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Analysis of Challenges and Opportunities for Azerbaijan in the International Arena

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Abstract

Azerbaijan being a small nation is faced with numerous challenges in its development. Chief among them is the dispute with Armenia over the Nagorno-Karabakh region which the latter is occupying illegally. The dispute is over the extraction of mineral resources from the Caspian Sea and international politics revolving around the minerals found in the region. The country is blessed with rich hydrocarbon deposits in the Caspian Sea area. Azerbaijan's economy is heavily dependent on the export of oil and gas. The potential of hydrocarbon exploration in the Caspian Sea has drawn the attention of energy-hungry industrialized nations. However, the other littorals of the Caspian Sea are also eyeing to extract more resources from the sea to their benefit. This has increased the competition between the littoral states. Apart from oil and gas Azerbaijan has other mineral resources. The Nagorno Karabakh region is rich in gold mines which unless taken under the control of Azerbaijan cannot be extracted for the country's benefit. The attraction of foreign capital for the implementation of different projects on the development of the country's economy and the effective protection of the national interests plays a great role in the foreign policy of Azerbaijan. The country is trying to expand and develop its regional and global activity through international cooperation. It is a member of several international organizations such as the United Nations, the Organization on Security and Cooperation in Europe, the European Council, the Organization of Islamic Conference, the Commonwealth of Independent States and others. Through these cooperative engagements, the interests of Azerbaijan can be protected. Against this backdrop, this research is undertaken to analyze the threat to energy sources and trade in Azerbaijan and recommend viable options to protect her interest through international cooperative engagements.

Keywords: Azerbaijan, international area, international cooperation, Caspian Sea.

Introduction:

Azerbaijan was founded on 18th Oct 1991 after the collapse of the then Super Power USSR (Milli Majlis, 2020). The country provided a separate independent homeland for the Muslims of the region, who faced massive suppression and discrimination at the hands of the former superpower. Azerbaijan thus provided a ray of hope to approximately seven million people, with the Muslim majority. The struggle for an independent country was full of sacrifice, bloodshed and above all undeterred determination. The country was formed with a vision to provide independence to the people based on the benefits generated from the homeland, which were otherwise not accessible to the commoners. However, the hope was equally associated with

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massive challenges ahead, especially in establishing the country as a respectable and strong country in the international arena.

Azerbaijan is situated amid Central Asia which is a link between the East and the West. It also is an important partner of the ongoing international anti-terrorism drive. Despite her internal terrorist problem, she plays an active role in the international initiative of anti-terrorism (Ebel & Menon, 2000, p. 181). The country is also blessed with numerous mineral resources, especially oil and gas. The energy-hungry Europe is partially dependent on its oil resources. The main oil deposit is in the Caspian Sea which is shared by five countries. Few disputes are also growing over the sharing of resources in the sea, especially with the aggressive claim of Iran.

Azerbaijan is a developing nation. Oil and gas reserves are important for the country's economy. On the other hand, international oil diplomacy is also having its toll on the nation where the country is yet to settle its legitimate claim on the reserves. With the involvement of powerful nations around the world for their stake in the region the matter has become complex for a small country like Azerbaijan.

Azerbaijan built its foreign policy on the principle of respect for international legal standards and norms, the state sovereignty and territorial integrity and the principles of non-intervention in the internal affairs of others (Makili-Aliyev, 2013). The foreign policy of Azerbaijan, adhering to these principles and speaking on behalf of the national interests targets such urgent issues as the risks and challenges to the national security and territorial integrity, sovereignty and independence of the republic and the prevention from any territorial or any other kind of intervention detrimental to the interest of Azerbaijan.

The attraction of foreign capital for the implementation of different projects on the development of the country's economy for more effective protection of the national interests plays a great role in the foreign policy of Azerbaijan. Thus, Azerbaijan has chosen a policy of mutually profitable bilateral and multilateral relations with other neighbouring and faraway countries in different spheres.

This paper aims to identify the challenges and opportunities for Azerbaijan in the international arena. In that process, it will look into the natural resources of Azerbaijan and its security threats. It also finds out the strategic importance of Azerbaijan for international peace and security and how Azerbaijan can exploit it to its benefit. In another dimension, through bilateral and international cooperation how the world community can benefit is also looked into. This is documentary research based on various books and documents and internet sources. Based on the research the paper finally recommends some viable policy options for Azerbaijan to deal with her circumstances at present and in future.

Mineral Resources:

Azerbaijan is rich in oil and gas deposits. It has 6 billion barrels of proven oil reserves whereas the potential reserve is 50 billion barrels (Shekinski, 1995, pp. 16-17, 78). The natural gas reserve is also healthy and amounts to 1500 billion cubic meters both in the Caspian Sea and on land areas. In addition to the well-known oil and gas deposits, Azerbaijan has rich deposits of natural minerals that are useful in chemistry, metallurgy, construction building and health therapy. These include ferrous and non-ferrous ores, rare and fine metals, and semi-precious stones, as well as a wide variety of underground sources of thermal, mineral and natural spring water. Other resources include semiprecious stones, raw construction materials and ceramics.

Approximately 340 ore and non-ore deposits have been identified. Among them, about 100 of these are currently being developed and are capable of producing for the next 80-90 years. In the Shimali (North) Dashkesan area cobalt, chromate and manganese have been found. A confirmed deposit of 140 million tons of dolomite has been found which can be used in ferrous metallurgy as fireproof raw material. There are also deposits of Aluminum of about 130.2 million tons.

One of the most significant geological discoveries in Azerbaijan in recent years is the gold deposits. Geological expeditions have confirmed the gold field in Zangilan and in Karabakh (now under Armenian occupation). There are also reserves in Ordubad, Gedabay and in Dalidag.

The Occupied Territory of Nagorno-Karabakh:

The most tragic history that haunts Azerbaijan is the aggression of Armenia in the Nagorno-Karabakh region. Armenia launched a sudden attack on Azerbaijan territory (Makili-Aliyev, 2013). During the war with Armenia in 1992-1994 Armenian Army carried out the genocide of the Khojaly people. During the war, Armenia occupied 20% of Azerbaijan's territory, i.e. the regions of Shuhsa, Khojaly, Khojavend, Lachin, Kalbajar, Jabaril, Gubadli and Zangilan, most of Agdam and part of Fuzuli, including the central part of both regions and a part of Terter, the capital of former DGAP including 890 settlements located in the above-mentioned territories and exiled the native people. About a million Azerbaijanis turned into refugees and IDPs, about 20,000 people were murdered, about 50,000 were wounded or became invalid, 5000 went missing and the Nakhchivan province of Azerbaijan was kept under blockade by the Republic of Armenia (Croissant, 1998, pp. 35-36).

This troublesome situation made the Chief Assembly of the UNO adopt the decision to include the paragraph "The situation at occupied territories of Azerbaijan" into the agenda of the 59th session in 2004. Definite discussions were carried out around the matter. On the application of Azerbaijan, the document ratifying the facts of settlement in the occupied territories of Azerbaijan was recognized as the document of the UNO.

The occupied region is rich in gold reserves as discussed above. The population, culture and economic development of that region are under serious threat since then. The region was a constitutional legacy of Azerbaijan for a century. The current situation has the potential to ignite an armed conflict in future. It will have special significance when Armenia will try to initiate an exploration of resources in the region.

Terrorist Activities:

Soon after the war with Armenia terrorist activities fuelled by Armenia severed the whole of Azerbaijan. Since her independence, the Republic of Azerbaijan has suffered 373 terrorist attacks, which have resulted in 1568 death, 1808 wounded and considerable material and spiritual damage to the state and its people. Those were mostly carried out by Armenian terrorists. Certain Armenian terrorists who have been condemned in other countries for their criminal activities are currently members of the Armenian political elite. In response, Azerbaijan also evolved its law and mechanism to counter the threat in its different forms.

Azerbaijan's government has taken the issue very seriously and has taken all possible measures to neutralize the threat of terrorism. However, in today's world, even superpowers are

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not secure from terrorist attacks. Therefore, the lurking threat of terrorism may be a potential threat to the security of Azerbaijan in future.

International Diplomacy:

In the present-day's context, International diplomacy revolves around different interests; economic, political and strategic. Energy security and self-defence dynamics have also been seen to have kept the whole world in turmoil for the last two decades after the end of the cold war. Western countries' interest in the region is mostly centred on their energy security and intention to contain the source of world terrorism. Azerbaijan is at the crossroads of these interests and soft conflict. US presence in Afghanistan, the nuclear aspiration of Iran, PKK terrorist problem in Turkey all have their influence in the interest of Azerbaijan. Although the country has a policy of maintaining a transparent foreign policy and policy of avoiding conflict to develop economically, the potential danger of being a victim of all these complex calculations cannot be overruled.

The Caspian Sea:

The Caspian Sea is already having a dispute over control of the sea. The issue of division of the Caspian Sea intro sector was for the first time raised in 1970 and the task was fulfilled by the Ministry of Oil Industry of the USSR. According to the division of the Caspian Sea, it was divided into Russia, Kazakh, Azeri, Turkmen and the Iranian sector. The principle of the middle line, which was subsequent from the legal and geographical state of the Caspian Sea and approved by the international legal practice was taken as the basis for the division (Makili-Aliyev, 2013).

Before the fall of the USSR, the legal status of the Caspian Sea was regulated by the aforementioned agreement. To date, as the legal status of the Caspian Sea has not yet been defined, the Caspian states accept the sector division adopted in 1970. The discussions connected with the legal status of the Caspian Sea were initiated at the bilateral and multilateral meetings of the Caspian States in 1992. Each state had its point of view on the Caspian Sea's legal status that rather bases on national interests than on international legal standards. The whole equation was upset by the claim of Iran and Turkmenistan for an equitable share of 20% of the sea (Kepbanov, 1998). Their point of view is based on the argument that the Caspian Sea is a unique closed-water basin and is the commonwealth of the Caspian states.

The sea has been historically used by the five Caspian littorals for their economic benefit. Only after the discovery of hydrocarbon, the sharing complicated the situation. Unless the dispute is peacefully settled many development activities in the sea are halted and have the potential to give rise to a future conflict.

Strategic Importance of Azerbaijan:

Azerbaijan is located in Central Asia and links the east to the west. Because of its very location, it helps in the transportation of both energy and other commodities between the regions. Its location in a crucial and sensitive geostrategic region, current politico-military situation, and the realization of large-scale transnational projects for the provision of transport and energy security to the European region are important for the region (Kuchins, 2009). Azerbaijan's



contribution to the global anti-terrorism drive also makes it an important player in world politics and the regional community.

The global financial crisis and the collapse of oil prices showed the importance of energy security, namely the importance of ensuring access to energy resources in times of economic uncertainty. This is especially true for the sustainable development of Eurasian energy corridors. Countries around the world especially the industrialized nations are dependent on Gulf oil partially. As a stable and democratizing country in the geo-strategically important South-Caucasus region, Azerbaijan plays a key role in energy security, stability, and regional economic cooperation.

Azerbaijan's importance in the region is not limited to its role as an energy production and transport nation; it is also a stable trading partner in the region. Further, the cooperation and mutual interest engendered through transnational projects have encouraged greater cooperation between the Caucasus and the Western world. The Baku-Tbilisi-Kars regional railway link project which is underway will foster greater regional economic cooperation and therefore foster greater cooperation in both east-west and north-south trajectories (Lussac, 2008). Finally, it is important not to underestimate Azerbaijan's potential role as a cultural mediator in the region. It is possible that Azerbaijan, as a stable trading partner committed to economic pragmatism, might play a role in helping not only the south Caucasus but the Middle East as well. As a result, the United States and the European Union need to develop relationships with Azerbaijan that are based on mutual trust and benefit.

If the whole context is seen from the viewpoint of Azerbaijan and also from its strategic partners Azerbaijan's policies are important for others and Azerbaijan in return also needs cooperation with other countries. This arrangement is important for the security of the nations and most importantly energy security of several nations. Therefore, cooperative agreements with regional and extra-regional stakeholders are important for Azerbaijan.

The Relations between Azerbaijan and Neighbouring Countries:

As a responsible nation, Azerbaijan maintains cordial relationships with its neighbours and global partners. It believes in the development of the nation with its neighbours and pursues a foreign policy beneficial to all (Makili-Aliyev, 2013). Her bilateral cooperation can be viewed from two perspectives; relations with the neighbours and others.

The relations with Turkey, with which Azerbaijan has historic ties, are of great importance for Azerbaijan. The relations between these two countries close in the ethnic and cultural properties and language are expanding and developing to date. The attitude of Azerbaijan and Turkey to the development of the geopolitical and economic situation in the region and the implementation of the trans-regional economic projects and Ankara's efforts to resolve the Armenian-Azeri conflict, including the steps undertaken within the framework of different international organizations shows the correspondence of their positions and the highly developed cooperation between the two countries.

Considering the level of influence of Russia in the South Caucasus, Azerbaijan attaches a great deal of attention towards its northern neighbour in terms of cooperation. Azerbaijan, striving for the creation of friendly and peaceful conditions in the region, speaks for the improvement of profitable economic, political, social and cultural cooperation with Russia. The Azeri-Russian contract on the division of the Caspian Sea into the national sectors and the

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provision of security for the two sides is a clear indication of the important bilateral relationship between the two countries.

The relations between Azerbaijan and Iran which have a rich historical and cultural heritage are one of the major trends in the foreign policy of Azerbaijan. It has attached great importance to these relations since the first day of independence. Azerbaijan is continually trying to strengthen mutually profitable economic, political and cultural relations with Iran.

The comprehensive development of the cooperation and partnership with Georgia and Ukraine which have resembling interests is one of the most important issues for Azerbaijan. Similar issues concerning these three countries, the participation in such joint trans-regional projects as the supply of the hydrocarbon reserves on the global markets and the restoration of the Great Silk Road to communicate Europe and Asia and the mutual provision of the general security once more prove the importance of the said relations.

The relations with the countries of Central Asia also occupy an important place in the foreign policy of Azerbaijan. The accession of the Central Asian states to projects participated by Azerbaijan, along with the closeness of historical and cultural roots, also contributes to the development of the economic and political cooperation between these countries. As a result of this policy Azerbaijan turned into a reliable bridge to Europe and European markets for the countries of Central Asia.

The Relations between Azerbaijan and Other Countries

Azerbaijan also attaches particular attention to the relations with the developed countries of the West in its foreign policy, especially to the contacts with the United States of America. Azerbaijan is interested in the development of these contacts for the strengthening of its territorial integrity and security.

As the development of these relations promotes the economic and political progress of Azerbaijan, the implementation of Caspian oil and gas projects, the establishment of the transregional corridors, and communication between Europe and Asia, the cooperation between Azerbaijan and the United States of America is the major element in the integration of our country to the global economic system.

Azerbaijan also maintains important relations with the countries of Western Europe. The development of these relations has a positive impact on the conduction of significant reforms in the state and private sectors, the establishment of the modern market economy and the attraction of foreign capital. It should be noted that Azerbaijan is the major export market for the countries of Western Europe. Moreover, Azerbaijan benefits from profitable cooperation with Western European countries in the progress of its civil society.

The necessity of the development of mutually profitable cooperation between the leading states of the Far East-China and Japan caused Azerbaijan to be more active in the project of the Great Silk Road. The increasing influence of China in the international arena and the strengthening of its position in Eurasia promoted the intensification of its relations with Azerbaijan. The active participation of Japan in the economic projects of Azerbaijan and its interest in the expansion of bilateral cooperation also created the conditions for the development of stable relations between these two countries.

The progress of the new economic and political centre of Southeastern and South Asia also increased the interest of the foreign policy of Azerbaijan to this trend. In this connection, it's possible to single out the partnership with Pakistan, which fully supports the position of

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Azerbaijan on the Azeri-Armenian conflict. Pakistan was one of the first countries which recognized Azerbaijan as an independent country. Pakistan and Azerbaijan have several agreements in the military sphere. The annual capital turnover between countries is increasing each year.

Azerbaijan's relations with the countries of the Middle East countries are also prospective. These relations are based on the geopolitical importance of the Middle East, its rich energy reserves and the great investment potential of the region. Azerbaijan welcomes the permanent development of mutually profitable relations with the countries of the Middle East considering the attractive trade, technical and financial capacities of these countries.

The major priorities of foreign policy in Azerbaijan are the establishment of regional peace and stability and the implementation of large transport and cooperation projects. Azerbaijan builds its foreign policy on the principle of respect for international legal standards and norms. Therefore, the successful and measured foreign policy of Azerbaijan results in the establishment of favourable conditions predetermining the happy and safe future of the Azeri nation, the strengthening of the position of Azerbaijan in the international arena and it is becoming the leading country in the Caspian-Caucasus region.

Multilateral Cooperation and Relations:

Showing respect to the global norms and present-day needs of the world order Azerbaijan extended and deepened its regional and global activity and international cooperation and entered many international organizations. Important among them are the United Nations Organization (UNO), the Organization for Security and Cooperation in Europe (OSCE), the Council of Europe (CE), the Organization of Islamic Conference (OIC) and the Union of the Independent States (UIS). Azerbaijan is one of the founders of the GUAM (Georgia, Ukraine, Azerbaijan and Moldova) regional group. Details of the cooperative arrangements are discussed in the ensuing paragraphs.

- i. **Azerbaijan in UNO:** Azerbaijan entered UNO in 1992. In addition to the resolutions of the Security Council of the UNO concerning the conflict between Armenia and Azerbaijan, particular assistance of the UNO in the improvement of the hard living conditions of IDPs and the refugees of Azerbaijan is commendable. Within the frames of Azerbaijan-UNO cooperation the development Program of the UNO provides necessary help in the realization of different projects.
- ii. **Azerbaijan and OIC:** Azerbaijan entered OIC in 1991 and turned to be an active participant in it. Being a Muslim and oil-exporting nation Azerbaijan maintains important relations with OIC. OIC is the first international organization to recognize and criticized Armenia as an aggressor. The clear and just attitude of OIC to such an important problem inclined Azerbaijan in its favour.
- iii. **Azerbaijan and OSCE:** The OSCE embraced all the countries of the European continent including Azerbaijan since 1992. Azerbaijan joined all the major documents of the Europe Security Charter of the organization. Cooperation within the frames of the OSCE carries out particular importance to Azerbaijan for its role in the solution of the Armenian-Azerbaijani conflict. Azerbaijan also cooperates with OSCE in the sphere of democratization. This sphere includes observation of



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- the elections, projects implemented by the OSCE Bureau of the Democratic Institutions and Human Rights, etc.
- iv. **Azerbaijan in the Council of Europe:** One of the main priorities of Azerbaijan's foreign policy is the integration into European Institutions. Being a member of CE since 2001 Azerbaijan is taking important measures to coordinate its legislation to high international standards. Azerbaijan established close relations with the Venice Commission of the CE that assists in the democratization of the legislation. On 25 January 2001 Azerbaijan signed the Protocols and main document of the CE the Convention on Protection of Human Rights and the Main Freedoms of Human and later ratified them in 2002. Azerbaijan member staff shows important activity in the formation of a fair attitude relating to the Armenian-Azerbaijani conflict at the CE.
- v. **Azerbaijan and the European Union:** Azerbaijan, supporting the close integration in European society established multisided mutual relations with the European Union. In 1996, Azerbaijan and the EU signed the agreement on Support and Cooperation which is effective since 1999. This agreement presupposes political dialogue, assistance in the building of democracy, cooperation in the economic sphere and investments. With the extension of the EU to the east in 2004 as a country of the South Caucasus Azerbaijan has been included in the 'New neighbourhood policy' of the EU by the initiative of 'Extended Europe'.
- vi. **Azerbaijan and NATO:** NATO is the chief element of the security in Euro-Atlantic zone. Azerbaijan was among the first to join the program of "Cooperation for Peace" presented in 1994 and became a member of the Council of Euro-Atlantic Cooperation. Since then Azerbaijan successfully cooperates with the alliance. This fact is proved by the processes of programming and analysis, activity within the frames of the Program of the Individual Cooperation, and participation of Azerbaijan soldiers in peace-keeping operations in Kosovo under NATO.
- vii. Azerbaijan and the Anti-terrorism Coalition: Azerbaijan repeatedly faced such terrible facts in the near past and is facing it today in the example of Armenian terrorism. Thus, since 11 September 2001, Azerbaijan is an active member of the international anti-terror coalition under the United States of America and makes its contribution to the struggle against the global threat of terrorism. This is proved by the fact that Azerbaijan peace-makers entered the peace-keeping operations in Afghanistan and Iraq.
- viii. **Azerbaijan and the GUAM:** The trans-regional group, with the participation of Georgia, Ukraine, Azerbaijan and Moldova first established as GUAM in 1997 and changed to GUUAM in 1999 after joining Uzbekistan (Valasek, 2008). Azerbaijan was one of its initiators and its purpose is to solve matters important for Azerbaijan and other participating countries in joint powers. The matters are mutual activity in peaceful solution of the conflicts and struggle against separatism, cooperation in peace support, cooperation in the development of favourable and safe transportation corridors, and cooperation and mutual activity with the institutions of Europe and trans-Atlantics. This also includes economic

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- cooperation that positively affects the development of the participating states and totally that of the region.
- ix. **Azerbaijan and the UIS**: Azerbaijan entered the UIS in 1993 intending to strengthen its independence within this organization and to create a zone of friendship and the neighbourhood. The UIS also regulates the activity in the preservation of the environment, scientific and cultural cooperation, arrangement of the efforts in the struggle against illegal circulation and crime and others.
- x. Cooperation Vis-à-vis Threat Reduction: Throughout the ages Emperors, kings and statesmen entered into negotiations, truces, and agreements with their allies and potential enemies to protect their country's interests. In one way it built confidence among each other and allowed them to take care of greater issues. Before the conquest of Constantinople Fateh Sultan Mehmet entered into agreements with Hungary. Due to this when he attacked Constantinople the Hungarian troops fought for him, against their Christian counterpart, the Emperor of Constantinople. The same was prevalent in many other cases as seen during the Crusades.

After the end of the Cold War the only superpower of the world, the USA failed to maintain its supremacy in all spheres of the world, especially in the military context. Various natures of threats, especially from the non-state actors, slowly started to peak. There was a need of filling the gap between the other responsible nations. The regional powers tried to fill up the power vacuum by showing their presence in unilateral and cooperative engagements. Security, economic, maritime surveillance and another form of cooperation in the European region and South East Asian region are some examples of the same. This has helped to build up confidence, reduce the ensuing arms race and to some extent guaranteed their protection against different natures of threats. It allowed these countries to develop economically with stable growth.

Not only regional cooperation but international cooperation under the umbrella of the UN and other international organizations also have been phenomenal in maintaining world peace. The involvement of the extra-regional powers in regional affairs has also affected world politics after the cold war in many ways. Although all these engagements have their negative side, they have generally benefitted the countries involved to a greater extent. The smaller nations with smaller scope in the world order have immensely benefitted in terms of security.

Based on the above facts it can be said that cooperative arrangements if carefully selected and executed under the ethics of international diplomacy can provide security for a nation in different aspects. This has been a traditional form of ensuring security and will have importance in future scenarios as well. Azerbaijan being a small nation that is faced with many external and internal threats has the potential to protect its interest through cooperative agreements.

Options for Azerbaijan:

European countries are slowly becoming dependent on Central Asian oil and gas. This trend will increase further and by 2030 gas imports in Europe are expected to increase by nearly twofold. Rising international demand for Azerbaijani gas is driven by the policy of supply diversification, particularly for Eastern and Central European states. Central Asian and Caspian reserves are seen as the primary source for this diversification. Moreover, Western energy companies have expressed their interest in the development and exploration of Azerbaijan's



undeveloped prospective gas fields that would notably increase the potential gas volume of the country.

Being located in a geo-strategically important location in the region Azerbaijan is important for the world community for being an energy transport corridor and an important partner in combating international terrorism. Azerbaijan can and must exploit her position to her advantage and at the same time contribute towards world peace and security. In this context, Azerbaijan may adopt the following policy options.

Azerbaijan currently operates at about 50% of its potential production capacity, with transit capacity serving as the limiting factor (Rzayeva, 2021). The Azerbaijani government should continue with its effort in examining additional opportunities for exploration and transit, including the Turkey-Greece-Italy corridor and the proposed Nabucco pipeline. Azerbaijan supports the Nabucco project, as it would enhance Azerbaijan's role as a key geo-strategic player in the region, bring increased revenues to the region, and ensure greater energy security for the EU (Reuters, 2022). However, the project suffers many obstacles, including:

- i. Lack of clarity regarding project funding
- ii. The lack of an integrated EU energy policy
- iii. Divided opinion among EU leadership

Therefore, Azerbaijan's international diplomacy should continue to mitigate these drawbacks on equitable terms mutually beneficial to all stakeholders.

One important aspect is Azerbaijan's National Security Policy, which is, it has only a limited focus on energy security in it. Azerbaijan's National Security Policy adopted in 2007 has its main attention on territorial sovereignty and the restoration thereof. However, the reason for stability is being labelled as a secure environment for the exploitation of their natural resources. The main focus of the security policy is towards Armenian aggression and security issues thereof related to the threat. The expected security environment can only be ensured by the outward look of Azerbaijan, not an inward posture.

Despite having a troubled past of occupation under Russia it remains an important stakeholder for Azerbaijan. Russia for its energy security and political necessity also has a serious stake in countries like Azerbaijan and other Central Asian countries. While Russia maintains a dormant posture after the cold war its influence in the region will remain for years to come. The ongoing energy corridor initiatives, especially the pipelines are more or less dependent on the Russian viewpoint. Therefore, for the security of Azerbaijan and her energy, the country has to keep Russia at its side wherever necessary. It is to be done in a way not to subjugate but to get the full benefit of the relationship.

The growing economic and political influence of China made it relevant in the world as well as in the Central Asian Region. China also has substantial influence in the region for its security. The mutual dependence will likely increase in future. Azerbaijan should also try to accrue the full benefit of the relationship with China.

The USA and EU are already having good terms with Azerbaijan. Troubled Afghanistan is a major setback in the development of the full potential of the region as far as energy is concerned. Both USA and the EU have a stake in the Afghan conflict. Therefore, the actual outcome of the relationship is difficult to foresee. However, European countries must have better connections with Azerbaijan and other Central Asian Region (CAR) countries for their alternate

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energy source. In this scenario, Azerbaijan should have a careful diplomatic relationship with the USA and a good understanding of European countries.

Conclusion:

The quest for energy security will no doubt be a major arena for the consolidation of a new international status quo in the following years. Multipolarism is the emerging international relations cliché. In the world of globalization and economic interest interdependence on each other for economic and energy security has brought the nations too close together. Azerbaijan is a facilitator of the need of various nations and through this holds the key to its development. The strategy evolved around the national security of Azerbaijan and is therefore sufficiently outward-oriented to cater for these needs.

Because of its very strategic location Azerbaijan is important to many powerful nations around the world. Its contribution towards the global anti-terrorism drive makes it more relevant in world politics. Its location is important for the trans-national East-West energy corridor to Europe and later to the USA. Russia is a naturally important country for Azerbaijan other countries like China are becoming increasingly relevant to Azerbaijan. Most importantly these countries will look for safe energy deposits for their robust economy.

Azerbaijan on the other hand is having her problems in the form of Armenian aggression and illegal occupation in the Nagorno Karabakh region and terrorism fuelled by the Armenians. It is also possible to fall victim to future conflict over capturing oil resources and the dispute over the Caspian Sea energy resource claim by the littorals. Azerbaijan is a small and peaceloving nation that cannot deal with these potential and actual threats by using force.

Her foreign policy since independence had been to gain maximum benefit out of the relationship with nations around the world for the people of Azerbaijan. Azerbaijan already has meaningful relationships with several important countries of the world. These relationships include international cooperation.

Now that the dynamics of international politics are changing with the US announcement of withdrawal from Afghanistan, rising powers like the EU, China and to some extent Russia and Azerbaijan have to make their choices carefully to shape their international diplomacy. She must attach due importance to these countries and try to meet their energy need for them in the coming years keeping the interest of the country at the forefront.

Recommendations:

Based on the above discussion following are recommended:

- i. Azerbaijan should start to look for diversification of its export corridor of oil and gas to European countries.
- ii. As a proven partner in her energy security Azerbaijan must adopt policies coherent with Turkey and Georgia to frame a further stable security arrangement.
- iii. Azerbaijan should maintain a good relationship with Russia and enhance its partnership with China in future.
- iv. The country should carefully mould its foreign policy in deciding on the influence of the extra-regional powers so that it does not fall prey to their politics.

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- v. Azerbaijan should not indulge herself in a situation where her situation is destabilized and economic growth is affected.
- vi. All endeavours must be undertaken to settle the mineral-rich Nagorno-Karabakh region dispute and bring it back to Azerbaijan territory.

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