



## Executive Summary

The Washington Summit between the leaders of Armenia, Azerbaijan and the United States, held on 8 August 2025, produced a US-brokered Joint Declaration between Baku and Yerevan. As part of the summit, the text of a peace agreement establishing interstate relations between Armenia and Azerbaijan – already agreed on by both sides – was initialled, short of a full signature, with the intention of ratification at a later date.

The Joint Declaration affirms the opening of infrastructural connectivity between the two countries, including intrastate connectivity between Azerbaijan and its exclave, the Nakhchivan Autonomous Republic, through Armenian territory, as well as reciprocal connectivity for Armenia via Azerbaijan. The easing and deepening of trade routes also encompass bilateral and international transportation corridors, aimed at “promoting peace, stability, and prosperity in the region and its neighborhood”.

The joint declaration runs counter to global trends marked by the erosion of norms against territorial conquest. At the same time, the establishment of the Trump Route for International Peace and Prosperity (TRIPP) reflects a broader post-Soviet trend for the diversification and modernisation of infrastructural connectivity across Eurasia.

However, the Washington Summit did not eliminate all sources of conflict, which creates an unresolved dilemma for US policy. Every step towards regional integration weakens the political insulation and centralised control that President Aliyev has cultivated over decades. While infrastructural connectivity and participation in regional value chains could enhance Azerbaijan's national competitiveness, they also expose the regime to pluralising pressures at home. This tension helps to explain Baku's reluctance to sign the final peace agreement.

Full implementation of TRIPP will require a deepening and institutionalisation of region-wide connectivity through new forums and platforms of regional governance. Most critically, Washington's inability to press for the withdrawal of Azerbaijani forces from Armenian territory would undermine the core legal norms embedded in the agreement.

## Background

The trilateral summit between Armenia, Azerbaijan and the United States, held on 8 August 2025, sent ripples through the analytic community observing the Caucasus. With Russia's invasion of Ukraine as background, many have heralded it as a sign of a declining Russia. They read the agreement as one of Russia ceding its control over its historic backyard to a geopolitical interloper in the region – the United States. Concerns of heightened great-power rivalry in the region by some contrasted with renewed hopes for peace in the Caucasus by others. The public discourse has thus far exaggerated fears and hopes, often obscuring the potential for a multidimensional strategic impact on the South Caucasus, as well as the persistent and pre-existing risks and conflict potential the agreement failed to address.

The Washington Summit produced a US-brokered Joint Declaration between Baku and Yerevan. As part of the Summit, the text of a peace agreement establishing interstate relations between Armenia and Azerbaijan, already [agreed](#) on by the two countries, was initialled, short of a full signature, with the intention of future ratification. The Joint Declaration affirms the opening of infrastructural connectivity between the two countries. This includes intrastate connectivity between Azerbaijan and its exclave of the Nakhchivan Autonomous Republic through Armenia and reciprocal connectivity for Armenia via Azerbaijan. This deepening and easing of the connectivity of trade routes also includes bilateral and international transportation routes, which aim to promote “peace, stability, and prosperity in the region and in its neighborhood”. On 13 January 2026, Armenia and the United States issued an Implementation Framework, which clarifies the terms and conditions for the Trump Route for International Peace and Prosperity (TRIPP) as [implemented](#) by the two countries in Armenia.

## Strategic Gains for the Region

The agreement represents two significant strategic gains for the South Caucasus as a whole: legal modernisation and a deepening of the international legal order; and infrastructural modernisation and diversification of transit and trade connectivity. Jointly, these two factors promise to enhance the regional autonomy of the South Caucasus, which, in turn, will be crucial for Washington to manage Russia's decline and the US rivalry with China. For Washington, this is a way to consolidate its influence over the conditions for connectivity on the broader Eurasian continent, from Europe to China. The gains for Europe are numerous. These include the newly created opportunity for Armenia to export its [abundant](#) mineral resources to Europe, rather than to China, where they go now due to the lack of other transport options. These minerals, such as copper and molybdenum, are essential to Europe for its defence industry, AI data centres and clean infrastructure such as turbines and electric car batteries. Combined with the improved connectivity between Europe and Central Asia that TRIPP provides, access to resources and improved supply chains are tangible gains for Europe as a whole.

In addition, for the South Caucasus, the Joint Declaration stipulates that expanded regional connectivity must operate within the core norms of the international order, including respect for state sovereignty, territorial integrity and states' jurisdiction, in line with the UN Charter and the 1991 Almaty Declaration. Mention of the Almaty Declaration is significant as that declaration affirms that the borders of the newly independent states correspond with the former [administrative](#) boundaries of the Soviet Union. The Joint Declaration also reinforces the norm against the use of force to acquire territory, underscoring its centrality to the normalisation of bilateral relations. This norm is being challenged elsewhere in several regions of the [world](#), making this a strategic victory for the South Caucasus as a whole.

Deeply embedded in the foundational principles of the international legal order, the Joint Declaration recalibrates the region from one of a post-Soviet political space, unsettled in terms of the fundamental international norms of the legal order, to a global region. Grounded in these very norms, the Joint Declaration helps to secure broader Eurasian connectivity, transcending Russian dominance over continental trade and transit, and managing China's influence over what some describe as a super [continent](#).

The norms against [conquest](#) and on territorial integrity had been previously introduced and referenced in numerous other documents brokered by the European powers and Russia. However, they are now tied to economic incentives on infrastructure connectivity and trade, thereby creating the conditions and incentives to deepen these norms within the still-nascent regional economy of the South Caucasus. This is therefore a huge advance in the [norm](#) cycle of the international legal order in the South Caucasus.

Indeed, the Washington Summit [averted](#) Baku's [attempts](#) to build a new, [territorial](#) conflict inside Armenia – a goal it had been trying to accomplish, with Russia's backing, since its victory in the 44-day war of 2020. [Expansionist](#) and racially prejudiced rhetoric, rooted in the justification for aggression, has been demonstrated at the highest political level in Baku. [Laurence](#) Broers has documented how Baku has deployed expansionist territorial claims since its militarised victory in Nagorno-Karabakh. Baku's expansionist rhetoric includes but is not limited to claims on the Armenian state as "Western Azerbaijan" or the use of force to create an [extra](#)-territorial corridor through Armenia. It might be tempting to explain away this language as intended for domestic audiences. However, similar irredentist claims by Moscow in relation to Ukraine, which predated the Russian invasion, mean that such language must be taken seriously. A recent study has demonstrated how such nationalist and irredentist framings of history, the "[golden](#) age effect", can increase the risk of domestic and international conflict.

Prior to the Washington Summit, Baku's irredentist rhetoric on Armenia was also accompanied by "grey zone attacks" on Armenia's international borders. Baku's sustained pressure on Armenia's borders, between periods of open clashes, was designed to be deniable and remain below the threshold for conventional military conflict – key [attributes](#) of grey zone tactics. It is these grey zone tactics of deniable aggression on Armenia that prompted the stationing of EU civilian monitors – the European Union Mission in Armenia (EUMA) – on Armenia's borders. The EU's initial proposal that mission personnel also be stationed on the Azerbaijani side of the border was rejected by Baku. Moreover, Baku, in tune with the Kremlin's objections, started to demand the removal of EUMA from the [Armenian](#) side, which was a strange request for a party claiming attacks by its neighbour.

The prospect of diversifying and modernising regional connectivity through TRIPP has clearly reshaped Baku's strategic calculus and sharpened its dilemma. Azerbaijan is seeking to [position](#) itself as a central transit hub between East and West, and North and South, but achieving such status requires stable, peaceful connectivity and a stronger commitment to norms against conquest and aggression. "Transits, transits, transits" has emerged as a mantra for Baku, [repeated](#) and reiterated by senior officials and government-linked research establishments alike.

By reinforcing these basic international norms, Washington has succeeded in taking territorial contestation by Baku off the table, thereby significantly reducing existing conflict potential. Even if it fails to produce a signed comprehensive peace agreement, as a partial peace accord, the agreement bodes [well](#) for the long-term trajectory of the peace process. Studies have [shown](#) that partial peace agreements between two states increase the chances of a comprehensive peace agreement.

Legal modernisation has been coupled with the infrastructural deepening and diversification that TRIPP provides for the South Caucasus. Since 8 August, Azerbaijan has lifted restrictions on cargo transit through its territory to Armenia, and on its oil shipments to Armenia via Georgia. This connectivity remains limited to infrastructural forms, but it addresses pre-existing [trade](#) distortions linked to the [exclusion of](#) Armenia from regional projects by various Euro-Atlantic players. TRIPP reduces the pre-existing regional [fracture](#) in the South Caucasus by producing a more diversified and modernised connectivity, creating the potential for region-wide economic development in the South Caucasus.

Since 8 August, inter-regional diplomacy between the countries in the South Caucasus and Central Asia has also been developing, perhaps partly indicating a regional awareness of Russia's revival since its invasion as a neo-[imperial](#) actor on the [Eurasian](#) continent. TRIPP offers tools for the South Caucasus to emerge as a region with a certain degree of [autonomy](#), in contrast to its historically [fractured](#) state which has made all three countries perpetually vulnerable to great power intrusion and overlay.

All three countries are structurally [small](#) states in [world](#) politics. Despite their varying alliance systems, and geopolitical and personalised patronage in the case of Azerbaijan's relations with [Turkey](#) and [Russia](#), the stable and prosperous survival of all three states remains contingent on regionally integrated markets and institutionalised structures of regional governance. Paul Collier has [shown](#) how neighbouring countries' economies are sensitive to each other's economic growth or decline.

By reinforcing – and regionalising – international legal norms in the South Caucasus, the Washington Summit strengthens the foundations of regional stability. None of the small states in this region can safeguard their political or economic sovereignty on their own within an increasingly neo-imperial Eurasian landscape. The Summit elevates the strategic importance of the South Caucasus by situating it within broader continental connectivity across Eurasia. As Russia grows weaker globally but more openly neo-imperial in its behaviour, the emergence of stronger, rules-based regional structures on its periphery is becoming essential for the security and resilience of the former-Soviet states.

## **Regional Openness Versus Domestic Political Control**

The Washington Summit rests on the assumptions of commercial peace, which assume that open regionalism, trade integration, and diversified and modernised connectivity will reshape the region and lead to long-term peace between the two states. These assumptions fail to confront the political risks from regional openness for narrow regime stability for a personalised autocratic system like Azerbaijan.

As a commercial peace template, TRIPP confronts the absence of robust supporting institutions of regional [governance](#). It has something for everyone. Armenia overcomes its regional isolation and advances its economy. Georgia's economy can grow faster in a regionally integrated environment. Azerbaijan will benefit from the rise of a regional market – a foundational factor for its post-fossil fuel economy and economic transition, and the diversification goals it has been [trying](#) to pursue.

The major tension lies in Baku's political will and capacity to reap the benefits from this opening. Regional openness creates markets, infrastructure and investment to address the structural vulnerabilities of the energy-dependent economy. As evidenced from [Central](#) Asia, however, this very [openness](#) also reduces the regime's capacity to control [information](#), movement and the potential strengthening of the bargaining power of the economic elites in the state. Every step [towards](#) regional integration dilutes and weakens the political insulation and centralisation of power that President Aliyev has cultivated over decades. While infrastructural connectivity and potential participation in regional value chains can enhance Azerbaijan's national competitiveness, that very same connectivity exposes the regime to pluralising pressures at home.

Social [science](#) research has shown that unlike single party or militarised authoritarian states, which prefer openness and free trade as a public good, personalised autocracies such as in Azerbaijan tilt towards trade policies that are more restrictive. In such cases, trade becomes a private good controlled by and limited to a select group within a narrow patronage network. Economic liberalism in personalised authoritarian states is not as straightforward as it is in nascent or consolidated democratic or single-party authoritarian states. Leaders in authoritarian systems have to satisfy a larger group of elites to stay in power. They find it difficult to pay them off through protectionist policies and tend to prefer economic liberalism and freer trade. In contrast, systems where leaders are reliant on a smaller and [tighter](#) elite network, as is the case in personalised authoritarian systems such as Azerbaijan, tend to shy away from free trade as a public good and push for protectionist trade policies, which gives them control over the limited regional dynamics.

## Conflict Potential and Reverse Leverage

It is this dilemma that explains Baku's reticence to sign the peace agreement or continue with border delimitation, and to pull back its military from the territory it occupies inside Armenia. TRIPP allows Baku to exercise significant reverse leverage against Washington. Baku will continue to treat TRIPP as purely an infrastructural project. This fits well with its preference for contactless connectivity with Armenians, while gaining additional transit connectivity between Central Asia and the South Caucasus. Such regionalism-lite works for Baku but undercuts Washington's long-term interests on the broader Eurasian continent.

Since its militarised victory in Nagorno-Karabakh, Baku has engaged in a limited [annexation](#) of Armenian territory. Its military is currently wedged inside Armenia's territory, [occupying](#) 241 square kilometres. Each country has a Soviet-era enclave in the other's territories, an issue on the negotiation agenda between them, but the Azerbaijani territorial invasions of May 2021 and September 2022 were a markedly new development. In its geopolitical logic, it is similar to Russia's invasion of Ukraine, Rwanda's invasion of the Democratic Republic of the Congo or Venezuela's threats of a territorial invasion of neighbouring Guyana, prior to the arrest and removal of President Moduro by the Trump administration. Since 8 August 2025, President Aliyev's irredentist rhetoric has softened but not disappeared. At a recent roundtable at the Davis Center at Harvard University, Anar Aliyev, a professor from Azerbaijan's ADA University, [stated](#) that "my president says the conflict is over", which is a revealing reminder of how personalised and tightly controlled Baku's messaging remains. By refusing to sign the peace agreement initialled in Washington, Azerbaijan is maintaining strategic ambiguity. Conflict and coercion remain viable policy instruments for Baku, even as it has lifted restrictions on Central Asian cargo transiting its territory en route to Armenia via Georgia.

In future, with Washington in the driver's seat, effective implementation of TRIPP will require the signing of a peace agreement, a shared understanding of what constitutes successful implementation and agreed milestones to assess this. It will also need a regional platform that brings together political and economic stakeholders from the region and beyond. Washington's understanding of regionalism and regional integration aligns with Yerevan's vocabulary and regional openness strategy, which is best exemplified by its Crossroads for Peace initiative. Washington is out of tune with how Baku understands regionalism, however, which is all about transits, pipelines and corridors. The peace dividends from infrastructure projects are limited, as the recent decades of Azerbaijan's pipeline politics demonstrate. The region demonstrates that infrastructure projects achieve little in the way of advancing social peace, broad-based economic development or cross-conflict connectivity between people on both [sides](#).

Washington's transactional approach to foreign relations has created leverage for autocratic leaders of smaller states such as Azerbaijan, who have become skilled at playing the great powers off against each another. Walking away from the international legal order reduces Washington's bargaining power relative to much smaller states, which now enjoy an emerging marketplace for geopolitical patronage. TRIPP is becoming a test case, revealing Washington's enormous leverage but also the limits of its power in fractured regions like the South Caucasus. Navigating such terrains without the institutions and norms of a rules-based international order threatens to undercut Washington's ability to translate its power into leverage.



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