

# **Reconceptualizing Soft Power: Russian Influence in the South Caucasus**

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**Abstract**

In an era marked by hard power politics, Russia has managed to utilize a reconceptualized version of soft power to achieve its geopolitical goals. This new soft power is based on identity over ideology, and in particular relies on a vision of Russia as the “anti-West.” In the countries of the South Caucasus, Russia utilizes economic manipulation as well as propaganda and disinformation to maintain control over its “Near Abroad.” By understanding the unique ways that Russia adapts its soft power tools to each of the three South Caucasian countries, strategies for countering this influence can be determined.

Keywords: Russia, Georgia, Azerbaijan, Armenia, Propaganda, Disinformation, Soft Power

## Table of Contents

Introduction.....	3
Georgia.....	4
Russian Propaganda in Georgia.....	4
Economic Relations .....	6
Armenia.....	8
Russian Propaganda in Armenia.....	8
Economic Relations .....	10
Azerbaijan.....	12
Russian Propaganda in Azerbaijan.....	12
Economic Relations between Russia and Azerbaijan.....	14
Conclusion.....	17
Bibliography.....	19

## Introduction

First coined by Joseph Nye in 1990, soft power has generally been defined as the ability to shape the preferences of international actors with the use of attraction and appeal, rather than with coercion and force. Nye described the primary tools of soft power as cultural attraction, ideology, and international institutions. He then goes on to argue that the United States is the primary soft power in the international community, as it has been able to inspire international organizations and countries to adopt the liberal, free market principles inherent in the US economy.<sup>1</sup> In this way, ideology is an inherent part of soft power-in particular, liberal ideology. The concept of soft power as intrinsically connected to ideology has pervaded analyses of soft power politics in the nearly thirty years since Nye first provided this definition. This connection has led some to argue that soft power is declining in relevance, and that “the era of soft power has given way to an era of hard power.”<sup>2</sup> However, this connection between ideology and soft power is only salient in a Western context. Other countries, such as Russia and China, have created and deployed a type of hybrid soft power that is decoupled from values and ideology. Instead, Russia in particular has based its soft power on identity-on shared ways of life, histories, and cultural and linguistic connections.<sup>3</sup> Additionally, whereas Western soft power often relies on what it is (liberal, free, and prosperous), Russian soft power relies on what it is not-Russia aims to paint itself as a sort of “anti-West,” diametrically opposed to many of the values espoused by the EU and the US in particular. Using identity and opposition to Western values has been especially important in the countries of the South Caucasus, where contentious relations have characterized much of the post-Soviet era. Russia’s soft power strategy in the South Caucasus serves two goals: to preserve its role as regional hegemon and elevate its international status as an alternative to Western liberalism.

In the case of the South Caucasus, Russia’s soft power is primarily exercised through economic tools and relationships, and through the media and propaganda. Both effective to different degrees in Azerbaijan, Armenia, and Georgia, but all are in use in these three countries. By analyzing the unique forms of soft power at work in each of the South Caucasian countries, important lessons about how to resist and counter foreign influence can be learned.

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<sup>1</sup> Joseph Nye, Jr., "Soft Power," *Foreign Policy*, Fall 1990, 167.

<sup>2</sup> Eric Li, "The Rise and Fall of Soft Power," *Foreign Policy*, August 20, 2018.

<sup>3</sup> James Sherr, "First Principles," in *Hard Diplomacy and Soft Coercion: Russia's Influence Abroad* (Brookings Institution Press, Chatham House, 2013), 13.

# Georgia

## Russian Propaganda in Georgia

Russia and Georgia have had a contentious relationship since Georgia declared its independence from the Soviet Union in 1991. Soon after this declaration of independence, the republics of South Ossetia and Abkhazia also declared independence and were soon supported by Russia. As Georgia attempted to reign in separatist movements, they also began to draw closer to the West—this was an especially salient goal after the Rose Revolution of 2003. These factors caused tensions with Russia to rise, culminating in the 2008 Russian Georgian War.<sup>4</sup> Although the war lasted only five days, the consequences of the conflict have shaped the relationship between the two countries to this day. The heavy humanitarian impacts of the conflict on Georgians linger over ten years later, with thousands of displaced residents of the breakaway regions still living in underdeveloped settlements.<sup>5</sup> Since 2008, Russia's influence in Abkhazia and South Ossetia has increased dramatically and has led to many Georgians viewing Russia as an illegal occupier.<sup>6</sup> Tensions flared again in June of this year, when a Russian State Duma Deputy was allowed to sit in the speaker's chair during an assembly meeting in Georgia's parliament. The act led to large nightly protests in front of the parliament building, as well as a ban on direct flights between the two countries.<sup>7</sup> The contentious historical relationship and recent flaring of tensions have prompted many commentators to declare that Russia's soft power strategy in Georgia has failed, and that anti-Russian sentiments will prevent it from being impactful in the near future. However, the reality of the situation is less black and white. Russian soft power in Georgia still manages to be impactful in sectors that are seen as nonpolitical and by effectively utilizing propaganda techniques on the media and internet.

Although Russian propaganda efforts in Georgia began after the fall of the Soviet Union, information warfare and distortion became an even more important tactic after the 2008 Russian Georgian War and the 2014 invasion of Crimea. The Kremlin's current propaganda strategy in Georgia is increasingly complex—it must be, in order to contend with the country's perception as an occupier. Its strategy employs three different strategies, often used simultaneously. First, Russian propaganda in Georgia targets the groups most vulnerable to its influence, including ethnic minorities, older people, and those with low levels of media literacy and internet experience. Secondly, instead of promoting an explicitly pro-Russian narrative, Russian

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<sup>4</sup> Sarah Pruitt, "How a Five-Day War with Georgia Allowed Russia to Reassert Its Military Might," History, last modified September 4, 2018.

<sup>5</sup> Mari Nikuradze, "Tserovani: The Village of Refugees from the 2008 War," Democracy & Freedom Watch, May 21, 2014.

<sup>6</sup> Sergei Goryashko, "South Ossetia: Russia Pushes Roots Deeper into Georgian Land," BBC News, August 8, 2018.

<sup>7</sup> Sophiko Megrelidze, "Kremlin Ban Halts Direct Flights between Russia and Georgia," Associated Press, July 9, 2019.

propaganda instead focuses on anti-Western rhetoric—more specifically, it works to inspire doubt regarding the possibility and promise of Western integration. The final method widely employed in Georgia is appeals to shared cultural and religious conservatism between the two countries. All of these tactics support the underlying goals of Russian soft power discussed above.

Some segments of Georgian society are more vulnerable to Russian disinformation than others. One of these segments is Georgia's population of ethnic minorities, particularly those from other countries of the South Caucasus. According to the 2014 census, approximately 11% of Georgia's population are ethnically Azerbaijani or Armenian. Many of them do not speak Georgian, and live in rural regions whose economic development has not kept pace with the rest of the country.<sup>8</sup> These barriers to integration into Georgian society leave many minority communities marginalized, and thus vulnerable to Russian propaganda. Although Georgian broadcasting services are now attempting to provide news in minority languages in certain regions, these services have not been able to replace Russian news as the predominant source of information. A 2018 survey conducted by the Media Development Fund, a Georgian NGO that promotes media literacy and freedom of expression, found that the most popular social media and television channels in the two largest minority regions of Georgia are Russian. Survey respondents reported high levels of distrust in Georgian media sources, claiming that their lack of focus on regional issues and programming in local languages made Russian media more interesting and relevant to their lives.<sup>9</sup> Another group that is particularly vulnerable to Russian propaganda is new internet users, who often have low levels of media literacy. A survey conducted by Georgia's National Statistics Office in 2017 reported that 60.5% of respondents had used the Internet within the last three months, and that 38% of respondents had never used the internet.<sup>10</sup> Although NGOs and international governments have funded programs to promote media literacy programs in recent years, there has not been a concentrated effort by the government to educate the population about resisting disinformation. Newer internet users may be less successful in detecting disinformation or propaganda, as they lack experience in doing so.

The second characteristic of Russian propaganda in Georgia is an anti-Western narrative. Support for integration into Western institutions is high—for example, an NDI poll from January of 2019 found that 78% of Georgians are in favor of NATO integration.<sup>11</sup> However, as Georgia moves closer to the West and further from Russia's sphere of influence, smear campaigns and disinformation surrounding Western countries and their actions in Georgia have only increased.

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<sup>8</sup> "Georgia," Minority Rights Group International, 2019.

<sup>9</sup> Neli Verulashvili, "How Russian Propaganda Sways Georgia's Ethnic Minorities," Jam News, March 19, 2019.

<sup>10</sup> "Freedom House: Internet Access and Usage Continues to Grow in Georgia," Agenda.ge, last modified November 1, 2018.

<sup>11</sup> Neil Hauer, "The West Takes NATO for Granted. One Country Still Wants In.," The Atlantic, April 3, 2019.

Russia clearly views Georgia's Westward-leaning stance as a threat to its position as the regional hegemon, and wants to prevent NATO from getting a foothold in the region. Anti-Western propaganda takes a few different forms. One of these tactics presents the West as a hotbed of liberal free-thinking that is antithetical to Georgia's Orthodox Christian heritage. In this narrative, the West is often presented as destructive to Georgian history and culture, whereas Russia is presented as having a similar historical and religious background. This can be persuasive because, despite interest in European integration, Georgian society is still relatively conservative. A major example of this conservatism is the anti-LGBT movement that has sprung up in the country in recent years. In May of 2013, anti-gay activists, including some Georgian Orthodox priests, violently interrupted a rally commemorating the international day against homophobia.<sup>12</sup> In June of 2019, Tbilisi's first LGBT pride parade was canceled due to threats of violence.<sup>13</sup> Many anti LGBT activists claim that homosexuality is not natural in Georgia, and that it is a Western phenomenon that should be kept out of their country. People who hold these conservative ideals are extremely vulnerable to Russian anti-Western propaganda, as they already believe, to some extent, in the danger that Western integration poses to Georgian culture.

### **Economic Relations between Georgia and Russia**

Just as the diplomatic relationship between the two countries has often been contentious, Russia and Georgia's economic relationship has also been occasionally antagonistic. Russia has not hesitated to use economic tools to punish Georgia, such as when it placed an embargo on imports of Georgian wine and mineral water in 2006. The ban lasted nearly seven years, and proved disastrous to the Georgian winemaking industry: before the embargo, nearly 90% of Georgia's wine exports went to Russia.<sup>14</sup> Although the embargo eventually turned into an opportunity to reorient the Georgian wine industry away from Russia, particularly in the short term, the embargo caused major losses in profits and major layoffs. To lessen the potential impact of economic retribution by Russia, Georgia has attempted to forge stronger partnerships with other partners, in particular, with the EU. The two parties signed an Association Agreement in 2014, which helped make the EU Georgia's largest trading partner.<sup>15</sup> Despite Georgia's economic diversification, however, Russia still leverages considerable economic soft power in Georgia. This power was on display recently after protests in Tbilisi, triggered by the visit of a Russian MP, caused Russia to ban direct flights between the two countries and consider further economic

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<sup>12</sup> "Thousands Protest in Georgia over Gay Rights Rally," BBC News, last modified May 17, 2013.

<sup>13</sup> "Tbilisi Pride Announced, Cancelled Again Citing Threats," Civil.ge, last modified July 8, 2019.

<sup>14</sup> Kieran Cooke, "Georgia's Wine Frozen out by Russia," BBC News, last modified November 30, 2006.

<sup>15</sup> "Georgia," European Commission, last modified July 22, 2019.

sanctions. Georgia is particularly economically dependent on Russia in the energy and tourism sectors, both of which give Russia significant leverage over political decisions in the country.

Russian energy is vital for Georgia-not only does Russia provide nearly 25% of Georgia's oil and petroleum, many Georgian energy companies are at least partially owned by Russian companies or businessmen.<sup>16</sup> Additionally, Georgia's natural gas and energy sectors face difficulties beyond the threat of Russian sanctions or price hikes. Georgia has long been forced to import electricity and natural gas to meet its energy needs, with most of these imports coming from Azerbaijan and Russia. However, despite these imports, Georgia has experienced an energy deficit since 2017-and this deficit is only expected to deepen.<sup>17</sup> This vulnerability is dangerous, as it would be very easy for Russia to dramatically increase this deficit by implementing restrictions or price hikes on energy and gas exports to Georgia.

Russia also maintains considerable influence over Georgia's tourism sector, and continues to use this influence to exercise its economic soft power. Approximately 16% of all tourists to Georgia are Russian, and although many of these tourists arrive by land, the Georgian Economic Ministry predicts that the aforementioned direct flight ban could cost the Georgian economy approximately 700 million USD. This is because in 2018, 22% of all money spent by tourists in Georgia came from Russian tourists.<sup>18</sup> In addition to the flight ban, the Russian government is attempting to further discourage Russian citizens from visiting Georgia by painting Georgian citizens as violently nationalist and Russophobic. Russian media reported that Russian journalists and citizens were attacked at the Tbilisi protests, and went as far as insinuating that Russians in Georgia could risk being killed or assaulted on the streets.<sup>19</sup> Despite a social media campaign to "spend your summer in Georgia," the Georgian economy will surely feel the impact of the flight ban and subsequent loss of tourism dollars.

On July 6th, the relationship between the two countries soured further when a Georgian journalist attacked Putin on live TV. As retribution, the Russian Duma recommended that Putin enact a series of economic sanctions, including a ban on money transfers between the countries.<sup>20</sup> Although Putin declined to implement the sanctions, the threat highlighted the fact that Georgia

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<sup>16</sup>"Russian Capital in Georgian Business," Institute for Development and Freedom of Information, May 8, 2015.

<sup>17</sup> Mariam Lobjanidze, Mariam Tsulukidze, and Norberto Pignatti, "Do We Need to Worry about the Generation Deficit in the Electricity Market? And What Can Be Done about It?," ISET Policy Institute, February 1, 2019.

<sup>18</sup> Givi Gigitashvili, "Russian Sanctions against Georgia: How Dangerous Are They for Country's Economy?," Emerging Europe, last modified July 17, 2019.

<sup>19</sup> Rayhan Demytrie, "Russia Says Georgia Isn't Safe. Russians in Georgia Say Otherwise," BBC News, last modified June 27, 2019.

<sup>20</sup> Darko Janjevic, "Russia's Vladimir Putin Rejects Sanctions on Georgia," Deutsche Welle, last modified July 9, 2019.



is, to some extent, still dependent on Russian remittances. Georgia's State Ministry for Diaspora Issues reported in 2015 that approximately half of the Georgian diaspora (around 800,000 people) live in Russia.<sup>21</sup> Many Georgians living in Russia are labor migrants, and send money home to their families in the form of remittances. According to the National Bank of Georgia, between 2012 and 2018, Georgia received approximately 10 billion USD in money transfers from abroad, with around 40% of this money coming from Russia. In the first half of 2019, approximately 25% of all money transfers originated in Russia.<sup>22</sup> Georgia is certainly far less remittance dependent than other post-Soviet states, such as Kyrgyzstan. However, a ban on money transfers would certainly have an impact on the Georgian economy, and a potentially disastrous impact on individual Georgians who rely on money sent by relatives abroad. Leveraging its status as a destination for Central Asian and South Caucasian labor migrants is not a new tactic for Russia, but it is a powerful one.

All of these techniques are used to accomplish the aforementioned goals of Russian soft power. The Putin administration discusses or implements economic restrictions on Georgia to remind their Western-inclined neighbor that breaking free from Russia's sphere of influence is not as easy as signing agreements with the EU. It is a not-so-subtle reminder that Russia is still a regional and international power to be reckoned with, and that becoming fully independent from Russia would be at least an economically and politically painful process, if not an impossible one. As Georgia continues to seek integration into Western international organizations, Russia will only grow bolder in its attempts to maintain economic leverage over the country and in its propaganda campaigns. It is up to Georgia to find ways to counter this influence, some of which will be discussed later in this article.

## **Armenia**

### **Russian Propaganda in Armenia**

Russia's strategy to maintain control over Armenia has long been reliant on manipulating Armenia's weak security position, landlocked geographical location, and closed borders. In recent years, however, Russia has launched a comprehensive disinformation and propaganda campaign in Armenia. One of the first examples of this campaign happened before Armenia's 2017 parliamentary elections. Russian-language Twitter and Facebook accounts began propagating what appeared to be a letter from USAID which implied that the US was attempting to influence the results of the election by encouraging people to vote for an opposition candidate. Simultaneously, the Twitter accounts of independent news outlets and the director of a Western-funded NGO in Armenia were suspended.<sup>23</sup> As with many troll attacks, the exact perpetrators are

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<sup>21</sup> Gigatashvili, "Russian Sanctions Against Georgia," Emerging Europe.

<sup>22</sup> "Money Transfers," National Bank of Georgia, last modified June 2019.

<sup>23</sup> Amy Mackinnon, "Manipulating Elections via Twitter in Armenia," Coda News, last modified April 6, 2017.

difficult to pin down. However, Ben Nimmo, a Senior Fellow with the Atlantic Council's Digital Forensics Lab, determined that many of the Russian language accounts that propagated the letter shared many hallmarks of Russian bots: they were all created around the same time, had similar amounts of followers, tweeted similar phrases and images, and were also all active around the time of anti-corruption protests in Russia.<sup>24</sup> Campaigns such as this are particularly effective and dangerous in Armenia for a host of reasons. First, 70% of the Armenian population can speak Russian and only 40% can speak English.<sup>25</sup> This obviously gives an advantage to Russian media outlets, as they generally do not have to translate their broadcasts. It also means that Western media outlets have to work harder to gain a foothold in the Armenian media landscape. Considering Armenia is home to less than 3 million people, few Western media companies have been willing to put in this work. Secondly, Armenia has a nearly nonexistent cybersecurity infrastructure. In 2017, Armenia was ranked 111th in the world in terms of cybersecurity, which puts them far behind Georgia (ranked 8th) and Azerbaijan (ranked 48th).<sup>26</sup> Weak cybersecurity does not simply refer to the ability to prevent or defend cyberattacks. It was not until April of 2019 that Armenia's National Security Service began to study disinformation and how to prevent it.<sup>27</sup> Simply put, Armenia has failed to recognize propaganda and disinformation as the destabilizing threat that it is-and this failure has allowed Russian propaganda and disinformation to become a salient force in Armenia's information sector.

Another characteristic of Armenia's media environment that has allowed Russian propaganda to be effective is that its domestic media is not fully free or transparent. Freedom House's 2019 report criticized Armenia, citing the need for journalists to self-censor to avoid harassment from authorities and the fact that many print and broadcast outlets are affiliated with commercial or political organizations.<sup>28</sup> Additionally, Prime Minister Nikol Pashinyan has come under fire from international organizations repeatedly for attacking media outlets and journalists that speak critically of his administration.<sup>29</sup> Armenia's domestic media landscape is marred by a lack of transparency, attacks from political figures, and influence from outside organizations-all of this means that Armenia's domestic media cannot and does not provide a check on or alternative to Russian news sources. This, combined with a weak cybersecurity infrastructure provides a media landscape ripe for exploitation by outside influences.

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<sup>24</sup> Mackinnon, "Manipulating Elections," Coda News.

<sup>25</sup> *Disinformation Resilience in Central and Eastern Europe* (Kyiv, Ukraine: Eurasian States in Transition Research Center and Ukrainian Prism, 2018), 29.

<sup>26</sup> *Global Cybersecurity Index (GCI) 2017* (International Telecommunications Union, 2017), 54.

<sup>27</sup> "Armenian National Security Service Taking on Fake News," Jam News, last modified April 11, 2019.

<sup>28</sup> *Freedom in the World 2019: Armenia* (n.p.: Freedom House, 2019).

<sup>29</sup> Ani Mejlumyan, "In the New Armenia, Media Freedom Is a Mixed Bag," Eurasianet, last modified February 6, 2019.

The 2017 parliamentary elections are not the only instance of suspected Russian interference in Armenian politics. After the election of Nikol Pashinyan in May of 2018, a social media campaign under the hashtag #SutNikol (#FakeNikol) began to spread lies and rumors online. The hashtag was primarily propagated on Facebook by two pages and on Twitter by accounts linked to the administration of these pages. The pages were masquerading as fact checking accounts and provided “analysis” of Pashinyan’s proposed budget, energy plans, and media policies-when in reality, they were spreading unsubstantiated and inflammatory information. Perhaps most troubling about these pages is that they had about 30,000 combined “likes”-a large number in a small country such as Armenia-and that they were found to be run by IP addresses located in Saint Petersburg.<sup>30</sup> Methods of disinformation that paint politicians as dishonest are particularly potent in Armenia, where there has long been high levels of distrust in the government. Additionally, the targeting of Pashinyan in particular is significant. He has advocated for a pro-Western approach to Armenia’s foreign policy, and also has criticized the country’s dependence on Russia for economic and security support. Placing doubt in Pashinyan’s credibility and policies places doubt in the feasibility of Western integration for Armenia, and serves Russia’s strategic goals in the region.

### **Economic Relations between Russia and Armenia**

In the South Caucasus, Armenia is arguably the most vulnerable to Russian economic soft power. This is not only because of its precarious security situation-their economic situation is equally fragile. Despite slight progress in recent years, the poverty rate hovers around 43% and the unemployment rate around 25% according to the World Bank.<sup>31</sup> Armenia has also seen a decline in foreign direct investment, particularly from Western nations like the United States and Germany.<sup>32</sup> As is the case in many post-Soviet states, their economy has also been long belabored by corruption and inefficiencies. Additionally, its landlocked geographical position and closed borders with Turkey and Azerbaijan severely hinder Armenia’s ability to trade. Russia has used economic soft power to exploit these vulnerabilities in two distinct ways: through the remittance economy and through the energy industry. Although these tactics have occasionally benefited the lives of everyday Armenians, they are evidence of Russia’s efforts to maintain and grow its status as the top regional power. Additionally, the ability of Russia to essentially make up for a lack of Western foreign direct investment in Armenia increases their strategic position, and casts doubt on the promise of eventual Western integration for Armenia.

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<sup>30</sup> Zarine Kharazian, Eto Buziashvili, and Yulia Reshitko, "Armenia Assailed by Deceptive 'Fact-Checking' Groups, Part 1: The Players.," Medium, last modified May 3, 2019.

<sup>31</sup> "The World Bank in Armenia," World Bank, last modified 2019.

<sup>32</sup> Ani Mejlumyan, "Armenia Sees Sharp Decrease in Foreign Investments," Eurasianet, last modified September 10, 2018.

Undoubtedly due to the unemployment and poverty figures mentioned earlier, many Armenians migrate at least seasonally to seek work. According to Armenia's Ministry of Territorial Development and Administration, 95% of Armenian seasonal labor migrants and 75% of Armenian long-term labor migrants work in Russia.<sup>33</sup> Although geography certainly plays a role in the decision of migrants, Russia also provides powerful incentives for Armenians to work in the country. Armenia's membership in the Russian-founded Eurasian Economic Union (EEU) greatly eased requirements for labor migrants, and the recent decision to grant pensions to EEU laborers in Russia provides yet another incentive.<sup>34</sup> High rates of labor migration often lead to some degree of remittance reliance, and this is the case in Armenia as well. While not as reliant as other post-Soviet states such as Uzbekistan or Kazakhstan, who receive around 30% of their GDP from remittances, Armenia still receives around 14% of their GDP from remittances. When compared to regional figures, Armenia ranks second only to Lebanon at 16%. This is also fueled by the fact that Russia has reduced the cost of money transfers for migrants from several Central Asian countries, including Armenia.<sup>35</sup> Russia's motives for maintaining an attractive labor market for Central Asian migrants, especially those from Armenia, are multifaceted. First, Russia's escalating demographic crisis makes labor migrants more attractive. Second, and perhaps more importantly, it demonstrates one of the motivations inherent in Russia's overall soft power strategy. Putin knows that Russia does not and cannot, at least in the near future, present a comparative economic alternative to the West. Instead of attempting to compete with the stronger economies of the United States or the European Union, the Putin administration has compensated by making its labor market as attractive as possible to certain migrants. This is particularly potent in a time when Western countries are experiencing heightened xenophobia and are implementing tougher immigration regimes.

Another important Russian soft power strategy in Armenia is control over its energy sector. As with many other countries in the region, Armenia is reliant on Russia for the majority of its natural gas and oil supply. However, Armenia's dependence is even more critical than other countries because it does not have diplomatic relations with other potential energy suppliers Turkey and Azerbaijan, and has faced pressure from the West to curtail energy imports from Iran. Thus, Armenia's energy sector is an easy target for Russian soft power. An example of this manipulation came in January of 2019, when Russia raised the price of natural gas sold to Armenia by 10%. It is hypothesized that the primary motive for this price hike was Prime Minister Pashinyan's declaration that he would pursue a more balanced foreign policy that would

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<sup>33</sup> Tamara Karelidze, "Russia Remains Preferred Destination for Armenian Migrants," *Emerging Europe*, September 25, 2018.

<sup>34</sup> "Labour Migrants from Armenia to Receive Russian Pensions," *Jam News*, last modified June 12, 2019.

<sup>35</sup> *Sending Money Home: Contributing to the SDGs, One Family at a Time* (International Fund for Agricultural Development, 2017), 31.

lessen the country's dependence on Russia.<sup>36</sup> Russian manipulation of Armenian energy prices and supply serves many of the same motivations and sends the same messages as its sanctions against Georgia: that breaking out of Russia's sphere of influence is a painful if not impossible task, that Russia is a regional and international power to be reckoned with, and that the West cannot or will not replace Russia's position in the countries of the South Caucasus.

## **Azerbaijan**

### **Russian Propaganda in Azerbaijan**

Perhaps more so than its neighbors in the South Caucasus, Azerbaijan has attempted to balance its relations with the West with its relations with Russia ever since the 1990's. The fact that Azerbaijan has not decided to eschew its relationship with Russia for Western integration is a testament to not only the perceived security threat coming from Russia, but also of Russian soft power. One of the soft power tactics that has been particularly useful in Azerbaijan is manipulation of the surrounding the Nagorno Karabakh conflict. Russia has exercised an outsized level of control over the narrative around the conflict, and has managed to paint themselves as the only outside party that can effectively broker peace—all while ensuring that the conflict persists by providing aid to both sides. The OSCE Minsk Group is made up of Russia, France, and the United States, and was created in 1992 to broker peace between Azerbaijan and Armenia to resolve the conflict. Although all three countries are technically co-chairs of the group and should have equal participation, Russia has taken advantage of Western indifference to the situation and has managed to elevate its position in negotiations. In fact, two of the most successful agreements—the ceasefire of 1994 and the Moscow declaration of 2008—were brokered exclusively between Russia, Azerbaijan, and Armenia.<sup>37</sup> Additionally, although the Minsk Group was created by the OSCE, the OSCE in reality does not have measures in place to ensure that the group is acting impartially, nor to prevent member countries from manipulating the conflict to serve their own geopolitical and financial interests. This lack of oversight has allowed Russia to sell weapons to both Azerbaijan and Armenia, providing a strong financial incentive to prevent the resolution of the conflict. Though Moscow does not have official diplomatic relations with Nagorno Karabakh and has not recognized it as an independent state, Russian State Duma representatives have visited the territory and Karabakhis have sent representatives to Moscow. Russia also is the second largest export destination for Karabakhi goods, and provides approximately 58% of all FDI in the territory.<sup>38</sup> This pseudo-diplomatic relationship has allowed

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<sup>36</sup> Natalia Konarzewska, "Armenia's Gas Dispute with Russia," *The Central Asia-Caucasus Analyst*, last modified April 29, 2019.

<sup>37</sup> Shamkhal Abilov, "OSCE Minsk Group: Proposals and Failure, the View from Azerbaijan," *Insight Turkey*, January 2018, 146.

<sup>38</sup> Stepan Danielyan and Knar Babayan, "Nagorno-Karabakh: The Edge of Russia's Orbit," *European Council on Foreign Relations*, last modified September 1, 2016.

Russia to gain some level of trust with the Karabakhi government, while simultaneously advocating for solutions that undermine Nagorno Karabakh's goal of independence.

This strategy has been effective-it has allowed Russia to not only profit from the conflict, but also to remedy its relationship with Azerbaijan and regain the trust of its president, Ilham Aliyev, who has publicly stated his approval of Russia's involvement in the peace process.<sup>39</sup> Again, Russia's involvement in the Nagorno Karabakh conflict serves its soft power goals. Russia has used the conflict to elevate its regional position to that of peacemaker, and has discredited Western peacekeeping attempts by brokering deals outside of the realm of the OSCE Minsk Group. This elevates Russia's international status in the process, and also sends a message to Russian citizens that the Putin administration is strong enough to influence the resolution of a conflict that it is not directly involved in.

Moscow's rhetorical soft power in Azerbaijan transcends the Nagorno Karabakh conflict. A myriad of weaknesses inherent in Azerbaijan's current media and journalistic environment make the country a relatively easy target for Russian propaganda and disinformation. As in Georgia, media literacy is low and internet connectivity and quality outside of urban areas is often poor. Additionally, laws regulating NGOs that receive foreign funding have been used by the government to target Western and liberal media sources such as Radio Free Europe/Radio Liberty.<sup>40</sup> These laws are dangerous because not only do they reduce the number of free, independent, and liberal media sources, but they also demonize these types of media sources by painting them as agents of foreign influence. Ironically, these laws have not been used against Russian media sources. As in other countries, Russian disinformation has also been propagated through Facebook. In January of 2019, Facebook announced that it had disabled nearly 300 accounts that targeted citizens in Central Asian countries, including Azerbaijan, with propaganda. Some of the accounts had hundreds of thousands of followers and many pages were directly linked to Sputnik, a news agency owned by the Russian government. The content on the pages varied, but much of it was anti-Western in nature, and cast doubt upon the trustworthiness and reliability of the EU.<sup>41</sup> Simply put, Azerbaijan is fighting the same battle against disinformation as many other countries are today, but with fewer tools-its media environment does not allow for the growth of a true free press, and its need to maintain a balanced relationship with Russia makes the Azerbaijani government less likely to directly combat the spread of propaganda. Russia can exploit these weaknesses to manipulate the Nagorno Karabakh conflict, propagate anti-Western sentiments, and ultimately, work towards its goals of regional and international power.

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<sup>39</sup> "President Aliyev: Azerbaijan Values Russia's Role in Karabakh Conflict Settlement," AzerNews, last modified August 8, 2016.

<sup>40</sup> *Freedom on the Net 2018* (Freedom House, 2018).

<sup>41</sup> Adam Satariano, "Facebook Identifies Russia-Linked Misinformation Campaign," New York Times, last modified January 17, 2019.

## **Economic Relations between Azerbaijan and Russia**

Despite recent efforts to diversify its economy, Azerbaijan is still largely dependent on oil revenue, with profits from the State Oil Fund of the Republic of Azerbaijan (SOFAZ) accounting for 80% of all budget revenue.<sup>42</sup> Its level of dependence became abundantly clear when oil prices crashed in 2014. The crash sent Azerbaijan's economy into a steep decline, along with increased inflation, two currency devaluations, and weakened banking and construction sectors.<sup>43</sup> Energy has also been an important diplomatic tool for the Azerbaijani government since it began exporting oil in the 19th century, but grew in relevance under President Heydar Aliyev. Aliyev sought to use oil to not only prevent economic problems after the collapse of the Soviet Union, but also to build relationships with the West. This way of thinking continues today, and is no longer only in the best interests of Azerbaijan. The EU in particular has a strong incentive to help develop Azerbaijani gas infrastructure-Russia is the largest exporter of both oil and natural gas to the EU, and it is a notoriously unreliable partner. In April of 2019, this unreliability manifested itself in the contamination of millions of barrels of oil that were then shipped to various European destinations. The cause of the contamination is still unknown, but it is thought to have been intentional.<sup>44</sup> The potential of a close relationship between the EU and Azerbaijan based on energy is of great concern for Russia-it would undermine all of Russia's current soft power goals. Thus Russia maintains a strong presence in the regional energy sector, which has been encouraged by recent developments in Russian-Azerbaijani relations.

In the beginning of Ilham Aliyev's presidential term, he pursued a balanced relationship with both the West and Russia. Azerbaijan's engagement with the West primarily took place through the development of oil pipelines and other economic measures-but that is where the cooperation stopped. Aliyev showed no interest in Western-style political reforms and limited interest in economic reforms, in part due to his need to maintain a balanced relationship with Russia. However, the 2008 Russian-Georgian war and the 2014 invasion of Crimea changed Aliyev's strategy. The lack of an effective Western response to both incidents decreased confidence in their ability to provide a comparable alternative to Russian interventionism. This, combined with an increased fear of Russian aggression negatively impacting Azerbaijan's sovereignty, led Aliyev to pursue a deeper relationship with Moscow.<sup>45</sup> Azerbaijan's closer relationship with

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<sup>42</sup> *Country Partnership Strategy: Azerbaijan, 2014–2018* (Asian Development Bank, 2018), 1.

<sup>43</sup> Riccardo Dugulin, "Falling Oil Prices Raise Concerns over Azerbaijan Stability," *Global Risk Insights*, January 28, 2016.

<sup>44</sup> Olga Yagova, Gleb Gorodyankin, and Dmitry Zhdannikov, "How Russia Contaminated \$2.7 Billion of Oil Exports to Europe," *Reuters*.

<sup>45</sup> Zaur Shiriyev, *Azerbaijan's Relations with Russia: Closer by Default?* (Chatham House, 2019), 8.

Russia since 2014 has allowed Putin to exercise an effective soft power strategy in the country, and to maintain influence over critical industries such as the energy sector.

The goal of Russia's energy strategy in Azerbaijan and the greater Caspian Sea region is twofold. First, Moscow aims to maintain its role as a middleman between the West and Azerbaijan. Secondly, Russia wants to contain Iran and ensure that it is not eclipsed as the primary regional energy player. Since Heydar Aliyev's presidential term began in 1993, Azerbaijan has been searching for ways to bypass Russia when exporting its energy. This has led to the development of various pipeline projects, most notably the Baku-Tbilisi-Ceyhan pipeline. The Baku-Tbilisi-Ceyhan pipeline was completed in 2006, and allowed Azerbaijan to deliver its oil to the Mediterranean, and avoid crossing through Russia and Armenia.<sup>46</sup> While the route of this pipeline was obviously concerning to Russia, who feared a resulting loss of influence in the regional energy market, the fact that it was encouraged and partially funded by Western countries was perhaps even more worrisome. In particular, the project received strong and vocal support from the United States. Although the US has had strategic interests in the Caspian Sea region since the 1990's, Azerbaijan's determination to bypass Russian territory when transporting energy allowed a convenient opportunity for the US to expand its role in the region. It strongly encouraged the pipeline's route to pass through Georgia and Turkey instead of Iran or Russia, and though the US government did not provide funding for the pipeline itself, it worked to facilitate negotiations between transit countries and encouraged US oil companies to fund the project.<sup>47</sup> However, despite the best efforts of Azerbaijan, the US, and the EU, Russia's role in the energy politics of the region has not diminished considerably. The aforementioned Azerbaijani oil dependence and increased assertiveness of Russia have decreased Azerbaijan's willingness to fully pivot towards the West, particularly on energy-related issues. Additionally, the EU's policies in the region are constrained by geopolitical realities and internal fragmentation. The energy dependence of EU countries on Russian energy varies considerably, and thus the bloc's energy policy is not completely cohesive. Differing opinions on energy policy were recently demonstrated in the contentious negotiations over Russia's Nord Stream 2 gas pipeline, the plans for which faced opposition from eastern EU states, the US, and the European Commission. Germany and France are strong advocates for the pipeline, reflecting not only their strong dependence on Russian energy but also their desire to maintain some level of good relations with Moscow.<sup>48</sup> The need for stable EU-Russian relations is at odds with the EU's desire for energy independence, and this contradiction has fundamentally weakened the EU's leverage in the Caspian Sea region.

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<sup>46</sup> Shiriyev, *Azerbaijan's Relations with Russia*, 7.

<sup>47</sup> Richard Morningstar, "The Baku-Tbilisi-Ceyhan Pipeline: A Retrospective and a Look at the Future," *Central Asia-Caucasus Analyst*, August 23, 2006.

<sup>48</sup> Adam Vaughan, "Nord Stream 2 Russian Gas Pipeline Likely to Go Ahead after EU Deal," *The Guardian*, last modified February 25, 2019.



Russia's other goal of weakening Iran's role in the region has mostly been accomplished through policies regarding the Caspian Sea itself. Although it is called a sea, it is technically a lake because it is completely inland, and is not connected to an ocean. Due to its size and depth, however, the Caspian has been referred to as a sea. While this may seem like simply a semantic debate, whether or not the Caspian should be legally considered a sea or a lake has been debated by the five states surrounding it for decades. Seas are subjected to more laws and regulations than lakes, which are largely unregulated in international law. Azerbaijan, Turkmenistan, and Kazakhstan are strongly in favor of classifying the Caspian as a sea. Their motivations for this are clear-under international law, the Caspian Lake would be evenly divided by its five littoral countries. In particular, this would harm Azerbaijan and Kazakhstan, who currently have control over more than one-fifth of the Caspian. Conversely, the five littoral countries of the Caspian Sea are allowed to lay claim to areas of the sea according to the length of their coastlines. Iran, who only has control of 13% of the Caspian's shoreline, has been a strong advocate of the lake designation.<sup>49</sup> Russia, however, disagrees with both the lake and sea designations, and has advocated for a hybrid approach. Their proposed solution was codified in a convention signed by the leaders of all five littoral countries in 2018. The document, simply referring to the Caspian as a "body of water," treats the surface as a sea and grants states jurisdiction over the water up to 15 nautical miles from their coasts, but leaves the division of the seabed unallocated. Instead, states are supposed to agree to the division of the most lucrative part of the Caspian on a bilateral basis. Additionally, the document bans military vessels from non-littoral states from entering the Caspian.<sup>50</sup> This agreement clearly benefits Russia the most. Not only does it ensure that NATO vessels cannot challenge Russian dominance in the Caspian, but it also essentially codifies previous agreements on the division of the Sea-divisions that ensure Iran cannot eclipse Russia as the Caspian's main regional power. Russia has managed to turn the classification of the Caspian Sea into a tool of soft power, and in the process, ensure that it remains the hegemonic regional power.

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<sup>49</sup> Frank Kane, "Lake or Sea? A Tricky Question for the Caspian," *The National*, last modified November 24, 2010.

<sup>50</sup> "Is the Caspian a Sea or a Lake?," *The Economist*, last modified August 16, 2018.

## Conclusions

Despite the fatalistic predictions of many researchers that we have entered an age of hard power winning the day, soft power tools are still vital components of Russia's foreign policy strategy, particularly with the countries of the South Caucasus. Through the use of disinformation and propaganda, Russia uses the narrative of a shared cultural and historical identity to paint itself as a counter to Western liberal globalization. This form of soft power does not aim to shape international institutions, nor does it advocate for a specific ideology. It is characterized more by its rejection of Western ideals than by its pro-Russian sentiments-this is important, as it allows Russia to be impactful in countries where it is unpopular, such as Georgia. Additionally, through the use of economic soft power tools, Russia can send a message to Armenia, Azerbaijan, and Georgia that rejecting it in favor of Western integration is a costly if not impossible decision. Perhaps just as importantly, these tools lessen the opportunities for Iran and Turkey to form connections with their South Caucasian neighbors and elevate their status as regional powers. Russia's sphere of influence is dependent on the effective deployment of these tools, and the lack of a coordinated response by the West and by South Caucasian countries. Thus, the development of strategies of resistance is critical to weakening Russian power in its "Near Abroad."

South Caucasian countries as well as Western powers can help resist Russian soft power in the region. Armenia, Azerbaijan, and Georgia can build their resistance to Russian influence by strengthening domestic political and economic institutions, and encouraging a robust civil society and domestic media landscape. Strong institutions are more resistant to foreign influence, and can more effectively implement strategies against cyberattacks, disinformation, and manipulation. A robust civil society and diverse domestic media landscape can serve as a check on disinformation, and can provide alternative sources of information. Finally, South Caucasian countries should continue to develop economic contacts with the West and other regional neighbors. As Georgia learned after the 2006 Russian wine embargo, diversification in trading partners means that economic tools such as sanctions are less economically damaging. While it is not feasible to encourage South Caucasian countries to completely pivot away from Russia in favor of the West, diversification in political and economic partners is an important step forward.

Declining Western investment and engagement in the South Caucasus is a contributing factor to the growth of Russian soft power in the region. This decline opened a vacuum, which Russia rushed to fill. Thus, an important way that Western countries can weaken Russian soft power in the region is by investing in and building economic contacts with Armenia, Azerbaijan, and Georgia. The EU's Deep and Comprehensive Free Trade Agreement (DCFTA) is an example of how this economic engagement can be structured, and should be replicated in some form with Azerbaijan and Armenia. With Azerbaijan, the West should continue to build relations regarding energy, as this is mutually beneficial to all parties involved. Additionally, the other members of the OSCE Minsk Group should take a more active role in peace negotiations to prevent Russia from dominating the narrative. Western indifference to Russia's "Near Abroad" has proven to be

dangerous, as it has only allowed Russia to increase and strengthen its sphere of influence. However, Russia's new soft power is not bulletproof, nor is it impossible to resist. Through the strengthening of domestic institutions in the South Caucasus and a cohesive strategy of thoughtful engagement from the West, Russia's new soft power can be effectively countered.

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