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Azerbaijan Reshapes Regional Geopolitics



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Armenia and Azerbaijan signed a peace deal to end the six-week war, on 10 November 2020. The deal comes after Azerbaijan's achievements in line with the UNSC Resolutions 822, 853, 874, and 884, in the liberation of the territories occupied by Armenian forces. In Azerbaijan, a sequence of reciprocal cause and effect, followed by increased interactions between economy-defense-diplomacy-economy led to empowerment. We observe quite the opposite in Armenia: During the last 30 years



reliance on the dream of legitimizing the occupation led to vicious circle. If earlier Armenia was excluded from major transport and logistics projects because of the continued occupation policy, now Yerevan was forced to go to



the capitulation. This was logical finish for Armenia to be foreign body in the region. The opening lifeline between Azerbaijan and its exclave of Nakhichevan, which borders with Turkey, would create short cut way between the Mediterranean and Caspian basins. In its turn, Turkey plans to construct new railroad connection to Nakhichevan. After the signing of the truce between Armenia and Azerbaijan, there is new geopolitical configuration in the Southern Caucasus with the participation of Russia and Turkey.

The balance of power is experiencing a due change in the Southern Caucasus, an Intermarium between the Black Sea and the Caspian Sea. The regional supremacy of Azerbaijan is complemented by air, water and land factors. Moreover, with rich cultural heritage, commitment to multiculturalism and tolerance, values that are historically inherent in the lifestyle of Azerbaijani people, Baku uses soft power successfully. Today's Azerbaijan is a "smart power" - a combination of hard and soft powers.

With the liberation of territories occupied by Armenia, Azerbaijan restores its territorial integrity opening new perspectives for sustainable development in the wider region.



Ranked 10th out of 141 countries in the “Government long-term vision” index, according to the “Global Competitiveness Report 2019” , Azerbaijan enjoys the opportunity to



transform the victory to long-term visions. Armenia using Nagorno-Karabakh conflict posed threats to Azerbaijan and the entire region preventing sustainable development. Once settled, the region will gain new opportunities for development. Cementing its position as regional geostrategic player, Azerbaijan managed to rebalance geopolitical landscape of the region.

The Trans Adriatic Pipeline, a part of the Southern Gas Corridor transporting natural gas from ShahDeniz II field in Azerbaijan to Europe, is expected to be ready by November 2020. In this context, Azerbaijan as a strategically and economically important partner for Europe boosts EU’s energy security, supply diversification and de-carbonization objectives. Prior to the Southern Gas Corridor Azerbaijan has successfully implemented oil and gas projects, which significantly contributed to the energy security of Europe, Southern Caucasus, Israel and Turkey. Azerbaijan’s share in the Turkish gas market increased to quarter, Azerbaijan supplies up to 40% of Israel’s oil needs, and as a number one investor in Georgia, Azerbaijan is a leader of this country’s oil and gas market. Azerbaijan is also among top-ten countries providing EU’s largest economy - Germany with crude oil. With the settlement of the Karabakh problem, Azerbaijan will



be more active as a reliable partner for energy security in Eurasia. It was not surprising how Armenia launched military provocations against Azerbaijan to disrupt several of the latter's major oil, gas, transport and information technology projects going to Europe, thus acting against the interests of many countries. On the other hand, in October 2020, the Armenian Army launched missiles on Khizi district of Azerbaijan, 300 kilometers away from the conflict zone, targeting Baku-Novorossiysk oil pipeline, a project of strategic importance in Azerbaijan-Russia's economic cooperation. Armenia considers the principle of "the worse it is for Azerbaijan, the better for us" while damaging regional projects coming through the Southern Caucasus. Azerbaijan's defense forces are able to neutralize Armenia's deliberate attempts to destroy infrastructure facilities, jeopardizing oil-exporting pipelines and high-capacity crude oil and condensate export pipelines. Azerbaijan does not only restores its territorial integrity, but also ensures security of East-West and North-South corridors.

In the panel discussion on "Strategic Outlook: Eurasia" held as part of the World Economic Forum, moderator asked Azerbaijani President Ilham Aliyev: "...As President of Azerbaijan who do you call first - Moscow or Beijing?"



President Aliyev responded: "Baku" . Today Baku, as kingmaker, determines the landscape of South Caucasus. Azerbaijan circumvented the "curse of geography"



successfully converting its land-locked country status to a transport hub in the heart of Eurasia and the “resource curse” tripling the country economy over the last 15 years. Now relying on the country’s own resources, Azerbaijan manages to restore territorial integrity despite the tough neighborhood. Azerbaijan was ranked 5th out of 141 countries in the “Government’s responsiveness to change” indicator according to the “Global Competitiveness Report 2019” . In the 1960s, Standard Oil, the Communist Party, and the Catholic Church were thought to be the best-planned and managed organizations: the future was as planned. Later, this approach was replaced by strategic management. Now, it is important not only to plan, but also to be agile, responsive and adaptive. Strategic Roadmaps and flexible governance introduced by Azerbaijan helped the country to score the best results among Caspian Sea and South Caucasus countries as evaluated in the Sustainable Development Report 2020, a paper measuring the commitment of 166 nations to the Sustainable Development Goals (SDG) adopted by the United Nations.

Guided by a rational choice model, Ilham Aliyev manages to correctly set the country’s priorities in line with the interests of Azerbaijan and ensures their rational sequence. Despite the COVID-19 Pandemic, low oil prices, drought and Armenian military provocation, Azerbaijan has been showing of brilliant example of crisis management in 2020. The crisis management narrative “We are stronger together” used by President Aliyev was fundamental in Azerbaijan’s efforts to address COVID-19 crises. Another slogan “Karabakh is Azerbaijan!” raised motivation to free the occupied territories.



As predictable and reliable partner, Azerbaijan has been rejigging the political map of the region for the sake of peace and dignity, as well as sustainable development of the Southern Caucasus, at the crossroads of the Silk Road and the North-South Corridor.