# **RUSSIA-AZERBAIJAN: BACK TO THE BEGINNING?**

### Farkhad ALIEV

Research associate, Academy of Political Administration under the President of the Republic of Azerbaijan (Baku, Azerbaijan)

I or historical and geographical reasons, underestimation of Russia's role in the Caucasus as a whole, and in the Southern Caucasus in particular, as well as tension in relations with it are fraught with a great many negative effects irrespective of the foreign policy aims, sympathies, and antipathies of the ruling circles of our republic. The relatively recent events in Azerbaijan, after the Soviet Union disintegrated and our republic gained its independence, can be used as proof of the above. The same applies to Russia: the Kremlin's right tactics and adequate accents in the Caucasus, including the Southern Caucasus, are of vital importance for Moscow, which wishes to preserve its influence in this strategically important region.

Western, or, to be more exact, American political, cultural and economic expansion is another important factor to be reckoned with when talking about Russian-Azerbaijani relations. "The United States has highly assessed Azerbaijan's geopolitical potential in a region the Americans regard as strategically important to them. They describe it as a potentially key area and a 'strong point' of American policy, not only in the Caucasus, but also in Central Asia, Iran, and the Middle East."<sup>1</sup>

Russia's self-respect is wounded: it has always regarded the Caucasus as the sphere of its interests. Today, however, the United States is holding cultural and economic sway over it in Azerbaijan (and elsewhere). Apart from the statements about a multipolar world that have been heard more and more often since Vladimir Putin came to power in Russia, Moscow unfortunately

<sup>1</sup> V.F. Grunin, Azerbaijan: etot nelegkiy suverenitet [http://www.e-journal.ru/p bzarub-st2-3.html].

has nothing to offer as an alternative to the ideology of Atlanticism and market economy on the world-wide scale or at least within the post-Soviet space.

The two countries established diplomatic relations on 4 April, 1992; several months later, on 30 September, their governments signed a free trade and several other agreements. Until Vladimir Putin was elected president, however, the relations could have been described as vague and even negative. In the early 1990s anti-Soviet sentiments dominated in Azerbaijan; gradually they transformed into anti-Russian feelings. They were aroused by the Karabakh conflict and concentrated mainly on the person of President of the Soviet Union Mikhail Gorbachev whose position was interpreted as a pro-Armenian one. We should also bear in mind that public opinion was very much affected by the tragic events of January 1990 that took many civilian lives. The blame for this lies on the then leaders of the C.P.S.U. Central Committee. On top of this such facts should be taken into account as "the 336th motor rifle regiment's direct involvement in ethnic cleansing in the city of Khojaly,"<sup>2</sup> as well as participation of Russian troops in the Karabakh hostilities on the Armenian side. This naturally affected the relations between the two countries.

I would like to say in all justice that fairly onesided statements of certain Azerbaijanian political scientists to the effect that in the post-Soviet period the Russian leaders treated our republic badly and that this was responsible for the far from good relations between the two countries are only meant

<sup>&</sup>lt;sup>2</sup> Azerbaijano-rossiiskie otnoshenia: problemy i perspektivy razvitia [http://www.irs-az.com/files1/1.html].

#### CENTRAL ASIA AND THE CAUCASUS

to cover up Azerbaijan's foreign policy failures in its relations with Russia.

Today, the relations between Russia and Azerbaijan have the following points of mutu-

al interest: Karabakh, the status and the energy fuel resources of the Caspian, the Gabala radar station, economic cooperation and migration.

## Karabakh

Today this is a stumbling block: Russia is the largest and most influential power in the region, therefore its position is very important. I have to say with deep regret that it is not pro-Azerbaijanian. Despite Moscow's direct involvement in the peace process, it has done nothing to settle the conflict for several reasons that can be described as strategic. "One good turn deserves another"—by this I mean that Russia wants to gain something from the settlement process (to stretch the metaphor). Today it cannot be expected that the ruling elite of Azerbaijan will assume a clearly pro-Russian position for any objective or subjective reason. Moreover, is Russia itself prepared for this turn?

At the same time, we should admit that the Karabakh conflict (the first in a chain of similar ethnic conflicts and one of the most powerful destabilizing factors in the still existing Soviet Union) was part of Western geopolitical tactics employed to destroy its mighty adversary, the Soviet Union. It was not so much an effort to uproot "Bolshevism" or the "Red Plague" (as Western experts are fond of saying), as to destroy the foundation of the bipolar world, the "geopolitical opponent," "the consolidated and centralized Eurasian entity." Its continued existence would have prevented the West (among other things) from gaining access to the vast natural resources of the ruined country and of other states, when natural resources in the rest of the world had been depleted while demographic growth in the Third World continued (see, for example, reports to the Club of Rome). In the bipolar world, direct expansion would have been impossible. Today, the Karabakh conflict is an instrument the West and Russia are using to channel regional developments.

There is any number of reasons why Moscow is treating the Karabakh issue in the way it is. Here are some of the ones found on the surface. First, there is a strong and well-organized Armenian lobby in Russia, which can affect decision-making in the upper echelons of power. Second, there is a near total absence of a similar Azerbaijanian lobby in Russia. (I should say that there are no well-organized and smoothly functioning Azerbaijanian lobbies in any country with more or less considerable Azerbaijanian diasporas. It is hard to say whether the Azerbaijanian mentality is to blame or an absence of adequate strategy in the Azerbaijani ruling circles and poor organizational and financial support by the mother country.) Third, the Azerbaijani ruling circles do nothing to set up and finance similar structures or, at least, to support and encourage the already existing scattered groups, which cannot compete with Armenian structures. Fourth, Azerbaijan's inadequate foreign policy toward Russia: after acquiring independence, it became radically "pro-Western" and "pro-Turkish" and preferred to ignore Moscow's strategic interests and role (even if reduced). This list should include anti-Russian pronouncements of the Popular Front's leaders while they were in power and after they were removed, as well as anti-Russian paranoid statements by certain Azerbaijani statesmen, political scientists, and experts. And finally fifth, we should not forget certain historical and confessional elements of Russia's pro-Armenian position, which became even more obvious thanks to points 2, 3 and 4 described above.

In short, ill-substantiated Azerbaijanian foreign policy toward Russia produced bad results. There is the impression that after the Soviet Union's fall those responsible for foreign policy in our country tended to ignore an important thing: for objective historical and geopolitical reasons it was Russia that had, has (despite its present weakness), and will most likely continue to have a considerable influence on the situation in the Caucasus and in Azerbaijan as its part.

I am prepared to go as far as saying that the recent rapprochement between Azerbaijan and Russia was prompted by the failures of the OSCE Minsk Group's shuttle diplomacy, the failed attempts to recov-

er the occupied territories, and the U.S.-initiated failed personal meetings between the presidents of Armenia and Azerbaijan. I should say that this rapprochement was also prompted by the fairly widely accepted conviction that "the keys to the Karabakh settlement are in Moscow" and by the failed attempts to find strategic allies in the West (are there such allies in the West at all?).

Whether we like it or not, life has shown that worsened relations with Russia are fraught with negative results for Azerbaijan in the first place. The obvious conclusion is that we should guide ourselves by reason and common sense in political decision-making. Emotions have nothing to do with this.

# Status and the Energy Fuel Resources of the Caspian

The status of the Caspian issue is one of the linchpins of bilateral relations in this part of the world. Being aware of Washington's claims to the area as a zone of its strategic interests, Moscow at first had a negative reaction to the Baku-Ceyhan project. It retreated from its negative stand when LUKoil, a Russian oil company, received 7.5 percent of the project's shares.

During the visit of President Putin to Azerbaijan (2001), the two countries signed a document on the principles of cooperation on the Caspian, under which the sides agreed to divide the sea bottom between the neighboring states and the states on the opposite coast into sectors (zones) according to the median line method "drawn taking into account equidistance between all points and modified according to the sides' agreements and the generally accepted principles of international law."<sup>3</sup> Russia and Azerbaijan agreed that as soon as the division was complete, each of the coastal states would acquire exclusive rights to mineral resource extraction and to other legal economic activity on the sea bottom. In addition, the presidents agreed that the region needed a "five-sided Caspian center" to monitor Caspian ecology. When summing up the 10th Moscow meeting of the Caspian work group, which took place in July 2003, Viktor Kaliuzhniy, who represented Russia at the talks on the Caspian's status, said: "Each of the five sides emphasizes that we should move ahead in order to promptly resolve the Caspian problems."<sup>4</sup> He added that all five states had agreed to meet for another round of talks a month later in Turkmenistan; he described this as a graphic illustration of their shared intention "to resolve all Caspian problems and to agree on its new legal status."<sup>5</sup>

It should be added that in December 2001, when talking about the results of the visit to Baku by head of LUKoil Vagit Alekperov, it had been decided that his company would be involved not only in the Baku-Ceyhan project, but also in several other large-scale oil projects. In turn, LUKoil's involvement in developing the offshore Araz, Sharg, and Alov oil fields may help to resolve the old dispute between Azerbaijan and Iran over these sites in favor of the former.<sup>6</sup>

In fact, wider cooperation in the energy fuel sphere helps develop the relations between Russia and Azerbaijan in general.

## The Status of Gabala Radar Station

There is another important issue in the relations between Azerbaijan and Russia. I have in mind the Gabala radar station that was built in 1984 and commissioned in 1985. The station that monitors the sit-

<sup>&</sup>lt;sup>3</sup> Azerbaijano-rossiiskie otnoshenia: problemy i perspektivy razvitia.

<sup>&</sup>lt;sup>4</sup> Central Asian News, 25 July, 2003 [http://www.centralasiannews.com/shtml/html/news.htm?new\_id=5349]

<sup>&</sup>lt;sup>5</sup> Ibidem.

<sup>&</sup>lt;sup>6</sup> See: N. Sokhbetkyzy, Soglashenie mezhdu Rossiey i Azerbaijanom prodiktovano pragmatizmom storon [http://www.eurasianet.org/russian/departments/insight/articles/eav011402ru.shtml].

#### CENTRAL ASIA AND THE CAUCASUS

uation in the Middle East and the Persian Gulf is of strategic importance for Russia and will prove indispensable in case of the threat of a missile strike. Political observer D. Litovkin has pointed out that Russia has five similar missile attack warning stations, while the range of the Gabala station "covers the areas of possible launches of tactical medium-range missiles, and can identify their parameters and trajectories, as well as follow the movement of space objects within its range along Russia's southern borders. The station is manned by about two thousand people."<sup>7</sup>

Under the bilateral agreement of 25 January, 2002 Russia rented the station for ten years and has to pay Baku an annual fee of \$7 million. Under the same agreement, the Azerbaijani military will not have access to the station, but they will receive information supplied by the radars. Russia agreed to hire local people as servicing and auxiliary staff.<sup>8</sup> This agreement "allowed Russia to complete the system of early warning of missile attack,"<sup>9</sup> while Azerbaijan, among other things, will receive \$31 million of arrears accumulated between 1997 and 2001. According to Russian experts, the radar station "will make it possible to complete research and smoothly commission similar objects on Russian territory."<sup>10</sup> Heated discussions about environmental effects of radar stations are going on unabated.

## Economic Cooperation

The agreements on avoidance of double taxation and on debts are the two best signs of the level of economic and trade cooperation. These documents testify that the partners have recognized the need for a legal and normative basis conducive to closer cooperation.

The Russian president's visit to Azerbaijan in January 2001 and his Azerbaijani's colleague visit to Moscow a year later (January 2002) produced a series of documents, the most interesting among them being an agreement on international road transportation (newly built highways between the countries will promote freight movement, which the sides find very important), as well as an agreement on cooperation and mutual assistance in the field of taxation. The presidents signed a declaration that registered the sides' readiness to resume international transport communication in the region. Russia pointed out that Azerbaijan should be linked to the future North-South transportation corridor and emphasized its readiness to participate in the Europe-Caucasus-Asia transportation corridor (TRACECA).

When commenting on the results of President Putin's visit to Azerbaijan, Vladimir Lukin, then a State Duma Yabloko deputy, said: "The South Caucasian countries have reached the time of 'shedding illusions,' the main one being 'the West will help us and we shall be happy."<sup>11</sup>

Today, Azerbaijan sells Russia foodstuffs and other agricultural products, raw chemicals, electrical engines and oil equipment, while Russia exports grain and flour, construction materials, medicines, newsprint, metal, drilling pipes, turbines for power stations, and cars to Azerbaijan. On top of this, Azerbaijan buys 4 billion cubic m of gas from Russia every year; since 2002 it has been buying 1.5 billion kWh of electric power a year; it annually exports about 2.5 million tons of its oil along the Baku-Novorossiisk pipeline.<sup>12</sup>

<sup>&</sup>lt;sup>7</sup> D. Litovkin, "Opasnost s iuga," Izvestia, 30 October, 2002.

<sup>8</sup> See: N. Sokhbetkyzy, op. cit.

<sup>&</sup>lt;sup>9</sup> D. Litovkin, "Bezoblachnoe nebo," Izvestia, 28 November, 2002.

<sup>&</sup>lt;sup>10</sup> Ibidem.

<sup>&</sup>lt;sup>11</sup> [http://www.yabloko.ru/Press/2001/010111.html].

<sup>&</sup>lt;sup>12</sup> See: Ilkham Aliev's press conference in ITAR-TASS on 23 March, 2002, *Central Asian News* [http://www.centralasiannews.com/shtml/html/news.htm?new\_id=2548].

#### CENTRAL ASIA AND THE CAUCASUS

Russia is also prepared to take part in modernization and reconstruction of the metallurgical, energy and agro-industrial complexes of Azerbaijan and to help set up joint financial and banking structures within investment projects. Such projects include the reconstruction of the Baku underground; shipbuilding; restoration of the poultry industry; development of pharmaceutical and light industries; and joint ventures in agricultural products processing and the production of electrical devices. Under an agreement between the Azerbaijani State Marine Transport Company and a Russian shipbuilding enterprise on construction of four tankers to be used on the TRACECA marine stretches, Azerbaijan will soon receive the first of such vessels.<sup>13</sup>

In fact, the closer economic and trade contacts mean that Russia is determined to extend its economic presence in Azerbaijan in order to preserve or even strengthen its strategic influence in the Southern Caucasus.

## **Migration**

As in other former Soviet republics, migration in Azerbaijan was spurred on by the ethnic conflicts that had flared up in Soviet times and the post-Soviet period.

According to different Russian sources, there are at least 2.5 million Azeris living in Russia today. In the past four years the Administration of Internal Affairs in Moscow registered 800,000 people from Azerbaijan; and about 400,000 Azeris live in St. Petersburg. Our compatriots can be found in other Russian regions as well. There are nearly 17,000 in the Irkutsk Region, about 60,000 in the Krasnoyarsk Territory, 50,000 in Volgograd, about 30,000 in the city of Sverdlovsk, and 30,000 in the Tver Region.

Migration is caused by several factors: the lower living standards in the republic after it switched to a market economy; the social and economic problems, which created a wide property gap between different social groups; the loss of about 20 percent of its territory and over 300,000 jobs it provided as a result of the Karabakh conflict; the 1 million refugees and forced migrants in the republic, while the mainly agricultural regions and those connected with the agro-industrial complex are in an appalling social and economic state. Unemployment adds tension: "It is one of the major migration-inducing factors. In 2001 the able-bodied population of Azerbaijan (both employed and unemployed) was 3,752,500 strong, or 47 percent of the total population. Since 1990 the number of people employed in the public sector has been dropping dramatically: in 2001 only 32.4 percent of the gainfully employed remained in the public sector. Industrial decline changed the structure of employment by branches; the share of industrial workers dropped from 9.8 percent in 1995 to 7 percent in 2000, while the share of employed in trade and services increased."<sup>14</sup>

Money that Azeris working in Russia transfer to their families back home (about \$5 billion every year) is another important factor.<sup>15</sup> The money supports a huge number of unemployed or poor relatives and eases sociopolitical tension.

For many reasons the majority of migrants are living and working in Russia illegally and have to bribe the local policemen. Hypothetically, all our citizens now working in Russia are a weighty factor that Russia can use to put pressure on Azerbaijan. We can easily imagine the effect produced by the purposeful use of them during elections in Azerbaijan or by deportation of at least half of them. This may destabilize the situation in our republic and produce a wave of crime and of political and social unrest of the most active, both politically and criminally, population groups. In fact, the larger part of our compatriots now working in Russia can be described as such. It is not easy to earn money abroad,

<sup>&</sup>lt;sup>13</sup> See: Central Asian News, 30 July, 2003 [http://www.centralasiannews.com/shtml/html/news.htm?new\_id=5349].

<sup>&</sup>lt;sup>14</sup> G. Alieva, Migratsia: kuda i radi chego edut azerbaijantsy? [http://www.caucasusjournalists.net/ItemPrint.asp?id=39].
<sup>15</sup> See: G. Alieva, op. cit; N. Suleymanov, "V SNG migratsia plokho sovmeshchaetsia s demokratiey," *Nezavisimaia gaze-ta*, 24 July, 2003.

and it is even harder to do this in a country plagued by its own (economic and other) problems and high crime rate.

The demographic crisis in Russia, in which the mortality rate is higher than the birth rate, belongs to the general context of the relations between the two countries. Russian analytical studies have shown that Azeris, as members of a particular ethnic group, assimilate with the Russian super-ethnos easier than others. In other words, these investigations demonstrated that the second generation of children of mixed Russian-Azeri marriages lose their Azerbaijani identity to a great extent.

The above shows that the "Azeri element" in Russia's demographic situation is very important. It helps the country overcome the population crisis without sacrificing its ethnic identity.

It seems that the recent tightening of migration control is aimed against Southeast Asian peoples who are actively penetrating Russia. It was discovered that these migrants practically never assimilate. On the contrary, they are more likely to assimilate members of other ethnic groups (Russian included) who find themselves in their midst. Indeed, China Towns are typical of places with more or less large Southeast Asian diasporas. More often than not those who live in them cannot speak the local language, which means that they do not intend to adapt to the local conditions and to blend with the autochthonous ethnos.

From this it follows that a total deportation of citizens of other countries (Azeris included) from Russia will, among other things, not only deprive their families and Russian policemen of their incomes, but also produce negative effects in Russia: a catastrophic shortage of manpower (it is migrants from the former Soviet republics who are engaged in minor and sometimes dirty but very much needed work), and a worsened demographic problem that might, in the distant future, deprive Russians of their own ethnic identity.

It seems that the above considerations help Baku to repeatedly convince Moscow not to introduce visas and not to tighten up measures with respect to Azeris. In other words, Russia "turns a blind eye" to violations of the law by people of Caucasian nationality and corruption in the law enforcement structures and allows South Caucasians to blend into the vast Russian landscape.

## Conclusion

Naturally enough, this article has not exhausted the entire range of relations between the two countries. I have touched on the key aspects of their bilateral relations that have recently been slowly but steadily improving. The process became even more pronounced after Vladimir Putin was elected president of Russia. Earlier, as prime minister, he signed a document called the Main Provisions for Developing Relations between Russia and the CIS Countries at the Present Stage, which discussed, among other things, how to ensure Russia's strategic interests in the Southern Caucasus. Obviously, the present Russian leadership treats the situation in our region as one of its priorities; it does its best to control the process and to return this strategically important zone to the sphere of its direct influence.

Azerbaijan is also making positive moves, signs of which became more obvious during Heydar Aliev's second term when he supported the idea of a direct dialog formulated by his Russian colleague.

The positive shifts testify that the sides are determined to restore stable and mutually advantageous relations. Russia looks at Azerbaijan as one of the key South Caucasian and Caspian states, while Azerbaijan recognizes that it should use more common sense when choosing its strategic allies.