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AZERBAIJAN AND ITS GEOPOLITICAL STATUS IN THE BEGINNING OF 21ST CENTURY

A bipoláris világrend felbomlását követően a poszt-hidegháborús nagyhatalmak befolyási övezetének kiterjesztési tendenciáit vizsgálva megállapítható, hogy ez a terjeszkedés főként a klasszikus Mackinder-i Heartland-et, vagyis a kaukázusi-, közép-ázsiai térséget érintette. Tanulmányomban arra keresem a választ, hogy melyek azok az adottságok illetve folyamatok, amelyek hatást gyakorolnak a dél-kaukázusi területen elhelyezkedő Azerbajdzsán geopolitikájára és környezetére, továbbá melyek azok a tendenciák, amelyek az ország geopolitikai pozíciójára nézve várhatóan fontosak lehetnek a jövőben.

By examining the tendency of extending influence zones of great powers subsequent to the dissolution of bipolar world, one may declare that this expansion chiefly affected the classic Heartland by Mackinder, namely the Caucasian and Central Asian region. In this paper, I intend to unearth the capabilities and processes that shape the geopolitics of Azerbaijan and its surroundings, and, furthermore, the tendencies that are expected to be of significance with regard to geopolitical situation of the country.

INTRODUCTION

Due to its geographical location, Azerbaijan's territory plays an important role in the strategy of great powers. On the Mackinder geopolitical chessboard, Azerbaijan is located in the intersection of geopolitical territories of the Eurasian chessboard¹, where the Western, Southern, Eastern and Central areas meet and other geostrategic players² show gaining interest towards the region. Azerbaijan, however, may be considered "only" as a geopolitical column³ among these players in the sense that its geopolitical significance is due to its strategic location and to the fact that how its possible defencelessness could affect the conduct of geostrategic players. Eurasia, an axis from geopolitical perspective, is the chessboard where the fight for global leadership continues. As Brzezinski states: "Today the question is not that which region of Eurasia could be the base of power that rules the entire geography; rather the rule over the whole Eurasian continent provides the global leadership". Therefore, one who dominates Eurasia, rules the entire world. This paper, by analysing capabilities, intentions and possibilities of the country and the geopolitical players present, intends to focus on one scene of this major game of geopolitical significance.

HISTORY

It is very likely that Azerbaijan was named after Atropates, who was the Medic satrap (governor) in Achaemenid Empire (present-day Iranian Azerbaijan). The denomination Atropates traces back to Parsee roots and means "protected by fire". The first men possibly appeared one and half million years ago in the region, and the tribal states were established around 3000 B.C. In the 4th century B.C, Alexander the Great conquered the territory, and, subsequently, the ruling power became the Seleucid Empire. From the 2nd century B.C. until 115 AD, it was

¹ Fight for world leadership is going on the Eurasian chessboard of Brzezinski; the main goal is the rule over the central territory from Lebanon to Vladivostok and also to prevent this region from uniting. Geopolitical players of this chessboard: the US, Russia, China, India, Western Europe, Turkey, Iran.

² Brzezinski regards those states as geopolitical players that possess sufficient power and national will to utilise their force and influence outside of their boundaries to change a given geopolitical situation. Zbigniew Brzezinski: A nagy sakktabla, 1999. p. 57.

³ The denomination of geopolitical column is generally due to geographical location and raw material sources of key significance, important regions may be accessible through them or they may deny their energy resources from any geopolitical players. Sometimes the mere existence of a column could lead to political and cultural consequences on a neighbouring and more active geopolitical player. Zbigniew Brzezinski: A nagy sakktabla, 1999. p. 58.

under Roman control followed by the Sassanids. The Arabs arrived to the region in the 7th century, and the Turkish ruled the area from the 9th century providing ground for the spread of Islam. In the 14th century, the region was inhabited by a mixed population of Turkish-Persian origin, from which the modern Azerbaijani language developed. Subsequent to the Mongolian domination, the first Azeri dynasty, namely the Safavid controlled the territory until 1722. However, from the 16th century, Turkish, Persian and Russian empire fought fiercely for the rule. Finally, after the continuous wars, the Russians gained control over Azerbaijan. In 1922, Azerbaijan, Armenia and Georgia formed the Transcaucasian Socialist Federative Soviet Republic (TSFSR) that was a member of the newly-established Soviet Union. In 1936, TSFSR was dissolved and Azerbaijan Soviet Socialist Republic became one of 12 (15 from 1940) constituent member states of the Soviet Union until the collapse of 1991. The early years of independence, however, were overshadowed by the Nagorno-Karabakh War with neighbouring Armenia. By the end of hostilities, Azerbaijan lost control of up to 16% of its internationally acknowledged territory, including Nagorno-Karabakh. In 1993, democratically elected president Abulfaz Elcibay was overthrown by a military coup led by Colonel Surat Huseynov, which resulted in the rise to power of the former leader of Soviet Azerbaijan, Geydar Aliyev. Due to his severe illness, Aliyev appointed his son, Ilham Aliyev, as his successor in 2003. In the presidential elections of October 15, 2008, Ilham Aliyev won 89% of the votes at a participation rate of 75%.⁴

GEOSTRATEGIC POSITION OF THE COUNTRY

Azerbaijan is situated between the Black Sea and the Caspian Sea, at the junction of West and East, forming a passage from East to West and North and South.

It is bordered by Caspian Sea in the East, Iran in the South, Turkey, Armenia and Georgia in the West, and Russia in the North. Also, Nagorno-Karabakh, which regards itself as an independent state, and Nakhchivan exclave behind the Armenian territories form part of the country. The total length of boundaries is 2,013 km. It has a border of 556 km with Armenia, 221 km with Nakhchivan, 322 km with Georgia, 432 km with Iran, 284 km with Russia. The boundary along the Caspian shore is 800 km long.⁵

The territory of the country almost equals with that of Hungary, however, approximately half of the region is mountainous. The Greater Caucasus is to the North, Mountains of Dagestan to the northeast, and the Lesser Caucasus to the West. The Khura-Araks Plain stretches between the two mountain ranges till the Caspian Sea, where it is transformed into a narrow and northbound seashore plain.



http://slis.cua.edu/ihy/sp2000/cuisines/azerbaijan_map.jpg

⁴ Alman Mir Ismail: Elections in Azerbaijan Constitute Step Forward, But International Reactions Remain Ambiguous <http://www.cacianalyst.org/?q=node/4976>, January 11, 2009.

⁵ <http://www.azerb.com/az-geog.html>, January 11, 2009.

Due to the natural borders, Azerbaijan is open for aggressions coming from outwards. This means that the country plays the role of an adequate corridor for all foreign invasions, whether from the North or the South.⁶ At the same time, Azerbaijan is a plug in the strip connecting the Caspian Sea and Black Sea, since conquering the country results in the isolation of Central Asia from the warm sea access and the Western world.

Historically, no weak states could survive in the region; however, there was no possibility for long-term stability or development. Access to the Caspian Sea was the source of numerous difficulties for the people living in this area. Geographically, the Caspian Sea is considered as a sea, but, in turn, similar to lakes, it has no natural exit to the high sea, which reduced the political, economic and trading relationships of the inhabitants and decreased their development.

The Soviet government, to increase the tension, modified the borders in such a way that divided republics formulated, for instance, Armenian Nagorno-Karabakh, the main uncertainty factor of the region, became part of Azerbaijan.

Azerbaijan is a small country surrounded by big neighbours and influential powers located in a very unstable area. The geopolitical players of the region are Russia, Iran, Turkey and the USA. Their interests are distinct from that of Azerbaijan and are conflicting with each other's in most fields.

Therefore, Azerbaijan aims at standing off and on in this disparaging geopolitical milieu; by concluding bilateral and multilateral agreements, and establishing political, trading and economic networks, the country intends to diversify its foreign policy by hoping that integration into the global world economy and supranational organisations provides surviving in the long term.

ECONOMY AND SOCIETY OF AZERBAIJAN

The region plays more and more important role from both political and economic perspective, and Azerbaijan, due to its geographical location and abundance in energy sources, is considered as the state of major significance in the area. It has the fastest developing economy, noteworthy oil and gas reserves and the most rapidly growing population. The population of the country is 8 177 717 that is increased by an annual rate of 0.723%.⁷ The Azeri believes that 50 million compatriot of them live spread all over the world: 8.1 million in the Northern part of the ancient land (on the territory of present-day Azerbaijan) and 30 million in the Southern greater region (in the present-day Iran). This division of land was declared by Peace Treaty of 1828 ending the Russo-Persian Wars. Moreover, Azeri communities live in almost seventy countries, including significant groups in Turkey, Russia, Iraq, the USA, Egypt, Afghanistan and Pakistan.

Ethnic composition of the country is homogenous as 90.6% of the population is Azeri, 2.2% Dagestan, 1.8% Russian and 1.5% Armenian. Besides this, 3.9% of the people are of other nationality.⁸ The religious composition is similar to the ethnic: 93% of the population is Muslim, 3% Russian Orthodox, 2% Armenian Orthodox and 2% is of other religion. 89% of the people speak Azerbaijan, 3% Russian, 2% Armenian and 6% other languages.

Despite the long-lasting conflict between Azerbaijan and Armenia, which caused severe damages, the economy of Azerbaijan significantly developed in the past years due to the conclusion of various oil agreements and foreign investments. At the end of 1990's, with the co-operation of IMF, the country carried out a successful stabilisation plan that led to 10% annual economic growth from 2000. This growth chiefly result from oil production, since this sector constitutes 52.8% of the GDP.⁹ Also, the expansion of export is due to foreign investments in oil sector. The economic life of Azerbaijan greatly depends on oil industry as 90% of the export is related to this field. The estimated oil reserve is 7 billion barrels and the estimated gas reserve is 849.5 billion cubic meters.

⁶ Nasib Nassibli: Azerbaijan's Geopolitics and Oil Pipeline Issue, Journal Of International Affairs, Volume IV - Number 4. December 1999 – February 2000.

⁷ <https://www.cia.gov/library/publications/the-world-factbook/geos/aj.html>, January 11, 2009.

⁸ <https://www.cia.gov/library/publications/the-world-factbook/geos/aj.html>, January 11, 2009.

⁹ <http://globaledege.msu.edu/countryinsights/economy.asp?countryID=11®ionID=3>, January 11, 2009.

	2003	2004	2005	2006	2007	2010
Oil Production /1	320	319	441	648	860	1,300
Oil Exports /1	215	204	314	521	721	
FDI /2	3,285	3,556	1,680	-219	-4,750	476
Oil Sector FDI /2	3,246	3,461	1,459	-573	-5,198	366
Oil Sector Revenue	886	946	1,337	2,921	5,272	19,417
as share of total rev (%)	42%	38%	39%	51%	59%	-
as share of GDP (%)	-	-	9.8%	15.0%	19.7%	43.3%
Oil Fund Assets	816	972	1,394	1,936	3,093	36,387

1. Thousand barrels per day, 2. Foreign Direct Investment
Oil Production source: US Energy Information Administration, Short Term Energy Outlook
Other Indicators from IMF, Article IV Consultation--Staff Report, No. 07/191 . June 2007 .

<http://www.eia.doe.gov/cabs/Azerbaijan/Background.html>

Besides the disproportions, the financial state of the country is stable, however, it is mainly provided by the foreign investments in the oil industry. Capital attraction capability of Azerbaijan is outstanding compared to other post Soviet countries. Due to the privatisation, almost 80% of the GDP is produced by the private sector. Behind the energy industry, agriculture is the second strongest field employing 41% of the population and producing 14% of GDP. 90% of the export of the country is energy sources while 10% is agricultural products and oil and gas industry equipment. The import significantly comprises of oil and gas industry equipment, aeroplanes, tobacco products, and food, electric and electronic apparatus, building ware, food industry and agricultural tools. 44% of foreign trade is carried out with EU members and 25% with the Commonwealth of Independent States. However, it is still noteworthy; the proportion of Russia is reduced year by year in the foreign trade, and is replaced by Turkey, the USA, Italy, France, Israel, Georgia and Iran.¹⁰

EVALUATION OF GEOPOLITICAL POSITION OF AZERBAIJAN

Geopolitical quality of Azerbaijan greatly depends on its location in the Southern Caucasian region, which is of complex unstable nature. This instability comprises of the subsequent factors:

1. Internal instability in all Southern Caucasian states.
2. They are unable to manage the internal instability, since the economy constantly stagnates and the politicians do not intend to carry out the unpopular, however, necessary measures for fear of losing the support of masses.
3. Lack of definitive borders; seceder territories in the region and deficiency in their solution: negotiations led to no answer in all three Southern Caucasian states; let us think about Nagorno-Karabakh, Abkhazia and Southern Ossetia.
4. Demographic crisis: small population increase (excluding Azerbaijan), low birth rate, and a considerable portion of adults and young left the country.
5. Rule of corrupt elite and corrupt state bureaucracy.
6. Presence of danger sources due to power vacuum: for instance international delinquency, weapon, drug and man trafficking, international terrorism, etc.

Besides the above instability factors, three important historical events shaped the present geopolitical situation:

1. Division of Turkish world in the beginning of the 16th century and its religious consequence. The Safavid Dynasty, upon coming to power, imposed the Shia Muslim on the population; therefore, the official religion

¹⁰http://www.mfa.gov.hu/kulkepviselet/TR/hu/Bilateralis/azerbajdzsan/gazd_kapcs.htm, January 11, 2009.

became the Shia. By alienating from the Eastern (Central Asian) and Western (Ottoman), Sunni Turkish world, the Azerbaijan Turkish casted in their lot with the Persians and other Persian populations.

2. The 150-year-long Safavid — Russian War aggravated the alienation between the Turkish and the Azeri: it blocked the way to the Western world by impeding the establishment of wide scale political, trading and economic relationships.
3. The Russian conquests of the 19th century also determined the fate of Azerbaijan along both North-South and East-West axes. Therefore, the country became the peripheral territory of the Soviet Union by the 20th century and its role was chiefly reduced to oil production.

By utilising Mark N. Katz's¹¹ approach, in a similar manner, I intend to analyse the geopolitics of Azerbaijan by introducing and unearthing the most influential factors.

Energetic: Due to geographical and economic factors, the energetic intertextures among the states of the region remain strong in the mid, indeed, in the long term, whereas significant attempts may be observed to reduce this interdependence. The competition among fossil energy producing countries is expected to be intensified. Strong international and regional powers compete to gain control over the post Soviet area, eventually practising significant influence on the integration intentions and regional activities of particular states.

Oil pipelines: In May 2005, Baku-Tbilisi-Ceyhan pipeline was put into service enabling Azerbaijan to transport oil bypassing Russia. Therefore, encouraging the security and democratisation of the involved countries having control over a pipeline with an annual capacity of 85 million tons became vital for the Western world. The USA played an important role in the establishment of the pipeline. According to particular experts, the most significant energy consumer of the world achieved both the repression of Russian interests and the reduction of its oil dependence on the Persian Gulf. However, the attitude of Azerbaijan towards the other, Nabucco, pipeline yet unconstructed is rather contradictory. Natic Aliyev Foreign Minister declared in a conference that the country has no intention to give upon Nabucco; nevertheless, he notified that not solely Azeri product should be transported in the pipeline as the country lacks the sufficient sources.¹² The Nabucco pipeline, by connecting the Middle East and Egypt, would transport gas to Western Europe, not including Russia, through Turkey, Bulgaria, Romania, Hungary and Austria. According to the plans, the length of the pipeline is 3,300 km with the capacity of 31 billion cubic meters. The construction should be started in 2009 by launching the first transport in 2012, however, this intention will not be realised owing to the lack of agreement. Apparently, the contradictory declarations are due to the fact that Russia confirmed its intention of purchasing great amounts of natural gas on market price basis,¹³ which provides grounds for Azerbaijan to manoeuvre and revalue its role.

Inordinate situation of borders along the Caspian Sea: Since the collapse of the Soviet Union, heated debates have been going on between Iran — Azerbaijan and Turkmenistan — Azerbaijan in regard to Caspian Sea boundaries. Since significant oil and natural gas reserves are located under the Caspian Sea, all states intend to gain control over it. The supporters of Azerbaijan are Russia, the USA, Kazakhstan and Turkey with respect to the settlement of sea borders, while its opponents are, obviously, Iran and Turkmenistan. The EU countries, due to their interests in the Iranian oil, refrain from involving in the debate.¹⁴

Nagorno-Karabakh: Azerbaijan lost control over the Nagorno-Karabakh region in the war with Armenia. Since that, a so-called antagonistic peace is maintained between the parties. During the conflict, Turkey provided financial aid to Azerbaijan; moreover, it helped in the training of the Azeri troops. Russia supported Armenia and, afterwards, it aimed at compensating the Turkish influence on Azerbaijan by making alliance with the Armenians. The USA, due to the significant Armenian colony in its territory, intended to place pressure on the Armenian govern-

¹¹ Mark N. Katz is a professor of government and politics at George Mason University Department of Public and International Affairs. He writes on Russian foreign policy, the international relations of the Middle East, and transnational revolutionary movements. <http://www.marknkatz.com/Bio.html>

¹² <http://www.origo.hu/uzletinegyed/vilaggazdasag/20080909-azerbajdzsan-legyen-a-nabucco-energiafoldgaz.html>, January 11, 2009.

¹³ http://hvg.hu/gazdasag/20080910_nabucco_azerbajdzsan.aspx, January 11, 2009.

¹⁴ Mark N. Katz: Azerbaijan's geopolitics, http://www.gab-bn.com/aout_06/Az5-%20Policy%20Watch%20Azerbaijan%27s%20geopolitics.pdf, January 31, 2009.

ment to be calm the Armenians in Nagorno-Karabakh. Iran established shelters for refugees and sent troops Azerbaijan. As Armenia is Christian and Azerbaijan is Muslim, the war acquired a sort of religious nature. Finally, the conflict came to an end by a truce in 1994, however, Azerbaijan, relying on its increasing oil reserves, makes preparations to build up a forceful army to recover the detached territories.

Iranian Azeri: More Azeri live in Iran than in Azerbaijan itself. These results from the Treaty of Turkmenchay of 1813 that divided the area inhabited by Azeri between Russia and Iran: the Northern part came to the hands of the Russians and the Southern region became part of Iran. Practically, the present-day Azerbaijan was founded on the land granted to the Russians by the Treaty of Turkmenchay of 1813. Therefore, resulting from the divergent historical development, the mentality of those Azeri living in Iran and those inhabiting in the Northern region, under Russian occupation for many years, is totally different. The northern Azeri were ruled by Russia, then the Soviet Union between 1813–1991; the elite was russianised and adopted the Cyrillic and, from 1992, the Latin alphabet. During the Soviet period, the traditional husbandry means started to disappear, and the secularisation and literacy became evident. The life of the Southern Azeri living in Iran was different: no secularisation took place and the Arabic alphabet remained.¹⁵

Democratisation: The course of democratic transformation, accompanied by both advantages and disadvantages, is still in progress in Azerbaijan. This change is normally harsh; nevertheless, due to the complex political situation of the region and poor tradition of democracy, here it is even slower and harder. Azerbaijan is the only post Soviet country where dynastic inheritance has successfully been carried out (Ilham Alijev). The present-day Azeri government trembles with fear that events similar to the democratic coloured revolution may lead to its fall. Chiefly along economic considerations, many powers are, however, interested in the stability of social-political structure of the country. Although the USA carried out certain measures to facilitate the democratisation process, it seems that neither Russia nor the United States attempt to help in overthrowing the head of state in office. On the one hand, the USA maintains good relations with Alijev and his cabinet, and, on the other hand, the majority of the Azeri opposition is friendly towards the United States, therefore, it would surely conclude a close alliance with a new government.

Armament: The aim of Azerbaijan is to establish a powerful army that is able to regain control over Nagorno-Karabakh and the adjacent region. Since 2003, the Azeri leadership has been repeating its declaration that should the present negotiations with Yerevan be of no effect — namely Nagorno-Karabakh and the six surrounding Azeri provinces presently ruled by the Armenians is not retrieved by Azerbaijan — Baku launches military operations for regaining the territories. In the past years, Azerbaijan exponentially increased the military budget; therefore, its military expenses became tremendous: in 2003, it was USD 135 million, while it raised USD 871 million in 2007.¹⁶ As the Baku–Ceyhan pipeline was opened and oil dollars reached country, the President promised to spend as much money on the armed forces as the entire Armenian budget. It means that the military expenses are likely to increase more. Azerbaijan purchased numerous weapon systems: jet-fighters with land support, tanks, artillery and multiple rocket launcher systems. In such an instable situation, which is neither war and nor peace, there are various destabilising factors impelling Azerbaijan to search help outside of the country — for instance Turkey and the USA — in regaining the status quo in the region. The state concluded many defence agreements with Turkey in the past years, and considers NATO membership. Azerbaijan joined “Partnership For Peace” in 1994, and became member of Planning and Review Process (PARP)¹⁷ two years later. With Turkish aid, they restructured the whole planning and training system in compliance with NATO standards. Azerbaijan, by establishing these relationships, is provided the possibility to balance its security policy against the Russia-friendly Armenia.

¹⁵ Gyóni Gábor: Azerbajdzsán rövid történelme, <http://www.posztinfo.hu/hir.php?id=1108>, January 31, 2009.

¹⁶ Vicken Cheterian: Fegyverkezési verseny a Kaukázusban, *Le Monde diplomatique*, July 7, 2008. <http://www.monde-diplomatique.hu/spip.php?article168>, January 11, 2009.

¹⁷ The PfP Framework Document commits NATO to developing with the Partner countries a planning and review process, designed to provide a basis for identifying and evaluating forces and capabilities which might be made available for multinational training, exercises and operations in conjunction with Alliance forces. Initially PfP operations were limited to peacekeeping, search and rescue and humanitarian operations. However, as part of the enhancements of PfP introduced since 1997, PfP operations and corresponding planning and evaluation requirements have been expanded to encompass the full range of the Alliance's new missions, including peace support operations. Szöllösi Antal: PARP Planning and Review Process, www.sccsp.hu/test/head/edu/c4/03_hu.ppt, January 11, 2009.

GEOPOLITICAL PLAYERS IN THE REGION

Russia: The significance of Southern Caucasian states has been spectacularly reassessed during the past years. By surviving the chaotic 1990's, stabilising its domestic affairs, and realising the fact of possessing noteworthy global energy sources, Moscow leads a determined pragmatic foreign policy in the region of Commonwealth of Independent States, too. Russia has no intention of confrontation, however, it does not avoid from conflicts now. Moscow wants no further damages in its vicinity. Moreover, it strives for regaining the earlier strategic losses wherever possible. Its ambitions and position are strengthened by numerous beneficial factors: in the significant portion of the post Soviet region the authoriser practice of power is still dominant that requires the Russian political support; the still maintained good relationship with the majority of local elite; its strong energetic position and outstanding familiarity with the local situation. What is more, noteworthy financial sources and determined political conduct have been added to the above-mentioned, hence Moscow possesses such power against which the political chances of the Western countries, except for some, are rather restricted.

Besides these, hostile feelings towards the Turks are almost monomaniacal. Turks and Russians have been rivals throughout the past centuries which are now reborn (like Iranian and Turks, since Turkey provides a modern and secular solution against the traditional Muslim perception of Iran). All three powers may be described as having intention to gain zone of influence, however, the intentions of Moscow are of a wider scale in view of the fact that the memories of the empire are rather fresh. Moreover, this ambition is inspired by the presence of millions of Russians in the region and the intention of regaining world power status of Russia. They clearly declared that the entire territory of the ex-Soviet Union is considered as a special geostrategic zone from which external political and economic influence shall be excluded.

United States of America: By using Brzezinski's terminology, the USA is regarded as an active geostrategic player in the sense that it possesses the sufficient power and national intention to utilise its domination and influence to change the geopolitical situation of a given region outside its boundaries.¹⁸ The US declared, by official deeds, that the Caspian region is vital for them. In 1997, The US provided Azerbaijan with security guarantees in a joint declaration, and, in 1999, they concluded a weapon security agreement, based on which Azerbaijan received equipment to detect and halt transport of mass destruction weapons. Subsequent to September 11, 2001, Azerbaijan authorised the use of its airspace and airports for American military aircraft. In 2002, a military co-operation programme was established between the countries that aims not only at the war against terrorism but also at facilitating peace and stability, formation of trading and transportation corridors and stimulation of economic growth in the region.

The American influence is partly indirect and, by the investments of the American companies, partly direct. The US makes economic profit with its political influence and also good business by supporting the governments of the region for beneficial investments. Hoping to gain extra profit, more than 30 American companies invested billions of US dollars in the region.¹⁹ The yet in operation Baku-Cehan pipeline, which transport Azeri oil to European markets avoiding Russia, was greatly supported by the Americans.

The activities of NATO, which is lead by US aimed at gaining influence, are of pestilence nature with regard to the military — security policy co-operation of Commonwealth of Independent States²⁰. In 1994, Azerbaijan joined "Partnership for Peace" programme, two years later the Planning and Revision Process and also participates in

¹⁸ Zbigniew Brzezinski: A nagy sakkjábla, 1999. p. 57.

¹⁹ Amy Jaffe: US policy towards the Caspian region: can the wish- list be realized?, http://www.rice.edu/energy/publications/docs/Jaffe_CaspianWishList.pdf, January 11, 2009.

²⁰ The defence and security co-operation is an interstate agreement that establishes probably the most significant mutual obligations. Article 2 of the agreement declares that in case of threat to security or territorial integrity of any involved state, the mechanisms of inter-state co-ordination are immediately effectuated. Article 4 guarantees that should any member of the agreement be attacked, the other member states provide all help, including military, to avert the aggression. The Tashkent Agreement, officially the Collective Security Agreement, was signed by six states of the Commonwealth of Independent States on May 15, 1992: Russia, Kazakhstan, Kirgizstan, Uzbekistan, Tajikistan and Armenia. In 1993, Azerbaijan (September 24), Georgia (December 9) and Belarus (December 31) joined the agreement. In the spring of 1999, a group a members states refrained from the prolongation of the agreement. Eventually, Uzbekistan, Georgia and Azerbaijan refused the prolongation. <http://www.cagateway.org/en/topics/23/84/>, January 31, 2009

Individual Partnership Plan.²¹ The country fosters war on terrorism; it deployed a peacekeeping unit of 22 members to Afghanistan and 152 Azeri soldiers are present in Iraq as peacekeepers.²² Both the US and the Azeri society and opposition support the Southern Caucasian states in their approach to NATO. President Alijev, however, is undetermined in regard to choosing between Moscow and Washington and he seems to be successful in delaying the issue.

The European Union: In the Southern Caucasian region, the EU chiefly has security interests as the domestic problems of the area may easily reach Europe. Since EU is one the biggest importers, its strategic interests are mainly oil and natural gas import. Uninterrupted access to these energy sources, hence the stability of countries of origin is vital for the EU. For Azerbaijan, economic interests are strong as the country is heavily dependent on the European market and capital from the aspect of both capital investments and economic aids. Subsequent to the end of cold war and the dissolution of Soviet Union, countries constituting Commonwealth of Independent States are among the target areas of EU as they participate in the supporting and aiding programmes of the Union. By carrying out these actions, the EU aims at establishing a welfare, security and close co—operation area, which includes the European Union and the not member surrounding countries, that are global, regional or cross-border and may be extended to other states, too.

Turkey: Although, by conquering Azerbaijan, the Ottoman Empire reached the peak of its victory in 1590, the tracks of old empire may be traced in the regional power ambitions of Turkey. Since the political and military power of Turkey is restricted compared to that of Russia and the country is not able to form an exclusive political influence zone, Turkey considers itself as the leader of a loose Turkish language community. It utilises its relative modernity, the language of the same origin and economic tools by which Turkey may be the most influential power of nation building processes in its territory.

Iran: Although the present-day geopolitical aspirations of Iran are more restricted than that of Turkey, and are mainly focused on Azerbaijan and Afghanistan, the Iranian religious circles show great concern towards the entire Muslim population of the region including Russia.

Being a theocratic state that propagates the fundamentalist branch of Shia Islam, it is considered as definite threat to the secular Azerbaijan. The 20 million Azeri living Iran forms a strange counterbalance against the “motherland”. What is more, the Iranian nuclear ambitions distress Baku.

Armenia: Since the Armenians live in a small country lacking seashore and natural resources that is surrounded by hostile Turkish people, they have expected help from the Orthodox relatives — Georgia and Russia — throughout their history. They have always regarded Russia as the great brother.

An affluent, influential and significant diaspora living in Western Europe and the USA supported the homeland. According to particular estimations, 1million Armenians live in the USA and 450,000 in France. During the Turkish blockade, the Armenian community sent food other supply to Armenia and volunteers fought in the Armenian armed forces. In the mid 1990's, the Armenian community provided the country with an annual aid of USD 50 — 75 million. The diaspora reached considerable political influence in their new homes. In the USA, the biggest Armenian communities live in key states such as California, Massachusetts and New Jersey. They were able to reach that the Congress halted all foreign aids to Azerbaijan and Armenia was provided a significant American support. Armenia intends keep pace with Azerbaijan in the military issues: it raised its defence expenditures from USD 100 million (2005) to USD 210 million (2008). Both by financial and military means, Armenia makes considerable efforts in supporting military forces in Nagorno-Karabakh.

Georgia: Azerbaijan traditionally maintains good relationship with Georgia. It is the gate to the west and they jointly possess pipelines. Both countries are full members of European Council, Organization for Security and Co-operation in Europe, and GUAM. GUAM was established in 1997 to secure the transportation of Caspian energy

²¹ Individual Partnership Plan: Within the framework of IPP, 1000 soldiers participate in approximately 300 NATO filed-exercises, and 6-8 NATO events are held in Azerbaijan.

²² Nagy László, Kulcsár István, Kiss Zoltán: Azerbajdzsán közelről (3.), http://www.hm.gov.hu/hirek/kiadvanyok/uj_honvedsegi_szemle/azerbajdzsan_kozelrol_3, January 12, 2009.

sources to the international markets bypassing Russia. GUAM started a policy that aims at the gradual alienation then complete break of new sovereign states of the Soviet inner periphery from Moscow. Until today, GUAM is the sole agreement that is established and still operates against the interests of Russia. Besides Georgia, Ukraine, Uzbekistan, Moldavia, Azerbaijan is the member of GUAM. Azerbaijan participates in many significant regional projects with Georgia: Baku-Tbilisi-Ceyhan oil pipeline, Baku-Tbilisi-Erzurum gas pipeline and the TRACECA project.²³

Traditionally, Georgia is US-oriented, Armenia is Russia-friendly, and Azerbaijan is country with a realistic foreign policy defined by adequate responses to challenges and constant balancing.

CONCLUSION

In the past two decades, geopolitical changes introduced new challenges and alternatives in the Southern Caucasian region that imply the threat of future crises. Post Soviet life of Azerbaijan and the other new Southern Caucasian states remain critically complicated. Armenia, Azerbaijan and Georgia are still in the process of historic transitions and they are not more than weak nations with instable statehood. The dissolution of Soviet Union was followed by a period of political and economic insecurity in this region. Its abundance in energy sources attracted the attention of Russia and other great powers; hence, by the beginning of century, the area became the theatre of rivalry amongst dominant forces. Parallel to the decrease of Russian influence, the US and Europe gained importance in the region. Although democratic changes in power took place, Southern Caucasus remains vulnerable from security perspective. The constant territorial conflicts (Nagorno-Karabakh, Abkhazia and Southern Osetia) still lack solution.

The truce concluded between Armenia and Azerbaijan in 1994 brought no final settlement as 16% of territory of Azerbaijan is still occupied and shootings are regular along the cease fire line. The Azeri armed forces are almost ready and are able for the military solution in Nagorno-Karabakh if no political agreement is concluded in the near future. Yet 19 years after the dissolution of Soviet Union, weak states, social insecurity, ethnical and religious conflicts are potential sources of problems in the region. As a consequence, this epoch is considered as the post colonial period of independence and is likely to be continued.

Despite insecurity, the future of Azerbaijan highly depends on the oil in the mid-term as the country's resources provide a firm position in the international scene. Incomes from oil are huge nowadays and are expected to increase in the near future. These revenues may temporarily stabilise the political and economic structure, however, do not provide solution for the other, not related problems. In the region, energy and security issues are strongly linked due to the abundance in energy resources; therefore, all players are interested in the area. The Baku-Ceyhan pipeline is of strategic importance that may facilitate the social and economic development of the area, but, in turn, it could provide ground for conflicts resulting from the advancement of inequality. Security is a basic demand of the great powers: stabilisation of the region is the vital interest of the EU due to its closeness to Europe; the US, as one of the geopolitical players, is concerned in the further supply of energy resources; from the aspect of Russia, tensions emerging in its proximity may destabilise the Northern Caucasian and Russian region.

Hence, the outcome of the geopolitical game carried out in the region remains uncertain. The activity of geopolitical players is not expected to be reduced in the long term. As a result of the awaking of Russia in foreign policy and the unsolved energy supply of Europe, the area stays in the centre of attention of great powers. Azerbaijan, however, seems to have realised the simple geopolitical principle, namely, no such foreign policy may be conducted that is adverse to the geographical location. Or as Brzezinski declares: "political geography is still a critical issue in international affairs".²⁴

²³ In 1993, Asian, Caucasian and European countries decided on the renovation and up-to-date upgrading of the traffic network of the Eurasian continent. The project TRACECA was named as the "Great Silk Route" that primarily aimed at the renewal of land trade and transportation between Western Europe and the Far East. Hence, the railway and road network from Northern China via the Caucasus to the countries of the Black Sea have been renovated. <http://www.traceca-org.org/default.php?l=en>, January 31, 2009.

²⁴ Zbigniew Brzezinski: A nagy sakktabla, Európa Könyvkiadó, Budapest, 1999. p 52.

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