

# **THE REPUBLIC OF AZERBAIJAN**

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## **COMPARATIVE ANALYSIS OF THE EU AND USA FOREIGN POLICY IN THE SOUTH CAUCASUS**

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### **ABSTRACT**

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## **GENERAL CHARACTERISTICS OF THE STUDY**

**Relevance and development of the topic.** The South Caucasus region is one of the strategically important regions of the world. Surrounded by such large countries as Iran, Turkey and Russia, the region provides Europe's safe and secure access to Asia. With the collapse of the USSR in 1991, when the republics of Azerbaijan, Georgia and Armenia gained independence, new gaps emerged as a result of power struggle in the political arena. In addition to resolving military conflicts in the early 1990s, one of the major goals of the region's republics was to ensure economic security in the newly formed states in a free economic environment and to establish healthy relations in an increasingly globalized world.

-The collapse of the bipolar world order and integration into a multipolar world led to the emergence of new independent states and geostrategically important regions in the world political arena. By the end of the twentieth century, political processes in the world changed the political situation in the South Caucasus as well, including it into the list of the world's active regions.

- In international literature, the South Caucasus is considered one of the unique heterogeneous regions in the world. Home to over 60 ethnic groups, this region brings together Muslim and non-Muslim ethnic groups.

-The interaction between the South Caucasus and world powers has entered a new phase when the countries of the region gained independence in 1991. The South Caucasus, which has been in the interest of the US political elite since then, has been seen by US as a region of strategic importance to prevent Russia's influence and to progressively ensure the European Union's (EU) energy security.

- The study of bilateral relations between the countries of global influence, including the United States, with the republics of the South Caucasus, is always relevant.

After the states of the South Caucasus region gained independence for the second time in 1991 in the twentieth century, George Bush Senior recognized the independence of each country,

opened embassies and signed the first bilateral documents. However, given the tense situation in the region in 1991-1992, establishing closer ties with the South Caucasus was subject to doubts. The United States has long viewed the region as an integral part of Middle East politics and considers the region in the context of weakening influence of Iran and Russia in the region.

Talking about the integration of the South Caucasus in international processes, it is necessary to specifically analyze the role of the EU in the region. Thus, in the foreign policy of the EU, which carries out humanitarian aid in the region, significant changes have taken place since 2009 due to the expansion of influence to the East to strengthen the independence of the countries of the region. In other words, relations between the EU and Azerbaijan, which initially began with financial support for the development of our country, later moved towards strategic cooperation in the energy and other spheres.

As an example, the signing of the “Partnership Priorities” between Azerbaijan and the EU in January 2019 indicates the development of relations on an upward trend. At the same time, the inclusion of new elements with regards to bilateral relations, such as ensuring energy efficiency and cooperation on climate change, provides for further widening of the partnership. The “Partnership Priorities” also reflect the provisions related to the Caspian Sea with its rich hydrocarbon reserves and the South Caucasus taking an important place on the energy map of Europe.

Evidently, all three South Caucasus republics have different foreign policies and different allies in the political arena. At the same time, each country has integrated into different international projects. However, the existence of unresolved conflicts in the region has created limitations for constructive dialogue. Analyzing the political processes that have taken place in the international arena over the past twenty seven years, it can be concluded that two super powers – USA and EU - were not interested enough in resolving frozen conflicts. At the same time, they are against any military conflict in the region as it threatens their security interests.

Azerbaijan's glorious victory in the 44-day Patriotic War has significantly changed the scenarios for the South Caucasus. The incumbent President Joe Biden, who ran for the US Democratic Party, and the obvious pressure from the Armenian diaspora on the Democrats do not promise positive changes for Azerbaijan amid the victory in the forty-four-day war<sup>1</sup>. President Ilham Aliyev's statement at the international conference "A New Look at the South Caucasus: Post-Conflict Development and Cooperation" with the participation of foreign experts on April 13: "*The war showed us clearly who is who*" - defined the position of other states towards Azerbaijan<sup>2</sup>.

Despite the external calls to develop relations in a different direction, the USA and EU began to widen their ties after the republics of the region gained independence. Different approaches have been observed in different periods of history in many spheres - political, economic, cultural, educational, etc. In general, the foreign policy of Western countries in the South Caucasus region has been analyzed by many scholars, political scientists and researchers. The role of the USA and EU in shaping the history of the modern world is of paramount importance. Studying and researching the policies of both world powers in the South Caucasus is important to properly analyze political processes, determine the balance of power in the region and identify future trends.

The USA and EU are world leaders in the economic, political, military, cultural and other fields, and have a decisive voice and influence in leading international organizations. The study of bilateral relations between the world influential countries and the republics of the South Caucasus is always relevant. Elimination of Armenia's military aggression against Azerbaijan has been one of the

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<sup>1</sup> The Armenia-Azerbaijan Crisis - Svante Cornell at Westminster Institute: [Electron resource] – April 25, 2021.

URL: <https://www.silkroadstudies.org/silkroadstudies-news/item/13395-the-armenia-azerbaijan-crisis-svante-cornell-at-westminster-institute.html>

<sup>2</sup> Ilham Aliyev took part in the international conference "A new look at the South Caucasus: Post-Conflict Development and Cooperation" held at ADA University: [Electronic resource] / Official website of the President of the Republic of Azerbaijan.- Baku, 2021. URL: <https://president.az/articles/51088>

priority issues in the development of relations with Western countries. In general, the late 20th - early 21st centuries are characterized by fundamental changes in the system of international relations. It is important to study and compare the policies of Western countries towards the South Caucasus region, which are directly influenced by these changes.

Scientific research used in this study can be divided into several sub-topics:

- research and analysis of Western authors;
- research of the the South Caucasus authors (mainly from Azerbaijan and Georgia);
- academic articles reflecting the position of Russian authors on the research topic.

In the process of research, the position of a neutral researcher was taken as a basis, historical-comparative analysis of the collected materials was carried out, and an objective assessment was made using the factor analysis method.

Topics related to the South Caucasus have been widely raised in the works of Azerbaijani researchers N.Mammadov, M.Gasimli, O.Afendiyev, E.Ismayilov and others. The monograph “Azerbaijan: Requirements of the Period of Globalization” analyzes the period of globalization after the collapse of the USSR and focuses on Azerbaijan's foreign policy strategy in the context of geopolitical realities, including the issues related to the foundation of statehood and social construction. M.Gasimli's book, based on the series “History of Diplomacy of the Republic of Azerbaijan” and consisting of two parts, covers a wide range of historical events that took place during 1991-2003.<sup>3</sup> N. Mammadov's work “Introduction to Geopolitics” is an important source for the study of modern political processes, and geopolitical and influence factors. R. Sevdimaliyev's scientific article called “Formation and Dynamics of European Union's South Caucasus policy” provides a detailed commentary on the development dynamics of the EU policy in the region after the collapse of the USSR. It has been noted that in the first stage, the EU

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3 Gasimli, M. History of Diplomacy of the Republic of Azerbaijan/M. Gasimli,- Baku; 2015

provided technical support to the countries of the South Caucasus, and laid the foundation for economic and political relations while further widening relations with the countries of the region<sup>4</sup>.

The Western authors who wrote on the subject are T. de Vaal, Ch. King, S. Cornell, A. Cohen, A. Cooley, B. Schaffer, S. Charap, S. Tolbot, L. Mitchell, A. Paul, F. Star and R. Suni. It should be noted that a number of authors have analyzed the topic from the perspective of US and EU foreign policy. In general, despite the existence of many studies done by foreign and Azerbaijani authors, there is an insufficient amount of research on the main directions of the US and EU policy in the South Caucasus, its peculiarities and the mechanisms of implementation.

Z. Brzezinski, H. Kissinger, A. Carter, S. Kortunova, P. Podlesny, A. Fenenko, N. Semin, A. Arbatova, V. Batyuk, F. Zakaria and G. Trofimenko wrote on the conceptual foundations of the US foreign policy and performed an extensive study of institutional factors. In his book "The Grand Chessboard" the well-known political scientist Z. Brzezinski emphasized the role of Azerbaijan in the South Caucasus in the context of Eurasian geostrategy. "Independent Azerbaijan is also an important hub to deliver energy resources from Central Asia to the West through Russia," he said, stressing the geostrategic importance of Azerbaijan<sup>5</sup>.

In their studies Russian authors such as S. Chernyavsky, A. Gushera, S. Markedonov, N. Miller, V. Panin, R. Usmanova, N. Silaev, G. Pashkovskaya, P. Ivanov, M. Makhnach and V. Zakharova analyzed various aspects of the US and EU strategy in the South Caucasus. It should be noted that Western authors are more unbiased in their approach to political processes in the world and in the post-Soviet space. On the contrary, many Russian researchers are noticed to be openly biased and highly prejudiced.

**Object and subject of the study.** The object is the foreign policy of the United States and the European Union in the South Caucasus, while the subject is the characteristics of the foreign policy

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4 Sevdimaliyev, R. Formation and Dynamics of European Union's South Caucasus policy/ R. Sevdimaliyev,- Baku;

5 Bjezinski, Z. The Grand Chessboard/ Z. Bjezinski,-USA; 1997.

of both world powers in the region, a comparative analysis of development trends and the influence of external factors.

**Purpose and objectives of the study.** The main purpose of the research is to study the policy strategy of the United States and the EU in the South Caucasus after the collapse of the USSR, the dynamics of mutual relations and a comparative analysis of US and EU foreign policy in the region.

In order to achieve the set goal, the tasks were identified and implemented as follows.

- To analyze the historical development of the US foreign policy course in the South Caucasus and its fundamental principles;
- To study the main priorities of the US government's policy in the South Caucasus and its geostrategic interests;
- To characterize the main provisions of development assistance programs in the US assistance policy to the South Caucasus;
- EU-South Caucasus: to study the process of formation of diplomatic relations in the bilateral format in the first years of independence, the main directions of the political course and development trends;
- To study the relations of regional powers with the countries of the South Caucasus in a bilateral format;
- To analyze the political course of global powers in Azerbaijan;
- Identify the similarities and differences between the US and the EU by identifying key components of South Caucasus policy.

**Research methods.** Methods included comparative analysis of historical events with a content analytical approach. At the same time, the methodology was based on the practices adopted in the field of political science, accepted history of international relations, synthesis, analysis, comparative and systematic political analysis, inductive and deductive reasoning, content analysis, as well as expert evaluation of modern methods of political analysis and the outcomes of surveys.

**Main arguments for the dissertation defense:**

-The implementation of the EU and US foreign policy strategy is one of the key indicators of the process of power and influence in the changing world system.



- The influence of external factors, the expert community and lobby groups on the formation of US foreign policy shapes the attitude to the South Caucasus region;
- The position of global powers against Azerbaijan is demonstrated in the context of new geopolitical realities;
- According to the paradigm of Thomas Caroter, there are two forms of pro-democracy policy: political and development. The first approach is through direct assistance to political actors themselves, political parties or politically oriented NGOs. In the second approach, the factor of developing the state's economy is confronted with the focus on governance reforms, which ultimately leads to the conclusion that the former is important.

**The scientific novelty of the research:**

- Identify and compare the main directions of EU and US policy in the South Caucasus.
- One of the main differences in the foreign policy of the European Union and the United States in the South Caucasus is the different approaches to democracy. According to the paradigm of Thomas Caroter, a well-known international expert on US foreign policy, pro-democracy policies take two forms: political and developmental. As a result of the research, it was determined that US policy in the region was more politically inclined, while EU policy was more politically inclined.
- The EU is starting to appear relatively late in the region compared to the United States. (The reason was the process of defining the internal structure of the EU. In the 1990s, the EU consisted of only 12 member states. After the entry into force of the Maastricht Agreement in 1993, it became clear that it was pursuing a policy based on a clearer strategy for the South Caucasus region).
- Analysis of the political course of the United States and the European Union on Azerbaijan in comparison with other countries of the South Caucasus
- The existence of internal structural differences between the EU and the United States is considered a factor that directly affects the formation of foreign policy strategies.

### **Theoretical and practical significance of the research.**

Appropriate for use by specialists, international and local experts studying the South Caucasus region. Based on the actual results obtained, it is possible to conduct new research on the topic and write scientific and analytical articles. At the same time, the documents and research materials can be used by experts and specialists in the region to exchange views on future prospects and trends in the development of US and EU relations with the South Caucasus republics.

**Approbation and application.** The dissertation work was carried out in the Philosophy of Modern Policy department of the Institute of Philosophy of the Azerbaijan National Academy of Sciences. The content and basic provisions of the work were discussed by the author at scientific and practical conferences held on international and republican level, with 8 articles and thesis, two of which were published abroad.

### **Institution where dissertation was carried out:**

Philosophy of Modern Policy department of the Institute of Philosophy of the Azerbaijan National Academy of Sciences.

### **The size of the structural elements of dissertation separately, and total size with characters:**

The research consists of "Introduction", three chapters, seven sub-chapters, "Conclusion" and a list of references. The introduction consists of 140 pages (277,124 symbols) with 178 references, including 18,305 symbols, Chapter I-77,669, Chapter II-63,090, Chapter III-61,104, Conclusion-24,482 symbols.

## **MAIN CONTENT**

The Introduction highlights the relevance of the topic, purpose and objectives of the study, and its practical and scientific significance. The Conclusion provides a summary and analysis of the results obtained. The first chapter of the dissertation, entitled “**Historical development and fundamental principles of the US foreign policy in the South Caucasus**”, consists of three sub-

chapters. The first sub-chapter describes the course of the US policy in the South Caucasus after the collapse of the USSR and is entitled **“Formation of US policy in the South Caucasus in the context of the collapse of the USSR”**. Following the independence of the South Caucasus states in 1991 for the second time in the twentieth century, George Bush Senior recognized the independence of each country, opened embassies, and signed the first bilateral documents. Given the tense situation in the region in 1991-1992, doubts arose about establishing closer ties with the South Caucasus<sup>6</sup>. However, during the administration of former President Bill Clinton, a global foreign policy strategy for the region was developed and close relations were established with the former Soviet republics.

In general, after the end of the Cold War, US policy in the South Caucasus has gone through several stages. In the early 1990s, the US foreign policy strategy in the post-Soviet space was focused mainly on Russia. According to the “Russia first” doctrine, aimed at the democratization of the post-Soviet space, it was advisable to start integration with the West first with Russia, the country that would serve as an example for the emerging independent states. However, worsening of the relations with Russia and the growing interest of US companies in the region's energy resources prompted Washington in 1994-1995 to change the “Russia first” political strategy<sup>7</sup>.

Since then, the United States began to develop relations with each of the newly independent republics of the former USSR. In the early 1990s, the United States, in addition to supporting the independence and sovereignty of the South Caucasus republics to prevent the restoration of the Soviet Union, provided humanitarian assistance to countries in difficult economic situations and sought closer ties with the region. The Freedom Support Act passed by the US Congress (*the law systematizing financial, technical, etc., assistance projects to develop democracy and open market*

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6 Presidential Library / Restoration and Preservation of State Independence - Baku, - 2016.

<sup>7</sup> Rowl, E., Robert, N. A. Cold Eye on Russia: [Electronic resource] / March 28, 2019. URL: <https://www.washingtonpost.com/archive/opinions/1994/03/28/a-cold-eye-on-russia/adbae65b-1a77-497b-bd94->

*economies in the post-Soviet republics*) was the beginning of the financial aid process. Under this act, adopted in 1992, the former Soviet republics received assistance through state, non-governmental and private companies. However, the efforts of the Armenian lobby in the United States led to addition of the Section 907 to the Freedom Support Act. This Section against Azerbaijan bans any kind of humanitarian aid to Azerbaijan. In general, the strengthening of independence was seen as a vehicle to reduce Russia's influence and limit its power in the region.

Poor situation in the South Caucasus after the collapse of the Soviet economy in the early 1990s and ongoing conflicts in the region have also put the oil and gas industry in a difficult position. As a result of Armenia's military aggression on Azerbaijani lands, it lost 20% of Azerbaijan's territory and had to shelter about 1 million refugees and internally displaced persons (IDPs).<sup>8</sup> As a result of the pragmatic policy pursued by the national leader Heydar Aliyev in such a difficult period, political stability was restored in the country and the foundation for future economic development was laid. The second sub-chapter, entitled “**Key Priorities of the US Government's Policy in the South Caucasus and Its Geostrategic Interests**”, examines US policy in the South Caucasus over the past 30 years in the context of world political events and different approaches to global politics.

Former President Carter's adviser, well-known scientist Zbigniew Brzezinski, emphasized the role of Azerbaijan calling it one of the most important strategic countries in Eurasia. With the election of George Bush as President of the United States in 2001, the foreign policy changed its focus from the economic factors in the region to geostrategic ones. As we have noted, as a result of the terrorist attacks in the United States on September 11, 2001, the new administration focused more on the strategic importance of the region than on energy projects. In response to the terrorist attack, US forces

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<sup>8</sup>Soltanov, E. Energy policy of Azerbaijan and State sovereignty: Balancing between North and South towards West/E. Soltanov, - Baku; 2012. – p. 81

jointly with NATO launched a military operation in Afghanistan<sup>9</sup>. On December 14, 2001, US Secretary of Defense Donald Rumsfeld visited Baku. As a result of the negotiations, Azerbaijan allowed the use of its airspace to fight against terrorism. A year later, in 2002, the US government froze the Section 907 of the Freedom Support Act for one year. This process has now been repeated every year. Despite the efforts undertaken by the administrations of Bill Clinton and George Bush to resolve regional conflicts in the South Caucasus, the aggression of Armenia against Azerbaijani lands conflict over Karabakh, which dates back to the Soviet era, couldn't resolved by peaceful means.

In general, it should be noted that the United States had a consistent and effective foreign policy strategy in the South Caucasus during 1990-2000<sup>10</sup>. For example, the United States has been able to establish political, economic and diplomatic relations with the countries of the South Caucasus in a short period of time by pursuing a sustainable and consistent foreign policy strategy with the region, with which it had no previous ties or experience. Although the regional policy to fight against terrorism has been strengthened during the George Bush's administration, it has not changed structurally. Of course, it is difficult to explain the effectiveness of a country's foreign policy, since it is impossible to fully define goals set within the framework of its foreign policy strategy.

And although until 2000 the US foreign policy strategy was based both on geopolitical influence in the region, with which the US had no ties before the collapse of the USSR, and on the establishment of political, economic and diplomatic ties and prevention of dependence on Russia, it is worth noting that the policy implemented

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<sup>9</sup> Coffey, L. US – Azerbaijan Relations: Challenges and Perspectives: [Electronic resource] /August 28, 2017.  
URL: <http://www.caspianpolicy.org/news/us-azerbaijan-relations-challenges-and-perspectives/>

<sup>10</sup> Bluth, C. US foreign policy in the Caucasus and Central Asia. – London: I.B. Tauris, - 2014. - 288 p.

by presidents George Bush and Bill Clinton was successful<sup>11</sup>. Although US interests in the region have changed over time, the following political strategies generally prevailed: view Russia and Iran as a source of danger; fight terrorism; see the region as a gateway to Central Asia; use the region as an alternative market; participate in projects related to oil and gas fields, benefit from the rich natural resources of the region; ensure the export of the region's hydrocarbon resources to foreign markets, as well as diversify export routes to eliminate dependence on neighboring countries.

Three factors - democracy, human rights, security and energy – have been main US interests in the South Caucasus. However, over the past 30 years, due to changes of presidential administrations, political priorities have also changed. During the Clinton administration, interest in the region's energy resources prevailed. “The Contract of the Century” was signed to bring the energy resources of the Caspian Basin to Western markets. This Contract, signed on the initiative of national leader Heydar Aliyev, laid the foundation for a new era in improving the welfare of the Azerbaijani people. After the terrorist attack, the foreign policy of the George Bush administration focused more on security issues. Under the Barack Obama and Donald Trump administrations, US interest in the region has declined.

However, against the background of the ongoing political processes, the growing interest of the US President Joe Biden's administration in the region can be especially noted. The congratulatory letter of the President of the United States to the President of the Republic of Azerbaijan Ilham Aliyev reads: “It is the 30th anniversary of diplomatic relations between the United States and Azerbaijan. As we mark this anniversary, my administration will continue to support democracy, peace and progress in the South Caucasus. We will also work with Azerbaijan to address common security concerns, promote regional reconciliation and explore new opportunities for economic cooperation.”

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<sup>11</sup> Zarifian, J. U.S. Foreign Policy in the 1990s and 2000s, and the Case of the South Caucasus (Armenia, Azerbaijan, Georgia) // OpenEdition Journals, - 2015, - p. 14.

The third sub-chapter entitled “**US Policy in the South Caucasus: Development Assistance Programs**” Since the independence of the South Caucasus republics, Georgia has received the most assistance from the US State Department. From 1992 to 2016, the United States Agency for International Development (USAID) provided \$ 1.5 billion in assistance to Georgia, \$ 1.3 billion to Azerbaijan, and \$ 1 billion to Armenia. USAID assistance programs contributed to the development of the agricultural sector, increased economic opportunities, and strengthened civil society. Since 1991, USAID has spent more than \$ 417 million on economic and democratic reforms, humanitarian assistance, and health care in Azerbaijan.<sup>12</sup>

During Barack Obama's presidency, US foreign policy was clearly observed to be more focused on Southeast Asia and some important issues, with gradual suspension of many programs implementation and cooperation with Azerbaijan, Georgia and Armenia. Relations between Russia and the United States became most tense when Barack Obama came to power in January 2009<sup>13</sup>.

For the first time since the Cold War the conflict between Russia and Georgia has strained US-Russian relations. Thus, the main direction of the US foreign policy was the Reset policy against Russia pursued by Barack Obama. In an interview with Foreign Policy magazine, James Miller, US Under Secretary of Defense for Policy, stated that they had achieved Russian support on two important issues as a result of the Reset policy: opening roads for military supplies to Afghanistan and the imposition of heavy economic sanctions against Iran. However, the normalization of bilateral relations did not last long<sup>14</sup>.

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<sup>12</sup> About Azerbaijan: [Electronic resource]-January 24, 2022.

<https://www.usaid.gov/az/azerbaijan>

<sup>13</sup> Cohen, A. Time to Revise Obama’s Russian “Reset” Policy: [Electronic resource] - October 26, 2010. URL:<https://www.heritage.org/europe/report/time-revise-obamas-russian-reset-policy>

<sup>14</sup> Cohen, A. News Flash for the Pentagon: U.S.–Russian “Reset” Failed: [Electronic resource] / September 20, 2012.

URL: <https://www.dailysignal.com/2012/09/20/news-flash-for-the-pentagon-u-s-russian-reset-failed/>

Until 2008, the US strategy on the South Caucasus was developing in a positive direction. However, the events of August 2008 in the South Caucasus, and then the measures taken to normalize Turkish-Armenian relations negatively affected the image of the US in region<sup>15</sup>. It should be noted that since 2010, given Russia's high ambitions in the region, the United States has been maintaining its positions in the South Caucasus. Although the relations between USA and Azerbaijan have slightly improved, the pro-Armenian stance of the Obama administration and the election of pro-Russian Ivanishvili as prime minister in Georgia could be seen as a period of weakening of the US interest in the South Caucasus.<sup>16</sup>

At present, relations between the United States and Azerbaijan are developing successfully in many areas. Over the past 30 years, the parties have established partnership in the fields of economy, energy and security. The United States is a loyal partner in maintaining stability and prosperity in the region.

Chapter II of the dissertation, entitled **“EU Policy in the South Caucasus: Historical Aspects, Main Directions and Development Trends”**, consists of two sub-chapters. The first sub-chapter, entitled **“EU-South Caucasus: Formation of diplomatic relations in bilateral format in the first years since independence”**, covers the formation of EU policy in the South Caucasus. Following the 1992 Maastricht Treaty, the republics of the South Caucasus became part of the EU's broader interests. In the mid-1990s, the EU consisted of only 12 member states. During that period, the relations were mainly aimed at providing assistance to the region through various programs, infrastructure development, support for the transition to a free market economy, and other directions. The EU was one of the main donors providing technical and humanitarian assistance to the South Caucasus republics during

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<sup>15</sup> Nixey, J. The South Caucasus: drama on three stages. – London: Chatham House, - 2010. – 142 p.

<sup>16</sup> Raufoglu, A. Analysis. What is the status of Azerbaijan-USA relations?: [Electronic resource] / BBC Azerbaijan. – Baku, 2012.

URL:[https://www.bbc.com/azeri/azerbaijan/2012/01/120130\\_us\\_azerbaijan\\_relations\\_2012](https://www.bbc.com/azeri/azerbaijan/2012/01/120130_us_azerbaijan_relations_2012)



the transition period. Later, the EU focused mainly on institutional reforms<sup>17</sup>. The first contacts between the countries of the region and the EU were established in 1991 under the TACIS (Technical Assistance for the Commonwealth of Independent States) program. The legal basis of the relationship was established by the Partnership and Cooperation Agreement (PCA) signed in 1996 and entered into force in 1999. The content of this agreement was almost identical to the document submitted for the Central Asian countries.

Relations between the EU and the South Caucasus have focused mainly on the areas of energy, transport and security. The European Neighborhood Policy (ENP) agreement was signed with the South Caucasus republics in 2004<sup>18</sup>. The Eastern Partnership (EaP) Agreement signed in 2009 marked the next stage in the development of relations. The involvement of the countries of the region in various programs initiated by the EU could be considered as an important factor in integration of these countries into Europe. At the summit held in 2015 on the basis of the EaP, it was agreed to establish cooperation in four priority areas - a stronger economy, governance, society and international relations. It should be noted that the Eastern Partnership (EaP) was established under the European Neighborhood Policy (ENP) program as a special eastern dimension containing multilateral cooperation track. The framework for relations between the EU and the six countries, members of Eastern Partnership, is governed by bilateral agreements such as the Association Agreement, the Association Agenda and the Partnership Priorities.

The Association Agreements signed between the EU and Georgia, Ukraine and Moldova in 2014, as well as the Deep and Comprehensive Free Trade Area Agreements, have raised bilateral relations to a new level. Between 2014 and 2017 the partner

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<sup>17</sup> Paul, A. The EU and the South Caucasus 25 Years Since Independence: [Electronic resource] / October 25, 2016.  
URL:<https://eu.boell.org/en/2016/11/25/eu-and-south-caucasus-25-years-independence>

<sup>18</sup> Lehne, S. Time to Reset the European Neighborhood Policy: [Electronic resource] / February 3, 2014.  
URL:[https://carnegieendowment.org/files/time\\_reset\\_enp.pdf](https://carnegieendowment.org/files/time_reset_enp.pdf)

countries received 2.8 billion euros of financial support from the EU. In general, the issues of stability, security, democracy, human rights, and energy security in the South Caucasus region can be highlighted as priorities of the EU's foreign policy in the region. By supporting the development of various spheres in the region, the EU is also working to prevent illegal immigration from the region to European countries<sup>19</sup>. According to a 2007 poll, 62% of EU citizens believe that close cooperation with neighboring countries prevents illegal immigration. 67% of the population believe that maintaining stability in the region is a guarantee of security in Europe. The highest trade turnover of the South Caucasus republics is mainly between the EU and Russia<sup>20</sup>. However, after Russia imposed an embargo on Georgia in 2006, the country began to diversify trade to increase exports. Trade relations between Russia and Georgia were restored in 2012. About 32.6% of Georgia's trade turnover falls on the EU, 17.2% - on Turkey and 8.1% - on Russia. Georgia's membership in the Association Agreement has boosted trade turnover. From 2014 to 2015, Georgia's exports to the EU increased by 12.5% from 660 million euros to 742 million euros. EU exports to Georgia have relatively declined. Russia's separatist position in South Ossetia and Abkhazia, as well as the 2008 Russia-Georgia war, have further clarified Georgia's pro-European policy. In general, the EU supports Georgia's reform agenda through financial and technical cooperation.

Azerbaijan provides 5% of the EU's energy security and plays an important role in bringing Caspian energy resources to European markets through the Southern Gas Corridor. Its rich energy resources make Azerbaijan the only country in the region that has a positive trade balance with the EU<sup>21</sup>. Azerbaijan is an important energy

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<sup>19</sup> Sevdimaliyev, R. Formation and Dynamics of European Union's Southern Caucasus Policy. Contemporary Azerbaijan in Social and Political Dimension. – Baku, – 2016. - 114 p.

<sup>20</sup> European Union, Trade with Georgia Trade flows by HS section: [Electronic resource]/ January 31, 2018.

URL: <http://ec.europa.eu/trade/policy/countries-and-regions/countries/georgia/>

<sup>21</sup> Rogin, J. Inside the other Georgian lobbying effort in Washington:[Electronic book]/January 30, 2012.

partner of Europe: the Southern Gas Corridor project signed between the parties involves seven countries and 11 companies and is one of the most ambitious projects in the world's oil and gas industry. Under the project, natural gas from the Shah Deniz field will be transported to Turkey via the Trans-Anatolian Pipeline (TANAP) and to Italy via the Trans-Adriatic Pipeline (TAP) that will cross Greece and Albania. The giant Shah Deniz 2 field in the Azerbaijani sector of the Caspian Sea is projected to export 10 billion cubic meters of natural gas a year to the European market by 2020, and then an additional 6 billion cubic meters a year to Turkey<sup>22</sup>.

The priority areas for 2014-2017 were the development of regions and rural areas, economic diversification, support for efforts to promote balanced and sustainable development, reforms of the judicial sector, identification of alternative methods of conflict resolution, legal aid, provision of free access to judicial system, support for anti-corruption measures, development of education, improvement of relevant vocational and higher education quality, etc., based on EU standards and experience. The second sub-chapter, entitled The supply of Azerbaijani natural gas to Turkey via the TANAP pipeline in 2018 and to Europe via the TAP project in 2020 has started.

**“The main outlines of the EU's policy in the South Caucasus in modern times: the resolution of existing conflicts in the region and the implementation of joint cooperation projects”** covers the dynamics of relations in present times. In 2013, it became clear once again that each state in the South Caucasus has its own approach to EU regional policy. For example, Azerbaijan refused to sign the EU-proposed Association Agreement and offered to sign a Strategic Partnership Agreement, which largely ensures bilateral relations with the EU. Despite three years of negotiations on the

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URL: <http://foreignpolicy.com/2012/01/30/inside-the-other-georgian-lobbying-effort-in-washington/>

<sup>22</sup> Shah Deniz major sales agreements with European gas purchasers concluded: [Electronic resource] / September 13, 2013.

URL: [https://www.bp.com/en\\_az/caspian/operations/projects/Shahdeniz/SouthernCorridor.html](https://www.bp.com/en_az/caspian/operations/projects/Shahdeniz/SouthernCorridor.html)

Association Agreement with the EU and the Deep and Comprehensive Free Trade Area (DCFTA), Armenia, as a result of political and economic pressure from Russia, ultimately refused to sign the Association Agreement and became a member of the Eurasian Economic Union<sup>23</sup>. However, due to the tense economic situation in the country, Armenia resumed negotiations with the EU in June 2017 and signed the Comprehensive and Enhanced Partnership Agreement (CEPA) with the EU on November 25. Obviously, Russia reacted ambiguously to this decision. Among the South Caucasus states, Georgia is the most integrated to Europe<sup>24</sup>. The signing of the Association Agreement with the EU and the DCFTA was welcomed in Georgia, and the Agreement entered into force in 2016. In 2015, Azerbaijan submitted to the EU a draft of the Strategic Partnership Agreement with the updated legal framework for bilateral relations. This agreement will replace the PCA signed in 1996. Azerbaijani Ambassador to the EU Fuad Isgandarov said: “We see our future relations as strategic, forward-looking and equal”. Over the past 30 years, relations between Azerbaijan and the EU have not always developed in a positive and stable direction. One of the main directions and priorities of Azerbaijan's foreign policy strategy was the resolution of Karabakh conflict between Armenia and Azerbaijan within the framework of the country's territorial integrity. In 1994 The Minsk Group co-chairs mechanism was created at the OSCE Budapest Summit. The United States, Russia and France, as co-chairs of the Group, were to support the resolution of the Karabakh conflict. The five-day war between Russia and Georgia in 2008 changed the political situation in the South Caucasus. In connection with the events in Ukraine in 2014, sanctions were imposed on Russia. But no sanctions were applied to Armenia as an aggressor country in the Karabakh conflict. Of course,

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<sup>23</sup> Wallander, C. Russian-US Relations in the US Relations in the Post Post-Cold War. – Harvard University: PONARS Policy Memo 70, - 1999. - 6 p.

<sup>24</sup> Paul, A. The EU and the South Caucasus 25 Years Since Independence: [Electronic resource] / October 25, 2016.

URL:<https://eu.boell.org/en/2016/11/25/eu-and-south-caucasus-25-years-independence>

by imposing sanctions it was hard to achieve an early resolution of the conflict, but pressure on Armenia as an aggressor could speed up the resolution of this issue. Europe has already seen in the case of Azerbaijan that one and the same policy cannot be applied to all countries.

Chapter III, entitled **“Similarities and Differences Between US and European Union Policies in the South Caucasus,”** is divided into two sub-chapters. The first sub-chapter, entitled **“Bilateral Relations of World and Regional Powers with the South Caucasus,”** covers the foreign policy of such major powers as Russia, Iran and Turkey in the South Caucasus. Iran was very cautious about the collapse of the USSR and called on the republics of the South Caucasus not to rush to declare independence. Based on mutual interests, Iran is developing relations with Azerbaijan and Armenia more than with Georgia. However, if the Iranian-Armenian relations in 1992-1993 developed in a positive direction, relations with Azerbaijan became tense. The tension arose as a result of the strategic choice of Iran and the policy of the former President of Azerbaijan A. Elchibay. Tensions between Iran and USA and between Iran and Israel have also affected Iran-Azerbaijan relations. In 2013, representatives of the Presidential Administration, and later, Allahshukur Pashazadeh, the head of the Caucasian Muslims Office, paid a visit to Iran to defuse tensions between the two countries. These visits and resulting talks led to stabilization of the relations between two countries.

It should be noted that Iran was developing relations with Armenia at the time when Armenia occupied Azerbaijani lands. Currently, the two countries continue to cooperate in many areas, including natural gas, electric energy centers and others. Due to Georgia's close ties with the United States, Iran does not cooperate with this country in areas it considers important<sup>25</sup>. The term “near abroad” first used by Russian Foreign Minister Kozyrev in his 1992 article was then used in a 1993 speech by Russian President Boris

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<sup>25</sup> Aslanli, A. The Caucasus in global politics: 22 years ago and now: [Elektronik resource]/ The Caucasus Center for Strategic and International Studies. - Baku, 2013. URL: <http://www.qafsam.org/page/469/az>

Yeltsin. The idea that “Russia will be more active in protecting its citizens living near abroad” soon became significant on the official level.

“Near abroad” also meant the economic and military unification of the former Soviet republics within the federation. Until the mid-1990s, Russia sought to regain its former position, taking advantage of the lack of US participation in the processes taking place in the region. In 1993, Yeltsin appealed to the UN for the Russian army to step in the conflicts in the former Soviet republics as a “peacekeeping force.” Later, the new foreign policy doctrine was approved by the President and came into force.

After the attack on parliament in 1993, Russia, resolving its internal problems, began to strengthen its positions in the region. However, after the mid-1990s the increase of US positions in the region led to the beginning of a confrontation between Russia and the US<sup>26</sup>. 20 percent of Azerbaijani lands were under occupation until 2020, and the return of these lands was impossible without the of Russia’s consent. For this reason, while developing relations with the West in the energy, military, cultural and political spheres, Azerbaijan does not neglect relations with Russia. Since 2010, relations with Russia in the humanitarian sphere have been developing, and special attention was paid to this area<sup>27</sup>. During his visit to Azerbaijan, Russian President Vladimir Putin especially noted the respect for the Russian language shown in the country.

The five-day war between Russia and Georgia in 2008 seriously affected the image of the West in the region. After this incident, Azerbaijan's expectations of the West’s involvement in the resolution of the Karabakh conflict began to diminish. A priority factor in Russia's policy in the South Caucasus is to defend its claims

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<sup>26</sup> Joint Statement of the U.S.- Georgia Strategic Partnership Commission Defense and Security Cooperation Working Group: [Electronic resource]/September 12, 2017.

URL: <https://www.state.gov/r/pa/prs/ps/2017/09/274008.htm>

<sup>27</sup> Markedonov, S. Returning to signed. “Medvedev – Sarkozy plan»: seven years later: [Electronic resource] /11 August, 2015.

URL: <http://www.kavkazoved.info/news/2015/08/11/vozvrashchajas-k-podpisannomu-plan-medvedeva-sarkozi-sem-let-spustya.html>

to be a global super power through control over the region<sup>28</sup>. At the same time, Russian policy in the South Caucasus can be characterized as follows: to keep away from its borders the states that attempt to enter Russian territory through Turkey and Iran; to reduce concerns about territorial integrity by limiting the claims of ethnic groups in the North Caucasus to secession; to restrict the access of the region's countries to world markets to preserve the dependence of buyers of natural resources on Russia. The second sub-chapter, entitled **“US and EU common foreign policy priorities and implementation: similarities and differences,”** highlights similar and different trends in the policy of both world powers in the region. When analyzing the foreign policy of the US and EU, first of all, it is necessary to consider structural differences in the internal management systems of these two institutions. While in the US, along with the Department of State, Congress is actively involved in foreign policy decision-making, the differences between Brussels and other member states in shaping the EU's foreign policy strategy limit the application of a common foreign policy model.

One of the main differences in the foreign policy of the EU and the US in the South Caucasus is their approach to democracy development directions. According to the paradigm of Thomas Carothers, the vice president for studies at the Carnegie Endowment for International Peace and a renowned international expert on US foreign policy, democracy assistance has two forms: political and developmental. The first form aims directly at political actors, political parties and politically oriented NGOs<sup>29</sup>. The developmental approach implies indirect democracy assistance. The main difference between the political and the developmental approach is that the main purpose of promoting social and economic development is not to integrate them with the democracy support process, but to evaluate them as two different concepts.

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<sup>28</sup> Cornell, S. Russia and the unresolved Conflicts in Eurasia // Caucasus International, - 2011, vol 1, (2).

<sup>29</sup> Carothers, T. Democracy Assistance: Political vs. Developmental? // Journal of Democracy, - 2009, (1), - p. 5-14.

At the same time, the developmental approach aims at development of the state's economy and governance reforms, and when comparing these two, the economy development is concluded to be important. US foreign policy tends to be oriented more on the developmental approach, and other aspects of its foreign policy are based on factors arising from this approach. The vivid example of the American approach to development in Azerbaijan is the implementation of the energy projects in our country.

Today, given the current realities, both the US and EU can renew or improve their relations with the countries of the region applying individual approach to each country. A careful consideration should be given to the development of relations and rhetoric with Azerbaijan, who won the Forty-Four-Day War that changed the political map of the region. However, the use of the term “Armenian genocide” by Joe Biden is contrary to the interests and historical realities of Azerbaijan and Turkey, its main ally in the region. If to consider Azerbaijan as a “gateway” to Eurasia, the weakening of US focus on the region was not in line with the new geographic and geopolitical order and strategic interests. This diversion of attention meant the US distancing from the region, the loss of its influence, and as a result, the strengthening of Russia, China and Iran in the region, because Azerbaijan and the South Caucasus region as a whole are a key part of the expanding Silk Road and the Eurasian corridor. In addition, the deterioration of US relations with Azerbaijan is not in line with the US National Defense Strategy adopted in 2018. Interstate strategic competition, not terrorism, is now the primary concern in U.S. national security, with China and Russia being assessed as a threat to the prosperity and development of the United States<sup>30</sup>.

It is more expedient to continue EU-Azerbaijan relations against the backdrop of the Forty-Four Day War from rational rather than emotional standpoint. The President's speech at the conference

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<sup>30</sup> Summary of the National Defense Strategy: Sharpening the American Military's Competitive Edge: [Electronic resource] / U.S Department of Defense – April 25, 2021.

URL:file:///C:/Users/Hp/Desktop/Dissertasiyan%C4%B1n\_t%C9%99rtib\_qaydas%C4%B11.pdf



on April 13 is a positive signal for the development of relations with the EU. Given the cultural, political, economic and educational ties and the EU's emphasis on "human to human contact", the EU and Azerbaijan should focus on expanding ties rather than scaling them down. It is possible to get closer to this goal by increasing the number of European partner countries, such as Italy, who did not remain neutral during the September 27 hostilities, but directly supported Azerbaijan. Important tasks ahead include training influential diplomats, experts and journalists who will further strengthen our ties with EU leaders.

The EU, in turn, is interested in maintaining relations with Azerbaijan through energy projects. EU officials, who have always viewed Russia as a threat to energy security, have repeatedly stated that they see Azerbaijan as a secure source of energy for Europe. In addition, given the participation of European companies in the restoration and reconstruction of the liberated territories of Azerbaijan, relations are expected to rise.

**Main provisions of the dissertation were highlighted in the author's following articles and talking points:**

1. Azerbaijan – European Union relations in the last 25 years // - Baku: Eurasia University Scientific-Theoretical Journal "Civilization", - 2017. №1,- p. 333.
2. US policy in the South Caucasus: the role of lobby organizations in policy making // - Baku: Baku State University journal "History and its challenges" -2018. №1,- p. 376.
3. Similarities and differences between the foreign policy of the US and EU in the South Caucasus // - Baku: Eurasian University Scientific-Theoretical Journal "Civilization", - 2018. №2,- pp. 88-95.
4. South Caucasus: From Collectivism to Individualism in the Framework Changing Global Determinants// Visnyk of the Lviv University,- 2018, Issue 17, - pp. 167-173.
5. The main outlines of the EU policy in the South Caucasus: implementation of joint cooperation projects // - Baku: “Problems of modern politics and ethics”, Collection of scientific articles of the Institute of Philosophy of Azerbaijan National Academy of Sciences, -2018. pp.168-174.
6. The role of Azerbaijan in the energy security of Europe // 1st International Scientific Conference of Young Researchers. Baku, Azerbaijan, - 2017, - pp. 483-484.
7. EU-Georgia relations: mutual cooperation and expectations // International scientific-practical conference of young researchers. Baku, Azerbaijan, - 2018, - pp. 342-348.
8. The U.S. and the South Caucasus: Impossible Disengagement ”// IV Paris International Conference on Social Sciences. Paris, France, - 2020.

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