



Feature Article  
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## Azerbaijan's Strategic Patience in a Changing World

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*For the last 30 years Azerbaijan has aimed to restore its territorial integrity and political independence through its multi-vector foreign policy, avoiding joining any military blocks or unions. In line with its multi-vector foreign policy, amid geopolitical changes in the region, Azerbaijan's foreign policy is based on a "strategic patience" approach which enables it to delicately balance between the collective West and Russia. Meanwhile, with the geopolitical tectonic changes due to Ukrainian crisis, Baku is utilizing its energy resources and transit potential to secure itself against regional powers.*

Azerbaijan's foreign policy since independence has been focused mainly on three areas. First, the country was keen on restoring sovereignty over regions occupied by Armenia through negotiations and build long-term sustainable peace. The second priority was to preserve political independence from neighboring countries without joining any unions or blocks. Finally, the third priority was economic development through the development of oil reserves and investments in infrastructure projects to make Azerbaijan a transportation hub. In the question of Karabakh conflict, Azerbaijan used a *strategic patience* approach that reflected a belief that the current *status quo* and occupation is less than ideal, but it is better than many possible consequences of taking action, especially given Moscow's support for Armenia. Meanwhile, Baku was patiently waiting for the

geopolitical changes that would allow the country to solve the question of occupation. Beyond that, Azerbaijan also successfully utilized energy agreements with Europe to secure itself against regional powers and gain economic and political independence. Over the last decade, Azerbaijan has invested billions of dollars into commercial infrastructure and transportation projects.

During the last two years, several events significantly impacted Azerbaijan's main priorities of Azerbaijan. First, due to the COVID-19 pandemic the global economy shrunk, bringing new challenges for the country. In response, Baku intensified its efforts to diversify the economy and strengthen its resilience to external shock. The second significant event was the victorious Second Karabakh War (also known as the 44-day war). In its aftermath, Baku is faced with several challenges including dealing with remaining

Armenian separatists in the Karabakh region, the presence of Russian peacekeepers, and convincing Armenian authorities to sign a long-awaited peace treaty. As new situations arise that shift the regional geopolitical balance, including Russia's invasion of Ukraine, Azerbaijan relies on a strategy of "silent diplomacy." This involves making numerous deals and partnerships with various power centers through negotiations, avoiding confrontation. A key part of this strategy was the signing of the Shusha Declaration with Turkey, opening new era of partnership between Baku and Ankara. The Russia-Azerbaijan declaration on strategic alliance signed in February 2022 in a sense complemented Baku's multi-vector diplomacy. The July 2022 agreement between Azerbaijan and the European Union on increasing gas supplies to Europe was another important milestone for the country, in effect completing a tri-fecta of agreements.

### **Regional Processes and Implications for Azerbaijani Security Policy**

Since the 2008 Russian-Georgian war, when Moscow began to behave more assertively in the South Caucasus, Baku tried to build good relations with Russia, hoping to get Kremlin's support in resolving the Karabakh conflict. In contrast, Baku did not seek deepening relations with the EU or NATO in order not to irritate Russia

and increase tensions. Still, Azerbaijan continued to participate in NATO partnership mechanisms and pursued military cooperation with individual NATO member states. Meanwhile, during the Trump administration, the United States minimized its presence in the region. U.S. disengagement from Iraq and Afghanistan also affected Azerbaijan and Baku lost its strategic value for the United States as a major transportation hub for the U.S. Army. At the same time Baku kept its distance from Russian-led organizations like the Eurasian Union and the CSTO and rejected Moscow's attempts to bring Azerbaijan into these organizations.

In 2019, Azerbaijan became Chair of the Non-Alignment Movement – a showcase of its neutrality in the midst of an increasingly dangerous confrontation between the West and Russia. In particular, the relevance of non-alignment as a cornerstone of Azerbaijan's foreign and security policy increased after the Russia-Georgia war of 2008.<sup>1</sup> To some experts, Azerbaijan's NAM membership was intended to reassure Moscow of its lack of ambitions for NATO membership in the aftermath of the 2008 War in Georgia. Others interpret it as a signal to the U.S. and Western governments of a conscious change in Baku's foreign policy direction due to the perceived lack of Western efforts to resolve the Karabakh conflict.<sup>2</sup>

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<sup>1</sup> Ilgar Gurbanov, "Relevance of Non-Alignment for Azerbaijan's Foreign and Security Policy," *Caucasus Strategic Perspectives*, vol. 1 no. 1, 2020, pp. 9-19. ([https://cspjournal.az/uploads/files/Vol\\_1\\_Is\\_1\\_Summer\\_2020/2\\_%20Ilgar%20Gurbanov.pdf](https://cspjournal.az/uploads/files/Vol_1_Is_1_Summer_2020/2_%20Ilgar%20Gurbanov.pdf))

<sup>2</sup> Jason Strakes, "Azerbaijan and the Non-Aligned Movement: Institutionalizing the 'Balanced Foreign Policy' Doctrine," Istituto Affari Internazionali Working Paper 15, May 2015. ([https://www.jstor.org/stable/resrep09666#metadata\\_info\\_tab\\_contents](https://www.jstor.org/stable/resrep09666#metadata_info_tab_contents))

As a result of the second Karabakh war, Azerbaijan elevated relations with Turkey to the alliance level, culminating with the signing of the Shusha Declaration on June 15, 2021. The presence of Turkish military servicemen in the Joint Peacekeeping Monitoring Center, established by the trilateral declaration, strengthened Turkey's position in the region and its influence stabilized the overall security architecture of the South Caucasus. A strong Turkish presence in the South Caucasus is absolutely vital for Azerbaijan in order to balance Russia's increased influence through its peacekeepers in Karabakh.

The Russian invasion of Ukraine changed the security paradigm for Azerbaijan, creating a new perception of threat coming from the North. While Azerbaijan's active foreign policy has not changed much in response to the conflict in Ukraine, the Russian invasion brought new challenges to regional stability. President Aliyev, the main influence on the opinion of Azerbaijani elites regarding the conflict in Ukraine, has strongly supported Ukraine's position calling on Kiev to not accept the occupation of its territories. He also condemned what he sees as "Western pacification", the policy of the collective West to accept the occupation of the territories. President Aliyev termed such a policy "wrong" and called on Ukrainians to rely on their own forces and not depend on outside support.<sup>3</sup> A large majority of Azerbaijani society took a pro-Ukraine approach in this crisis, associating it with the occupation of

its own territories by a foreign occupant. Russia's occupation of Donbas and other territories is not only seen in parallel with the Armenian occupation of Karabakh but also with "Black January," the Soviet military operation in the streets of Baku of January 19-20, 1990, which aimed to crush the independence movement in Azerbaijan. Azerbaijani society associates Russian troops entering foreign lands with their own experiences in Baku and Karabakh. For his part, Hikmet Hajiyev, Foreign Policy Advisor to the President of Azerbaijan, stated that the Russia-Ukraine war was a source of concern, and that Azerbaijan supports a "diplomatic solution" to the conflict within the norms and principles of international law.

So far, local experts and Azerbaijani mass media praise the Azerbaijani government's foreign policy during the conflict. Azerbaijan has sent 380 tons of humanitarian aid worth more than 5.5 million euros to Ukraine, while Azerbaijani state oil company continuously supplying emergency vehicles in Ukraine with the free oil and oil products. But Baku did not join sanctions against Russia. However, when examining Azerbaijan's gains from this calculated balancing and the current state of its bilateral relations, it is less clear that this policy has been effective so far. Harsh rhetoric against Azerbaijan in Russian media and among Russian officials indicates a downward slope in relations between Azerbaijan and Russia. While Moscow hesitates to strain ties with Baku

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<sup>3</sup> "President Ilham Aliyev Shares Formula for Azerbaijan's Successful Battle to Restore its Territorial

Integrity," Trend, April 30, 2022. (<https://en.trend.az/azerbaijan/politics/3589675.html>)

amid the looming chaos in Ukraine, it perceives Baku's independent moves as a challenge to its cause in Ukraine and in the wider neighborhood and therefore sees Azerbaijan as its opposition in the zero-sum conflict between Russia and the West.

The broader concern for Azerbaijan's foreign policy is that the Russia-Ukraine war will have a particularly negative impact on the post-conflict situation in Karabakh. Moscow may try to maximize its hard power through its peacekeepers and seek to put Azerbaijani foreign policy in a framework which serves its foreign policy goals in South Caucasus. If other countries deepen their sanctions against Russia or if the war results in a negative outcome for Moscow, this could impact Russian policies in the region in an unpredictable way and could make the post-conflict environment vulnerable and fragile. Depending on Azerbaijan's actions, Russia could sporadically create a situation in which pro-Russian Armenian separatists will be haunting Azerbaijan and threatening stability in the region, while also seeking to sabotage efforts to bring about a negotiated solution. Another serious consequence of Russia's invasion of Ukraine could be the marginalization and delegitimization of its peacekeeping role in Karabakh. However, the conflict could also be an opportunity for Baku to maximize its positions in Karabakh while Russia is busy with the war in Ukraine.

Consequently, the Russian invasion created a huge domain of uncertainty and increased the need for stability. The invasion has seriously affected and will continue to affect the calculations

of decision-makers in Baku as they update their policies towards Moscow and all other stakeholders in response to these significant developments. Therefore, the perception is that the invasion will be a reset point for Azerbaijan's foreign policy, though how it will change will ultimately depend on the war's outcome. If Russia can subdue Ukraine to its terms and come out as winner from this war, then Moscow will become more assertive in the South Caucasus. In case Russia gets weaker, Azerbaijan must be prepared for the possibility of greater decentralization and instability in the North Caucasus, as well as sporadic and unpredictable Russian actions.

### **Regional Balancing through Economic Policy**

Since 2009, cooperation with the EU on bilateral and multilateral formats has become one of Azerbaijan's foreign policy priorities. The EU is Azerbaijan's biggest export and second-biggest import market, with a 51% share of Azerbaijan's exports and a 16% share of Azerbaijan's imports as of 2022. In recent months the Head of the European Council, Charles Michel, hosted the Azerbaijani President and Armenian Prime minister three times, bringing the sides together with the aim of facilitating a peace agreement. The EU has made a €2 billion financial package pledge to Baku within the economic investment plan that is widely regarded as a prelude for deepening partnership between Brussels and Baku and increasing the EU's influence in the region. Building a strategic partnership with the EU serves Azerbaijan's economic goals as well as political strategy

to counterbalance Russia in resolving the Karabakh conflict.

Furthermore, the Ukrainian crisis and natural gas supply interruption renewed EU interest in Azerbaijan's energy resources and increased the country's role as a global energy supplier tremendously. Azerbaijan's oil and gas reserves remain one of the most effective instruments at its disposal to increase its international influence as a main actor in the region. The country can double natural gas exports to Europe within five years and will be able to get into markets that were previously restricted.

The war also had an impact on relations between Azerbaijan and Central Asian states, as the interruptions in the pipeline operations via Russian territory increased the significance of the Trans-Caspian International Transportation Route (TITR) (also known as the Middle Corridor). Kazakhstan's crude oil and oil products are transported via the Caspian Sea and Azerbaijan to Black Sea terminals. Also, the transit potential of TITR will be exploited for cargo flows from Central Asia to the EU via Azerbaijan. The economic and political relations between Azerbaijan and Central Asian states likely will expand amid concerns of Central Asian states, particularly Kazakhstan and Turkmenistan, in diversifying pipeline routes. Furthermore, through the expansion of the Alat port, Azerbaijan aims to build a major trading hub that connects Europe and

Asia. Shipping between Alat and Kazakhstan's Aqtau Port is a little under 300 nautical miles and takes just over 24 hours.<sup>4</sup> Hence, in the upcoming years a key focus of Azerbaijan's foreign policy will be expanding trade links with Central Asia, something that will further increase Azerbaijan's role as a transit country in the region.

For Azerbaijan, China today is the new superpower that can invest much-needed funds into infrastructure projects and can counterbalance the influence of Russia. For the last decade, the absence of the United States in the South Caucasus and the EU's relatively passive reaction to the conflicts in the region has opened space for greater Chinese involvement through regional commerce, trade, and infrastructure projects. When China's Belt and Road Initiative (BRI, known until 2016 as One Belt, One Road) project was introduced in 2013 Azerbaijan welcomed the idea and viewed it as an opportunity to catch a share of the transportation benefits. Azerbaijan perceives BRI, and Chinese influence in the region overall, to strengthen ties between Asia and Europe. As China is very far from the South Caucasus, it does not have a political agenda, instead its agenda is purely economic, and therefore Azerbaijan sees China as a reliable partner. China invested \$800 million into Azerbaijan's economy and there are more than a hundred companies with Chinese capital in Azerbaijan. The pandemic slowed Chinese penetration in the region, but it is still expected that transportation projects

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<sup>4</sup> Chris Devonshire-Ellis, "Caspian Developing as Maritime, Haulage & Rail Hub Between Europe & Asia," *Silk Road Briefing*, August 6, 2020.

(<https://www.silkroadbriefing.com/news/2020/08/06/caspian-developing-as-maritime-haulage-rail-hub-between-europe-asia/>)

will become the main priority for China in the region. This would benefit Azerbaijan's strategic aim of becoming the transportation and economic hub of the region. All these policies work toward the eventual goal of making Azerbaijan an important geographic location whose independence and sovereignty would be dangerous for anyone to violate since that would meet opposition from other players with a vested interest in Azerbaijan.

### Conclusion

Azerbaijan is likely, for the foreseeable future, to continue its policy of "strategic patience". The country will maximize its position based on the circumstances resulting from the Ukrainian crisis. Baku will continue to supply much-needed oil and gas to Europe and will even increase the share that it exports to Europe. Baku will also continue to deepen economic and cultural relations with the EU, possibly even signing a Strategic Partnership with the EU. In the upcoming years strategic energy partnership and partnership on transportation projects with the EU will remain major focuses of Azerbaijani foreign policy. However, political relations with the EU may remain on the same level as it is today. Additionally, the country is unlikely to deepen relations

with NATO, fearing worsening relations with Russia. Instead, Baku will seek to increase its military, economic and political relations with Turkey, harmonizing its military system with the Turkish one, buying weapons from Ankara, and accelerating political relations. Finally, Azerbaijan is likely to seek stability in its relations with Russia. Baku will not seek to join any Russian-led unions but will similarly refrain from supporting anti-Russian sanctions or moves. The presence of Russian peacekeepers gives Moscow an undeniable opportunity to manipulate and maximize its influence and power in the region and this continues to be a major challenge for Azerbaijani foreign policy. In the Karabakh issue, Baku will continue its reconstruction efforts slowly absorbing the territories that are currently under the Russian peacekeepers control, and further developing economic and political ties with Armenia. In all cases, Baku will refrain from making sporadic or volatile moves, continuing its 28-year "strategic patience" approach.

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