Constructive competition or destructive conflict in the Caspian Sea region?

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CHAPTER 1: Introduction

1. The Caspian Sea Region, the Great Game Image and an Alternative Perspective

The Caspian Sea is an inland body of water between Europe and Asia, the Caucasus and Central Asia. It is known for its geo-strategic position, hydrocarbon resources, caviar, ecological issues and bio diversity. During the Cold War, the Caspian Sea was only shared between two littoral states: the Soviet Union and Iran, who had divided the region amongst themselves in the treaties of 1921 and 1940.[1] However, since the collapse of the Soviet Union, the Caspian Sea was divided amongst five littoral states, four of which were newly formed states, namely Azerbaijan, Kazakhstan, Russia and Turkmenistan.[2]

The dissolution of the Soviet Union created an opportunity for the newly independent states to determine their borders, foreign policies and language as well as their internal political, and economic systems. They also aimed to establish external recognition and relationships with global and regional powers such as the European Union, the United States, China, Turkey and Iran. In this sense, the unexplored natural resources of the Caspian Sea appeared to be the main economic and political commodity for Azerbaijan, Kazakhstan and Turkmenistan as these resources allowed them to get the attention of international actors and stabilize their economies. The dissolution of the Soviet Union was also an opportunity for global as well as regional powers like the European Union, the United States, Turkey and China and their energy companies to diversify their energy resources. In the early 1990s, the three new littoral states started negotiating with a number of international energy companies and Western states the construction of new oil and natural gas pipeline networks.

However, the collapse of the Soviet Union also created new, intertwined issues and challenges, namely the uncertain legal status of the Caspian Sea, the ownership of natural resources, ecological issues, inadequate infrastructure and determining the proper and safe routes for transporting the natural resources of the region. More specifically, due to the sea's uncertain legal status, it was difficult to determine the ownership of several hydrocarbon fields.

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[1] Treaty of Friendship between the Russian Soviet Federal Socialist Republic and Iran (Persia) was signed on February 26, 1921, and the Soviet–Iranian Trade and Navigation Agreement was signed on March 25, 1940.
[2] The official names of the five Caspian littoral states are the Republic of Azerbaijan, the Republic of Kazakhstan, the Republic of Turkmenistan, the Russian Federation and the Islamic Republic of Iran.

The Araz-Sharg-Alov field, for example, sparked disagreement between Azerbaijan and Iran. Kapaz/Sardar is another hydrocarbon field that caused disagreement between Azerbaijan and Turkmenistan. Additionally, Russia and Kazakhstan struggled to determine which of them owned three fields in the northern part of the Caspian Sea – the Kurmangazy, Khvalynsk and Tsentralnoye fields. Although the littoral states recognized the need to find universally agreeable solutions for these issues, it was not an easy process in the early 1990s as the littoral states all sought to claim the resources that they felt they had a right to and thus came to conflicting views on the division of the Caspian Sea and its richness.

Aside from that, their colonial past with Russia pushed Azerbaijan, Kazakhstan and Turkmenistan to diversify their political and economic relations by establishing collaborations with other great powers. In September 1994, for example, Azerbaijan signed its first and biggest energy agreement, called the *Contract of the Century*, with Western energy companies. This deal for the exploitation of large offshore oil fields in the Caspian Sea was also supported by the governments of the United States, the United Kingdom and Turkey. Following this, Azerbaijan started to explore a number of new pipeline routes to transport its oil to international energy markets since the existing pipeline system of the Soviet Union, the Baku–Novorossiysk pipeline, was constructed in such a manner that natural resources from the Caspian Sea had to be transported through Russia in order to reach world markets. On the other hand, Russia and Iran sought to preserve their regional influence by denying external powers military presence in the Caspian Sea and preventing the establishment of new energy projects in the region. It was for this reason that Iran and Russia criticized the unilateral action Azerbaijan took when it negotiated its energy contract as the issue surrounding the sea's legal status had not been resolved yet and they were initially excluded from the project. In general, these conflicting claims, unilateral actions and the uncertainties surrounding them led to disagreement which slowed the negotiation process among the littoral states down in the early 1990s.

The disagreements, energy projects and the uncertain legal status of the Caspian Sea naturally captured the attention of academics and the media. Although the region had been virtually unknown to the majority of Westerners, articles on the Caspian Sea region started appearing in *The Guardian*, *New York Times*, and *Financial Times* in the 1990s (e.g., Bittner 2018; Norton-Taylor 2001; Pannier 2009). For instance, if one were to do a Google Search for "Caspian Sea" with a timeline between 1980 and 1990, one would only find information about the Caspian sturgeon fish, caviar trade, the environment and the local people of the region. However, if one changes the time frame and searches between 1990 and 2018, one would find

academic articles, newspapers, policy briefs and other literature about Caspian resource conflicts, geopolitics, a Caspian "Great Game", the legal dispute about the sea and oil wars (e.g., Ahrari 1994; Alam 2002; Amirova-Mammadova 2017; Bashir 2017; Bittner 2018; Dunlap 2004; Gurbanov 2017a; Kiernan 2012; Kleveman 2003; Norton-Taylor 2001; Saivetz 2003; Smith 1996; Trenin 2003).

This in turn captured the imagination of the public, as is evidenced by the Caspian Sea featuring as the setting of the James Bond movie *The World is Not Enough,* which was partly filmed in Baku, Azerbaijan in 1999 (Dodds 2003). In this film, Bond is assigned to the Caspian Sea region to help Electra, the daughter of billionaire Sir Robert King, to achieve their family dream of constructing an 800-mile pipeline from Azerbaijan to the Mediterranean. In the Azerbaijani capital Baku, Electra shows Bond a map revealing how this proposed pipeline would provide the West an opportunity to import the oil from the Caspian Sea region while circumventing the existing Russian pipelines. Both Electra and Bond's superior at MI6 note that the Russians will do anything to stop the construction of the pipeline. It can be seen that the bad guys are Russians and Arabic speaking characters, while Western, English-speaking good guys try to save either the world, or at least certain parts of it, from these people. In this regard, the film briefly touches on the geopolitical significance of infrastructure construction, the Russian dominance of the region and its rivalry with the Western actors, such as Britain, in the Caspian Sea. The idea for the film came from one of the producers, Barbara Broccoli. In 1997, Broccoli saw a TV programme, which showed how the division of unexploited hydrocarbon resources in the Caspian Sea might serve to identify economic progress in the next century. Inspired by this programme, Broccoli asked what would happen if the next Bond movie revolved around a plot to remove all non-Western competition by building an oil pipeline from the Caspian Sea to the Western world owned and operated by the West (as cited in Dodds 2003, 143).

Ironically, the implications of the film can be observed within the relevant academic and media discussion. For example, in 2001, an article published in *The Guardian* argued that "a new and potentially explosive Great Game is being set up…and the object this time is not so much control of territory. It is the large reserves of oil and gas in the Caucasus, notably the Caspian basin. Pipelines are the counters in this new Great Game." Similarly, in his journalistic investigation, Kleveman repeats: "more than a hundred years later great empires once again position themselves to control the heart of the Eurasian landmass. The United States has taken over the leading role from the British. Along with the ever present Russians, new regional

powers such as China, Iran and Turkey have entered the arena. The New Great Game focuses Caspian energy reserves, principally oil and gas" (2003, 3). In the same vein, it is argued that "access to the Caspian oil and gas resources can decrease the West's energy dependency on the Middle East and can enhance the independence of the newly independent regional countries" (Cohen 1996, 10). However, the relevant literature also highlights that it is not easy to reach energy resources and secure independence, in part because "Russia would engage in war with Azerbaijan and Turkmenistan, if its interests were ignored" (Shlapentokh 2013, 155). The relevant literature will be analysed in greater depth later, but if one reads through this literature one finds that from the 1990s onwards we mainly see a specific image of the Caspian Sea region in academic literature and the media. It is a state-centric, rivalry and sovereignty based "New Great Game" image.

Over the last two and half decades, the Caspian Sea region has undergone remarkable changes: several new transnational energy pipelines have been constructed (such as the BTC pipeline, the BTE pipeline and the SGC) and new treaties have been signed (such as the *Convention on the Legal Status of the Caspian Sea*). However, as will be illustrated in chapter 2 in depth, since 1990 almost any development or energy project has been described as part of the competition between great powers. Within this discussion, most regional economic and political projects have been depicted as either opposing or favouring the Russian-Iranian hegemony. In light of this, Russia and Iran have been identified as the main transgressors in every single issue (Iseri 2009).

Drawing mainly from the Great Game insights that revolve around the balance of power, the perception of (in)security, attaining and maintaining sovereignty and the influence of the state, scholars have argued that the growing involvement of the Western actors (the US and the EU) and other powers (Turkey and China) increases tension and rivalry in the region as they offer alternative economic, geographical and political choices for the littoral states (Alam 2002). In the same vein, new energy pipelines like the BTC and the SGC have been depicted as a tool to decrease the Russian and Iranian geopolitical dominance and their monopoly over the energy projects in the region (Akiner 2004). The Western powers, (the EU and the US) as well as their energy companies, are then described as the saviours of the newly independent states (Bayulgen 2009).

In light of this, the relevant literature has searched for answers to questions like: Who is the winner of the New Great Game? Can the West save the newly independent states' sovereignty from Russia, Iran and China, and if so, how? In what way can the Caspian natural

resources decrease the West's energy dependency on Russia? and Why and how do Russia and Iran seek to re-establish their dominance over the Caspian Sea region? These questions conjure up the image of a desperate place, full of rivalry and conflict. This body of literature sees little room for cooperation, regional integration or exchange. How the Caspian Sea region is seen has consequences in terms of the expectations and perceived potential of the region and possible political action and suggestions for regional stability. However, it is worth asking the question if this is the full and true picture of the region and its recent history. Was the Caspian Sea region harmonious, conflict-free and cooperative under the Soviet Union and suddenly plunged into disarray with the dissolution of the Soviet Union? Is this a shift in reality or merely a shift of perception?

2. The Theoretical Background for an Alternative Perspective

The core aim of this thesis is to propose an alternative reading of the Caspian Sea region through the lens of classical functionalism. What I will try, therefore, is to look at the region with another theoretical perspective in mind. In many respects it is a theoretical perspective from the opposite end of the spectrum of International Relations (IR) theory; a perspective which acknowledges the difficulties and problematic starting situation of power politics in the region, but which seeks to show that there are ways forward by identifying mechanisms and means to transform the New Great Game into something else, namely Mitrany's functionalism. The hope is then that a new image of the region emerges which emphasizes the constructive potential and ways to realize it.

Two studies have so far applied the classical functionalist theory to the Caspian Sea region, namely Blum (2002) and Petersen (2016). From an empirical perspective, Petersen (2016) studies the BTC pipeline and only covers Azerbaijan, Georgia and Turkey, explaining integration among these states, which does not look at the Caspian Sea per se and does not include the relationships between the majority of the littoral states. Blum's study (2002) is one of the few studies which address the Caspian Environmental Program (CEP) and the relationship between the littoral states per se. However, his work needs to be expanded because it was written in 2002 and thus only covered the early stages of the CEP. Both the program and the relationship between the littoral states have changed since then. Due to the infancy of the program at the time of its writing, Blum's work also does not establish any correlation between

the CEP and issues in other technical areas, such as the uncertain legal status of the Caspian Sea. From a theoretical perspective, both Petersen (2016, 151) and Blum (2002, 171-172) fall into the common trap of judging the functional developments in the Caspian Sea against an explicitly European benchmark, as do other scholars. Petersen (2016, 151) concluded that "the integration currently underway in the energy and transport sectors has not placed pressure on other sectors to follow suit, the way that coal and steel integration in Western Europe did in the 1950s." In the same vein, Blum (2002, 171-172) concluded that unlike the post-Westphalian system, the Caspian littoral states do not share their sovereignties and autonomous-decision-making right with the CEP, which means it represents traditional high politics. Both scholars expected to find a European-style cooperation and integration without acknowledging the Caspian Sea's historical, political, economic, material and normative distinctiveness. By applying a Eurocentric approach, these works ignored the Caspian Sea style of cooperation and its distinct set of political, economic, and social goals set by the littoral states. As a result, while both Blum and Petersen do not repeat the New Great Game arguments, they ended up sceptical and less convinced by the assumptions of classical functionalism because they were oriented too much on the European experience.

This dissertation is inspired by their work, but it does not follow a European benchmark when discussing the Caspian Sea style of cooperation. To do so, it is necessary to distinguish functionalism as such from its unique European success story that occurred in the early 1950s. The strength of functionalism as a strategy for cooperation has paradoxically been blurred by its success in Western Europe. The specific conditions in Europe are historically unique but the literature has made them absolute requirements for functionalism to work. This undermined the functionalist strategy. Hence, I will show that there is (1) not a necessary connection between functionalism and the European case; (2) functionalism has many elements that it claims work independent of the European context on which it builds its identification of "transformative" means and mechanisms; (3) this does not make it necessary to give up major ideas of functionalism as has been done in the newer liberal theories of IR. I will argue these points while critically revisiting functionalism via social constructivism. This is because similar to classical functionalism, social constructivism addresses issues from a non-traditional angle which makes it easy to cross-fertilize the two debates. In this sense, integrating insights and assumptions from social constructivism broadens the theoretical contours of functionalism and adds a richer understanding of phenomena highlighted by classical functionalism. That way,

insights from constructivism can enable classical functionalism to mount a more powerful challenge to the dominant Great Game line of assumptions.

2.1. Why Functionalism?

One may ask why I would use classical functionalism which was conceived of in the period between 1900-1950. First, functionalism is generally known for being an alternative approach to state-centric geopolitics, which matches with the core aim of this thesis. Originally, Mitrany formulated this approach in reaction to the dominant realist paradigm and the 19th century state-dominated view that emphasized zero-sum games, high politics and rivalries. He introduced functionalism in order to express the need to move away from explanations of relations and actors in world politics dominated by state-centrism, because for Mitrany state-centric geopolitics had become too simplistic to be productive in trying to understand the complexity of the contemporary world. As a contrast to realism, Mitrany emphasized an attention to the path-breaking role of technical dialogue, low-politics,[3] deconstructing larger political issues into smaller technical decisions, the emergence of spillover effect and socialization processes in his theory. In line with liberal IR theories, functionalism assumes the prevalence of pluralist politics with multiple and diverse actors, who make contact and build coalitions that go beyond national boundaries and bureaucracies. Additionally, functionalists have pointed out that not all endeavours in politics are zero-sum games. Interaction is often better characterized as a positive-sum game.

Second, by rereading the classical functionalist works, my goal with regard to the theory involved is to rescue the good parts of classical functionalism from oblivion. As will be discussed in the theory chapter, functionalism's critics and its newest proponents, who have been responsible for formulating "neofunctionalism", have done the opposite: the useful parts of the theory are neglected by both and its shortcomings are emphasized. As a result, it is argued that IR scholars should keep away from Mitrany because he is an idealist and classical functionalism does not work. In this sense, the starting point of this work theory-wise is to break with that misleading tradition by stressing the useful aspects of classical functionalism.

Of course, I do not completely deny the validity of other liberal theories and I will benefit from some of their insights, specifically from the insights of social constructivism, as mentioned above. Taking this into consideration, I argue that selective and critical synthesis of

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[3] In 1966, Stanley Hoffmann originally made the distinction between "high" and "low" politics, as a way of separating the different policy-spheres of European integration. According to Hoffmann (1966), economic policy constitutes "low politics," whereas the survival of the state, such as security policy, constitutes "high politics."

classical functionalism and neofunctionalism can serve as a valuable guide to theorize and strategize technical cooperation, the role of multiple actors and regional integration in the contemporary period. A return to functionalism using social constructivist insights combined with the materialist emphasis on applied technology of course seeks to uphold the promise of Mitrany's original ideal to develop a "working peace system." In other words, the relevant works on social constructivism help to revitalize and expand conceptual lenses of classical functionalism.

Drawing on insights from a functionalist framework, this thesis asks: which new insights in cooperation and conflict are provided by revised functionalism in comparison with the New Great Game narrative? Should these new insights lead to a re-evaluation of the regional dynamics? More specifically, this thesis asks: How does issue-specific and technical environmental cooperation in the Caspian Sea affect the likelihood and severity of regional conflicts and reduce perception of insecurity? How have the Caspian littoral states' perceptions of the regional cooperation been socially shaped and redefined by the construction of transnational infrastructure projects? Have the BTC and the SGC projects changed the value and role of the regional conflicts and, if so, how? Who are the key actors besides states that are involved in shaping and constructing the politics of the Caspian Sea region and how do their preferences, both political and economic, and networks affect the capacity, opportunity and will of governments (e.g., ministries, parliaments, presidents etc.) to cooperate?

3. Research Design and Methodology

In terms of methodology, functionalism is used as part of the analytical guideline for this thesis. Combined with social constructivism, it highlights a critical stance and awareness towards ontology and epistemology. In particular, this combination makes us aware of how human society, norms, interests, knowledge and material entities are constructed and redefined, which is a tentative and ongoing process.[4] This combination offers a way of studying social relations. In order to construct a new and convincing image of the Caspian Sea, answer the above-mentioned research questions and properly apply the alternative functionalist perspective, I chose to conduct case studies. This method enables the detailed examination of the regional

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[4] There is already a number of works in existence that comprehensively address this methodological debate (e.g., Aradau et al. 2015; Aradau and Huysmans 2014; Tickner 2006).

developments, complexities and changes within the Caspian Sea region. The next sections provide a detailed account of the case selection and collection of data for this research.

3.1. Case Studies

This doctoral dissertation examines three intertwined case studies, namely the Baku-Tbilisi-Ceyhan pipeline (BTC), the Southern Gas Corridor (SGC) and the Caspian Environmental Program (CEP). I selected these cases first of all because they explicitly and implicitly include all five of the Caspian littoral states, meaning they are comprehensive enough to uncover what type of relationships and different dynamics formed between the Caspian littoral states in the period from 1990 to 2018. This will also help to explain complex and interconnected mechanisms in the Caspian Sea. Second, two of these cases, the BTC pipeline and the CEP are advanced enough to shed light on the mechanisms of technical cooperation and spillover. In this regard, data from these cases can strengthen research findings and make research interpretations more robust and compelling (Yin 2014; Hennink et al. 2011).

However, the Caspian littoral states all operate differently and are subject to different dynamics in each case. Therefore, each case serves a specific purpose and offers specific insights into mechanisms of cooperation. I selected the CEP as one of the case studies for three reasons. First, in the early 2000s, achieving cooperation was not easy because of difficult, geopolitical problems (e.g., the uncertain legal status of the Caspian Sea, economic issues, internal political struggle). From a New Great Game perspective, we would expect no cooperation to be possible. Despite this, the CEP was established, which brought the littoral governments under its common umbrella. Later, it led to the first shared agreement, the *Framework Convention for the Protection of the Marine Environment of the Caspian Sea, the Tehran Convention* (hereinafter referred as *the Tehran Convention*), that has been signed and ratified by all five governments. Thus, it is an example of low politics and technical cooperation among the Caspian littoral states being employed to solve common ecological problems. Second, the CEP is neither unimportant nor inconsequential because it sets the stage for cooperative habits. Third, despite its financial, technical and political difficulties the CEP has made several constructive achievements such as the signing of the *Tehran Convention* and the adaptation of four environmental protocols as well as the construction of new ecological norms, values and principles which are also part of the *Convention on the Legal Status of the Caspian Sea* (hereinafter referred as the Legal Status Convention). This means that, in the broad picture, the CEP is not an isolated case, but is connected to the legal status of the sea and the

transportation of oil and natural gas in the Caspian Sea. To understand the complexities of the situation in the Caspian Sea region, this intertwined relationship between the *Tehran Convention* and the *Legal Status Convention* and spillover between them require a comprehensive explanation. In this regard, it is necessary to highlight CEP's (in)direct relevance (political, economic, and social) to the contemporary Caspian Sea.

I selected the BTC pipeline as a case study because it has been widely depicted as part of the New Great Game and one of the main reasons for conflict and rivalry in the Caspian Sea region. As will be discussed later, the pipeline was expected to trigger rivalry and even war in the region following its construction (Cohen 2002; Kim and Eom 2008). However, the BTC became operational in 2006 and the predictions stemming from the New Great Game scholarship did not come true. Therefore, by analysing the different results and developments since 2006, I aim to offer a better explanation. Together with the case study of the CEP, this case study serves to validate the claim that the past of the region has not been as bleak as the New Great Game paints the picture.

Finally, I selected the SGC to show that there is improvement in the form of spillover of established ways of cooperating into new cases which helps to consolidate a brighter future for the region. By using the SGC case study, I aim to show that there are interlinkages between the cases and illustrate how the cooperative habits, established by the CEP and BTC pipeline, have strengthened the conditions for further collaboration in the Caspian Sea. This will help to invalidate the main arguments of the New Great Game.

3.2. Collecting Data

I collected data on the three case studies from a diverse selection of sources such as interviews, field research, prominent scholarly journals, and textual analysis of historical documents, policy documents, international reports, public debates resonating in the media, political speeches as well as newspaper articles from 1990 to 2018. Although a majority of these sources are available in English, some of them are only available in regional languages, such as Azerbaijani or Turkish. Considering my Azerbaijani background and advanced Turkish, it was not an issue to examine sources in these languages. This also helped me to observe whether there are connections and/or contradictions between sources in different languages. However, due to my

limited Russian language skills, I could not use sources in Russian, but this did not create a severe restriction as the required sources were available in English.

In addition, I have examined research reports of intergovernmental organizations (IGOs) such as the World Bank, the United Nations Development Program, the European Bank for Reconstruction and Development and the Asian Development Bank. These sources provided detailed and descriptive information regarding the three case studies. In addition, I examined various reports of international NGOs such as the Bankwatch and Amnesty International for the purposes of this research. This is because they have systematically published critical information and updates regarding the social, financial and environmental costs of the BTC and SGC projects. These reports present a more critical view, whereas official state documents (e.g., Azerbaijani, Russian and Turkish) and IGO reports (e.g., World Bank) are either merely descriptive or present an overoptimistic view of the projects.

Furthermore, I have used a number of articles from regional and international news outlets like *Trend*, *Azernews*, *Hurriyet*, *Radio Free Europe*, *Eurasianet*, *MoscowTimes*, *Reuters*, *Bloomberg*, *The Guardian* and the *Financial Times*, which are mainly in English. This was helpful to observe how the three case studies are presented at local and international levels. The local and international news articles complemented each other because local news usually presents regional events earlier than the external press is able to and the international newspapers usually take a more critical stance towards the same event.

Moreover, I have used speeches of Azerbaijani, Russian and Turkmen presidents as well as statements from the Ministries of Foreign Affairs of the five Caspian littoral states for this study. This was particularly useful for studying the official government discourse and how the presidents refer to the Caspian Sea developments. These sources were limited however, because the official government websites of the littoral states did not adequately archive statements and presidential speeches. Luckily, there were sufficient local and international news articles to offset this limitation.

In addition, I conducted 22 semi-structured interviews with local and international institution officials and policymakers holding different positions within sixteen regional and international institutions to gain information on decision-making processes by tracing the personal experiences of several experts. These institutions are: the United Nations Environmental Program (UNEP), the Global Environmental Facility (GEF), the CEP Interim Secretariat, British Petroleum, the International Crisis Group, TANAP Corporate, the Port of

Baku, the Ministries of Ecology and Natural Resources of Azerbaijan, Turkmenistan and Iran, the Caspian Barrel, the Regional Studies Centre Armenia, the Georgian Institute of Politics, American University of Armenia, Azerbaijan Diplomacy Academy, the Centre for Strategic Studies of Azerbaijan and the Azerbaijan Ministry of Foreign Affairs. Some of them were implicitly and explicitly involved in the projects covered by the three case studies (e.g., the UNEP, GEF, BP), so it was valuable to include some first-hand personal experience. While some of the experts, those from Armenia and Georgia, were not directly involved within the projects, it was still beneficial to listen to them as they explained how the different projects are perceived and interpreted within Armenia and Georgia.

The information from the interviews was mainly used to supplement the information from other sources. More concretely, the importance of the interviews was different in each case study. On the one hand, the interviews with experts from the UNEP, the GEF and the CEP interim secretariat were useful in chapter 4 because the articles, reports and policy documents provided insufficient data and so I used the interviews to get more detailed information regarding the official meetings, personal experiences, shortcomings, protocols and decision-making processes. One the other hand, some interviewees from the Ministry of Ecology and Natural Resources of Azerbaijan were repeating the government policies, and therefore they did not significantly contribute to the discussion.

The structure of my interviews was formal as well as flexible. That is to say, the same set of questions returned in each interview, but they were sufficiently flexible to allow for spontaneous twists in the conversational flow. Most interviews took place in several rounds, which helped me to ask new questions that were not included in the original interview guide, to follow up interviewees' replies and to vary the order of questions. During my interviews, I posed not just case specific questions, but also general questions, which pertain to all three case studies.

For this research, I conducted both online interviews through Skype and email and face-to-face interviews to collect my data. For the latter, I undertook two field research trips to Azerbaijan, Baku. The first from November until December 2017 and the second in May 2018. I choose Baku as the destination of my field trip because of financial, cultural and linguistic reasons. Interviews lasted approximately 30 to 90 minutes each. Due to the limitations of financial resources, safety and time, I conducted online interviews through Skype and email with differently ranking experts from Armenia, Georgia, Iran, Turkmenistan, Turkey, and the UNEP Office Geneva, Switzerland.

Conducting interviews through Skype enabled me to talk with several academic experts from Armenia, which would not have been possible otherwise since I am not allowed to travel to Armenia because of my nationality. Because of time restrictions, two of the experts from Iran and Turkmenistan were sent questions by email, which they answered and sent back a week later. On the one hand, email interviews were useful to reach experts from Iran and Turkmenistan and get to know what their personal experience was like and what their opinion on the CEP program was, which was missing in the relevant sources. On the other hand, some of their answers were not sufficient and clear enough.

For several reasons, the data gathered from these interviews are presented anonymously. The first is confidentiality, which was mutually agreed upon at the beginning of each interview. Second, this approach protects respondents from retaliation over divulging potentially controversial information (Mosley 2013). Third, it can encourage openness, as people often speak their minds if they no longer have to worry about their statements coming back to haunt them. Fourth, individuals were not speaking on behalf of their institutions and were instead giving their personal opinion, making institutional affiliation less relevant. I conducted interviews in two languages, English and Azerbaijani.

In terms of challenges and limitations, there were certain hurdles during the field trips themselves. First, certain interviews reflected only the official policy line and therefore were not very complementary. I was able to obtain new insights information from some interviews, however. Second, it was difficult to gain access to certain government institutions (e.g., the Ministry of Foreign Affairs and the Ministry of Defence) and certain questions required access to the very top level of decision-making. Therefore, most interviews took place in a private or informal setting. I was not able to meet with any experts from two Caspian Sea states namely, Kazakhstan and Russia. However, my overall fieldwork was useful in terms of getting a broader picture and gaining insight into the personal experience of different experts.

By systematically consulting the above-mentioned sources, I established an empirical background and identified the relevant debates and different positions, concepts, connections, interpretations and limitations within the debates. In doing so, I mainly observed and aimed to understand how both primary and secondary sources refer to the issues at stake in the three case studies and what kind of terms or concepts are mainly used to interpret these cases and why these terms and concepts were used. This helped me conclude where the weak points were in the discourse and how to establish my interpretation and argument.

4. Overview of Chapters

The thesis is divided into seven chapters. After the current introductory chapter, chapter 2 critically reviews the main theoretical and empirical works on the New Great Game in view of the Caspian Sea region. In particular, chapter 2 sketches the New Great Game image of the region and the assumptions, concepts, and mechanisms, which revolve around actors, aims, reasons and motivations, this image is based on. It also provides a critique of this view of the region and elaborates on the alternatives to this perspective.

Chapter 3 offers such an alternative to the New Great Game view, namely that presented by classical functionalism. It revisits classical functionalism to come to a deeper understanding of the assumptions it is based on. More concretely, chapter 3 shows that selective and critical re-reading of classical functionalism can serve as a valuable guide to theorizing and strategizing technical cooperation, the role of multiple actors and regional integration in the contemporary period. However, chapter 3 includes a number of necessary adaptions of the theory to slightly broaden the functionalist scope, which is necessary in order to include acknowledgment of the contemporary conditions and social constructivist changes in IR.

Chapters 4 through 6 apply the (revised) functionalist perspective to the cases and show that the New Great Game view is wrong and functionalism's expectations are empirically right. More specifically, chapter 4[5] introduces the first case study, namely the study of the CEP. Drawing on (new) insights from the work on functionalism in international cooperation, this chapter shows that the Caspian Sea region has interconnected and complex dynamics rather than just pure high politics. The similarity of problems faced by the different states produces shared interests and incentives for seeking common solutions; and the CEP has encouraged the littoral states to establish cooperation on other shared issues. In other words, this chapter shows that this cooperation framed as it was in technical or issue-specific terms has enhanced interaction patterns, trust and socialization processes among the littoral states, which eventually fostered further cooperation, common interests and interaction, culminating in the signing of the *Legal Status Convention*.

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[5] Some parts of chapter 4 were published in *the Caucasus Analytical Digest* in 2019.

Chapter 5 revisits the BTC pipeline.[6] This case study illustrates that the stage for cooperative habits, which was set by the CEP, continued and strengthened through the BTC pipeline. In doing so, the chapter explains the three phases of the pipeline project, namely its planning, construction and use. Chapter 5 shows that, contrary to the predications of the New Great Game scholarship, transnational infrastructure projects like the BTC are mediating interfaces as they connect several actors, state, non-state and semi-state, encouraging them to cooperate and enhance regional and international interaction capacities in the Caspian Sea region. The chapter argues that it is not only geopolitical but economic, technical, environmental and social challenges that led to the delays and investigations which almost stopped the pipeline project. Findings of chapters 4 and 5 serve to illustrate that the past of the Caspian Sea region has not been as miserable as the New Great Game paints the picture.

By using a similar analysis, chapter 6 moves the discussion to the transnational gas pipeline and analyses the SGC. This chapter shows that cooperation on the CEP and the BTC pipeline has spilled over to the SGC project. With the help of the logic of revised functionalism, this chapter unpacks the effects of the SGC to the strategies of regional cooperation, conflicts, and exchange in the Caspian Sea region which have largely gone unnoticed. This chapter shows that transnational infrastructures do not infringe on sovereignty, but they help to create trans-governmental influences within the ministries and state-owned companies of the participating states. Chapters 5 and 6 explain have the BTC and the SGC projects changed the value and role of the regional conflicts (e.g., Nagorno-Karabakh) and, if so, how? I included them in my discussion because they took place on the edge of the region and because the BTC and SGC projects pass near the conflict areas.

Finally, the concluding chapter reviews the case studies and presents the new and comprehensive image of the Caspian Sea region on the basis of their findings.

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[6] This chapter was published in the *East European Politics Journal* in 2019 except for the Introduction, section 3 and subsection 4.2.2. It also includes subsection 3.2 from Introduction chapter. The link for the article: https://doi.org/10.1080/21599165.2019.1612372