

# Chapter 1. Research overview, context and problematization

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**Abstract** *The first chapter introduces the central research problem and considers the geopolitical and energy issues in the Caspian Region in the broader context.*

*Moreover, a significant part of the chapter is dedicated to the theoretical settings of the work. The section starts with the theory of political realism, which is utilized to look at the Caspian region's importance and role in contemporary geopolitics. Then, it narrates the history of political realism as one of the most important theoretical concepts of international relations. Besides, some essential characteristics of political realism are illustrated to illuminate it as a theoretical concept. Some prominent realists, such as Edward Hallett Carr and Hans J. Morgenthau, are also looked at.*

*Another theory considered is institutionalism, which is used to analyze the binding energy contracts between international energy concerns and countries of the Caspian Region and the region's significant energy fields. The chapter also compares realism and institutionalism.*

*The last part of the chapter considers the methodological framework of the book.*

## 1.1 Introduction

The “Russo-Persian Treaty of Friendship,” signed on 26 February 1921, between the Union of Soviet Socialist Republics (USSR) and Iran, divided the Caspian Sea into two parts. According to the treaty, only these two political actors had access to the Caspian Sea. Therefore, until the collapse of the Soviet Union (SU), the Caspian region was divided between the SU and Iran. Azerbaijan, Kazakhstan, and Turkmenistan became independent when the SU collapsed in 1991, and so, at present, there are five states around the Caspian Sea.

The USSR's fall changed the region's geopolitical constellation entirely, and the Caspian Region became a region of very complex political interests. As a result, both international actors and regional powers have their interests and political strategies in the Caspian Region.

For instance, disputes between Russia, Iran, Azerbaijan, Turkmenistan, and Kazakhstan over the Caspian Sea's legal status had gone almost 27 years.<sup>1</sup> The convention on the Caspian Sea status was signed between Russia, Kazakhstan, Azerbaijan, Iran, and Turkmenistan in Kazakhstan on 12 August 2018. Due to the agreement, the central area of the Sea's surface remains in the states' everyday use, and the bottom and subsoil are divided into sections by agreement between them based on international law. It is remarkable that even 27 years after the USSR's fall, the states could not agree on whether the Caspian Sea should be perceived as a sea or a lake.

Until the collapse of the USSR, Azerbaijan, Kazakhstan, and Turkmenistan had to adhere to Russia and Iran's existing agreement on the Caspian Sea's legal status, according to which Russia was officially an owner of the Caspian Sea seabed along with Iran. Consequently, the newly independent countries had no legal right to sign energy contracts with energy companies to develop and produce the Caspian Basin's energy resources. However, this situation changed after signing the "Contract of the Century" agreement between the Azerbaijani government and international energy companies in September 1994.

This contract was path-breaking for Azerbaijan's energy industry and state policy and the other two newly independent Caspian Sea countries, Kazakhstan and Turkmenistan. Both countries also started to pursue a more active policy and laid

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<sup>1</sup> Azerbaijan had insisted on the definition of the status of the Caspian Sea based on international law. Consequently, from the Azerbaijani point of view, the status has to be made based on the 1982 UN Convention of UN on maritime law. In this case, all states get the right to unilateral action in their sector of the Caspian Sea, and the activities of other members of the Caspian have to be agreed upon with the owner of the sector. According to Kazakhstan's contentions on the Caspian Sea's legal status, the Caspian Sea's bottom and subsoil should be delimitated between member countries of the Caspian Sea. Hence, the countries should possess unlimited rights to explore and use the Caspian Sea's hydrocarbon resources. Except for some factors, the positions of Kazakhstan and Azerbaijan were almost similar. Iran had insisted on the Caspian Sea's division into five equal parts between the Caspian Sea states. Iran's government had an ultimately controversial position in contrast to other states of the Caspian Sea. Iran claimed 20% of the Caspian Sea based on historical reasons. However, Iran's claim was not based on any international juridical norm. For Russia, the Caspian Sea countries must follow the Caspian Sea's legal and defined status based on the agreements between Russia and Iran in 1921 and 1940. According to these treaties, all countries should have free navigation in all sectors of the Caspian Sea. Additionally, all countries must have free fishing rights. In contrast to other new independent states of the region, Ashgabat (Turkmenistan) had argued that the Caspian Sea is not a lake but an internal reservoir. Consequently, Turkmenistan had insisted on a sectoral division of the Caspian between five states or a so-called based on condominium division with coastal territorial waters. Turkmenistan shared almost the same position as Iran.

claim to their sectors of the Caspian Sea. Russia and Iran were against the new political constellation in the region because they considered international political actors and energy companies a significant threat to their political dominance in the region.

Some factors can define the strategic significance of the Caspian region. However, there are two crucial issues, which demonstrate the importance of the Caspian region for the states involved in the geopolitics of the region:

- The appreciable stocks of energy reserves;
- The geographical position.<sup>2</sup>

The Caspian region plays an essential role in the different political actors' energy policy due to its rich hydrocarbon resources. In general, energy diplomacy is a crucial element of modern international relations. Energy diplomacy has played an enormous role in international relations after the oil crisis of the 1970s. It affects the states' economy and policy, but at the same time, energy diplomacy is used as a "political weapon" to attain political goals. For instance, Russia uses its hydrocarbon resources, especially natural gas, as a political tool in its foreign policy towards European countries. This was at the heart of the Ukrainian energy crisis in 2006.

Europe's dependence on Russia for natural gas is quite remarkable. According to statistics, Russia-Gazprom's leading natural gas company exported 199 billion (bn.) cubic meters (bcm) of natural gas in 2019.<sup>3</sup> This is the highest volume of natural gas ever exported in the history of Russia. The European Union (EU) imports significant Russian natural gas quantities, so almost 30% of Russian oil and natural resources are exported to EU countries. Consequently, Some EU countries, such as Estonia, Finland, Latvia, Slovakia, and Bulgaria, depend 100% on Russian natural gas.

Due to Russia's aggression against Ukraine, the EU countries get their oil and natural gas resources from other sources. Moreover, the Russian government decided to decrease the flow of energy resources to the European market. It might be hypothetically predicted that the EU countries would continue importing oil and natural gas from Russia when the war in Ukraine is over.<sup>4</sup> The reasons are pretty simple. First, the EU country's natural gas demand is so high that only Russia can meet

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<sup>2</sup> The Caspian region is located between two crucial energy export markets of the world: Europe and Asia. Moreover, this region is situated between two leading energy suppliers globally: Russia and the Near East.

<sup>3</sup> Gazprom.com. (n.d.). Europe. Retrieved April 15, 2023, from <http://web.archive.org/web/20210329081808/https://www.gazprom.com/about/marketing/europe/>

<sup>4</sup> McWilliams, B., Sgaravatti, G., Tagliapietra, S., & Zachmann, G. (2022). Can Europe manage if Russian oil and coal are cut off? Bruegel-Blogs, NA-NA.

this demand. Furthermore, Russian gas is relatively cheaper than gas from other sources such as Qatar, Algeria, etc.<sup>5</sup>

Some local experts<sup>6</sup> argue that Azerbaijan,<sup>7</sup> Kazakhstan and Turkmenistan can significantly substitute Russian energy exports to Europe.<sup>8</sup> However, this thesis argues that it is not so. The newly independent countries' governments manipulate the amount of oil and natural gas resources to get an advantage in the new political constellation. Therefore, in contrast to other expectations and prognoses concerning the enormous role of the Caspian states<sup>8</sup> in the energy diversification policy of the EU,<sup>9</sup> this book does not claim that Azerbaijan, Kazakhstan, and Turkmenistan's energy potential can be compared to Russia's vast energy potential. However, Azerbaijan, Kazakhstan, and Turkmenistan could offer alternative energy sources to the world energy market and decrease energy importers' energy dependency in the European energy market on traditional energy sources such as Russia and the countries of the Persian Gulf.

Since the energy sector is the most critical branch for all states of the Caspian Sea, energy cooperation with international actors and international energy companies is crucially essential to the Caspian states' economy, especially for Azerbaijan, Kazakhstan, and Turkmenistan. Moreover, the newly independent states of the region consider energy a crucial political and economic "tool" to protect their statehood and independence. For this reason, energy diplomacy in the Caspian Region should not be treated merely from a financial point of view. Instead, they should also be seen as essential tools of political power.

Azerbaijan is very interested in energy partnerships with the West. The Baku-Tbilisi-Ceyhan (BTC) oil project and Shah Deniz (SD) natural gas projects are good examples of this partnership. The EU aims to decrease its dependency on traditional energy sources by importing oil and natural resources from the Caspian Basin. In its

5 Andersen, S. S., & Sitter, N. (2019). The EU's strategy towards external gas suppliers and their responses: Norway, Russia, Algeria and LNG. *New political economy of energy in Europe: Power to project, power to adapt*, 49–72.

6 Ibrayeva, A. (2018). Importance of the Caspian countries for the European Union energy security. In *Importance of the Caspian countries for the European Union energy security*: Ibrayeva, Aigerim.

7 Hasanov, F. J., Mahmudlu, C., Deb, K., Abilov, S., & Hasanov, O. (2020). The role of Azerbaijani natural gas in meeting European Union energy security needs. *Energy Strategy Reviews*, 28, 100464.

8 Ala'Aldeen, D., Palani, K., Babunashvili, G., & Balisdell, J. (2018). EU and Turkish energy interests in the Caspian and Middle East Region. *Middle East Research Institute*.

9 Ibrahimov, M., Aliyev, A., & Babayev, T. (2019). Evaluation of TANAP and TAP projects efficiency: "diversification of the gas supply for the European Union's energy security—Caspian and Central Asian Gas". *Economic and Social Development: book of proceedings*, 779–785.

turn, Azerbaijan profits from the energy partnership with the EU economically and politically. The EU's political support is vital for Azerbaijan.

For the diversification of the EU's energy sources, a final agreement between the Azerbaijani government and the EU was signed on 17 December 2013. According to this agreement, Azerbaijan exports natural gas extracted from the Shah Deniz 2 (SD 2) gas field to Europe via Georgia and Turkey. The natural gas is supplied from Greece (Komotini), where the Trans-Anatolian Natural Gas Pipeline (TANAP) connects with the Trans Adriatic Pipeline (TAP) to Albania and under the Adriatic Sea to Italy.

Also, it is planned to increase natural gas transport from Italy further on to Western Europe. If Turkmenistan's natural gas is transported via this pipeline, this project might be a significant step toward the diversification of the natural gas sources of the EU. Due to its possible game-changing role in diversifying the European natural gas sources, the EU backs this project.<sup>10</sup> The European Commission (EC) has granted the TAP the status of a "Project of Common Interest."<sup>11</sup>

In general, Azerbaijan is relatively significant to international political actors due to its energy resources and geographical position between Iran and Russia, which don't have "warm" political relations with western countries. Some prominent politicians and political experts have emphasized the strategic importance of Azerbaijan in the Caspian Region. For instance, President Jimmy Carter's National Security Advisor from 1977–81, Zbigniew Brzezinski, who is recognized as one of the critical thinkers on modern international relations, characterizes Azerbaijan in his political work "The Grand Chessboard" as the vitally important "cork" that controls access to the "bottle" that contains the riches of the Caspian Sea basin and Central Asia:<sup>12</sup>

"Azerbaijan's vulnerability has wider regional implications because the country's location makes it a geopolitical pivot. It can be described as the vitally important "cork" controlling access to the "bottle" contains the riches of the Caspian Sea basin and Central Asia. An independent, Turkic-speaking Azerbaijan, with pipelines running from it to the ethnically related and politically supportive Turkey, would prevent Russia from exercising a monopoly on access to the region and would thus also deprive Russia of powerful political leverage over the policies of the new Central Asian states. Yet Azerbaijan is very vulnerable to pressures from powerful Russia to the north and Iran to the south. There

<sup>10</sup> Kostov, P. (2016). Archaeological Trial Trench Investigations & Rescue Excavations. Retrieved April 15, 2023, from <http://web.archive.org/web/20201204084028/https://ec.europa.eu/inea/en/connecting-europe-facility/cef-energy/7.1.3-0013-elit-s-m-16>

<sup>11</sup> Ortis, A. (2015). Europe, Italy and TAP Project. In The Protection of Critical Energy Infrastructure Against Emerging Security Challenges (pp. 106–111). IOS Press.

<sup>12</sup> Brzezinski, Z. (1997). The grand chessboard (Vol. 1). New York: Basic Books. p. 129.

are twice as many Azeris—some estimate as many as 20 million—living in northwestern Iran as in Azerbaijan. That reality makes Iran fearful of potential separatism among its Azeris, and hence it is quite ambivalent regarding Azerbaijan's sovereign status, despite the two nations' shared Muslim faith. As a result, Azerbaijan has become the object of combined Russian and Iranian pressures to restrict its dealings with the West.”

The Caspian Region is located at the cross of West-East and North-South corridors, so it is situated between the growing European and Asian energy markets and in the neighborhood of the largest energy sources, such as the Middle East and Russia.

The choice of transport routes is another essential characteristic of the new geopolitical constellation in the region. Almost all pipeline routes crossed vast areas of Russia even after the collapse of the USSR. However, after completing the BTC exporting Azerbaijani oil from the Azeri–Chirag–Gunashli (AGC) field via Georgia and Turkey to Europe, the Russian transport monopoly was broken in 2006. The project was backed by the EU and the United States of America (USA) and had a tremendous political impact.

## 1.2 Theoretical setting

Several political theories in international relations are used to study foreign policy, geopolitical, and states' energy interests. These theoretical concepts are valuable tools to measure the behaviors of international political actors. This work is based on four theoretical concepts: realism (international relations), geopolitics, political economy, and institutionalism, so the second chapter considers the core ideas of these theories.

### 1.2.1 Political realism

The study of international relations as a separate discipline resulted from World War I (WWI), which led to its birth as a new discipline.<sup>13</sup> Scholars of international relations focus mainly on the study of states and interstate relations in international relations.<sup>14</sup>

Realism is one of the most central concepts of international relations. An essential characteristic of political realism is the definition of international relations' basic principles in the context of a realistic paradigm. The actors of international rela-

<sup>13</sup> Vasquez, J. A. (2014). The First World War and International Relations Theory: A Review of Books on the 100th Anniversary. *International Studies Review*, 16(4), 623–644.

<sup>14</sup> Barnett, M. N., & Sikkink, K. (2008). From international relations to global society. In *The Oxford handbook of political science*.

tions adhere to a so-called “realistic political behavior strategy” because of international relations’ real nature.<sup>15</sup>

Some scholars argue that political realism’s theory has lost its relevance with the end of the Cold War between the USSR and the USA.<sup>16</sup> Some adherents of realism have even changed their views and opinions. The prominent experts of international relations like J. Legro and A. Moravcsik find political realism an obsolete theoretical concept:<sup>17</sup>

“Our criticism of recent realist theory is not a semantic quibble, an invitation to yet another purely abstract debate about the labeling and relabeling of international relations ideal-types, or a philosophical inquiry into the development of research paradigms. It is a direct challenge to the theoretical distinctiveness of contemporary realism, one with immediate and significant practical implications. Recent realist theory has become a hindrance rather than a help in structuring theoretical debates, guiding empirical research, and shaping both pedagogy and public discussion. It no longer helps to signal the analyst’s adherence to specific deeper assumptions implicated in any empirical explanation of concrete events in world politics.”

However, the Caspian Region, generally, the post-soviet region, differs from others due to its unique political nature. Therefore, the critical elements of the realist paradigm are relevant to geopolitics in the Caspian region. The regional conflicts, authoritarian or semi-authoritarian states, the recent illegal annexation of Crimea by Russia, and the Russian aggression against Ukraine’s sovereignty are the events that clearly show that the post-Soviet region’s political processes deserve to be treated differently from other regions. Consequently, if the political processes in more or less democratic areas of the world are considered in the frames of the “soft power” conception, in contrast, the political constellation of the Caspian region should be treated through the “hard power” concept, an essential indicator of political realism.

The following factors characterize the political situation in the Caspian region:

- Geopolitical competition between different political actors;
- Absence of any political norms;

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<sup>15</sup> Cozette, M. (2004). Realistic realism? American political realism, Clausewitz and Raymond Aron on the problem of means and ends in international politics. *Journal of Strategic Studies*, 27(3), 428–453.

<sup>16</sup> Legro, J. W., & Moravcsik, A. (1999). Is anybody still a realist? *International security*, 24(2), 5–55.

<sup>17</sup> Ibid., pp. 7–8.

- The egocentric attitude of the state;
- Lack of trust between states.

Therefore, even though some scholars argue that political realism is obsolete as a political theory, it is still the most appropriate theoretical concept to explain current geopolitical processes in the South Caucasus and Central Asia.

### 1.2.2 The history of political realism and political realism as a theory of international relations

Political realism has a long history. Niccolò Machiavelli, Carl von Clausewitz, and other prominent scholars, politicians, and diplomats played an essential role in studying political realism. Even though we primarily know political realism as an ideological concept in the works of some outstanding scholars like Thucydides,<sup>18</sup> Machiavelli,<sup>19</sup> the works of some famous theorists like E. Carr,<sup>20</sup> H. Morgenthau,<sup>21</sup> Carl von Clausewitz<sup>22</sup> and other realist scholars played a crucial role in the popularization of political realism. Political realism as a political ideology arose in the USA in the 1930s and the 1940s of the last century. One of the primary reasons for popularizing this concept was the authoritarian regimes' appearance around Europe.

H. Carr wrote the first fundamental work in the style of modern political realism. "The Twenty Years Crisis: 1919–1939: An Introduction to the Study of International Relations" was published in 1939. However, the first work that described some fundamental political realism principles was George F. Kennan's primary work: "Long Telegram."<sup>23</sup>

Political realism is a form of a political approach to international relations based on a state-centric political vision.<sup>24</sup> Consequently, the theory considers international relations as interstate relations and the states as the only real political

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18 Arnold, T., & Tiddeman, R. P. G. (1868). *Thoukydides: The History of the Peloponnesian War* (Vol. 1). J. Parker & Company.

19 Machiavelli, N. (1995). *The Prince* [1513]. *The Prince and other Political Writings*, ed. S. Milner.

20 Carr, E. H., Cox, M., & Cox, M. (1946). *The twenty years' crisis, 1919-1939: an introduction to the study of international relations* (pp. 170-201). London: Macmillan

21 Morgenthau, H. J., Thompson, K. W., & Clinton, W. D. (1985). *Politics among nations: The struggle for power and peace*.

22 Von Clausewitz, C., & von Scherff, W. (1883). *Vom kriege: Hinterlassenes werk des generals Carl von Clausewitz*. R. Wilhelmi

23 Kennan, G. (1946). The long telegram. *Origins of the Cold War. The Novikov, Kennan, and Roberts "Long Telegrams" of, 19-31.*

24 Korab-Karpowicz, W. J. (2010). *Political realism in international relations*.

players. Political realism sees individual states' interests in global politics as the only fundamental element of international relations.

The main factors in international relations are national interests, the sovereignty of the state, and the balance of powers. This triad forms the basic principles of political realism. These three principles are seen as central to achieving the goals of states in international relations.

The actors use all possible means to achieve their goals in international relations. As political actors, they are willing to achieve their primary goals in any possible way, even if that means conflict and war. So, it follows that conflicts and wars are integral parts of international relations. Legal and moral principles have no value in international relations. Consequently, achieving complete peace through extant legal and ethical norms is impossible. Great powers only use notions like rights and morals to attain their goals. Otherwise, such concepts are simply ignored.<sup>25</sup>

One of political realism's most critical ideas is anarchism's existence in international relations. For this reason, the state, the main actor in international relations, can rely only on itself. However, since the international arena is characterized as anarchic by nature, the creation of alliances, coalitions and partnerships that promote power expansion is crucial for all actors of international relations. Especially the relatively small states have to collaborate with significant political actors because of preserving their sovereignty:<sup>26</sup>

"The Security Dilemma is the notion that in a context of uncertainty and bounded rationality perceived external threats (real or imagined) generate feelings of insecurity in those states that believe themselves to be the targets of such threats, thereby leading those states to adopt measures to increase their power and capability to counteract those threats (alliance creation, arms build-ups, and so on.)"

### 1.2.3 Basic characteristics of political realism as a theoretical concept

Political realism can, in short, be characterized by the following signs:

- There are no steady rules in international relations, so they are based on anarchism and interstate political conflicts;
- The states are the main and only actors in international relations;

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<sup>25</sup> Morgenthau et al. (1985).

<sup>26</sup> Cerny, P. G. (2000). The New Security Dilemma: divisibility, defection and disorder in the global era. *Review of International Studies*, 623–646, p. 627.

- The primary difference between the internal political systems of the countries and international relations is that international relations are unpredictable. In contrast, the internal policy is controlled and regulated by a system of law.
- Existing norms are not essential in the anarchic political world system.
- Since the international political arena is considered chaotic and anarchic, all states aspire to survive in the system of international relations. Therefore, preserving their existence and territorial integrity is the central goal of all states.
- The primary tool in the anarchic world system is power and mostly military power.
- The states have to be able to defend their political interests even through “hard power.” Therefore, a state’s use of military and economic power to protect its interests and goals in the international political arena is acceptable.
- Since survival is the primary goal, all must increase their military power and cooperate with other political actors in international relations in terms of the security of their existence.
- Once powers possess more authority and military power of enormous significance in international relations, relatively “small” participants of this “game” either lose their existence or have to accept being controlled by the “great” powers.

#### 1.2.4 Edward Hallett Carr and realism

E.H. Carr is one of the most prominent political realism scholars who defined realism’s central principles. There are some works of E.H. Carr dedicated to the study of international relations and political realism. However, the critical work is “The Twenty Years’ Crisis: 1919–1939: An Introduction to the Study of International Relations.” The book was written in the style of famous political scholars and philosophers like N. Thucydides, N. Machiavelli, and T. Hobbes.

In this work, E.H. Carr shares his thoughts concerning international relations. According to him, this work was written to resist a kind of dangerous impulse in assessing international relations. Moreover, he has a critical point of view regarding utopian ways of seeing international political relations, namely, ignorance of international relations’ essential aspect as “military power.”<sup>27</sup> Additionally, he criticizes the lack of a realistic approach to international relations in a utopic perception of international relations. He underlines the point that “hard power” has an enormous meaning in international relations.<sup>28</sup>

According to him, the Italian thinker Machiavelli put forward three primary principles that later formed the basis of political realism:<sup>29</sup>

<sup>27</sup> Carr et al. (1946), pp. 103–108.

<sup>28</sup> Ibid.

<sup>29</sup> Ibid.

- History is a sequence of causes and effects. It means that it can be analyzed and understood.
- In contrast to the utopian understanding of the political processes, Machiavelli claims that it is not the theory that creates practice, but practice establishes the theory.
- Politics is not derived from morality as the scholars of utopic school claim it, but a politically dominant group plants morality. Morality is the product of power.

E. H. Carr says that international relations follow the same pattern. Dominant powers create so-called theories of international morals. Moreover, he claims that politicians use notions like morals, justice, etc., to hide their state's fundamental interests and create a negative image of other nations. Such attempts are merely to legitimize their interests, as a rule, these theories are helpful for dominant groups to impose their interests and point of view on the whole community.<sup>30</sup>

So, taking into account the world political system at the end of the 20<sup>th</sup> and the beginning of the 21<sup>st</sup> century, we may agree with Carr, who thinks that since 1918 the English-speaking people have dominated the world. Thus, modern theories serve to maximize their superiority and power in the international arena.<sup>31</sup> Additionally, he claims that realism does not deal with any moral norms. Thus, the morals in international relations are based on real politics. Carr thinks that international relations and politics cannot be based on universal ethical norms, so there are no universal morals or interests in international relations. The states insist on universal norms and benefits to realize interests<sup>32</sup>

From his perspective, it is crucially important to understand that there is no place for utopian views in international relations. As an argument, E.H.Carr claims that World War II (WW2) happened because of abstract idealism. Therefore, the intellectual imaginations of a world without conflict led to a flawed assessment of reality.<sup>33</sup>

### 1.2.5 Hans J. Morgenthau's "Politics among Nations: The Struggle for Power and Peace"

Without any doubt, one of the most prominent scholars of political realism who played a significant role in the popularization of political realism as a concept of international relations is H. Morgenthau. Morgenthau's most famous work is "Politics

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<sup>30</sup> Ibid.

<sup>31</sup> Carr et al. (1946).

<sup>32</sup> Ibid.

<sup>33</sup> Ibid.

among Nations: The Struggle for Power and Peace," published in 1948. H. Morgenthau defined some fundamental concepts of modern political realism. The book is regarded as having laid the foundations of political realism in the USA and worldwide.

Morgenthau asserts that international politics is a competition of power, and power is a tool for controlling human minds and actions. Morgenthau sees the struggle for power as a competition between states to influence world policy. The main goal of all these political actors is to expand their authority and power. According to Morgenthau, authority should be accepted as the primary source of all states' maximal security and welfare. He argues that there are two main possible ways for states to assert authority: "*military power*" and "*diplomacy*," which enable them to guarantee their authority and security.<sup>34</sup>

In the modern world, notions such as "national interests" or "state interests" are used instead of "power." H. Morgenthau believes that political actors' aspiration to increase their authority in the international political arena leads to a "power balance." Morgenthau sees this as the only way to guarantee security and save the world.<sup>35</sup>

Morgenthau has only two aspects: *international law and morals*, which hold back political actors within socially tolerable bounds. However, believing in peace based on international law and morals would be very unrealistic. Therefore, Morgenthau calls this process an illusion and an idealist scholar's inexcusable mistake. The collective security strategy cannot solve the problem of war or peace.<sup>36</sup>

### 1.2.6 The six main principles of political realism as defined by Hans Morgenthau

According to Morgenthau, there are six main principles of political realism. These principles are explained in the first paragraphs of his work—"Politics among Nations: The Struggle for Power and Peace":<sup>37</sup>

- Objective laws govern politics just like they do in society. These laws are connected very closely with human nature, so realism is the only rational theory that can cover all these laws.
- The main factor of political realism is rational self-interest. This notion enables us to understand politics as a separate part of humanity. Political realism urges

34 Morgenthau, et al. (1985).

35 Ibid., pp. 125–133.

36 Ibid.

37 Ibid., pp. 4–15.

rational policy. Therefore, once a rational system is a valid policy, it decreases risks and increases gains.

- In the context of political realism, the notion of interest is not constant but changeable. Therefore, it is connected very closely with the political and cultural context of international relations. The same principle is closely aligned to not only “interest” but also other notions such as “power” and “political balance” in international affairs.
- Even though political and moral norms are accepted by political realism in general, it is almost impossible to achieve significant success in the international political arena by following ethical standards. For this reason, moral norms have to be considered within the context of place and time. The central moral rules are “caution” and “moderation,” according to political realism.
- There are strong contrasts between a specific nation’s moral norms and the ethical dimensions that rule the world, so political realism does not accept any particular nation’s moral tendencies.
- The theory of political realism is closely connected to human nature. Therefore, the so-called “political human being” is like an animal. For this reason, the “political human being” does not stop despite any moral norms.

### 1.2.7 Geopolitics

Geopolitics is used in this work as a theoretical concept to analyze and understand the political actors’ policy involved in the Caspian Region’s geopolitics and their political behavior in the region. The theory studies the geopolitical relations between states and current geopolitical and geoeconomic processes in the world arena. Geopolitics considers all factors relating to the territorial issues of the states, their borders, etc. However, if a short definition of geopolitics is needed, it might be: *geopolitics is the discipline that studies how geography influences power relationships in international relations.*<sup>38</sup>

The appearance of geopolitics at the end of the 19<sup>th</sup> and the beginning of the 20<sup>th</sup> centuries was caused not only by the popularization of international relations as a science but also because there was a need to understand newly established political constellations. Scholars like F. Ratzel (August 30, 1844 – August 9, 1904), R. Kjellén (13 June 1864 – 14 November 1922), K. Haushofer (27 August 1869 – 10 March 1946), and H. Mackinder (15 February 1861–6 March 1947) are the founders of “institutional” geopolitics. F. Ratzel wrote the first work on geopolitics. However, he had never used this terminology in his works. Ratzel’s significant work on geopolitics is “Political Geography,” published in 1897.

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<sup>38</sup> Deudney, D. (2000). Geopolitics as theory: Historical security materialism. European Journal of International Relations, 6(1), 77–107.

Geopolitics was initially used as a term by another prominent geopolitics' prominent face, Swedish scholar Rudolf Kjellén. Rudolf Kjellén considered geopolitics as an integral part of sociology. According to him, geopolitics is a study about the geographical organism embodied in space. He made a legendary statement: "The state is a living organism."<sup>39</sup>

"Die Geopolitik ist die Lehre vom Staat als geographischem Organismus oder als Erscheinung im Raume: also, der Staat als Land, Territorium, Gebiet, am bezeichnendsten als Reich (The theory of the state as a geographical organism or phenomenon in space: so, the state as a country, territory, area, most typically as an empire)."

Classic geopolitics focuses on two notions: land power and sea power. Therefore, geopolitics implies a kind of geopolitical confrontation between sea and land powers.<sup>40</sup> According to classical geopolitical theory, the center of civilization is Eurasia.<sup>41</sup> America (Seapower) is located in the center of the Sea.<sup>42</sup> The mightiest sea power is the USA, while Russia is very often the land power. Therefore, the Land and the Sea are constants according to the geopolitical theory. The geopolitical strategy of the Sea is Atlantic,<sup>43</sup> while the geopolitical conception of Eurasia is Eurasianism.<sup>44</sup> Therefore, the Sea and Land represent two different strategies and points of view.

Like other disciplines and theories, geopolitics is in continual development.<sup>45</sup> Hence, since geopolitics is a science, there have been many discussions on geopolitics' objects and subjects.<sup>46</sup> As international relations are dynamic geopolitical theory changes as world politics change. Therefore, modern geopolitics has become a complex discipline covering the political processes analysis at the global, regional, and sub-regional levels.<sup>47</sup>

39 Kjellén, R., & Sandmeier, J. (1924). *Der staat als lebensform*. K. Vowinkel, p. 45.

40 Flint, C. (2016). *Introduction to geopolitics*. Taylor & Francis.

41 Knutsen, T. L. (2014). Halford J. Mackinder, geopolitics, and the heartland thesis. *The International History Review*, 36(5), 835-857.

42 Berlin, D. (2010). Sea power, land power and the Indian Ocean. *Journal of the Indian Ocean Region*, 6(1), 52-66.

43 İşeri, E. (2010). Eurasian geopolitics and financial crisis: transforming Russian–Turkish relations from geopolitical rivalry to strategic cooperation. *Journal of Balkan and Near Eastern Studies*, 12(2), 173-186.

44 Petersen, A. (2011). *The World Island: Eurasian Geopolitics and the Fate of the West: Eurasian Geopolitics and the Fate of the West*. ABC-CLIO.

45 Toal, G. (1998). *Rethinking geopolitics*. Psychology Press.

46 Tuathail, G. Ó., & Toal, G. (1994). Critical geopolitics and development theory: intensifying the dialogue. *Transactions of the Institute of British Geographers*, 228–233.

47 Clover, C. (1999). Dreams of the Eurasian Heartland-The Reemergence of Geopolitics. *Foreign Aff.*, 78, 9.

### 1.2.8 Mackinder and his "Heartland"

The most prominent founder of geopolitics is Sir Halford John Mackinder. His work, "The Geographical Pivot of History," is a geostrategic theory first proposed by Mackinder in the Geographical Journal in 1904. Mackinder's legendary work on geopolitics is accepted as one of the major works written on geopolitics. Mackinder came up with the concept of the "Heartland."

The "Heartland" of Mackinder is the classic geopolitical theory that looks at the geopolitical rivalry between coastal and continental powers. In Mackinder's view, continental power is better than sea power as a continental power would, by definition, possess the center of the world, that is, Eurasia. Consequently, once control over the continent is established, the continental power can control the rest of the world.<sup>48</sup>

Mackinder improved his thoughts on the geopolitical constellation of the world proposed by himself in 1904 in his work "Democratic Ideals and Reality," published in 1919. He defines Eurasia as the "Heartland"<sup>49</sup> as the "central continent":<sup>50</sup> "Who rules East Europe commands the Heartland; Who rules the Heartland commands the World-Island; Who rules the World-Island commands the world."

He calls Eurasia "the heart of the world" or the "Heartland." According to him, this space covers the Far East and a part of Eastern Europe, and it is the center of the world (see Map 1). He called the "Heartland" "the world island." "The Round World and the Winning of the Peace," written by Mackinder in 1943, brought some amendments to his previous work. However, he still thought that the Eurasian continent has enormous meaning for command in world policy.<sup>51</sup>

He played a significant role in forming strategic British foreign policy and proposed the most subversive version of the world's political history.<sup>52</sup> However, even though he is seen as a critical geopolitical scholar who played an enormous role in popularizing this flow, some scientists do not accept his thoughts.<sup>53</sup>

We can argue that Mackinder is the founder of Anglo-Saxon geopolitics epitomized by the USA and the North Atlantic Treaty Organization (NATO) today. The pol-

48 Mackinder, H. J. (2004). The geographical pivot of history (1904). *The geographical journal*, 170(4), 298–321

49 Mackinder, H. J. (1919). *Democratic ideals and reality: a study in the politics of reconstruction* (Vol. 46399).

50 Ibid., p. 150.

51 Mackinder, H. J. (1942). The round world and the winning of the peace. *Foreign Aff.*, 21, 595.

52 Fettweis, C. (2003). Revisiting Mackinder and Angell: The obsolescence of great power geopolitics. *Comparative Strategy*, 22(2), 109–129.

53 Ergashev, B. (2005). Determinism versus friction: a critique of MacKinder. *Central Asia and the Caucasus*, 4.

icy of the USA and NATO can be seen through the “Heartland” strategy of Mackinder. Consequently, the USA and NATO have expanded to the East.

Some scholars argue<sup>54</sup> that the suggested “Heartland” theory is obsolete and controversial.<sup>55</sup> However, considering the current geopolitical constellation in the world policy and especially in Eurasia, we have to give some credit to Mackinder’s legendary work, even though some statements of this work are relatively controversial. The geopolitical rivalry between the USA and Russia is still relevant. For instance, the annexation of Crimea by Russia, the Kremlin’s aggression against Ukrainian statehood, the expansion of NATO to East Europe and Central Asia, etc., can be seen through this prism.

Map 1: Mackinder’s “Heartland” (“Geographic Pivot of History,” 1904)<sup>56</sup>



54 Fettweis (2003).

55 Gray, C. (2004). In defense of the heartland: Sir Halford Mackinder and his critics a hundred years on. *Comparative Strategy*, 23(1), 9-25.

56 <https://www.mackinderforum.org>

### 1.2.9 Brzezinski and “the Grand Chessboard”

Zbigniew Brzezinski and Henry Kissinger are the faces of 20<sup>th</sup> century US foreign policy. Dr. Brzezinski occupied high office in the White House under several different administrations. He was a member of the presidential administration during the presidency of John Kennedy and Lyndon Johnson and later became an advisor to the 39<sup>th</sup> president of the USA, Jimmy Carter. He even served as Barack Obama's foreign policy adviser in the final years of his life.

His books, “Out of Control,” “The Grand Failure,” “The Grand Chessboard,” “Power and Principle” reflect Zbigniew Brzezinski's point of view on the geopolitical processes in the world. However, despite some crucial works on geopolitics, his most famous book is “the Grand Chessboard,” published in 1997.

In his most significant work, “The Grand Chessboard,” Brzezinski shares his geopolitical thoughts on the future of the world's political system and covers the long-term geopolitical interests of the mightiest state of the world. This work could be accepted as one of the most significant works on geopolitics. The main message of the work is the need to strengthen the United States' geopolitical dominance in Eurasia.<sup>57</sup>

According to Brzezinski, Eurasia is a kind of chessboard where the political actors compete to achieve command of the world. Under the region of the interests, he means the space, which extends from Lisbon to Vladivostok and includes Central (Russia), West (Europe), South (the Middle East and Central Asia), East (Southeast Asia)<sup>58</sup> (see Map 2). The political actor that once achieved dominance over this region will dominate the other parts of the world.

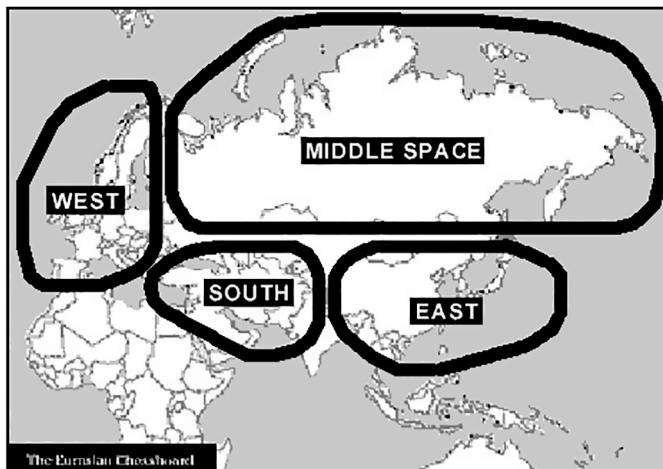
Therefore, Eurasia has enormous meaning in foreign policy, and the USA's global primacy is directly dependent on its domination in this continent.<sup>59</sup>

“For America, the chief geopolitical prize is Eurasia. For half a millennium, world affairs were dominated by Eurasian powers and peoples who fought for regional domination and reached out for global power. Now a non-Eurasian power is preeminent in Eurasia—and America's global primacy is directly dependent on how long and how effectively its preponderance on the Eurasian continent is sustained.”

57 Brzezinski, Z. (1997). *The grand chessboard* (Vol. 1). New York: Basic Books.

58 Labeviere, R., & Labévière, R. (2000). *Dollars for Terror: The United States and Islam*. Algora Publishing.

59 Ibid, p. 30.

Map 2: Brzezinski's map of the Eurasian Chessboard<sup>60</sup>

He underlines that, for the first time in history, the world's mightiest world power is not a state from the continent (Eurasia) but the USA. Brzezinski's thought could be interpreted to mean that the USA has an obligation to be the dominant power of the world and should not allow the emergence of a rival power, which could challenge its unipolar world dominance in the world political arena.<sup>61</sup>

A significant part of his work is dedicated to Russia as the SU's successor after its fall. According to him, the collapse of its main rival, the SU, made the USA the only dominant power globally.<sup>62</sup> Mackinder's statement on the importance of Eurasia:<sup>63</sup>

"Who rules East Europe commands the Heartland;  
Who rules the Heartland commands the World-Island;  
Who rules the World-Island commands the world"

is a fundamental principle of Brzezinski's thought on the Eurasian continent's importance for world domination by the United States (US). He argues that some former states of the SU have particular significance in the US' Eurasian policy. Brzezinski underlines the vital importance of Azerbaijan, Uzbekistan, and Ukraine in the geopolitical confrontation between the West (USA) and Russia:<sup>64</sup>

60 Brzezinski, Z. (2016). *The grand chessboard: American primacy and its geostrategic imperatives*. Basic books.

61 Brzezinski (1997).

62 Brzezinski (2016), p. 10.

63 Mackinder (1919).

64 Brzezinski (1997).

"An independent Azerbaijan can serve as a corridor for Western access to the energy-rich Caspian Sea basin and Central Asia. Conversely, a subdued Azerbaijan would mean that Central Asia could be sealed off from the outside world and thus rendered politically vulnerable to Russian pressures for reintegration."<sup>65</sup>

"Most important, however, is Ukraine. As the EU and NATO expand, Ukraine will eventually be in the position to choose whether it wishes to be part of either organization. It is likely that to reinforce its separate status, Ukraine will wish to join both, once they border upon it, and once its internal transformation begins to qualify it for membership."<sup>66</sup>

### 1.2.10 Political economy

Political economy is used as a theoretical tool to analyze the content of the chapter, which deals with the Caspian region's energy resources and the history of their production and meaning for the world energy market, including some topics such as oil and natural gas production of Azerbaijan, Kazakhstan, and Turkmenistan, essential stages in the development of Azerbaijani oil industry, Kazakhstan's oil reserves, and prospective oil fields, Turkmenistan's potential natural gas export routes, etc.

Political economy was studied more than four centuries ago. However, only the appearance of capitalism led it to be studied as a separate subject. The establishment of the political economy as a theoretical concept is a 19<sup>th</sup>-century phenomenon.<sup>67</sup> The term political economy is translated from Greek—"politicos" as a state, public, oikonomia-household management, and nomos—law, custom. There are some definitions of political economy,<sup>68</sup> but the theory of political economy can be shortly defined as the following:

*The political economy is a theoretical concept focused on studying society's public human relations in the process of production, distribution, and consumption of vital benefits.*

Therefore, the political economy deals with public relations, which are created in the process of production:<sup>69</sup>

- Production;
- Distribution;

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65 Ibid., p. 120.

66 Ibid.

67 Gal, S. (1989). Language and political economy. *Annual Review of anthropology*, 18(1), 345–367.

68 Malthus, T. R., & Pullen, J. (1989). *TR Malthus: Principles of Political Economy: Volume 2* (Vol. 2). Cambridge University Press.

69 Goodman, K. (2015). *The Weight of All Flesh: The Tanner Lectures*.

- Exchange;
- Consumption of material benefits.

The founders of political economy are William Petty, Adam Smith, and David Ricardo. However, Thomas Robert Malthus and Claude-Frédéric Bastiat have played an enormous role in the subject's theoretical definition. The political economy's central issue focuses on relations between people, participated groups, and social production companies. Alongside studying the means of social production, political economy deals with finding out the most useable strategies to achieve economic development and wealth.<sup>70</sup>

Thanks to the significant contributions of Adam Smith,<sup>71</sup> David Ricardo,<sup>72</sup> Thomas Robert Malthus,<sup>73</sup> and Claude-Frédéric Bastiat,<sup>74</sup> the systems of concepts and categories of political economy were formed. According to them, society is based on industrial production. However, Karl Marx and Friedrich Engels revolutionized the political economy. They considered economic phenomena like goods, money, and capital as a measure of relations between people.<sup>75</sup>

Antoine de Montchrestien, a French economist and dramatist, used the term "political economy" for the first time in his treatise on political economy—"Traite d'économie politique" ("The Treatise on Political Economy"). The paper was published in 1615 and became Antoine de Montchrestien's first and last work on the economy.

Adam Smith is one of the founders of the political economy, and his famous book is: "An Inquiry into the Nature and Causes of the Wealth of Nations," better known as "The Wealth of Nations." It is one of the two major works on political economy and Karl Marx's "Capital," published in 1867.

Even though different groups of political economists define some similarities, there are many flows of political economy. Marxist political economy is the largest politico-economic school among them.

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<sup>70</sup> Ibid.

<sup>71</sup> Smith, A. (1937). *The wealth of nations* [1776].

<sup>72</sup> Ricardo, D. (1891). *Principles of political economy and taxation*. G. Bell and sons.

<sup>73</sup> Malthus, T. R. (1951). *Principles of political economy* (1820). New York: Augustus Kelly.

<sup>74</sup> Bastiat, F. (1944). *Harmonies of political economy*. Jazzybee Verlag.

<sup>75</sup> Serrat, O. (2017). Political economy analysis for development effectiveness. In *Knowledge Solutions* (pp. 207–222). Springer, Singapore.

### 1.2.11 Institutionalism

The formation of the institutional approach in international relations began at the end of the 19<sup>th</sup> and 20<sup>th</sup> centuries.<sup>76</sup> Scholars such as Thorstein Veblen,<sup>77</sup> and Wesley Clair Mitchell<sup>78</sup> are “pioneer scholars” of institutionalism and played a crucial role in developing and popularizing institutionalism as a theoretical concept. Institutionalism was later renamed “classical intuitionism.”

As a new perception of international relations, institutionalism was initially formed as an alternative to the economy’s neoclassical concept. Institutionalism is a concept in international relations, which deals with the economic perception of analyzing institutes. As a theoretical concept, institutionalism is based on the micro-economical theoretical concept.

The core concept of institutionalism was initially established and used by economists. However, institutionalism also started to be used by politicians very actively in the 20<sup>th</sup> century. Douglass North, the most famous scholar of institutionalism, was an economist and won the Nobel Prize. North has played a crucial role in understanding some critical points like understanding the core principles of institutional approach in international relations, the significant connection between political and economic processes.<sup>79</sup> Moreover, he emphasizes the vital role of individualism in the development of institutionalism. However, he did not think that forcing the development of institutionalism in developing countries would bring desirable results.<sup>80</sup>

Another prominent face of institutionalism is Stephen Krasner,<sup>81</sup> who coined a concept of institutionalism for international relations regimes.<sup>82</sup> Even though some scholars accept Stephen D. Krasner as a realist scholar of the international political economy, institutionalism is essential. Therefore, thanks to him, the scientific community can better understand the interconnection between international regimes

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76 Fioretos, O. (2011). Historical institutionalism in international relations. *International Organization*, 367-399.

77 Veblen, T. (2005). *The theory of the leisure class: An economic study of institutions*. Aakar Books.

78 Rutherford, M. (1987). Wesley Mitchell: institutions and quantitative methods. *Eastern Economic Journal*, 13(1), 63-73.

79 Faundez, J. (2016). Douglass North's theory of institutions: lessons for law and development. *Hague Journal on the Rule of Law*, 8(2), 373-419.

80 Faundez (2016).

81 Stephen David Krasner is an American academic and former diplomat. Krasner has been a professor in political science at Stanford University since 1981.

82 Segbers, K., Dyllick-Brenzinger, P., Hoffmann, K., & Mauersberger, C. (2006). *Global politics: how to use and apply theories of international relations*.

and sovereignty and the core contrasts between control and authority in politics. Due to his political approach, Stephen D. Krasner is often defined as a constructivist school member. He considers some points like the significance of ideas and identities in international relations and politics.<sup>83</sup>

### 1.2.12 Theoretical characteristics of institutionalism

As a concept, institutionalism explains political or economic cooperation between states or different actors. Additionally, the theory incorporates crucial issues like stability and security. The main idea of institutionalism is that potential cooperation between actors of international relations is possible and might help cooperated sides (states).<sup>84</sup>

Some essential principles are inherent to institutionalism.<sup>85</sup>

- States are accepted as the leading representatives of the international political system;
- Economic revenue is the most crucial goal of all actors;
- Through cooperation, states intend to increase their economic gain;
- Their self-absorbed nature characterizes the actors of the global system;
- International relations are based on self-absorption.

In contrast to adherents of political realism, institutionalists argue that even though the international political system is anarchic, it is symbolized by interdependence between actors at the same time. Moreover, another essential characteristic of institutionalism is the fact that all states accept the extant “rules of the game” even though the short-term effects of these “game rules” harm the states. Therefore, the actors accept these rules because they are sure that other actors will agree with these international relations’ extant rules.<sup>86</sup>

The representatives of the liberal school generally have a positive attitude towards institutionalism.<sup>87</sup> Liberal scholars believe that the existence of institutes is a crucial factor in terms of achieving cooperation between states,<sup>88</sup> and having joint

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83 Keohane, R. O. (2013). Stephen Krasner: Subversive Realist. *Back to Basics: State Power in a Contemporary World*, 28–53.

84 Ibid.

85 Hirschl, R. (2004). The political origins of the new constitutionalism. *Indiana Journal of Global Legal Studies*, 11(1), 71–108.

86 Hirschl (2004).

87 Keohane, R. (2011). Neoliberal institutionalism. *Security studies: A reader*, 157–64.

88 Grieco, J. M. (1988). Anarchy and the limits of cooperation: a realist critique of the newest liberal institutionalism. *International organization*, 485–507.

interests lead to collaboration between actors.<sup>89</sup> So, the states are obsessed with maximizing their gains. Simultaneously, they do not care seriously about the lower benefits of other actors taking part in cooperation.<sup>90</sup>

### 1.2.13 Comparison of realism and institutionalism

There are many systematic similarities and agreements between institutionalist and realistic conceptual approaches. According to both theories, the main actors of international relations are states. The primary goal of states consists in maximizing their interests in the anarchic global system.<sup>91</sup> Thus, as both concepts accept that the international system is anarchic, for this reason, the actors are interested only in their existence and security.

Moreover, representatives of both schools argue that anarchy is the defining feature of international relations. So, the global system is characterized by the absence of central power. For this reason, there is no significant power that can bring order to the anarchic international system.<sup>92</sup> Since the international system is anarchic, and there are no existing moral norms, all actors try to expand their political and economic power to survive in this lawless world.

However, the two approaches are different. International cooperation, for example, is seen differently by the two theories. The main opposition is established because of the nature of the interaction between states. Representatives of the realistic school argue that states will not cooperate as they are motivated by pure self-interest even if they possess collective political and economic interests.<sup>93</sup> Therefore, cooperation between states is almost impossible.<sup>94</sup> However, if the realists have a skeptical approach to creating cooperation between states, the institutionalists favor establishing a partnership through the shaping of some norms, rules, etc. From the point of institutionalism, uncertainty is considered the most central obstacle in the cooperation of states.

Besides, institutionalists argue that what each actor gains can be boosted significantly through the cooperation between them. Thus, every state must collabo-

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89 Richardson, J. L. (2008). The ethics of neoliberal institutionalism. In *The oxford handbook of international relations*.

90 Nuruzzaman, M. (2006). Liberal Institutionalism and Cooperation in the post-9/11 World.

91 Keohane, R. O. (2008). International Institutions and State Power.

92 *Ibid.*, p. 62.

93 Good, R. C. (1960). The National Interest and Political Realism: Niebuhr's "Debate" with Morgenthau and Kennan. *The Journal of Politics*, 22(4), 597-619.

94 Waltz, K. N. (1986). Reflections on theory of international politics: A response to my critics. *Neorealism and its Critics*, 322-45.

rate with an (other) state (s) and increase its revenue.<sup>95</sup> To sum up, the realists have a very skeptical approach toward cooperation between states, international law, and institutions' functions. In contrast, the adherents of institutionalism believe in the efficiency of collaboration between states.

### 1.3 Methodology

The research methodology is a qualitative study. This method allows the author to answer the research questions comprehensively and scientifically. Moreover, the qualitative research method allows the researcher to carry out an empirical test of the research hypotheses.

This work consists of interdisciplinary analysis. The research looks at elements of politics and international relations. It also includes natural sciences features, especially in the chapter on the Caspian region's energy resources.

The research method used in this work is deductive. The deductive method is used because it allows us to test the validity of the work's hypotheses.

The geopolitical interests and energy policies of the different political actors in the Caspian Region are considered. In addition, the instruments political actors use to advance their interests in the South Caucasus and Central Asia are also reviewed in this project.

In other words, different aspects of energy and geopolitical interests of the USA, China, Russia, the EU, and other significant political actors involved in the geopolitics of the Caspian Region will be considered and systematically analyzed. In addition, the problems, perspectives, and development tendencies of the region are also researched with the systematic approach strategy's help.

The work focuses on the modern political history of the Caspian Region and the geopolitical- and energy interests of the different states in the region after the USSR's fall. However, it begins with a short historical recall of the "Great Game," the 19th-century historical confrontation between the Tsarist and British Empires, to explain the region's historical significance.

The required data has been collected by analyzing the methods of the work's content. The data that has been used comes from diverse sources. Both primary and secondary sources are used. Fundamental to the data collection are interviews with experts, the official strategic papers, the statistics of the Energy Information Administration (EIA), British Petroleum (BP), the State Oil Company of Azerbaijan Republic (SOCAR), the State Oil Fund of Azerbaijan (SOFAZ), etc.

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95 Keohane, R. O., & Martin, L. L. (1995). The promise of institutionalist theory. *International security*, 20(1), 39-51.

The interviews were done after finding some significant gaps in the extant research. The experts for discussion and interviews were chosen based on their expertise. The interview questions were prepared, while the interviews were conducted in the format of “question and answer.” The interviews were done in Cambridge (the USA), Berlin, Bonn, Cologne (Germany), Ghent (Belgium), Astana (Kazakhstan), and Baku (Azerbaijan) from 2014 to 2020. The most extended interview lasted for more than two hours, while the shortest carried on for almost 45 minutes.

The first group of experts comprised German scholar Dr. Uwe Halbach. Dr. Halbach from the German Institute for International and Security Affairs (The Stiftung Wissenschaft und Politik) is an expert on the Caucasus and a research assistant at the Stiftung Wissenschaft und Politik.

The second group of experts comprised a mix of American, Belgian, and Kazakh experts. Timothy J. Colton is Morris and Anna Feldberg, Professor of Government and Russian Studies and the Department of Government Chair. His main interest is Russian and post-Soviet government and politics.

Fabienne Bossuyt is an Assistant Professor at the Centre for EU Studies at Ghent University.

Murat Lamulin is a chief researcher at the Kazakhstan Institute for Strategic Studies in Almaty.

There are not many experts who can objectively assess the regional states' oil and natural gas resources. Therefore, Ilham Shaban is the only expert belonging to the third interview group. He is a leading oil and natural gas expert in Azerbaijan whose assessments were extremely useful in understanding Azerbaijan's oil and natural gas potential.

There is a lack of appropriate and objective sources on international political actors' policy in the South Caucasus and Central Asia and the regional states' real energy potential. As a rule, it is not an easy task to find objective and actual information concerning these points since the importance of this region in the foreign policy of the USA, the EU, and China, and the natural resources and energy potential of this region is very often exaggerated primarily by regional governments and even by some political and energy experts.

Google Scholar was used to check the available scientific works on the topics of the dissertation. Moreover, commercial social networking websites for academics, such as Academia.edu and Research Gate, were also utilized to investigate extant scientific papers concerning geopolitics and energy policy in the Caspian Region.

The used materials are predominantly in English and German.

The different political and energy maps, charts, figures, and other tools help illuminate the research content. The tables and figures are used broadly, especially in the fourth and fifth chapters, to get precise and actual information on the chapters' content.

The information concerning the oil, natural gas, and economy-related issues was mainly taken from primary databases such as US Energy Information Administration (US EIA), BP, Economic Information Center (CEIC), and Business Monitor International (BMI). They are among the most reliable energy and economic sources in the world. Moreover, some data were obtained from Azerbaijan, Kazakhstan, and Turkmenistan's Energy Ministries and State Oil and Natural Gas companies.

Moreover, the energy dependence of Azerbaijan and the correlation between the country's energy income and GDP were measured through data from figures released by the Trading Economics Agency, the State Statistical Committee, the Central Bank of Azerbaijan, and SOCAR. Data from the Carnegie Endowment for International Peace was used to forecast oil production in Azerbaijan in the upcoming years, while data from the Social Watch poverty eradication and gender justice organization played a crucial role in the evaluation of the gap in the budget of Azerbaijan in the background of decreasing oil prices in the world energy market starting from 2014.

Data from the US EIA was used in the fifth chapter of the project. Maps from this source provide reliable information on Kazakhstan's significant crude oil and natural gas pipelines. Simultaneously, the Ministry of Energy of Kazakhstan's data was used to measure the capacity of natural gas production in Kazakhstan. The US EIA is also utilized to measure Azerbaijan, Kazakhstan, and Turkmenistan's real crude oil production potential. The US EIA data was also valuable in obtaining factual information on the capacity, destinations, lengths, and other details of the oil and natural pipelines in Azerbaijan, Kazakhstan, and Turkmenistan. Moreover, the energy agency data helped to measure the actual oil and natural gas consumption in Azerbaijan, Kazakhstan, and Turkmenistan.

The data from Trading Economics has tremendous significance as it gives information not only on the crude oil production in Azerbaijan, Kazakhstan, and Turkmenistan but also on Azerbaijan's GDP from 2011 to 2020. This is very useful to assess the correlation between the country's energy sector and Gross Domestic Product (GDP). In addition, BMI data was utilized to measure Turkmenistan's gas production and export potential.

Finally, numerous discussions with leading scholars and experts in Azerbaijan, at the Baku State University, and in the USA at the Harriman Institute of Columbia University and the Davis Centre of Harvard University served as another crucial source in writing this dissertation.