

ARTICLE



Azerbaijan's foreign policy towards Russia since independence: compromise achieved

Anar Valiyev ^a and Narmina Mamishova^b

^aSchool of Public and International Affairs, ADA University, Baku, Azerbaijan; ^bIndependent researcher based in Baku, Azerbaijan

ABSTRACT

Discussions of post-Soviet countries' policies towards Russia have been largely dominated by two mainstream neorealist approaches on states' alignment choices – balancing and bandwagoning. While the first pattern entails allying against the primary source of threat, the second one opts for allying with the source of principal danger. By means of a case study, this article argues that the balancing-bandwagoning dichotomy is too simplistic in the case of Azerbaijan, which represents another possible paradigm. The research addresses the following question: what is the foreign policy model undertaken by modern Azerbaijan in its relations with Russia? To do so, it refers not only to the neorealist and neoclassical realist theories but also to the notion of national role conception. The article concludes that since 1993 Azerbaijan has pursued a middle-ground foreign policy orientation – strategic hedging – vis-à-vis Russia. Such a multi-tiered hedging behavior, which encompasses elements of both balancing and bandwagoning, has been driven mainly by national security concerns. Meanwhile, the country's vast oil and gas resources, as well as its non-bloc geopolitical identity, have determined the somewhat 'distant-from-Russia' foreign policy orientation of post-Soviet Azerbaijan.

ARTICLE HISTORY



Received 05 August 2018
Accepted 11 January 2019

KEYWORDS

Azerbaijan; Russia; foreign policy; strategic hedging; balancing; bandwagoning

Introduction

Since its independence, Azerbaijan has had to reckon with the fact that despite the formal ejection of Russia's dominant position in the post-Soviet region, its implicit presence has still lingered there. Russia would exploit any opportunity to prevent new states from integrating into the Euro-Atlantic community. In the view of the Russian establishment, such a scenario would constitute a serious and hostile move against its interests (Kubicek 2009, 237). During the first years of its independence, Azerbaijan, the initial inclination of which was to move towards the West, faced a painful defeat in Karabakh conflict. Along with halting the country's pro-Western aspirations, the conflict cast a shadow of the vulnerability on Azerbaijan's national security. Meanwhile, Baku's energy-led projects and its priority of preserving the national independence of the country were at stake. It was essential for Azerbaijan to develop

CONTACT Anar Valiyev  avaliyev@ada.edu.az  School of Public and International Affairs ADA University, 11 A. Agaoglu street, Baku AZ1009, Azerbaijan

© 2019 Informa UK Limited, trading as Taylor & Francis Group

a foreign policy strategy towards Russia that would leave sufficient room for maneuver. Eventually, Heydar Aliyev, who was elected as the third President of independent Azerbaijan in 1993, learned from the diametrically opposed paradigms of the Azerbaijan-towards-Russia foreign policies of his presidential predecessors – Ayaz Mutalibov and Abulfaz Elchibey.

As the first president of post-soviet Azerbaijan, Mutalibov counted on strategic cooperation with Russia. During his short term, Azerbaijan was basically bandwagoning with Moscow. The former First Secretary of the Azerbaijan Communist Party, Ayaz Mutalibov, viewed Russia as the major arbiter of South Caucasus affairs (Cornell 2011, 59) and was stuck with expectations of Russian assistance in regaining control over the Armenian-occupied territories. In spite of the openly asserted aspirations of the Azerbaijani people for independence from Moscow and the redefinition of their political and cultural identity (Safizadeh 1998), President Mutalibov's foreign policy was decisively Russia-centric. Despite massive opposition from the public and from the Popular Front fed by highly evident anger directed at Russia, especially after the Soviet military attack on Baku on January 20th, 1990 (Cornell 2011, 309), he initiated joining the proto-Soviet and Russia-led Commonwealth of Independent States. No wonder, amidst public anger and accusations of the influence of Russia on his presidency (Ipek 2009, 230), a military defeat from Armenia in Karabakh, and Khojaly massacre committed jointly by Russian and Armenian military units on February 1992, (Gvalia et al. 2013, 127), President Ayaz Mutalibov was compelled to step down.

As a result, Abulfaz Elchibey, the leader of the Azerbaijan Popular Front, became the second president of independent Azerbaijan in June 1992 (Gvalia et al. 2013, 127). Unlike his predecessor, President Elchibey supported the idea of Azerbaijan's integration into an alliance with Turkey and prioritized the expansion of the relations with the West including the acceleration of negotiations with Western oil companies. However, his radical efforts to lean toward the West in counterpoising the Russian interests in the region resulted in the Russian support of Armenia in Karabakh conflict. That eventually led to a further loss of the territory and, subsequently, to an anti-government insurgency in Azerbaijan under the direction of the Russian-backed colonel Huseynov. In parallel, President Elchibey's clearly pro-Western and specifically pro-Turkish foreign policy orientation could not but displease Azerbaijan's powerful neighbors – Russia and Iran. These developments coincided with another defeat of the Azerbaijani army, resulting in the further occupation of Azerbaijani territories during the winter campaign of 1992–93. The events triggered anti-government revolts, forcing President Elchibey to resign (Gvalia et al. 2013, 127).

In ways, newly-elected President Heydar Aliyev put forward an integrated vision of Azerbaijan's foreign policy keeping up with the times, drawing on historical lessons and entailing the far-reaching changes. Having realized that any one-sided foreign policy approach vis-à-vis Russia had actually hampered the prospects for the political and economic security of Azerbaijan, he was seeking an accommodating strategic foreign policy option. That option was meant to safeguard both national security and domestic stability in Azerbaijan without giving up favorable energy deals. As a result, since 1993 the foreign policy stance of Azerbaijan towards Russia has represented a pragmatic middle point between balancing and bandwagoning. This position has allowed the country to gain independence from Russia (especially in terms of engaging the West

in its lucrative oil and gas projects) without needlessly antagonizing the Kremlin (Kjærnet 2009). A kind of *Finlandization*, akin to the Finnish pursuit of neutrality after World War II in the face of the hostile Soviet Union, Azerbaijan's foreign policy has remained cautious with regard to any ambitions to integrate into a larger community (Valiyev 2010). Encouraged by energy wealth, Azerbaijan has considered itself to be powerful enough to chart a course in which it accepts a Russia-style governance model whilst positioning itself as a so-called 'strategic partner' of the West on energy issues and regional security (Waal 2014). Nevertheless, such an 'interest-based' multidimensional policy, which is generally pro-Russian but not necessarily anti-Western (Gvalia et al. 2013, 100), has never been classified as strategic hedging. Thereby, in this paper, we argue that the strategic hedging concept fully explains the foreign policy of Azerbaijan towards Russia.

Our primary hypothesis states that *for the last 25 years Azerbaijan has been pursuing a multi-tiered strategic hedging approach vis-à-vis Russia as the most rational option for managing its relations with Moscow*. As a working definition of strategic hedging, we use the one outlined by Evelyn Goh in his analysis of Southeast Asia's hedging behavior vis-à-vis China: 'a set of strategies aimed at avoiding (or planning for contingencies in) a situation in which states cannot decide upon more straightforward alternatives such as balancing, bandwagoning, or neutrality. Instead, they cultivate a middle position that forestalls or avoids having to choose one side at the obvious expense of another' (Goh 2005, 8). In presenting this argument, we claim that Azerbaijan's strategic hedging foreign policy towards Russia has enabled the former to possess as much flexibility as possible in handling security uncertainties associated with Russia's influence in the region, whilst at the same time preserving the rhetoric of cooperation and engagement to maximize the benefits from the bilateral relations. However, we also argue that Azerbaijan's 'middle ground' foreign policy towards Russia, which comprises elements of both balancing and bandwagoning, has not been driven purely by national security concerns as narrowly understood by the neorealist approach. Instead, the national security factor has been 'processed through the prism of two additional dynamics. First, rich natural resources, such as oil and gas, have granted the Azerbaijani leadership certain confidence in its foreign policy decision-making and boosted its ambitions in preventing the country from becoming a Russian satellite. Second, Azerbaijan's conception of itself as independent from a military commitment to any geopolitical bloc has also contributed to shaping the foreign policy orientation of Azerbaijan vis-à-vis Russia.

This article proceeds with the assumption that strategic hedging as a multiple-choice alternative both to balancing and bandwagoning behaviors enables a state to handle uncertainties in its counterpart's future actions via a basket of policy tools. Strategic hedging contributes to promoting bilateral cooperation whilst allowing elements of a competition aimed at preparing against potential security threats posed by a partner (Hiep 2013, 337). To explain the components of this strategy, we exploit the conceptual framework elaborated by Cheng-Chwee Kuik (Kuik 2010) in his comparative study of hedging behaviors of Malaysia and Singapore in the face of resurgent China. According to him, strategic hedging behavior comprises five major components (see Figure 1) namely:

- limited bandwagoning involving political partnership manifested in policy coordination on selective issues as well as voluntary deference with respect to power;

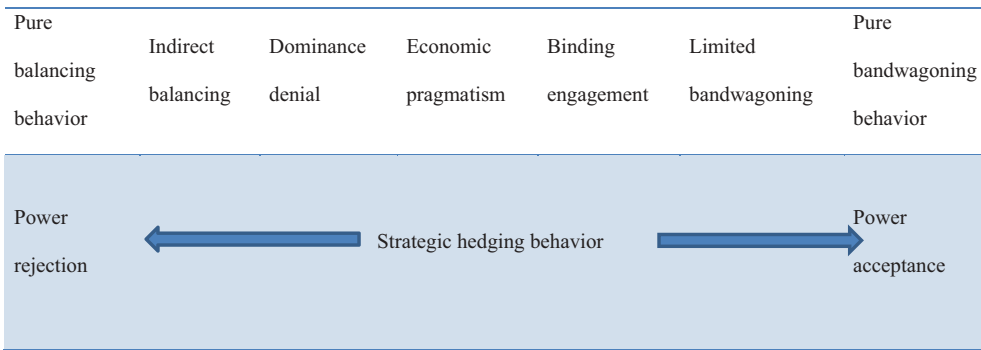


Figure 1. Power-rejection power-acceptance spectrum.

- binding engagement, wherein a state strives to establish and maintain contacts with a big power with the aim of constructing communication channels and affecting the power’s policy choices;
- economic pragmatism, wherein a state seeks to maximize gains from trade and investment relations with the big power, irrespective of any political problems that might exist between them;
- dominance denial targeted at averting the emergence of a single predominant power that may exert excessive interference in a state’s policymaking;
- indirect balancing, wherein a state makes military efforts to handle diffuse uncertainties (as opposed to an explicit threat in the case of pure balancing) by forging defense cooperation and advancing its own military capabilities.

We further argue that the adoption and significance of these specific tools may change depending on a country’s security perceptions of its counterpart. This leads to another research hypothesis, namely that the *pattern of Azerbaijan-towards-Russia strategic hedging has not been homogeneous during the post-independence period but has been subjected to modifications in a response to Russia’s foreign policy fluctuations*. In arguing this, we begin our analysis with the year 1993, when Heydar Aliyev first came to power in independent Azerbaijan, while Russia was under the Boris Yeltsin leadership, and later Vladimir Putin during his first presidential term. We then move on to Azerbaijan’s foreign policy towards Putin’s Russia up to the Five-Day Russia-Georgia War in 2008 and conclude with the third (recent) period since 2008, when Russia once again demonstrated an assertive presence in the Caucasus. After outlining this chronology, we proceed with the assessment of the manifestation and significance of each strategic hedging component individually (limited bandwagoning, binding engagement, economic pragmatism, dominance denial, and indirect balancing) throughout the three periods. Our conclusion reviews the analysis and its policy implications.

The ups and downs of Azerbaijani-Russian relations

When Heydar Aliyev assumed the presidency of Azerbaijan, one irritant in bilateral relations with Russia was Moscow’s military cooperation with Armenia. Having

inherited a state lacking political stability with a considerable portion of its territories seized, the Azerbaijani government reckoned on Russian support in stopping the war in Karabakh and fulfilling long-hoped-for economic promises. However, these expectations were confounded by a number of issues: the absence of a clear-cut strategy on the part of the Kremlin regarding the Southern Caucasus, the inactiveness of the Russian leadership in the summer and fall of 1993 in putting an end to the Karabakh war, as well as continuing close relations between Moscow and Yerevan. It was apparent that, in case of war for Karabakh, Azerbaijan would find not only Armenia but also Russia on the other side. Accordingly, any 'single-handed' attempts to resolve the conflict by force would only undermine the trust of the international community in Azerbaijan, which would be viewed as an aggressor (Kirvelytė 2012, 201). In ways, the stabilization of the situation in Karabakh was largely impossible without engaging Moscow.

Meanwhile, Azerbaijan was facing heavy pressure from Russia to join the Collective Security Treaty and halt cooperation with NATO (Valiyev 2011, 134). In view of the above, Baku's motives for starting to move towards the West in this period seem understandable. Besides, the bilateral relations at the time of Boris Yeltsin's presidency were quite tense, largely determined by the personal coldness between the two leaders (Ismailzade 2006, 12). Boris Yeltsin never paid a visit to Azerbaijan and gave his Azerbaijani counterpart the cold shoulder. In addition, Heydar Aliyev bet on the feasibility of exporting Azerbaijani oil westwards. As the only source of currency acquisition, this was critical for stabilizing the socioeconomic situation in Azerbaijan and rebuffing Armenia's military advances.

The foreign policy orientation of Azerbaijan towards Russia underwent modification when Vladimir Putin was elected as the second President of the Russian Federation in 2000, whilst President Heydar Aliyev was still in office. The change seemed to have been caused by excellent personal chemistry between the two leaders. Apparently, due to a shared background in the ranks of the Higher School of the KGB in Leningrad, and Putin's professed admiration for Aliyev, both leaders managed to find a common language and break down initial negative stereotypes persisting between Russia's and Azerbaijan's elites. Later, President Ilham Aliyev was remembering: 'The first meeting of Heydar Aliyev with Vladimir Putin lasted for a very long time, and, once it was over, my father shared his impressions of Vladimir Putin. Having been colleagues, they managed to understand each other very well and build a very trusting relationship' (Vesti.ru. 2018). It is, therefore, no surprise, that since assuming the presidency, Vladimir Putin has been determined to give a new stimulus to Russia's relations with Azerbaijan, particularly when one considers the similarity of the political systems maturing in both countries (Dellecker and Gomart 2011, 135). Eventually, Aliyev's ill health prompted him to stand down from the presidency two weeks before the presidential elections in October 2003 (BBC News 2003). A few weeks later he passed away.

Last but not least, there was another factor positively affecting relations between Baku and Moscow in the early 2000s, which led to an observable rapprochement in 2002. Heydar Aliyev was concerned about ensuring domestic stability in Azerbaijan through a smooth succession of power in the country. The latter, welcomed by Putin, would likely be shunned by the West. Putin's administration had a certain role in assuring that the power succession went smooth as a guarantee of the Kremlin's influence over the developments in the domestic and foreign policies of Azerbaijan

(Murinson 2009, 132). On this basis, Heydar Aliyev and Vladimir Putin managed to eliminate numerous nuisances that had been accumulating in the countries' relations. Subsequently, the somewhat pro-Western course of Azerbaijan's foreign policy was reversed towards reconciliation with Russia.

Having won the 2003 presidential elections, Ilham Aliyev continued the foreign policy strategy towards Russia initiated by his predecessor. Importantly, by that time Azerbaijan had acquired viable opportunities for a sustained economic boom already laid down by Heydar Aliyev. The newly-elected President was fortunate to inherit 'a bargaining chip' in the form of the soon to be completed Baku–Tbilisi–Ceyhan (BTC) crude oil pipeline, which, against a backdrop of increasing oil prices, promised massive revenue inflows to Azerbaijan. This new reality accordingly became part of the overall foreign policy agenda of Azerbaijan in general and affected Azerbaijan's orientation towards Russia in particular.

The weakening of the West's and the corresponding strengthening of Russia's influence in the South Caucasus was exemplified by the invasion of Georgia in 2008 (Cornell 2011, 114). The Russian victory in the Russian-Georgian war, as well as recognition of Abkhazia and Ossetia, provided Azerbaijan and other post-soviet states with an incentive towards pro-Russian bandwagoning behavior. That, in turn, resulted in the modification of their foreign policies towards recognizing Russia as a reaffirmed regional hegemon (Sussex 2012, 89). Perhaps to avoid the suspicion that it may opt for a definitive pro- or anti-Russian foreign policy, Azerbaijan decided to enter the Non-Aligned Movement (NAM) in May 2011. At the same time, Azerbaijan remains lucky to be ranked 20th in the world in terms of proven oil reserves with 7 billion barrels of oil according to the Global Firepower (GFP) review for 2017. As a result, Azerbaijan has remained the only state within the former Soviet space that may be regarded as neither pro-Russian nor pro-Western. It has maintained solid neighborly relations with Russia without sacrificing its general political course of integration into the West (Valiyev 2009, 275). Besides, after years of mutual misunderstanding and suspicion, both Azerbaijan and Russia have recognized one another's importance in terms of providing security in the volatile Caucasus region (Valiyev 2011b, 5). Neither Russia nor Azerbaijan can solve the endemic problems of the Caucasus alone, and thus, they strive to find an appropriate model benefiting both sides.

Despite the re-emergence of Russia's ambition to posit itself as a proto-superpower, an aspiration shown again by the 2014 annexation of Ukrainian Crimea, bilateral relations between Russia and Azerbaijan have been presented as a 'win-win model'.¹ The strategy of Azerbaijan vis-à-vis Russia is being largely preserved in its previous form since Baku neither securitizes its interests in the relations with Russia nor moves towards an excessive rapprochement with Moscow.² It has embraced elements of both autonomy and caution in order to maintain a traditional balance of interests in the global and regional system, as well as to safeguard national security and autonomy.

Analyzing foreign policy: not words but deeds

Since Heydar Aliyev assumed the presidency, any idea of ignoring the ambitions of a resurgent Russia has vanished. The concern of President Aliyev's government over the deepening hardship in the Nagorno-Karabakh conflict and the growing threat to the

national security of Azerbaijan has played an important role in steering the foreign policy orientation of Azerbaijan away from antagonizing Russia. This demarcated the essence of the limited bandwagoning tool in the hedging strategy towards the Kremlin. In this regard, realizing the necessity of paying tribute to Russian influence in the region, Azerbaijan signed the Collective Security Treaty on September 24th, 1993, an agreement intended to precede the creation of the Collective Security Treaty Organization, a Eurasian military bloc led by Russia. Concurrently, Azerbaijan accessed the Commonwealth of Independent States (CIS), a body embracing the bulk of the newly independent states of the former Soviet Union. These decisions were motivated by Heydar Aliyev's considerations over the proper 'balance of interests' to avoid possible threats coming from Russia as the *Contract of the Century* (to be discussed below) was nearly at hand. Another limited bandwagoning aspect of Azerbaijan's policy vis-à-vis Russia during this period was reflected in Baku's stance towards developments in the North Caucasus. Although public opinion and sympathies were on the Chechen side during the 1994 Russian-Chechen War, the Azerbaijani government officially endorsed Russia's campaign against the Chechen separatists (Valiyev 2011b, 5).

In keeping with the concept of a binding engagement instrument, the attempts of Heydar Aliyev's government to 'socialize' Russia during the president's ten years in power resulted in six working and one official visits. President Aliyev's persistent attempts to promote bilateral communication and mutual trust with Russia signaled a hope of gaining security backing from Russia on the part of the Azerbaijani leadership. By contrast, his counterpart President Boris Yeltsin ignored 'the rule of reciprocity' and did not grace Azerbaijan with his presence. Since visits by heads of state are considered to be the highest expression of friendly bilateral relations between two sovereign states, we can conclude that the element of binding engagement in Azerbaijan's hedging strategy towards Russia was insignificant between 1993 and 2000. Similarly, seeking a peaceful relationship with Russia stimulated Azerbaijan's efforts to promote strong economic ties with the Kremlin. However, the Chechnya question, raised during the First Chechnya War, when Azerbaijan was accused by Russia of aiding Chechen rebel forces, led not only to the aggravation of the political climate during 1994–1999 but also affected reciprocal trade turnover indicators. Russia imposed an economic embargo on Azerbaijan for 3 years, a substantial blow given that 70 percent of Azerbaijan's trade had been Russia-bound (Aslanli 2010, 141). As a result, in the summer of 1999, the volume of Azerbaijan-Russia trade turnover fell by 33%, while Russia's share of Azerbaijan's trade turnover decreased by 18% in comparison with the same period for 1997 (Cherniyavskiy 2010, 31). Even the pre-existing economic and trade interdependence of the two countries, resulted from their common Soviet background, as well as more general considerations of economic pragmatism, failed to improve the relations.

Instead, Azerbaijan's desire to strengthen its positions in view of its huge energy resources encouraged the leadership to diversify its portfolio of political and economic partners. As a result, in 1994, the historic *Contract of the Century* was signed between the Azerbaijani government and the consortium of leading international oil companies to develop the rich *Azeri – Chirag – Guneshli* deep-water oil fields. The sonorous name ascribed to the agreement reflected its tremendous importance, and not only because of the fields' huge potential reserves. Most importantly, it brought a strategic Euro-Atlantic

interest to the small Caucasian country and provided the foundation for the Azerbaijan-West relationship, which is relevant at the present day (Nixey 2010, 129). This was the first time that a former Soviet state had signed a deal for its oil to reach international markets by by-passing Russia. It was also addressed as a policy success for the United States, which had been engaged in years of intensive negotiation to build a route for Caspian oil wealth that would not rely on Moscow. The signing of the *Contract of the Century* was followed by Russian notes of protest and threats of sanctions against Azerbaijan since Russia was aggressively opposed to any developments, which could extend Western influence in the region. As a symbolic but strategic step, President Aliyev ordered that a 10 percent share of Azerbaijan's original 30 percent stake in the agreement should be granted to the Russian oil giant LUKOIL. As further lip service to Russia's sensibilities, a certain amount of early oil from the *Contract of the Century* was delivered to the world markets through the Baku-Novorossiysk pipelines. In view of the above, it was, in fact, an achievement of President Heydar Aliyev, who managed to implement the project in a newly-born poor state with 20% of its territory occupied and over 1 million refugees and internally displaced persons.³ Eventually, it was in 1997 that the first oil was produced under the historic deal. The problem of how to export the *Contract of the Century* oil westward was solved with the 1999 agreement between Azerbaijan, Georgia, and Turkey on the construction of the Baku-Tbilisi-Ceyhan pipeline to be built by the BTC pipeline company (BTC Co) operated by the British-based multinational oil company BP. The BTC, the longest oil pipeline in the former Soviet Union after the Druzhba pipeline, was largely regarded in Azerbaijan as a tool to decrease its dependence on Russia in terms of export routes for oil and gas, as well as to build new economic, political and security links with Turkey, Azerbaijan's ally, and subsequently with Western Europe. Meanwhile, in 1995 the United States encouraged the reconstruction of a low-capacity oil pipeline from Azerbaijan to the Georgian Black Sea Port of Supsa as part of a strategy to ensure that Russia didn't monopolize East-West export pipelines (Nichol 2011, 32). The Baku-Supsa pipeline was the only alternative oil export route for Azerbaijan during the repeated disruptions of oil transportation via the Baku-Grozny-Tikhoretsk-Novorossiysk pipeline that suffered technical and operational problems because of the protracted conflict in Chechnya (Ziyadov 2014, 23). To summarize, the Russian dominance denial strategy, successfully pursued by Heydar Aliyev's government via attracting large extra-CIS investments into the oil sector, reduced the ability of Moscow to play the energy card against Azerbaijan.

Finally, tense relations between Yeltsin's Russia and Heydar Aliyev's Azerbaijan went beyond rhetoric as illustrated by the refusal of the latter to renew the Collective Security Treaty for five further years in 1999. Instead, Azerbaijan entered into active military cooperation with NATO, a policy whose history dates back to March 1992 when Azerbaijan, together with some Central and Eastern European countries, joined a newly established consultative forum – the North Atlantic Cooperation Council (NACC), which was transformed into the Euro-Atlantic Partnership Council later in 1997. The cornerstone of even more substantive relations between Azerbaijan and NATO was laid on May 4th, 1994, when Heydar Aliyev signed the Partnership for Peace Framework document providing for political dialogue, participation in NATO-led operations, and practical cooperation on a wide range of issues with a special focus on defense reform. Azerbaijan was among the first post-Soviet Republics to join the

Planning and Review Process in 1997 focused on reaching military interoperability with NATO troops via the introduction of NATO's political/military, military, training and technical standards, something which signaled the beginning of the adaptation of the Azerbaijani Armed Forces to Western structures and their participation in international military cooperation and NATO-led peace-support operations. The Mission of the Republic of Azerbaijan to NATO was established the same year. Most notably, in 1999 Azerbaijani forces, deploying one platoon (34 personnel), joined NATO-led peacekeeping operations in Kosovo (*Azerbaijan-NATO: 15 Years of Partnership*, 37) within Kosovo Force (KFOR). Also, although the period between 1993 and 2000 did not feature any striking attempts on the part of Azerbaijan to upgrade its own military, Heydar Aliyev's government focused on the revival of national defensive capabilities, establishing a single command system for the regular army.

After Boris Yeltsin handed over power to Vladimir Putin, the somewhat pro-Western orientation of Azerbaijan's hedging strategy swung back towards reconciliation with Russia. One of the signals of the solidification of limited bandwagoning in Azerbaijan's hedging strategy vis-à-vis Russia was the reversal of Baku's position towards the Chechnya issue. Back in 1994, during the Chechnya crisis when Russia was attempting 'to establish constitutional order' in the self-proclaimed independent state, Baku preferred an alternative BTC project to the already operating and Russia-promoted Baku-Grozny-Tikhoretsk-Novorossiysk pipeline. In response, it was accused of providing military assistance to Chechnya by allowing foreign fighters and cargoes of weapons and ammunition to pass through its territory, by tolerating Chechen dissidents based in Baku and by providing permanent residence for many Chechen families (Cherniyavskiy 2010, 28). Since one of alleged Russia's motives for invading Chechnya in late 1994 was Azerbaijan's oil (Cornell 2011, 346), Putin seemed to realize that the latter's position towards the conflict was the key to not only restoring control over Chechnya but to preserving influence in the South Caucasus. Under the pressure from Russia, the Azerbaijani leadership eventually caved into Putin's demands in the early 2000s. Ultimately, Chechen cultural centers in Baku were closed; moreover, the Azerbaijani government began to crack down on Chechen refugees, even handing some of them over to the Russian security services (Ismailzade 2006, 21). From the point of view of the Azerbaijani government, the Chechen community presented a threat to the country's internal balance. Besides, after long-lasting negotiations, Russia and Azerbaijan agreed on the terms of the lease of one of its eight major Soviet-built stations, namely the Gabala radar station, built in 1985 (Sputnik International 2012). According to the 2002 agreement, Russia was granted the right to lease the early warning radar site with a substantial surveillance trajectory hosting about 1,000 Russian servicemen with about 500 Azerbaijanis until December 24th, 2012. Although the station had little military value for Russia, the agreement enabled it to preserve a physical presence in Azerbaijan (Stratfor 2012). The leasing of the Gabala radar station was important because it occurred amid Russia's attempts at the resurgence in its periphery. Maintaining positions at military bases and installations throughout the post-Soviet space was part of Moscow's effort to reassert itself. To this end, Baku's concession over the station was another sign of its voluntary deference to the Kremlin.

The element of binding engagement in Azerbaijan's hedging strategy towards Russia in the early 2000s was also given priority. The apparent personal warmth of Vladimir Putin towards Heydar Aliyev, and later towards Ilham Aliyev, acted as an umbrella over their one-to-one foreign policies and established a spirit of mutual trust (Cornell 2011, 108). As a gesture towards expanding mechanisms to nurture cooperation, a new epoch in bilateral relations was highlighted with the Russian President's first official visit to Baku during the entire post-Soviet period. January 2001 could, therefore, be seen as the beginning of a new stage in the development of relations between Russia and Azerbaijan. A joint statement on the principles of cooperation in the Caspian Sea and a Baku Declaration on the principles of security and cooperation in the Caucasus was adopted within the framework of Vladimir Putin's visit to Baku. Inter alia, the statement reaffirmed the readiness of the parties to promote five-sided negotiations for a convention on the legal status of the Caspian Sea in a spirit of peace and friendship, whereas the Declaration highlighted the concern of the states over the dissemination of extremism and aggressive separatism in the Caucasus and, accordingly, laid the foundation for cooperation between the foreign policy, security and law enforcement agencies of the two countries. Meanwhile, the Russian LUKOIL signed a Production-Sharing Agreement with Azerbaijan's state-owned SOCAR for appraisal, infill drilling, and rehabilitation work in the Zyk and Govsany fields in Azerbaijan (Oil & Gas Journal 2001). Later in 2002, when Heydar Aliyev visited Moscow, numerous documents were signed: an agreement on long-term economic cooperation till 2010, inter-governmental agreements on the main principles and directions of economic cooperation, on cooperation in the field of information exchange, on prevention of violation of tax law, and on cooperation in the field of production. Finally, in 2003 an intergovernmental agreement on military-technical cooperation was signed in Baku (Aslanlı 2010, 142). Numerous official and unofficial meetings at the presidential level between 2000 and 2008 proved fruitful, as a wide range of important agreements in political, strategic and military fields were signed.

This warming in bilateral relations between Azerbaijan and Russia since Vladimir Putin assumed the presidency of Russia highlighted a qualitatively new tendency in the development of trade and economic relations between the two states. It appeared that economic interests overtook political ones, and the Russian business elite began to cooperate actively with Azerbaijan (Valiyev 2011, 134). Consequently, the period between 2000 and 2008 featured an intense improvement in the dynamics of the two-way trade turnover between Russia and Azerbaijan. Volumes of exports from Azerbaijan to Russia experienced a steady and remarkable increase for a decade after 2003. Volumes of imports from Russia to Azerbaijan progressed even more and remain high according to the most recent figures (OEC 2016). This was a period of joint projects, economic opportunities, and mutual understanding.

Despite encouraging the promotion of deep political and economic ties between Azerbaijan and Russia, Vladimir Putin's presidency did not derail Heydar Aliyev's efforts to safeguard Azerbaijan's autonomy, particularly in terms of its energy geopolitics. To this end, in 2002 an agreement was signed between Azerbaijan and the consortium of leading international companies on the construction of a secure and efficient South Caucasus (or Baku-Tbilisi-Erzurum) pipeline system (Jervalidze 2006, 26). With the route running parallel to the BTC crude oil pipeline, it was initially

supposed to export Shah Deniz natural gas from the Sangachal terminal near Baku to Georgia and Turkey; however, in the long term, it is intended to supply the European market with Caspian natural gas through the planned Southern Gas Corridor infrastructure project. In addition, the policy of denying Russian dominance was traditionally incorporated in expanding Azerbaijan's participation in multilateral arrangements. In a similar vein, another symbolic gesture towards Western integration was made in 2001, when Azerbaijan joined the Council of Europe, the continent's leading human rights organization. Besides, since 2002 the Republic of Azerbaijan has been party to the Convention for the Protection of Human Rights and Fundamental Freedoms, which is the most important legal instrument of the Council of Europe in the sphere of human rights protection. The aforementioned energy and foreign policy tools have reflected the dominance denial element of Azerbaijan-towards-Russia strategic hedging orientation between 2000 and 2008. The efforts over diversification of partners in energy projects, as well as the expansion of the diplomatic presence as a channel for national interests' advocacy, proved Baku's commitment to preventing the emergence of a predominant power that could exert undue interference in Azerbaijan.

Despite a shift in its foreign policy towards political and economic rapprochement with Russia, Azerbaijan has kept on pursuing a specific agenda of strengthening its military capabilities since the early 2000s. This was achieved, first, through accelerating its military modernization. During this period, Azerbaijan took on wider security responsibilities in the international community by joining international and US/NATO-led operations in Afghanistan in 2002 and Iraq in 2003. More specifically, it played a substantial role in NATO operations in Afghanistan, having a key role as part of the Northern Distribution Network for the transit of the US and NATO supplies to and from Afghanistan via Azerbaijani airspace and territory. Moreover, Baku's decision to contribute to the Afghan National Army Trust Fund, as well as its initiative to train Afghan security services and its decision to further support Afghanistan following the withdrawal of troops in 2015, including in relation to state building, demonstrated Azerbaijan's commitment to NATO in terms of global and regional security (Azerbaijan-NATO: 20, 37). Later, in 2007, under the presidency of Ilham Aliyev, Azerbaijan started its first Individual Partnership Action Plan with NATO with the new PfP mechanism defining the cornerstone of their cooperation. Moreover, Azerbaijan is currently an associate member of the NATO Parliamentary Assembly. In addition, the cautious approach of Ilham Aliyev's government to foreign policy was reflected in the response of Baku towards the series of 'color revolutions' in Georgia, Kyrgyzstan, and especially Ukraine. Despite Russian pressure over Putin's refusal to recognize the 2004 Ukrainian elections winner Viktor Yushchenko, and unlike Central Asian and Armenian governments, Azerbaijan managed to save face by not siding with supporters of Yushchenko's opponent, the Russia-backed Viktor Yanukovich (Cornell 2011, 115). Later in 2006, Azerbaijan helped Georgia survive a temporary total cut-off in Russian energy supplies. It delivered small volumes of its own gas and electricity to Georgia and also transited small volumes of Iranian gas (Socor 2006) as a sign of support to Tbilisi during Russia's deliberately punitive actions towards it. Amidst all this, despite certain fears that these events might serve as a dangerous precedent for Azerbaijan, President Ilham Aliyev made his first official visit to Washington in Spring 2006.

The five-day Russia-Georgia war in 2008 generated a new wave of instability and forced most of the states of post-Soviet Eurasia to reevaluate their foreign policies. Since 2008, various indications of assertive Russian behavior towards Georgia and later Ukraine, not to mention intermittent escalations in the Nagorno-Karabakh conflict, seemed particularly egregious from Azerbaijan's perspective. Azerbaijan, for its part, has tried to avoid antagonizing Russia and has been cautious with regard to its ambitions for membership in either the North Atlantic Treaty Organization (NATO) or integration with the European Union (Valiyev 2011, 134). Accordingly, despite having joined the EaP joint policy initiative in 2009, Azerbaijan's European integration aspirations seemed to have been clearly weakened by the time of 2013 Vilnius Summit (Valiyev 2013). Consequently, Baku abstained from signing an Association Agreement with the EU in 2014. The widespread apprehension that 'nobody is coming to help' seemed to have impelled official Baku to refrain from supporting sanctions against Russia during the Ukrainian crisis, although it supported the territorial integrity of Ukraine in the UN General Assembly by having voted for Resolution 68/262 on March 27th, 2014. In terms of the Chechen situation, despite the fact that Russia-backed Chechen President Ramzan Kadyrov faced heavy criticism in Europe and the U.S., the Azerbaijani establishment helped Kadyrov to strengthen positions in the early years of his presidency. The Azerbaijani government invited the Chechen president to Azerbaijan several times, and Kadyrov visited Baku in November 2009 (Valiyev 2011b, 6). Another dimension of Azerbaijan's limited bandwagoning at the present time is the country's incorporation into the extensive military and military-technical cooperation with the Kremlin. According to the SIPRI Arms Transfers Database, Russia is the primary supplier of weapons to Azerbaijan with the largest aggregate arms export value since Azerbaijan gained independence, although their arms trade relations started only in 2007.

The exchange of the official and working visits of the heads of state has continued since 2008, and communication at the top decision-making level has increased. A Declaration on Friendship and Strategic Partnership between the Republic of Azerbaijan and the Russian Federation was signed during then Russia's President Dmitry Medvedev's official visit to Azerbaijan in 2008. It complemented another fundamental document stipulating the priorities of their bilateral relations – a Treaty of Friendship, Cooperation and Mutual Security signed on July 3rd, 1997. The document reiterated the fundamentals of the latest era of the Russian-Azerbaijani relations. At the moment, more than 150 intergovernmental arrangements form its legal basis, including Free Trade Agreement of 1993, Agreement on Cooperation in Border Areas of 1996, Agreement on Military-Technical Cooperation of 2003, Agreement on Mutual Protection of Intellectual Property Rights of 2006, Bilateral Investment Treaty of 2014 etc. This is how the efforts of establishing binding connections with Russia are being implemented on a government-to-government channel. In addition, cooperation between Azerbaijan and Russia in the culture and education domains is one of the key priorities. Some 15,000 Azerbaijani citizens are studying in Russia. The Baku branches of the Lomonosov Moscow State University and I.M. Sechenov First Moscow State Medical University opened in 2010 and 2015 respectively. Baku keeps on hosting regular Azerbaijan-Russia Youth Forums; cooperation between Russian and Azerbaijani higher educational institutions is being developed. The Baku International

Humanitarian Forum taking place annually in Baku since 2010, a joint project supported by the Presidents of Russia and Azerbaijan, has become a highly respected venue for discussing strategies for global issues. Similarly, Azerbaijan-Russia Interregional Forum is being held on an annual basis giving an impetus for developing the inter-regional cooperation. Alongside the importance of the Russian language (there are 341 Russian-language schools in Azerbaijan) should not be underestimated since its widespread use in Azerbaijan gives the latter an advantage in relations with Russia. To this end, people-to-people interactions have played a considerable role in facilitating dialogue and mutual understanding between the two countries.

Besides this, Azerbaijan has traditionally been the largest trade partner of Russia in the Southern Caucasus (Imamverdiyeva and Aliyev 2015, 54). At the same time, Russia is the major trading partner of Azerbaijan among CIS countries and the largest non-oil sector importer to Azerbaijan. The two countries have achieved their highest level of integration in the non-oil sector (Gasimli 2011, 88). As for the current turnover, trade between Russia and Azerbaijan reached more than 2,141,283 thousand US dollars in 2017, which places Russia third in Azerbaijan's trade partner portfolio after Italy and Turkey (State Statistics Committee, 2018). In addition, Russia and Azerbaijan have been cooperating successfully in developing mutual transport projects, among which the International North-South Transport Corridor (INSTC) is the most forward-looking. This is of strategic importance as a means of moving freight between India, Iran, Azerbaijan, and Russia by ship, rail, and road. The implementation of the project will provide the participating states with an opportunity to get substantial dividends from transit shipments, the volume of which is expected to reach up to 15–20 million tons (Cherniyavskiy 2010, 34). The Azerbaijani government feels optimistic about the project and has already fulfilled all the commitments undertaken as part of its implementation. The gas deal between Azerbaijan and Russia is another factor in cementing economic, as well as political, relations. Starting from 2011, Gazprom has bought around two billion cubic meters of gas per year from Azerbaijan and is planning to increase that volume. By buying gas from Azerbaijan, Russia saves money on gas transportation. It is thus not surprising that a price offered for Azerbaijani gas is similar to the price at which Russia sells its own gas to Europe. Russia wins economically and politically in both cases. For Azerbaijan, such cooperation is genuinely beneficial since the country can sell its gas at market prices. At the same time, the gas supply to Dagestan and other republics of the North Caucasus is making Azerbaijan an important player in providing economic security to the region (Valiyev 2011b, 7). To recapitulate, the deep reciprocal trade ties between the two countries continue to benefit both parties, reflecting an element of economic pragmatism in Azerbaijan's hedging strategy towards Russia.

At the same time, Azerbaijan's oil and gas reserve potential has traditionally enhanced the domestic elites' confidence in shaping an independent foreign policy course. In this regard, the Russian-dominance-denial policy pursued by Azerbaijan has been continued by President Ilham Aliyev in the context established long ago by his predecessor. Apparently, today's Azerbaijan is the only Westward route for Caspian oil and gas resources, breaking Russia's former monopoly on access to the world energy export markets (Paul and Rzayeva 2011). The Baku-Supsa oil pipeline together with the Baku-Tbilisi-Ceyhan, dubbed as the 'oil window to the West' (Starr and Cornell 2005), keep on significantly enhancing the economic and geostrategic potential of Azerbaijan.

As for natural gas, according to the Global Gas Outlook report released by the Gas Exporting Countries Forum (GECF), Azerbaijan's natural gas will see a 9.1 percent growth reaching an annual export volume of 48 billion cubic meters by 2040 with the Southern Gas Corridor (SCPX, TANAP, and TAP) becoming operational in about four years. Alongside with the Baku-Tbilisi-Erzurum (BTE) gas pipeline system operational since late 2006, today Azerbaijan is involved in even more ambitious energy infrastructure projects – obviously referring to the Southern Gas Corridor with its unique geostrategic role for both Azerbaijan and the EU. The route is going to bring together the long operating South Caucasus Pipeline (SCPX) with the recently launched Trans Anatolian Pipeline (TANAP), and an expected Trans Adriatic Pipeline (TAP) reaching Greece, Albania, and Italy. A 'project of common interest', it is supposed to become one of the most complex transregional gas value chains ever developed in the world. In this way, Azerbaijan has proved its geostrategic importance by signing contracts on the production and transportation of natural gas directly to the European market for decades to come.

To what extent does Azerbaijan-towards-Russia policy utilize any given strategic hedging component along the balancing-bandwagoning continuum? Since 2008, the element of indirect balancing seems to have been proportionally compensated by a corresponding element of limited bandwagoning. Specifically, the extent to which Azerbaijan remains cautious in its Euro-Atlantic integration endeavors and does not challenge Russia in terms of certain political issues is matched by Baku's military modernization agenda and specific counterbalancing steps. In addition to enhancing its focus on military modernization, Azerbaijan has realized its strategic value to the West due to its role in countering international terrorism as a strategic access route to Afghanistan and Central Asian states. Accordingly, President Ilham Aliyev has followed his predecessor's policy of proving Azerbaijan as a self-standing Southern Caucasus country. Azerbaijan has also committed to maintaining broader cooperation ties with the EU, in particular by joining the Eastern Partnership (EaP) in 2009, a joint policy initiative launched to deepen and strengthen relations between the European Union and six post-Soviet states of 'strategic importance', including Azerbaijan. Against the background of trying to refrain from allowing Russia to project its power excessively, the Gabala radar station's lease was terminated in 2012 (Sputnik International 2012). All the equipment was dismantled and transported to Russia, while the station was given back to Azerbaijan. That act represented an unprecedented step for a post-Soviet country, particularly remarkable during Putin's era. The current balanced and pragmatic configuration of bilateral relations between Azerbaijan and Russia can be considered a 'win-win' model, one which helps Azerbaijan to promote mutually advantageous cooperation with Russia whilst simultaneously entailing competitive elements to deal with potential security threats coming from the Kremlin.

The evidence of Azerbaijan-towards-Russia foreign policy choices since independence shows that its strategic hedging behavior vis-à-vis Russia, as a multiple-component approach comprising five constituent elements, has not been static. Such a tendency demonstrates that elements are inclined to gain or lose their significance depending on certain dynamics. Today, Azerbaijan has been hedging Russia differently (in a more balanced and even manner) from how it used to between 2000 and 2008. In turn, Baku's hedging strategy vis-à-vis Moscow used to be operationalized in a different

way in 1993–2000. However, throughout the very period of study, the overall motivation of Azerbaijan's leadership in directing the foreign policy course towards Russia has remained the same.

Explaining Azerbaijan's strategic hedging orientation towards Russia

The neorealist international relations scholar Stephen Walt was the first to introduce the balancing-bandwagoning debate. According to him, in their calculation of security needs, states may respond to external threats either by joining a certain coalition to achieve security from a threatening state (balancing behavior) or by moving towards accommodation and aligning with the very source of external threat (bandwagoning behavior) (Walt 1987, 110). However, such a bifurcation in states' alignment choices advocated by the neorealist school seems to be simplistic in that it assumes that decision-makers authorized to shape a nation's foreign policy are free of any internal constraints that might influence their foreign policy choices. Apparently, domestic politics, national interests, economic viewpoints, ideological or cultural affinities among nations and other factors are given little relevance. We argue that the limited applicability of the military-based neorealist approach to states' alignment behavior may be supplemented by the hypotheses of another generation of the realist tradition – neoclassical realism.

The neoclassical realist approach, still utilizing neorealist emphasis on systemic forces, incorporates internal structures into the analysis. One of the foremost advocates of neoclassical realism, Randall Schweller, points out that 'systemic pressures are filtered through intervening domestic variables to produce foreign policy behavior' (Schweller 2004, 164). According to neoclassical realism, the objective reality is still present; however, unit-level intervening variables and primarily decision-makers' perceptions also affect a nation's policy-making process (Tuke 2011, 34). In this regard, considering not only the relative power capabilities of states but the perceptions of these capabilities by state leaders, neoclassical realism emphasizes the role of different states' motivations (Bhattacharjee 2011, 15). In particular, the 'causal mechanism' suggested by neoclassical realism visualizes the way in which oil and gas resources may affect the foreign policy of states. The factor of energy wealth in foreign policy outcomes seems to be reasonable as it may affect the perceptions of decision-makers in a number of ways: it enhances leaders' scope for decision-making and margins for error whilst also inflating the ambition and confidence that the country can 'go it alone' (Brown 2011, 11). For the purposes of this research, oil and gas wealth is viewed as a significant factor affecting the policymakers' perceptions of the relative power capabilities of a state. That is one of the 'windows of opportunity' for states to have a wider spectrum of alignment options beyond balancing/bandwagoning dialectics.

The stances of neoclassical realism bring us to another point at which the alternative states' alignment behavior options such as strategic hedging come into play. This is a conception of the national role as a summation of the overall positioning of a government towards the external environment, and in particular towards military blocs. According to Kalevi Holsti (1970), the decisions and actions of governments may be explained to some extent by reference to the policy-makers' own ideas of their nation's role in a region or in the international system as a whole. The leaders' 'images'

of the appropriate orientations or functions of their states in the international environment become important explanatory variables in elucidating foreign policy decision making. Moreover, according to Naomi Wish (1980), there are significant similarities among national role conceptions expressed by leaders from the same nations, even although they are in power at different times and accordingly experience different international arena constraints and circumstances. The present research refers to the assumption that the foreign policy of states may be explicated to a certain extent by the leaders' perceptions of their nations' 'place and purpose' in the international system. That is, another intervening factor making it possible for states not to be restricted by radical alignment behavior choices in face of a potentially threatening power, but to apply a combination of foreign policy tools in the face of a latent threat – strategic hedging foreign policy orientation.

This is very much applicable to the case of Azerbaijan's foreign policy towards Russia. Being a Soviet successor state, even after the former's dissolution, Russia is often seen as considering the post-Soviet space as something homogeneous. Historically laying a special emphasis upon the 'sphere of influence' concept, post-Cold War Russia has persistently attempted to keep or restore its assertive presence around the 'belt area' formed from the USSR's collapse. In doing so, Russia exerts its influence in Eurasia, according to many, by taking advantage of frozen conflicts. In the case of Nagorno-Karabakh, while playing a key role as an arbiter between Armenia and Azerbaijan ever since as part of the OSCE's Minsk Group process, the Kremlin is formally aligned with Armenia but supplies arms to both sides, which helps Russia keep them visible in its orbit and maintain a role of the key mediator (Cooley 2017). All the while, the Nagorno-Karabakh conflict continued to be both a bone of contention and bargaining chip in negotiations between Moscow and Baku for years. Events of the last two years have shown that the conflict is not only far from being settled, but could turn into a full-blown war (Valiyev 2017). This has resulted in the external pressure modern Azerbaijan has had to cope with in the constant quest for a level-headed approach to Russia in order to gain any support in terms of the Nagorno-Karabakh conflict. In this sense, to follow a common neorealist belief (Liow 2005, 282), under a condition of disparity Azerbaijan as the weaker state would tend either to coalesce with other like-states against powerful Russia to preserve security (balance) or align itself with the latter (bandwagon). So far, different post-Soviet countries (the Baltic States excepted) have employed various strategies towards the 'greatest regional power = greatest potential enemy' (balancing Russia in the case of Moldova, Georgia and Ukraine or bandwagoning with the Kremlin in case of Armenia), whereas only Azerbaijan has pursued 'both strategies simultaneously' (Coyle 2017, 259). This is a compromise alternative – strategic hedging – which Azerbaijan has preferred to maintain in its relations with Moscow since Heydar Aliyev came to power.

The question is what was the 'window of opportunity' allowing post-independence Azerbaijan to reject both options for entering into an alliance against or with the Kremlin? As neorealist IR tradition would suggest, Azerbaijan's foreign policy strategy towards Russia has been affected largely by considerations over national security potentially threatened by Moscow. The alleged involvement of Russia in the frozen but volatile Nagorno-Karabakh conflict, as well as its assertive behavior towards other post-Soviet states, something which potentially foreshadows a similar threat to Azerbaijan's

sovereignty and territorial integrity, certainly go a long way to explaining Azerbaijan's behavior vis-à-vis Russia. According to neorealists, Azerbaijan should be choosing between balancing and bandwagoning when dealing with an overwhelming competitor. Moreover, in weighing pros and cons, it would be driven by two considerations: first, whether or not the supposed alliance, when formed, would have a sufficient combined capability to stand up to the great power; second – whether or not the very great power can crush their coalition even before it is formed (Rosato 2010, 26). Then, following careful assessment of the combined capabilities, Azerbaijan would either bandwagon with Russia if it realized that the alliance with like-states would be too weak to defend it, or balance against the latter if there were enough pooled resources to avoid a gross mismatch in power. Coming back to the post-Soviet space, separatist movements in three states – Moldova (Transnistria), Georgia (Abkhazia and South Ossetia) and Ukraine (Crimea and Donbass) – have proved how painful a miscalculation of capabilities may be. Nor has the diametrically opposed case of Armenia, which has seen a substantial loss of autonomy in favor of Russia, been a success story. In its quest for an alternative strategy to both balancing and bandwagoning, Azerbaijan, in turn, has gambled not purely on security concerns, but on its potential for energy-based diplomacy. Modern Azerbaijan's foreign policy has continued to focus on three major goals: retaining independence, resolving the Nagorno-Karabakh conflict, and making Azerbaijan a key partner for regional powers (Valiyev 2010).

In this respect, the postulates of neoclassical realism would explain that given the oil and gas reserves possessed, Azerbaijan's elites have been endowed with greater levels of confidence when formulating the country's foreign policy. In fact, in the eastern part of the European continent, Russian influence in energy supplies gives Russia a certain edge both in most EU member states (the Baltic States, Slovakia, Hungary, and Bulgaria particularly) and also outside the EU in all states adjacent to Russia, except Azerbaijan (Kurecic 2017, 332). With this in mind, alongside a desire to avoid and minimize threats, Azerbaijan's leadership prioritizes interest-based relations with the West in its pursuit of maximizing commercial gains. Whether bringing in multiple countries' investment in the oil and gas sector was primarily a manifestation of the national interest or the interests of the ruling elite makes no difference. Here, a parallel may be drawn with the relations with Russia of two other hydrocarbon-rich post-Soviet states – Kazakhstan and Turkmenistan. The natural resources central to both relationships – oil in the case of Kazakhstan and natural gas in case of Turkmenistan, seem to allow the two countries to strike a balance between maintaining close cooperation with Russia and keeping it at arm's length through collaboration with other major powers – China in particular (Overland and Torjesen 2010, 162).

Last but not least, credits should be given to both Heydar Aliyev and his successor Ilham Aliyev, who have sought to maintain Azerbaijan's image of neutrality, as well as the sense that its foreign policy is driven primarily by national interests. In this regard, Azerbaijan has been assertive in its aim not to be bound by commitments to any geopolitical bloc. One of the clearest indications of this stance was the decision to join the Non-Aligned Movement (NAM) in May 2011. It is notable that, until then, Belarus was the only CIS country which was a full member of this group (Shirinov 2012). Moreover, as part of its multi-directional foreign policy, Azerbaijan has joined numerous strategic groupings albeit apparently opposed to one another (Idan and Shaffer

2011, 255). Despite the apparent propensity to imitate the Kremlin's values agenda, Azerbaijan nonetheless remains concerned about its status and image in the West and is enthusiastic to maintain good ties with Western partners.

To recapitulate, for more than two decades Azerbaijan has consistently employed a policy of so-called strategic patience towards Russia. In other words, Azerbaijan seems to act as if, concerned about preserving statehood and independence, it ignores/underestimates Russia's excessive influence in the region or has forgotten Russia's perceived betrayal in terms of Nagorno-Karabakh. Apparently, this logic was reinforced in voting patterns in particular when a case concerned Russia at the UN General Assembly. Back in May 2008, Azerbaijan was among only fourteen UN members to support the Resolution recognizing the right of return by refugees and internally displaced persons to Abkhazia, Georgia. Interestingly, despite its de-facto acknowledgment of the role of Moscow in the Abkhazia conflict, the text of the Resolution made no mention of Russia as an involved party. In a traditionally pragmatic and balanced manner, then Azerbaijani Permanent Representative to the UN Agshin Mehdiyev in his official statement on the document merely drew a parallel between the Georgian and Azerbaijani cases which 'both started because of aggressive separatism with the aim of using force to change fundamentally the affected territories' demographic'. He also contended that the only way to reach a just and comprehensive settlement of both situations was, *inter alia*, respecting the territorial integrity of the two states. Similarly, the same approach was applied by Azerbaijan when it refused to support sanctions against Russia during the Ukrainian crisis, although it endorsed the territorial integrity of Ukraine in the UN General Assembly by voting in favor of the respective resolution adopted in March 2014 in response to the Russian annexation of Crimea. Such diplomatic maneuvering has created room for enduring bilateral relations to persist till the present day, whereas a certain 'othering of Russia' has occurred due to the potential threats the latter may pose to Azerbaijan's security.

Conclusion

Throughout the modern history of both countries concerned, Azerbaijan-towards-Russia foreign policy has been driven by two *permanent* determinants. On the one hand, Russia's continued support of Armenia and procrastination in the resolution of the Nagorno-Karabakh conflict have prevented Azerbaijan from active rapprochement with the West. Russia appears to believe that if the Nagorno-Karabakh conflict is genuinely solved, Baku will immediately rush into anti-Russian alliances or NATO. The unresolved Nagorno-Karabakh conflict has thus remained the principal leverage that Russia can use against Azerbaijan in order to keep the latter from unfriendly actions. The 2008 Russia-Georgia War, as well as Russia's occupation of Crimea and its suspected support for separatists in the Donbas, have further complicated Azerbaijan's position in this respect. On the other hand, Azerbaijan's vast oil and gas reserves have encouraged it to preserve rhetoric of independence in the foreign policy formulation. The geostrategic importance the country has steadily gained by contributing to Europe's energy security has allowed Baku not to become the 'Kremlin's puppet'. It was the 'blessing' of natural resources which has provided Azerbaijan with another option for adjusting its relations with Russia as a great power, an alternative to balancing against or bandwagoning with.

The availability of a middle ground – strategic hedging – exposes the limited applicability of neorealist alignment theories, which overestimate the factor of security concerns in shaping small states' foreign policies. The findings of this research show that when looking at domestic decision-making motivations (as the neoclassical realism stances would suggest), a broader spectrum of foreign policy options becomes available. In the case of Azerbaijan-towards-Russia strategy, instead of 'choosing sides', the country has managed to diversify its economic, diplomatic and security relations with other powers engaged in the region. This, in turn, allowed Azerbaijan to strengthen its strategic positions in the regional system on the one hand, and, ease the tensions in the regional environment on the other. Azerbaijan's strategic hedging orientation vis-à-vis Moscow has, therefore, helped the former avoid entanglement in a power contestation that could endanger its autonomy, which would be inevitable should Azerbaijan have referred to the traditional one-sided strategic alignment choices – either balancing against Russia or bandwagoning with it.

The aforementioned considerations have determined Azerbaijan's strategic hedging foreign policy towards ex-Soviet Russia. A multi-tiered approach, encompassing elements of balancing and bandwagoning alignment choices, was introduced by Heydar Aliyev. Having assumed the presidency in 1993, he managed to take the best of the practices of his predecessors, who had responded to the challenges faced by post-independence Azerbaijan in different ways. Ayaz Mutalibov placed his hopes of regaining control over the Armenian-occupied territories on Russian assistance and accordingly pushed Azerbaijan's foreign policy towards Russia, close to a bandwagoning extreme. In contrast, the vector of Azerbaijan's foreign policy under Abulfaz Elchibey's presidency was pro-Turkic and overall pro-Western. This inconsistency in the foreign policy stances towards neighboring Russia in the initial years of independence proved impotent as safeguards either of both Azerbaijan's national security and domestic stability. The historical experiences of pursuing a radically-oriented approach – bandwagoning with or balancing against Russia – suggested that either extreme rapprochement with, or estrangement from the powerful Kremlin are both losing options. Having conducted an 'error analysis', President Heydar Aliyev managed to learn from both paradigms. Thus, instead of choosing between the two established approaches, Azerbaijan has pursued a strategic hedging foreign policy orientation vis-à-vis Russia. The multi-vectorized interest-based alignment strategy was later inherited and has been followed under the presidency of Ilham Aliyev.

At the same time, the years of independence have demonstrated fluctuations in the Azerbaijan-towards-Russia hedging strategy. The omnidirectional hedging foreign policy has been maintained via a basket of tools – limited bandwagoning, binding engagement, economic pragmatism, dominance denial, and indirect balancing. Each of them, operationalized in specific foreign policy choices undertaken by both Aliyev governments, has changed in significance throughout the post-independence period. Remarkably, the two transformations known to us were not triggered by any internal dynamics in the domestic or foreign policies of Azerbaijan. Rather, one modification was driven by a change of government in Russia and the other by the revisionist ambitions of the Kremlin on the international arena. The first turning point was associated with Vladimir Putin's accession to the presidency in 2000, when the misperceptions and biased character of relations between Azerbaijan and Yeltsin's Russia

were set straight. The second shift followed the Five-Day Russia-Georgia War in 2008, when the Kremlin reaffirmed itself as a regional hegemon.

Taking into consideration the country's Nagorno-Karabakh experience, the outcomes of the Russia-Georgia conflict, and the Ukrainian crisis, Azerbaijan continues to pursue an accommodating stance between its own interests and the ones of Russia. Strategic hedging vis-à-vis Russia has allowed Azerbaijan to 'have it both ways'. On the one hand, Moscow's geopolitical interests and ambitions in the region are not questioned. On the other hand, Azerbaijan's foreign policy, including towards Russia, is being formulated in such a way that the principal national interests are adhered to. In the short run, such a compromise between full rapprochement and full estrangement will give Azerbaijan an opportunity to 'earn points' in face of an unpredictable Russia. Nevertheless, in the long run, while the restoration of Azerbaijan's territorial integrity remains the most significant factor in setting priorities for its foreign policy, the depletion of its oil and gas resources may push Baku to reconsider its foreign policy vis-à-vis Russia in favor of reconciliation – albeit in a still traditionally cautious manner.

Notes

1. Personal communication with the Spokesperson of the Ministry of Foreign Affairs of the Republic of Azerbaijan Hikmet Hajiyev, Baku, 5 April 2017.
2. Email communication with Associate Professor at Lomonosov Moscow State University Andrey Devyatkov, 13 April 2017.
3. Personal communication with Head of the Center for Strategic Studies (SAM) under the President of the Republic of Azerbaijan Farhad Mammadov, Baku, 25 March 2017.

Disclosure statement

No potential conflict of interest was reported by the authors.

Funding

Research for this piece was supported by the COMPASS project (ES/P010849/1) funded by the Global Challenges Research Fund (GCRF) UK Research Councils (UKRI).

Notes on contributors

Dr. Anar Valiyev is associate professor of public affairs at ADA University in Baku, Azerbaijan. He holds a master's degree in public policy from Indiana University (2003) and a PhD in urban and public affairs from the University of Louisville (2007). He was post-doctoral fellow at Masaryk University (2007–2008) and a Fulbright Visiting Scholar at Johns Hopkins University (2016–2017). His areas of research are public policy in post-Soviet states, urban policy and development, governance and public administration reforms.

Ms. Narmina Mamishova is an independent researcher based in Baku, Azerbaijan. She earned a Bachelor's Degree in International Law from the Institute of International Relations of Taras Shevchenko National University of Kyiv in 2015 (graduated with honours). She holds a Master's Degree in the Art of Diplomacy and International Affairs from ADA University (Baku, Azerbaijan).

ORCID

Anar Valiyev  <http://orcid.org/0000-0003-0625-5568>

References

- Aslanli, A. 2010. Azerbaijan - Russia relations: Is foreign policy strategy of Azerbaijan changing? *Turkish Policy Quarterly* 9, no. 3: 137–45.
- Azerbaijan-NATO Partnership: 20. The mission of the Republic of Azerbaijan to NATO. http://nato-pfp.mfa.gov.az/files/file/broch_AZE-OTAN_LR.pdf
- Azerbaijan-NATO: 15 Years of Partnership. 2014. The mission of the Republic of Azerbaijan to NATO. [www.mfa.gov.az/files/file/Az-NATO_15_years%201\(eng\).pdf](http://www.mfa.gov.az/files/file/Az-NATO_15_years%201(eng).pdf)
- BBC News 2003. Former Azerbaijan president dies. December 12. <http://news.bbc.co.uk/2/hi/europe/3315081.stm>
- Bhattacharjee, B. 2011. *China, India and the global scramble for oil: A neoclassical comparison*. CEU eTD Collection. http://www.etd.ceu.hu/2011/bhattacharjee_barnil.pdf
- Brown, J. 2011. The energy impact theory of foreign policy: A preliminary analysis of the Soviet Union, 1970–1991. Paper presented at The International Studies Association Annual Conference ‘Global Governance: Political Authority in Transition’. https://www.bisa.ac.uk/index.php?option=com_bisa&task=download_paper&no_html=1&passed_paper_id=170
- Chausovsky, E. 2017. Why Russia’s Military alliance is not the next NATO. Stratfor Worldview, January 10. <https://www.stratfor.com/analysis/why-russias-military-alliance-not-next-nato>
- Cherniyavskiy, S. 2010. Russia and Azerbaijan: Special features and main vectors of interstate cooperation in the post-soviet period. *The Caucasus & Globalization* 4, no. 1–2: 26–34.
- Cooley, A. 2017. Whose rules, whose sphere? Russian governance and influence in the post-soviet states. Carnegie Endowment for International Peace. <http://carnegieendowment.org/2017/06/30/whose-rules-whose-sphererussian-governance-and-influence-in-post-soviet-states-pub-71403>
- Cornell, S. 2011. *Azerbaijan since Independence*. Studies of Central Asia and the Caucasus Series. New York: M.E. Sharpe, Inc.
- Coyle, J. 2017. *Russia’s border wars and frozen conflicts*. Cham: Springer International Publishing.
- Dellecker, A. and T. Gomart. 2011. *Russian energy security and foreign policy*. Abingdon, Oxon: Routledge.
- Gasimli, V. 2011. Economic cooperation of Azerbaijan and Russia. In *Russian-Azerbaijani relations during 20 years: History and perspectives*, Centre for Strategic Studies (SAM). 81–104.
- Goh, E. 2005. *Meeting the China challenge: The U.S. in Southeast Asian regional security strategies*. *Policy Studies* 16. Washington: East-West Center. <http://www.eastwestcenter.org/fileadmin/stored/pdfs/PS016.pdf>
- Gvalia, G. D. Siroky, B. Lebanidze, and Z. Iashvili. 2013. Thinking outside the bloc: Explaining the foreign policies of small states. *Security Studies* 22: 98–131. doi:10.1080/09636412.2013.757463.
- Hiep, L. 2013. Vietnam’s hedging strategy against China since normalization. *Contemporary Southeast Asia* 35, no. 3: 333–68. doi:10.1355/cs35-3b.
- Holsti, K. 1970. National role conceptions in the study of foreign policy. *International Studies Quarterly* 14, no. 3: 233–309. doi:10.2307/3013584.
- Idan, A. and B. Shaffer. 2011. The foreign policies of post-soviet landlocked states. *Post-Soviet Affairs* 27, no. 3: 241–68. doi:10.2747/1060-586X.27.3.241.
- Imamverdiyeva, S. and E. Aliyev. 2015. Assessment of trade policy in terms of export diversification in Azerbaijan. *International Journal of Business and Social Research* 5, no. 9: 50–64.
- Ipek, P. 2009. Azerbaijan’s foreign policy and challenges for energy security. *Middle East Journal* 63, no. 2: 227–39. doi:10.3751/63.2.13.
- Ismailzade, F. 2006. *Russia’s energy interests in Azerbaijan*. London: GMB Publishing Ltd.

- Jervalidze, L. 2006. *Georgia: Russian foreign energy policy and implications for Georgia's energy security*. London: GMB Publishing Ltd.
- Kirvelyte, L. 2012. The dilemma of Azerbaijan's security strategy: Energy policy or territorial integrity? *Lithuanian Annual Strategic Review*, 10, no. 1: 199-233.
- Kjærnet, H. 2009. The energy dimension of Azerbaijani-Russian Relations: Maneuvering for Nagorno-Karabakh. *Russian Analytical Digest* 56, no. 9: 2-5.
- Kubicek, P. 2009. The commonwealth of independent states: An example of failed regionalism? *Review of International Studies* 35: 237-56. doi:10.1017/S026021050900850X.
- Kuik, C. 2010. Smaller states' alignment choices: A comparative study of Malaysia and Singapore's hedging behavior in the face of a rising China. PhD diss., Johns Hopkins University.
- Kurecic, P. 2017. Small states and regional economic integrations in the multi-polar world. *World Review of Political Economy* 8, no. 3: 317-48. doi:10.13169/worldreviewpoliecon.8.3.0317.
- Liow, J. 2005. Balancing, bandwagoning, or hedging?: Strategic and security patterns in Malaysia's Relations with China, 1981-2003. In *China and Southeast Asia: Global changes and regional challenges*, ed. H.K. Leong and S.C.Y. Ku, 281-306. Singapore: Institute of Southeast Asian Studies.
- Murinson, A. 2009. *Turkey's entente with Israel and Azerbaijan: State Identity and security in the Middle East and Caucasus*. New York: Routledge.
- Nichol, J. 2011. Armenia, Azerbaijan, and Georgia: Political developments and implications for U. S. interests. Congressional Research Service 7-5700. <https://fas.org/sgp/crs/row/RL33453.pdf>
- Nixey, J. 2010. The South caucasus: Drama on three stages. In *America and a changed world: A question of leadership*, ed. R. Niblett, 125-42. Chichester: Wiley Blackwell.
- OGJ Newsletter. 2001. *Oil & Gas Journal* 99, no. 4. <http://www.ogj.com/articles/print/volume-99/issue-4/regular-features/ogj-newsletter/ogj-newsletter.html>
- Overland, I. and S. Torjesen. 2010. Just good friends: Kazakhstan's and Turkmenistan's energy relations with Russia. In *Caspian energy politics: Azerbaijan, Kazakhstan and Turkmenistan*, ed. H. Kjaernet, A. Kendall-Taylor, and I. Overland, 136-49. London: Routledge.
- Paul, A. and G. Rzayeva. 2011. Azerbaijan - the key to EU energy security. European Policy Centre. http://www.epc.eu/documents/uploads/pub_1357_azerbaijan_-_the_key_to_eu_energy_security.pdf
- Rosato, S. 2010. *Europe united: Power politics and the making of the European community*. New York: Cornell University Press.
- Safizadeh, F. 1998. On dilemmas of identity in the post-soviet republic of Azerbaijan. *Caucasian Regional Studies* 3: 1. <http://poli.vub.ac.be/publi/crs/eng/0301-04.htm>
- Schweller, R. 2004. Unanswered threats: A neoclassical realist theory of underbalancing. *International Security* 29, no. 2: 159-201. doi:10.1162/0162288042879913.
- Shirinov, R. 2012. Azerbaijan's foreign policy: Seeking a balance. *Caucasus Analytical Digest* 37: 2-4. <http://www.css.ethz.ch/content/dam/ethz/special-interest/gess/cis/center-for-securities-studies/pdfs/CAD-37-2-4.pdf>
- Socor, V. 2006. Azerbaijan keeps solidarity with Georgia despite Russian energy supply cuts. *Eurasia Daily Monitor* 3: 227. <https://jamestown.org/program/azerbaijan-keeps-solidarity-with-georgia-despite-russian-energy-supply-cuts>
- Sputnik International. 2012. Russia confirms pullout from Gabala Radar in Azerbaijan. December 11. <https://sputniknews.com/military/20121211178083070>
- Starr, F. and S. Cornell. 2005. *The Baku-Tbilisi-Ceyhan pipeline: Oil window to the west*. Central Asia-Caucasus Institute and Silk Road Studies Program. https://www.silkroadstudies.org/resources/pdf/Monographs/2005_01_MONO_Starr-Cornell_BTC-Pipeline.pdf
- The State Statistical Committee of the Republic of Azerbaijan 2018. The Foreign Trade of Azerbaijan. <https://www.stat.gov.az/source/trade/?lang=en>
- Stratfor. 2012. Russia, Azerbaijan: A politically significant radar station. March 9. <https://www.stratfor.com/analysis/russia-azerbaijan-politically-significant-radar-station>
- Sussex, M. 2012. *Conflict in the former USSR*. Cambridge: Cambridge University Press.

- The Observatory of Economic Complexity. 2016. Azerbaijan (country profile). OEC. <https://atlas.media.mit.edu/en/profile/country/aze>
- Tuke, V. 2011. Japan's foreign policy towards India: A neoclassical realist analysis of the policy-making process. PhD diss., The University of Warwick.
- Valiyev, A. 2009. Victim of a 'war of ideologies' Azerbaijan after the Russia-Georgia war. *Demokratizatsiya: the Journal of Post-Soviet Democratization* 17, no. 3: 269-88. doi:10.3200/DEMO.17.3.269-288.
- Valiyev, A. 2010. Finlandization or strategy of keeping the balance? Azerbaijan's foreign policy since the Russian-Georgian war. PONARS Eurasia Policy Memo 112. https://www2.gwu.edu/~ieresgwu/assets/docs/pepm_112.pdf
- Valiyev, A. 2011. Azerbaijan-Russia relations after the five-day war: Friendship, enmity, or pragmatism? *Turkish Policy Quarterly* 10(3): 133-43. http://turkishpolicy.com/pdf/vol_10-no_3-valiyev.pdf
- Valiyev, A. 2011b. Azerbaijan and the North Caucasus: A pragmatic relationship. *Caucasus Analytical Digest* 27: 5-8. <http://www.css.ethz.ch/content/dam/ethz/special-interest/gess/cis/center-for-securities-studies/pdfs/CAD-27-5-8.pdf>
- Valiyev, A. 2013. Azerbaijan after Vilnius summit: More questions than answers. *Eurasia Daily Monitor* 10: 219. <https://jamestown.org/program/azerbaijan-after-vilnius-summit-more-questions-than-answers>
- Valiyev, A. 2017. Azerbaijan's foreign policy: What role for the West in the South Caucasus? Working Paper Series - Eastern Voices: Europe's East Faces an Unsettled West. http://transatlanticrelations.org/wp-content/uploads/2017/03/RBSG-Ostpolitik-2-track-1-book-aliyev-final_website2.pdf
- Vesti.ru. 2018. Assassination attempt: How muslim terrorists planned to kill the Russian president in Azerbaijan. March 20. <https://www.vesti.ru/doc.html?id=2997443>
- Waal, T. 2014. Azerbaijan doesn't want to be western. Foreign Affairs. September 26. <https://www.foreignaffairs.com/articles/russia-fsu/2014-09-26/azerbaijan-doesnt-want-be-western>
- Walt, S. 1987. *Origins of Alliances*. New York: Cornell University Press.
- Wish, N. 1980. Foreign policy makers and their national role conceptions. *International Studies Quarterly* 24, no. 4: 532-54. doi:10.2307/2600291.
- Ziyadov, T. 2014. The baku-ceyhan pipeline and its potential impact on Turkish-Russian Relations. Crissma Working Paper, vol. 3. Milan: Catholic University.

Copyright of Journal of Southeast European & Black Sea Studies is the property of Routledge and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.