

THIRD-COUNTRY ECONOMIC CONSEQUENCES OF WESTERN SANCTIONS ON RUSSIA: A THEMATIC ANALYSIS OF EXPERT OPINIONS IN AZERBAIJAN

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Abstract: *With the beginning of a new phase of military conflict between Russia and Ukraine in 2022, third countries, especially countries of the former Soviet Union (post-Soviet space), are expected to suffer from Western sanctions and Russian countermeasures due to disruption or disruptions in supply chains. The systematization of literary sources on this topic proves that several studies are currently devoted to analysing the impact of international sanctions against Russia on the situation in the Baltic region. At the same time, the issue of the effects of Russian sanctions on the functioning of Azerbaijan in this context has yet to be analyzed. However, close relations between Russia and Azerbaijan and the growing importance of Azerbaijan for European energy security are essential conditions for this case study. This article aims to investigate the economic impact of sanctions on Azerbaijan through a thematic analysis of expert opinions on social media platforms (e.g. Facebook, LinkedIn) and websites dedicated to media coverage of this issue. This study analyzed 134 qualitative sources collected between February and July 2022, of which 84% of the data was in text format, while 16% was in video format. A technical assessment of expert opinion found that international trade, services (such as banking and transport), agriculture, monetary issues (inflation due to rising prices of imported products and the exchange rate) and migrants were the most discussed issues and causes of concern among experts. Significant disruptions in the Russian economy raise severe concerns about Azerbaijan's fruit and vegetable exports, wheat imports, banking operations, inflation, reduced remittances (from Russia) and labor migration (from Russia to Azerbaijan). This study examines these patterns in light of prior expectations, suggests further research, and theorizes possible reasons for the observed patterns.*

Keywords: Azerbaijani economy, effect of sanctions, expert opinions, international sanctions, post-Soviet space, Russo-Ukrainian war, thematic analysis.

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1. Introduction

On February 24, 2022, the new military phase of the Russo-Ukrainian conflict began. Western officials have stated that this conflict has the potential to become the largest in Europe since World War II. The immediate consequences of the war in Ukraine have been the deaths of some 5,000 civilians and massive migration to neighboring countries, which has triggered a humanitarian crisis (Statista Research Department, 2022). At the same time, Russia is facing unprecedented Western sanctions. But third countries are also likely to feel the harsh economic consequences of the war and Western sanctions against Russia (hereafter referred to as the sanctions).

Economic and political changes in the Russian Federation over the past thirty years have had a significant impact on surrounding countries (Bayramov et al., 2020). Trade, remittances, and foreign direct investment (FDI) closely link Russia with the rest of the former Soviet Union (FSU; Bayramov et al., 2020; Stepanyan et al., 2015). Therefore, the new phase of sanctions against Russia due to its military interventions in Ukraine is expected to have a significant impact on its economy, but the sanctions do not only affect Russia itself. When the sanctions take effect, Western countries themselves and Russia's neighboring countries experience a significant decline in their exports, even in the goods that Russia is allowed to import despite the counter-sanctions (so called third-country effect; Korhonen, 2019). The sanctions may lead to a deterioration in the exchange rate of the Russian ruble (RUB), higher interest rates, and an overall weakening of the ability of Russian companies to invest abroad (Liuhto, 2015). Given the close economic ties between Russia and FSU countries, this risk was plainly visible in 2014 and 2015 and could be possible again in 2022 due to the escalated Russo-Ukrainian war.

Although some post-Soviet countries have been analyzed in the context of the sanctions on Russia since 2014 and 2015, Azerbaijan is still a rare case study in academic publications. Compared to 2014 and 2015, the possible negative impact of the sanctions on the Azerbaijani economy was a hot topic in social and mass media from February 2022, even before the official date of the outbreak of war. Azerbaijan maintains close trade relations (Orudzhev and Huseynova, 2020; Akbulayev and Bayramli, 2020) and receives large amounts of remittances from Russia (Azam and Khan, 2011). Sanctions on Russia and Russian counter-sanctions have caused great concern among Azerbaijani government officials and citizens. However, this was not the case when the Russo-Georgian war broke out in 2008, and the sanctions were tightened in 2014 and 2015 after the Ukraine crisis. Therefore, this research gap is filled by analyzing publicly available expert opinions in social and mass media resources between February 2022 and June 2022. Moreover, not only the knowledge gap is closed, but also the methodological gap in the analysis of the impact of sanctions on the Azerbaijani economy is overcome. For this reason, the results of this study are important and novel in the conceptualization of the Azerbaijani economy in relation to the sanctions against Russia, both practically and methodologically.

In order to assess the potential impact of sanctions on the Azerbaijani economy, a large amount of qualitative data was collected and analyzed using the method of thematic analysis (TA). TA is a qualitative research method used to identify, analyze, and interpret patterns or themes in qualitative data. This method is used to gain an in-depth understanding of the experiences, opinions, and perspectives of participants in a study (e.g., interviews, social media contents). TA involves several steps, including data collection, familiarization with the data, coding the data, identifying themes, reviewing and refining themes, and finally, writing a comprehensive report. This method can be used with a variety of data sources, including interviews, focus groups, survey data, and written texts. As various expert opinions, official statements, and forecasts were collected and analyzed on different social media channels (Facebook, LinkedIn, etc.) and domestic news agencies, we can draw conclusions and make comparisons. The data were gathered in three languages (Azerbaijani, Russian, and English) and coded not only semantically but also latently, so we can shed light on the differences in the tone and perception of the sanctions depending on the communication language of the users and experts. The social and economic implications of this study could help policymakers determine how sanctions will affect the Azerbaijani economy in these troubled times.

Small post-Soviet countries are more dependent on the Russian economy to develop their economies through trade, remittances, and FDI (Newnham, 2011). Despite the ongoing war between Russia and Ukraine, FSU

countries should continue their economic relations with Russia and, in some cases, Ukraine. Azerbaijan, a small, open, and post-Soviet economy, is a new case study to be understood against the backdrop of changing realities in the post-Soviet space due to the recent developments. Against the background of close economic and political relations with Russia, the systematic and detailed effects of sanctions are not yet known. For this reason, the main objectives of this research are: 1) to identify the main channels of the impact of the sanctions on the Azerbaijani economy; 2) to assess the differences in expert opinions in social and mass media channels; and 3) to examine the perceptions of experts regarding the risks and opportunities of the sanctions for the future. The research question of this study is as follows: How have Azerbaijani experts perceived and communicated the economic risks and opportunities arising from Western sanctions on Russia for the Azerbaijani economy since February 2022? The purpose of this study is to describe the qualitative characteristics of expert opinions in social media about the possible third-country effects of the sanctions on the Azerbaijani economy. The points at stake in this study are far from statistical analysis or hypothesis testing, as TA is a descriptive but comprehensive tool for classifying collected text-based content. Although this issue has been extensively debated and discussed, there is no study that definitively identifies the main problems and the possible effects of the sanctions since the beginning of the war. Thus, the usefulness of this paper stems from the fact that it not only identifies key themes about the possible third-country impacts of the sanctions but also finds out how experts differ in terms of their perceptions and expressions. Considering the fact that numerous people get their ideas from social and traditional media, it makes sense to take a careful and structured look at the available online resources.

On its own, Azerbaijan's case in terms of the third-country effects of the sanctions can be considered as a special case because many Azerbaijanis live and work in Russia, Azerbaijan's main non-oil exports are directed to Russia, and Azerbaijan's geographic position is in the center of attention once again. Azerbaijan's case study can represent the case of small post-Soviet countries on the backdrop of the sanctions on Russia. This experience is generalizable to other small post-Soviet economies, as they also rely heavily on trade and investment with Russia and are vulnerable to external economic shocks. The sanctions have resulted in decreased economic growth, increased inflation, and decreased living standards, which are common challenges faced by many small post-Soviet economies. These economies have limited resources and limited ability to diversify their economies, making them particularly vulnerable to external economic pressures. Thus, the experience of Azerbaijan highlights the importance of considering the broader implications of sanctions on small post-Soviet economies, as they are often disproportionately affected.

2. Literature Review

Since the collapse of the Soviet Union, Russia has been highly integrated through established customs unions and close neighborhoods with other FSU countries (Aituar, 2021). However, Russia's geopolitical ambitions could turn this integration into disintegration. Korhonen (2019) argued that Russia and the European Union (EU) have become less economically integrated following tensions in Ukraine (2014) and Georgia (2008). Certainly, economic cooperation continues with post-Soviet countries where Russia's economic and political influence still exists. As cited in Aituar (2021), Caruso (2020) and Bergeijk (1995) assert that the economies of "innocent" countries (i.e., those that do not enter into conflict with Russia, either voluntarily or involuntarily) are also affected by increased trade barriers and transportation costs, as neighboring countries tend to be economically interdependent.

In the context of Russia's post-Soviet conflicts with most other FSU countries (e.g., Georgia, Ukraine), sanctions imposed by the EU or the U.S. directly affect Russia, the victim country (a country that has suffered from Russian aggression), and third countries (i.e., its neighbors). The economic impact of the sanctions on Russia is quite clear: they limit its integration with the rest of the global economy as punishment for aggressive military and political takeovers (Gould-Davies, 2018). According to some assessments, the sanctions have largely hit the Russian economy hard. Åslund and Snegovaya (2021) argued that the sanctions have reduced Russia's growth rate to a modest 0.3% since 2014, compared to a global average of 2.3%. As a result, sanctions have curtailed foreign credit and FDI, which could slow Russian economic growth by 2.5–3% per year, or about \$50 billion per year (Åslund and Snegovaya, 2021).

As a result of the sanctions and the war with Russia, Ukraine's exports to Russia decreased dramatically (Havlik, 2014), supply chains were disrupted, and fewer commodities and agricultural products such as wheat and sunflower oil were produced (Liadze et al., 2022). What about third countries? Well, theoretically, the economic impact of sanctions on third countries can be both positive and negative. In other words, sometimes third countries are targeted by great powers to achieve a high level of effectiveness (Caruso, 2003), but sometimes they are left on their own to decide their actions in times of tension. Other factors, such as the degree of interconnectedness of the sanctioned country with its major trading partners, the duration of the sanctions, and the ambition of the sanctions, play a critical role in determining the economic impact of sanctions on third countries (Kaempfer and Lowenberg, 2007). In some cases, however, third countries may reduce the effectiveness of economic sanctions because they have a strong incentive to benefit by re-exporting to the sanctioned country the products that are scarce and needed but not exported by the sanctioning countries (as cited in Aituar, 2021; Drezner, 2000; Slavoy, 2000). Thus, in the case of the past and current escalation of the Russo-Ukrainian conflict, the economic impact of the sanctions on the FSU countries, including Azerbaijan, could well be felt.

The Commonwealth of Independent States (CIS) and CEE are two important regions that demonstrate the economic impact of the sanctions. For example, while the countries of CIS experienced a 6.5% decline in their economic growth as a result of economic sanctions on Russia, the economies of the countries of CEE declined by 2% since 2014 (Bayramov et al., 2020). Based on the panel regression results, Bayramov et al. (2020) argued that the oil-exporting countries of CIS were not affected by the sanctions against the Russian economy, but the oil-importing countries of CIS showed that the remittance channel played an important role in transmitting the impact of the sanctions to the other post-Soviet countries. The slowdown in Russian growth is expected to lead to domestic inflationary pressures and significant growth revisions in the countries of CIS.

Oja (2015) estimates that Baltic countries such as Latvia, Lithuania, and Estonia suffered export losses of 0.3%, 0.4%, and 2.6% of their GDP, respectively, in 2013 due to rising tensions between Russia and Ukraine over Crimea. However, if re-exports are subtracted from the Baltic states' export dynamics, the trade loss becomes smaller. Next, Oja (2015) lists other factors that could affect the Baltic countries: the devaluation of the RUB; the economic downturn in Russia; changes in the common agricultural policy in the EU; and the lifting of restrictions on dairy production in Russia. In terms of individual countries, sanctions in 2014 put pressure on Estonia's transit and logistics sector (Veebel, 2020), affected Latvia's trade (Câmpeanu, 2018), and hit Lithuania's dairy sector (Zdanavičius, 2014). The Baltic states clearly show how the fact that they are small and border Russia determines the main macroeconomic realities. Therefore, analyzing the case of the Baltic countries, Veebel and Markus (2018) argue that Baltic entrepreneurs should diversify their trade relations and focus on high-value-added products among the EU countries. Otherwise, long-term economic losses are inevitable due to Russia's constantly unpredictable behavior in international geopolitics.

The other region of interest is the South Caucasus, where Russia has considerable geopolitical influence and pulls the economic strings through remittances, trade, and FDI. The case of Armenia is interesting because its dependence on Russia in trade relations was backed by Russia itself when it was forced to become a member of the Eurasian Economic Union (EAEU), even though it does not share borders with the rest of the union (Branch, 2018). Shirinyan (2019) mentioned that the sanctions reduced trade with Russia in 2014 and 2015. However, EU countries were Armenia's main trade partners for a long time and helped to reduce the negative impact of sanctions during turbulent times. In other words, it was only after joining the EAEU that trade shifted toward Russia, making Armenia more integrated and dependent on Russian markets. While it may be beneficial for Armenia to cooperate with a large market like Russia during peaceful times, sanctions reduce Russia's economic potential for Armenia and the economic gains that could be made through trade and other directions of cooperation decrease over time (Gharabegian, 2015). Sanctions have had a direct impact on Armenia because blacklisted Russian oligarchs who run companies such as Rosneft and Gazprom dominate the Armenian economy—particularly the public utilities sector (Branch, 2018). In other words, the Russian oligarchs and their companies had to scale back their economic activities and plans when the sanctions were imposed in 2014.

Newnham (2015) argues that FSU democracies such as Ukraine and Georgia are very sensitive to the sanctions because of their dependence on Russia, especially for economic relations. The sanctions imposed in 2014 quickly impacted Georgia, which relies on remittances from Russia and trades primarily with Russia (Hamilton, 2018). In addition, following Russo-Georgian war and tensions (2008) over South Ossetia and Abkhazia, Russia temporarily restricted Georgian exports of mineral water, wine, and fruit (Indans, 2007). The situation is the same in the case of Azerbaijan. Namely, the main expectations of the 2022 sanctions are supply chain disruptions (i.e., rapid changes in exports and imports between the two countries, Mammadov, 2022). Ibadoghlu (2022) claims that one of the possible effects of the sanctions on Azerbaijan could be that Russia increases pressure to admit Azerbaijan to the EAEU, which the country has so far tried to avoid in order to neutralize Russian political influence. This could be the case if Russia experiences a significant slowdown in its economic relations with other FSU countries in the South Caucasus and Central Asia.

It seems that the authors who studied Azerbaijan's gains and losses from the earlier Russo-Ukrainian conflicts were optimistic mainly because of the country's notoriously balanced foreign policy course. For example, Valiyev (2014) argued that the 2014 Russo-Ukrainian conflict provided both economic and political opportunities for Azerbaijan to supply more oil and gas resources to Europe, to distinguish itself as a serious alternative to Russia, and to work on its image as a political ally. As a result of the unrest in Ukraine, U.S. leaders have turned their attention to Azerbaijan, which could provide a stable supply of natural gas to some of the United States' key European allies (Valiyev, 2014). However, Baghirov et al. (2022) expressed concern about the Azerbaijani economy, pointing out the urgent need to develop human capital resources to improve high-value-added productive sectors in turbulent geopolitical times. In other words, the situation in 2022 may be less optimistic for Azerbaijan than in 2008 and 2014. According to Baghirov et al. (2022), the phenomenon of the so-called "curse of natural resources" and dependence on the Ukrainian and Russian economies, which often prove to be unstable and volatile economic partners, could become a major challenge if not addressed. Food security and stable non-oil export revenues could suffer even more in the long run if human capital development and structural policies are not on the agenda of government decision makers.

As a result of the sanctions in 2015, the five Central Asian countries experienced low hydrocarbon revenues, lower exports due to the devaluation of the RUB, lower labor remittances, and frozen investment contracts for key infrastructure projects (Schenkkan, 2015). In particular, the crises between Russia and Ukraine in 2014 and 2015 had an economic and political impact on Kazakhstan (Ishmukhamedov, 2015), as sanctions reduced exports from the EU to the country, as the main trade routes between EU countries and Kazakhstan pass through Russia (Aituar, 2021). Moreover, Central Asia's health care system seems to be significantly affected by the war in 2022, as almost all production of life-saving medicines is located in Russia and exported to Central Asian countries (Kazatchkine, 2022). Therefore, the weak RUB, disrupted trade routes, and growing humanitarian crisis in Ukraine appear to be important economic and social channels for the sanctions.

However, Aituar (2021) claims that transportation costs between Russia and Kazakhstan did not increase during crisis periods such as 2014 and 2015, perhaps in part due to the Russian government's successful import substitution policy. Imports of agricultural goods from Western countries to Kazakhstan increased by 65% after the sanctions, indicating the possibility of re-exports or smuggling from Kazakhstan to Russia (Aituar, 2021). These results also show that Russian counter-sanctions against Western countries may not be successful because Kazakh companies are using this crisis as an economic opportunity. However, some categories of goods, such as oil and gas equipment, were not affected in terms of volume and value of trade.

Although Bazileva et al. (2016) argued that Uzbekistan used the sanctions as an opportunity to promote economic cooperation because Russia and Uzbekistan have close economic ties, other scholars disagreed with this statement. The reasons for this lie in the fact that third countries cannot always take advantage of opportunities that may arise from the sanctions against Russia. Abdullayev (2019) analyzed the case of Uzbekistan, where many experts believed that the sanctions between Russia and EU countries would lead to more exports from Uzbekistan to Russia. However, regulatory and technical issues such as high tariffs and outdated economic policies favoring cotton and wheat prevented this opportunity from being realized.

It is expected that other Central Asian countries, such as Kyrgyzstan and Turkmenistan, will also be affected by the sanctions. Oxford Analytica (2022) indicated that Kyrgyzstan may have difficulty attracting FDI from Russia. In addition, the som, Kyrgyzstan's national currency, has lost over 40% of its value since February 2022, severely affecting the country's healthcare initiatives (Kazatchkine, 2022). In the case of the Turkmen economy, on the other hand, the ongoing economic crisis is not exacerbated by the sanctions, as the country is highly isolated from the world, but there could still be a small impact on the dynamics of international trade (Oxford Analytica, 2022). Moreover, it seems that after the Russo-Ukrainian conflict in 2014, Kyrgyz society has started to look positively at the country's membership in the EAEU and the possibility of greater cooperation with Russia in general (Kudaibergenova, 2016).

From the literature, it is clear that the sanctions can be an opportunity that benefits the economy or a threat that harms the economy. Each country's case is different. Although there are some empirical and general analytical statements about the economic impact of sanctions on third countries, there seems to be a lack of more specific and methodological studies of the impact in the scientific literature (Aituar, 2021), and this is especially true for the small countries of the FSU. Azerbaijan distinctly stands out as a case study due to its rich hydrocarbon resources and dependence on the Russian economy (in terms of remittances, non-oil exports, and food imports). Therefore, a conclusive and comprehensive study should be conducted, and this study aims to fill this gap.

Theoretical Framework

An economic or financial sanction aims to change the behavior of a particular country toward more favorable conditions for the international community without the need for war (Namyatova and Volodin, 2016). A sanction may include trade embargoes, restrictions on arms and arms transfers, prohibitions, or freezing the economic and financial resources of companies or individuals particularly close to the governments of targeted countries (Weber and Schneider, 2020). Since the end of the Cold War, the EU and the U.S. have used sanctions extensively, which can be either unilateral or multilateral. However, the concept of sanctions is rapidly evolving, and as Weber and Schneider (2020) argue, selection effects surrounding the sanctions decision, the complexity of decision making, the role of international institutions, increasing flexibility in sanction busting, and other intervening factors also play a role. Therefore, we focus on the Russian case and design a brief theoretical framework based on both country-specific and theoretical considerations from the literature review conducted.

De Souza et al. (2022) documented that the imposed sanctions in the form of high trade tariffs against Russia reduced Russia's exports and the sanctioning country's imports for the affected products, resulting in welfare losses in the first half of 2022. DeSouza et al. (2022) also determined the trade elasticities of different sectors, which shows the heterogeneous effects of sanctions. In other words, the authors claim that if the willingness of sanctioning countries to pay for sanctions increases, then certain embargoes and severe sanctions become optimal to maintain the effective outcomes of sanctions. If the opposite is true, then sanctions are not worthwhile. Furthermore, if the sanctioner country is moderately integrated with the target country, then the intensity and scope of the sanctions will be high (Bapat and Kwon, 2015). In other words, sanctioner countries account for the cost that incur to themselves as the result of the sanctions.

Country-specific characteristics of economies play an important role in determining whether imposed sanctions are a threat or more of an opportunity. Li (2022) pointed out that countries with natural resources could benefit from the current Russo-Ukrainian war, as they can increase their supply of fossil fuels in international markets to restore economic stability and heal the short-term pain caused by the war. However, Konrad and Thum (2022: 14) have challenged this claim, arguing that the net benefit to mineral exporters could be zero, as mineral resources are purely an exchange of assets and not a value creation. Moreover, Konrad and Thum (2022) argue that the effectiveness of sanctions against countries rich in mineral resources increases over time if "the political property rights in future resource extraction rents are weaker than those in financial assets shifted to international safe-havens." However, depending on the type and structure of sanctions, their effects also change, ultimately causing companies to leave the sanctioned country, which in turn leads to low value added, unemployment, and inflation (Jäkel, et al., 2022).

The overall impact of sanctions can be direct or indirect (Mirzazadeh, 2021). If the target country itself suffers from the sanctions (e.g., destruction of economic infrastructure, erosion of sovereignty, and loss of confidence in the long run), this can be called a direct impact or welfare loss (see Figure 1). However, not only target countries suffer from sanctions, but also third countries (e.g., neighboring countries or highly integrated partners). In the case of third countries, sanctions can lead to either welfare losses or gains, depending on the situation. For example, while a decrease in trade, investment, and cross-border money transfers with the target country means welfare losses for third countries, sanctioning countries may expand their economic partnership with small neighboring countries, which can increase their welfare. This is also true if the target country expands its economic ties with neighboring countries. However, sanctioning countries usually put pressure on third countries not to help target countries circumvent sanctions. All in all, in the case of Azerbaijan, we expect both welfare losses and welfare gains from sanctions related to Russian sanctions. The theoretical framework presented in Figure 1 was our main conceptual map.

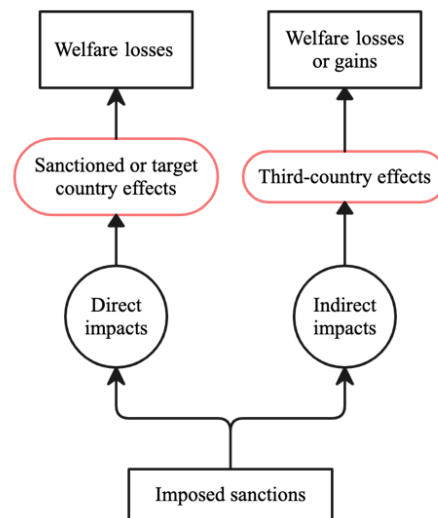


Figure 1. Theoretical framework of the current study based on the literature review.

Source: Author’s own construction.

3. Data and Methodology

A study seeking qualitative interpretations of a particular phenomenon can use TA because it organizes the data analysis and allows the researcher to compare the frequency of a theme with the content as a whole (Alhojailan, 2012). TA includes several crucial steps that must be thoroughly carried out in order to obtain accurate, valid, and solid results. These are data collection, coding, identification of themes, and methodology of TA. All of these steps are explained below in the context of this study.

3.1. Data sources and collection

Interview and focus group data, as well as data from print media, are often the starting points for TA (Joffe, 2012). However, unlike traditional qualitative data collection methods such as interviews and focus group discussions, this research collected data from social media and website postings (primarily from social and mass media internet resources) to capture more authentic expert opinions that emerged in real-time during the early stages of sanctions. In this research, an expert is a person who specializes in a particular field, e.g., economics, politics, information and communication technologies (ICTs), etc., and who expresses his or her opinion through media channels as a public figure. We follow Weinstein’s (1993: 58) epistemic sense of the concept of an expert who is “capable of offering strong justifications for a range of propositions in a domain.” Experts are those who are widely recognized as having attained a high level of expertise in a certain field, either via direct experience or academic training (Kaiser, 2014). Similarly, Weinstein (1993) defines “an expert opinion” as a claim by an expert who justifies his or her claim that overlaps with his or her expertise area. The collection and analysis of expert opinions usually

provide valuable information about the topics where a consensus is lacking and more traditional methodological investigations have not been applied (Baker et al., 2006). A natural inclination kicks in whenever we encounter a new problem: we go for the most qualified expert we can find in the hopes that they would be able to help us and it is even a big business nowadays (e.g., consulting services; Richardson and Tait, 2010). Döringer (2021) indicates that expert interviews cover the expert knowledge that delivers a specific and topical information about a particular theme. Therefore, a set of expert opinions can be a systematic evaluation of the problem, in our case the effects of the sanctions on the Azerbaijani economy. Furthermore, sometimes a person can be described either as an expert or as a specialist. Weinstein (1993) claimed that an expert and a specialist are not the same thing. While certainly specialists who narrowly specialize in some subdomains are experts, not all experts are specialists. We considered all these conceptual aspects in relation to the concept of expert throughout our research to ensure clearer and feasible administration of the secondary data.

Certain criteria were used to infer the expert status of a person who shared their ideas about the impact of the sanctions on the Azerbaijani economy. For instance, profession (e.g., as an economist, government official, or politician), public recognition, and recommendations from other experts. These principles are consistent with Mead and Moseley's (2001) definition of an expert. In addition, we found that these individuals (or experts) are able to influence both government policy and private sector behavior, which overlaps with previous definitions and concepts of an expert commonly used in academic research (as cited in Baker et al., 2006; Cantrill et al., 1996; Keeney et al., 2001; Kennedy, 2004). Any individual whose affiliation and media presence could not be found in publicly available sources was excluded from the candidate list. Social media platforms act as online directories where users can instantly voice their concerns and share their accomplishments, facilitating the collection of primary data. This is a common experience for collecting publicly available data without ethical conflicts. For example, Bennet and Gough (2013) collected qualitative data from online discussion forums by conducting keyword searches to determine how men discuss their body weight management efforts through TA. In addition, Ajala et al. (2022) collected Twitter data using hashtags and classified some of the content as "expert content" related to political science to identify extreme views on social media. This study follows a similar data collection strategy and relies mainly on social media and websites (or traditional media channels that post on the social media).

To identify the opinions of experts on social and mass media channels, certain keywords were used to collect text or video content in three languages, namely Azerbaijani, Russian, and English (see Table 1). Then, the results were reviewed for adequacy by searching for keywords such as "Russo-Ukrainian war," "Ukrainian conflict," "Russian invasion," "impact on Azerbaijani economy," etc. In addition, an expert commented either directly or indirectly on the impact of sanctions on the Azerbaijani economy. Direct means that they posted on social media under their own name and surname, while indirect means media posts from professional news agencies. The latter is mainly research by journalists, summarizing various expert opinions on the impact of the sanctions. While direct statements were named in the dataset with the person's first and last name, expert opinions that were part of journalist interviews or research were labeled "WBR" (web resources) to allow a clear distinction for analysis purposes.

Table 1. Selected examples of keywords used in the content search

English	Azerbaijani	Russian
Sanctions, Azerbaijan economy	Sanksiyalar, Azərbaycan iqtisadiyyatı	Санкции, экономика Азербайджана
Sanctions against Russia, impact on Azerbaijan	Rusiyaya qarşı sanksiyalar, Azərbaycana təsiri	Санкции против России, влияние на Азербайджан
Western sanctions against Russia, Azerbaijan	Qərbin Rusiyaya qarşı sanksiyaları, Azərbaycan	Западные санкции против России, Азербайджан
Western sanctions, impact on Azerbaijan	Qərb sanksiyaları, Azərbaycana təsir	Западные санкции, влияние на Азербайджан
Russia, Azerbaijan economy	Rusiya, Azərbaycan iqtisadiyyatı	Россия, Азербайджан экономика
Ukrainian war, Azerbaijan economy	Ukrayna müharibəsi, Azərbaycan iqtisadiyyatı	Война на Украине, экономика Азербайджана

Source: Author's own construction based on the research design.

Selected data sources were saved as a separate Microsoft Word file after technical details were added and translated into English when the original language was Azerbaijani or Russian. In addition, all video sources were transcribed by the online transcription platform Voicen (<https://voicen.com/>) and then translated into English, mainly using the Google Translate platform. Finally, all sources were imported into the Quirkos software package (version 2.5.2) to initiate the coding process and identify the main themes. To ensure the high quality of the text data, all sources were cleaned and trimmed of unnecessary parts of the data, such as links to other posts (if they were web pages) or unnecessary symbols or emojis (if social media users used such). The final output of the Quirkos software package was also included in the public project (as a separate Microsoft Word file called "Analysis file") to ensure transparency, reproducibility, and reliability of the analysis for third parties.

The data cover the period between the second half of February 2022 and the second half of June 2022. Table 2 shows the main characteristics of the qualitative data. 84% of the collected data were in text format, while 16% were in video format, which was first transcribed and then translated into English. The main source of data was media reports on websites (58%). A total of 38% of the collected data came from social media channels such as Facebook, LinkedIn, and YouTube, while 4% of the data came from the organizational blogs of various research centers and commercial companies. The expert opinions collected were mainly those expressed directly by the experts themselves (79%); however, 21% of the data sources came from media news and reports by journalists. In the second case, only the data marked by quotation marks (expert opinions) from the expert interviews were coded to capture the true voice of the experts and exclude the voice of journalists or other parties present. The main language of the data was Azerbaijani (77%), but English and Russian language sources were also analyzed, accounting for 12% and 11% of the total data sources, respectively. In addition, 84% of the experts were locals and 16% were foreigners. The data sources were mainly related to the months of February, March, and April (87% in total). Finally, most experts belonged to professional occupations such as economists (46%), politicians (15%), and civil servants (9%).

Table 2. Main characteristics of qualitative data, % of total qualitative data

Type	Text	Video				
	84	16				
Source	Media coverage	Facebook	LinkedIn	YouTube	Organizational blogs	
	58	19	10	9	4	
Language	Azerbaijani	English	Russian			
	77	12	11			
Experts	Local	Foreigner				
	84	16				
Qualification	Economist	Politician	Civil servant	Entrepreneurs	Business managers	
	46	15	9	7	7	
Date	Feb2	M1	M2	Ap1	Ap2	May1
	11	32	18	19	7	2
	May2	June1	June2	July1		
	4	4	3	2		

Source: Author's own construction based on the Quirkos output.

Notes: 1) Under the heading "Professional qualifications of experts," only the categories with the highest percentage (top 5) are listed. Other categories include ICT specialist (4%), political scientist (5%), transportation expert (4%), oil or gas industry expert (2%), real estate expert (2%), lawyer (2%), risk management specialist (1%), and "other" (10%). The category of "other" professionals included presidents or chairmen of producer associations, construction industry consultants, insurance professionals, ministers, and foreign economic and business consultants. 2) Media coverage does not include social media channels. 3) Feb2 represents the second half of February; M1 denotes the first half of March, and Ap1 the first half of April.

3.2. Coding

In order to gain clear qualitative insights based on the collected data, the raw data should be coded and categorized to establish a relationship between the variables and factors that comprise the themes (Creswell, 2009; Alhojailan, 2012). According to Alhojailan (2012), coding is the method of data reduction. A detailed description of the

coding process and criteria is necessary to ensure the internal validity of the study and to illustrate how the patterns led to the themes and interpretations (Castleberry and Nolen, 2018).

In this TA, both semantic and latent codes were used to unpack the direct and indirect information generated by expert opinions in social media and posts in mass media. While semantic codes captured the direct messages of the data sources, latent codes enabled critical decoding of the social context of the circulating ideas. One of the most important key principles of the coding process was the clear distinction between two concepts: the impact of the Russo-Ukrainian war and the impact of Western sanctions against Russia on the Azerbaijani economy. Preliminary analysis of qualitative data sources revealed that experts tend to largely conflate these two separate phenomena. However, clear coding principles overcame this challenge. In other words, we coded only such content that clearly reflected the impact of the sanctions against Russia on the Azerbaijani economy. In some cases, experts commented directly on the impact of reduced trade and cooperation with Ukraine, so these were not included in the coding and thus in the analysis. Consistent with the main objective of this study, the coding considered only the experts' statements and ideas related to the impact of sanctions against Russia on the Azerbaijani economy and not the consequences of the war as a whole.

In this study, the Quirkos software package (version 2.5.2) was used to code and analyze the collected data. Computer Assisted Coding and Analysis of Qualitative Data (or CAQDAS for short) allows for the processing of large data sets, as a reliable TA analysis must be based on a large sample to validate and justify the results obtained (Joffe, 2012). In this case, conventional or manual coding techniques might fail to ensure a reasonable research design. Furthermore, CAQDAS proved fruitful in this study as notable practical patterns and relationships between data sources and key themes emerged as integral to the findings. For the full explanation of the codes, the report and codebook can be provided upon a request.

In addition, the features of the Quirkos software allowed to follow the suggestions of Bernard (2013) in the coding process: Using different colors to select and highlight the relevant parts of the data to guide the generation of the main themes in TA. In addition, systematic coding and analysis require a well-organized filing system for the software to prevent data from being accidentally "recontextualized" or inserted into another file without the user's knowledge (Alhojailan, 2012). This challenge was solved with the Quirkos software. Finally, the coding process was iterative, meaning that sources were re-read and re-coded after the initial coding phase was completed. The re-coding also required the merging of some original codes as well as the creation of new codes in accordance with previously overlooked portions of the data. Once the coding process was complete, the process of TA and thematic mapping began.

3.3. Thematic analysis and thematic mapping

TA is an appropriate method of choice when searching for recurring significant patterns in a dataset (Braun and Clarke, 2012), and it provides a more comprehensive understanding of a problem (Marks and Yardley, 2004; Alhojailan, 2012). Unlike methods such as interpretive phenomenological analysis (IPA), grounded theory, and discourse analysis, TA can be used in most theoretical frameworks due to its adaptability and simplicity.

Following the approach of Braun and colleagues, this work also follows the inductive, experiential, and essentialist forms of TA (Braun and Clarke, 2012). This means that the researcher's mapping of the data closely matches the content of the codes and themes. The qualitative analysis of the economic impact of sanctions on the Azerbaijani economy is an unexplored research topic where well-conducted data analysis is of utmost importance before adopting a critical or constructive stance towards the research subject.

The TA of social media and media coverage is becoming more widespread thanks to the increasing availability of online content. There are a number of high-quality publications that have combined TA and social media and mass media data in a comprehensive research design. For example, Aria et al. (2022) used TA on social media (Twitter) data collected on COVID-19 storytelling in Italy. In this way, the authors were able to identify the main topics of discussion and differentiate thematic categories considering their relevance and evolution during the pandemic (from February to December 2020). By using TA, Aria et al. (2022) were able to distinguish between

fake and real news, facts, and stories related to the virus outbreak. Similarly, Shepherd et al. (2015) collected Twitter data and applied TA to identify key discussion topics related to mental health issues.

Although TA has not been particularly popular in economics and business studies, especially in macroeconomics, researchers have begun to use it extensively when the research objective requires the collection of primary data on understudied or difficult-to-study topics. For example, Maziriri et al. (2017) collected data from semi-structured and face-to-face interviews and applied TA to identify barriers faced by entrepreneurs with physical disabilities in South Africa. Using the Pakistani economy as a case study, Malik et al. (2022) applied TA to qualitative data collected through expert interviews in ophthalmology to identify challenges, achievements, and future prospects for research in the national ophthalmology program. Bowen et al. (2012) analyzed the corruption of public officials in the construction industry in South Africa and identified key themes that emerged from analysis of verbatim comments from survey participants. These and other examples demonstrate the relevance and practicality of TA in entrepreneurship research (see e.g., Mateo-Babiano et al. (2020) for TA on transportation modernization in the Philippines; Bürger and Volkmann (2020) for TA on cultural entrepreneurship; Sinclair-Maragh and Simpson (2021) for TA on cultural tourism and ethnic identity in Jamaica).

In this study, similar to TA by Rizk et al. (2009), the thematic maps were created using quirks (or codes) in Quirkos after the coding process. Each new code (or quirk in the Quirkos software) initially introduces a new theme. However, over time, patterns and relationships became apparent, new themes and subthemes were developed, and additional codes were linked to existing ones. Figure 2 shows the screenshot of the final version of the Quirkos Canvas, which contains the main themes and code families. In other words, each circle represents a code, but the middle circle represents the central idea of the coding principle. To explain, "Themes" contained ten main themes, and each theme had its own subthemes (which are not visible on the standard Quirkos canvas). "Tone," "Perspective," and "Developments" were additional latent codes that supported the main process of TA. However, the code "time perception" was not used because it was inconclusive.

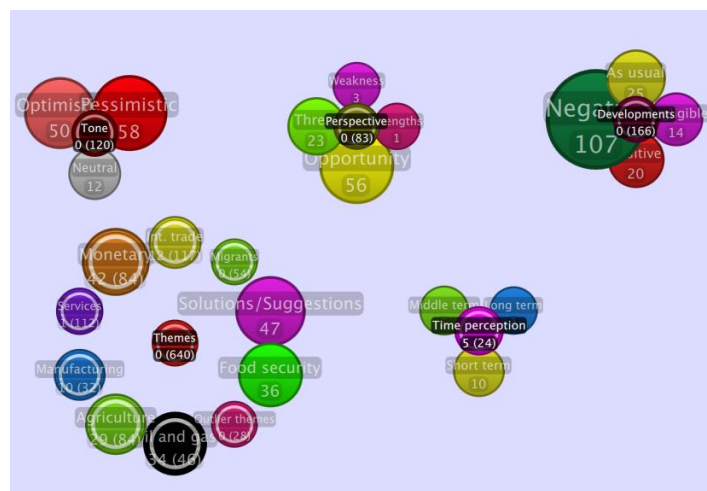


Figure 2. Screenshot of Quirkos canvas of TA.

Source: Author's own construction based on the Quirkos output.

After completing the coding process, i.e., the first phase of the iterative TA, the collected data sources were re-read (see Figure 3). They were matched to the corresponding themes via the codes used. If the match was correct, everything was kept the same; if not, appropriate corrections were made. The Results section reports on the second-order themes, which summarize a number of first-order themes. However, there are also a number of smaller or less frequently coded subthemes in TA. To keep the article concise, all outlier themes were grouped under the category "Outliers." Finally, the general reporting style of this study follows the articles of Raufelder et al. (2016), Mahmood et al. (2021), and Montrone et al. (2021).

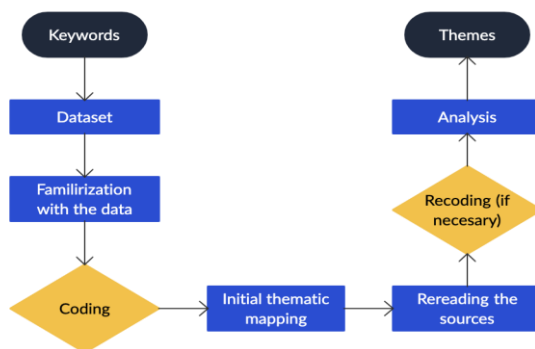


Figure 3. The process of thematic analysis and mapping.

Source: Author’s own construction based on the research design.

4. Results

This section is divided into two subsections: Section 4.1: Thematic Overviews, which narratively summarizes the main ideas of the experts; and Section 4.2: Coding Frequency (Co-coding) and Keyword Analysis of the Qualitative Data, which compares and contrasts the main features of the sources to descriptively and numerically identify further patterns in the data set. Figure 4 shows the two main phases of thematic analysis: (a) the identification of first-order themes and (b) the clustering into second-order themes. The first-order themes were descriptive and broad, based on expert opinion (or statements). They were then clustered into a larger second-order theme to allow for a holistic and integrated extraction of themes from the qualitative data. In total, ten second-order themes were generated from the 39 first-order themes (see Figure 2). The largest theme was international trade, and the smallest theme was designated as an "outlier theme" that rarely contained coded data (e.g., investment, counter-sanctions). While categories such as services and manufacturing had nine and seven first-order themes, respectively, the other major themes had an average of three first-order themes. Each of the second-order themes is discussed separately in the narrative summary below.

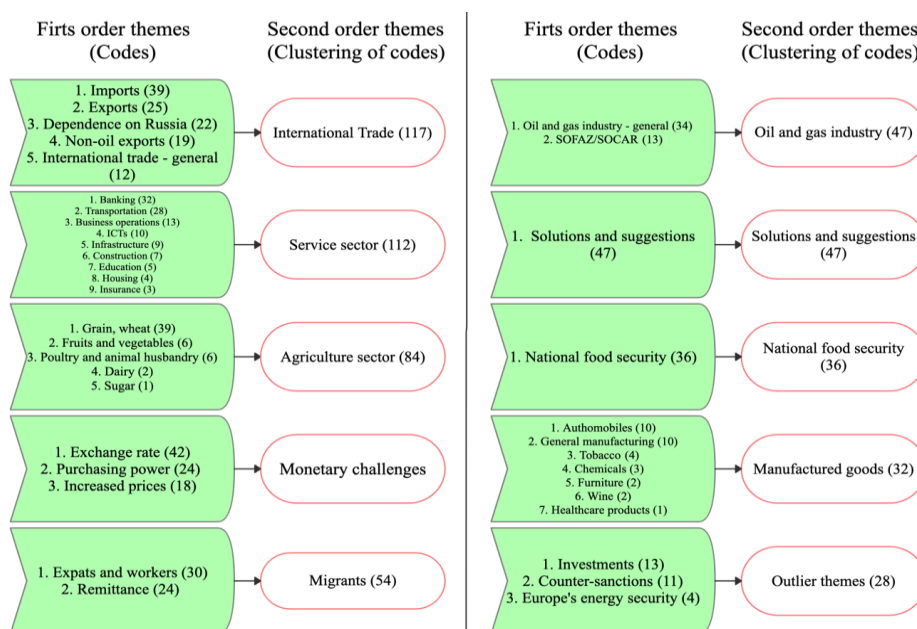


Figure 4. First- and second-order themes (clustering) during thematic analysis.

Source: Author’s own construction based on the primary data collected.

4.1. Thematic summaries

International trade

TA has shown that the impact of sanctions on the dynamics of Azerbaijan's international trade is the biggest theme in the collected expert opinions. According to the experts, the expectation of the ongoing and upcoming impacts is very high due to the dependence of Azerbaijani producers and consumers on Russian markets. It was argued that bans or restrictions on iron, wheat, grains, automobiles, chemicals, and metallurgical products would mean an import shock for Azerbaijan and lead to import inflation. In other words, imports from Russia have always been cheaper than imports from other distant regions and countries, especially for agricultural and food products (e.g., grains). However, apart from agricultural imports, 50% of Azerbaijan's non-food consumption is usually covered by imports from Russia. In fact, Azerbaijan is strategically dependent on both imports of industrial goods from Russia and exports of non-oil goods.

“But we should not rely on just one market. The country's export market must be diversified. The main agricultural products exported are tomatoes, apples, pomegranates, and hazelnuts. We have a few products with export potential. In general, we do not have the capacity to fully cover the production of a number of necessary products.” – WBR013 (Rajab Orujov)

Similar to imports, exports to Russia have always been an optimal choice for local producers (e.g., knowledge of the Russian language, geographic proximity to Russia). Therefore, experts argued that negative impacts on exported non-oil products such as agricultural (e.g., fruits, vegetables) and chemical (e.g., rubber, plastics) are inevitable, as the purchasing power of Russians will decrease and the Azerbaijani manat (AZN) will most likely appreciate against the Russian ruble. In addition, Russia's exclusion from SWIFT has created significant problems in financial transactions that accompany international trade. Finally, there are specialized regions in Azerbaijan that export exclusively to the Russian market, and the sanctions could seriously affect the well-being of these regions. Almost all the experts were concerned about how the sanctions would affect Azerbaijan's international trade. However, in a few cases, some experts mentioned that Azerbaijan could take advantage of the sanctions and develop export-oriented industries that could replace non-Russian imported products in Russia.

Therefore, experts believe that trade in Azerbaijan could be negatively affected by the sanctions due to close economic ties and, in some cases, dependence on Russia. This could lead to shortages of certain goods for a large number of consumers and welfare losses for agricultural exporters.

Services sector

The second largest category of discussion among experts was the impact of sanctions on the service sector. Two subthemes deserve special attention: banking and transportation. Russia was excluded from the SWIFT system and financial transactions were significantly disrupted by the sanctions, leaving Azerbaijan's financial system in a precarious position. Financial relations between the two countries have always been close, and Russian banks such as VTB and Sberbank have invested in Azerbaijani commercial banks. However, VTB has not yet integrated its financial system with Russia's Mir system, which some experts believe could have solved many problems related to financial transfers between Azerbaijan and Russia after the sanctions. In fact, the experts suggested several times to apply the Mir system. Otherwise, they urged a resurgence of the black markets for money transfers, which were very popular in the 1990s.

While the experts discussed the banking sector extensively, the insurance sector was rarely mentioned. Insurance was coded only three times, and all data came from the same source (see Figure 2). However, it is worth discussing the insurance segment of the services sector as well, as the Azerbaijani and Russian insurance markets are closely linked. This cooperation has been encouraged in Azerbaijan by cheaper reinsurance prices in Russia, but emerging payment difficulties have been cited as the main challenge for local Azerbaijani insurance companies to resume existing partnerships. This, in turn, could steer Azerbaijani insurance companies toward European alliances that could drive up local insurance prices.

The second largest subtheme in the services category of TA was transportation. The experts were mostly optimistic about the impact of sanctions on the Azerbaijani economy and saw Russia's exclusion from European and Western markets as an opportunity for Azerbaijan. Put differently, the experts emphasized the increasing role of Azerbaijan's transit position in international trade and the challenges of energy security in Europe. Projects such as the Trans-Caspian gas pipeline, the Baku-Tbilisi-Kars railroad line, the Zangazur corridor, and the closure of the East-West corridor of the China-initiated Belt and Road Initiative (BRI) can significantly increase Azerbaijan's importance for both European and Asian countries.

More specifically, the Trans-Caspian gas project can help reduce Europe's dependence on Russian gas by supplying more gas produced in Azerbaijan and Central Asia. The Baku-Tbilisi-Kars railroad line, the Zangazur corridor, and the relocation of the BRI routes can bring additional transit revenues and secure foreign exchange inflows. However, local transportation infrastructure and businesses must adapt to these new realities created by the sanctions. Otherwise, from a transportation perspective, the opportunities may not materialize, and it would be premature to view them as opportunities. Moreover, experts predict an increase in cargo activity in Azerbaijan. In fact, several ports in Baku (e.g., Hovsan, Alat) are being modernized, and the port of Zira is under construction. New and renovated ports can significantly increase cargo capacity in the South Caucasus region and, in cooperation with Georgia, ensure smooth transportation between East and West. Azerbaijan can benefit by ensuring necessary transport links between Western countries, Turkey, and Russia.

“The gradual shift of land freight traffic between Europe and China to the Middle Corridor of the BRI, in which Azerbaijan is also located, increases the importance of this corridor and, consequently, Azerbaijan's transit revenues.” – 006 - Elshan Bagirzadeh

Nevertheless, not all expert opinions are optimistic about the potential impact of sanctions on Azerbaijan's economy with regard to the services sector. Some businessmen and agricultural experts expressed concern about the increasing delays in exports to Russia and vice versa (especially in the fruit and vegetable sector). There are delays in customs, and imports of processed foods such as animal and poultry feed, dairy products, and processed meat could face supply shortages in local markets.

Overall, it appears that the experts see the banking and insurance sectors in disarray and that economic and financial activities have been disrupted by the sanctions. However, the majority of experts believe that the transport sector can develop as an alternative to the other routes, which are now risky after the sanctions, thanks to the optimal geographical location of Azerbaijan.

Agriculture Sector

Azerbaijan is highly dependent on grain imports from Russia and Ukraine. This, of course, was one of the main issues raised in the expert opinions in TA. Russia suspended grain exports (wheat, corn, barley, rye, etc.) in response to sanctions after the outbreak of the war. This has caused concern in Azerbaijan as the rising prices of the above products could directly hit the demand side of the economy hard. High consumption of bread is part of the food culture in Azerbaijan. A significant increase in bread prices could put a psychological strain on Azerbaijani consumers, experts say.

Domestic grain production in Azerbaijan faced difficulties in 2021 and 2022 due to weather conditions, and proper diversification of importing countries has not been maintained in recent years. In addition, Azerbaijan's dependence on grain imports has increased experts' concerns about low productivity, inefficiency, and few producers operating in the domestic market. Experts expressed some long-term plans and proposals related to new irrigation projects and cultivation areas, but the highest priority was given to preventing artificial price increases in producer and consumer markets and building sufficient grain reserves in the short and medium term. In fact, 65% of grain is grown in poorly irrigated areas and the quality of the seed used does not produce high-yielding crops.

Experts cautioned that Azerbaijan must diversify its importing countries for agricultural products, especially wheat. The government must continuously and gradually accumulate strategic grain reserves to ensure at least

price and volume stability in domestic markets. Experts also pointed out the impact of sanctions on sugar. To explain, Azerbaijan is not as dependent on sugar as it is on cereals, but price increases can still occur. This also applies to dairy products and animal feed.

“Russia has traditionally been Azerbaijan's main trading partner when it comes to imports. The most important import item is grain. Azerbaijan is among the top five grain importers from Russia. On average, Azerbaijan imports more than 1.5 million tons of grain from the Russian Federation annually.” – 053 - Mirfaraj Abbasov

Finally, the impact of sanctions on the fruit and vegetable sector seems ambiguous, according to experts. On the one hand, it is an opportunity for domestic exporters, as Russia has given the green light to countries that have not directly participated in the sanctions. On the other hand, the RUB has been losing value for some time, which has slowed Russia's imports. The decreased purchasing power in Russia also threatens the well-being of Azerbaijani agricultural exporters, who have so far established trade relations primarily with Russian markets.

“Those who export fruits and vegetables from Azerbaijan to Russia said that they lost up to 40% due to the devaluation of the RUB.” – 024 - Rashad Hasanov

In summary, experts point out to policy makers the importance of the fact that Azerbaijan is dependent in terms of food security. Grains are at the forefront, but it is difficult to assess the exact impact on the fruit and vegetable sector due to rapidly changing monetary and regulatory changes.

Monetary Challenges

When discussing sanction-related monetary issues, experts most often spoke of exchange rate pressures and domestic inflation. It was argued that the devaluation of the RUB could put pressure on the Azerbaijani manat (AZN). Given the high domestic inflation already prevalent following the economic slowdown cited by COVID-19, an appreciation of the AZN could hinder export dynamics directed toward Russia. The fixed exchange rate of the AZN against the USD further complicates the situation.

“According to the latest figures of the State Statistics Committee, food prices in February 2022 increased by 17% compared to the same period in 2021. In Azerbaijan, we do not often experience double-digit inflation.” – 070 - Farid Mehralizada

The sharp decline in USD inflows to Russia has reignited discussion among experts about international trade, lending, and borrowing in local currencies. Some experts believe that the RUB and other local currencies could take the lead in international trade and lending if the USD loses its power as a medium of exchange among post-Soviet countries. In fact, the Moscow Declaration—the agreement on mutual cooperation between Russia and Azerbaijan signed on February 22, 2022—mentions trade in local currencies in one of its points. However, experts also claim that this will have a negative impact on Azerbaijan's economy, as the country has a large trade deficit with Russia. In other words, Azerbaijan will need large reserves of RUB to maintain the desired level of bilateral trade with Russia. Nonetheless, some recommendations have been made to adopt a more robust policy to address the challenges of the exchange rate compared to the current monetary policy. Another proposal to address the monetary challenges was to join the EAEU to benefit from the shared financial resources of the other member countries.

There were several expert opinions about the possible devaluation of AZN—a very painful event for Azerbaijan, if we recall the events of 2015. Given the pressure exerted on the AZN due to sanctions, devaluation of the AZN is to be expected. However, given that oil prices have increased in international markets and the overall macroeconomic balance has been maintained, it is unlikely that serious negative effects of sanctions on the Azerbaijani monetary system will be observed in the short run. As Azerbaijan's international foreign exchange reserves are rising, the likelihood of a change in the current fixed exchange rate against the USD is low, so the central bank will not take drastic measures in the near future.

Expert opinions mainly referred to inflation and exchange rate problems when it came to monetary challenges. Put differently, RUB or AZN-related exchange rate fluctuations may significantly affect trade, but AZN

devaluation is not expected, and perhaps local currency trading as an alternative to USD-dominated trading is possible in the near future.

Migrants

The impact of sanctions on migration was the most pressing issue reported by experts on social media and news websites. According to the experts, Azerbaijan not only exports non-oil goods (e.g., agricultural products) to Russia but also considers Russian labor markets as the main destination for its unemployed workforce. Since the collapse of the Soviet Union, Russia has been the most popular destination for Azerbaijanis who emigrate to find work or pursue economic activities. Numerous historical reasons have led to this situation, and many families rely on remittances from Russia. The ability of workers to send money home to their families could therefore be affected by the devaluation of the RUB and the expected loss of income as a result of the sanctions. Or, to put it another way, the sanctions will affect Russian SMEs and lead to massive layoffs. One consequence of this could be an increase in the unemployment rate, which in turn could lead to a massive exodus of Azerbaijani workers from Russia.

An interesting finding from TA is that some experts have used the difficulties of the Azerbaijani labor force in post-sanctions Russia as an opportunity to express concern about the structural and institutional problems (such as monopolies, inefficiency, and low enforcement of the rule of law) in the Azerbaijani economy that triggered the exodus of labor from Azerbaijan in the 1990s. That is, if these problems can be fixed, the social impact of sanctions on the Azerbaijani economy is not to be feared because either the labor force will stop leaving the country or the returning labor force will be able to find jobs to meet the socioeconomic challenges. Thus, the sanctions will make it much more difficult to find new employment in Russia, and even if Azerbaijani migrants return to Azerbaijan, they may face the same problems that once caused them to leave the country. Although experts expect some influx of migrants back to Azerbaijan, not all analysts expressed negative views about the labor force in the context of the state of affairs between Russia and the West:

“As for migration, there may be such facts. However, I do not believe that it will spread. Because in 2014 sanctions were imposed on Crimea, the RUB lost value, and there were economic difficulties, but Azerbaijanis did not decide to return to their homeland. Because if they returned to Azerbaijan, they could face the same problems, i.e. unemployment, and difficulties in starting a business. All this delayed their desire to return home. And now I think that our compatriots will wait for a while.” – 063 - Natig Jafarli

“For example, thanks to the additional revenue from oil, Azerbaijan will be able to provide unemployment benefits to citizens who have lost their jobs in Russia and returned home. 130 dollars per barrel is a very big difference, and the extra money could go to social security and social benefits.” – WBR002 (Rovshan Ibrahimov)

The second subtheme was remittance. There are many families in Azerbaijan where the main income of the household comes from remittances from Russia. Experts expressed their concern about the decreasing purchasing power of these families and emphasized the increased vulnerability to upcoming social and economic shocks. In addition, families with agricultural exports, where the head of the family usually supplies agricultural products directly to Russian markets himself, were mentioned as a vulnerable group due to the sanctions.

Some experts and analysts have suggested using Azerbaijan's increased oil wealth, thanks to higher commodity prices, to help the Azerbaijani people hit hard by the sanctions. The government does not provide specific details about the situation, but one thing is certain: many households have become accustomed to meeting their social and economic needs with remittances from Russia. Members of one family often live under one roof. Consequently, a sharp drop in remittances will lead to economic hardship, social unrest, and local conflicts. Officials in the government should think about this as a key policy direction for dealing with the social challenges of sanctions.

Experts extensively engaged in a discourse regarding the implications of sanctions on third countries in relation to migration issues. They forecast a decrease in remittances from Russia and an increase in the phenomenon of return migration. The experts emphasize the need for governments to give greater attention to these impacts.

Despite extensive discussion of these issues, it is anticipated that they will not result in significant social unrest or create socioeconomic crises at the household level.

Oil and Gas industry

The TA of expert opinions revealed that sanctions have increased Azerbaijan's attractiveness as a secure energy source for EU countries. The visit of EU Energy Commissioner Kadri Simson and EU President Ursula von der Leyen to Azerbaijan (July 18, 2022) proves this. New agreements and contracts were signed to increase the EU's natural gas imports from Azerbaijan. Many experts pointed out that this is an opportunity for the Azerbaijani economy to benefit from both increased volumes and prices on international commodity markets. Oil and gas infrastructures such as the Southern Gas Corridor, Baku-Tbilisi-Erzurum, and Baku-Tbilisi-Ceyhan mentioned by experts and popular media, as well as joint gas exports with Central Asian countries (e.g., Kazakhstan), are not far from reality in the near future. Although experts reckon that Azerbaijan can benefit from higher energy exports, the country also needs to reduce its dependence on oil and gas exports as soon as possible. The recent boom in oil prices may be the last chance to turn available natural resources into long-term sustainable development.

Some experts expressed concern about increased cooperation between Russia and Azerbaijan in oil and gas production. Lukoil has acquired a 9.99% stake in Azerbaijan's Shah Deniz natural gas project by buying \$1.45 billion worth of shares from Malaysian oil and gas company Petronas (Offshore Energy, 2022). Similar actions allow Russia to circumvent sanctions to some extent. For this reason, some foreign experts have called for sanctions to be extended not only to Russia but also to Azerbaijan. However, new oil and gas agreements show a contrary picture to these statements, and such a thing would significantly endanger the EU's energy security in the medium and long term.

“As expected, the sanctions imposed on Russia have not bypassed Azerbaijan. Despite the sharp rise in oil prices, the investment portfolio of the State Oil Fund suffered a loss of AZN 1.6 billion in the first quarter. Revenues slightly exceeded the fund's expenditures, and the value of assets did not increase.” – 057 - Ingilab Ahmadov

Under the subtheme SOFAZ/SOCAR (State Oil Fund of the Republic of Azerbaijan and State Oil Company of the Republic of Azerbaijan, respectively), other topics were clustered to understand the extent of the impact of sanctions on the Azerbaijani economy. The main finding from this subtheme was that there are financial risks for SOFAZ due to its investments in RUB in the real estate sector and VTB Bank in Russia. Experts feared that sanctions could be imposed on the state-owned company if SOCAR continues to blatantly cooperate with Russian companies in the energy sector.

In summary, experts anticipate that Azerbaijan will have a variety of opportunities in the extractive industry and that oil revenues will increase. However, relations between Azerbaijan's oil and gas industry and Russian state and private companies could jeopardize these prospects. Despite the potential challenges, it is certain that the next phase of Azerbaijan's oil boom will commence in 2022.

Solutions and Suggestions

Most of the suggestions that the experts made to address the challenges posed by the sanctions were related to the agricultural sector. The experts strongly recommended reducing Azerbaijan's dependence on Russia for exports and imports. For example, grain can be imported from other countries, such as Kazakhstan. At the same time, there is substantial export dependence on domestic agricultural producers, who need to diversify their outlets in European markets. It is also important to increase the efficiency of domestic agricultural land, especially grain production, as the likelihood of external supply shocks for grain has been increasing since 2020 (if we also consider COVID-19). The government needs to grant trade preferences to domestic entrepreneurs so that they can do business with European countries in a liberal manner. It also needs to finalize some necessary legal regulations, policy decisions, and stimulus packages (e.g., competition law, anti-inflation measures, structural reforms, and interest-free loans for entrepreneurs).

In the services sector, the experts recommended less cooperation with the Russian financial system to avoid becoming a target of the sanctions. However, some experts advised introducing the Mir system into Azerbaijani

banking practices to facilitate money transfers between the two countries, especially between households in Azerbaijan and migrants working in Russia. In the meantime, there are some opportunities in the areas of trade, logistics, and transportation that just need to be prepared and utilized by domestic parties. The government should play an active role in creating additional opportunities for emerging players and minimizing the negative impact of sanctions.

Considering the fact that COVID-19 has already reduced the purchasing power of Azerbaijani citizens in 2020 and 2021, the experts also proposed exempting food products included in the basket from taxes and duties. Otherwise, according to the experts, some social groups of the lower and middle classes would not be able to meet their consumption needs after non-oil exports (e.g., from agriculture) and remittances plummeted.

Therefore, the experts have several suggestions and solutions to the persistent challenges that have arisen after the sanctions. First and foremost, they emphasize that food security must be solved by diversifying away from Russian markets. In addition, financial, logistical, and regulatory issues need to be considered by the government to adapt to the new realities.

National Food Security

Next theme is identified according to Russia's ever-expanding bans on wheat and sugar exports that challenge Azerbaijan's national food security. Russia is the main exporter of food to Azerbaijan. Bread, in particular, has been highlighted several times by the experts. They believe that a noteworthy decrease in bread consumption could lead to psychological negative effects among citizens simply because bread occupies an essential place in the local diet. Since the beginning of the war, food imports from Russia have decreased. However, experts also pointed out that Azerbaijan has sufficient wheat reserves and could meet its domestic needs for 6-7 months without further imports. More importantly, the government continues to accumulate some strategic food reserves to avoid artificial price increases. It is also possible that the government will soon support local wheat producers through subsidies.

“What worries me the most is grain imports. Because bread is very important for our nutrition and the population of Azerbaijan is very sensitive to the price of flour.” – 070 - Farid Mehralizada

All in all, experts assess the food security situation as follows: although food imports may decline to some extent, the government is accumulating strategic reserves.

Manufactured Goods

Another theme was manufactured goods. Some experts expressed concern about manufacturing goods, saying they could become scarce after the sanctions and Russian counter-sanctions, leading to price increases due to shortages. The oil-dominated economy makes Azerbaijan vulnerable to external trade shocks. Among the most discussed subthemes were automobiles, tobacco, furniture, health products, and food.

There has been a lot of discussion on social media and news outlets about cars and car parts, as Russian-made cars heavily dominate the Azerbaijani auto park. Given some logistical cost increases and disruptions, it is logical that prices will rise to some degree. While some experts expressed concern, the majority pointed out that sales in Azerbaijan are increasing and there are currently no major price increases in the markets for cars or their parts. However, the experts also mentioned the available alternatives to overcome possible shortages (e.g., importing cars and car parts from China).

There were discussions and statements on price stability in the markets for manufacturing industries, especially inorganic chemicals, metallurgical products, and fertilizers. Although Azerbaijan produces chemicals and fertilizers to some extent (so-called recent re-industrialization of the chemical industry), domestic demand cannot be fully met by national production. The experts believe that this could increase production costs in economic sectors such as agriculture and machinery and equipment manufacturing. They also mentioned that wine production has been negatively affected by the restriction of cross-border money transfers.

While furniture exports continue as usual, the import of raw materials for furniture production is a cause for concern.

“There are no problems with the export of furniture from Azerbaijan. Exports are growing this year, as they do every year. In the first quarter of this year, there was an increase of 6% compared to the same period last year. This is a sign of the development of the Azerbaijani furniture industry. This growth will continue. The main export markets for Azerbaijani furniture are not Russia but Georgia, the United States, Central Asia, East Africa, and Europe. The volume of exports to Russia is very small.” – 083 - Mashur Mammadov

In summary, Azerbaijan imports a significant amount of manufactured goods from Russia, and experts believe that cars and car parts, as well as light and food industry products, could become scarce, leading to import inflation.

Outlier Themes

Some themes were rarely discussed but coded multiple times (e.g., investment, counter-sanctions, Europe's energy security). They were grouped under the code "outlier themes" in the TA process and are summarized below.

The experts claimed that the sanctions will not affect the Russian investments already made in Azerbaijan (e.g., in the banking sector and chemical industry). However, Western countries have restricted Russian investments in Europe and other countries. These excess investments could find their way to Azerbaijan. On the one hand, this could be an opportunity for Azerbaijan. On the other hand, this is a risky business because if Azerbaijan allows mass investment from Russia, it could be seen as helping Russia circumvent sanctions, which could jeopardize Azerbaijan's own economy and politics. Indeed, Russian companies are very interested in Azerbaijan's oil and gas industry, and some experts expressed great optimism about the future of bilateral partnerships between the two countries.

As a gesture of solidarity with Ukraine, countries bordering Europe and Russia usually try not to help Russia sidestep the sanctions. However, some ICT experts mentioned the Azerbaijani startup Bankoff, which issued many bank cards to Russian customers. It was quickly shut down by the authorities. But this very fact became an example in the expert discussions on social media that some parties might be interested in helping Russia circumvent the consequences of the sanctions and profit from them:

“It is likely that Russians received a card from Bankoff en masse and that Visa and Stripe influenced and sanctioned our startup. At the same time, I regret that some of our friends from the ecosystem were not able to assess the global trends in time and did not care enough to accompany our young startups with good ideas.” – 059 - Osman Gunduz

Although the emerging opportunities and positive effects of the sanctions on the oil and gas industry have been widely discussed, some experts have consistently emphasized that Europe's energy security is at stake. A typical comment is that Azerbaijan could receive several long-term offers, both for direct supply of natural gas and indirectly (as a transit country and to use its pipeline infrastructure). Still, the EU's energy security was not a hot topic, especially for local experts.

Some of the experts discussed sanctions evasion, Russian investments, and EU energy security to some extent. They believe that Azerbaijan must be careful in its cooperation with Russia from now on. Any serious attempt to help Russia could be perceived negatively by Western countries. In the meantime, the EU is taking a mild stance because Azerbaijan has the potential to provide long-term energy security to geographically close European countries.

4.2. Coding frequency (co-coding) and keyword analysis of the qualitative data

Within the identified themes, experts overwhelmingly mentioned that sanctions will hurt Azerbaijan's economy, as the largest category of impacts captured by semantic codes was negative (see Table 3, column N). While the services sector and international trade were mainly considered to be positively affected (see Table 3, column P), it was also assumed that they would continue their functions as usual with minimal impact from the sanctions (see

Table 3, columns NLE and AU). The frequency with which positive and also other semantic codes were coded with the corresponding themes was also six times lower than for negative impacts. Interestingly, despite some concerns expressed by experts regarding specific manufacturing sectors (e.g., wine, tobacco, fertilizers, chemicals), the theme "manufacturing" was co-coded "as usual" seven times and "negligible" three times, indicating that economic activity is resuming on a regular basis and that there is no evidence of a crisis in this sector of the economy (particularly with respect to imports of manufactured goods).

Table 3. Distribution of the themes according to experts' perception, in the frequency of coding (co-coding)

	N	P	NLE	AU	OP	PES	NEU	OT	S	T	W
International trade	28	5	6	8	6	13	5	15	0	2	2
Services sector	36	7	1	1	16	10	1	18	1	10	0
Agriculture	24	3	3	4	10	11	3	23	0	2	1
Monetary challenges	20	2	0	3	2	14	0	1	0	2	0
Migrants	33	0	0	3	0	6	0	0	0	3	0
Oil and gas industry	10	0	0	4	7	3	1	16	0	1	0
Solutions and suggestions	2	2	0	0	7	5	2	8	0	2	0
National food security	8	1	0	2	5	2	3	2	0	3	0
Manufactured goods	11	1	3	7	1	5	2	0	0	0	0
Outlier themes	2	3	1	0	5	2	0	7	0	1	0

Source: *Author's construction based on the qualitative analysis of the collected primary data.*

Notes: The letters on the table denote the followings: N – negative; P – positive; NLE. – negligible; AU – as usual; OP – optimistic; PES – pessimistic; NEU – Neutral; OT – opportunity; S – strength; T – threat; W – weakness.

Table 3 also shows how the experts view sanctions in Azerbaijan, coded by optimistic, pessimistic, and neutral views on the indicated themes. Although experts expressed concern about the services sector (e.g., banking and finance) and agriculture (e.g., import dependence and reduced agricultural exports to Russia), these two topics were viewed most optimistically by experts, as they were coded 16 and 10 times, respectively. This was due to the experts' optimism about the transportation opportunities that may arise for Azerbaijan after Russia's withdrawal from the global economy. The two issues on which the experts were most pessimistic included monetary challenges and international trade. While the experts perceived monetary challenges, migrants, and some of the outlier themes as issues that will be affected by the sanctions (never coded as "neutral"), some experts felt that international trade will not suffer massively, as it was co-coded "as usual" eight times.

The last section of Table 3 shows how the experts conceptualized the identified themes from the perspectives of opportunities, strengths, weaknesses, and threats to the Azerbaijani economy. The top four themes discussed in the context of potential emerging opportunities for Azerbaijan were agriculture, services, international trade, and the oil and gas industry. This is consistent with Miller's (2016) argument that Russia's influence on neighboring regions is diminishing as regions such as CEE, CIS, and other post-Soviet countries diversify their trade relations and connect more with reliable trading partners such as the EU, the Middle East, and China. This current situation naturally invites to be more open to new potential economic opportunities, especially in the areas of transportation and trade, which are also not inconsistent with the effectiveness of sanctions. Next, the services sector was seen as threatened, and international trade and agriculture were discussed in terms of some weaknesses that are now more evident due to sanctions.

Table 4 shows the distribution of themes according to the experts' place of residence, the language of the content, and the source channel of the content. Local Azerbaijani experts talked about all the themes identified in TA, while foreign experts talked mainly about international trade, services, the oil and gas industry, and topics related to manufacturing. The next dimension of the co-coding analysis concerned the linguistic aspect, since the qualitative data were collected in three languages, and it was expected that different language users would prefer certain themes over others. Therefore, all topics in Azerbaijani could be considered. However, international trade, services, agriculture, oil and gas, and some outlier themes were communicated in English. In Russian, on the other hand, only manufacturing goods and outlier themes were not covered.

Table 4. Distribution of themes by experts' place of residence, the language of content, and source of content

Discussed themes	Experts		Content language			Content source				
	LOC	FOR	AZE	ENG	RUS	FB	LIN	YOU	WBR	OB
International trade	+	+	+	+	+	+	+	+	+	+
Services sector	+	+	+	+	+	+	+	+	+	+
Agriculture	+		+	+	+	+	+	+	+	+
Monetary challenges	+		+		+	+		+	+	
Migrants	+		+		+	+			+	
Oil and gas industry	+	+	+	+	+	+	+	+	+	+
Solutions and suggestions	+		+		+	+			+	
National food security	+		+		+	+			+	+
Manufactured goods	+	+	+			+			+	
Outlier themes	+		+	+					+	

Source: Author's construction based on qualitative analysis of primary data collected.

Notes: 1) The abbreviations in the table denote the following: LOC – local; FOR – foreigner; AZE – Azerbaijani; ENG – English; RUS – Russian; FB – Facebook; LIN – LinkedIn; YOU – YouTube; WBR – website resources; OB – organizational blogs. 2) A plus sign indicates that a particular topic fits into the appropriate category. 3) The selection criterion was at least four codes per theme since in some cases, three codes could be observed from a single source. Therefore, in the case of three or fewer, this would potentially bias the given co-coding analysis.

Lastly, the themes related to international trade, services, agriculture, and monetary challenges were absolutely common themes for the experts, both on social media and on the website. However, the issue of migrants was mainly mentioned on Facebook and in news broadcasts. Similarly, the experts' views on policy solutions and proposals to address the challenges ahead were mainly expressed on Facebook and on the website resources, while it was similar for national food security, with the only exception that this topic was also mentioned in the organizational blogs. None of the posts on LinkedIn, YouTube, or the organizational blogs addressed industrial goods. Interestingly, the outlier themes were only discussed on website resources, not social media.

Table 5 shows the occupational distribution of the tone of expert opinions by content source (social media versus website posts). The top five professional profiles were selected. An interesting finding is that economists are pessimistic when writing directly under their own names on social media platforms, but become optimistic once they give interviews to professional journalists or organizations. To a lesser extent, this situation is comparable to that of politicians. In other words, politicians express themselves more pessimistically on social media platforms than on websites. McDonald and Hakel (1985), Davis et al. (2010), and Schaeffer et al. (2010) reported that interviewers have a great influence on respondents' and interviewees' answers because of their personal characteristics such as age, voice, gender, and so on. Perhaps this was also the case with the experts who talked about their perceptions of the sanctions in relation to the Azerbaijani economy. Next, public officials had an even distribution in terms of content source: 0 presence on social media, while the probability of optimistic, pessimistic, and neutral ideas in website posts was equal and 1. Finally, entrepreneurs and business managers are pessimistic in social media but optimistic in website posts. However, the co-coding frequency for the last two professional categories was too low to make a conclusive and substantial statement about the experts' perception of the sanctions.

Table 5. Occupational distribution of the tone of expert opinions by content source, in frequency of coding (co-coding)

	Social media posts			Website posts		
	OP	PES	NEUT	OP	PES	NEUT
Economists	13	24	4	24	16	3
Politicians	1	11	2	5	3	1
Public officials	0	0	0	1	1	1
Entrepreneurs	0	2	0	2	1	0
Business managers	0	1	0	2	0	1

Source: Author's construction based on qualitative analysis of primary data collected.

Notes: 1) The abbreviations in the table denote the following: OP - optimistic; PES - pessimistic; NEU - neutral; 2) Social media is the summary of platforms such as Facebook, YouTube, and LinkedIn; 3) Website posts are the summary of posts in news media and blogs of companies.

Figure 5 shows that the experts' perceptions of the sanctions increased over time, as optimistic and neutral views increased relative to pessimistic perceptions. However, the chronological distribution of experts' perceptions does not provide a particularly meaningful or structured picture. All three categories simply fluctuated, and the uneven distribution of a small sample across months does not allow for a more comprehensive co-coding analysis.

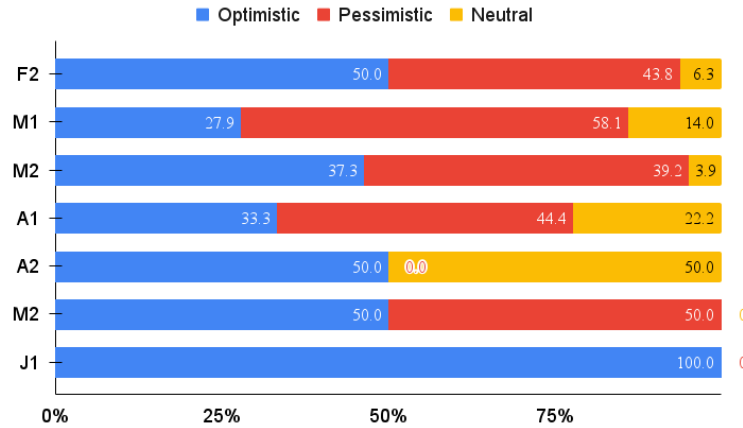


Figure 5. Chronological distribution of experts' perception of sanctions in Azerbaijan, in % of total latent codes related to the aspect of perception.

Source: Author's construction based on qualitative analysis of primary data collected.

Notes: Indicated are only the months in which the corresponding perceptual codes were used to code the data.

The final component of qualitative analysis is the general keywords that occur most frequently in the dataset. Typically, keyword analysis of the datasets is the first phase of qualitative research (Davidson et al., 2019); however, it was not necessary for this TA because the data collection focused solely on the impact of sanctions on Azerbaijan. Rather, the keyword analysis demonstrated the validity and relevance of the identified themes. Therefore, only the experts' direct posts on social media were analyzed (see Figure 6). Website resources were not reviewed on Quirkos to exclude misleading results that could include the journalists' text or various posts by organizations. According to the results, the top 4 words were "Azerbaijan," "Russia," "Russian," and "Sanctions." The rest of the keyword list includes "Sanctions," "Ukraine," "Products," "Market," "Countries," "Gas," and "Prices," "Food," "Oil," "Exports" etc. The frequent use of these words by the experts is consistent with the thematic mapping of this study. This is also evidence of the validity and relevance of the primary data collected as cited by Namey et al. (2008).



Figure 6. The main keywords in the qualitative data set

Source: Author's construction based on qualitative analysis of primary data collected.

5. Conclusion

This paper presents an in-depth study of the impact of Western sanctions (or simply the sanctions) against Russia in third countries employing the Azerbaijani economy. Russia's small and open neighboring countries promise an interesting case study, as FSU countries have increased their economic integration with both the West and Russia after the collapse of the Soviet Union. This is of great use to policymakers, politicians, and scholars studying the systematic impact of the sanctions on Azerbaijan. Moreover, it is very likely that the results are generalizable across post-Soviet countries.

Using the TA method, this paper examined 134 sources of primary qualitative data from social media and news media to find out what experts thought about how sanctions against Russia might affect the Azerbaijani economy. Ten key themes were identified: international trade, the services sector, agriculture, monetary challenges, migrants, the oil and gas industry, solutions and suggestions, national food safety, manufactured goods, and some outlier themes. Each theme included both potential positive and negative impacts, opportunities and threats, and the experts' optimistic and pessimistic views. To this end, the experts believe that sanctions are a significant development from an economic perspective. They expect both positive and negative developments and express both optimistic and pessimistic views. In particular, the sanctions increase risks for Azerbaijan in the areas of food safety, banking and insurance, agriculture, sanctions evasion and return migration. However, the ban on Russian oil and gas imports opens up numerous long-term opportunities for Azerbaijan to participate in the EU's energy security, and the country's favorable geographic location increases its attractiveness in the international transportation sector.

Recent discussions and statistical data show that overall cross-border money transfers and foreign direct investment from Russia to Azerbaijan increased overall in the first eleven months of 2022. However, it is unclear how the real level of remittances changed (Aghayev, 2023). Indeed, some have argued that import inflation and return migration occurred in 2022 despite increased trade turnover between Russia and Azerbaijan (Mammadov, 2022). Some initial international assessments also contradict the positive forecasts of experts about the opportunities of the oil and gas sector. For example, Oxford Analytica (2022) and Ibadoghlu (2022) consider that Azerbaijan, as a small energy supplier, will hardly be able to take advantage of the Russo-Ukrainian war and ensure the energy security of the EU due to natural limitations. All this shows that the results of this paper, although somewhat puzzling, are nevertheless in line with other discussions, publications, and statistical data. It should be noted that our approach was a qualitative analysis of expert opinions, which were highly subjective. Nevertheless, the most important thematic patterns were captured, and this created a systematic overview.

Some limitations and suggestions for future studies should also be mentioned. First, the limited time frame of the analysis may not provide a comprehensive understanding of the long-term effects of sanctions. Sanctions can have both short-term and long-term effects on the affected country and its trading partners, and a study focusing only on the early periods may miss important developments and changes over time. Second, the scope of the study is limited. Analyzing only the early stages of the sanctions could overlook the impact on different industries, regions, and populations in third countries. A more comprehensive analysis would consider the nuanced impact of sanctions on different actors and sectors within the affected countries. Third, the analysis is not representative of the entire population of sanctions-affected third countries. The case of Azerbaijan is a single case. Given the limited sample size, it may not accurately reflect the experiences of the broader population. Finally, these results may not take into account the potential impact of other factors on sanctions-affected third countries. Sanctions may interact with other economic, political, and social factors, and a study that focuses only on the early stages of sanctions may overlook these interactions and their impact on affected countries. A more large-scale qualitative analysis (not necessarily TA) can resolve the above challenges and limitations.

One of the other limitations of the study is related to the language of the sources. Since all the sources (except for the English-language content) were machine-translated from Azerbaijani and Russian into English, there was a possibility that the experts' ideas were misunderstood or lost by the author. To mitigate the associated risks, the author of this study reviewed the sources as needed to ensure the correct coding process. In addition, the iterative coding process was very helpful in identifying the limitations of the study mentioned above.

Another limitation relates to the coding process. The dataset was relatively large, and only expert opinions from social media and other website resources were used, so there was a likelihood that some coding errors occurred. However, the overall accuracy of the results is high due to the overlapping results of the keyword, co-coding, and thematic mapping methods of reliability and validity testing. In general, therefore, TA is a limited but powerful approach to analyzing the impact of Western sanctions on Russia in relation to its neighboring country.

Future research should focus on additional sources such as audio podcasts, in-depth interviews, focus group discussions, or surveys of leading experts in Azerbaijan to provide a more holistic view of the impact of sanctions on the economy. Not only TA, but also grounded theory, discourse analysis, and interviews can be powerful empirical tools to study the dynamic socioeconomic processes resulting from Western sanctions.

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