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ROLE OF DIPLOMATIC MISSIONS IN FORGING RELATIONS BETWEEN THE AZERBAIJAN DEMOCRATIC REPUBLIC AND GEORGIA (1918-1920)

Hot on the heels of the Azerbaijan Democratic Republic (ADR) and the Democratic Republic of Georgia's gaining independence in spring 1918, a need arose for the two new states to establish multilateral relations spanning different areas, including politics, military cooperation, diplomacy, economics, finance, transportation, communications, etc. and to regulate and deepen mutually beneficial cooperation. On the one hand, this was necessitated by the fact that the two republics were located in the same region and faced similar challenges. On the other hand, the two newly established states had a common historical heritage, given that the South Caucasus had been colonized by the Russian Empire for more than 100 years. The two republics maintained and developed bilateral relations through ADR's diplomatic missions in Tiflis and Batum and Georgia's diplomatic representation in Baku.

Analyzing the activity of the diplomatic missions is of great importance for clarifying the essence of the entire range of Azerbaijan-Georgia relations in 1918-1920. In the current period of the dynamic development of

relations between the two republics, research on this issue has tremendous practical importance, in addition to its scientific value. In almost every case, the leaders of the new republics managed to resolve extremely complicated and controversial issues during this time period essentially in line with the interests of the two nations through negotiations and mutual concessions. Muhammad Amin Rasulzade, one of Azerbaijan's leaders at the time, noted that "among Christian neighbors, a very friendly relationship with the Republic of Georgia" had been established [10, p. 58].

It is noteworthy that though different aspects of this problem were touched upon in Azerbaijani historical studies, namely, in the monographs of J. P. Hasanli [8] and N. L. Nasibli [9], as well as general works [6, 7], the issue has not been separately researched. This article focuses on scrutinizing the measures taken to establish economic, financial, transport and communications cooperation between ADR and the Democratic Republic of Georgia in 1918-1920 based chiefly on primary sources [1, 2, 3, 4] and periodicals [13, 14].



Georgia's diplomatic mission in Baku was based in this building

Azerbaijani and Georgian leaders and political figures of that time period knew perfectly well that though they had embarked on building independent states, it would be impossible to ensure their existence in isolation and without establishing normal and comprehensive relations with each other. Therefore, the authorized representatives of Azerbaijan and Georgia, who were holding peace talks with the Ottoman state in Batum, concluded an agreement on June 4, 1918 on re-commissioning and ensuring normal operation of the Baku-Batum white oil pipeline [1, p. 364]. On the same day, representatives of Azerbaijan and Georgia, along with those of the Ottoman state and Armenia, signed an agreement on the distribution of the South Caucasus railcar and steam locomotive park in Batum. According to the deal, the parties had to divide the railway park that was the property of the defunct Russian Empire in proportion to the length of the railway lines traversing each country's territory [1, p. 365]. Those agreements marked the beginning of negotiated regulation of inter-governmental relations. Their signing was also a re-

markable success of the diplomatic efforts of the newly launched Foreign Ministries.

Following its relocation to Ganja on June 16, 1918, the Azerbaijani National Council and Government appointed Mahammadyusif Jafarov, who was well-known in the South Caucasus political circles, as the ADR's diplomatic representative in Georgia in order to maintain regular ties and hold consultations with this country. M. Y. Jafarov and other employees of the diplomatic mission made a tremendous contribution to the forging and development of multi-faceted relations between the two countries, including economic ties. Following the liberation of Baku, the Georgian government delegated its diplomatic envoy, Nikolay Kartsivadze, to Azerbaijan. The diplomatic representation of the Republic of Georgia started operating in Baku on October 2, 1918.

On June 21, 1918, Georgian Prime Minister N. Ramishvili suggested to M. Y. Jafarov dividing the former South Caucasus government's property between Azerbaijan and Georgia. The Georgian side substantiated the proposal by the fact that Armenia had already



received its share and further placed it in the territories that were transferred to the Ottoman control. On the same day, M. Jafarov sent a confidential notification to Azerbaijan's foreign minister in Ganja regarding the Georgian government's aspiration to improve and strengthen its ties with Azerbaijan and the mentioned proposal on property division [2, pol.1, paper 7, p.13]. The Azerbaijani side agreed in principle to the distribution of joint property. Furthermore, it suggested on August 15 that the movable property, which remained as a result of the abolition of the Caucasus Front and belonged to the South Caucasus central government-controlled organizations, be divided first through arbitration [1, p. 438].

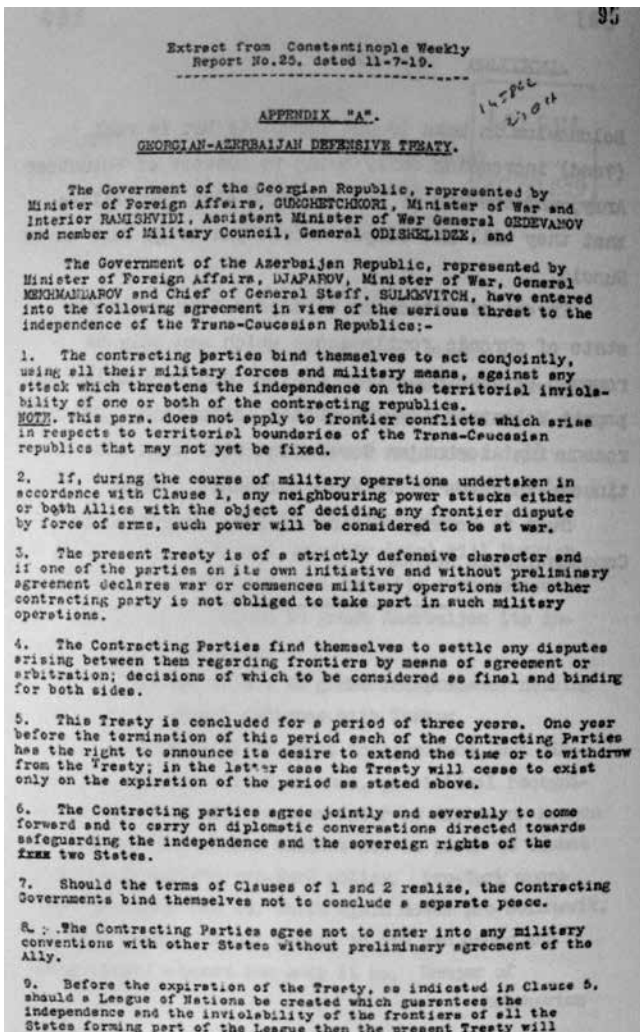
On August 21, 1918, the Georgian government agreed to set up an arbitration commission comprised of Azerbaijani and Georgian representatives. The newly established commission held several sessions as the parties endeavored to find negotiated solutions to iron out their differences.

In the summer of 1918 there was a shortage of money in circulation. The head of the Azerbaijani government, Fatali Khan Khoyski, said on July 11, 1918 in his letter of instructions to the head of the Azerbaijani delegation, M. A. Rasulzade, who was in Istanbul at the time, that the Azerbaijan Republic was experiencing dire financial constraints. According to the letter, there was a lack of circulating South Caucasus bonds in the country, while ongoing negotiations with Georgian and Armenian representatives on the issue of new bonds had not yet yielded fruit [3, p.30].

A confidential message of M. Y. Jafarov, Azerbaijan's

diplomatic representative in Georgia, dated July 17, 1918 and addressed to the Azerbaijani government, said that the Georgian government had started printing money, using the previous bonds (referring to the securities issued during the period of the South Caucasus Commissariat – G. A.) as a sample. The message said further that Georgian and Armenian representatives were in talks on releasing them into circulation on the condition that Georgia and Armenia would be both responsible for their emission [2, pol.1, paper 18, p.66]. Indeed, the governments of Georgia and Armenia signed an agreement on July 20, 1918 on the issuance of 200 million South Caucasus Commissariat bonds without notifying the Azerbaijani government beforehand. The bonds, which had been released by the Russian State Bank's Tiflis office, were divided between Georgia and Armenia. The Azerbaijani government lambasted the move [2, pol. 1, paper 18, p.141].

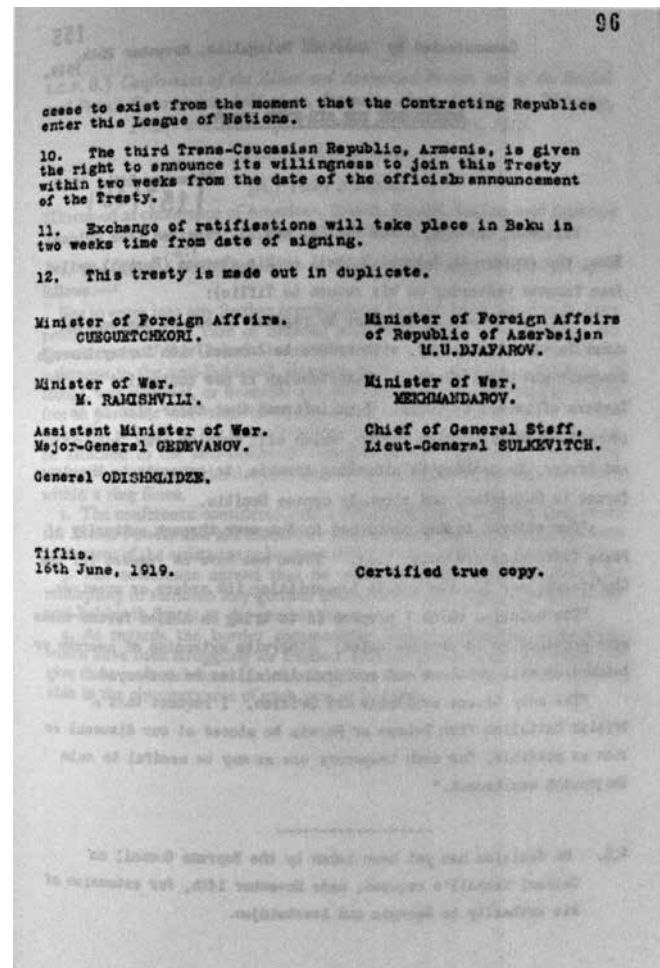
Nevertheless, the Georgian and Armenian governments' plans to resolve their financial problems without consulting with Azerbaijan did not produce the anticipated result. Therefore, in fall 1918, the governments of Azerbaijan and Georgia had to pursue a monetary policy coordinated with the Armenian government in order to mend the socio-economic situation, given that the same monetary unit, namely, the South Caucasus Commissariat bond, was in circulation in all the three republics, while the customs and border services connecting the republics were still in their inception phase. Therefore, the amount of the bonds issued by the Tiflis bank office was to be regulated by an intergovernmental agreement. For this purpose, representatives of



Front and last sheets of the Azerbaijani-Georgian military and defense agreement dated 16 June 1919

Azerbaijan, Georgia and Armenia signed an agreement September 6, 1918 on joint emission of South Caucasus bonds worth 280 million Rubles for financial, monetary and loan transactions.

On November 15 that same year, Azerbaijan and Georgia concluded an agreement in Tiflis on the emission of additional South Caucasus bonds totaling 160 million Rubles. The document served as an addendum to the Georgian-Armenian deal on the joint issuance of South Caucasus Commissariat bonds inked on July 20, 1918. According to the new agreement, the Tiflis office of the State Bank was to release bonds for each of the two republics in equal amounts, totaling 160 million Rubles, by November 25. First, bonds worth 80 million Rubles were to be issued for Azerbaijan in 100 and 250 Ruble banknotes. In compliance with the agreement, signed by



Georgian Finance Minister G. D. Zhuruli and Azerbaijan's diplomatic representative in Georgia, M. Y. Jafarov, the Georgian side was to ensure delivery of bonds to the Azerbaijani government by November 25, 1918. If this obligation had not been fulfilled in due time, the Georgian government would have been obliged to send all the bonds to Azerbaijan until this bulk of securities reached the specified amount [2, pol. 1, paper 36, p. 6-8].

On June 4, 1919, representatives of Azerbaijan, Georgia and Armenia signed an agreement in Tiflis on the emission of additional South Caucasus bonds. The agreement envisaged the issue of such securities totaling 100 million Rubles and further transfer of this amount to Azerbaijan. In addition, the State Bank's Tiflis office was to issue South Caucasus bonds worth another 80 million Rubles for Azerbaijan, in keeping with the previously reached agreement [2, pol. 1, paper 32, p.2].

In accordance with the additional Azerbaijani-Georgian agreement signed in Tiflis on June 4, 1919, Azerbaijan transferred 60 million Rubles out of the total amount of bonds worth 180 million Rubles to the



Georgian government. As a reciprocal measure, the latter granted permission for free exchange of Azerbaijan and Baku bonds worth 15 million Rubles in its territory [2, pol. 1, paper 32, p.3].

The successful monetary policy of the Azerbaijani government facilitated efforts to strengthen the exchange rate of both the Baku securities and the South Caucasus bonds. As a result, the South Caucasus bond rate rose at the Tiflis stock exchange in the summer of 1919 amid the depreciation of foreign currencies [13, 2.VII.1919, No.136].

The operation of the South Caucasus railroad played an important role in establishing normal economic relations among the region's republics in 1918-1920. The decisive steps and efficient proposals of the Ottoman state paved the way for conventional use of those rail lines from fall 1918. In August-September 1918, agreements were reached as a result of tense negotiations between the Ottoman, Azerbaijani and Georgian governments concerning cargo transportation by rail, nor-

malization and development of trade and economic relations based on mutual concessions.

A regular rail link between Baku and Tiflis was restored in early October 1918. Afterwards, the traffic of daily postal, freight and passenger trains started between the two cities [13, No.6, 8.X.1918]. The Georgian government also stated that it had approved transportation of the oil products sent by Azerbaijan for the Ottoman state to Batum and Alexandropol (Gyumri) through railways in its territory [13, No.8, 11.X.1918]. In order to secure this deal, the Azerbaijani side undertook a commitment to deliver 20 cisterns of crude oil and two cisterns of white oil to Georgia daily. The Republic of Georgia, which was in dire need of oil products, lifted the bans regarding cargo transportation via the South Caucasus railways from Azerbaijan and the Ottoman state. Afterwards, at least 23 tank cars of white oil and other oil products per day began to be transported from Baku by rail to the Batum port, slated for the Ottoman Empire and Germany [6, vol. V, p.335].

In the fall of 1918, the Azerbaijani government began to take further steps to boost oil exports to Georgia and Europe. First of all, it completed the repair of the Baku-Batum white oil pipeline in an area stretching to the Georgian border in early October [13, No.8, 11.X.1918]. At that time, available capacities allowed transporting up to 4 million Poods (obsolete Russian weight measure) of white oil per month through this pipeline. Azerbaijan was seeking to export white oil, while Georgia was keen on importing it. However, Georgia sought to pay for it in paper money, while Baku intended to receive food, timber and metal in exchange. Therefore, signing of a relevant agreement was being delayed to the detriment of both sides. The Ottoman Empire's defeat in World War I in late fall 1918 and the change of the socio-political situation in the region after the stationing of the Entente forces in the South Caucasus caused a postponement of the work in this area. However, taking into account Georgia's dire need for oil products, the Azerbaijani government continued to supply the neighboring republic with oil regularly in that period. Azerbaijan's Council of Ministers passed a decision December 21, 1918 to deliver 10 cisterns of white oil, 13,000 poods of crude oil and two cisterns of gasoline to Georgia even prior to the conclusion of a relevant intergovernmental agreement [13, No.68, 28.XII.1918]. This decision of Azerbaijan's government was executed without delay, according to the instructions issued by the minister of commerce and industry.

As a result of the talks on regulating cargo transportation held between Azerbaijan and Georgia, the two republics concluded an agreement on the exchange of goods in Baku on December 26, 1918. According to the agreement, which was signed by Azerbaijan's Minister of Commerce and Industry Behbud Khan Javanshir and Georgia's diplomatic envoy in Azerbaijan, N. Kartsivadze, the signatories agreed on free-of-charge transit of cargo transported by rail for one year, i.e. both sides pledged not to levy customs duties in this period. The Azerbaijani side committed to deliver 1 million poods of white oil, fuel oil and lubricant oil during the year to meet the needs of the Georgian population and railroads, while Georgia was to supply the required materials and coal to meet the demand of the Azerbaijani railways [13, 24.I.1919, No.16].

An acute shortage of steam locomotives and railroad cars required for normal operation of the railway was emphasized at a meeting of the bureau on cargo transportation, held on December 30, 1918 and attended by

Azerbaijan's Minister of Roads. According to Teymur Bay Malik-Aslanov, the acting head of the railway administration, one of the main reasons for this shortage was the fact that 57 steam locomotives and 1,500 railway carriages were being used to provide transportation for the Ottoman troops' withdrawal from Azerbaijan [13, No.1, 1.I.1919]. Afterwards, Minister of Roads Khudadat Bay Malik-Aslanov told the "Azerbaijan" newspaper while commenting on the issue that the steam locomotives and railway carriages that transported the Ottoman forces back to their home country remained at the railway stations in Georgia [13, No.2, 3.I.1919]. The lack of fuel in Georgia and the ensuing outbreak of a Georgian-Armenian military conflict hampered bringing back those locomotives and railroad cars until the end of 1918.

In a cable sent to Azerbaijan's diplomatic representative in Georgia, M. Y. Jafarov, on January 2, 1919, the minister of roads said that the Ottoman troops had used the locomotives and railway carriages of the Azerbaijani railways while leaving the Caucasus. Therefore, a total of 31 freight, six passenger locomotives and 100 railway carriages owned by Azerbaijan had been left in the Georgian railways [13, No.4, 5.I.1919]. In January 1919, Azerbaijan's Ministry of Roads notified Georgian diplomatic envoy N. Kartsivadze that the Georgian railway administration was in no hurry to return the locomotives and railway carriages that had crossed into the country's territory. To the contrary, the ministry said, the railroad cars that belong to Azerbaijan are being painted and numbered anew, and inscriptions are being made on those items indicating that they are purportedly Georgian-owned. The Georgian diplomat pledged to inform the Ministry of Roads of the Republic of Georgia in this regard [13, No.21, 30.I.1919].

In conclusion of intensive talks that lasted several months, Azerbaijan and Georgia concluded an agreement on March 8, 1919 on regulating the operation of railways. According to that document, which was inked by Azerbaijani Minister of Roads Khudadat Bay Malik-Aslanov and Isidor Malania, the acting Georgian Minister of Roads, the locomotives and railway carriages in the territory of each of the two republics were entirely at the disposal of that country until the issue was resolved by a special arbitration commission on May 26, 1918. According to the agreement, the terms of the exchange of freight cars and the issues concerning cargo transportation fees were settled between the parties [2, pol. 1, paper 6, p.9-11]. Moreover, the daily direct passenger train traffic between Baku and Tiflis was resumed.



Bonds of the Transcaucasian Commissariat. February 1918

On February 5, 1920, Azerbaijan and Georgia signed an agreement on cargo transit in Baku. According to the deal, the parties committed to ensure railway transit of freight between the two countries free of charge, i.e. without paying any customs duties, for one year [2, pol. 1, paper 86, p.6]. In this period, the Azerbaijani government agreed to provide for duty-free export of up to 16 million poods of oil and oil products, which would meet the demand of the Georgian population and railway. The government of Georgia, for its part, pledged not to send the oil and oil products imported from Azerbaijan out of the country. In addition, it authorized transportation of technical equipment required for the Azerbaijani railways, as well as stone coal and timber, without levying customs duties. These documents, signed between Azerbaijan and Georgia in 1918-1920, allowed developing and deepening bilateral cooperation, as well as strengthening the friendship and partnership between the two countries.

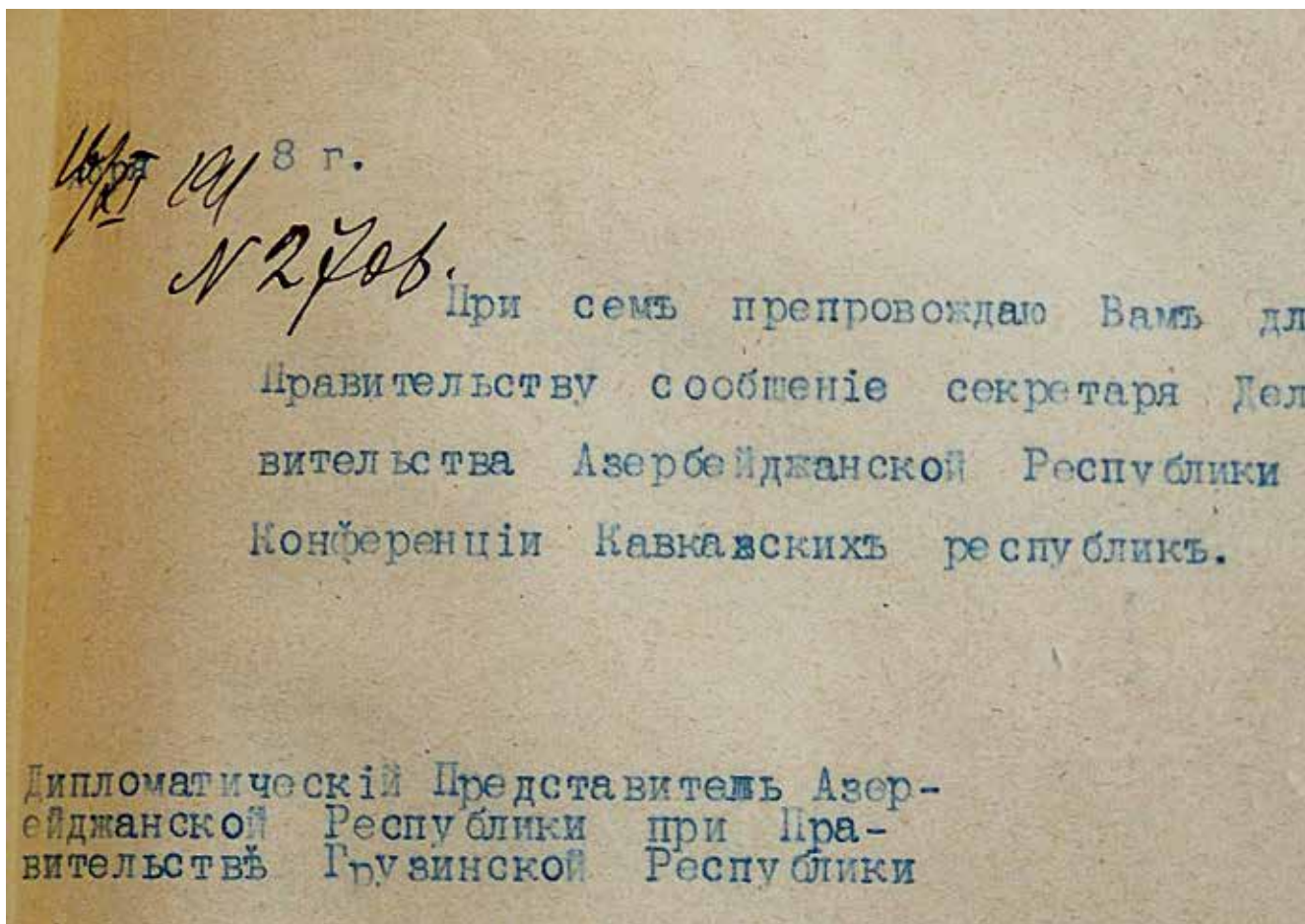
Furthermore, Tiflis hosted the signing of Azerbaijani-Georgian agreements on telegraph communication and postal services on January 3, 1919 and January 4, 1919 respectively; a convention on transporting postal parcels by rail was concluded as well [2, pol.1, paper 20, p.18-19; 20-22]. These documents, signed by the heads of the postal and telegraph administrations of the two countries, facilitated efforts aimed at regulating and developing international telegraph and postal services. Regular telegraph communication was established between the main cities of Azerbaijan and Georgia and citizens of both republics were entitled to the use of international telegraph services. The parties also inked a deal to ensure confidentiality of the content of cables being sent. They also set the fees to be charged for sending

parcels and transporting printed products.

In keeping with the principle of good neighborliness, Azerbaijan was providing intermittent food aid to Georgia. For example, the Azerbaijani government passed a decision on June 6, 1919 to allocate 5,000 poods of barley and 15,000 poods of wheat middlings from the available stocks for Georgia [13, 17.VII.1919, No.123]. Azerbaijan's Ministry of Commerce, Industry and Food swiftly implemented the government's decision. On June 25 that year, two more railway carriages of barley flour and two carriages of middlings were dispatched to Georgia [4, p. 333]. Moreover, the Azerbaijani government sent funds worth 76,000 rubles to the Tiflis-based, underfunded "Experimental Agricultural Station" on September 12, 1919 for the publication of scientific works. In exchange, the institution's management was required to hand over one-third of the printed products to Azerbaijan [13, 14.X.1919, No.220].

On February 20, 1920, Georgia was hit by a devastating earthquake. The quake left thousands of people homeless, causing destruction in the city of Gori and the surrounding settlements. The Azerbaijani government was quick to provide assistance to the people affected by the calamity. On February 25, Georgia's Ministry of Supply was permitted to deliver 15,769 poods of flour derived from the Baku stocks to its country and distribute this bulk among the starving population [4, p. 407-408]. On March 11, 1920, the Azerbaijani parliament made a decision to allocate 3 million Rubles to the afflicted residents in Georgia [14, 1920, No. 20].

One of the most significant areas of mutually beneficial economic cooperation between Azerbaijan and Georgia in 1918-1920 was the operation of the



port of Batum. Batum served as a crossing point for the Azerbaijan Democratic Republic's economic and trade ties with the Ottoman Empire and European countries. Therefore, Muhammad Amin Rasulzade stressed the need for establishing a representative office in Batum, which was the most important port city in the Black Sea basin and an outlet for the Azerbaijani railway and a white oil pipeline to Europe, as early as in the summer of 1918 in Istanbul during his tenure as the head of the Azerbaijani delegation. Taking into consideration the great importance of Batum for forging economic and trade ties with other countries and establishing relations with European states, the Azerbaijani government made a decision on November 10, 1918 to establish a consulate there. Dr. Mahmud Bay Afandiyev was appointed Azerbaijan's Consul in Batum [13, 10.X.1918, No.31].

The Azerbaijani consulate in Batum was instrumental in receiving and dispatching the country's cargo at the seaport, settling disputes regarding transportation, in particular, freight carriages and railway cars, diplomatic couriers and postal issues.

The Azerbaijani diplomatic mission in Tiflis and the consulate in Batum also contributed to solving problems faced by the Turkish and other Muslim population in the region. For example, the diplomatic representation provided assistance worth 200,000 Rubles on April 5, 1919 on the instruction of the Azerbaijani government to the Muslim residents affected by the Akhalsikh accident [4, p. 298]; the consulate contributed 10,000 Rubles to the Azerbaijani residents in the Batum province in March 1919 and another 10,000 Rubles to the Turkish school in Batum to ensure its normal activity in May 1919.

On May 26, 1919, an agency of the Ministry of Finance was established under the Azerbaijani diplomatic mission in Tiflis. On August 25, the agency was tasked with fulfilling the duties of the Azerbaijan State Bank's correspondent institution [4, p. 352]. On September 27, a commerce department was set up under the consulate. The department included representatives of the Ministries of Roads, Commerce and Industry, and Food. In October, the consulate in Batum became the Consulate General. On October 18, the



Consulate General became a correspondent institution of the Azerbaijan State Bank. It was instructed to ensure the transfer of funds being wired to the Azerbaijani government's account in Batum to the State Bank. On October 22, a decision was made to establish a representative office of Azerbaijan's Ministry of Finance under the commerce department of the Consulate General in Batum [4, p. 375].

The mutually beneficial cooperation between Azerbaijan and Georgia was also reflected in the activity of their delegations at the Versailles Peace Conference. Both Azerbaijani and Georgian representatives consistently countered the allegations of former Russian political figures and Tsarist generals on "a united and indivisible Russia", and while regularly discussing further steps to be taken as part of these efforts, adhered to a unanimous stance in most cases.

On August 6, 1919, ways of warding off the Denikin threat were mulled at a joint session of Azerbaijani and Georgian delegations in Paris. Participants stressed the need for both republics' rapprochement with England. The head of the Azerbaijani delegation A.Topchubashov and the head of the Georgian delegation N. Chkheidze noted that safeguarding the independence of small nations under the current situation is possible only under the auspices of a major power. The delegations of both republics arrived at a conclusion that the Caucasus republics should maintain close ties with England and seek to solve their most significant economic and financial issues jointly with this country [2, pol.1, paper 142, p. 211-212].

According to the decision passed at the meeting of the Azerbaijani and Georgian delegations in Paris, a joint



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Georgia's foreign minister in 1918-1921*

economic department was established. The department, headed by M.H.Hajinski, held talks with major British and US companies, in line with the economic interests of the two republics, and further submitted very significant and lucrative draft agreements to the governments of Azerbaijan and Georgia [13, 11.XII.1919, No. 268].

The close cooperation between the Azerbaijani and Georgian delegations was pivotal in the discussions of the Batum issue, which was of great economic and military-strategic importance for all South Caucasus republics.

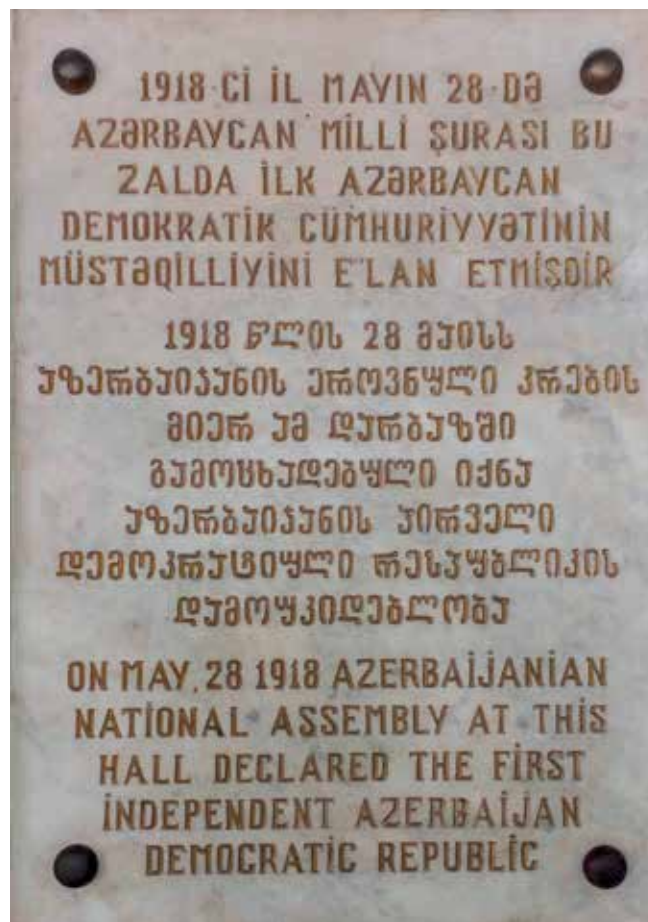
The allied states initiated a project during a conference of the Entente supreme council in London in February-March 1920 that envisaged handing over a part of the Batum province to Georgia and another part

to Armenia, and declaring Batum a free city under the auspices of the League of Nations. Georgia strongly opposed the initiative, while representatives of Azerbaijan fully backed their Georgian counterparts in this regard. Representatives of the two republics had agreed that they would oppose splitting the Batum province. The parties concurred that Azerbaijan would support accession of the city of Batum to Georgia together with the province, while Georgia would comprehensively meet Azerbaijan's interests with regard to Batum [9, p.470]. That very clear-cut stance of the Azerbaijani side led to the relinquishment of the plans to break up the Batum province.

All these facts clearly show that Azerbaijan and Georgia began to establish normal relations following their declaration of independence in spring 1918. The mutually beneficial cooperation between the two republics rapidly developed in the following two years and numerous agreements covering all areas of inter-governmental ties were signed. Strategic alliances and reliable partnership were established between the two neighboring states in this time period. ❁

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Memorial plaque in a hall of the previous Palace of the Caucasus Viceroy in Tbilisi where Azerbaijan's independence was proclaimed on 28 May 1918