

# **ECONOMIC DEVELOPMENT OF THE SOUTH CAUCASUS EAST-WEST CROSSROAD**

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## Abstract

This article analyzes and discusses the possibilities of economic cooperation in South Caucasus within the framework of the economic partnership between Azerbaijan, Georgia, Armenia and Turkey in particular in terms of economic cooperation in transportation and energy and regional trade.

The South Caucasus region is located at the meeting point of the three regional powers Russian Federation, Iran, and Turkey. They are trying to increase their influence in the South Caucasus, while promoting their national interest at that strategic area. It's a geopolitically important region at the crossroads of Europe and Asia with strategic energy routes. To a considerable extent, the significant oil and gas reserves in the Caspian Sea, have amplified regional rivalries for political and economic influence in the region.

South Caucasus is a main part of strategic Southern Gas corridor, which will deliver Caspian-basin natural gas from Azerbaijan end later from Turkmenistan and Iraq to European Markets in the Balkans and Italy. It will be a major asset in European energy security.

Also, it's developing region which is situated on the "New Silk Road" from China to Europe.

The Motivation to study economic development and cooperation in the South Caucasus is the step to introduce more possibilities, partnerships and developing of this significant region.