

## ISRAEL IN THE SOUTHERN CAUCASUS: POLITICAL ASPECTS

DOI: <https://doi.org/10.37178/ca-c.20.2.04>

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### ABSTRACT

**F**or obvious reasons, Israel's policy in the Southern Caucasus is a post-Soviet phenomenon, at the first stage of which Israel was building up a favorable geopolitical environment in the region far removed from its borders. It was no rival for

the main actors involved in geopolitical contention in this part of the former Soviet Union.

At the same time, Israel's interests were not limited to purely economic issues and the agenda of its exporter companies. Its geopolitical struggle against Iran and complicated relations with Turkey, which claimed a dominant position in the Southern Caucasus, forced Israel to rely on the steadily expanding range of its foreign policy instruments in the region.

Israel identified the support of potential Jewish émigrés to Israel as its main task in the post-Soviet Southern Caucasus. In the first years after the disintegration of the U.S.S.R., the region lost tens of thousands of Jews, while Israel welcomed the highly

qualified specialists that it needed. On the whole, Israel practices different approaches to each of the South Caucasian states, fine-tuning them to the tasks resolved by Tel-Aviv in this region. Its highly developed relations with Azerbaijan are based on economic interests and oil imports. The relations with Georgia and Armenia are less developed. Turkey, which is very interested in building closer economic ties with the former, can hardly tolerate rivalry, while closer relations with the latter are complicated by the Iranian factor.

Despite political complications and weakly developed economic relations, Israel preserves its significant interest in the region: together with Central Asia it is seen as a "remote security belt."

**KEYWORDS:** *Israel, the Southern Caucasus, Armenia, Azerbaijan, Georgia.*

## *Introduction*

There are different geopolitical interpretations of the Southern Caucasus. But all of them say that it is part of the Caucasus, the geopolitical region on the border between Eastern Europe and Central Asia that consists of Azerbaijan, Armenia, Georgia, Abkhazia and South Ossetia (the status of the latter two is disputable). According to the 2016 Foreign Policy Concept of the Russian Federation, the region consists of five states;<sup>1</sup> Azerbaijan and Georgia, which insist on the region's territorial integrity, disagree.

Israel established diplomatic relations with all South Caucasian countries and opened its embassies in Tbilisi and Baku, Georgia opened its embassy in Tel Aviv, while, for political reasons, Armenia and Israel have not confirmed their diplomatic relationships by opening permanent diplomatic missions.

At first, Tel Aviv did not treat the Southern Caucasus as a foreign policy priority because of the distances that separated them and the absence of clear foreign policy reasons. However, it displayed its interest in the region and its Jewish community as soon as the Soviet Union had fallen apart. The Basic Policy Guidelines of the 25th Government adopted in 1992 stated, in particular, that "the collapse of the Soviet Union and the end of the Cold War" have opened the gates for "mass immigration of its residents to Israel."<sup>2</sup> Indeed, encouraged by Tel Aviv, which needed an influx of able-bodied

<sup>1</sup> [[https://www.mid.ru/en/foreign\\_policy/official\\_documents/-/asset\\_publisher/CptlCk6BZ29/content/id/2542248](https://www.mid.ru/en/foreign_policy/official_documents/-/asset_publisher/CptlCk6BZ29/content/id/2542248)].

<sup>2</sup> "Basic Policy Guidelines of the 25th Government—July 1992," in: *Foreign Policy. Historical Documents 1992-1994*, Israel Ministry of Foreign Affairs, available at [<https://mfa.gov.il/MFA/ForeignPolicy/MFADocuments/Yearbook9/Pages/2%20Basic%20Policy%20Guidelines%20of%20the%2025th%20Government-.aspx>], 22 February, 2020.

population, Jews driven by political instability, economic hardships and conflicts were leaving the South Caucasian countries in great numbers.

Israel became involved in the region for geopolitical and economic reasons; it was determined to prevent an expansion of Iranian influence, a complex task due to Iran's geographic and historical proximity. Unperturbed, Tel Aviv is building up its South Caucasian policy, adjusting the mechanisms to its specific aims in each of the regional states.

## Israel-Azerbaijan

Israel established diplomatic relations with Azerbaijan in April 1992, opened its embassy in Baku in 1993 and has since that time maintained active political and economic contacts.

The fairly large Jewish diaspora of Azerbaijan (35,500 in the late 1970s) was one of the strongest factors of Israel's involvement. According to the population census of 1999, Azerbaijan has lost half of the diaspora members.<sup>3</sup> According to other sources, the number of Jews in Azerbaijan dropped from 25,300 in 1989 to 12,700 in 1999.<sup>4</sup> At the end of the first decade of the 21st century, there were 12,000 Jews.<sup>5</sup>

Resolved to diversify its foreign policy contacts, Baku wanted to establish more extensive ties with Israel, yet could not initially support its political desire to widen its cooperation with Israel with economic arguments. In 1993, Israel's exports to Azerbaijan did not exceed \$545,000, import—\$12,000.<sup>6</sup>

Starting in the mid-1990s, the two countries have been pouring significantly more efforts into their bilateral relations. By that time, Tel Aviv became more interested in dealing with the regional economic and political issues, oil being one of the most important of them.

Israel invariably took into account the role of extra-regional actors in the region's development trends, their involvement in the domestic affairs of the regional countries and, in particular, pursued a policy of containment of Iran in the Southern Caucasus.<sup>7</sup> Its special place in the region allowed Iran to pursue a highly specific policy there. While supporting the territorial integrity of Azerbaijan, it extended active economic aid to Armenia.<sup>8</sup> Long-term cooperation between Azerbaijan, the European Union and the United States caused a lot of concern in Tehran<sup>9</sup>: neither Brussels, nor Washington tried to conceal their desire to limit Iran's involvement in the Southern Caucasus and the Caspian region. As Washington's strategic ally, Tel Aviv tried to prevent the influx of investments into the development of Iran's energy resources.<sup>10</sup> This means that Israel supported Washington's policy in the Southern Caucasus, which was designed to prevent Tehran's involvement in extraction and trans-

<sup>3</sup> See: "Istoriya evreev Azerbaidzhana," available at [<https://gorskie.ru/juhuro/history/item/13634-istoriya-evreev-azerbaidzhana>], 24 February, 2020.

<sup>4</sup> See: R. Musabekov, "Stanovlenie nezavisimogo azerbaidzhanskogo gosudarstva i etnicheskie menshinstva," in: *Azerbaidzhan i Rossia: obshchestva i gosudarstva*. Edited and compiled by D.E. Furman, Moscow, Letniy sad, 2001, pp. 355-356.

<sup>5</sup> See: G. Lerner, "Azeri Jews: Centuries of Coexistence in Azerbaijan," 11 January, 2008, available at [<https://jewish-journal.com/news/world/15943/>], 23 January, 2020.

<sup>6</sup> See: "Nekotorye aspekty politiki Izrailla v otnoshenii dvukh armianskikh gosudarstv," Part 2, 5 April, 2012, available at [<https://pandukht.livejournal.com/192504.html>], 13 February, 2020.

<sup>7</sup> See: A.A. Kornilov, "Vneshnepoliticheskie priority gosudarstva Izrailla v nachale XXI veka," *Vestnik Nizhegorodskogo universiteta imeni N.I. Lobachevskogo*, History, Political Science, International Relations series, No. 1, 2003, p. 111.

<sup>8</sup> See: H.N. Najafov, "Iran and the Southern Caucasus," *Central Asia and the Caucasus*, No. 1 (49), 2008, pp. 35-43.

<sup>9</sup> See: M. Khalifa-Zadeh, "Iran and the Southern Caucasus: A Struggle for Influence," *Central Asia and the Caucasus*, Volume 12, Issue 1, 2011, pp. 51-62.

<sup>10</sup> See: *Rossia i Zakavkazie: realii nezavisimosti i novoe partnerstvo*, ed. R.M. Avakov, A.G. Lisova, IMEMO RAN, Finstatinform, Moscow, 2000, pp. 51-55.

portation of hydrocarbons to external markets. Tehran, for its part, looked askance at the widening contacts between Azerbaijan and Israel.

In 1997, Prime Minister of Israel Benjamin Netanyahu stopped in Baku to discuss trade and economic issues, the threats emanating from Iran and cooperation in the intelligence sphere with President of Azerbaijan Heydar Aliyev.<sup>11</sup> This laid the foundation for wider trade and economic cooperation despite the highly negative attitude assumed by Tehran. In January 1998, Iran negatively responded to the visit of State Foreign Policy Advisor of Azerbaijan Vafa Guluzadeh to Israel.<sup>12</sup>

The relations between Azerbaijan and Israel were further encouraged by the fact that any outcrops of anti-Semitism in Azerbaijan were immediately condemned and suppressed. Israel reciprocated by supporting the territorial integrity of its partner. Because of the fairly precarious situation in Palestine, Tel Aviv refuses to recognize areas that have detached themselves from bigger states as independent states. It has not recognized the independence of Abkhazia, Nagorno-Karabakh and South Ossetia.<sup>13</sup>

Despite Iran's negative attitude to the relations between Israel and Azerbaijan, in 1997-2004, exports from Azerbaijan to Israel increased from \$2 to \$323 million.<sup>14</sup>

The President of Azerbaijan was steering his country towards a wider partnership with the Jewish diaspora and with Israel. The Jews of Azerbaijan strongly affect the ties between the two countries; Israel paid particular attention to education and culture in its relations with Azerbaijan. Back in 1994, Baku University opened a Hebrew Studies Department; in 2006, the "Israel and the Jewish Language" teaching center.<sup>15</sup> In June 2009, the two countries signed an agreement On Cooperation in Culture, Education and Science.<sup>16</sup> Several cultural centers, including the Jewish Agency for Israel (Sohnut) and Joint and Vaad-L-Hetzola committees have been set up to promote the cultural values of Jews and publish newspapers in Hebrew.

Israel went beyond the political and economic boundaries to promote its technological civilian and military breakthroughs, which made Baku one of Israel's priorities in the Southern Caucasus.

In June 2006, an Israeli delegation led by Minister of National Infrastructure Binyamin Ben-Eliezer visited Azerbaijan to discuss cooperation in the energy sphere. In 2006, Azerbaijan exported about 2 million tons of oil every year (which covered about 17% of the country's requirements) to Israel.<sup>17</sup> On the whole, in 2006, Azerbaijan imported 10.7% of its products to Israel.<sup>18</sup>

Tel Aviv expected to implement a global Jewish project New Oil Geography, the Baku-Tbilisi-Ceyhan oil pipeline extended to Israel being its part.<sup>19</sup> In 2006, Turkey and Israel began negotiating

<sup>11</sup> See: M. Khalifa-Zadeh, "Israel and Azerbaijan: To Counteract Iran," *Central Asia and the Caucasus*, Volume 13, Issue 3, 2012, pp. 68-79.

<sup>12</sup> See: A.A. Kurtov, "Azerbaijan-Iran: poka problem v otnosheniakh sosedey bolshe, chem reshenny," in: *Nezavisimiy Azerbaidzhan: novye orientiry*, in 2 vols., Vol. 2, ed. by E.M. Kozhokin, RISI, Moscow, 2000, pp. 189-279.

<sup>13</sup> See: "Azari: Izrail ne priznaet nezavisimost Abkhazii i Iuzhnoy Osetii," 30 December, 2008, available at [<https://www.kavkaz-uzel.eu/articles/147338/>], 28 February, 2020.

<sup>14</sup> See: I. Bourtnan, "Israel and Azerbaijan's Furtive Embrace," *Middle East Quarterly*, Summer 2006, pp. 47-57.

<sup>15</sup> See: S.F. Gadjiev, "Sotrudnichestvo mezhdru Azerbaidzhanom i Izraelem v sfere nauki, tekhniki i obrazovania v gody nezavisimosti Azerbaidzhana," *Sociologie Cloveka*, No. 4, 2016, pp. 39-46.

<sup>16</sup> See: Agreement on cooperation in culture, education and science between the government of the Republic of Azerbaijan and the government of the State of Israel, available in Russian at [[https://edu.gov.az/ru/page/136#move\\_top](https://edu.gov.az/ru/page/136#move_top)], 22 February, 2020.

<sup>17</sup> See: "Izrail poluchil pervuiu partiu azerbaidzhanskoy nefti," 10 July, 2006, available at [<https://regnum.ru/news/670923.html>], 22 February, 2020.

<sup>18</sup> See: "In 10 months of 2006 foreign trade turnover of Azerbaijan with the CIS countries topped \$2.3 billion," 28 November, 2006, available in Russian at [<https://www.caravan.kz/news/vneshnetorgovyj-oborot-azerbaidzhana-so-stranamisng-za-10-mesyacev-2006-goda-prevysil-23-mlrd-218736/>], 27 January, 2020.

<sup>19</sup> See: "Izrail nabliudat za Iranom iz Azerbaidzhana," 14 June, 2006, available at [<https://regnum.ru/news/polit/657036.html>], 24 January, 2020.

a \$2-billion project that was expected to bring oil, gas and water to Israel via pipelines laid on the bottom of the Mediterranean.<sup>20</sup>

Energy is not the only sphere of Israeli interest in Azerbaijan; Tel Aviv expects to expand its military technological cooperation with Baku to help its companies gain profits.<sup>21</sup> Baku positively assessed these initiatives as a chance to improve the battle worthiness of its Armed Forces.

The Azerbaijan-Israeli relations changed in 2008 after the August conflict between Russia and Georgia. Tel Aviv distanced itself from Tbilisi in order not to spoil its relationships with Moscow. Azerbaijan tried to capitalize on this rational decision to lower the level of cooperation between Tel Aviv and Tbilisi. Israel, in turn, compensated for the lower level of military and technical cooperation with Georgia by raising the level of its cooperation with Azerbaijan. Earlier, in February 2007, the sides had signed an agreement on mutual protection of investments.

In May 2009, President of Israel Shimon Peres came to Baku with the state visit that summed up the cooperation of the two countries and laid the foundation for its further development. Israel was interested in military cooperation; it supplied Azerbaijan with the latest armaments systems, including Heron TP and EL/M-2080 Green Pine drones and small arms. In 2012, the total sum of the contracts was \$1.6 billion. A JV was created which produced Orbiter drones. Bilateral relations have reached their highest point; the sides fostered their cooperation in the military technology and energy spheres. Trade turnover reached \$4 billion, mainly because of the hydrocarbons imported by Israel.

On the whole, in the late 2000s Israel revised its South Caucasian policies; the structure of its foreign policy clearly confirmed the region's exceptional importance. In 2008, its Foreign Ministry established the departments responsible for the relations with the South Caucasian states.<sup>22</sup>

Israel invariably took Turkey's position into account: Turkey expanded its presence in the region, consolidated its trade and economic cooperation with Azerbaijan and Georgia and created permanent mechanisms of bilateral and multilateral cooperation. Israel uses its ties with Turkey within the context of its own regional policies.<sup>23</sup>

Israel was building up its political dialog with Azerbaijan to discuss many of the Middle Eastern and South Caucasian issues. This process is further promoted by contacts between heads of state and foreign ministers to the extent that their assessments of the South Caucasian interests related to the interests of Azerbaijan have become more similar. Containment of Iran was and remains one of the central issues in Israel's foreign policy.<sup>24</sup>

In 2013-2014, foreign and defense ministers of Israel and Foreign Minister of Azerbaijan Elmar Mammadyarov exchanged visits for the purpose of widening bilateral economic and military cooperation; Israel aimed for continued cooperation in the energy sphere.

Tel Aviv's position on the Nagorno-Karabakh issue was closer to the Azeri than to the Armenian approach. Israel supported Azerbaijan's territorial integrity and the idea that the conflict should be resolved on the basis of resolutions passed by international organizations.<sup>25</sup> At the same time, a diplomatic mission of Azerbaijan in Israel was not even discussed to avoid an outburst of enmity from

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<sup>20</sup> See: A.V. Glazova, "Turetsko-izraelskie otnosheniya: est li perspektiva vykhoda iz ktizisa?" *Problemy natsionalnoy strategii*, No. 2, 2012, pp. 49-62.

<sup>21</sup> See: N.S. Niyazov, "Sotrudnichestvo Izrailia i Azerbaidzhana v voennoy sfere v 1994-2014gg.," *KLIO*, No. 3, 2015, pp. 217-224.

<sup>22</sup> See: S. Markedonov, "Kavkazskie priority Izraelia," No. 9, 2011, available at [<https://noev-kovcheg.ru/mag/2011-09/2547.html>], 23 January, 2020.

<sup>23</sup> See: R. Menon, "The New Great Game in Central Asia," *The International Institute for Strategic Studies*, Vol. 45, No. 2, 2003, pp. 187-204.

<sup>24</sup> [<http://izrus.co.il/dvuhstoronka/article/2011-04-08/13942.html>], 13 February, 2020.

<sup>25</sup> See: R.G. Avetisyan, "Evreyskaia obshchina Azerbaidzhana—istoria razvitiya i ee mesto vo vneshnepoliticheskoy deyatelnosti gosudarstva Izrail," *Nizhegorodskiy zhurnal mezhdunarodnykh issledovaniy "Vesta"*, Summer 2008, p. 48.

the Muslim world and its rejection of the decisions connected with conflict settlement in Nagorno-Karabakh.<sup>26</sup>

The Baku-Tbilisi-Ceyhan oil pipeline, commissioned in 2006, brought the volume of oil exported to Israel to 40% of its requirements. On the average, in 1990-2016 Israel's annual oil imports remained between 8.3 and 12.1 million tons;<sup>27</sup> Israel extracted no more than 1 million tons of oil every year. In 2015, up to 77% of imported oil reaches Israel from Iraqi Kurdistan.<sup>28</sup>

In December 2016, the Prime Minister of Israel paid a historic visit to Azerbaijan;<sup>29</sup> the sides discussed cooperation in defense, energy and information technologies.<sup>30</sup> This can be interpreted as a continuation of Israel's policy that entails an establishment of a strategic environment including the Central Asian and South Caucasian countries as its part.<sup>31</sup>

Israel invariably paid particular attention to Azeri oil deliveries: Azerbaijan is responsible on average for about 20% of its imported oil. Baku is similarly interested: in 2017, oil exports accounted for 77% of its total exports, with Turkey and Israel buying 9.80% and 4.63% of Azeri oil, respectively.<sup>32</sup>

On the whole, in recent years their bilateral relations were sufficiently intensive: Israel invested in the Azeri economy and bought Azeri oil, while Baku expected to acquire Israel's high technologies to be used in agriculture, telecommunications and the military sphere.<sup>33</sup> In April 2017, they eliminated double taxation that improved their trade and economic relations: in 2019, their trade turnover exceeded \$5 billion.

## Israel-Georgia

Georgia and Israel established diplomatic relations in June 1992. Tel Aviv was interested in cooperation with Georgia and its sizeable Jewish community: in the early 1990s, it was about 14,000 strong, but later it had lost many of its members.<sup>34</sup>

Georgia was in need of cooperation in the spheres of agriculture, tourism and telecommunications. The official visit of President of Georgia Eduard Shevardnadze to Israel in 1995 launched the countries' bilateral relations; the sides signed an agreement on cooperation in the military sphere, and, later in the same year, an agreement on protection of investments and cooperation in air traffic. The two countries were actively interacting in the military sphere: Georgia received small arms, grenade launchers and drones from Israel.

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<sup>26</sup> See: E. Ismayilov, "Israel and Azerbaijan: The Evolution of a Strategic Partnership," *Israel Journal of Foreign Affairs*, Vol. 8, No. 1, 2013, p. 74.

<sup>27</sup> See: A. Marjanian, "Neftianaia otrasl Izrailia," 5 November, 2018, available at [[http://www.noravank.am/rus/articles/detail.php?ELEMENT\\_ID=17789](http://www.noravank.am/rus/articles/detail.php?ELEMENT_ID=17789)], 23 February, 2020.

<sup>28</sup> See: N. Zubov, "Izrail zapodozrili v finansirovanii kurdsikh boevikov," *Kommersant*, 24 August, 2015.

<sup>29</sup> See: "'Istoricheskiy visit': Azerbaidzhan i Izrail brosyut vyzov Iranu?" 14 December, 2016, available at [<https://eadaaily.com/ru/news/2016/12/14/istoricheskiy-vizit-azerbaydzhan-i-izrail-brosayut-vyzov-iranu>], 16 January, 2020.

<sup>30</sup> See: "Premier ministr Izrailia posetil Azerbaidzhan," 14 December, 2016, available at [<https://regnum.ru/news/2217220.html>], 25 February, 2020.

<sup>31</sup> See: I. Avinoam, "Israeli PM's Visit to the Two Sides of the Caspian Sea," *CACI Analyst*, 6 February, 2017.

<sup>32</sup> See: "77% eksporta Azerbajjana v 2017 g. prishlos na neft," 15 January, 2018, available at [<https://regnum.ru/news/economy/2367805.html>], 23 February, 2020.

<sup>33</sup> See: "Azerbajjan i Izrail nuzhdaiutsia drug v druge: k vizitu Benyamina Netanyahu v Baku," 9 September, 2016, available at [<https://eadaaily.com/ru/news/2016/09/09/azerbaydzhan-i-izrail-nuzhdayutsya-drug-v-druge-k-vizitu-binyamina-netanyahu-v-baku>], 12 January, 2020.

<sup>34</sup> See: A. Ganbarov, "Gruzinskie evreii," available at [<https://maxpark.com/community/6224/content/6013294>], 16 January, 2020.



They were also actively fostering economic cooperation: Israeli companies and firms were actively seeking to establish firm positions in the Georgian economy, and partly succeeded, even if the trade turnover between the two countries remained negligible.

In 1998, President Shevardnadze came to Israel with a working visit, during which the sides signed several important documents including the Declaration on Cooperation in the sphere of bilateral investments, air flights, agriculture and telecommunications. They also discussed potential involvement of Israel in the reconstruction of a chemical plant in Georgia.<sup>35</sup> The relations were developing on a minor scale, yet by the late 1990s Israel occupied the first place by the size of investments (16% of the total) in Georgia's economy.<sup>36</sup>

The visit of President of Israel Moshe Katsav and a group of Israeli businessmen to Georgia in 2001 to discuss the projects of trade and economic cooperation had launched the process; the Israeli side was especially interested in the anticipated project (the idea of which had first surfaced in 1999) of pipelines designed to bring potable water to Israel through Turkey. According to Shevardnadze, "water supplies might become one of the priorities of our cooperation with Israel: Georgia is one of the world's richest resources of potable water."<sup>37</sup>

In 2003, bilateral relations intensified in the context of the two countries' discussions of wider economic cooperation. Georgia needed assistance in agriculture, telecommunications and communications, while Israel hoped that the oil- and gas pipelines that would bring oil and gas from Azerbaijan to Israel across the Georgian territory would consolidate bilateral relations.

Later, in 2004-2008, their economic relations reached new heights due to Israel's involvement in the rearmament of the Georgian army. In 2004, President of Georgia Mikhail Saakashvili paid an official visit to Israel; this invigorated the trade and economic cooperation, even though Georgia remained a trade partner of secondary importance.<sup>38</sup> In 2006, the Georgian president came to Israel with a working visit. In this way, thanks to external assistance and a new taxation system, Georgia poured practically \$1 billion into defense. It bought anti-aircraft missiles and corvettes from Israel and East European countries.<sup>39</sup> Israeli arms traders frequently visited Georgia; cooperation was developing into a long-term affair and became highly important for both sides. Israel sold the latest military machines and was involved in training Georgian military.

After the August 2008 conflict in South Ossetia, weapon supplies were discontinued,<sup>40</sup> since Israel did not want to spoil its relations with Russia, which would have predictably worsened significantly if military cooperation with Georgia continued. The problem was resolved by the obligation of Israel to discontinue its military-technical cooperation with Georgia; Russia reciprocated by promising not to supply Iran with long-range missile complexes.<sup>41</sup>

The relations between Israel and Georgia further suffered when Tel Aviv banned deliveries of its products to Georgia in response to the arrest of Israeli businessmen accused of bribing Georgian officials.<sup>42</sup>

<sup>35</sup> See: I.A. Novikov, "Otnosheniya Izraelia so stranami byvshego SSSR," 25 January, 2005, available at [<http://www.iimes.ru/?p=3450>], 22 February 2020.

<sup>36</sup> See: *Rossia i Zakavkazie: realii nezavisimosti i novoe partnerstvo*.

<sup>37</sup> See: I.A. Novikov, op. cit.

<sup>38</sup> See: "Gruzinsky ministr schitaet ekonomiku Izraelia obratsovoy," 9 May, 2007, available at [<https://www.inopressa.ru/article/09May2007/jpost/georgia.html>], 8 February, 2020.

<sup>39</sup> See: D. Rayfield, *Edge of Empires: A History of Georgia*, Moscow, Reaktion Books Ltd, London, 2012.

<sup>40</sup> See: S. Kozheurov, A.D. Epstein, *Rossia i Izrail: Izmeniaushchiesia vektory dvustoronnikh otnosheniy*, The Middle East Institute, 10 October, 2010, available at [<http://www.iimes.ru/?p=11660>], 20 February, 2020.

<sup>41</sup> See: A.D. Epstein, E.E. Zadvoriansky, "Dva desiatiletia vosstanovleniya rossiysko-iraelskikh otnosheniy (1991-2011): ot konfrontatsii—k torzhestvu prava mira," *Nauka i obrazovanie: khoziaistvo i ekonomika; predprinimatelstvo; pravo i upravlenie*, No. 11, 2011, pp. 32-42.

<sup>42</sup> See: S. Hoffman, "Rossiysko-izraelskie otnosheniya v poslednee desiatiletie," in: *Obshchestvo i politika sovremennoy Izraelia*, Gesharim, Jerusalem; Mosty kultury, Moscow, 2002. p. 32.

For a while, the level of trade and economic cooperation remained fairly low because of the 2008 events and the tension caused by the arrest. In October 2012, bilateral relations received a new lease on life by the appointment of Bidzina Ivanishvili prime minister of Georgia. In June 2013, he visited Israel.<sup>43</sup> Georgia was in need of Israeli drones and armaments.

In its relations with Israel, Azerbaijan relied on its oil-created advantages, while Georgia preferred economic cooperation, which remained at a fairly low level. In 2012, their trade turnover did not exceed \$70 million: Israel carefully selected what to export from Georgia and what could be disregarded. It needed oil, first and foremost, the rest could wait. On the whole, Tel-Aviv was developing its cooperation with Georgia in the context of its South Caucasian policies.

In 2016, the two sides started talking about a free trade agreement,<sup>44</sup> yet at first the talks did not improve their economic cooperation—trade turnover remained at a relatively low level of \$91 million in 2017.

In 2018, Georgia and Israel, following discussions between their ministers of economy, decided to raise their trade turnover in the next five years to \$1 billion. Today, 271 Israeli companies are working in Georgia, and their investments in Georgian economy total \$124 million.<sup>45</sup>

## Israel-Armenia

Diplomatic relations were established in April 1992, yet neither side has so far opened a diplomatic mission in the other country.

In the first post-Soviet years there were no official working visits. It was in 1995 that President of Armenia Levon Ter-Petrosian went to Israel for the burial of Prime Minister of Israel Yitzhak Rabin. Five years later, another President of Armenia, Robert Kocharyan, visited Israel.

The Armenian Jewish community was much smaller than in Georgia and Azerbaijan with their big Jewish populations. It is commonly believed that about 6,000 Jews left Armenia for Israel in the 1990s; approximately the same number stayed behind.<sup>46</sup> According to different sources, there are between 500 to 1,000 Jews in Armenia.<sup>47</sup>

On the whole, in the absence of economic prerequisites, political dialog and cooperation between the two countries are practically absent. This is explained by the fact that Iran was and remains an important economic and political partner of Armenia, and, therefore, a weighty political factor. After the conflict in Nagorno-Karabakh, Azerbaijan and Turkey closed their borders to Armenia making Iran the only and, therefore, crucial link to the outside world.

Israel, nevertheless, contemplates possible wider cooperation with Armenia: Tel Aviv wants to diversify its foreign policy contacts in the region in which the main role belongs to Azerbaijan.

As distinct from the rapidly developing relations between Israel and two neighbors of Armenia in the energy and military spheres, its relations with Armenia can hardly be called dynamic. The agreements on cooperation in culture, science and education, health protection and medicine, and mutual

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<sup>43</sup> See: Ts. Mamulashvili, "Vizit Ivanishvili v Izrail mozhет vyvesti otnoshenia dvukh stran na novy etap—MID," available at [<https://sputnik-georgi5ia.ru/georgia/20130624/215747549.html>], 19 January, 2020.

<sup>44</sup> See: "Gruzia nachinaet peregovory o 'Svobodnoy trgovle' s Izrailem," 24 September, 2016, available at [<https://www.geomigrant.com/2016/09/24/грузия-начинает-переговоры-о-свободной-торговле-с-израилем/>], 25 January, 2020.

<sup>45</sup> See: "Gruziya i Izrael za pyat let uvelichat tovarooborot do odnogo milliarda," 26 March 2018, available at [<https://www.newsgeorgia.ge/gruziya-i-izrael-za-pyat-let-uvelichat-tovarooborot-do-odnogo-milliarda/>], 24 February 2020.

<sup>46</sup> See: "Chto predstavliaet soboy 'evreyskaia problema' Armenii—k teme diskutiruemogo antisemitizma v Armenii," 1 July, 2019, available at [<https://www.kavkaz-uzel.eu/blogs/83781/posts/38500>], 23 February, 2020.

<sup>47</sup> See: A. Svarants, "Chto razdeliaet i chto zviazyvaet Armeniu i Izrael," 6 September 2017, available at [<https://regnum.ru/news/polit/2318014.html>], 12 February, 2020.



protection of investments, all signed in 1994-2000, did not affect either the state or the prospects of bilateral interaction.

Economic relations between the two countries were limited: in 2006, Israel's share of Armenia's total imports comprised 4.8%, while Armenia exported to Israel 7% of its total exports.

Tzahi Hanegbi, Minister of Regional Cooperation of Israel who visited Armenia in July 2017, described his visit as a step forward in relations to make the Armenia-Israeli "friendship mutually beneficial in many fields."<sup>48</sup>

## *Conclusion*

Azerbaijan is and will remain Israel's main partner in the region: oil and gas are the main attractions that suggest deeper cooperation and long-term plans of using Azerbaijan's hydrocarbon potential in the future.

Unlike Turkey and Iran that rely on multilateral formats to promote their interests in the region, Israel prefers bilateral relations even if in the 1990s there were plans supported by the United States to create an Azerbaijan-Israel-Turkey-Georgia format.<sup>49</sup>

Israel looks at its relations with the South Caucasian states as an anti-Iranian instrument.<sup>50</sup> In 2016, when the anti-Iranian sanctions were removed and Iran's role in the region was thus set to increase, Israel revised its foreign policies and started paying more attention to the South Caucasian countries.<sup>51</sup>

Today, very much as before, Israel's relations with Azerbaijan and Georgia look promising. At the same time, despite Israel's unshakeable support of territorial integrity of Georgia and Azerbaijan, it is expanding its relations with Tskhinval and Sukhumi: it has already widened its economic contacts with them, and is especially interested in their agriculture, extraction of minerals and involvement in building up their transport infrastructure.

Israel is doing its best not to infringe on the sphere of Russian interests in the region. Unlike many other countries, determined to demonstrate their active position in the region, Israel invariably admits that Russia has special interests in this part of the world.<sup>52</sup>

On the whole, Israel pursues a highly consistent policy; it is developing economic relations with all South Caucasian states and is gradually widening the spheres of its cooperation.

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<sup>48</sup> E. Avdaliani, "Israel and the South Caucasus: Building a New Approach," *BESA Center Perspectives Paper*, No. 632, 2 November, 2017.

<sup>49</sup> See: G. Lindenstrauss, "Israel-Azerbaijan: Despite the Constraints, a Special Relationship," *Strategic Assessment*, Vol. 17, No. 4, 2015, pp. 69-79.

<sup>50</sup> See: M. Bishku, "The South Caucasus Republics and Israel," *Middle Eastern Studies*, Vol. 45, No. 2, 2009, pp. 295-314.

<sup>51</sup> See: E. Avdaliani, *op. cit.*

<sup>52</sup> See: A.D. Epstein, E.E. Zadvoriatsky, *op. cit.*