

Economic Results of The Karabakh War: Plundering in The Territories of Azerbaijan During The Occupation Period

Karabağ Savaşının Ekonomik Sonuçları: İşgal Döneminde Azerbaycan Bölgelerinde Yağma

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ÖZET

Ermenistan-Azerbaycan Dağlık Karabağ sorununun nedenleri arasında siyasi sebepler kadar ekonomik çıkarlar da önemli yer tutmaktadır. 1991'den 2020'ye kadar Ermenistan'ın Azerbaycan'a verdiği ekonomik zarar "Karabağ savaşının ekonomik sonuçları - işgal sırasında Azerbaycan topraklarında yağmalama" isimli makalede incelenmiştir. Makalede, resmî Erivan ve sözde Dağlık Karabağ Cumhuriyeti'nin yöneticileri tarafından Azerbaycan'ın işgal altındaki topraklarındaki enerji, maden ve tarım kaynaklarının yağmalanması gerçeği belgeleri ile birlikte yer almıştır. Aynı zamanda 29 yıllık işgal zamanı Ermenistan devletine bağlı ülke dışında faaliyette bulunan şirketler Dağlık Karabağ'daki topraklarda sömürgecilik yaparak yüksek meblalarda haksız kazanç elde etmiştir. Ermenistan'ın Karabağ'daki sömürgecilik faaliyetleri bununla da sınırlanmamış, aynı zamanda demografik değişikliklere başvurarak Azerbaycan hava sahasını yasa dışı olarak kullanmıştır. Azerbaycan kaynaklarının yabancı işletme sahiplerine devredilmesi sonucunda Rusya, ABD, Hindistan, İsveç, Lübnan, İngiltere, Almanya ve Fransa gibi ülkelere Karabağ'daki şirketlerini konumlandırmaları için koşullar sağlanmıştır. Bununla ilgili işgal sırasında ve sonrasında Azerbaycan Cumhurbaşkanı İlham Aliyev defalarca ilgili makamlara, ilgili uluslararası merciler ve mekanizmalar dahilinde hukuki bir değerlendirme yapılması için çağrıda bulunarak, işgal altındaki Azerbaycan topraklarının yağma ve yasa dışı kullanımına dikkat çekmiştir. Makalenin amacı, yukarıda bahsedilen gerçekleri dünya kamuoyuna aktarmak ve bilim insanlarına Ermenistan'ın işlediği sıragelen ve bitmek bilmeyen suçların hukuki değerlendirmesini yapabilmeleri için bir kaynakça oluşturmaktır. Çalışma sonucunda işgal sürecinde Karabağ'da iş yapan Ermenistan ile müttefik firmalar bir araya getirilmeye çalışılmıştır.

Anahtar Kelimeler:

Karabağ Savaşı,
Azerbaycan İşgali,
Ekonomik Yağma,
Azerbaycan,
Ermenistan,

ABSTRACT

Among the causes of the Armenian-Azerbaijani Nagorno-Karabakh conflict, economic interests are as important as political motives. The economic damage caused by Armenia to Azerbaijan from 1991 to 2020 is examined in the article "The economic consequences of the Karabakh war - plundering of Azerbaijani lands during the occupation". The article covers the fact of looting of energy, mining and agriculture resources in the occupied territories of Azerbaijan by the administrators of the official Yerevan and the fictional Nagorno-Karabakh Republic. At the same time, during the 29-year occupation period, companies affiliated to the Armenian state operating outside the country have gained unfair profits in high amounts by colonizing the lands in Nagorno-Karabakh. Colonial activities of Armenia in Karabakh were not limited to this, at the same time, they used Azerbaijan's airspace illegally by resorting to demographic changes. As a result of the transfer of Azerbaijani resources to foreign business owners, conditions were provided for countries such as Russia, USA, India, Sweden, Lebanon, England, Germany and France to position their companies in Karabakh. During and after the occupation period, President of Azerbaijan İlham Aliyev repeatedly called the relevant authorities for a legal assessment within the relevant international authorities and mechanisms, and grab attention to the plundering and illegal use of the occupied Azerbaijani lands. The aim of the article is to convey the above-mentioned facts to the world public opinion and to create a bibliography so that scholars can make a legal assessment of the regular and endless crimes committed by Armenia. As a result of the investigation, an attempt was made to bring together Armenia and allied companies which are doing business in Karabakh during the occupation process.

Keywords:

Karabakh War,
Invasion of Azerbaijan,
Economic Looting,
Azerbaijan,
Armenia,

1. INTRODUCTION

44 day - Patriotic War Azerbaijan's liberation of its lands from occupation has created serious economic problems for Armenia. As a result of the Second Karabakh War, Armenia did not lose only more than \$3.8 billion in military equipment. Armenia also faces serious challenges in energy, agriculture and finance. Thus, Yerevan has lost control over 30 out of 36 hydropower plants which arrange 53% of the energy needs of the occupied territories and 7% of the energy supply of Armenia. In addition, 90.000 hectares of arable land, which meets 25 percent of Armenia's local needs, have also been, liberated (Orkhan, 2021).

It is not accidental that we conclude Research entitled "*Economic consequences of the Karabakh war - looting in the territories of Azerbaijan during the occupation*" with the damage caused to Armenia by the Second Karabakh War. Our goal is to point out that during the occupation, Armenia's economy was formed at the expense of income from illegal activities established in the territories of Azerbaijan. It is a fact that even before the occupation, Karabakh ranked fourth among the economic regions of the former USSR in terms of the composition and level of development of industrial enterprises (Armenia-Azerbaijan Conflict, 2005).

During the First Karabakh War, Armenia occupied up to 20% of Azerbaijani lands in the 360 km area of the Azerbaijani border, and took control of the 198 km Azerbaijani-Iranian border from the settlement of Horadiz in the Fizuli region to Zangilan. 2 cities, 1 settlement, 53 villages where about 50.000 Azerbaijanis live were captured, 890 cities, villages and settlements were occupied by the Armenians. 150.000 houses, 7.000 public buildings, 693 secondary schools, 2,300 km of water pipelines, 1.500 km of power lines, 280.000 hectares of forest, 200.000 hectares of arable land, 464 historical monuments and museums were seized. In addition, all of Azerbaijan's mercury, obsidian and perlite reserves, 35-60% of construction and lining materials, 23.8% of the forest fund, 7.8% of water resources, etc. have been under the occupation for about 30 years. 2 reserves, 3 sanctuaries, 3 large reservoirs include here (An undeclared war against Azerbaijan, 2005:63).

The economic significance of Nagorno-Karabakh for newly independent Azerbaijan was great in terms of natural resources, infrastructure and geograph. If we express the view of the period in figures, only 14.3 percent of agricultural grain, 31.5 percent of grapes, 14.5 percent of meat, 17.1 percent of milk, 17.3 percent of wool, 15.1 percent of cattle, 15.1 percent of cattle and 19 percent of small cattle, 2 percent fell to those territories. Lachin, Aghdam and Fizuli districts had high rates in cattle breeding, and Lachin, Aghdam, Kalbajar, Fizuli and Jarbayil districts had high rates in small cattle breeding (Allahverdzizi, 2020). An analysis of the pre-occupation situation is needed to assess the potential for agricultural development in these areas.

International institutions such as the World Bank and the United Nations have a clear methodology for calculating the damage caused by Armenia to the occupied territories of Azerbaijan and demanding compensation for official Yerevan. Involvement of international experts to the damage assessment process will allow calculating the amount more accurately.

2. THE BEGINNING OF THE KARABAKH WAR AND HISTORY

A long time ago Tsarist Russia began to work increase the number of Armenians and ensure their dominance in some settlements of the historical lands inhabited by Azerbaijani Turks, including Baku, Yerevan, Zangazur, Karabakh. This policy was intended to prevent any future aspirations of the Azerbaijanis under colonization for independence in the future and to create an Armenian-Christian region by removing them from these territories. Armenians were rapidly arming themselves. In the early twentieth century, Armenians first began to commit terrorist acts in the historical lands of Azerbaijan, and in 1905 their terrorist organizations committed massacres in Baku, Yerevan, Zangazur, Karabakh and elsewhere (Nagy, 2009:11).

In 1984- 1985, the Armenians intensified their propaganda work, publishing articles and books on the alleged origins of the South Caucasus, holding scientific conferences, and trying to substantiate their claims to a number of territories. They even tried to celebrate the 70th anniversary of the so-called "*genocide*" in 1985. However, in order not to damage relations with Turkey, Moscow allowed the event to be held only in Armenia. When pro-Armenian Mikhail Gorbachev came to power in 1985 created ample opportunities for Armenian aggression. Speaking to journalists in Paris on November 16, 1987, Gorbachev's adviser, Armenian academician A. Aganbekyan, said: "*I would be glad if Nagorno-Karabakh was returned to Armenia. As an economist, I think they are more connected with Armenia than Azerbaijan. I have already made a proposal in this regard and I hope that this idea will be implemented*". This statement was the first official signal for the attack of Armenians

all over the world on Karabakh. Aganbekyan's statement was accepted by the Armenians as the official position of the Moscow leadership and opened their hands for a wide range of activities (Nagy, 2009:23).

2.1. The First Crimes of Armenians in Karabakh

Since the end of 1987, attacks and pressure on Azerbaijanis in Armenia have increased. In January 1988, Gafan and Mehri were expelled from their lands and forced to take refuge in Azerbaijan. In February, anti-Azerbaijani demonstrations took place in Yerevan. On February 10, 1988, the statement of the Azerbaijani government that the DKOV would not be allowed to join Armenia led Armenians to demonstrate in Khankendi (Mahmudov and Shukurov, 2007:87).

As a result of clashes between Armenians and police in Askeran on February 24, two Azerbaijanis were killed and 19 people were injured, leading to a bloody phase of tension between the two peoples. The political action in Yerevan demanding the integration of the Nagorno-Karabakh Autonomous Region into Armenia, the expulsion of Azerbaijanis from Armenia and the killing of two Azerbaijanis in Askeran are seen as key factors in the outbreak of armed conflict. Similarly, on February 19, 1988, demonstrations were held in Baku against Armenian separatist activities (Dedeyev, 2014:114).

After the Asgaran events, 26 Armenians and 6 Azerbaijanis were killed in Sumgayit on February 28, 1988 with the support of USSR special services (Nuriyeva, 2015:296). The incident further increased the psychological tension between the two peoples. On September 18, Armenians attacked Khojaly, and on September 21 and October 18, Azerbaijani houses and cars were set on fire in Khankendi and then in Shusha.420 The demonstrations, which began on November 17, 1988 in Baku, lasted 18 days. The protests, which began with the demand for the defense of Nagorno-Karabakh, became an independent movement of the Azerbaijani people. While 33 Azerbaijani Turks were killed in the Armenian cities of Stepanavan, Stipak and Gukark on November 27-28, 220,000 Azerbaijani Turks were forcibly deported from Armenia on December 4, 1988. Thus, the actions of the Armenians to annex Karabakh to Armenia were accelerated (Cheltekligil, 2012:25).

Although Moscow, which was waiting at the beginning of the conflict, wanted to resolve the issue through dialogue between the leaders of Armenia and Azerbaijan, the events got out of control and the harsh reaction of both peoples revealed the fact that the problem could not be resolved at the government level. The Local Committee of Nagorno-Karabakh decided to secede from Azerbaijan on July 12, 1989, but the Supreme Soviet of Azerbaijan declared this decision invalid. Based on Article 78 of the Soviet Constitution, Moscow stated that *"without the permission of the Soviet Republic, its borders cannot exist"* and that the problem would be resolved only within the territorial integrity of Azerbaijan (Gamsiz, 1994:35).

However, as the conflict escalated, Moscow chose to intervene directly, taking Nagorno-Karabakh from Azerbaijan without consulting the Azerbaijani side to prevent the escalation of the conflict, giving the region a special status related to Moscow and appointing Arkadivoslsky as head of the region. Then, with the help of the Soviet Army, the Armenians expelled 14,000 Azerbaijanis from Khankendi. When sharp protests against all this began in Azerbaijan, in November 1989, the special form of government in Karabakh was abolished and the region was returned to Azerbaijani control with the establishment of a military regime. On December 1, 1989, the Supreme Soviet of the Armenian SSR decided to illegally annex the Nagorno-Karabakh Republic to Armenia. Even further, when Armenia declared its independence on August 23, 1991, it showed the Nagorno-Karabakh Republic within its borders and once again ignored international law (Kasim, 2009:158).

The failure of the USSR leadership to react to Armenia's December 1 decision led to the intensification of nationwide demonstrations in Azerbaijan and the country's transformation into an independence movement. The Supreme Soviet of the Soviet Union declared a state of emergency in Baku on January 19, 1990 to prevent a popular uprising, and on the night of January 19-20, Soviet troops committed the *"January 20"* massacre in Baku, which killed 132 people. As a result, the country's relations with the Soviet Union were completely severed and Azerbaijan chose the path of national independence (Memmedov and Memmedov, 2010:241).

After the events of January 20, Ayaz Mutallibov, who cooperated with Moscow and supported Gorbachev's new Union Plan, came to power in Azerbaijan. Then, in April 1991, the Soviet Army launched Operation Ring to disarm the Armenian gangs in Karabakh. The operation, which was a turning point in Karabakh, later turned the problem into a war. Thomas de Waal described these operations as follows: *"Although the mobilization of Soviet troops and police units against Armenians in Karabakh was in the short term in favor of the Azerbaijani government, Azerbaijan, which was late in establishing its security forces, faced a long-term disaster"* (De Vaal, 2003:114).

Mutallibov's political efforts culminated in a coup in Moscow in August 1991, which resulted in Azerbaijan's independence. As a result, with the independence of the parties to the conflict, the Nagorno-Karabakh problem has entered a new phase: War.

2.2. New Phase of Karabakh Conflict: War

The armed attacks of Armenian separatist forces on Turkish settlements in Khankendi, the capital of Nagorno-Karabakh, and the subsequent deployment of the Armenian army to support the separatists, turned the conflict in Karabakh into a war.

The desire of the Armenians to annex Nagorno-Karabakh to Armenia was exacerbated by the collapse of the Soviet Union. Therefore, in September 1991, Armenian separatists in the region declared the "*Nagorno-Karabakh Republic*". Azerbaijan, which declared its independence on October 18, 1991, abolished the autonomy status of Nagorno-Karabakh on November 26 in order to prevent Armenian separatist activities. On December 10, 1991, the Armenians of Nagorno-Karabakh held an independence referendum in which only Armenians participated, and on January 6, 1992, they published the declaration of independence of the monoethnic "*Nagorno-Karabakh Republic*". Thus, the Armenians started an undeclared war against Azerbaijan. On January 15, 1992, the villages of Karkijahan, Malibeyli, Gushchular and Garadagli were occupied on February 10, 1992, and Khojaly and Shusha were besieged (Zurcher, 2007:157-169).

Armenians began preparations for the Khojaly massacre to avenge the events of 1989 in Sumgayit. On the night of February 25-26, 1992, with the help of the 366th Russian Regiment, Armenian armed forces attacked Khojaly, the only airport in the region with a population of 7,000, and committed a brutal massacre in the city. 613 civilians, including 63 children and 106 women, were killed, 487 were injured and 1,275 were taken hostage by Armenians. With the occupation of Khojaly, the road connecting Hankent and Askeran provinces was captured and all regions of Nagorno-Karabakh except Shusha came under Armenian control (Abdullayev, 1998:245).

By committing genocide, the Armenians aimed to change the fate of the war in their favor and to flee from these lands by intimidating the Turks. The defeats in Karabakh and the Khojaly massacre had a profound effect on society, and on March 6, 1992, Mutallibov resigned. On the other hand, on May 8, Armenian troops occupied Shusha, a very important strategic position for control of the region. With the occupation of Shusha, control of almost all of Nagorno-Karabakh passed into the hands of the Armenians. Then, on May 17, Lachin, which served as a bridge between Armenia and Nagorno-Karabakh, was occupied (Cefersoy, 2001:41).

By occupying Lachin, the Armenian army and separatist Armenian forces took the war beyond the borders of Nagorno-Karabakh. Thus, it was understood that Armenia's main goal during the war was to "*defend*" Nagorno-Karabakh and "*determine its own destiny*" and to dream of a "*Greater Armenia*".

As the occupation continued, Congress passed Amendment 907 to the US Freedom Assistance Act, which provided for assistance to the CIS countries, thus suspending much-needed assistance to Azerbaijan. The reason was that a strong Armenian lobby had persuaded US congressmen and senators that Azerbaijan was an occupying power and was blocking Armenia (De Waal, 2008:269).

The Popular Front-Musavat Union, which came to power in the summer of 1992, under the leadership of Elchibey, tried to unite the military and volunteer units operating in Azerbaijan in a single center, and in a short time successful military operations were carried out in Karabakh. However, successful operations could not continue as a result of political disputes between their military leaders. In addition, the pro-Turkish and pro-Western policy of the Elchibey administration, its disapproval of the Tashkent agreement signed in 1991, and its unwillingness to join the CIS led Russia to increase its military and political support for Armenia. As a result, on April 2, 1993, the Armenians occupied the Kalbajar region. After leaving Elchibey's post, on June 15, 1993, Heydar Aliyev returned to Baku and came to power. Armenians, who have been carrying out new occupation attacks in Azerbaijan since the summer of 1993 amid political instability, occupied Aghdam on July 23, Fizuli and Jabrayil on August 23-26, Gubadli on August 31, and Zangilan on October 29 (Dedeyev, 2014:165).

After the victory of Heydar Aliyev in the presidential elections in Azerbaijan in October 1993, the strategic point of Fizuli region, Horadiz settlement and its 22 villages were withdrawn from the Armenian occupation. On the other hand, Heydar Aliyev strengthened relations with international organizations to convey Armenia's policy of aggression to the world community (Mammadova, 2009:3).

As a result of the Karabakh war, Armenians occupied about a thousand settlements in and around Nagorno-Karabakh, and one million Azerbaijanis fled their lands. While 20,000 people were killed during the war, more than 50,000 were injured (Mesimli, 2007:6).

2.3. A New Stage Beginning with The Conclusion of The Peace Contract

The 1988-1994 conflict and the Nagorno-Karabakh war ended with a Russian-brokered ceasefire agreement, the Bishkek Protocol. The Bishkek Protocol was signed on May 4-5, 1994 as a result of a meeting between the Commonwealth of Independent States, the Kyrgyz Parliament, the Russian Federal Assembly and the Ministry of Foreign Affairs in Bishkek, Kyrgyzstan. In accordance with the protocol, on May 12, 1994, military operations on the front were suspended, thus creating a relative peace in the region (Demirtepe, 2011:7).

As a result of the war, 4,400 square kilometers of the Nagorno-Karabakh region of Azerbaijan and 7 regions of 12,000 square kilometers, which are connected to it and make up 13 percent of Azerbaijan's territory, were occupied. Thus, the war, which began as an attempt to determine the right of the 120,000 Armenians of Nagorno-Karabakh to "*self-determination*", caused more than 1 million Azerbaijani citizens to flee their lands (Cheterian, 2008:97-142).

As a result of the occupation, Armenians destroyed and burned about 900 settlements, 22 museums and 4 art collections, 9 historical palaces, 40,000 unique museum exhibits, 44 temples and 9 mosques. In addition, 4.7 million books and valuable historical manuscripts were destroyed in 927 libraries. In addition, the ethnic cleansing of Azerbaijani Turks, who make up 25% of the population in Nagorno-Karabakh and 100% in other occupied territories, the settlement of Armenians in the region during conflicts, Article 43 of the 1907 Hague Agreement and the 1949 dated IV. It contradicts Article 49 of the Geneva Convention. At the same time, the transfer of historical artifacts obtained as a result of illegal archeological excavations in the region to Armenia is a clear violation of the 1954 Hague Convention and the 1970 UNESCO Convention. Illegal use of the region's technical infrastructure and natural resources was also noted in the ECHR's 2015 decision on the subject (Ahmedov, 1998:75).

In addition, the Armenian armed forces seized 280,000 hectares of forest, 2 national parks and 4 national reserves, which make up 25 percent of Azerbaijan's forest area. According to the United Nations Development Program, the material and economic losses to Azerbaijan as a result of the Armenian occupation are \$53.5 billion. On the other hand, despite the end of the war, Armenia carried out 373 terrorist acts after the war, killing 1,200 people and injuring 1,705 in Azerbaijan (Hajiyev, 2005:157).

3. FOREIGN COMPANIES OPERATING ILLEGALLY IN KARABAKH

Shortly after the conflict and the occupation process, along with foreign support, Armenia began to study the potential of Azerbaijani lands, organize its economic mapping and pursue an illegal investment policy. Russia's "*Secret Company*" magazine has conducted a study on the increase in agricultural production in Karabakh over the years. It turned out that the total cost of agricultural officials during the occupation was \$120 million. Only German and Czech companies have invested \$200 million in this direction. Prepared products were exported via Iran or Russia under the name of "*made in Artsakh*" (Viktor, 2015).

During the occupation, economic processes were not officially conducted under the name of Armenia, but under the name of the fictional regime. The fictional Nagorno-Karabakh Republic has escalated the conflict through the use of resources and immigration. Thus, the international legal acts adopted by the Geneva Convention have been violated by demographic changes. The policy of resettlement from Syria and Lebanon, as well as another reason for the resettlement of Armenians in Karabakh, especially Khankendi, under the guise of local residents, is aimed at creating cheap labor for international companies. Resettlement of Armenians from Syria and Lebanon to Karabakh? Especially to Khankendi under the name of local residents calculated to create a cheap workforce for international companies.

Armenia attracted international companies to the occupied territories of Azerbaijan in order to plunder natural resources under the guise of a fictional regime and to involve foreign companies politically in the Karabakh issue. Photos taken by Azercosmos show the looting process of natural resources in Karabakh (Ministry of Foreign AFFA irs) However, the activities of European and US companies in similar controversial geographies are considered unacceptable.

Armenia has developed a plan of special offers for foreign companies in the occupied territories of Azerbaijan through violating international law with the help of the separatist regime. Although this is considered favorable for operations in rich lands, these corporations also have a allotment in the damage to Azerbaijan. During the occupation, telecommunications and communications in Karabakh were established mainly by French companies. This is assessed as the strength of the field and lobby run by Armenian businessmen. According to the “*Who else profits 2017*” report, “*Orange*” which is the 4th largest company in Europe, opened an official branch in Armenia in 2017 (Narcokarabakh, 2020).

However, the company's connection to Armenia and the occupied Azerbaijani lands dates back to about 2007. After the sale of the official subsidiary to Ucom, the French company collected millions of donations for Karabakh and transferred them to the budget of the regime. This is also included in the budget documents of the regime created by Armenia under the name of Artsakh. “*Orange*”’s activity in Karabakh is connected with the agreement with “*Karabakh Telecom*”. Under the terms of the agreement, the company undertook illegal roaming in the occupied territories of Azerbaijan. In addition, the French company has set special discount packages for travelers to Karabakh and the military there. The telecommunications company, which employs about 100,000 people worldwide, has made voluntary transfers to the AI Armanian Foundation directly and through “*Phonethon*”. Donations were spent on the construction of new settlements in Karabakh (Source Panorama, 2020).

“*Auribus AG*”, one of the largest shareholders in the looting of Karabakh, is the largest copper producer in Europe. With a turnover of 15 billion, “*Auribus*” is considered the largest taxpayer of the so-called regime. Business in Belgium and Germany in Karabakh has lasted for more than 10 years. The company also attracted 1.200 employees from Karabakh (Shahid, 2019).

The looting of the occupied territories and the sale of their wealth abroad brought Armenia more money. An example is the sale of 1 billion dollar worth of historical items and carpets by “*Karabakh Carpet*”, founded by Seva Khachaturian in recent years (Joseph et al., 2007).

Russia ranks second in terms of the turnover of companies operating illegally in Azerbaijan during the occupation. Over the years, Russian companies have been actively involved in infrastructure projects. According to the research of the “*Secret Company*” magazine, Russia built the road and airport in Karabakh (Secretmag, 2020).

The armament of the separatist regime was carried out through Russia's military base in Armenia (Elya, 2020). Victor Feshenko, the special correspondent of the Russian magazine “*Secret Company*”, clarified many secret points in special reports from Karabakh (Feshenko, 2015). According to the magazine, Armenia rebuilt Khojaly airport in 2012 to transport Karabakh's natural resources. However, since Armenian-occupied Karabakh is an integral part of Azerbaijan, heavy cargo planes could not land at Khojaly airport without permission from Baku. Only Azerbaijan has a civil aviation license in these areas. Most of the equipment used for this was imported from Russia and France.

Although the Russian Radar Metrology Institute, which works in Azerbaijan, Belarus, Kazakhstan and Ukraine, tries to hide its activities in Karabakh, the company's installation of a new support system is a separate article on the website of the so-called ARSATS (<https://artsakhpress.am/eng/news/>).

During the occupation, the Islamic Republic of Iran did its best to plunder the material and cultural wealth of Azerbaijan in Karabakh and to continue the Armenian occupation. Iran's business in Karabakh includes not only the activities of companies and banks, but also the joint exploitation of arable and pasture lands in the border area. The activities of about 80 Iranian companies in the occupied territories of Azerbaijan have been confirmed by facts (Qafqazinfo, 2021).

Hrachya Hovhannisyan, an Armenian citizen who was the head of the Yerevan branch of the “*Mellat Bank of Iran*” disseminated the names of these companies in protest of the bank's dismissal and suing him. The restoration of the Upper Govharaga Mosque in Shusha by Iran as a Persian monument is one of the proofs of this illegal and insidious cooperation. The mosque was restored in 2014 by the Iranian company “*Part Saman Cahan*”. The fact that the head of the company, Said Nahavandi, studied architecture in Armenia is one of the notable details here. The restoration of the mosque was initiated by the Foundation for the Revival of Iran's Oriental Historical Heritage, and then opened with the participation of representatives of the foundation.

Along with Iranian companies, Iranian banks have also been operating in the occupied territories of Azerbaijan. Even the fact of large-scale money transfers from Iranian banks in Karabakh to Armenia in 2018 was included in the report released by the World Bank in 2019. As Karabakh is recognized as the territory of Azerbaijan in international law, the World Bank said in a report that it was "*money transferred from Azerbaijan to Armenia*". In addition, "*IRAM*" built the "*KRAMS-4*" automated air station at Khojaly airport. The airport does not have any code in the official "*IATA*" list due to the fact that Azerbaijan is located within its internationally recognized borders and the so-called regime is not recognized by the countries. Armenia secretly carries out drug trafficking and other criminal activities through Iran and Syria by helicopters from this airport. The fact that the airport is operated by helicopters was published in the press with the transportation of certain products from Iran and Syria. The airport and the Russian company that built it were also condemned by the Parliamentary Assembly of the Council of Europe in 2011 and a declaration was adopted.

Special emphasis should be placed on the activities of Armenians living abroad and lobbying businesses that support them to operate in Azerbaijan. This is even clearer in the case of the Swedish company Frank Muller Group. Vartan Sirmakes who was born in 1956 to an Armenian jeweler family, has invested almost all of his business in Nagorno-Karabakh. Elton John, 50 cents, deceived his partner Frank Muller, who created a watch brand used by people like Demi Moore, Jose Morino, and recruited him to work in Karabakh. As a result, Frank Muller sued Sirmakes, but Sirmakes was acquitted in court for being Frank's drug addict. Frank Muller is also wanted by Interpol for expanding his investment portfolio in Nagorno-Karabakh, which includes caviar and gold mining. As a result of the illegal operation of international law and economic policy, the number of hydropower plants in the territories of Azerbaijan increased during the occupation. It was financed by Armenian and British companies (Dowsett, 2021).

Over the past 14 years, "*Trige 1*", 3 "*Syunik*", "*Madagiz*" and various hydropower plants have been commissioned in the occupied territories of Azerbaijan. The largest of these stations is Sarsang station, built on the Tartar River. The investment in the station was made by the illegally operating "*M-Energo*" plant in Zangazur.

A large amount of electricity has been transferred to Armenia. During the occupation, Armenians created companies engaged in ore refining and gold mining on different dates. Companies with annual revenues of more than \$20 million are funded by Britain. Even official Baku, which closely monitors Grant Thornton's activities, warned Azerbaijan Grant Thornton International in 2017 that it is not allowed to operate in the occupied territories of the country. The plunder of Azerbaijan's natural resources by Armenians in the occupied territories should be in the focus of world attention (Samir, 2020).

The name of the "*Max Wood Ltd.*" company which is registered in Armenia and founded by Armenian Mger Bagratyan and Spanish Enrique Viver Kamin is mentioned between companies that are implemented illegal felling of trees in the occupied territories (Ministry of Foreign Affairs of the Republic of Azerbaijan, 2016:84,107).

In 2000, Kamin conducted an operation to dry firewood in the village of Kokhbb in the Tavush region of Armenia. For this reason, the felling of valuable tree species has caused serious damage to the environment in the region. Kamin which has unpaid debts to the Forest Development Service has successfully relocated his business to the occupied territories of Azerbaijan. Harutyun Pambukyan, deputy of the Armenian Parliament, confirmed the fact of sending wooden parts for hunting rifles which made from walnut root to the abroad. Harutyun Pambukyan from the ruling Republican Party announced that "*Max Wood Ltd.*" company was conducting unprecedented deals with several well-known European companies such as Beretta and Browning with the direct support of him and his friends. (Ministry of Foreign Affairs of the Republic of Azerbaijan, 2016:84,107).

4. CONCLUSION

There are more than 160 different precious metal deposits, 5 gold deposits, 7 mercury, 2 copper deposits, as well as 1 lead and zinc deposit, 1 coal deposit, 6 alabaster, 4 vermiculite, 1 raw material for soda production, 12 colored and decorative stone deposits, 21 facing stone deposits, etc in the occupied territories of Azerbaijan. These fields which have great importance for the economic potential of Azerbaijan, have been looted and exported for about 30 years. During the occupation, Azerbaijan was deprived of the opportunity to use the rich mineral resources of Karabakh.

During the occupation, the exploitation of natural resources in Karabakh, along with economic damage, also created serious environmental risks. Thus, the mining industry leads to the creation of highly polluted waste pools that require special cleaning. According to the report which published in 2016, million tons of heavy metals and other hazardous substances were dumped in the ponds in Karabakh at that time.

After the glorious victory of Azerbaijan in the 44-day Patriotic War from September 27 to November 10, 2020 and the restoration of the Nagorno-Karabakh region and territorial integrity, the process of assessing the damage caused by Armenia to Azerbaijan in various spheres of life, including the environment, began. Azerbaijan has already stated that it will seek compensation through international courts from international companies that have set up illegal businesses in both Armenia and the previously occupied territories of Azerbaijan.

"It is an undeniable fact that the natural resources in these areas are being exploited illegally. We have the names of the companies. I must say that if these companies that illegally exploit our gold and other deposits do not pay compensation, they will be prosecuted," - President of the Republic of Azerbaijan Ilham Aliyev said this at a meeting on the results of last year was held on January 6, 2021 (Ilham 2020, 2021). President Ilham Aliyev reminded that the process of calculating the damage was continued and foreign experts were involved in this work.

The government of Azerbaijan has stated that every effort will make to punish the perpetrators and compensate the damage caused to our country (Karabakh.center, 2021). The processes of calculating the damage is still ongoing, foreign experts have been involved in this work.

According to the theory of "*war termination*", the duration and outcome of the war are closely linked with the desire to make concessions. This desire is also determined by the course of the war. Leaders can change their demands by assessing the factors that influence the other side's concessions - strength, determination and financial resources, and can reconsider the goals of the war due to the expectations of military outcome are justified on the battlefield. In the Second Karabakh War, Azerbaijan achieved all the goals by forcing the Armenian leadership to sign a capitulation agreement.

Armenia needs many years and large amounts of financial resources to repair the damage caused by the war and build a sustainable economy. In the current situation, the only way for Armenia to achieve economic development is to abandon its aggressive policy against neighbors and join regional projects. In this way, Armenia can receive support from neighboring countries and become part of regional projects. This shows that the liberation of the occupied territories of Azerbaijan creates great opportunities for sustainable economic development and peace in the region.

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