

## AZERBAIJAN'S FOREIGN POLICY POSITIONING TOWARDS RUSSIA AND ITS IMPACT ON THE SECOND NAGORNO-KARABAKH WAR: A HEDGING STRATEGY

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### ABSTRACT

A theoretical framework rooted in hedging is used to analyse how Azerbaijan's foreign policy towards Russia evolved and its significant impact on the Second Nagorno-Karabakh War. Azerbaijan's foreign policy positioning, viewed through this prism, illustrates how smaller states can strategically manage relations with larger neighbours and competitors and achieve their interests. The primary hypothesis is that the calculated foreign policy of Azerbaijan's strategy towards Russia, based on the abovementioned strategy, created the conditions for the Second Nagorno-Karabakh War and decisively influenced its course and outcome. Researchers use document analysis and discourse analysis to assess the evolution of Azerbaijan's foreign policy towards Russia, analysing their bilateral relations based primarily on political, economic, and societal cooperation. This approach relies on various academic sources, including scientific articles, books, documents, agreements, and statements by different state actors, to assess the evolution of Azerbaijan's foreign policy towards Russia, analysing their bilateral relations based primarily on political, economic, and societal cooperation. In this foreign policy context, the article also assesses the significance of Turkey's strategic support for Azerbaijan and the strengthening of its military capacities. The research findings indicate that Baku, deviating from previous unilateral decisions, skillfully balanced its relations with Moscow. Azerbaijan's foreign policy manoeuvring, which implies careful avoidance of provoking Russia, significantly impacted the outbreak, course, and outcome of the Second Nagorno-Karabakh Conflict.

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## Introductory Remarks

When Azerbaijani troops launched an attack on Armenian positions along the demarcation line on September 12, 2023, it was the bloodiest clash between the two sides since the Second Nagorno-Karabakh War in 2020. This recent offensive led to Baku taking control of the region. However, Russia's deep involvement in the war with Ukraine during this period made it impossible for Moscow to respond to Azerbaijan's actions adequately. However, Moscow's role in recent events and the previous conflict was defined much earlier. In particular, Azerbaijan's longstanding foreign policy strategy towards Russia, rooted in the concept of hedging, has enabled Baku to skillfully balance relations with Moscow while strengthening its regional alliances and military capabilities. With this behaviour, Azerbaijan significantly improved its position, which allowed it to initiate and win the Second War in Nagorno-Karabakh.

An essential moment in the conception of Azerbaijan's strategic direction took place during Heydar Aliyev's presidency. Aliyev took a more pragmatic stance when he faced the sobering reality of unilateral approaches to Russia by his predecessors, who advocated strategic cooperation with Moscow, i.e., orientation towards the West and Turkey. Aliyev's strategy has been to bring together all these different approaches to accomplish Azerbaijan's national objectives while reducing the risk of a confrontation with its powerful neighbour, Russia. Buoyed by economic strength, thanks to revenues generated from the sale of energy from the Caspian Sea, Aliyev's presidency witnessed the simultaneous improvement of relations with Russia and the acquisition of the status of a strategic partner of the West. This pragmatic foreign policy alignment produced positive results, significantly contributing to preserving national security and establishing political and economic stability in Azerbaijan.

After the Russo-Georgian War of 2008, it became apparent that Russia could obstruct Azerbaijan's efforts to bring the Nagorno-Karabakh region back under its control. In those circumstances, under the leadership of President Ilham Aliyev, Baku intensified its foreign policy cooperation with Moscow. At the same time, relying on its energy resources and economic strength, Azerbaijan managed to establish a course of selective rapprochement with Russia and thus reduce the risk of dependence of a small country on a large country, which is a frequent consequence of strengthening their cooperation. Furthermore, Turkey's longstanding support further reduces Azerbaijan's risk of dependence on a large country. The basis of these relations lies in two pillars: energy resources and strong ethnic ties. These elements underpin close relations between Azerbaijan and Turkey and play a key role in Ankara's active involvement in South Caucasus regional issues. This engagement, in turn, is a

crucial factor contributing to Azerbaijan's distinct and divergent positioning in relations with Russia.

Modernising the Azerbaijani army and military-technical cooperation with Turkey and other Western countries were particularly important. These efforts have played a key role in strengthening Azerbaijan's military capabilities and strategic position. Bearing in mind that the above dynamic carried the risk of deteriorating relations with Russia, Baku tried to reduce it by intensifying cooperation with Moscow, as mentioned earlier.

With its nuanced approach to its more powerful neighbour, Azerbaijan has substantially contributed to realising its state goals. Given that a large part of the state's territory came under the control of Armenian military forces in the 1994 ceasefire, these goals focused on the issue of Nagorno-Karabakh. The authorities in Baku were determined to establish sovereignty over the entire territory of Azerbaijan. Achieving this goal depended significantly on Moscow. Russia not only based its regional influence on, among other things, its mediating role in the conflict but also had a strategic alliance with the opposing side. In its effort to return Nagorno-Karabakh, Azerbaijan has pursued an adept policy towards Russia, being cautious about Western integration while deepening cooperation with Moscow. These manoeuvres strengthened Azerbaijan's relations with Russia. Moscow maintained neutrality towards the conflicting parties for most of the war, reflecting Azerbaijan's strengthened relations with Russia, the most influential regional actor.

However, the military successes of Azerbaijan and the danger of conquering the entire Nagorno-Karabakh forced Russia to abandon its previous position and, to protect its influence, intensify efforts to achieve a truce. Although establishing a Russian military and peacekeeping presence in Nagorno-Karabakh prevented Baku from regaining all desired territories, the armistice terms entailed Azerbaijan's victory in the Second Nagorno-Karabakh War. In achieving this outcome, both external and internal sources of support, which Azerbaijan secured by improving relations with Turkey and strengthening its military capacities, played a key role.

This article explores Azerbaijan's foreign policy approach towards the Russian Federation and its consequences for the Second Nagorno-Karabakh War. We employ discourse analysis as our research method. In doing so, we closely examine official statements and speeches to identify changes in policy rhetoric and narratives. This qualitative phase provides insights into the factors influencing the relationship between Azerbaijan and Russia. Besides discourse analysis, we also use document analysis to explore international agreements and official documents. This phase complements the discursive insights with tangible policy decisions and institutional frameworks, offering a more concrete

perspective on evolving Azerbaijan's foreign policy dynamics. Also, we utilise diverse academic sources, such as scientific articles and books, to ensure a comprehensive understanding of the research topic.

The primary hypothesis is that Azerbaijan's foreign policy towards Russia, characterised by a hedging strategy, played a crucial role in inciting and achieving the desired outcome of the Second Nagorno-Karabakh War. This foreign policy approach is characterised by the multiple and often opposing positions of a small state against a large one, with the aspiration that the small state secures its long-term interests by reducing the risks of a large neighbour. Within this context, the formulation of two specific hypotheses occurred. First, it is assumed that by strategically approaching Moscow, including Turkey in regional affairs, strengthening military capacities, and military-technical cooperation with the West as integral components of hedging positioning, Azerbaijan successfully reduced the risks that could come from its big neighbour, Russia. Second, Azerbaijan's improved relations with Russia and the support it received from Turkey, together with the increased military capabilities resulting from the hedging strategy, not only facilitated but also enabled Azerbaijan to initiate and win the Second Nagorno-Karabakh War.

In order to support the stated hypotheses, the article will begin by clarifying the details of hedging foreign policy positioning. Subsequently, the article will conduct an empirical analysis to evaluate the reliability of this theoretical framework, focusing on Azerbaijan's bilateral relations with Russia as an example to illustrate its foreign policy positioning. Additionally, this article will focus on the relationship between Azerbaijan and Turkey and the dynamics of international military cooperation. That includes research on enhancing Azerbaijan's military capacity between 2008 and 2020 and examining the Second Nagorno-Karabakh War. An evaluation of the influence of hedging positioning on Azerbaijan's state priorities will enable a comprehensive analysis of the course of the Second Nagorno-Karabakh War and the roles played by the actors mentioned above.

### **The Foreign Policy Positioning of a Small State Based on the Concept of Hedging**

From the perspective of a small country, managing relations with a large neighbour is a complex task. An even more complicated question is how to develop a foreign policy strategy consistent with a small state's interests in a shared region where a large state has significant influence. Kuik points out that these questions suggest that small states can resist the power of large states and use and adapt it for their purposes (2010, 3). The structure of the international system inherently introduces the challenge of power asymmetry

into the foreign policy considerations of small states. This challenge becomes particularly acute for small states that share their immediate neighbourhood and regional space with a large and powerful neighbour. As Womack points out, the significant gap in material capabilities creates a situation in which their positions are unchangeable, exposing the small state to potential risks from its more powerful neighbour (2016, 12). Consequently, a large state and its power become permanent factors in designing and implementing a small state's foreign policy, emphasising the importance of effectively managing their bilateral relations.

In the post-Cold War era, international relations have shown that small states do not have to adhere to a simplistic, one-dimensional foreign policy model that oscillates between wholeheartedly accepting or categorically rejecting the influence of large neighbours. Instead, small states have demonstrated their ability to adopt a nuanced, multifaceted foreign policy stance that acknowledges the complex nature of their bilateral relations with large states and goes beyond the conventional binary dichotomy of *power acceptance* and *power rejection* (Kuik 2021, 302). This nuanced approach brings us to the concept of hedging in the foreign policy of small states towards large neighbours. Cheng-Chwee Kuik defines hedging as a strategy marked by mutual contradictions in which a small country strategically positions itself in relation to a larger country. This strategy aims to mitigate the risks coming from a large neighbour while preserving the smaller state's long-term interests (Kuik 2010, 118).<sup>3</sup>

Kuik emphasises that hedging should not be viewed as a single, isolated policy. It should be understood as a comprehensive and multidimensional strategy for managing relations with larger neighbours and solving various foreign policy challenges (Kuik 2016, 3; Ciorciari and Haacke 2019, 368-369). The first dimension involves *limited bandwagoning* with a large state, where a small state voluntarily recognises its power and status. This recognition aims to optimise political benefits and may entail strategic collaboration in specific foreign policy domains. The second dimension relates to *binding engagement*, wherein small states aim to optimise their diplomatic advantages by establishing bilateral and multilateral agreements with a larger state. The goal is to build mutual trust and foster a sense of "socialisation" with a larger neighbour, thereby facilitating diplomatic cooperation. *Economic pragmatism* refers to the strategic approach adopted by small states to maximise their benefits by establishing trade and investment links with larger ones despite having

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<sup>3</sup> In addition to small states and their relations with larger neighbours, the hedging strategy is also fitting for regional powers and their foreign policy manoeuvring in the international system (see Tessman, 2012).

divergent perspectives on specific issues. This approach represents a neutral point on the spectrum of accepting or rejecting the influence of a large state. The aim of *dominance denial* is to prevent the emergence of one large state as a single dominant force in the common region. In order to accomplish this, small states build close relations with other influential powers and involve them in regional dynamics. Finally, *indirect balancing* of a large neighbour is a dimension that, unlike pure balancing and a single source of risk, includes various cross-border risks that small states overcome through international military cooperation and strengthening their military capacities. Understanding these aspects of hedging offers small states a flexible and nuanced framework for effectively managing relations with a large neighbour and navigating the complexities of various foreign policy challenges.

The essence of hedging is reducing the risks a small country faces when implementing these policies in its interactions with a larger country. Kuik acknowledges that a hedging strategy inherently involves incorporating aspects from both sides of the spectrum in bilateral relations with a large neighbouring country (Kuik 2016, 4). For example, if a small state exclusively adopts a policy of limited bandwagoning and binding engagement, it risks becoming overly dependent on its larger neighbour, thereby jeopardising its independence. A small state seeks to compensate for the risks associated with relying only on the first two policies by simultaneously pursuing a policy of dominance denial and indirect balancing. On the other hand, focusing solely on indirect balancing and dominance denial has disadvantages, such as the absence of cooperation and the possibility of isolation from a large power, which could result in security risks. The small state seeks to reduce the risks associated with the first two policies by simultaneously implementing limited bandwagoning and binding engagement. It should be emphasised that the intensity of these policies is not consistently the same, as a small state's implementation may differ based on changes in the power dynamics of a larger one.

The main result of using a hedging strategy is its beneficial influence on attaining the national objectives of a small country. In this context, the immediate consequence of implementing the policies of limited bandwagoning and binding engagement is strengthening relations with a large state, which is the most influential regional actor. At the same time, by applying the policies of dominance denial and indirect balancing, the small state creates valuable sources of external and internal support for its state interests. By using a hedging strategy for its foreign policy positioning, a small state can effectively establish the basis for pursuing its national priorities and managing the complexities of its relations with a larger neighbour.

## **Policies of Limited Bandwagoning and Binding Engagement towards Russia**

The outcome of the five-day war in Georgia and the clear display of Russian power projection led to a drastic change in the geopolitical landscape of the South Caucasus. Despite not having a direct role in the conflict, Azerbaijan prompted a fundamental rethinking of the international context and foreign policy approach towards Russia (Goble 2008, 4-7). Moscow's willingness to engage in military conflict to assert its influence in the South Caucasus highlighted the limited deterrence capabilities of the West, particularly the United States of America (US) (Valiyev 2009, 269). As a result, Azerbaijan's confidence in the guarantees given by the West and the US to the South Caucasus states was seriously undermined (Shiriyev 2019, 9).

Cornell's analysis characterises this situation as a clear demonstration of Moscow's strong aspiration for regional influence in the South Caucasus (2011, 338). Moreover, he claims that this demonstration emerged as a significant factor in shaping Azerbaijan's foreign policy orientation, elevating its relationship with Russia to a position of particular importance (Cornell 2011, 338). Accordingly, Azerbaijan has sought to improve its foreign policy cooperation with Russia. A significant result of this development was the signing of the Declaration on Friendship and Strategic Partnership in 2008. This document laid the foundations for the comprehensive development of bilateral relations. During the visit of then-Russian President D. Medvedev to Baku in 2010, the two countries signed the Agreement on the Interstate Border and Demarcation (President of Russia 2010; Valiyev 2011, 7).<sup>4</sup> The geographical proximity of the two countries led to the development of their interstate relations at the multilateral level. Apart from their participation in the Commonwealth of Independent States (CIS), there is a trilateral format of Baku-Moscow-Tehran cooperation, which allows Azerbaijan equal access to platforms with two influential regional powers (Shiriyev 2019, 16). As members of the "Caspian Five," Azerbaijan and Russia signed the Convention on the Legal Status of the Caspian Sea in 2018, demonstrating their vital common regional interests (Chernyavskiy et al. 2019, 464).

The Nagorno-Karabakh issue was a key factor in shaping Azerbaijan's relations with Russia. Significant losses during the first war in Nagorno-Karabakh, mainly due to an oversight of geopolitical reality, forced President Aliyev to recognise the importance of Moscow's participation and accept its

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<sup>4</sup> Declaring that "Azerbaijan attaches great importance to cooperation with Russia and considers it to be its strategic partner", President Aliyev emphasised the significance of constructive bilateral relations and mutual trust. (President of Russia 2012).

role as a mediator in the conflict. At the same time, Russia implemented a strategy in the South Caucasus that implied mediation while limiting the participation of other external actors, thereby consolidating its influence in the region. (Jović-Lazić 2021, 233). Russia's mediation role in the conflict is motivated by its aim to establish unipolarity in areas it views as belonging to its regional security complex (Abushov 2009, 200).<sup>5</sup>

Although Russia has claimed that it adheres to the basic principles of the Minsk Group in its mediation efforts, its approach to the Nagorno-Karabakh issue outside of this framework is noticeable (Gafarli 2013, 358). These efforts gained momentum during President Medvedev's tenure, marked by the signing of the Moscow Declaration in November 2008. This declaration, the first joint document between Azerbaijan and Armenia since the 1994 ceasefire, emphasises the need for a political solution to the conflict backed by legally binding guarantees in each phase of the peace process (President of Russia 2008).

In 2011, Russian Foreign Minister Sergey Lavrov presented the Kazan Peace Plan, which aimed to establish the fundamentals of the peace process. The principles included the return of the occupied territories around Nagorno-Karabakh to Azerbaijan, the right of displaced persons to return, and the temporary status of Nagorno-Karabakh with guarantees of security and self-government. Unfortunately, these principles have failed to secure mutual agreement (Solash, 2011). Russia continued its mediation efforts in 2015 and again after the Four-Day War in 2016. Along with reaffirming the previous principles, the new plan envisaged the deployment of Russian peacekeeping forces in Nagorno-Karabakh and the establishment of communication channels from the Azerbaijani side (Babayev 2020, 34-35). Despite the plan being a key component of President Putin's (Vladimir Putin) mediation efforts, after the escalation in 2016, Russia's attempts to mediate the conflict have not led to success.

Various factors contributed to the failure of peace initiatives. First, there was a fundamental disagreement between Azerbaijan, which aimed to protect its sovereignty and territorial integrity, and ethnic Armenians from Nagorno-Karabakh, who sought to establish their state based on the right to self-determination (Jović-Lazić 2021, 212). In addition, the exclusive and opposing positions of Azerbaijan and Armenia made, to a large extent, the material capabilities of Russia as a great power and mediator in this process irrelevant (Abushov 2019, 10). Abushov argues that applying excessive pressure to the

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<sup>5</sup> Barry Buzan and Ole Waever link the status of great power to its unipolarity within this complex, i.e., to the absence of other alliances that would produce new poles and thereby influence this status (Buzan and Waever 2005, 458; Abushov 2009, 200).



parties involved would risk alienating them from Russia, potentially undermining its interests in the South Caucasus. He, however, claims that Russia has had the necessary capacity to implement the temporary solutions proposed in these initiatives. He suggests that such solutions did not require significant concessions from the parties involved, giving enough space to exert the necessary pressure and establish Russia as a successful mediator (Abushov 2019, 10-11).

One should keep in mind the essential fact that maintaining the role of mediator in this conflict is in line with Russia's strategic interests in the South Caucasus. This argument is supported by Russia's activities during the Second War in Nagorno-Karabakh. Moscow initially called for a ceasefire through joint statements within the Minsk Group (Jović-Lazić 2021, 232). However, the possibility of Azerbaijan returning all disputed territories directly threatened Russia's established influence in the region. This encouraged Russia to intensify efforts to achieve a truce, effectively protecting its strategic interests in the South Caucasus by deploying its peacekeeping forces and retaining a mediating role (Jović-Lazić 2021, 232–233). It is essential to point out that one of Moscow's strategic areas is the sale of weapons to Baku and Yerevan. We can see another dimension of alignment with Russia when we examine the SIPRI data on the arms trade (SIPRI 2020, 10). They indicate that Russia is an important supplier of weapons to Azerbaijan. Over the past decade, the total value of arms sales has exceeded five billion dollars. These transactions included a wide range of military equipment, from T-72 and T90S tanks, BTR-80 armoured personnel carriers, "Smerch" and "Grad" multipurpose missile systems, to S-300 anti-aircraft missile systems, and various radio-electronic equipment (Jović-Lazić 2021, 224).

Baku's position on Euro-Atlantic alignment, or the absence of such alignment, significantly shaped the dynamics of Azerbaijani-Russian relations. Even though cooperation with the European Union (EU) is one of the priorities in Azerbaijan's foreign policy, its proximity to Russia has affected the nature of these relations (Valiyev 2017, 136). Although it joined the Eastern Partnership in 2009, Azerbaijan's European ambitions have always been defined by national interests and an unwillingness to implement reforms per EU requirements. This became evident after the 2013 summit in Vilnius, when Baku did not sign the EU Association Agreement a year later.<sup>6</sup> Concern regarding limited support from Brussels influenced Azerbaijan's stance in the General Assembly of the

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<sup>6</sup> Fahrad Mammadov states that an additional political reason for this decision is Brussels' absence of explicit recognition of the territorial integrity of Azerbaijan in the same way as in the case of other members of the Eastern Partnership. This move has been characterised as the presence of "double standards" from the EU. (Mammadov 2015, 33).

United Nations, in which Baku expressed its support for the territorial integrity of Kyiv but refrained from imposing sanctions on Russia (Valiyev and Mamishova 2019, 12).

Regardless of the overall positive course of bilateral relations, Azerbaijan demonstrated a degree of selectivity in its foreign policy cooperation with Russia. This approach was driven by the vision of President Aliyev, which aimed to protect the country's distinct foreign policy identity. His successor continued this strategy, emphasising the importance of maintaining a calculated distance from Russia.

Despite its membership in the Commonwealth of Independent States (CIS) in 1993, Azerbaijan achieved a different status within the Collective Security Treaty Organisation (CSTO) and the Eurasian Economic Union, reflecting its selective approach. Emphasising its independent position, Azerbaijan also joined the Non-Aligned Movement in 2011. Baku's selectivity also became apparent during the negotiations on the Gabala radar station, the only Russian military outpost in Azerbaijan with significant political importance (Abilov and Isayev 2015, 133). Russia sought to extend the 10-year lease from 2002 and, most importantly, to transfer the station from joint ownership to its control (Abilov and Isayev 2015, 134). On the other hand, the Constitution of Azerbaijan from 2010 prohibits the presence of foreign troops on its territory. Accordingly, Baku saw these negotiations as an opportunity to remove the Russian military presence (Abilov and Isayev 2015, 134). When Azerbaijan proposed an annual fee of three hundred million dollars from the initial seven million, Russia rejected the offer. This led to Russia's withdrawal from Azerbaijan, which is a significant event for a post-Soviet country (Abilov and Isayev 2015, 134).

Its significant oil and gas reserves have empowered Azerbaijan to chart its own unique path in relations with Russia. They gave Baku economic strength and empowered it to deviate from the paths chosen by the other smaller post-Soviet states in their relations with Moscow. This divergence began with the pivotal "Deal of the Century" in 1994 and the establishment of "oil routes to the West". These pipeline routes, Baku-Tbilisi-Ceyhan and Baku-Supsa, have encouraged Azerbaijan to diversify its economic and political partnerships.<sup>7</sup>

In the natural gas field, Azerbaijan made significant strides with the construction of the Baku-Tbilisi-Erzurum gas pipeline (BTE) in 2006. In addition, Azerbaijan actively contributed to developing the ambitious Southern Gas

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<sup>7</sup> Thus, the countries of origin of the companies that comprised the consortium responsible for implementing the Agreement of the Century are as follows: the United Kingdom, the United States of America, Russia, Norway, Turkey, and Saudi Arabia. (British Petroleum 1994, 1).

Corridor, completed in 2020. This corridor connected the BTE gas pipeline with the Trans-Anatolian Gas Pipeline (TANAP) and the Trans-Adriatic Pipeline (TAP), which extends to Greece, Albania, and Italy.<sup>8</sup> By establishing this transregional gas network, Azerbaijan secured its position as a long-term supplier to the European market, consolidating its broader geostrategic importance (Valiyev and Mamishova 2019, 14). This commitment aimed to prevent any dominant power from exerting undue influence on Azerbaijan, and its relations with the Russian Federation clearly reflected this.

Furthermore, Azerbaijan's limited bandwagoning with Russia is evident in their social relations, particularly in soft power. In this context, Azerbaijan appreciates Russian soft power based mainly on the historical legacy of the Soviet era. This legacy has shaped Russia's soft power strategy in Azerbaijan, with language as a key instrument for influencing and maintaining cultural ties. However, the trajectory of Russian soft power in Azerbaijan was not consistently upward. Baku's post-independence efforts to establish relations with Western countries, from time to time, have limited Russian discursive influence (Shiriyev 2019, 24). It is significant that the Russian language in the Republic of Azerbaijan lost its special status and became a foreign language.

Nevertheless, various initiatives have increased the presence of Russian influence in Azerbaijan. In 2008, Lomonosov State University established a branch and the Russian Centre at Baku State University, contributing to the increasing presence of Russian influence in Azerbaijan (Ismayilov 2019, 257). Subsequently, the founding of the Ivan Sechenov State Medical University in 2015 furthered educational cooperation. In 2010, the two presidents jointly initiated the Baku International Humanitarian Forum.<sup>9</sup>

In addition, two Russian state-supported organisations, *Rosotrudnichestvo* (Россотрудничество) and Russian World (*Русский мир*), play an important role in Azerbaijan in promoting and facilitating Russian language education. Their efforts contributed to the prevailing perception of Russian education as superior to domestic alternatives. For the sake of illustration, during the school year 2010–2011, educational programmes that used the Russian language as the medium of instruction enrolled 90,234 students. By 2017/18, this number had risen to 130,000 (Shiriyev 2019, 24–25).

Another facet of Russia's soft power lies in the admission of Azerbaijani students into Russian higher education institutions. Zaur Shiriyev's insight into

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<sup>8</sup> In 2021, Azerbaijan exported natural gas to Italy worth 3.2 billion dollars (OEC 2023b).

<sup>9</sup> This global forum brings together leaders from diverse fields, such as politics, science, and culture. During this event, these leaders engage in discussions addressing crucial global issues (Baku International Humanitarian Forum 2018, 1).

the influence of Russian education on Azerbaijani students is intriguing. Unlike those educated in the West, who may return with aspirations to drive socio-political change, Azerbaijani students educated in Russia generally lack such inclinations (Shiriyev 2019, 26).<sup>10</sup>

Furthermore, since 2013 and 2014, pro-Russian media has actively sought to establish a foothold in Azerbaijan. An illustration of this is the presence of the Sputnik agency, which serves as a Russian information source in the Azerbaijani language. Nevertheless, despite their association with Azerbaijani authorities, these efforts have not significantly influenced public opinion in Azerbaijan, particularly regarding attitudes towards the West and the United States.<sup>11</sup> This is mainly because the Azerbaijani authorities maintain stringent control over socio-political trends and the formulation of public discourse, which underscores the limited nature of Azerbaijan's bandwagoning with the Russian Federation.

### **The Economic Pragmatism of Azerbaijan in Its Relations with Russia**

One of the elements of Azerbaijan's hedging strategy towards Russia is economic pragmatism, characterised by intense and mutually beneficial economic and trade relations (Valiyev and Mamishova 2019, 13). Russia is Azerbaijan's third trading partner in total trade and the first in trade in the non-oil sector. Notably, in 2019, the trade volume between the two countries exceeded three billion dollars (Ministry of Foreign Affairs, n.d.). Bilateral economic cooperation is governed by various institutional frameworks, including the Intergovernmental Commission for Economic Cooperation, bilateral trade missions, and the Russian-Azerbaijani Business Council. Economic relations extend to constituent entities of the Russian Federation, including the Republic of Dagestan (Chernyavskiy et al. 2019, 463).

The two presidents confirmed mutual economic ties by adopting the Action Plan for developing key areas of cooperation during their meeting in 2018. This plan included so-called roadmaps for increasing trade, encouraging mutual

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<sup>10</sup> As of 2020, Azerbaijani students represent one-fifth of the total number of foreign students in Russia (Shiriyev 2019, 26).

<sup>11</sup> This is related to the western-based NGOs in Azerbaijan. Although these organisations experienced a crackdown from the Baku authorities in 2013 and 2014, it could not be perceived as a strengthening of Moscow's foothold in Azerbaijan. Instead, it was a consequence of deteriorated Azerbaijan-West relations at that time. Western criticism of the democratic standards in Azerbaijan was observed as an attempt to weaken the Baku government during the 2014 revolution in Ukraine. Additionally, authorities in Baku were frustrated due to unmet expectations on security issues, given that Russia's strength in the South Caucasus was no longer balanced by Western influence (Shiriyev 2019, 10).

investments, establishing new transport routes, and promoting cultural and tourist exchange (President of Russia 2018b).

As for the content of these relations, Stanislav Chernyavskiy points out that increased trade volume has led to a qualitative transformation in economic exchange. (Chernyavskiy et al. 2019, 463). It includes the development of infrastructure connections within the international North-South transport corridor. This corridor plays a key role in connecting the markets of India, Iran, and Russia and has distinct international importance. Its unique position as the only country bordering Russia and Iran sets Azerbaijan apart. Given these circumstances, Azerbaijan is very interested in the efficient operation of this corridor and the realisation of dividends from transit shipments in volumes between 15 and 20 million metric tonnes per year (Valiyev and Mamishova 2019, 13). Baku reflects its economic pragmatism through its investment cooperation with Moscow. By the end of 2020, total investments reached 7.4 billion dollars, of which a significant part, 6.2 billion dollars, refers to Russian investments in the Azerbaijani economy (Azpromo, 2021). Examples of joint investments, such as the Gazprom bank loan of 489 million dollars granted for developing the Azerbaijani petrochemical industry, SOCAR Polymer, illustrate the multifaceted nature of their economic cooperation. Prominent Russian pharmaceutical company R-Pharm has committed \$74 million to Azerbaijan's medication production (President of Russia 2018a). A crucial element in economic interactions is the diaspora of Azerbaijanis. Remittances to Azerbaijan from Russia totaled \$863 million in 2020, demonstrating the financial links and economic contributions of the Azerbaijani population residing in Russia (Bank of Russia, 2022).

When it comes to energy cooperation, due to the dominance of narratives about mutual competition and conflicting goals, it is limited. Russia aims to limit the export of Caspian gas and oil through Azerbaijan, the only route to the West, which may reduce its monopoly on European markets. In contrast, Azerbaijan is committed to strengthening its international energy and geostrategic influence (see Valiyev and Mamishova 2019, 13-14).<sup>12</sup> Mutual conflicts ensued after Azerbaijan and Russia reached agreements over energy delivery. An example is the 2012 delivery deal of two billion cubic metres of gas between Gazprom and SOGAR (State Oil Company of Azerbaijan Republic). This arrangement was perceived not only as an economic one but also as a political attempt by Moscow to influence Azerbaijani exports. 2013 saw the end of mutual collaboration due to the ongoing drop in gas exports from Azerbaijan. Disputes also arose over oil

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<sup>12</sup> Russian scepticism regarding the economic viability of the South Caucasus, Trans-Anatolian, and Trans-Adriatic gas pipelines has been frequently expressed. These pipelines have facilitated Baku's long-term gas exports to European markets.

transportation from Azerbaijan to the international market via the Baku-Novorossiysk pipeline, which passes through the Black Sea. The mixing of Azerbaijani and Russian oil in this pipeline caused the export of Azerbaijani oil at lower market prices than Russian oil (Parkhomchik 2015). In response, Azerbaijan reduced the volume of oil supplied, which eventually led to the formal termination of their cooperation in 2013. However, a year later, SOKAR and Transneft signed an agreement to deliver 1.5 million metric tonnes of oil annually, maintaining optimal energy cooperation between Baku and Moscow (Parkhomchik 2015).

## **The Policy of Dominance Denial and Indirect Balancing as Integral Factors in Hedging Positioning towards Russia**

### ***Azerbaijan's Close Relations with Turkey***

The fragmentation of the South Caucasus that followed the end of the Cold War and the emergence of new states enabled Turkey's more active foreign policy towards this region (Janković and Lazić 2021, 348). Ankara tried to increase its regional influence after the collapse of the Soviet Union. However, it was only in the middle of the last decade that Turkey emerged as a more decisive, independent, and militarily powerful nation (Janković and Lazić 2021, 350). The fact that Azerbaijan represents a regional ally for the realisation of these Turkish plans is significant for Baku since it enables its policy of dominance denial towards Russia in the South Caucasus.

The profound cultural and ethnic ties between Azerbaijan and Turkey not only created a strong sense of solidarity and mutual understanding but also significantly shaped Turkey's support for Azerbaijan's national interests.<sup>13</sup> The 2010 Strategic Partnership and Mutual Support Agreement laid a solid foundation for Azerbaijan's policy of foreign dominance denial, especially Russia, and illustrates Turkey's commitment to preserving Azerbaijan's sovereignty (see Jović-Lazić 2022, 35).

Cooperation in accordance with economic and strategic interests, especially regarding energy corridors and shared concerns about Russia and Iran, as well as their strained relations with Armenia, further supports the alliance of Baku and Ankara. The partnership primarily serves their common interests, signifying a pragmatic approach rather than a strictly ideological alliance. For Azerbaijan, the pragmatic side of the alliance refers to the need to turn its energy reserves into economic and political benefits by exporting to Turkey and through its

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<sup>13</sup> The claim that Azerbaijan and Turkey are two states with one people frequently appears in the discourse of state officials.

territory to European markets. By satisfying its needs and diversifying its supply sources, Azerbaijan's reserves have become crucial for Turkey's energy security. At the same time, their transit to European markets strengthens Ankara's role as a regional and international energy hub (Frappi 2017, 122). This alignment supports Baku's policy of denial of external dominance for two reasons. Exporting gas and oil outside Russia's territory eliminates the possibility of its dependence on Moscow. Second, Azerbaijan's contribution to meeting its ally's energy requirements has positioned it as an indispensable actor in Turkey's foreign policy, influencing the regional dynamics of the South Caucasus and its intended relationship with Russia.

The energy foundations of this alliance were laid by the Agreements of 1994 and 1996, which enabled Turkey's participation in the development of Azerbaijani Caspian Sea oil and gas fields.<sup>14</sup> Cooperation between the state companies SOKAR and the Turkish Petroleum Corporation (TPAO) proved significant (Ibrahimov 2015, 84-86). With investments exceeding ten billion dollars by 2021, TPAO has secured the role of a significant investor in Azerbaijan (Embassy of Azerbaijan 2023). On the other hand, through strategic partnerships and large investments such as the Petkim petrochemical complex worth more than six billion dollars, SOKAR has become crucial to energy cooperation with Turkey (Embassy of Azerbaijan 2023). Azerbaijan overcame its lack of access to the open sea by putting the Baku-Tbilisi-Ceyhan and Baku-Tbilisi-Erzurum oil and gas pipelines into operation in 2006. The completion of the Southern Gas Corridor in 2020 connected the South Caucasus gas pipeline to the Trans-Anatolian and Trans-Adriatic gas pipelines, ensuring Azerbaijan's long-term gas export on the European continent through the territory of its allies.<sup>15</sup>

The changes in Turkey's foreign policy in the following decade were significant for Azerbaijan's policy of dominance denial. With the Arab Spring, Ankara gradually abandoned the foreign policy concept of "strategic depth" and the principle of "zero problems" in relations with its neighbours in favour of a more ambitious and military-oriented approach, viewing regional instability as an opportunity to strengthen its international position (Jović-Lazić 2022, 37). Also, on the domestic front, Turkey introduced a state of emergency after the failed coup in the summer of 2016, labelling the Gulen movement (Hizmet) as its organiser (Jović-Lazić 2022, 37). The Turkish authorities began

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<sup>14</sup> While the 1994 Agreement refers to the previously mentioned "Deal of the Century," the 1996 Agreement includes the Shah Deniz Gas Field Exploration, Development, and Production Sharing Agreement in the Caspian Sea. (British Petroleum 1996).

<sup>15</sup> Azerbaijan exported twenty billion dollars' worth of oil and gas in 2021, with two billion going to Turkey (OEC 2023a).

a long and intensive crackdown on the designated coup plotters, creating a climate of confrontation in the country. These events were reflected in the changes in Ankara's foreign policy. Dissatisfaction with the West's response, more precisely the absence of its support during the coup mentioned, prompted a further and more comprehensive review of Turkish foreign policy. Due to the increased focus on national political and security concerns, Turkish foreign policy became more assertive and took a more unilateral and militarised approach (Jović-Lazić 2022, 38).<sup>16</sup>

Radical changes in Turkey's foreign policy are closely connected to Azerbaijan's policy of dominance denial. It is important to note that Turkey strengthens its geopolitical position by cultivating alliances with neighbouring countries and Azerbaijan in the South Caucasus. With generous political and military support, Turkey makes it straightforward to other powers about the priority that Azerbaijan has for its foreign policy, positioning itself as an indispensable actor in the South Caucasus. For Azerbaijan, having this versatile and important actor as its ally strengthens its policy of denial of Russia's regional dominance. Also, the parallel effect of Turkish support for Azerbaijan in its position towards Russia stems from the close relations between Ankara and Moscow. The revision of Turkey's foreign policy also includes substantial autonomy concerning Euro-Atlantic structures. Turkey's effort to communicate directly with Russia on regional and international issues without respecting the interests of the West makes Ankara and its foreign policy priorities much more important for Moscow, which positively affects Azerbaijan's defined position towards Russia (Muradov 2020).

President R.T. Erdogan's statement after the outbreak of the Second War in Nagorno-Karabakh best illustrates the level of Turkish support for Azerbaijan, emphasising the enduring solidarity between the Turkish nation and its Azerbaijani brothers (Kinik and Çelik 2021, 176). The Agreement on Strategic Partnership and Mutual Support from 2010 raised the military cooperation between Azerbaijan and Turkey from a military-technical level to a military-strategic level. The treaty stipulates that both parties can use military force and all appropriate measures in the event of an armed attack or military aggression by a third country or group of countries (Jović-Lazić 2021, 228). The parties also undertook the necessary steps to build military infrastructure, carry out military exercises, and transfer weapons and equipment. Regular military exercises between the two countries have intensified, including their holding in Azerbaijan and its exclave of Nakhchivan (Jović-Lazić 2021, 228). The military exercises from July 2020 stand out, which, in addition to their scope, were

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<sup>16</sup> Turkey's military operations in Syria, Iraq, and Libya, as well as its military bases in Qatar and Somalia, serve as evidence of this.



significant for Azerbaijan due to the transfer of management knowledge on the acquired weapons (Jović-Lazić 2021, 228).

In the previous period, Baku acquired a wide range of sophisticated weapons from the Turkish defence industry. Bayraktar TB2 unmanned aerial vehicles, T-300 Kasirga and T-122 Sakarya multi-barrel rocket launchers, the TRLG 230 guided missile system, and Cobra combat vehicles stand out. The two countries also jointly developed the UMTAS anti-tank-guided missile system (Gurbanov 2018, 259). Azerbaijan has undertaken a comprehensive military modernisation effort, strengthening its defence capabilities and cooperating with Turkey. Furthermore, besides confirming Ankara's commitment to Baku and enabling its policy of external domination denial, the military alliance and cooperation with Turkey play a crucial role in Azerbaijan's indirectly balancing Russia.

### ***Strengthening of Military Capacities and International Military Cooperation***

Discussing the conceptual foundations of Azerbaijan's foreign policy, Cornell emphasises the importance of its geopolitical position, calling it an "arc of instability" (2011, 297). Positioned as the only country bordering Russia and Iran, Azerbaijan is a crucial country at the crossroads of Europe and Asia (Ibid.). The unique geographical position and considerable energy resources attract significant attention from external actors (Cornell 2011, 297). However, this attention is a double-edged sword, bringing both opportunities and risks to Azerbaijan (Cornell 2011, 297). The internal and armed conflicts of the South Caucasian states with external actors, even after achieving independence, reinforce Cornell's analysis, highlighting the significant and influential role of warfare in this region. Azerbaijan's geopolitical situation necessitates extensive international military cooperation and the strengthening of its capabilities to address potential threats to its sovereignty effectively. Baku's strategic response to the complex dynamics of the South Caucasus involves relying on these engagements, which indirectly balance Russia.

Azerbaijan's military strength is derived from its strong economic foundation. The export of energy products generated significant revenue, resulting in an ongoing increase in the military budget. In 2020, this budget exceeded two billion dollars, accounting for more than five percent of the country's gross domestic product (Trading Economics 2023).<sup>17</sup> With the increased budget, Baku has the capacity to purchase a wide range of sophisticated weapons. Azerbaijan has developed a strong military partnership

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<sup>17</sup> In 2016, Azerbaijan's military budget reached 3.4 billion dollars, representing an increase of 260 percent compared to 2007, before the Russian attack on Georgia (Trading Economics 2023).

with Israel alongside its existing relationship with Turkey. Azerbaijan has developed a strong military partnership with Israel alongside its existing relationship with Turkey. According to data from SIPRI, between 2017 and 2020, over sixty per cent of Azerbaijan's arms imports originated from Israel (Saltman 2023). Except for the Turkish Bayraktar TB2, Israel provided the complete array of unmanned aircraft to the Air Force of Azerbaijan, encompassing drones such as Harop, Heron, Hermes, Orbiter, and others. Arms imports from Israel included anti-aircraft defence systems such as the Iron Dome (Kippat Barzel), Barak 8, SPYDER, and the anti-tank and ballistic guided missiles Spike or LORA. In addition to acquiring military equipment, improving the skills of infantry and special units was essential to Azerbaijan's military modernisation (Antal 2022, 34).

Parallel with modernising its armed forces, the South Caucasus's geopolitical complexity drove Baku towards international military-technical cooperation, primarily with NATO. Azerbaijan was the first post-Soviet country to join the Planning and Review Process and one of the first members of the NATO Partnership for Peace Programme (Mission to NATO 2014, 38). Azerbaijan is an associate member of the NATO Parliamentary Assembly. The level of cooperation was raised by the Individual Partnership Action Plan, which has had six completed cooperation cycles since 2007. Through these and other NATO mechanisms (OCC, PSP, DEEP, SPS), Azerbaijan carries out reforms in the development of strategic documents, the application of NATO standards in military education, training, mutual exercises, interoperability, the preparation of peacekeeping forces, energy, and cyber security (Ministry of Defence 2023). This country also confirmed its compliance with NATO at the strategic international level. Azerbaijan played a crucial role in the operation of the Northern Distribution Network and the transit of supplies to and from Afghanistan (Mission to NATO 2014, 38). Tens of thousands of military personnel and approximately thirty percent of NATO and US troop cargo were transported through its airspace and territory (Mission to NATO 2014, 38). Moreover, Baku's contribution to the Afghan National Army Trust Fund, an initiative to train the Afghan security services, and the decision to support the state-building efforts of the then government in Kabul after the withdrawal of international troops in 2015 demonstrated a commitment to cooperation with NATO (Mission to NATO 2014, 38).

By modernising its armed forces, primarily through a military alliance and partnership with Turkey and Israel, Azerbaijan is effectively countering potential threats to its sovereignty. Through military-technical cooperation with NATO, Baku strengthens its status as a reliable partner for the Alliance and the US while contributing to managing regional and global security dynamics. With this behaviour, Azerbaijan significantly strengthens its position in the South Caucasus, which is also the last component of its hedging foreign policy strategy towards its big neighbour.

## **The Impact of Hedging Foreign Policy Strategy on the Second Nagorno-Karabakh War**

On November 8, 2020, the final phase of the Second Nagorno-Karabakh War began with the Azerbaijani occupation of Shusha. While Azerbaijan and the allied Turkey rushed to seize as much territory as possible, Russia intensified efforts to achieve a truce. Under the terms of the reached armistice, Armenia had to return all the territories it had occupied outside Nagorno-Karabakh, as well as the territories of this region that Azerbaijan had already captured through war. Russian peacekeeping forces secured the line of contact and the important Lanchin corridor connecting Nagorno-Karabakh with Armenia. The defeat in Armenia caused widespread discontent towards the government and Prime Minister Pashinyan, while in Azerbaijan, it was viewed as the realisation of a long-standing national aspiration and state interest.

Azerbaijan's hedging strategy comprehensively influenced the course and outcome of the Second Nagorno-Karabakh War. This strategy strengthened the position of Azerbaijan during the conflict, which, with the modernisation of its military and skillful use of Turkish support, effectively managed relations with Russia, ultimately changing the balance of power in the conflict.

### ***The Military Superiority of Azerbaijan***

After the First Nagorno-Karabakh War, Armenia based the defence of the occupied areas on uncamouflaged fixed positions and elaborate lines of trenches and bunkers along the line of contact with Azerbaijan (Antal 2022, 35). The defensive positions were elevated above the valleys where the opposing party's attack was anticipated (Antal 2022, 35). Also, the predictions were that the renewed war would be at the same pace so that the defence would have enough time for mobilisation and a continuous supply of positions (Antal 2022, 35). These predictions turned out to be completely inadequate.

International military cooperation and modernisation have given Azerbaijan an unattainable technological and military advantage. Azerbaijan first used drones to monitor, disrupt, and hit radar and anti-aircraft systems, then command and artillery posts and tank and infantry positions of Armenian forces (Antal 2022, 49-50). Air supremacy enabled further destruction of Armenian positions with both artillery and missile weapons, thus depriving them of their combined counter-strike capability. In these circumstances, Azerbaijan's infantry forces could penetrate and simultaneously advance and capture strategic locations such as Shusha (Antal 2022, 56, 60). Although the Armenian forces demonstrated admirable self-sacrifice, as Sergey Sovetkin noted, their army was outdated compared to Azerbaijan's modernised military, which had advanced

elements of the twenty-first century. (Antal 2022, 46). The course and outcome of the Second Nagorno-Karabakh War clearly demonstrated this.

### ***Turkey's Unwavering Support***

In addition to cooperation before the war and during the hostilities, Turkey provided Azerbaijan with logistical, intelligence, military, and political support. Turkish generals and other military personnel were critical in planning the campaign on Nagorno-Karabakh, then in the successful management of Bayraktar drones, intelligence gathering, and precise artillery and missile strikes on Armenian forces (Jović Lazić 2022, 40; Antal 2022, 53). With surveillance from its territory, Turkish radar systems, satellites, drones, and other aircraft provided Azerbaijan with accurate and timely information, covering the gaps in monitoring the battlefield dynamics (Jović Lazić 2022, 40; Antal 2022, 53). Turkey's participation in the conflict was reflected in the provision of hundreds of Syrian mercenaries to the Azerbaijani army. Turkey's political hinterland initiated and continued joint military operations during the war. Turkey's involvement in the conflict was evident through the deployment of numerous Syrian mercenaries to support the Azerbaijani army. The political landscape in Turkey facilitated the commencement and continuation of coordinated military campaigns during the war.

A month after the armistice, during the victory military parade in Baku, the president of Turkey said that his country and Azerbaijan would keep overcoming all obstacles and going from one success to another as long as they did it hand in hand (Al Jazeera, 2020). On that occasion, Selçuk Bayraktar, the engineer in charge of creating the aircraft bearing the same name, was honoured by its host, İlham Aliyev. The victorious war signified the realisation of long-standing state objectives for Azerbaijan, while Turkey saw it as the embodiment of a notably more powerful position in the South Caucasus.

### ***The Role of Russia***

After the outbreak of the war, Russia countered the Armenian argument about joint membership in the CSTO by asserting that the security guarantees apply to Armenia and not to Nagorno-Karabakh, making it clear that there would be no direct military involvement of Moscow in the conflict. Nevertheless, Moscow's attention to the conflict grew with its dynamics. In addition to joint statements within the Minsk Group, the essential framework of Russian mediation included Moscow's direct communication with the conflicting parties and Turkey. Two initiatives from October on a humanitarian and permanent truce and the return of refugees were unsuccessful. However,

the possibility of Azerbaijan conquering all disputed areas and endangering Russian interests in the South Caucasus encouraged Moscow to intensify mediation efforts. Demonstrating its regional influence, Russia negotiated a truce in a very short period, which included the protection of its interests but also the victory of Azerbaijan in the Second Nagorno-Karabakh War.

### ***The Impact of Hedging towards Russia on War Events***

Through diverse and dynamic foreign policy cooperation, respect for its power, and specific interests in the state, Azerbaijan has substantially improved relations with Russia while maintaining its independence. Furthermore, given the reluctance to join Euro-Atlantic structures, Baku has emerged as a strategically important actor for Moscow in the South Caucasus. Unlike the previous period when Russia focused on Armenia, Azerbaijan's approach led to the diversification of Moscow's regional foreign policy and a balanced approach between the conflicting Baku and Yerevan.

During the war, Azerbaijan showed a nuanced understanding and appreciation of Russia's strategic interests and its role as a mediator in the South Caucasus. Although Azerbaijan initiated military operations using its advanced interstate communication networks, Baku's state leadership emphasised that it was committed to keeping the conflict within the existing borders to prevent its escalation and potential instability in the region. According to President Putin, Prime Minister Pashinyan had rejected the proposal for a permanent truce that would have allowed refugees to return to Shushi, but President Aliyev approved it (President of Russia 2020). Finally, the most significant example of Azerbaijan's diplomatic approach towards Russia during the war is the cessation of war efforts and the signing of an armistice, despite the apparent possibility of taking over all desired territories.

The final and concurrent consequence of Azerbaijan's hedging strategic approach towards Russia during the war stems from Turkey's military support for Baku and relations between Ankara and Moscow. The cooling of Turkey's relations with its Euro-Atlantic allies has increased the importance of its foreign policy priorities for Russia. Except for the outcry over the presence of Syrian mercenaries on the battlefield, Russia essentially tolerated Turkish military support for Baku, which ultimately resulted in Azerbaijan's victory in the Second Nagorno-Karabakh War. Except for resentment over the presence of Syrian mercenaries on the battlefield, Russia essentially tolerated Turkish military support for Baku, which ultimately resulted in Azerbaijan's victory in the Second Nagorno-Karabakh War.

## Concluding Remarks

The outcome of the Russian-Georgian conflict and the subsequent geopolitical changes in the South Caucasus, through the confirmation of Moscow's influence, directed Azerbaijan to improve its relations with Russia. Azerbaijan has made substantial progress in its relationship with Russia by engaging in multilateral cooperation, acknowledging Russia's influence and specific interests, and exercising caution in its approach to Euro-Atlantic integration. However, thanks to the extensive energy reserves from the Caspian Sea, Baku was able to limit the degree of rapprochement with Moscow, remaining committed to an independent foreign policy course and its state interests. In doing so, Azerbaijan received the traditional support of its ally, Turkey. The mutual energy dependence and the Strategic Partnership and Mutual Support Agreement further strengthened the two countries' extensive cultural and ethnic ties, reflecting Turkey's regional involvement in support of Azerbaijan. The strong foundations of this alliance enabled multilateral military cooperation and improved Baku's military capabilities. In addition, Azerbaijan's comprehensive military modernisation, which also involved the purchase of sophisticated weapons from Israel, served as Baku's strategic countermeasure against various cross-border threats in the region. In this sense, international military-technical cooperation with NATO was also important, with which Azerbaijan contributed to managing regional and international security dynamics and simultaneously indirectly balanced Russia.

Due to the notable improvement in its relations with Russia, Azerbaijan's foreign policy in the South Caucasus has become more diversified. Consequently, Russia adopted a more impartial stance when dealing with the conflicting countries of Armenia and Azerbaijan. On the other hand, Azerbaijan has strengthened its military capabilities thanks to its strategic alliance with Turkey, its numerous support networks, and modern weaponry. As a result, during the conflict, Azerbaijan was able to tip the scales of power in its favour, winning the Second Nagorno-Karabakh War.

The implications of a hedging foreign policy strategy shed light on the complex dynamics that small states face in their relations with large neighbours. Azerbaijan's skillful management of these complexities in relations with Russia shows how small states can establish optimum in relations with a large neighbour while preserving foreign policy independence and autonomy. Also, using the example of the Second Nagorno-Karabakh War, this article shows how small states can effectively achieve their interests in the common region with a hedging foreign policy approach towards a large neighbour.

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**СПОЉНОПОЛИТИЧКО ПОЗИЦИОНИРАЊЕ АЗЕРБЕЈЦАНА  
ПРЕМА РУСИЈИ И ЊЕН УТИЦАЈ НА ДРУГИ РАТ У НАГОРНО-КАРАБАХУ:  
СТРАТЕГИЈА ХЕЏИНГА**

*Апстракт:* Чланак има за циљ да истражи еволуцију спољне политике Азербејџана према Русији и њен кључни утицај на Други рат у Нагорно-Карабаху, користећи теоријски оквир заснован на концепту хеџинга. Спољнополитичко позиционирање Азербејџана посматрано кроз ову призму илуструје како мање државе, могу стратешки управљати односима са већим суседима и конкурентима и остварити своје интересе. Основна хипотеза је да је прорачуната спољнополитичка стратегија Азербејџана према Русији, заснована на поменутој стратегији, створила услове за Други рат у Нагорно-Карабаху и пресудно утицала на његов ток и исход. Као метода истраживања користи се анализа садржаја документа и анализа дискурса. Овај приступ се ослања на широк спектар академских извора, укључујући научне чланке, књиге, документе, споразуме и изјаве државних актера, како би проценио развој спољне политике Азербејџана према Русији, анализирајући њихове билатералне односе засноване на политичкој, економској и друштвеној сарадњи. У контексту овог позиционирања чланак такође оцењује значај Турске стратешке подршке Азербејџану и снажење његових војних капацитета, Налази истраживања указују да је Баку, одступајући од ранијих једностраних одлука, вешто балансирао своје односе са Москвом. Спољнополитичко маневрисање Азербејџана, које подразумева пажљиво избегавање провокација Русије, значајно је утицало на избијање, ток и исход Другог сукоба у Нагорно-Карабаху.

*Кључне речи:* Азербејџан; спољна политика; Русија; Други рат у Нагорно-Карабаху; стратегија хеџинга.