

# Daily Memo: Coalitions Take Shape

by Geopolitical Futures - October 1, 2020

**Stop fighting.** That was the message to Armenia and Azerbaijan on Thursday from the presidents of France, Russia and the United States. Specifically, the **statement** by the three co-chairs of the Organization for Security and Cooperation in Europe Minsk Group called for the immediate end of hostilities and for the leaders of Armenia and Azerbaijan to resume good faith negotiations without preconditions. Separately, Russian President Vladimir Putin and French President Emmanuel Macron spoke by phone, and according to the **French side's readout**, they “shared their concern regarding the sending of Syrian mercenaries by Turkey to Nagorno-Karabakh.” (Turkey backs Azerbaijan in the conflict over the Armenian separatist enclave of Nagorno-Karabakh.) It's an accusation that has been making the rounds in recent days, though Paris offered no evidence to support it, and Russia's Foreign Ministry has said only that “**illegal armed units**” from Libya and Syria are present, without attributing responsibility for that presence. In the meantime, Dubai-based Al Arabiya reported that **Israel has been sending weapons to Azerbaijan**.

As for the fighting itself, the most notable development is that five mortar rounds reportedly **landed on Iranian territory**, destroying two housing units. Nagorno-Karabakh's forces also said they had **shot down two Azerbaijani planes and a helicopter**, the latter of which went down in Iran. Azerbaijan denied this.

**Quad momentum.** The top diplomats of the four members of the Quadrilateral Security Dialogue (Japan, India, Australia and the United States) will meet in Tokyo next week. Normally, these sorts of summits are a dime a dozen. But until recently, the Quad was at most an occasional talk shop for midlevel diplomats and largely focused on making vague promises for economic cooperation – reflecting the wariness of Australia and India, in particular, of antagonizing China by **allowing the Quad to grow into a more formalized military coalition**. In this light, the urgency of the diplomats to meet – in person, no less – to discuss **bringing Australia into the annual India-led Malabar naval exercises** illustrates a gradual weakening of such concerns.

China fears being ganged up on by a united front of foreign powers, and so naturally it is launching a **charm offensive targeting Japan**. This reflects another shift. Among the four members, Japan has been perhaps the keenest to give the grouping some actual muscle. If Beijing thinks Tokyo is now its best bet for undermining Quad momentum, it illustrates just how much **damage Beijing has done to its ties with Canberra**

and **New Delhi** over the past year.

As always, watch what they do more than what they say – starting with the Malabar drills. Another key factor in the Quad's future is the ability of the non-U.S. members to **develop the military capabilities** needed to make the grouping less dependent on the United States. Notably, Japan on Wednesday announced a **record increase in its defense budget**.

### *Additional Intelligence*

- U.S. Special Envoy for Syria James Jeffrey said the United States would **normalize relations with the regime of Syrian leader Bashar Assad** on the condition that the country adopt a 2015 U.N. Security Council resolution that calls for a political settlement and cease-fire.
- The European Commission sent a **formal notice to the United Kingdom** regarding British legislation that breaches the Withdrawal Agreement, a first step that could lead to court proceedings and fines.
- The value of the **Iranian rial has dropped 55 percent** since the start of the year, a result of sanctions and falling oil prices.
- The **European Union began a two-day summit** to discuss the bloc's foreign policy agenda, including the ongoing political crisis in Belarus and tensions in the Eastern Mediterranean.
- A German program designed to help support companies affected by the pandemic **expired** on Thursday. Commerzbank expects insolvencies to increase dramatically.
- **Denmark issued a permit** granting Nord Stream 2 AG the right to operate in its waters.
- Hungarian Prime Minister Viktor Orban suggested that **Hungary would be willing to opt out of more than 6 billion euros (\$7 billion) in EU coronavirus funds** rather than accept strict rule-of-law conditions. Orban proposed separating the 750 billion-euro, jointly financed pandemic fund from the bloc's seven-year budget, which requires unanimous approval.
- Residents of **Idlib province protested Russia's intervention** in the Syrian conflict on the anniversary of the start of the Russian military operation.
- Russian opposition leader **Alexei Navalny accused** Russian President Vladimir Putin of being behind his poisoning.
- The small South Pacific territory of **New Caledonia will hold a referendum** on Oct. 4 on independence from France. In a previous vote in 2018, 56.7 percent of people voted against independence.

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