

# BAKU DIALOGUES

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# The Iceberg Melted

## The Enhanced Visibility of Strategic Ties Between Israel and Azerbaijan

*Arthur Lenk*

The strategic depth of the relationship between the State of Israel and the Republic of Azerbaijan may surprise many people. Each has found a discreet partner in the other that offers key, unique resources allowing both to respond successfully to some of their primary geopolitical challenges. The two small countries are both squeezed in complicated, unpeaceful neighborhoods; both have long-term simmering conflicts with challenging neighbors; and both see themselves as rational actors often needing to deal with unfair media and diplomatic treatment. They have quietly come together to partner in core areas like energy and security over a now significant amount of time while widening

their cooperation to spheres like tourism, education, and investing in startups.

The recent announcement that Azerbaijan will open an embassy in Israel removed one of the few outstanding limitations to consolidating fully the deep, strategic relationship between the two countries. Baku's decision was warmly welcomed by Israel's then Prime Minister Yair Lapid and President Isaac Herzog, together with public figures and foreign policy experts across the political divide in Israel. Azerbaijan's parliament passed legislation on 18 November 2022 to approve funding for embassies in Israel, Albania, and Kenya along with a representative diplomatic office in Palestine, which was signed

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by President Ilham Aliyev into law a few days later. It is expected that the new embassy will be inaugurated in Tel Aviv some time in 2023.

### *A Discreet Relationship*

For most of the thirty years of the bilateral relationship, a certain quietness and circumspection determined Azerbaijan's public actions regarding Israel. While Israel was one of the very first countries to open an embassy in Baku in the shadow of the breakup of the Soviet Union, Azerbaijan refrained from an official presence in Israel. A quick look at the complicated map of the South Caucasus region offers a clear understanding for such a policy. Azerbaijan shares long borders with both Iran and Russia and remains engaged in a protracted conflict with Armenia, which often demanded support from a majority of countries at the United Nations, the Organization of Islamic Cooperation, and other international fora. All of these were solid considerations for Azerbaijan to choose to avoid the risk of standing out on potentially controversial issues such as the Israel-Palestinian conflict.

Nevertheless, from Israel's perspective, encouraging Azerbaijan to open a permanent mission was a priority. In the time leading up to my term as Israel's fourth ambassador to Azerbaijan (2005-2009), it was emphasized to me by my superiors that it was to be seen as the primary "ask" from our side. However, quickly after arriving in Baku, I came to a different conclusion. I believed that if we in Israel saw Azerbaijan through the prism of a majority-Muslim country bordering Iran rather than a post-Soviet state bordering Russia, its strategic importance for us would appear dramatically different and that our priorities should change.

I advocated within the Israeli government for a realistic, pragmatic partnership that deemphasized grievances and differences in exchange for finding paths to partnership where Azerbaijan would allow. Soon enough, colleagues at Israel's Ministry of Foreign Affairs and other key government agencies came around (along with friends of Israel from around the world) to seeing the uniqueness and importance of Azerbaijan for Israel. Senior government officials,

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such as then Deputy Minister of Defense Efraim Sneh, Minister of National Infrastructure Binyamin Ben Eliezer, and, later, Foreign Minister Avigdor Lieberman, were all leading advocates in Israel for this relationship for many years, all speaking out on this perception of what Azerbaijan could be for Israel.

In addition to geopolitical and trade considerations, Azerbaijan's small, fascinating Jewish community—together with some 70,000 former Azerbaijanis who have etched out a sizable diaspora in Israel—form a natural constituency, on both sides, for the deepening of the relationship, both at government and people-to-people levels. For example, when meeting with Azerbaijan's first lady (now Vice President) Mehriban Aliyeva, she told me about a teacher of hers who emigrated to Israel and remained close to her heart. Similarly, the Azerbaijan community in Israel has formed an association called "Aziz" (their Russian language Facebook page has over 5,000 followers), which hosts regular cultural events in Israel and keeps close ties with friends and family in Azerbaijan.

These grassroots, people-to-people ties highlight an important side of Azerbaijan, coexistence, which genuinely honors its small minority communities and different faiths. At the highest levels, Azerbaijan has emphasized its respect for its small Jewish and Christian minority communities. For both Israelis and Jews from around the world—who have grown despondent with deepening antisemitism and prejudice—discovering a Muslim-majority country that consistently sends the opposite message has been exciting.

Even though a majority of Azerbaijani citizens are of Shia background, its leaders prefer to deemphasize sects and labels that often divide within Islam, rather calling themselves as simply

Muslims—a message of unity from which Israelis, and others around the world, might learn. In fact, in recent years, Israel showcased this shared value of coexistence by sending

to Baku the outstanding Christian Arab diplomat, George Deek, to serve as its current ambassador.

While I, and everyone speaking for Israel, never stopped

mentioning the embassy issue, the more vital aspects of the relationship quietly and steadily developed and became key pillars of growing ties. Central priorities were focused on deepening cooperation on the core matters of energy and security, both topics serving primary national interests for each side.

In energy, Azerbaijan has long been one of Israel's largest suppliers of crude oil. The Baku-Tbilisi-Ceyhan (BTC) pipeline, a future-altering project for Azerbaijan, was started in the late 1990s (and completed in 2006) with the significant encouragement of the United States. While Azerbaijan was able to export crude through Russia before the pipeline, that project offered the country dramatic independence from its neighbors. Many others have written about how this pipeline brought Azerbaijan closer to Europe and its energy market.

This is even more true for Israel, which until relatively recently (when it discovered natural gas off of its coast) had great concerns to safeguard its energy purchase

mix. The BTC conveys Azerbaijani crude oil from the Caspian Sea to the Turkish port of Ceyhan on the Mediterranean coast, located less than 300 nautical miles north of Israel. Azerbaijani figures have long placed Israel as the second-largest consumer of its exported oil, after only Italy. Popular estimates reckon that the total amount of oil from Azerbaijan currently meets about 40 percent of Israel's total needs.

In terms of security, the benefits of a trusted ally for Israel in such a complex neighborhood is clear to anyone who looks at a map. During my time in Baku,

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I often warily quipped that I was the Israeli diplomat closest in the world to Tehran. While this may no longer be true today (Ashgabat, where Israel more recently opened

an embassy, is a little closer), the proximity of Azerbaijan to Iran is obvious to all, starting with the need to carefully protect Israeli diplomats who have been threatened more than once. In 2009, the Los Angeles Times reported that Azerbaijani police arrested, put on trial, and then convicted two Hezbollah militants in possession

of explosives, guns, cameras, and reconnaissance photos who were preparing an attack on my embassy in the spring of 2008. This reality repeated itself a number of times over the years and deepened the cooperation between security officials on both sides. Of course, proximity does not only bring dangers but also, potentially, significant opportunities.

In parallel, Israel has offered Azerbaijan a successful path to its own national defense considerations through sharing its experience and know-how. During my time in Azerbaijan, some of the seeds were sown with, in those days quite discrete, bilateral defense cooperation agreements. By December 2016, as Prime Minister Benjamin Netanyahu visited Azerbaijan, President Aliyev was quoted by Haaretz newspaper as saying:

So far, the contracts between Azerbaijani and Israeli companies with respect to purchasing defense equipment have been close to \$5 billion. More precisely, \$4.85 billion. The biggest part of these contracts has already been executed and still we continue to work on that. And we are very satisfied with the level of this cooperation.

### *Wikileaks Tells the Story*

For better or worse, the infamous 2011 Wikileaks diplomatic cable dump made public thousands of secret U.S. State Department diplomatic reports, a few of which reported on aspects of the Israel-Azerbaijan relationship. One such report was a 13 January 2009 cable from the U.S. Embassy in Baku, then classified as “secret,” titled “Azerbaijan’s Discreet Symbiosis with Israel.”

The cable reported that I had shared background information with my American colleagues about the state of the relationship with Azerbaijan, including details of conversation that had taken place in May 2008 between the Azerbaijani president and Israel’s then Agriculture Minister Shalom Simhon and me, in which Aliyev compared our bilateral relationship to “an iceberg; nine-tenths of it is below the surface.”

In the same leaked cable, the U.S. Embassy in Baku then offered its own conclusion regarding the relationship between the two countries:

Israel’s relations with Azerbaijan are based strongly on pragmatism and a keen appreciation of priorities. Israel’s main goal is to preserve Azerbaijan as an ally against Iran, a platform for

reconnaissance in that country and as a market for military hardware. In order to preserve those goals, the Israelis have keenly attuned themselves to the GOAJ’s needs as an OIC member and as a state (like Israel) wedged between large, powerful, and unfriendly neighbors. They forgo the option of pressuring the GOAJ on secondary issues to secure the primary ones. It is apparent to us that for now, both sides are well satisfied with the bilateral state of affairs.

At the same time, the relationship was never really a secret. Visits of cabinet ministers in both directions have long been regular occurrences, highlighted by visits to Azerbaijan by Israel’s President Shimon Peres in June 2009 and Prime Minister Benjamin Netanyahu in December 2016 and nearly every Azerbaijani minister to Israel. Key Jewish organizations such as the American Jewish Committee, AIPAC, and the World Jewish Congress have all sent senior delegations over the years to Azerbaijan to deepen ties. Direct flights have long been a feature of the relationship, literally showing the short distance (under three hours by air) between the countries.

The two states later established a ministerial bilateral commission that regularly met to give added substance and impetus to the relationship. In recent years, Azerbaijan’s Minister of Economy, Mikayil Jabbarov, has proven to be a continuously energetic and stabilizing force in guiding Azerbaijan’s official relationship with Israel, even as repeated elections changed the Israeli point of contact. For instance, Jabbarov inaugurated a trade and tourism office in Tel Aviv in July 2021—an act that, in retrospect, clearly represented a tangible step towards the establishment of an Embassy of Azerbaijan in Israel.

### *A Change in Policy*

In my view, two events in recent years caused Azerbaijan to decide to open an embassy in Israel. The first event was Azerbaijan’s victory in the Second Karabakh War, which included the liberation of the historic city of Shusha. The country’s military success is perceived to have been achieved in part thanks to the use of Israeli technology. In her excellent article on this topic titled “Israel’s Role in the Second Armenia-Azerbaijan War

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and Its Implications for the Future,” Brenda Shaffer concluded: “this [category of] cooperation had a significant impact on the outcome of the Second Armenia-Azerbaijan War and is expected to grow in its wake.”

Interestingly, during the 2020 war, when Azerbaijan’s second largest city, Ganja, was bombarded with Armenian missiles, it saw a significant parallel to Israel’s need to protect itself from Palestinian missiles and rockets from Gaza. Media reports have indicated that Azerbaijan has been one of the first countries to purchase Israel’s Iron Dome missile defense technology.

Perhaps the ultimate sign that Azerbaijan was fully ready to make public its defense cooperation with Israel was the October 2021 photograph of a smiling Ilham Aliyev posing with his right hand on a Harop drone—an Israel Aerospace Industries loitering munition that was often successfully deployed by Azerbaijan during the Second Karabakh War. The photo was taken at a newly-built military base in the liberated Azerbaijani town of Jabrayil, located only 15 kilometers north of the border with Iran.

Many viewed the photograph as a targeted and purposefully sharp response from Aliyev to

repeated belligerent statements from Iranian officials criticizing Azerbaijan’s relations with Israel. But far beyond the message to Iran, Azerbaijan’s president was telling his own people and the world at large that he saw security cooperation with Israel and the use of advanced Israeli technology as key to Azerbaijan’s military success. As he posed with the drone, without however specifically mentioning Israel or Iran, Aliyev told journalists: “No one can interfere in our internal affairs. It is our own business to establish relations with any country. After all, we do not sue countries that have close and friendly relations with Armenia.”

The second cause of Azerbaijan’s decision to open an embassy in Israel was, perhaps ironically, the Abraham Accords. It has been interesting to watch all the well-deserved excitement in Israel and around the world to the Abraham Accords, which established and rapidly developed relations between Israel and three Muslim-majority countries (Morocco, the UAE, and Bahrain)—as if it was something that had never happened before. A normalization process, slower and quieter than the others, has also taken place with Sudan. Azerbaijan watched with interest as the UAE and Bahrain quickly opened em-

bassies and Morocco reopened its liaison office in Tel Aviv.

Naturally, the Azerbaijanis, like many around the world, noted how these relationships quickly developed without much significant pushback against those countries. In fact, it seems that all three of them, as well as Israel itself, have benefited economically and diplomatically from the implementation of the Accords. The active American role in the negotiations and signing of the agreements—and then taking ancillary actions such as recognizing Morocco’s sovereignty over Western Sahara or approving new defense cooperation agreements with the UAE—touched on topics that had resonance for Azerbaijan. It thus seems likely that the success of those new relationships also served as a catalyst for Baku’s recent decision to open an embassy in Israel. On the other hand, it is equally true that Azerbaijan actually served as a predecessor and a model for the Abraham Accords due to having successfully

developed a long-term, strategic relationship with Israel whose origins go back to the early 1990s.

## *New Economic Opportunities*

In the years since I left Israel’s foreign service in 2017, I have had quite a few conversations with Azerbaijani officials and friends on the topic of opening an embassy in Israel. Over time, my own message evolved: I began increasingly to emphasize how Azerbaijan was missing out on achieving many of its own international goals by

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not being present diplomatically in Israel. My basic point was that that there were advantages for Azerbaijan’s representatives in being in Israel and that there were negligible risks associated with such a step, given the range of global developments in recent years. In fact, it was clear that Israel was taking full advantage of the relationship with an

active, fully-fledged diplomatic mission in Baku, which meant that it did not necessarily need (although, obviously it wanted it) an Azerbaijani presence. In other words, my argument was that the central side that would gain by opening an embassy in Israel would be Azerbaijan.

And now, with the November 2022 announcement, Azerbaijan is well placed to seek to deepen those ties and actively promote its diplomatic goals in Israel. There is much to build on. Today, undoubtedly, the “iceberg” that Aliyev had described back in 2008 has melted to clearly reveal a clearly visible mountain of strategic, economic, and cultural ties. Cooperation has diversified in recent years to educational partnerships, such as the introduction of world-class innovative educational methodologies like the teaching of STEM, cyber security and entrepreneurship, and the signing of an MOU for student exchange and joint research between the Hebrew University of Jerusalem and Baku

State University in biotechnology and agriculture. There has also been significant development in sharing Israeli innovations in water management techniques and precision agriculture, along with the rapid development of bilateral tourism.

ORT Israel, Israel’s largest scientific-technological education network, calls its educational philosophy “start-up education.” With 241 middle schools, high schools, and vocational colleges, it has become a leader in teaching hundreds of thousands of young Israelis the skills to work

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in Israel’s knowledge-based, innovation economy. ORT has worked with Azerbaijan’s Ministry of Science and Education since 2018 and has already shared its unique methodologies and philosophy with hundreds of Azerbaijani teachers and made an impact on thousands of Azerbaijani students. The current joint project, which began in 2022, involves the establishment of a small number of ORT-style public schools in Azerbaijan. This

project is a pilot initiative designed to guide the Azerbaijani education system away from a post-Soviet style of frontal education to a more project-based learning approach that offers twenty-first-century lifelong learning skills.

Azerbaijan certainly has a way to go, but its government understands that human potential—far beyond the country’s limited yet still significant energy resources—is the path to growth and success in the decades to come. Israel’s success in this sphere is a model from which to learn and emulate. The partnership with ORT seems to directly offer a significant response to a recommendation from a September 2022 World Bank report on Azerbaijan, which emphasized that, “in the long term, the priority is to develop a skilled and effective cadre of teachers. It will be critical to improve teaching in the education system as global evidence shows that teachers are the most important drivers of learning.”

In early 2022, Mekorot, Israel’s national water company, signed an agreement to develop a national master water plan for Azerbaijan’s agriculture sector. The plan will focus on eliminating water loss, increase efficiency in using limited water resources in Azerbaijan’s

different regions, allow for the monitoring and maintenance of water use, and utilize cutting-edge technologies. This project will take advantage of Israel’s world leading experience in water management, including recycling and perhaps even desalination.

Another fascinating strategic partnership is the financial commitment of the Azerbaijan Investment Company, a government-owned entity focused on impacting the non-oil sector in Azerbaijan, to make a number of significant investments in Israeli startups via Our Crowd, the Israeli venture investing platform. The shared goal, beyond the obvious target of profitability, is to encourage young Israeli technological companies to build interactions in Azerbaijan and make an impact on Azerbaijan’s innovation ecosystem through local activity. The success of this project could mean a deepening of Israeli-Azerbaijan cooperation in technologically-advanced ventures, resulting in both experience-sharing and job creation. The project also aspires to develop mutually-profitable markets for the relevant companies in places like Türkiye, Russia, and Central Asia, where Azerbaijan has historic economic, cultural, and linguistic ties.

## New Strategic Opportunities

These recent examples beyond the security or energy sectors show that the partnership between Israel and Azerbaijan has grown to be significantly more than one that is centered on geopolitics, although that interest remain clear. There is now a shared history of cooperation and relationships that have developed far beyond one individual or party over decades.

In the Winter 2021-2022 edition of Baku Dialogues, Michael Doran wrote a thoughtful article titled “Azerbaijan in the Struggle for Eurasia” in which he made a convincing case that Western countries, especially the United States, had shared interests to stand with Azerbaijan. He saw Azerbaijan as an important partner in the advancement of key regional and global American interests against some of its biggest challenges. He colorfully described how Israel has understood this interest clearly for quite a while, even explicitly conveying its importance in high places in Washington.

Over the past year, the Americans have internalized that message regarding Ukraine—certainly in light of Russia’s aggression and Iran’s

active support of Russia’s weapons needs. The intense level of cooperation and support was highlighted in December 2022 with President Volodymyr Zelenskyy’s speech before a joint meeting of the U.S. Congress. In the aforementioned article, which was published just before the Russian invasion, Doran recognized a symbiosis between Ukraine and Azerbaijan that could resonate for the West. The massive economic and political support from the U.S. and its NATO allies for Ukraine has been based upon the moral and strategic imperatives of defending not only Ukrainians from aggression but future dangers in the region, understood broadly. The formal requests from Sweden and Finland for accession to NATO constitute an obvious, direct result of those regional dangers.

It can certainly be argued that Azerbaijan has many similarities within its neighborhood and that both Azerbaijan and the United States have strategic interests in connecting within the same Western alliance. The same potentially challenging countries—specifically Iran and Russia—might be pushed back through closer ties to Azerbaijan. Recent developments in the peace process between Armenia and Azerbaijan, which involve a variety of competing mediators, also emphasizes this point. Although, like

for Israel, NATO membership is not a goal for Azerbaijan, a closer and constructive relationship certainly makes sense for all sides.

While Israel and its friends have often spoken up for Azerbaijan in Washington, one prospective opportunity is learning from Israel’s bipartisan success in developing its relationship with the United States. Even for Israel, this has been a challenge in recent years—and there may be renewed difficulties for the new right-wing government in Israel; still, historically, bipartisan political support has been the secret sauce for Israel in the United States.

Perhaps, in the wake of the onset of the war in Ukraine and the strong leadership role played by the Biden Administration in rallying the West to the cause, there could be an opening for facilitating a development of relationships and understanding between Azerbaijanis and pragmatic leadership from the Democrats, along with some of the newer Republicans in Washington.

Like many Americans who support both Israel and positively support ties with the Palestinians, there could be a similar opening

for the South Caucasus: to preserve historic, positive ties with Armenia along with a look towards developing a constructive, strategic outlook involving the deepening of bilateral ties with Azerbaijan. The strengthening of positive relations with both Azerbaijan and Armenia could offer opportunities, as peace negotiations hopefully move forward and rethinking the shared regional development of the South Caucasus could become possible. This would, of course, be compatible with existing bipartisan goals in Washington with regards to the discussion regarding Georgia’s membership perspective in both NATO and the EU.

Israel and Azerbaijan have grown to appreciate that unlike some other bilateral ties each have, this one is truly founded on mutual benefits and interests that has stood well during times of test and challenge. Both sides, more than ever, see the other as an ally and a fellow traveler. Just as both states have worked together to deepen their bilateral relationship under the radar for the first thirty years, the future seems bright with wide opportunities to climb higher mountains together out in the open. **BD**