

We can say that, the core of relations in energy field is Contract of the Century and it has impressions for both sides. Azerbaijan started to emerge as a key player in energy field with the signing of this contract. This contract has paved the way for the signing of other 26 contracts with 41 oil companies from 19 countries.²⁴² The biggest shareholder was BP in the contract which would be valid for 30 years. Turkey gained a 1.75% stake in the contract in the first phase. Then in February 1995, Azerbaijan International Operating Company (AIOC) was founded. AIOC was composed of 11 international companies from 11 states for the implementation of the agreements.

The Contract of the Century has underpinned Azerbaijan - Turkey energy relations. Like the other international actors, Turkey's interest in Azerbaijan's energy sources officially started with it. But, Turkey saw 1,75 % inadequate and insisted on having more stake in the agreement. After that, Turkey's stake was increased to 6,75 %. On April 12, 1995, President Haydar Aliyev said these words in the ceremony of signing the agreement between Turkey and Azerbaijan in Gulustan Palace in Baku; "Taking into consideration those appeals and fraternal and brotherly relations between Turkey and Azerbaijan, Azerbaijan decided to cede 5 % of its share to Turkey."²⁴³ According to an Azerbaijani MP, such initiatives created the "one nation two states" discourse and set the rules of it.²⁴⁴

Besides its economic benefits, signing Contract of the Century has increased Turkey's strategic importance in the region. "After Cold War era, Turkey's role in southern wing of NATO has staggered but Heydar Aliyev has increased Turkey's

²⁴² The President of Azerbaijan, Contract of Century, <http://en.president.az/azerbaijan/contract>, (Accessed Date: 20.11.2017)

²⁴³Speech by the President of the Republic of Azerbaijan Heydar Aliyev at the High-Level Signing Ceremony of the Treaty on Cooperation between Azerbaijan and Turkey on Oil Sector – Gulustan Palace, April 12, 1995, Heydar Aliyev Inheritance International Online Library, <http://lib.aliyev-heritage.org/en/6428457.html> (Accessed Date: 21.11.2017)

²⁴⁴ Interview by the author with a MP in Azerbaijani Parliament, Baku, 24.06.2017.

Baku -Tbilisi –Erzurum pipeline agreement were signed on 12 March 2001. The significance of BTE was being as a first step of Azerbaijan’s gas accession to West. Before finalizing this project, Azerbaijan exported gas to Iran and Russia. Turkey has become a transit country in transportation of Azerbaijani gas to Europe. In this sense, implementation of BTE can be taken as the preparatory step of TANAP.

In Heydar Aliyev era, energy projects were used as a tool for economic development, reducing dependency on Russia and integrating to the West. Azerbaijan has received incomes from such projects but the main importance of two pipelines was their strategic feature. Azerbaijan’s energy policy became the major determinant of directing her foreign policy in this era. The projects were mutually advantageous for Turkey and Azerbaijan. Turkey found an alternative source to Russia in the aim of reducing gas dependency. Azerbaijan built an alternative way to Russia by selecting Turkey as a transit state. Hence, strategic partnership of Turkey and Azerbaijan in regional projects was a message to Armenia. The preference of Azerbaijan proved that Turkey played a role in connecting Azerbaijan to West not only in diplomacy, politics and military. Turkey also linked West and Azerbaijan in energy projects and it made Turkey more valuable in the region. Besides that, Azerbaijan used the transition of energy sources also as a tool for isolating Armenia in the region. While energy has consisted the biggest share in the bilateral relations, the stability has been formed in business of entrepreneurs and firms.

7.4 Restoration of Azerbaijani Economy and Trade Relations with Turkey

After fall of USSR, Azerbaijan has transmitted from state controlled socialist system to liberal market economy. This transition period started in 1991 has stirred up many economic problems.

Price liberalization begun in 1992 led to hyperinflation, which reached an annual rate of 1.664 percent in 1994. The early transition period (1991-1994) was marked by a drastic decline in national

income from 35,006 million dollar to 1.031 million dollar, the falling of the gross national product (GNP) per capita from 6675 dollar to 192 dollar, a decrease in industrial and agriculture output and acute unemployment.²⁶⁰

In Azerbaijan, restoration in economy began in 1996 but the trade relations were started just after her independence which was promoted by Turkey. For instance, Eximbank gave loans to Azerbaijan for restoring the structure. Since 1991, more than 2000 agreements, treaties and official documents were signed. In 1992, Trade, Economic and Technical Cooperation Agreement was signed which was followed by Prevention of Double Taxing Agreement in 1994 and Mutual Promotion and Protection of Investments Agreement in 1995.

At first, a flight was organized by the initiative of Istanbul based Turkic World Research Foundation (Türk Dünyası Araştırmaları Vakfı – TDAV) with participation of the business people to enhance the economic relations. The economic interaction between Turkey and Azerbaijan started with the shuttle trade via charter flights to Georgia. After the independence of Azerbaijan, the economic relations commenced with the border trade between Nakhchivan Autonomous Republic and İğdır city when Heydar Aliyev was ruling in Nakhchivan. In the first phase of the relations; the relations between business people were more determinant comparing with the relations between states. First business people entered into market and then states.²⁶¹ The trade between Turkey and Azerbaijan started with charter flights continued with the border trade and then it has upgraded to the investments of business people. After all of these, states have signed high-cost energy agreements and implemented oil and natural gas pipeline projects.

²⁶⁰ Michael J. Baranick, Rena Salayeva, “State-Building in a Transition Period: The Case of Azerbaijan”, *Analysis for New and Emerging Societal Conflicts*, p. 213, http://www.thecornwallisgroup.org/pdf/CX_2005_12-Baranick2-CX-July17.pdf, (Accessed Date: 10.10.2017)

²⁶¹ Interview by the author with a former Turkish MP, Ankara, 10.01.2018.

The regulatory conditions of the business were prepared with the agreements. During Heydar Aliyev era; two agreements about reciprocal encouragement and protection of investments were signed in 1996 and 1997.²⁶² Starting from 1995, economic facilities were put forward. States focused their attention on pragmatic business issues rather than just “symbolic brotherhood”²⁶³. Aliyev’s visit in 1997 to Turkey affected business positively like many other fields. The relations have improved especially after 1997.

Starting from 1997, the two countries held joint economic commission meetings covering various bilateral economic issues, ranging from Turkey’s assistance to Azerbaijan in the development of small and medium scale businesses to transportation issues. A survey of various items on the agenda clearly indicates that Turkey was acting in the spirit of a “role model”, working to share its experience with Azerbaijan to assist the Baku’s integration with international standards.²⁶⁴

Besides, Turkish businessmen played a vital role in entering Azerbaijan’s products to Western markets. A government official provides justification to that with four points:

- Turkey’s geographical position
- Turkey’s deeper relations with Europe
- Turkish business people’s integration to Europe
- Custom Union between Turkey and European Union.²⁶⁵

After mid 90s, the main relations in economic issues were based on the cooperation in energy fields and Turkish engagement in agreements about oil and gas resources

²⁶² Ali Mesimov, “Bağımsızlık Yıllarında Türkiye – Azerbaycan İlişkileri”, *Avrasya Dosyası, Azerbaycan Özel Sayısı*, Vol. 7, No 1, Spring 2001, p. 276.

²⁶³ Interview by the author with an academic, Baku, 21.06.2017.

²⁶⁴ Saban Kardas, Fatih Macit, “Turkey-Azerbaijan Relations: The Economic Dimension”, *Journal of Caspian Affairs*, Vol. 1, No. 1, Spring 2015, p. 26.

²⁶⁵ Interview by the author with a government official, Baku, 22.06.2017.

in Azerbaijan. The investments of Azerbaijan in Turkey are generally based on energy sector. On the contrary, Turkey's potential about energy companies was not high in Azerbaijan so the investments were centered upon construction, banking system, telecommunication and technical infrastructure. Azer – Türk Bank was the first example of the cooperation in banking field which was established with the participation of Ziraat Bank.²⁶⁶ After that, many banks started to operate in Azerbaijan. The stats show that Turkish investments in Azerbaijan had placed into an important position in a short period of time. Turkey has become the largest investor in Azerbaijani non-oil sector. In the end of 2000; 1,327 Turkish companies acquire legal entity status but many of them did not work actively. 400 of them were carrying on business in Azerbaijan. The investment value of them are 1,5 billion dollars and it is estimated that 30000 people were employed by them. Turkish companies consisted 6 % of the budget of Azerbaijan.²⁶⁷

Besides close political ties, Turkey played a crucial role especially in the mid 90's in the development of Azerbaijan. Keeping in mind that Heydar Aliyev had passed away in 2003, during his term; the economic relations between Turkey and Azerbaijan is one of the prior points in the agenda.

Between 1993 and 2001, Turkey was the third largest investor in Azerbaijan, preceded by the USA and the United Kingdom. The total value of its investments was 3.8 billion dollar, which was equivalent to 12.6 percent of all foreign direct investment (FDI). Western investments in Azerbaijan's energy sector have clearly increased in recent years. This trend has caused a significant reduction of Turkey's share in foreign direct investments. Nevertheless, Turkey is still one of the major investors in the country.²⁶⁸

²⁶⁶ Sinan Oğan, "Azerbaycan'ın Tanımlanamayan Ekonomisi ve Türkiye ile Ekonomik İlişkileri", *Avrasya Dosyası, Azerbaijan Özel Sayısı*, Vol. 7, No. 1, Spring 2001, p. 78.

²⁶⁷ *Ibid.*

²⁶⁸ Jerzy Rohozifski, "Azerbaijan and Turkey: The Light and Shade of 'Turkish' Brotherhood", *CES Report: Turcja After the Start of Negotiations With the European Union – Foreign Relations And The Domestic Situation Part II*, Centre for Eastern Studies, Warsaw, 2008, p. 12.

In this point, the importance of Turkish Cooperation and Coordination Agency (TIKA) should be regarded. The structures of the investments in two countries have complemented each other. Besides the subsidiary role of the Turkish and Azerbaijani investments, the other outstanding feature of the business between two countries was gaining experience and professionalizing for both sides. Most remarkably, investment in Azerbaijan offered a major learning experience in terms of the internationalization of Turkish energy companies.²⁶⁹ Likewise, Azerbaijani entrepreneurs learned a lot from Turkish entrepreneurs about setting up a business and especially about construction.²⁷⁰ Turkey has become one of the most important countries in Azerbaijan in this sector. For example, in highway, airport and energy fields, big Turkish companies took place.²⁷¹

Regarding the regional context, Karabakh conflict can be seen as a considerable obstacle and threat to the regional stability, on the other hand the mutual stance against Armenia in Karabakh conflict gathered two countries. The aim of isolating Armenia from the projects in the region has been succeeded. Armenian economy devastated by the economic embargo. The cultural and linguistic ties catalyzed the economic relations. For a journalist, “the strategic feature of Turkish investments in Azerbaijan is putting money there during the hardest times of the country.”²⁷² Turkish assistance to Azerbaijan when the country was in economic chaos played another important role in advancing “one nation two states” discourse. In addition to the cultural ties, establishing economic ties between two countries made their relations tighter. Turkey’s foreign policy which prioritizes improving economic and political relations with Turkic republics during 90s has lent an impetus in this

²⁶⁹ *Ibid.*, p. 28.

²⁷⁰ Interview by the author with a government official, Baku, 22.06.2017.

²⁷¹ Interview by the with an academic, Baku, 22.06.2018.

²⁷² Interview by the author with a journalist, Baku, 24.06.2018.

field. Turkey has become an example for Azerbaijan in non-oil sector. Turkish business people tended towards Azerbaijan and tried to make themselves a place in a new emerging Azerbaijani market. The entrance of Turkish private sector to Azerbaijani market increased the interactions between business people. While the link between business people have been evolving, Turkish state expenditures and credits in Azerbaijan has focused on creating a feasible economic structure and a convenient atmosphere for market economy.

CHAPTER 8

ILHAM ALIYEV ERA: STRATEGIC COOPERATION

8.1 The Atmosphere of the Bilateral Relations: Azerbaijan - Turkey

Heydar Aliyev passed away in 2003 and his son Ilham Aliyev became the president of the Azerbaijan. Ilham Aliyev maintained the main foreign policy principles of Heydar Aliyev with no doubt. In all eras, the relationship between Turkey and Azerbaijan represented a primary and special place in the foreign policy agendas of two countries. During Ilham Aliyev's term, the main principles did not controversially change. His ongoing term's basic arguments has been going in line with his processor Heydar Aliyev. In his speech after the presidential elections in 2003, Ilham Aliyev said that:

On October 5, Azerbaijani people who came to voting centers, voted Heydar Aliyev's policies They voted to peace, tranquility, progress, development and stability. In Azerbaijan, this policy has no alternatives.²⁷³

It is understood from his speech that voting him means voting Heydar Aliyev's policies so, the foreign policy concept would remain the same. This discourse of Ilham Aliyev claims that there would not be a significant difference with the Heydar Aliyev's term.

He paid his first visit to Turkey in April 2004. During his visit, he gave a speech in Turkish parliament. In his address, he identified the relations as "fraternal relations" and declared them as "priority issue of Azerbaijan". Aliyev also

²⁷³ Araz Aslanlı, "İlham Aliyev Döneminde Azerbaycan Dış Politikası", 09.09.2011, <http://ekoavrasya.net/duyuru.aspx?did=14&pid=10&lang=tr> (Accessed Date: 28.05.2017)

underlined the mutual perspectives of these two countries by saying; “Turkey’s strength is Azerbaijan’s strength and Azerbaijan’s strength is Turkey’s strength.”²⁷⁴”

In addition to that he touched on the economic growth, social policies, integration to international institutions and democratization process in Azerbaijan. He gave an emphasis to Karabakh conflict, BTC and BTE. In his first trip, Aliyev’s cordial words indicated that Turkey’s importance in Azerbaijan’s foreign policy would continue:

I have been to Turkey several times. I am bond with Turkey and I love this country very much. I see Turkey like a motherland to myself but it is my first trip as a president. I was waiting this trip with a great excitement. Today, I can definitely say that; this visit will play a great role in evolution of the relations between two countries and proceed it to a new stage.²⁷⁵

Relations with Turkey went on in the same direction like Ilham Aliyev era. During this term, both regional and global actors have also some impacts on Azerbaijan - Turkey relations. In a certain period in Ilham Aliyev’s era, France was in the central position in Azerbaijan’s foreign policy while Turkey has protected its own importance. The most important indicator of it was the Azerbaijani president’s visit paid to France just after the elections in 2004. It had some reasons. France is a co-chair of Minsk Group and has close relations with Armenia because of the large Armenian diaspora inside the country. Azerbaijan preferred enhancing cultural and economic ties with France. An Institut Français was established in 2004 in Baku and French oil company TOTAL started to become more active in Azerbaijan. The reason of improving relations with France was finding a solution to Karabakh issue. In an interview with Paris based magazine Ilham Aliyev said these;

²⁷⁴ The Journal of Minutes of Grand National Assembly of Turkey, 14 April 2004, p. 15.

²⁷⁵ *Ibid*

In 1993, Heydar Aliyev also paid his first official visit to France. We pay particular attention to our bilateral relations. We are very hopeful that France will play more active role in settlement of Armenia-Azerbaijan, Nagorno-Karabakh conflict.²⁷⁶

Considering the first visits of Azerbaijani presidents after elections, Ilham Aliyev's attitude changed in 2008. He paid his first visit to Turkey after elections in 2008, 2013 and 2018. It should be also emphasized that Aliyev's first visit after becoming the Prime Minister was paid to Turkey. In addition to the importance of the visits, Turkey evolved into a pivotal country for Azerbaijan in his ongoing term.²⁷⁷

In 2008, he delivered one more speech in Grand National Assembly of Turkey and underlined that it was his first trip after presidential elections in Azerbaijan. This time he delineated the relations as "splendid". Additionally, he gave information about the financial development of his country and mentioned the growing economic capacity in Turkey – Azerbaijan relations. He concentrated on finalization of BTC and noted these words; "We turned legend into reality²⁷⁸".

In his speech in Turkish parliament in 2008, he congratulated Turkey for becoming a member of non-permanent member of UN Security Council. Aliyev also portrayed it both Turkey's and Azerbaijan's success. The other prominent factor in his address was the emphasis on joint actions of the diaspora organizations of two countries. It can be asserted that, the efforts of enlarging the field of "one nation two states" discourse could be observed abroad these two countries.

²⁷⁶ Interview of President of Azerbaijan Ilham Aliyev To French Monthly Magazine "Arabi", Azertag, 30.04.2004, https://azertag.az/en/xeber/INTERVIEW_OF_PRESIDENT_OF_AZERBAIJAN_ILHAM_ALIYEV_TO_FRENCH_MONTHLY_MAGAZINE_ARABI-552851 (Accessed Date: 04.05.2018)

²⁷⁷ Interview by the author with an academic, Baku, 19.06.2017.

²⁷⁸ Journal of Minutes of Grand National Assembly of Turkey, 23rd Term, 14th Session, Vol. 30, p. 599.

It is noteworthy that, only three foreign presidents have delivered a speech as a guest in GNAT and two of them are the presidents of Azerbaijan. As a president of TRNC, Rauf Denktaş addressed to the general assembly in Turkish parliament 6 times. He is pursued by 3 speeches of Heydar Aliyev in 1994, 1997 and 2001. According to the data of Turkish parliament, Ilham Aliyev spoke in Turkish parliament two times in 2004 and 2008 whose presidency is ongoing at the moment.²⁷⁹ In the light of these stats, Heydar and Ilham Aliyev stand in a privileged position. Such facts can also be taken as a clue of the tense interaction and close relations between Turkey and Azerbaijan which are the prominent peculiarities of being a strategic partner.

The relations between Turkey and Azerbaijan have based on institutionalized ground in a large context stretching from politics to energy. A scholar notes:

It is true that Turkey – Azerbaijan relations are on a very high-level but the weakest point is its development upon the presidents/prime ministers. In Elchibey's term the relations were advanced by Turgut Özal and Ebulfez Elchibey. Then, Heydar Aliyev and Süleyman Demirel were introduced as the architects of the relations. Of course, presidents have initiatives, attempts and supports regarding the bilateral ties but improving political and economic relations upon mechanisms could give more successful results in the long term.²⁸⁰

The mechanisms have been created both in regional level and bilateral relations. However, the role of the presidents in shaping the foreign policy is notably high in Azerbaijan and Turkey. In the decision-making processes the position of two presidents have become quite dominant in both states especially after the referendum in Azerbaijan which was held in 2016 for constitutional amendments and the referendum about strengthening the authorities of the presidency in Turkey

²⁷⁹ Yabancı Konuk Devlet Adamlarının Genel Kurul Konuşmaları (İsim Sıralı), The Official Website of Grand National Assembly of Turkey, https://www.tbmm.gov.tr/develop/owa/tutanak_erisim.yabanci_konuk_liste (Accessed Date: 28.05.2017)

²⁸⁰ Interview by the author with an academic, Baku, 24.06.2017.

in 2017. In this point, the communication between two presidents is unignorable. Some respondents who were asked the relations between these countries, have touched the communication between presidents. Nearly all the answers are positive in this context. The relationship between Recep Tayyip Erdoğan and Ilham Aliyev can be summarized as “nice friendship”, “brotherhood”, “good chemistry”, “positive relations”, “intimacy” according to some of the respondents.

In Ilham Aliyev’s term, the interactions between two countries have gained speed and hundreds of visits were paid in both countries in ministry, prime ministry and presidency level. All of the presidents and Turkish ministers have underlined the concept of “one nation two states” regardless of their political backgrounds. This trend did not change in Ilham Aliyev’s presidency. In this context, Turkish President Abdullah Gül attended to the parliamentary session in Azerbaijani parliament and spoke there about the relations in 2007. Gül declared that the most important denominators of Turkey – Azerbaijan relations are unity of ancestry, language and belief. According to Gül, this dimension gives the special character to the relations which cannot be seen in the relations between other countries.²⁸¹ Gul also gave a cleat message to Armenia in his speech with these words:

The ones who are contended with watching the positive steps in the region and the ones who prefers to be out of the mentioned projects (BTC, BTE) will understand the cost of their mistakes are heavier than they think.²⁸²

Gul also declared that Turkey was not responsible from the obstacles that prevented establishing diplomatic relations between Turkey and Armenia. He underlined the importance of Eurasia and described Azerbaijan - Turkey relations as a “backbone

²⁸¹ Azerbaycan Milli Meclisi'nde Yaptıkları Konuşma, 07.11.2007, <http://www.abdullahgul.gen.tr/konusmalar/371/56517/azerbaycan-milli-meclisinde-yaptiklari-konusma.html> (Accessed Date: 02.04.2018)

²⁸² Azerbaycan Milli Meclisi'nde Yaptıkları Konuşma, 07.11.2007, <http://www.abdullahgul.gen.tr/konusmalar/371/56517/azerbaycan-milli-meclisinde-yaptiklari-konusma.html> (Accessed Date: 02.04.2018)

of Eurasia geopolitics”. However, Turkey’s initiative in terms of Armenian rapprochement process harmed the credibility towards Turkey in Azerbaijan. During the crisis because of the football diplomacy period, Erdoğan went to Baku and delivered a speech in Azerbaijani parliament. When Erdoğan’s address in 2009 is evaluated, like Gül he also stated that he “feels like at home with his brothers”.²⁸³ in Azerbaijan Milli Mejlis. This attitude also had a similarity with Ilham Aliyev’s description of Turkey as “his motherland” in Turkish parliament in 2004. It is worthy of note that Erdogan addressed the Azerbaijani parliament in a nervous atmosphere after Gül’s visit to Yerevan and aimed to guarantee that Turkey was standing with Azerbaijan like before. He also emphatically said that the relationship between Turkey and Azerbaijan was a “real brotherhood”. As a very good orator, he gave places to the poets Bahtiyar Vahabzade and Yavuz Bülent Bakiler and ended his speeches with the national anthems of two countries. He made references to the historical ties between Azerbaijan – Turkey. Erdoğan specified that Mehmet Emin Resulzade’s tomb was in Turkey. He emphasized the unique feature of Turkey – Azerbaijan relations and stated: “We do not let anyone turn the closeness of Turkey and Azerbaijan and common fate of two countries into a discussion subject. There should not be any place for instigation and malice between us.”²⁸⁴

Erdoğan’s speech can be interpreted as a confidence building effort between two sides. Because of that, he affirmed that Turkey did not give up his thesis about Azerbaijan’s Karabakh region and declared that the border gate would not open till the withdrawal of Armenian troops. He also noted the pragmatic sides of the relations citing that Turkey has become a biggest investor in Azerbaijan’s non-oil sector. His address verifies that US has played a vital role in the normalization period between Turkey and Armenia. Erdogan mentioned that the primary topic in

²⁸³ 11th Session of Republic of Azerbaijan Milli Mejlis, 13.05.2009, <http://www.meclis.gov.az/?/az/stenoqram/173> (Accessed Date: 30.03.2018)

²⁸⁴ 11th Session of Republic of Azerbaijan Milli Mejlis, 13.05.2009, <http://www.meclis.gov.az/?/az/stenoqram/173> (Accessed Date: 30.03.2018)

his meeting with US President Obama is not only Turkish – American relations. Azerbaijan – Armenia relations and Karabakh conflict was discussed there. Erdogan claimed that they reiterated Turkey’s support to Azerbaijan and hereby Nagorno Karabakh issue entered to the near future agenda of US foreign policy. Erdogan’s speech has created a warm short-term period but Sargsyan’s visit to Turkey turned this atmosphere out to a more strained climate.

As it was previously emphasized, Ilham Aliyev pursued the same policy of Heydar Aliyev in relations with Turkey. In the addresses of the presidents, the most important issues are appeared as Nagorno Karabakh conflict, joint regional projects and immense social and cultural relations. The emphasis on the projects have grabbed larger place in Ilham Aliyev’s policies. It shows the deepening and enlarging feature of the bilateral relations between Turkey and Azerbaijan.

Except the normalization period between Turkey and Armenia, the other two topics were discussed as a burning question in Azerbaijan - Turkey relations; recognition of Turkish Republic of Northern Cyprus and visa regulation. In the ruling period of Justice and Development Party (Adalet ve Kalkınma Partisi - AK Party) led by Erdoğan, the first tension between two sides was about Turkish Republic of Northern Cyprus (TRNC). The issue of Northern Cyprus further increased tensions in Azerbaijani - Turkish relations in May 2004, when a scandal broke out at the session of the Council of Europe’s Parliamentary Assembly in Strasburg. During voting on a bill that would allow the unrecognized TRNC to establish its representation at the Council of Europe, all Azerbaijani delegates except one were absent. The bill was defeated and the Turkish delegation accused their Azerbaijani “brothers” of betraying them.²⁸⁵ Azerbaijan’s main concern in taking such a decision was about Nagorno – Karabakh issue rather than her reluctance of endorsement of Turkish thesis. Azerbaijan has acted always carefully not to give

²⁸⁵ Fariz Ismailzade, “Turkey-Azerbaijan: The Honeymoon Is Over”, *Turkish Policy Quarterly*, Vol. 4, No. 4, Winter 2005, p. 8.

opportunity to recognition of occupied Nagorno – Karabakh in international arena. Like the other disputes, solving the voting crisis did not take a long time. Northern Cyprus issue was on the agenda of Erdogan’s Baku trip in June 2005. Aliyev stated that he gave instruction for charter flights to TRNC and Azerbaijani companies would open branches there. About a month later than Aliyev’s statement; first charter was arrived to Ercan Airport. The “voting crisis” did not leave a big detriment in bilateral relations. Quite the reverse, Azerbaijan’s relations with Northern Cyprus has improved in the period after this incident. Such that, a MP argues that “from the perspective of Azerbaijan there is ‘one nation two states’ discourse but TRNC can be added there easily. As a result, from Turkey’s perspective, it is “one nation three states”.²⁸⁶ About the motto of “one nation three states” , a similar attitude can be observed in TRNC. In 2009, President of TRNC Derviş Eroğlu emphasized the discourse of “one nation two states” saddens the people of TRNC because they are “one nation three states”²⁸⁷. In social level, there is an affinity between Azerbaijan and TRNC and the “one nation” discourse has a board repercussion in both countries. Although positive perceptions were grown in both Azerbaijan and TRNC among each other, the problem was the narrow reflection of these perceptions to political relations. For instance, President of TRNC Rauf Denktaş’s visit to Baku in 2005 was organized as a personal trip rather than an official state visit. It can be said that, Karabakh conflict made Azerbaijan – TRNC relations more difficult in political concerns.

One of the most discussed issues in the agenda of the bilateral relations are the visa regime between two countries. Even if the procedure of getting visa from diplomatic missions of Azerbaijan in Turkey is much easier comparing with the Western countries and the other Turkic states like Turkmenistan, Uzbekistan and Kazakhstan; *vis a vis* visa regime is the other burning question. Turkish citizens

²⁸⁶ Interview by the with an academic, Baku, 22.06.2018.

²⁸⁷ Derviş Eroğlu: "Bir Millet, İki Devlet" Söylemi Kıbrıs Halkını Üzüyor, Haberler.com, 17.03.2018 <https://www.haberler.com/mersin-kktc-cumhurbaskani-dervis-eroglu-bir-millet-2598914-haberi/>, (Accessed Date: 10.11.2018)

can get their visas to Azerbaijan without paying in a few days. Hence, e – visa system initiated by State Agency for Public Service and Social Innovations under the President of the Republic of Azerbaijan eased the procedures. Despite all these simplicities, the visa regime puts obstacles to a more comfortable business sphere. A government official claims that “visa free regime can contribute positively to the economic bilateral relations between Turkey and Azerbaijan.”²⁸⁸ An Azerbaijani MP gives justification to the current circumstance with security concerns regarding ISIS presence in the region and underlines that citizens of Turkey and just a few countries can get their visas from the airport. In this point, she also emphasizes the narcotic incidents in Iran.²⁸⁹ Sultanov classifies the reasons of continuation of visa regime between Turkey and Azerbaijan as it follows:

Regarding the visa-free regime demand by Turkey, here too it needs to be kept in mind that Azerbaijan is a country at war and such moves are viewed with caution. More specifically, it has been made clear through different channels that a visa-free regime towards Turkey will add legitimacy to the relentless Iranian pressure to open up the gates of Azerbaijan to its southern neighbor as well. Azerbaijan is already concerned with the influence of Iran through its substantial religious and intelligence network in the country; without the visa barrier, the situation could worsen.²⁹⁰

At first, the visa regulation between Turkey and Azerbaijan serves to Azerbaijan’s balanced foreign policy. The abortion of visas with Turkey would probably cause Iran’s demands of abrogation of visa regime. The sectarian influence of Iran can increase in Azerbaijan which is problematic in terms of Azerbaijan’s secular state structure and the stability of the country. Thus, Azerbaijan did not lift visa requirements however made the regulations much easier. In this point, Azerbaijan may think that, by the visa regime she can protect herself from the refugee wave which was directed to Turkey from Syria. Now, Azerbaijan hosts about 1 million

²⁸⁸ Interview by the author with a government official, Baku, 22.06.2017.

²⁸⁹ Interview by the author with a MP in Azerbaijani Parliament, Baku, 24.06.2017.

²⁹⁰ Sultanov, p. 43.

IDPs from Karabakh region in her territories. It should be underlined that the country did not receive sufficient funds from international organizations to handle this humanitarian issue.

In this era, the relations between both sides has continued more independent from US policies comparing with the previous terms. The “pipeline diplomacy” of US stimulated BTC pipeline to help integration of Baku to West and did not have a bad effect in Turkey – Azerbaijan relations. In Ilham Aliyev’s era, US attitude about regional projects have deteriorated. It was declared that Baku – Tbilisi – Kars project would not be assisted by US because of bypassing Armenia. The American efforts in rapprochement process between Turkey and Armenia also had a negative impact. Ilham Aliyev era can be perceived as a period when the relations have improved especially in economic terms. Besides, the relations in economy have become more institutionalized. The strategic partnership which was began in Heydar Aliyev era has upgraded to high level strategic partnership. In this sense, common points in countries’ security perception were noticed.

8.2 Azerbaijan and Turkey’s Common Stance Among Their Security Concerns

The main characteristic of Ilham Aliyev’s foreign policy can be seen in two documents; National Security Concept of the Republic of Azerbaijan which was adopted on May 23, 2007 and Azerbaijan’s Military Doctrine which was ratified on June 8, 2010. The concept has drawn the outline of the foreign policy of Azerbaijan in the new millennium with references to threats and interests. The aggressive policy of Armenia is perceived as a prior threat in the document. The restoration of the territorial integrity and integration of Euro-Atlantic are seen as the two significant strategic goals. The settlement should be on these five-main bases according to Azerbaijan’s national security concept:

- Withdrawal of the armed forces of Armenia from all the occupied territories of the Republic of Azerbaijan;
- Restoration of the sovereign rights of the Republic of Azerbaijan in these territories;
- Return of the forcibly displaced Azerbaijanis to their native lands;
- Elaboration within the framework of a lawful and democratic process of the legal status, which would ensure peaceful coexistence of the Azerbaijani and Armenian communities of the Nagorno-Karabakh region and its high-level self-rule within the Republic of Azerbaijan;
- Establishment of conditions for restoring the communications and socio-economic growth of this region in the framework of the overall economic development of the country and of the regional integration processes.²⁹¹

In addition to that; concept contains the regional issues about trans-regional projects, bilateral relations and the other organizations. The concept has also given a place to relations with Turkey with the words mentioned below;

Comprehensive relations with Turkey, which was the first country to recognize the independence of the Republic of Azerbaijan, and which plays a special role in ensuring peace and stability in the region, is of particular importance. Bilateral relations between the two countries sharing ethnic, cultural and linguistic affinity are further expanding and deepening at the level of strategic partnership. The contributions of the Republic of Azerbaijan and Turkey in implementing trans-regional economic projects and the efforts of Turkey directed at settlement of the conflict between Armenia and Azerbaijan indicate the coincidence of positions of the two countries and the advanced level of their cooperation.²⁹²

The Military Doctrine, consisted of 75 articles, is the re-evaluation of the security concept of Azerbaijan. The timing of adopting is quite remarkable because the abortive negotiations with Armenia, 2008 Russia – Georgia War, discussions about

²⁹¹ National Security Concept of the Republic of Azerbaijan, 2007, p. 13.

²⁹² National Security Concept of the Republic of Azerbaijan, 2007, p. 13.

the Western intervention of Iran and 2009 Turkish – Armenian rapprochement process have increased the security concerns of Azerbaijan. The doctrine emphasizes the probability of military operation to the conflict zone against Armenia. The document can be counted as the demonstration of the rising military might of Azerbaijan in international field. After Russia’s Gabala Radar Base’s closure, Azerbaijan did not let opening any military bases in her territories. It was reiterated in the doctrine as it follows;

Azerbaijani Republic does not allow placing of foreign military bases within its territory, except the cases stipulated in the international treaties, which it supports. However, in case of fundamental changes in military, political conditions, Azerbaijani Republic has a right to place foreign military bases within its territory or temporarily to allow foreign military participation in other form.²⁹³

“Turkey” is not specifically mentioned as an ally in the document. Doctrine also does not delineate another state as an ally. It can be interpreted as an indicator of Azerbaijan’s balance policy. In Ilham Aliyev’s era, Azerbaijan’s relations with Turkey have developed not just because of balancing Russia and Iran. At first, relations with Turkey have presented economic and political contribution to Azerbaijan. Secondly, strengthening and feeling more secure have made a way for Azerbaijan to act more independently. The military relations between two states have an ever-growing structure. Comparing with the previous eras, the relations have become deeper and the practical steps continued on the ground. Azerbaijan - Turkey military relations started with cooperation in the field of education. Then, military cooperation has gained a greater ground including economic dimension in Heydar Aliyev era. It can be argued that, in Ilham Aliyev era the military cooperation has progressed and the armies of these two countries performed several joint military exercises. For example, “Caucasus Eagle” drills were held between Turkey – Azerbaijan and Georgia have grabbed public attention of three

²⁹³ Azərbaycan Respublikasının Hərbi Doktrinasının Təsdiq Edilməsi Haqqında Azərbaycan Respublikası Milli Məclisinin Qərarı, p.6.

countries. In context of NATO, Turkish and Azerbaijani armies have conducted training programs. The innovations in Turkish military sector has influences on the relations, too. Turkish Aerospace Industries (TAI) was to sell 60 combat helicopters T-129 ATAK to Azerbaijan as part of the contract for 3 billion dollars.²⁹⁴ For an Azerbaijani MP, the military liaison is also a message to the enemy that marks that two countries can act together.²⁹⁵ Turkey's developing military industry has started to produce good quality products which were tested by Azerbaijan. An academic thinks that "security field is one of the most fundamental points and because of some reasons arising from internal and international area, conventions in the expected level have not come into force yet. For that reason, both countries should do more about it."²⁹⁶ When the stats about military expenditure of Azerbaijan is analyzed, it can be easily seen that Azerbaijan's military purchases from Russia are much more than Turkey. Russia has wanted to exclude Turkey from the South Caucasus since the beginning of the Karabakh War and preserved her control there. As a result of this policy, Turkey's military sales to Azerbaijan remained in a lower cost. Beyond this fact, there is no exaggeration to say that Russia's technology in this field is in a higher level than Turkey.

The indicators of the strategic partnership are not only economic investments, trade, energy/transportation projects. Also sharing the security concerns is one of the most important features of the partnership and friendship. In this context, Azerbaijan recognized PKK as a terrorist organization and Turkey supported Azerbaijan in Karabakh conflict. The main attitude of both countries is the maintenance of stability in addition to improve common cultural values. The treacherous July 15 failed coup attempt can be seen as an indication of this attitude.

²⁹⁴ Azerbaijan Buys Turkish Helicopters, News.az, 5 October 2015, <https://news.az/articles/politics/101644>, May 20, 2018.

²⁹⁵ Interview by the author with a member of Azerbaijani Parliament, Baku, 23.06.2017.

²⁹⁶ Interview by the author with an academic, Baku, 24.06.2017.

