new Georgian state, right after the Soviet Union's dissolution, Zviad Gamsakhurdia became the country's first President, and his policies were very fiercely anti-Russia. His presidency, however, lasted less than a year as he was deemed too authoritarian and was forced to leave office, leaving behind a disintegrating country, as Gamsakhurdia had alienated minority groups in Abkhazia and South-Ossetia (Oskanian 2016, 633). This rapid disintegration of the newborn country, that was supposed to reemerge out of the smoke of the Soviet Union, instead forced Georgia's next President, Eduard Shevardnadze, to sign a cease-fire declaration that was mediated by Russian authorities in order to halt conflicts between Georgia and its secessionist territories of Abkhazia and South-Ossetia. These negotiations forced the Georgians back into the Russian sphere of influence and ultimately, when the conflicts stopped in 1994, the secessionist regions were fully under Russian control through a peacekeeping mission (Oskanian 2016, 633). According to Oskanian, "Shevardnadze's agreement to the cease-fire of 1994 …, his introduction of Georgia into the Commonwealth of Independent States [CIS; a Russia-minded regional organization founded right after the collapse of the Soviet Union] (which his predecessor had refused to join) in 1993/1994, and his general submission to Russian foreign policy priorities during that period were the product of his recognition of continued Russian regional predominance" (2016, 634). During the period from 1992 to 1996, "small state Georgia was *bandwagoning* with the most important power in its neighborhood, with domestic ideological preferences playing a minor role in its largely pragmatic policies towards Russia" (Oskanian 2016, 635, emphasis added). From 1996 on, however, Shevardnadze followed an "increasingly Westward-leaning" course (Oskanian 2016, 633).

Shevardnadze's successor, Mikheil Saakashvili (President from 2003 to 2013), put forward even clearer pro-Western ideas (Tsygankov and Tarver-Wahlquist 2009, 314; German 2015, 603; Oskanian 2016, 636-637), following the 2003 Rose Revolution which was led by a group of young pro-Western reformers of which Saakashvili himself was a member, ultimately ousting incumbent President Shevardnadze (Oskanian 2016, 636-637). By August 2008, Georgia had distanced itself so far from Russia that President Saakashvili felt emboldened to invade South Ossetia, a region in the north of Georgia, fully under Russian control. According to Oskanian (2016), Saakashvili and its administration believed that Europe and the US would back them in the event that things would go wrong for Georgia. Things did go wrong, but neither European countries nor the US intervened in the Russo-Georgian War of 2008 following Georgia's invasion of South Ossetia. Still, however, after Saakashvili's men were defeated within five days (Tsygankov and Tarver-Wahlquist 2009, 314), Saakashvili remained positive in his believe to look West, even though he did not get backed by the Western countries during the war (Oskanian 2016).

Looking at the three Caucasian states' figures on trade, and in particular at how large a share of their imports[3] is from Russia (see figure 1), one sees clear differences between the three countries in how dependent they are on Russia. Especially in the last decade the differences have become very clear, with Georgia halving its share of Russian imports, and Armenia doubling its share. When looking particularly at Georgia's figures (see figure 2), one finds that the run-up to the Russo-Georgian War of August 2008 and the war itself have an enormous impact on trade between the two countries.

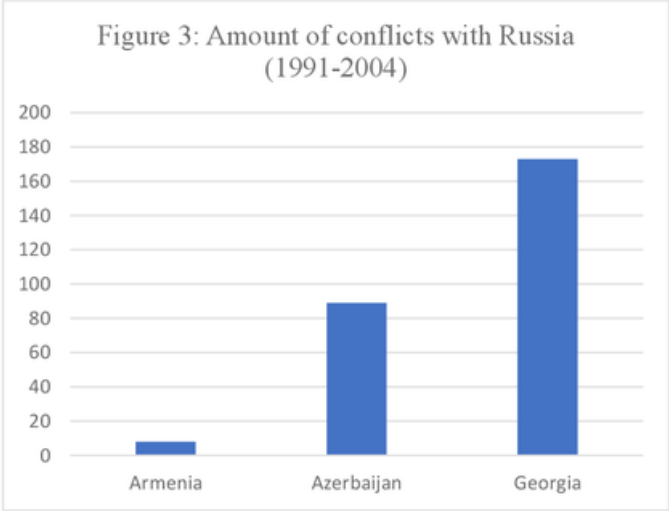
[3] Data on imports was extracted from the IMF's Direction of Trade Statistics dataset (2017) for the years 2005-2016. Unfortunately, this dataset does not provide data for the years before 2005. Data for the years 1992-2004 was extracted from the Observatory of Economic Complexity (2017). It should be noted, however, that there seems to be a problem with its dataset, as for the years 1992-1995 no trade between the three countries in this study and Russia was registered.



Furthermore, Georgia has had far more conflicts[4] with Russia than the other two countries have, netting 173 conflicts in the time period between 1991 and 2004, almost twice

[4] Conflicts are drawn from Gary King's "10 Million International Dyadic Events" database (2008) and include the following events: missile attacks; arrests and detentions; impositions of restrictions; border fortifications; criticizations and denunciations; formal severance of ties; armed battles; crowd control; denials of accusations; demands for withdrawal; discussions; formal complaints; political flights; hostage taking and kidnapping; security alerts; judicial actions; armed force mobilizations; covert monitoring; negotiations; revealing sensitive information; physical assaults; protest demonstrations; small arms attacks; political arrests; protest obstruction; reductions or terminations of aid; rejections; sanctions; investigations; strikes and boycotts; threats; warnings; yielding; and non-specified incidents (n = 270). This database seems to be the most up-to-date database on dyadic

as many as Azerbaijan and more than twenty times as many as Armenia (see figure 3). The time period covered by this data, unfortunately, lacks data on the last decade, and thus lacks data on the nadir of Russo-Georgian relations, the war of August 2008. Even without including this war, the data suggests that Georgian relations with Russia have been the worst of the three countries' relations. In the second half of the 1990s, however, Georgia was on par with Azerbaijan regarding the amount of conflicts both countries had with Russia (see figure 4). At the beginning of the 2000s, during the run-up to the 2003 Rose Revolution, however, one notices that Georgia



events between two countries. Unfortunately, it only covers the time period up to 2004, so data on the last decade is missing.

has increasingly more conflicts with Russia than the other two countries have. If the data on these dyadic events would cover the time period later than 2004, I would expect to see a further increase of (small) Russo-Georgian conflicts, as Saakashvili looks West more and more.

A last factor to consider in order to analyze Georgia's strategy vis-à-vis Russia is diplomatic actions. Georgia wishes to join both the EU and NATO (German 2015, 603-604). Regarding relations with the EU, Georgia is the only country in this study that has had an Association Agreement with the EU (since 2014; see EEAS 2017c). Furthermore, Georgia had been in negotiations with the EU about visa-free travelling in the Schengen area since 2010. Ultimately, visa-free travelling for Georgian citizens entered into force in March 2017 (EEAS 2017c). With regard to NATO, Georgia has voiced its desire to join the organization in 2000 (German 2015, 603) and cooperation deepened since the 2003 Rose Revolution when Saakashvili came to power (German 2015, 603; NATO 2017c). On NATO's side, its members have agreed in 2008 that Georgia is to become a member of the organization once they fulfill the membership requirements (NATO 2017c). Furthermore, NATO lists 47 milestone events for NATO-Georgian relations (NATO 2017c), more than twice as many as Armenia and almost twice as many as Azerbaijan.

The analysis above clearly shows that from the three countries in this study, Georgia has maintained the least friendly relations with Russia. Its share of imports from Russia is the lowest, it has had the highest amount of conflicts with Russia, while at the same time having maintained the friendliest relations with the EU and NATO. For the purpose of this study, it is important to indicate when Georgia hedged and when it stopped doing so and started balancing against Russia. Oskanian's case study suggests that Georgia hedged until halfway Shevardnadze's presidency, and started balancing against Russia from the moment Saakashvili came to power after the 2003 Rose Revolution. The data on Russo-Georgian trade suggests that Georgia became much less dependent on Russia halfway the 2000s, some two years after the

Rose Revolution. One also sees the gap between Georgia and the other two countries widen with regard to conflicts with Russia in the early 2000s. Furthermore, serious interest in joining NATO (a clear step away from Russia) was voiced in 2000 and strongly reiterated from 2003 onward. It is difficult to indicate one specific moment that signifies Georgia's change in strategy, above all because the balancing-hedging-bandwagoning spectrum is not a matter of black and white, but there are many greys in between. On the basis of the available data, however, it is safe to say that Georgia's strategy vis-à-vis Russia changed in the first half of the 2000s. During the period from 2000 until 2005, Georgia gradually stopped hedging and started balancing against Russia.

Armenia

When one again looks at Freedom House's ratings, one finds that Armenia has constantly been viewed as partly free, just like Georgia. Never, however, has Armenia scored better on any of Freedom House's variables (freedom, civil liberties, and political rights) than Georgia. On the other hand, Armenia never scored worse on these than Azerbaijan, constantly receiving scores between 4 and 6 on a scale from 1 (best) to 7 (worst) (Freedom House 1998-2017). Regarding democratic principles Armenia, thus, stands in between Georgia and Azerbaijan.

Unfortunately, Armenia has received less interest from (English writing) scholars than Georgia has with regard to its strategy vis-à-vis Russia and the EU. Therefore, the focus of this case study lies on the data on trade and conflicts with Russia and on diplomatic actions. Looking again at figure 1, the data shows that Armenia has – by far – had the highest share of imports from Russia during the last decade, in comparison to the other countries. In 2016, Armenia's share of imports from Russia (30.6 per cent of total Armenian imports) was twice as high as Azerbaijan's and more than four times as high as Georgia's. Starting from 2004, Armenia's

dependence on imports from Russia has grown almost annually, with major increases in 2008, 2009 and 2015 (see figure 5).

Conflicts between Armenia and Russia have been almost absent since the end of the Cold War (see figures 3 and 4). Although the data only covers the time period up to 2004, no major events have occurred after 2004 with regard to Russo-Armenian relations that negatively impacted these relations. Looking at Armenia's relations with the EU and NATO, one discovers that Armenia contributes to NATO activities, but has not voiced its will to join the organization (unlike Georgia). Furthermore, NATO lists 21 milestone events in NATO-Armenian relations (NATO 2017a), less than half of Georgia's milestone events. The most important event in Armenian history for this study is with regard to the EU. In September 2013, Armenian President Serzh Sargsyan unilaterally called off negotiations with the EU over the signing of an Association Agreement like Georgia's, while its contents had already been established. Sargsyan instead opted to join the Russian-led Eurasian Economic Union (EEU) (Kostanyan 2015, 1; EEAS 2017a). According to Hrant Kostanyan (2015), the Kremlin pressured Armenia not to sign the EU Association Agreement and join the EEU instead.

Although relations between Armenia and Russia have always been good since Armenian independence, as is suggested by the data on conflicts between the two countries, one notices strong increases in Russian imports from 2008 on, doubling its share over the timespan of eight years. One is inclined to think that Armenia has been bandwagoning with Russia ever since its independence, but the fact that Armenia had negotiated all the way up to an Association Agreement with the EU that only needed the Armenian President's signature in order for it to become active, is a strong indicator that Armenia had been hedging, as it kept both options (the EU and Russia) under consideration. In contrast with Georgia's shift in strategy, the point where Armenia stopped hedging and started bandwagoning with Russia is easier to point out. Deciding not to sign the EU's Association Agreement and instead opting to join the Russian-led EEU is a clear indicator that Armenia has decided to bandwagon with Russia. The figures on trade from the years after this decision further vouch for bandwagoning behavior, as Armenia has made itself very dependent on Russia.

Azerbaijan

Freedom House ratings for Azerbaijan have been horrific ever since the organization started producing these. Mainly with regard to political rights, Azerbaijan has scored very poorly with ratings of 6 or 7 (7 is the lowest possible score). The ratings have also worsened over time. Until 2004, Azerbaijan was considered partly free, just like its neighbors in this study. From 2004 on, however, Freedom House has regarded Azerbaijan as not free (Freedom House 1998-2017), following fraudulent elections in October 2003 that brought the son of the President to power (Freedom House 2004). Azerbaijani Presidency was fraudulently transferred from Heydar Aliyev (in power from 1993 until 2003) to Ilham Aliyev (in power from 2003 on), who together hold a record of 24 years in power. In 2017, only a handful of countries scored worse

than Azerbaijan with regard to freedom, civil liberties and political rights (Freedom House 2017).

Again, little research on Azerbaijani foreign policy strategies has been published in English. Therefore, the focus will again be on the available data on trade and conflict, as well as on diplomatic actions. When again considering the figures on trade, one notices that Azerbaijani imports from Russia have been rather constant, averaging at around 15 per cent of their total imports (see figure 6). During the last decade, Armenia has increased its imports and Georgia's imports decreased, providing observers with a clear difference between the three countries with regard to imports from Russia (see figure 1).

Figure 6: Azerbaijani imports from Russia as a percentage of total Azerbaijani imports

Looking at the amount of conflicts between Azerbaijan and Russia (see figures 3 and 4), one notices that these hold the middle between Georgia and Armenia as well. Azerbaijan's role in NATO is similar to Armenia's, contributing to its activities, but not voicing any desires for increased cooperation (NATO 2017b). NATO lists 25 milestone events in NATO-Azerbaijani relations (NATO 2017b), more than Armenia, but still a lot less than Georgia. With regard to the EU, Azerbaijan has had not so much activity, mainly because the country does in no way correspond to the democratic principles the EU desires (EEAS 2017b). Since 2016, the

EU and Azerbaijan have been negotiating over the contents of a comprehensive agreement, renewing the old Partnership and Cooperation Agreement (that Georgia and Armenia had also signed) that dates from 1999 (EEAS 2017b).

One can conclude that Azerbaijan scores right in between Georgia and Armenia on every aspect. Since Georgia started balancing against Russia, and Armenia chose to bandwagon with Russia, one can conclude that Azerbaijan is hedging – at least in a relative sense. It is unfortunate that the data on conflicts does not provide information for the last decade, as one would expect to see little change. This would have empowered the argument that Azerbaijan has not (yet) changed its strategy vis-à-vis Russia and is, thus, still hedging. The available figures, however, do suggest that Azerbaijan is hedging, as it neither commits to the EU, nor to Russia. More importantly, no change in Azerbaijan's behavior can be observed, while these were present in the case of Georgia and Armenia.

Analysis

Now that has been established that Georgia started balancing against Russia in the early 2000s, that Armenia definitively started bandwagoning with Russia and that Azerbaijan is still hedging, committing to neither side, it is time to look at the variables in this study and to look at why Georgia and Armenia changed their alignment strategies at the moments indicated in the above case studies.

External threats

According to the first hypothesis, immediate external threats are expected to trigger a change in a small state's strategy toward the regional hegemon. When one of the states in this study

experienced a serious external threat, I expect to see the state move away from its hedging strategy and opt for a balancing or bandwagoning strategy instead. Georgia, as well as Armenia, faced external threats from Russia during the time period under consideration. Azerbaijan has had its conflicts with Russia, but never did these seem to be of major importance. Georgia, on the other hand, has had constant pressures from Russia since the latter has occupied Georgian territories in Abkhazia and South Ossetia following the Russo-Georgian War of August 2008. By that time, however, Georgia had already stopped hedging and started balancing against Russia. Before Russia occupied these regions, it may have felt Russian pressures though as Russia backed the secessionists in both Abkhazia and South Ossetia. These cases will further be discussed in the following paragraph on ethnic minorities.

Armenia's decision not to sign the EU Association Agreement in September 2013 and join the Russian-led EEU instead seems to be the result of pressures from the Russian authorities. Being as dependent on Russian energy as Armenia has been, the country has been very susceptible to Russian pressures. While Azerbaijan has its own energy sources, and is thus not dependent on Russian energy (Pardo Sierra 2011, 241), Georgia has friendly relations with Azerbaijan and imports its energy from its Eastern neighbor. Armenia is the only country that is dependent on Russia in that sense.

While Armenia has always had the best relations with Russia, the moment Russian authorities pressured Armenian President Sargsyan and the latter decided to withdraw from EU Association Agreement procedures and joined the EEU instead, marked the definitive move toward an alliance with Russia – a move away from hedging and toward bandwagoning behavior. The Armenian case provides support for the first hypothesis, that expects immediate external threats to trigger a change in strategy away from hedging, toward either balancing or bandwagoning.

Ethnic minorities

To look at the effects that the existence of ethnic minority groups in a country has on the country's strategy vis-à-vis the regional hegemon, this study looks at census data. These statistics are available from the three countries' national statistics offices, albethey from different years. In these census data, I have excluded all minority groups that comprise less than 1 per cent of the country's total population.

The existence of ethnic minority groups is a potential ideological fault-line. Hypotheses 2 and 3 expect that small states change their strategic behavior with regard to the regional hegemon when ethnic minority groups are present. These effects are expected to be present only if the minority groups are large enough to have an impact. Armenia has census data available for 2001 and 2011 (see table 1). One sees that Armenia is ethnically very homogenous, with around 98 per cent of its population being ethnically Armenian.

Table 1: Ethnicities in Armenia (per cent of total population)

	2001	**2011**
Armenians	97,9	98,1
Yezidi	1,3	1,2

Source: National Statistical Service of the Republic of Armenia (2001; 2011)

Looking at Azerbaijan's censuses (see table 2), which are available on its government's website for a lot of years (I have included the three most recent ones), one sees that Azerbaijan has grown to become more homogenous than they were at the end of the Soviet Union era. There are, however, only small ethnic minorities in Azerbaijan, and their existence does not seem to be an issue.

Table 2: Ethnicities in Azerbaijan (per cent of total population)

	1989	**1999**	**2009**
Azerbaijanians	82.7	90.6	91.6
Lezgis	2.4	2.2	2.0
Armenians	5.6	1.5	1.3
Russians	5.6	1.8	1.3
Talyshs	0.3	1.0	1.3

Source: The State Statistical Committee of the Republic of Azerbaijan (2016)

Table 3: Ethnicities in Georgia (per cent of total population)

	2014
Georgians	86,8
Azerbaijanians	6,3
Armenians	4,5

Source: National Statistics Office of Georgia (2016)

Georgia, unfortunately, only has census data available for 2014. One sees that Georgia has the largest groups of ethnic minorities (Azerbaijanians and Armenians). What should be considered, however, is that this data excludes all citizens of Abkhazia and South Ossetia (some 300 000 in total), as these regions have been under Russian control. When these regions were to be included in the population census, figures would change dramatically. In the case of Georgia, the existence of these minority groups in Abkhazia and South Ossetia has proven to be very problematic for Georgian authorities. Citizens of these two autonomous regions do not accept

Georgian rule and these regions have been the stakes of a major conflict between Georgia and Russia, as the latter backs Abkhazia and South Ossetia.

It is difficult to find evidence for that the presence of ethnic minorities influences a country's strategy vis-à-vis the regional hegemon. Even though Armenia experienced a change of alignment strategy, no ethnic minority groups have been present. However, keeping the Georgian case in mind, one could argue that their presence serves as a background condition that has no direct observable impact on the strategy toward a regional hegemon, but that does create domestic tensions that allow for a change in strategy. Even though the Georgian case is the only case that supports the third hypothesis (and thus the second hypothesis as well), it is assumable that the existence of ethnic minorities (indirectly) influences a country's strategy vis-à-vis a regional hegemon.

Institutional change

The fourth hypothesis of this study looks at institutional change. If institutions around the state leader change, the state leader is expected to adapt to these changes by changing his policy so that he still gains enough support to be the legitimate leader. These policy changes may in turn regard changes in strategic alignment vis-à-vis Russia. As stated in the theoretical section, these effects are only expected to exist in democracies and not in autocracies (Bueno de Mesquita et al. 2003), such as Azerbaijan. Since Azerbaijan did not change its strategic behavior at all, only Armenia and Georgia will be further looked at with regard to this variable.

Around the time periods that marked the changes in strategic behavior vis-à-vis Russia, neither Armenia nor Georgia seem to have changed any of its electoral institutions. Georgian President Saakashvili did amend the constitution in 2004 (Freedom House 2005), but this only follows his coming into power and should thus be viewed as a result of leadership change.

Armenia did make changes with regard to its elections in 2011, but these only consisted of a new electoral code, so that its elections would be regarded as fairer (Freedom House 2012). Besides these minor events, no institutional changes have been observed by Freedom House, whom I believe to be a trustworthy source to report on such changes. This study, thus, finds no results that support the fourth hypothesis. It is, however, still very likely that institutional change may have a potential impact on a country's strategy toward a regional hegemon. In the context of this study, however, no support was found.

Leadership change

The last variable under consideration in this thesis is leadership change. Leadership change is expected to influence the states' strategies toward Russia especially when the new leader comes from a different party than the previous one (Mattes et al. 2015). Therefore, Azerbaijan's leadership change in 2003 (from father to son) is expected to not change a thing in Azerbaijan's strategy vis-à-vis Russia. On the same note, Armenia's change of leadership in 2008 is also expected not to result in a change in policy vis-à-vis Russia as the former President, Robert Kocharyan, and the new President, Serzh Sargsyan, were close allies (Freedom House 2009). Armenia's shift from hedging to balancing with Russia, indeed, took place five years after Sargsyan was elected.

The case of Georgia, however, is of greater interest. Although the exact moment that Georgia changed its strategy is not as clear as Armenia's, the Rose Revolution of 2003 that resulted in the ousting of incumbent President Shevardnadze and led Saakashvili to the position of President of the country did take place in the middle of the time period indicated as the time period (2000-2005) in which Georgia stopped hedging and started to balance against Russia. Furthermore, since Georgia's leadership change occurred due to a revolution and not due to

regular electoral circumstances, the exact date of leadership change is not so important, but rather the run-up to the revolution and its aftermath as a whole. The case study of Georgia has shown that a clear change (albeit gradual) took place during this run-up to and the aftermath of the Rose Revolution in 2003. Saakashvili's influence was already noticeable in the months before the actual leadership change occurred. The Georgian case is clearly in support of this study's fifth hypothesis that a change in state leadership leads to a change in foreign policy vis-à-vis the regional hegemon – in this case Russia. The other cases, however, provide no such evidence.

Conclusions

This study has found variable support for its hypotheses. The first hypothesis on external threats is clearly supported by the Armenian case, where President Sargsyan succumbed to pressures from Moscow and abandoned its hedging strategy and started to bandwagon with Russia. The Georgian case, with regard to external threats, is more difficult to observe clearly as these threats have been more constant and came to a zenith (during the Russo-Georgian War of 2008) when Georgia had already stopped hedging. The second hypothesis, as well as the third, have found little evidence, but this can be attributed to the difficulty of observing direct effects of background conditions like the presence of ethnic minorities. Other ideological fault-lines in these countries have not been studied, but according to Cheng-Chwee (2008), these are expected to push states away from hedging and toward balancing or bandwagoning. Cheng-Chwee, however, has not clearly illustrated what he understands to be ideological fault-lines. Further studies with regard to this issue may result in more satisfying results. The fourth hypothesis could not be tested properly within the context of the cases in this study as institutional changes have not been recorded. During the time periods that marked the end of Georgia's and Armenia's hedging behaviors, no institutional changes occurred that did not

coincide with a change of leadership (in Georgia). Support for the fifth hypothesis, on leadership change, was found in Georgia.

Several lessons can be extracted from the results of this study. In these particular three cases, different variables accounted for different changes (Armenia started bandwagoning; Georgia started balancing) in these countries' strategies vis-à-vis Russia. In the case of Armenia, it was a clear threat from the regional hegemon itself that forced its President to call off negotiations with the EU and opt to join the Russian-led EEU instead. In the case of Georgia, however, leadership change seemed to have the biggest impact on its change in strategy vis-à-vis Russia. One should note, however, that these strategic changes took place in a complex environment with many factors having their share. There are probably innumerable variables that have had their share in the paths these countries followed. Most of these, however, cannot be studied within the context of only three countries. Armenia, for example, is the only country that does not border Russia. Could Armenia, therefore, not have felt pressures on its borders from Russia and maintained friendly relations from the Soviet Union's dissolution onward? Could that have made Armenia so susceptible to its friend's pressures? Variables like these, should be studied in a context of many more cases in order to come to meaningful conclusions. This, in fact, also goes for the ethnic minorities variable in this study. Variables like these are in need of further research.

Another obstacle regarding the cases in this study has been that a lot of qualitative literature on these cases has been written in Russian (or even in Armenian, Azerbaijani or Georgian). Few scholars from the region have published literature in English, and Georgia has been the only country in this study that a lot of English-writing scholars have studied. This does make sense, however, since Georgia is the only country in this study that has chosen to ally with countries in the West. Future researchers with knowledge of Russian could carry out interesting further research on the Caucasian countries, provided that they publish their research

in English. Furthermore, data availability has been an issue. Most importantly, no data seems to exist on international dyadic events that covers the time period after 2004. Several datasets were found, but none covered the past decade. This is unfortunate for this study, as up-to-date data may have strengthened the arguments that Georgia started balancing against Russia in the early 2000s, that Armenia started bandwagoning with Russia in 2013 and that Azerbaijan is still hedging.

Concluding, it is evident that the Caucasus region still holds a lot to be unraveled. An interesting question would be when Azerbaijan will follow suit and stop hedging, if it ever will. Azerbaijan is, by far, the wealthiest country of the three, due to its natural energy sources. A shift from Azerbaijan toward either the EU or Russia will presumably have a greater impact on either of those communities than Armenia and Georgia's shifts have. None of this study's results is able to predict if and when Azerbaijan stops hedging, so unless other scholars scrutinize the Caucasus' countries mechanisms, only time will tell.

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