

AZERBAIJAN AND GEORGIA: ASYMMETRICAL RELATIONS

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ABSTRACT

The relations between Georgia and Azerbaijan are a key factor in regional politics and security in the Southern Caucasus. They strongly affect economic contacts and trade, as well as the implementation of all sorts of communication and energy projects. The two countries agree on many issues of regional policy, the way ethnopolitical conflicts should be settled, and the degree to which external actors could or should be involved. Turkey's presence in bilateral Georgian-Azeri relations is another

important factor that may end in a geopolitical triangle of sorts in the Southern Caucasus. On the other hand, these relations cannot and should not be described as a formalized full-scale political, let alone, military-political alliance with corresponding mutual obligations. The author discusses these and other aspects of bilateral relations, assesses the prospects for further cooperation, and points to the possible challenges and problems that might crop up later.

KEYWORDS: *Georgia, Azerbaijan, Turkey, the Southern Caucasus, Russia, regional security, energy projects, Azeri-Georgian relations, ethnopolitical conflicts, the Azeris of Georgia.*

Introduction

Regional politics and security in the Southern Caucasus largely depend on the relations between Georgia and Azerbaijan; they strongly affect the energy, transport, and transit spheres, the priority areas of their cooperation, and the key regional factors. Suffice it to mention Baku-Supsa (BS) and Baku-Tbilisi-Ceyhan (BTC) oil pipelines, the Baku-Tbilisi-Erzurum (BTE) gas pipeline, and the Kars-Akhalkalaki railway still under construction. It is planned to move the gas produced during the second development stage of Shah Deniz, an Azeri gas field, via the TAP/TANAP gas pipeline still to be built to replace Nabucco and several other failed projects.

Baku and Tbilisi share more or less similar conceptual approaches to the settlement of the ethnopolitical conflicts of the 1990s that deprived them of control over some of their autonomous regions. (In the August 2008 "five-day war" Georgia lost control over South Ossetia and Abkhazia.) Both countries support each other in international organizations, which considerably expands the framework of their cooperation.

The tripartite cooperation format is, likewise, highly important at the regional level: Turkey, one of the sides, is Georgia's biggest economic and trade partner and Azerbaijan's most important

military-political partner. Their relations with Russia are far from simple, however Baku, unlike Tbilisi, tries to keep them at an acceptable level.

The above strongly affects the dynamics of the relations between Tbilisi and Baku, and also reveals the prospects for future development, as well as possible problems and limitations.

The Post-Soviet Dynamics of Relations Outlined

The present structure of bilateral relations was laid in the mid-1990s when both countries, while healing the deep scars left by the ethnopolitical conflicts, turned their gaze toward the region and its problems. This brought them closer together; there was probably another factor behind the process: the fairly confidential relations between Heydar Aliiev and Eduard Shevardnadze went back to Soviet times and were rooted in the shared experience of the first secretaries of the corresponding republican communist parties and members of the Politburo of the C.C. C.P.S.U. Both struggled with identical domestic, social, and economic problems of their respective countries.

Relations were further promoted and strengthened by the talks on the production and transportation of Caspian energy resources to the western/world markets across Georgia. From that time on, their bilateral relations and the very similar approaches of both capitals to post-Soviet integration (including in the military-political sphere) were determined, among other things, by the energy factor.

Both countries joined the CIS and the Collective Security Treaty and both refused to extend the CST in 1999. On the other hand, Azerbaijan and Georgia, which founded the GUAM and were actively involved in it, hoped that this involvement would decrease their dependence on Russia.

In March 1996, Georgia and Azerbaijan signed two important documents: the Treaty on Strengthening Friendship, Cooperation and Mutual Security and the Declaration on Peace, Security and Cooperation in the Caucasian Region.

Late in the 1990s, they started talking about the transit of Azeri's early oil, first via the already functioning Baku-Batumi and later via the new BS oil pipeline.

In 1999, the government of Azerbaijan and AIOC (an international operational consortium set up in 1994 under the Contract of the Century) agreed to build the main BTC oil pipeline across Georgian and Turkish territory. Started in September 2002, it was completed in the summer of 2006. This was when the BTE gas pipeline was laid with the aim to move the gas produced during the first stage of gas extraction at Shah Deniz.

Starting in 1999, a certain amount of early oil was moved by rail from Azerbaijan to Batumi on the Black Sea coast. In recent years, the railway has also been used to move about 3 million tons a year of Kazakh oil delivered to Azerbaijan by tankers.

As soon as the BTC was commissioned, the railway was not as useful for the AIOC; and the same can be said about the BS oil pipeline currently used by the State Oil Company of Azerbaijan (SOCAR).

The Rose Revolution of November 2003 in Georgia brought to power a new team headed by Mikhail Saakashvili, who never concealed his pro-Western and obviously anti-Russian attitude. A new stage in the two countries' bilateral relations began.

Ilham Aliiev, the new president of Azerbaijan, largely followed his father's foreign policy course, up to and including Georgia. In the new reality of the 2000s, this preserved continuity of post-Soviet relations between Azerbaijan and Georgia.

Relations in Policy and Security

Both countries are involved in GUAM and can coordinate their positions with respect to Western structures and states; after becoming President of Georgia, Saakashvili added more vigor to the process, which subsided when Azerbaijan joined the Non-Aligned Movement in May 2011 and deliberately limited the level of its integration with the West. Tbilisi and Baku are trying hard to draw Ankara deeper into cooperation in foreign policy and security.

The three countries have established permanent cooperation at the presidential, prime ministerial, and foreign ministerial levels, which can be described as an important tool of regional foreign policy and economic coordination. By early 2007, this trend had been institutionalized: during the official visit of President of Azerbaijan Ilham Aliyev to Georgia, President Saakashvili and Prime Minister Erdoğan met for a tripartite session that adopted several important documents to lay the foundation of tripartite cooperation in regional policy.

On 8 June, 2012, the earlier agreements became known as the so-called Trabzon Declaration; in March 2013, the leaders of the three countries met for the second time to sign a Trilateral Sectoral Cooperation Action Plan for 2013-2015.¹

At all the meetings, Turkey and Georgia assured Azerbaijan that they were prepared to help resolve the Nagorno-Karabakh conflict.

Late in 2012, when new political leaders came to power in Georgia, it became absolutely clear that Baku attached great importance to the Karabakh factor. The Azeri leaders negatively responded to the intention of the new Georgian leaders to restore the Abkhazian railway to improve relations between Moscow and Tbilisi. Baku, in turn, feared that this would lighten the communication pressure on Armenia and strengthen its Karabakh-related position.

Today, Georgia and Azerbaijan are still coordinating their positions in all sorts of international forums and organizations (the U.N. GA, PACE, OSCE, BSEC, etc.), the corresponding understandings going back to the active phase of GUAM (the late 1990s). Much attention is paid to the problems related to conflict settlement and domestic policy.

I have already written that Baku is demonstrating restraint when dealing with Russia. Tbilisi is of a different opinion, which it demonstrated during the voting on Abkhazia in the U.N. GA.

Military cooperation between the two countries includes two important components:

- (1) bilateral and multilateral (mainly within NATO programs) training and exercises, as well as peacekeeping and other missions;
- (2) direct cooperation in supplying and/or transit of armaments and military equipment from third countries.

It should be said that neither in bilateral, trilateral (Azerbaijan-Georgia-Turkey), nor multilateral formats (within cooperation with NATO) are these countries obliged to jointly use their military potential or cooperate at the operational level. Moreover, at the political level, there are no mutual guarantees of security and defense between Azerbaijan and Georgia.

There are no reasons, so far, to talk about a clearly delineated military-political union between the two countries with clear aims and obligations. There are still fewer reasons to say that the level of their cooperation is higher than an officially formalized “strategic alliance.”²

¹ See: Z. Shiryev, K. Kakachia, “The Foundations and Challenges of the Strategic Alliance”, *SAM Review*, Special Double Issue, Vol. 7-8, July 2013, pp.40-41.

² *Ibid.*, pp. 12-18.

The two countries exchange military-political information and information related to the military-industrial complex. Georgia is an important transportation space through which Azerbaijan gets armaments and military equipment. In recent years, cooperation has become even more active: between 2002 and 2005, Azerbaijan acquired 13 Su-25 (including one training Su-25UB), which the aviation plant in Tbilisi has been manufacturing since Soviet times. It seems that Azerbaijan repairs its aviation and armored vehicles at the plants Georgia inherited from the Soviet Union (the aviation and 142nd tank repair plant).

The two countries have not yet delineated the common state borders; this overdue and still unresolved task is complicated by the contradictions over the Azeri parts of the David Gareja Orthodox rock-hewn monastery complex of the 6th century.³ So far, the frantic efforts to reach an agreement have failed; this stirs up a lot of displeasure in both countries and adds negative hues to their relations.

Relations in the Economy, Energy, and Communication

Azerbaijan holds a fairly strong position in the Georgian economy, particularly in the energy industry: SOCAR, an Azeri company, owns one hundred gas filling stations across Georgia and an even larger number of facilities of the Georgian gas distribution system. It owns and manages the Black Sea Kulevi oil terminal bought late in 2006 from Badri Patarkatsishvili. A very rough assessment of the company's annual turnover in the Georgian energy market is tens of millions of dollars. In recent years the company has been moving into the Georgian real estate market. "Azerbaijan invested \$138 million in the Georgian economy in 2012, accounting for 12 percent of the total volume of FDI to Georgia in that year. These close bilateral economic ties are reflected in volumes of trade between the two countries. Azerbaijan is Georgia's second largest trade partner after Turkey, with a total trade turnover of \$1.26 billion, accounting for more than 10 percent of Georgia's total trade turnover of \$10.2 billion. Georgia's role in Azerbaijani trade is more modest and constitutes less than 4 percent of the latter's trade turnover of more than \$40 billion."⁴

Recently, the two countries have been demonstrating a shared interest in communication and tourism: tourists from Azerbaijan are much attracted to the affordable Georgian Black Sea resorts. In the socioeconomic sphere, the two countries are tied together by the transit of Azeri energy resources across Georgia.

It comes as no surprise that Tbilisi is trying to wring dry this potentially promising monopoly: it charges transit fees for pumping energy resources and also receives some of Azerbaijan's share for moving the latter's oil across its territory.

Georgia can buy gas at comfortable prices—about \$135 per 1 thousand cu m—created by the transit of Azeri gas along the BTE pipeline (part of it Georgia receives as transit fees).

According to the Georgian Oil and Gas Corporation, in 2012, the BS carried about 3.9 million tons of crude oil across Georgia, while the BTC moved 32.9 million tons, that is 4.6% lower than in 2011 (because of decreased oil production in Azerbaijan).⁵

³ For more on historical and political state-border related problems, see: E.V. Arkhipova, "Azerbaidzhano-gruzinskaia granitsa: istoricheskie faktory poiavleniya sovremennykh territorialnykh sporov," *Vestnik Volgogradskogo gosudarstvennogo universiteta, Seria 4, Istoria*, No. 2 (22), 2012.

⁴ M. Tsereteli, "Azerbaijan and Georgia: Strategic Partnership for Stability in a Volatile Region," *Silk Road Paper*, September 2013, p. 51.

⁵ See: "KNGG obnarodovala statistiku tranzita nefti po territorii Gruzii," available at [<http://bizzone.info/energy/2013/1358799736.php>], 21 January, 2013.

Today, a new and promising project of a pipeline to bring Azeri gas (produced during the second stage of the development of Shah Deniz) across Georgia and Turkey to the EU has come to the fore. In June 2013, when the Nabucco project (expected to use Turkmen gas brought to the Caucasian shore through a Trans-Caspian gas pipeline) failed, it was decided to concentrate on the TAP project, which relies on the Azeri offshore gas fields (Shah Deniz). It should be said that the proved reserves leave little hope of satisfying the much greater needs of the European Union.

The project raises a lot of doubts, not only because of the difficult terrain; its political rationale and economic expediency, in the context of alternative routes along which shale and liquefied gas will be brought to Europe, have lost a lot of their value.

This is best illustrated by the fact that, after appointing Richard Morningstar, U.S. Special Envoy for Eurasian Energy, as Ambassador to Azerbaijan, Washington scrapped his previous post. The U.S. and EU are losing interest in Caspian energy resources.

Whatever the case, TAP is the idea that unites Azeri and Georgian lobbyists, propaganda structures, and experts in their efforts to promote the project in the United States and the EU to keep it alive.⁶

In 2006, Azerbaijan tried to buy the Georgian stretch of the North-South main pipeline, which brings Russian gas from Mozdok via Tbilisi to Armenia, in order to put pressure on Yerevan.

Tbilisi stood firm: its stretch of the pipeline was sold neither to Azerbaijan nor to Gazprom.

The Kars-Akhalkalaki railway funded by Azerbaijan is another pressure lever: when finished, it will connect Georgia, Azerbaijan, and Turkey and exclude Armenia (previously connected with these countries by the Kars-Gumri railway closed in 1993 on Turkey's insistence).

Georgia and Azerbaijan expected to commission the new railway by 2011; for different reasons, the project has not been commissioned and will not be commissioned any time soon; but sooner or later it will be completed.

In October 2012, after winning the parliamentary elections in Georgia, Bidzina Ivanishvili, leader of the opposition Georgia Dream Bloc, announced that the Kars-Akhalkalaki railway, as a potential rival of the Georgian sea ports, was not needed at all. Baku was concerned. In December 2012, after visiting Baku, Ivanishvili changed his position. In the summer of 2013, Mikhail Saakashvili, still president of Georgia, announced that the project would be suspended for two years and that it threatened Georgia with the "loss of the function of a regional center."⁷

Ethnic Relations: The Azeri Community of Georgia and the Georgian Community of Azerbaijan

Ethnic problems have been and remain at the center of relations between the two countries, the main one being the future of the fairly large Azeri community of Georgia. According to the latest population census (2002), the Azeris (there were about 284 thousand of them) were the biggest ethnic minority in the Georgia-controlled territory. "Georgia's ethnic Azeri population is concentrated in the south-eastern Kvemo Kartli region (the Marneuli, Bolnissi, and Gardaba districts) where there are

⁶ This can be clearly seen in the hectic activities of the pro-Azeri and pro-Georgian structures in the United States, viz. Jamestown Foundation and Central Asia—Caucasus Institute.

⁷ "Zavershenie zh/d Baku-Akhalkalaki otlozhenno na dva goda—Saakashvili," IA Novosty-Gruzia, available at [<http://newsgeorgia.ru/politics/20130708/215768142.html>], 8 July, 2013.

some 226,000 Azeris (45.5% of the total regional population); approximately 33,600 live in the eastern region of Kakheti, with 18,000 more living in Tbilisi.”⁸

The Azeris, and the other ethnic communities for that matter, are fully aware of the problems caused by infringements on their rights. It should be said, however, that the Georgian Azeris are not as politically active as the Armenians of Samtskhe-Javakheti. The Azeris are dissatisfied with the way their social and economic rights are realized by Tbilisi and respected by Georgian society: the unresolved linguistic, educational, political, and religious problems are too many to be ignored.

It should be said that starting in the 1990s, the local authorities, unwilling to sell the best lands to Azeris in Kvemo Kartli, either sold them to ethnic Georgians or refused to sell them at all, thus forcing the local Azeris to rent these lands.

The Azeris are practically absent from regional, district, and even communal administrations, a fact that they interpret as discrimination.⁹

Between 60 and 70 percent of the Azeris of Georgia are Shi‘a Muslims; the others are Sunnis. Recently, radical Salafism has been gaining popularity among both groups.

Both countries are very concerned about the mounting influence of Iran (since the 1990s, Iranians have been fairly prominent in Georgia’s economy) in the Azeri regions of Georgia, which threatens their gradual Islamization. Iran built a big mosque in Marneuli; most of the local Muslim clergy look to Iran for guidance. “Pro-Iranian Ahl-ul Bayt is headed by Rasim Mamedov, who received his religious education in Qom in the 1990s.”¹⁰

Turkey is as active among the Georgian Azeris as Iran; it built a mosque close to the Red Bridge crossing point between Georgia and Azerbaijan. So far, it remains unclear whether the Turkish religious organizations operating among the Georgian Azeris are Nursists, that is, followers of Fethullah Gülen.

Islamization of the Georgian Azeris is very similar to what is going on in Azerbaijan, where the Shi‘a of Iran and Salafis of the Northern Caucasus are increasing their influence.¹¹ “Local NGO sources estimate that some 20 percent of young Azeri males in the Kvemo Kartli region have already turned to Salafism.”¹²

The Azeri authorities are doing their best to keep the protest sentiments of the Georgian Azeris in check lest to endanger the most important (particularly energy) projects. During one of his Georgian visits, Foreign Minister of Azerbaijan Elmar Mammadyarov said in Marneuli that each of his visits convinced him that the problems of the Azeris in Georgia are diminishing steadily.¹³

From time to time, Azerbaijan and Turkey raise the Meskhetian Turks issue to persuade Tbilisi to allow them to return to their homeland. This is explained not so much by ethnic closeness, but by the fact that most Meskhetian Turks, or their descendants, would like to move to Georgia from Azerbaijan, to which they were driven by pogroms in Central Asia and deportations of the late 1980s and early 1990s. Today, there are about 100 thousand Meskhetian Turks in Azerbaijan (including those who received Azerbaijan citizenship).¹⁴

Georgia, in turn and in disregard of its international obligations, raises all sorts of obstacles to prevent their massive resettlement. This means that a tiny group of several hundred Meskhetian Turks

⁸ C. Prasad, “Georgia’s Muslim Community: A Self-Fulfilling Prophecy,” *ECMI Working Paper #58*, February 2012, p. 4.

⁹ See: *Georgia’s Armenian and Azeri Minorities*, International Crisis Group Europe Report, No. 178, 22 November, 2006, pp. 4-6.

¹⁰ C. Prasad, *op. cit.*, p. 6.

¹¹ See: A. Yunusov, *Islam v Azerbaidzhane*, 2004, pp. 244-270.

¹² C. Prasad, *op. cit.*, pp. 8-12.

¹³ [<http://www.news.az/articles/georgia/38433>], 14 June, 2011.

¹⁴ See: A. Yunusov, *Meskhetinskie turki: dvazhdy deportirovanny narod*, Baku, 2000, pp. 109-111.

can aspire to move to Georgia. Azerbaijan, in turn, unwilling to spoil relations with its neighbor, prefers to keep this “not so important issue” on the backburner.

The Georgians, in turn, carefully avoid any complications in their relations with Azerbaijan by ignoring the demands coming from the Ingiloy Georgians living in the northeast of Azerbaijan (the Qax, Zaqatala, and Balakan districts). According to the 1999 population census, there were about 15 thousand of Ingiloy in Azerbaijan living compactly in the Qax District¹⁵; they are not very active politically and socially.

The fact that in February 2013, during his first official visit to Azerbaijan as President of Georgia, Giorgi Margvelashvili visited the regions populated by ethnic Georgians is an exception rather than the sign of a changed position.

In Lieu of a Conclusion: Problems and Prospects

At the official level, both countries are talking about the strategic and long-term nature of their relations. The National Security Concept of Georgia adopted in 2011 describes its relations with Azerbaijan as strategic partnership (and says nothing of the sort about Armenia).

It should be noted that its strategic partnership with Azerbaijan is limited to energy and communication projects. The same document says the following about Turkey: “Turkey, as a NATO member state and a regional leader, is an important military partner for Georgia. Georgia attaches great importance to further developing its partnership with Turkey in the areas of defense and security.”¹⁶ This means that the bilateral format (Georgia-Azerbaijan) is gradually turning into a triangle—Turkey-Georgia-Azerbaijan.

The new Georgian leaders are deliberately following in Saakashvili’s footsteps. In January-February 2014, newly elected President of Georgia Giorgi Margvelashvili paid his first official visits in the region to Turkey (late in January 2014), then Azerbaijan (13-14 February, 2014), where he met the heads of state and government and speakers of the parliament.

The expert and political communities of Georgia agree that Tbilisi is building a geopolitical strategic partnership with Baku and Ankara; some people say that they are moving toward a Caucasian Triple Alliance of sorts.

Azerbaijan, in turn, appreciates Georgia as one of the elements of its “greater strategy” of putting economic and communication pressure on Armenia. Baku relies on money and the economy to draw Tbilisi and the Georgian political elite to its side; it uses the functioning (BTC and BTE) energy and communication projects and those under construction (TAP), as well as the very visible propaganda and information presence of state Azeri structures in the Georgian information and public fields.

In future, the relations between the two countries might lose some of their previous vehemence: under Saakashvili they were whipped up by two factors.

- First, construction or commissioning of several important communication and transit projects (BTC, BTE, and TAP);
- Second, Tbilisi’s intense anti-Russian policy, which Baku and Ankara strongly approved.

¹⁵ There are reasons to believe that the number of Ingiloy in Azerbaijan is bigger: the census registered Ingiloy Christians as Ingiloy while those who adopted Islam very registered as Azeris.

¹⁶ *National Security Concept of Georgia* [http://www.mfa.gov.ge/index.php?lang_id=ENG&sec_id=12/].

Today, the two countries, at best, will commission the Kars-Akhalkalaki railway (exact date unknown) and TAP scheduled for 2019.

It is more or less clear that even if the new leaders of Georgia do not retreat too far from their previous radical anti-Russian position, they will try to repaint it in subdued colors. On the other hand, the recent developments around Ukraine, the rapidly worsening relations between Russia and the West, and what happened in the Crimea will hardly ignite pro-Russian enthusiasm among the Georgian political elite and ordinary people.

This explains why the Azeri leaders were sort of shocked by the results of the October 2012 parliamentary elections in Georgia; their forebodings were strengthened by the first steps of the new Georgian leaders and by what Bidzina Ivanishvili said during his first official visit to Armenia in January 2013. Speaking of the obvious advantages of Armenia's balanced foreign policy, he said: "Armenia is a good example for Georgia [in this respect]. We can only be jealous of it."¹⁷

It looks as if Baku was unduly worried: during the so-called cohabitation when real power belonged to the new parliament and the government was staffed with supporters of Ivanishvili's Georgian Dream, Mikhail Saakashvili, who called himself an "opposition president," sabotaged everything the new government was trying to do. This explains why the new leaders have failed to arrive at a clearly defined foreign policy so far.

As could be expected, the relations between Moscow and Tbilisi have lost some of their previous tension; there is another important factor that might affect the dynamics of Georgia's relations with Azerbaijan and Armenia: on 27 June, 2014, Georgia signed an Association Agreement with the EU. For obvious reasons, Azerbaijan is very concerned about Georgia's inevitable liberalization.¹⁸

A large part of the Georgian public and the "non-Saakashvili" political elite are very concerned about the possible loss of symmetry in Georgia's relations with Azerbaijan.

These sentiments, encouraged by the anti-Russian policy during Saakashvili's tenure, allowed Azerbaijan and Turkey to consolidate their positions in Georgia (Turkey acquired even more influence in Ajaria and is rapidly expanding its economic and trade contacts). In fact, Georgia could have profited from its unique transit advantages; instead it is growing increasingly dependent on Azeri's energy and transportation projects.

Anti-Turkish/anti-Muslim sentiments in Georgia broke out in the form of riots in Ajaria and the Adygensky District of Samtskhe-Javakheti with its predominant Georgian migrant population; this happened after the parliamentary elections of October 2012.

Some researchers think that the intensification of Christian sentiments among at least certain segments of Georgian society under certain conditions might negatively affect the future of Georgian-Azeri relations.¹⁹

The outlines of possible developments are still very vague; therefore, it is premature to talk about their possible impact.

¹⁷ "Interview: Georgian Prime Minister Bidzina Ivanishvili," RFE/RL, 18 January, 2013 [www.rferl.org/media/video/24877492.html].

¹⁸ For more details, see: S. Minasyan, "Armenia and Georgia: A New Pivotal Relationship in the South Caucasus?" *PONARS Eurasia Policy Memo*, The George Washington University, PONARS Eurasia Policy Conference, Washington, D.C., No. 292, September 2013.

¹⁹ See: M.H. Cecire, "The Merchant Hegemon: Georgia's Role in Turkey's Caucasus System," in: *Georgian Foreign Policy: The Quest for Sustainable Security*, Konrad Adenauer Stiftung, Tbilisi, 2013, pp. 121-123.