UOT 94(479.24)

AGHAMAHAMMAD SADIQLI
Azerbaijan Tourism and Management University
PhD Student
agamhmmdsadiqli@gmail.com

THE POLICY REGARDING THE DEVELOPMENT AND EXPLOITATION OF AZERBAIJAN'S OIL AND GAS INDUSTRY DURING THE SOVIET UNION

DOI: https://doi.org/10.36719/2708-065X/106/199-202

The article analyzes the processes of the development of Azerbaijan's oil industry in the 20th century. The role and importance of the development of the oil industry of the last century in the formation of Azerbaijan's modern energy policy is noted. In modern times, Azerbaijan has built its foreign policy on the introduction of energy resources to the world market, energy security and environmental security. The country's geo-economic interests in the South Caucasus are based on using energy resources (both non-renewable and renewable) to increase national income and leverage the country's geopolitical influence. In this period, it is particularly relevant to analyze the impact of Azerbaijan's energy policy on the geo-economic situation of the South Caucasus region at the political level.

Keywords: Azerbaijan, oil industry, Sovet Union, Azerbaijan Democratic Republic, Mendeleev, Rothschild, Nobel brothers, Azneft.

Introduction. The history of Azerbaijan's oil industry is centuries old. Thanks to manual labor, the oil produced in our country was transported to other areas by various means in the Middle Ages and was mostly used as fuel. From the second half of the 19th century, the oil industry in Azerbaijan, especially in Baku and the Absheron Peninsula, entered its powerful era. Azerbaijani oil industry has achieved many firsts in the world, scientists like Dmitri Mendeleev, giant tycoons like Rothschild, Nobel brothers, V.A.Kokorev are remembered for the development of this industry and many advanced technical innovations for the exploitation of oil. In the first half of the 20th century, the oil industry of Azerbaijan was one of the leading developed industries in the world. The fall of the Russian Empire and the establishment of the Azerbaijan Democratic Republic were characterized by the establishment of the first national industrial system. Unfortunately, the first democratic republic of the East - the Azerbaijan Democratic Republic - was able to maintain its existence for a short time.

Soviet Union period. After the establishment of Soviet power in Azerbaijan, a new stage in the exploitation of the country's oil sector began. Azerbaijan's oil industry was nationalized by a new decree presented on May 27, 1920. In 1920, the Oil Committee was established in Azerbaijan and Alexander Serebrovsky, a mechanical engineer, was assigned to lead it. The twenties of the 20th century were remembered by many innovations in the country's oil industry: the first drilling of an oil well at a depth of six hundred meters in the world (1924, Surakhani), the first industrial extraction of oil from a sea well (1924, Bibiheybat), the extraction of oil by the Soviet cracking method. digging etc. the events coincide with this period. Oil wells were commissioned in other areas of the country. For the first time, the process of extracting oil, not only as fuel, but also important for treatment, took place from the wells dug in the Naftalan area.

In the 1920s, oil products were one of the few sources of foreign exchange earnings of the USSR, and there was a fairly steady demand for them in Europe. This was the reason for their significant and rapid increase in exports: in 1926, compared to 1913, it increased 1.8 times, and in 1928, it increased 3 times. During the first five-year plan years, oil exports provided the largest foreign exchange earnings (18.7%; timber exports about 14%), while the share of crude oil remained negligible. It was quite natural that the Soviet side tried to take a leading position in the oil products market of the neighboring states - Estonia, Latvia, Lithuania, Finland. However, the realization of this goal first encountered serious obstacles and eventually led to a complete refusal to achieve it. The People's Commissariat for Foreign Affairs was more interested in the political aspects of oil exports, as opposed to issues related

to the implementation of another major source of foreign exchange earnings, timber exports, which were largely exported abroad. The People's Commissariat for Foreign Affairs, with repeated support from the political leadership of the USSR, tried to use the oil products market as a tool to achieve foreign policy goals [5].

Since 1929, the USSR Oil Syndicate merged the trusts "Azneft", "Grozneft" and "Embaneft". This institution was administratively subordinated to the Supreme Council of National Economy (Main Fuel Administration). During this period, the oil syndicate had 833 oil bases in the territory of the USSR [6, p.102].

In the 30s of the 20th century, Baku was the first thing that came to mind when talking about oil in the USSR. Baku was so important in the development of the oil industry of the Union that the oil fields of the Paleozoic era, the fourth Devonian geological period, discovered and put into operation in those years, were given the name "Second Baku" [1, p.46].

The importance of Azerbaijan's oil industry showed itself especially during World War II. Azerbaijani oil provided almost all fuel and lubricants for the Soviet army fighting against fascism. Hitler's army also had a great need for Baku oil. Thus, the Wehrmacht, the first perfectly highly mechanized army in the world, had a very high demand for gasoline and other fuels. For this purpose, it was planned to carry out an operation against the fascist troops, which was approved by directive number forty-five (07/23/1942) with the goal of capturing Baku [2, p. 87]. However, the stopping of the German army in the North Caucasus disrupted these plans. During this period, the Baku oil industry was exploited day and night. Large-scale exploitation of dry oil fields has created a number of environmental, economic and other problems here. There was a need to discover more different deposits. In connection with this, from the forties of the 20th century, projects related to the discovery of oil deposits in the sea began to be implemented. Foundations were laid and metal facilities were started to be built for offshore drilling. With the creation of Oilstones in 1949, Azerbaijan began the exploitation of oil fields in the open sea for the first time in the world. In 1951, the industrial processing of Oil Rocks was started. In 1952, for the first time in the world experience, the construction of the pier, which should connect the artificial metal islands, was started. Since 1949, 1940 wells have been drilled in the Neft Daslari field. Neft Daslar produced 60% of all marine oil during the USSR. The period of development of offshore drilling was carried out for the first time in Oil Rocks through various operations, from oil and gas exploration to the delivery of finished products, from experiences in the field of marine technology to its mass development and application. A whole scientific staff training school has been formed in the process of conducting exploration and exploitation works in Oil Fields. In practice, the latest ideas and improvements of scientists were implemented, oilmen gained professional experience and skills in the most difficult sea conditions. In the fifties of the 20th century, the Ministry of Oil Industry and the Ministry of Oil Extraction Industry were established in Azerbaijan, and in the seventies it was again called "Azerneft".

In the 1940s, the automobile industry began to develop in the country. But the lack of quality gasoline was a tangible problem. In this regard, on July 29, 1953, an order was issued to establish a new Baku oil refinery.

In 1976, Yeni-Baku Oil Refinery was established on the basis of the former Andreyev plant. The structure of this enterprise included a catalytic cracking device, which allowed to quickly process oil to obtain motor gasoline and oils [4, p.116]. Desalination, atmospheric- vacuum distillation, gas absorption and gasoline stabilization processes were carried out in the combined atmosphere-vacuum tube units (ED-AVT-2) put into operation at BNZ in 1966. In the same year, an electrode coke production unit was built and put into use at the plant. In 1976, BNZ commissioned a complex plant (atmosphere-vacuum electric desalination plant) for primary oil processing with a capacity of 6 million tons per year. Later, high-octane gasoline (1980) and delayed-type 21-10/5 coke (1986) were introduced through catalytic reforming.

As a result of intensive geological-geophysical mapping works conducted in the 1950s and 1960s, the oil-gas bearing structures of the Caspian Sea were determined. Discoveries include deposits such as Darwin Bank, Gum Deniz "South", "Gurgan", "Chilov Island", "Hazi Aslanov", "Sangachal-Deniz", "Duvanni-Deniz" (Basket Island), "Bulla Island", "Peschany". includes "Sangachal-deniz",

one of the largest sea deposits, was drilled several times since 1959, but success was achieved here only in 1965. "Duvanni-deniz field" exploratory well was tested in May 1963 with production of 700 barrels/day.

The course conducted by the Communist Party of the Soviet Union for the rapid development of the oil and gas industry and increasing its role in the country's fuel and energy balance in 1961 brought the USSR to the second place in the world (after the USA) in terms of oil production. By 1972, the share of oil in fuel production reached 42.3%. Starting from 1958, the growth of oil production in the USSR was more than 100 million tons every 5 years. More than 3.3 billion tons of oil were produced in 1961-1972 alone. Such rapid growth was ensured due to the commissioning of new large fields both in developed oil regions and in new ones: in Western Siberia, the maritime regions of Azerbaijan, Western Kazakhstan, Belarus, the Orenburg region and the Udmurt Autonomous Soviet Socialist Republic. Of particular importance was the discovery of a unique oil and gas basin in Western Siberia, which was connected with the creation of the strongest oil and gas producing region in the country [3]. It was during this period that Azerbaijani oil engineers and geologists played an important role in the exploitation of new oil fields in Western Siberia. Between 1968 and 1975, several large oil and gas fields were discovered and put into production: Bahar (1968), Sangachal-Duvanni (1969) and Bulla Deniz (1975). Gas production increased steadily until the 1990s - the decline of the Bahar and Bulla gas fields.

As a result of the application of modern exploration methods, four new multiline fields were discovered in the Caspian Sea at a depth of 200 meters: "Guneshli" (1979), "Chirag" (1985), "Azeri" (1988) and "Kepaz" (1989). The Caspian Sea was covered by an extensive 2D seismic network, and for the first time, 3D seismic attempts were made in the area, but were unsuccessful. The discovery of the Azeri-Chirag-Guneshli deposit complex was the last but important achievement of Azerbaijani Soviet explorers. The shallow part of Guneshli, where the depth of water allows for oil production, was produced until 1989. Drilling at a depth of 200 meters was carried out with semi-submersible drilling equipment in Chirag, which is a marine record for the USSR. In total, the Azeri-Chirag-Guneshli complex contains more than 16 billion barrels of oil.

Conclusion. During the Soviet Union, Azerbaijan's oil industry experienced its period of rapid development. This period has many positive and negative aspects for the oil industry of Azerbaijan. The positive aspects were the observation of high technological achievements and world firsts in oil production and processing. The negative aspects were the merciless exploitation of Azerbaijani oil in order to ensure the oil reserves of the USSR. During oil production, the severe damage caused by the industry to the environment and the ecological environment of the Absheron Peninsula as well as the Caspian Sea was almost forgotten. Only from the 70s of the 20th century, attention was paid to the environmental damage of the oil and gas industry by the local administration. Disintegration of the structure of geological rocks in the earth's crust, disturbances in relief, pollution of underground water, etc. ecological destruction began to be regulated by special legislative acts and various projects only after the years of independence. These processes have led to the deterioration of other natural resources of the region and the eradication of many species of fauna and flora. In addition to all these factors, on the eve of the fall of the USSR, the Azerbaijani oil industry had become one of the leading regional industrial centers of the world.

REFERENCES

1. Kamaletdinov M.A., Postnikov D.V. Discovery of Devonian oil "Second Baku", Georesursy, 2008, 3(26), p.46-48.
2. Mammadli B. Baku Oil in Germany's Military-Strategic Plans during the Second World War. Materials of the 1st International Conference on Foundations of Humanities and Social Sciences / (December 24, 2021). pp. 87-88
3. Mustafa Şentop: We must strengthen the relations of Turkic-speaking countries. [Electronic resource] / Report IA. June 25, 2022. URL: https://rep o rt.az/region-xeberleri/mustafa-sentop-azerbaycan-naxcivan-baglantisi-ile-turkdilli-olkelerin-elaqelerini-guclendirmelyik/ [01.10.2024].

4. Oil in Azerbaijan (1920-1970). Part V. Oil Refinery and Petrochemistry, Baku, Elm, 1990, 394 p.
5. Rupasov A. Oil trade of the USSR with the Baltic states and Finland in the 1920s-1930s, New History of Russia 2019, Vol. 9, No. 4, p.944.
6. Sokolov A.K. Soviet "Oil syndicate" on domestic and international markets in the 1920s // Economic history. Overview. M., 2005, Вып. 10, с.101-131.

AĞAMƏHƏMMƏD SADIQLI
Azərbaycan Turizm və Menecment Universitetinin doktorantı

SOVET İTİFAQI DÖVRÜNDƏ AZƏRBAYCANIN NEFT-QAZ SƏNAYƏSİNİN İNKİŞAF ETDİRİLMƏSİ VƏ İSTİSMAR EDİLMƏSİ İLƏ BAĞLI SİYASƏT

Məqalədə XX əsrdə Azərbaycan neft sənayesinin inkişaf prosesləri təhlil edilir. Azərbaycanın müasir enerji siyasətinin formalaşmasında ötən əsrin neft sənayesinin inkişafının rolu və əhəmiyyəti qeyd olunur. Müasir dövrdə Azərbaycan öz xarici siyasətini enerji resurslarının dünya bazarına çıxarılması, enerji təhlükəsizliyi və ekoloji təhlükəsizlik üzərində qurub. Ölkənin Cənubi Qafqazda geoiqtisadi maraqları milli gəliri artırmaq və ölkənin geosiyasi təsir imkanlarından istifadə etmək üçün enerji resurslarından (həm bərpa olunmayan, həm də bərpa olunan) istifadəyə əsaslanır. Bu dövrdə Azərbaycanın enerji siyasətinin Cənubi Qafqaz regionunun geoiqtisadi vəziyyətinə siyasi müstəvidə təsirinin təhlili xüsusilə aktualdır.

Açar sözlər: Azərbaycan, neft sənayesi, Sovet İttifaqı, Azərbaycan Demokratik Respublikası, Mendeleyev, Rotşild, Nobel qardaşları, Azneft.

АГАМАГАММАД САДИГЛИ
Докторант Азербайджанского Университета Туризма и Менеджмента

ПОЛИТИКА РАЗВИТИЯ И ЭКСПЛУАТАЦИИ НЕФТЕГАЗОВОЙ ОТРАСЛИ АЗЕРБАЙДЖАНА В ПЕРИОД СОВЕТСКОГО СОЮЗА

Статья анализирует процессы развития нефтяной промышленности Азербайджана в XX веке. Подчеркивается роль и значение развития нефтяной отрасли прошлого века в формировании современной энергетической политики Азербайджана. В настоящее время Азербайджан строит свою внешнюю политику на внедрении энергетических ресурсов на мировой рынок, обеспечении энергетической безопасности и экологической безопасности. Геоэкономические интересы страны в Южном Кавказе основаны на использовании энергетических ресурсов (как невозобновляемых, так и возобновляемых) для увеличения национального дохода и расширения геополитического влияния страны. В этот период особенно актуально проанализировать влияние энергетической политики Азербайджана на геоэкономическую ситуацию в Южнокавказском регионе на политическом уровне.

Ключевые слова: Азербайджан, нефтяная промышленность, Советский Союз, Азербайджанская Демократическая Республика, Менделеев, Ротшильд, братья Нобели, Азнефт.

Məqalənin redaksiyaya daxil olduğu tarix: 01 oktyabr 2024-cü il.
Məqalənin çapa qəbul olunma tarixi: 15 oktyabr 2024-cü il.
Rəyçilər: s.e.ü.f.d. Zaur Əliyev, t.e.d. Qabil Əliyev.