THE NAGORNO KARABAKH CONFLICT AS A PART OF THE “NEW” EURASIAN GEOPOLITICS

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“Yeni” Avrasya Jeopolitiğinin Bir Parçası Olarak Dağlık Karabağ Sorunu

Özet


Anahtar Kelimeler: Halkların kendi kaderini tayin hakkı, toprak bütünlüğü ilkesi, perestroika siyaseti, Bağımsız Devletler Topluluğu, bağımsızlığa varan kendi kaderini tayin hakkı.

Abstract

The article investigates the Armenian-Azerbaijani Nagorno-Karabakh conflict. The conflict has existed since 1988 and remains unresolved in spite of international efforts. It became the first major international conflict that the OSCE has dealt with. The conflict is certainly an important part of the geopolitics of the Eurasian region. The article first focuses on the background of the conflict, giving a clear picture of the causes and consequences and proceeds to review the interests of the regional and world powers concerning the issue. The legal aspects are described as well. The central question is whether a solution to the conflict depends more on the internal factors or external factors? At this the interests of Russia is analysed in detail. Turkey and EU are described as the only powers that have a direct interest in a settlement of the dispute. Currently, the peace initiative is not in Baku or Yerevan, but more in Moscow and Washington. The article has included facts and figures until 2004.

Keywords: Right for self determination, principle for territorial integrity, perestroika policy, CIS, external self-determination.
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Introduction

The conflict over Nagorno Karabakh between Armenia and Azerbaijan has remained unresolved for more than 14 years. It has reached a stage of deadlock and belongs to the so-called “frozen conflicts”. There is no war, no peace, a cease-fire between the two countries has been in force since May 1994, but thousands of Azeri soldiers and a similar number from the Armenian side have been killed by the sporadic shooting at the de-facto border of Nagorno-Karabakh with Azerbaijan and at the border of the Azeri exclave Nakhchivan with the Republic of Armenia. Currently, the West is pressuring Baku for compromise more than Yerevan because of the harder or more dominant position of the latter. The peoples of both countries are weary of the ongoing conflict. There are about one million refugees in Azerbaijan living in refugee tents, dependant on international organisations; most of them are internally displaced persons who were expelled from Nagorno-Karabakh and other surrounding Azeri regions that are currently under occupation; others are refugees from Armenia. Meanwhile, Armenia has also been suffering from the conflict economically: the economic embargo of Azerbaijan and Turkey on Armenia and the closure of the railway between Azerbaijan and Armenia, which links Armenia with Russia, has had a deeply negative impact on Armenia. It is completely in the economic interests of Armenia to find a rapid solution to the conflict. A World Bank survey found that a settlement of the dispute would enable the Armenian GDP to rise by 30% and that of Azerbaijan by 5% (HALBACH 2002:3). Nagorno-Karabakh is a serious obstacle for regional development, for regional integration and infrastructural development of the whole Eurasian region. It is the cornerstone of the new Eurasian politics, and energy security in the South Caucasus largely depends on a settlement. Since it acts as a major means of tension in the South Caucasus, it can be considered as the most global of all conflicts in the area. All these facts raise
the question of why a solution can't be found: is it because of internal political pressure or is it because of the influence of outside players? All the legal frames for a peace deal are in place, only lacking the will of the conflicting parties and outside players.

**A brief history of the conflict**

Historical facts, long unresolved problems, the political processes at the end of the 1980s and, last but not least, the geopolitical interests of the regional and world powers have had their respective impacts on the conflict. The Nagorno-Karabakh dispute was one of the first dismantled bricks of the “soviet house” and altogether had a crucial impact on the disintegration of the communist regime. The clashes in Nagorno-Karabakh caused the emergence of national independence movements in both countries which soon got exported to the rest of the Union. The march of Soviet troops to Baku in January 1990 with the aim of calming the tensions between Armenians and Azeris resulted in the murder of 150 civilians, which vindicated the impossibility of the Soviet Union’s further existence (MOMMSEN, M. 1992: 181).

The collapse of the SU, which comprised about 130 nationalities, allowed some peoples to develop their national values on the basis of hatred towards each other. (GÖTZ/HALBACH, 1993:14). The peoples of the Caucasus were amongst them. The SU, with its totalitarian rule, had frozen the national identities and national problems of the peoples in its 70 years and had played the role of an anesthesia for the hostilities harboured by these nations. The perestroika policies of Gorbachov actually, for the first time in Soviet history, spoke in favour of freedom of peoples and freedom of press and democracy and in this way it turned out to be an opportunity for the development of dangerous nationalism. In the 1980s the ice began to melt and these disparate peoples got an opportunity to restart their border disputes left from the 1920s. The Azeris, Georgians and Armenians had just begun to negotiate their problems as they were invaded by the Bolsheviks in 1920 and forced to freeze dialogue. So, if the three Republics of the South Caucasus had remained independent, there wouldn’t be any ethnic-national conflicts in the Caucasus today. Therefore, the Armenian-Azeri clashes did not emerge, but rather escalated in 1988 and were in fact rooted to the end of the 19th century and to the Bolshevik invasion.

Internal political factors played an important role in the explosion of the conflict. In 1723 as the Russian Czar occupied Baku, independent Muslim principalities existed in the territory of today’s Azerbaijan, and Karabakh was one of them. Later because of the discontent of the local Muslim population, the
Russian Emperor decided to repopulate Christian Armenians to some of the Azeri principalities (ALIEV, 1989: 135). In the treaty of Kurekchay (1805), concluded between the principality of Karabakh and the Russian Empire, the prince of Karabakh recognised the protection of the Russian Empire (Original treaty). As the Russian Empire tried to expand its territories in the Caucasus, it faced resistance by Iran. As a result of the Iranian-Russian wars (1804-18 13, 1826-28) Iran lost its influence over the principalities of Northern Azerbaijan. A treaty signed in Turkmenchay in 1828 divided the territory of Azerbaijan, consisting of independent principalities in the north and south, between Russia and Iran. According to this treaty, and the treaties signed after the Russian-Turkish wars in 1829 and 1877-78, the Russian Emperor demanded that Armenians in Iran and the Ottoman Empire should be migrated to the Azerbaijani Muslim principalities of Yerevan, Karabakh and Nakhchivan (MCCARTHY, 1984:85-94). By resettling Christian Armenians, Russia was able to deal with the dissatisfaction of the Azeri Muslim population of the Caucasus, and, at the same time, pursue a policy of “divide and rule” by instigating the normal relations between the two peoples. Karabakh had once been a part of Caucasian Albania, so the presence of Albanian Christian churches in Karabakh tells us of the presence of Albanian Christians in its territory. However, as most historians confirm, Karabakh was actually never a part of the ancient Armenian State (ALIEV, 1989:73-74). According to Russian census records, the Armenian population in Karabakh comprised 9% in 1823 and 47% in 1890 (CORNELL, 1999:5). As a result of the migration policy of the Russian Czar, Karabakh became increasingly populated by Armenians in the late XIX century and in the 1920s the majority of the population of Karabakh already consisted of Armenians. After the collapse of the Russian Empire, the three peoples in the South Caucasus declared their independent republics, although the Armenian state didn’t have a territory. In 1905-07 the first ethnic clashes between Armenians and Azeris took place in the course of which 10,000 Muslim Azeris were killed (FEIGL 1991:215). A lot of Armenian families had been resettled to the Azerbaijani province of Yerevan, whose population consisted of an absolute majority of Muslims in the 19th century (BOURNOUTIAN, 78-79). The clashes between the Armenians and Azeris in the Caucasus urged the Azerbaijani government in 1918 to concede Yerevan province to the Armenian Republic in order to put an end to the dissatisfactions of the “Dashnaksutyun”, the Armenian ultra nationalist organisation, which had stimulated the clashes. (State Archives of the Azerbaijan Republic). Altogether over 560,000 Armenians were resettled in the Caucasus between 1828 and 1900 (MCCARTHY, 1984: 85-94). Further clashes were organised by the Dasnaksutyun in Baku in March 1918, during which over
15,000 Azeris and very few Armenians were killed (AKHUNDOV, 1998:6). There were also clashes between the Armenians and Georgians since “Dashnaksutyun” had territorial claims to Georgia too (State archives of the Azerb.Republic). For quite a long period after the Bolshevik invasion the “Dashnaksutyun” remained as a part of the government in the Armenian Soviet Republic. In spite of the territorial claims of the Armenian Republic in 1923, Karabakh was left (this term was used in the text of the decision of the SU) as an integrated part of the Azerbaijan Republic (State archives of the Az.Rep.). However, as a consequence of Stalin’s migration policies Armenians were already a majority in the mountainous regions of Karabakh at that time which was the grounds for establishing an autonomous region within Azerbaijan called Nagorno-Karabakh or “mountainous” Karabakh. The hostilities in the Caucasus reached a new stage with the emergence of freedom and self-determination ideas in the SU in the 1980s. In 1985 the Dashnaksutyun Party stated at a congress in Athens that the aim of the Armenian state should be the creation of “Great Armenia” which would include the Azerbaijani regions of Karabakh and Nakhchevan (IZVESTIA, 16.11.1985). Two years later in 1987 the Academy of Sciences of the Armenian Soviet Republic applied to the SU Communist Party with a petition demanding that Nagorno-Karabakh and Nakhchivan should be transferred to Armenia; the interesting point here is that 98% of the population of Nakhchivan consisted of Azeris at that time (BENNIGSEN/WIMBUSH, 1985:78-79). In 1989 Nagorno-Karabakh Autonomous Province had a territory of 4,400 km² with a population of 188,000 people of whom 76% were Armenians and 21% Azeris (DEHDASHTI, 2000:174). In February 1988 demonstrations in Yerevan demanded the annexation of Nagorno-Karabakh and Nakhchivan to Armenia. Yerevan grounded the claim for Nakhchivan on historical arguments. In the same month the first wave of refugees came to Azerbaijan from the Republic of Armenia, where about 200,000 Azeris lived. These events and the murder of two Azeris in Nagorno-Karabakh led to mass demonstrations by Azeri refugees from Armenia in the industrial city of Sumgait near Baku (DRAGADZE, 1989:56). Between the 26th and 28th February the conflict escalated and pogroms took place against Armenians in Sumgait, in the course of which 32 people-26 Armenians and 6 Azeris were killed (Cornell 1999:16). The myth of the Sumgait pogrom has drawn the attention of many authors and researchers. The central bodies had received information about the violence in advance, there was a very well organised police and military force there, and yet nonetheless they weren’t able to prevent the violence- a theory, which doesn’t sound very logical. In fact, the Soviet Army seems to have stood by and watched the pogrom take place because they couldn’t have failed in preventing
the bloodshed had they tried (NOLYAIN, 1994:546). The Soviet militia, which had curbed riots or peaceful demonstrations with overkills of violence in many cases, became “helpless” in Sumgait. The pogrom was said to be organised and implemented by criminal groups consisting of Azeri refugees from Armenia and Karabakh who had travelled to Sumgait with the aim of organising atrocities, which doesn’t sound real (CORNELL, 1999:17). Furthermore, there was no organised and mobilised Azeri ethnic nationalism to be spoken of on the 26th of February 1988. The demands of the Armenians in Karabakh and Yerevan for the annexation of NK to Armenia had hardly begun to affect Azeri national identity (Kaufman 1998:17). Therefore, it’s likely that the pogroms were organised by outside players. It’s obvious that the army, which was under Moscow’s control, had been ordered not to react. The unrest was not brought under control until the 1st March. (LEE, 1988:15). Who could have had an interest in the violence: above all the ultra nationalist Dashnaksutyun organization which had an interest in the annexation of Nagorno-Karabakh to Armenia and a possible conflict between the two countries. They knew full well that the annexation of NK would only be possible through an armed conflict and therefore they needed to incite nationalistic tendencies in both countries. Actually, the Sumgait events caused the preliminary outbreak of the conflict between Armenia and Azerbaijan. Interestingly, the army was ordered not to react by Moscow (NOLYAIN, 1994:546). In 1991 Nagorno-Karabakh declared its independence after the Azerbaijan Republic had declared its de facto sovereignty. By that time all Azeris living in Nagorno-Karabakh had been forced to flee to Baku. The conflict later escalated into an armed war between Armenia and Azerbaijan (1992-1994) with 50 thousand human casualties from both sides. The major reason for the secession of the Armenians from Azerbaijan was the argument that Baku had discriminated against them economically and culturally, that the Armenian population had decreased and, instead, Azeri families repopulated to Nagorno Karabakh (FULLER, E. 1987:1). These arguments are not valid because firstly, the economic level and standard of living in NK was one of the highest in the SU; the ethnic Armenian population had schools in their own language, cultural and religious centres and all official documentation was carried out in Armenian. Furthermore, most of the Armenians who had left NK had migrated to the West (). So, as even officials of NK now confirm, the goal was not self-determination in NK, but, rather, unification with Armenia (MELKOUIMIAN/EKHO, 2003). By globalising the dispute, most Armenians hoped that they would be able to get independence and later decide to unify with Armenia. However, things didn’t happen as planned; the Armenian population was allowed to have self-determination within Azerbaijan. The international community paid attention to
the problems that the ethnic Armenians had raised, which was widely perceived as self-determination. As the organizers of the conflict realize today that they can’t get the annexation of NK to Armenia by self-determination, they state that their final goal is unification with Armenia.

The Armenian side in the conflict was very well organized unlike in Azerbaijan. As Armenian military groups forced Azeri families to leave Nagorno-Karabakh, the Azeri government in Baku kept talking about the arguably genuine friendship of Azeri and Armenian peoples, which may be true, and relied on Moscow for a solution (BAKINSKIY RABOCHY, 03.03.1988). Armenian military units, supported by Moscow and the Armenian Diaspora, are today holding not only Nagorno-Karabakh under occupation, but also 7 other regions and a strategically important town of Azerbaijan around NK as a buffer zone; resulting in the one million refugees in Azerbaijan.

**Positions of the conflicting states**

From the very beginning of the conflict Azerbaijan has been insisting on its territorial integrity. As a defeated party, Azerbaijan has also looked more willing to compromise than Armenia. Baku offered Nagorno-Karabakh the status of the highest autonomy within Azerbaijan, so that it would have its own army, internal and economic policies. For that Baku promised economic aid to Armenia and Nagorno-Karabakh. Azerbaijan has been refusing to hold direct negotiations with Nagorno-Karabakh on the grounds that as long as Armenia is involved in the conflict there will be no direct negotiations; Baku insists that the so-called referendums in NK were held without the Azeri population and in conditions which resulted from the ethnic cleansing of the region. Furthermore, Baku doesn’t recognize NK as a subject, a conflict party and insists the Armenians of NK being a minority within Azerbaijan cannot speak on behalf of the whole population of NK. Also Nagorno-Karabakh itself is perhaps the last party to say anything in the dispute. Azerbaijan insists it won’t enter into economic cooperation with Armenia as long as its territory remains under occupation. Azerbaijan and the West offered to construct an oil pipeline through Armenian territory if it agreed to withdraw from the occupied regions of Azerbaijan. In addition, Azerbaijan and Turkey would immediately lift the economic embargo if the regions were liberated. However, Yerevan refused all these proposals, even though they would have brought many much needed economic benefits to the country (CROISSANT, 1999:116). The compromises made by both countries in the conflict are at present closed to the public.
Annenia insisted on the strategy that the conflict is between Azerbaijan and Armenians in Nagorno-Karabakh. Therefore, it has refused to recognize the independence of the breakaway “Republic of Nagorno-Karabakh” and states that it would be ready to accept any formula on which Karabakh agrees. However, it’s not as simple as it appears. The Armenian Republic is involved in the conflict on behalf of the ethnic Armenians living in Karabakh (140,000) and provides their defence. So, there cannot be any peace agreement without the consent of Yerevan. Yerevan has actually indirectly accepted that it took part in the conflict to defend the interests of the Armenians of Nagorno-Karabakh. After 1993, when a large number of Azeri regions outside Nagorno-Karabakh were occupied, the international community changed its position towards Armenia and it became recognized as a conflict party (BARSEGHYAN/KARAEV, 2004:9). The military operations between the Armenian Republic and Nakhchivan, a part of Azerbaijan, which has no connection with Nagorno-Karabakh and a land border only with Armenia, are further evidence of the participation of Yerevan. Furthermore, the Armenian President and defence minister have more than once stated that if Azerbaijan decides to liberate its regions by use of force, Armenia will react militarily (ZERKALO, 15.03.2002). The Armenian Republic has also refused to recognize the territorial integrity of Azerbaijan at the OSCE level. In June 2003, the reform programme of the economic development of the Armenian Republic was discussed with the presence of President Kocharyan and other officials in which Nagorno-Karabakh was indicated as a region of Armenia and a special development programme for the region was planned (ZERKALO, 21.06.2003). Yerevan treats Nagorno-Karabakh like an administrative region of Armenia. President Kocharyan has more than once publicly stated that the idea of Azerbaijan’s territorial integrity would never be recognised and that Nagorno-Karabakh would never agree to being a part of Azerbaijan once more. It’s true that Yerevan depends more on Nagorno-Karabakh than the latter depends on it. At present the government in Yerevan is dominated by people who originate from NK including the President of Armenia who was a leading figure in the military. Being a former citizen of Azerbaijan, as a dweller of NK, Kocharyan has very good relations with the Diaspora and “Dashnaksutyun”. However, there were moments at which both Presidents were close to an agreement, but couldn’t reach it because of the internal public pressure. Therefore, Kocharyan is very careful about his steps regarding the issue so that he doesn’t suffer the same scenario as his predecessor.

Armenian experts ground the secession on historical motives, which don’t have any importance in modern international law. By such an approach the 200,000 Azeris living in Armenia until 1988 could have actually also
demanded the unification of their regions with Azerbaijan on historic grounds. In the legal field, the major motive of secession is the right of self-determination. In order to make a correct analysis, the right of peoples for self-determination should be examined in detail. This norm of international law is supported by such documents as the UN Charter, the international covenants of 1966, 1960 Declaration on the Granting of Independence to colonial countries and peoples, etc. Emerging at the time of anti-colonial power, it was widely accepted as a concept for anti-colonial struggle, but not only for that. It is supposed to enable peoples to determine their political status. It must occur without any external influence (MCCORQUODALE, 2000:156). The norm of self-determination as a means of anti-colonial struggle doesn’t make any conflict with the territorial integrity of states. A colony struggling for independence already had a political sovereign status in the state which it was governed by. The message of the international conventions is all colonial territories have the right to independence (CASTELLINO, 2000:154-160). For example the declaration of the independence of Algeria didn’t violate the territorial integrity of France and the declaration of the sovereignty of the Soviet Republics didn’t break the territorial integrity of Russia. However, the secession of Chechnya from Russia threatens the territorial integrity of Russia because it wasn’t a union republic, but an autonomous province within Russia. So, firstly absolute self-determination, which is independence, is intended for colonies solely; a second case for absolute self-determination is in genocide (MCCORQUODALE, 2000:191-260) and since Azerbaijan had not carried out genocide or a policy of ethnic cleansing against the Armenian population in NK, it's not valid. Therefore, the self-determination of the people of Nagorno-Karabakh can only be compared to that of the Oland Isles in Finland in 1917, and not to that of India or Pakistan. One should also pay attention to the factor how democratic the state which the minority desires secession from is. If the national minority living in that state enjoys its cultural, social and economic rights, self-determination is not possible.

Self-determination is not an aim, but only a way of protecting human rights; so, it doesn’t mean that it can break the territorial integrity of the state. The norm intends the right to self-determination for peoples or nations (KURBANOVA, 1997:2). The Armenian people have already implemented self-determination within the borders of the Armenian Republic. There are Armenian or Turkish people living in France; should they also secede from Paris? The Armenian population in Nagorno-Karabakh are only a minority in Azerbaijan and according to the convention on the rights of national minorities, they can speak their own language, use their own culture and religion, but are an integrated part of the state in which they live. So, in conclusion the best way
to enjoy the right for self-determination is autonomy. Since, the final aim of the Armenians living in NK is not self-determination, but rather unification with Armenia, self-determination is no longer of any importance. The recognition of the independence of NK could cause a precedent in international law. The best solution would be the highest level of autonomy for NK within Azerbaijan, in which the security of the Armenian population would be provided by international forces. Another alternative would be a territorial swap, which was mentioned in earlier negotiations (GAUBLE PLAN). Thus, the territory separating Azerbaijan from its exclave Nakhchivan would be exchanged for Nagorno-Karabakh. In that case, the size of the exchanged territories should be equal. As a result, Azerbaijan would have direct access to Turkey through Nakhchivan. However, this plan is less likely because it is against the strategic interests of Russia in the region and it cuts off the connection between Armenia and Iran, Yerevan's second major ally after Russia. In 1997 President Petrossyan of Armenia stated at a public press-conference that Yerevan was ready to accept the step-by-step plan proposed by the OSCE; it implied that Armenia should liberate the occupied regions first and then start negotiations. He stated that Armenia could no longer withhold Nagorno-Karabakh and would be ready to liberate the occupied regions. The conceding position of the Armenian President was due to pressure from the international community. Washington in particular applied pressure, since it had made large investments in the region and needed to provide security rapidly. However, all this resulted in a political crisis in Armenia and the resignation of the President and the victory of hard-liners over pragmatists who rejected the step-by-step plan (MANGOTT, 1999:78).

The role of international security organisations in the conflict

The reaction of the international community to the conflict is not quite clear. It was at the centre of the attention of the UN from the very beginning, but later the UN commissioned the OSCE to deal with it. The Security Council recognised the territorial integrity of Azerbaijan and Nagorno-Karabakh as an integrated part of it. It issued four resolutions which demanded the immediate liberation of the occupied regions, provision of Azerbaijan's territorial integrity, repatriation of refugees and indirectly accepted the participation of Armenia in the conflict by stating that the relations between the two countries had worsened; indirectly because a direct participation would implicate Armenia as an aggressor state (UN SC Resolutions 822, 853, 874, 884). The OSCE, the Council of Europe and NATO have also spoken out with the same demands
from Armenia. There are resolutions of international organisations and states that have recognised Armenia as a conflict party (PASHAYEV, 1998:6.1). Political figures in Azerbaijan claim that the UN Security Council resolutions grant Baku the legal grounds for carrying out an anti-separatist operation in the region and Yerevan has more than once stated that in that case it would find itself at war with Armenia. Such a statement from Yerevan can be assessed as a threat to the territorial integrity of the neighbouring state and a clear territorial claim. Due to the objections of France and Russia, Armenia wasn’t recognised as an Aggressor State at the Security Council. In international practice there have been only two states (Iraq and North Korea) recognised as Aggressor States (HOWARTH, 1997: 147). The conflict had broken out at a period of uncertainty in the Balkans, the SU had recently collapsed and therefore the UN didn’t risk taking the decision of recognising Armenia as an aggressor state. The disadvantage of the Security Council Resolution was that it didn’t give any deadline for the liberation of the occupied regions, nor did it have any executive mechanism for the resolutions. In any case, Moscow would have blocked the entry of UN peace-keeping troops to the region.

The Nagorno-Karabakh conflict was the first major international dispute which the OSCE dealt with. The OSCE has been involved in the conflict since 1992. It commissioned a group, the “Minsk group” to deal with the negotiations and proposals which comprised the USA, Russia, Germany, Turkey, France, Italy, Czech Republic, Sweden, Byelorussia, Armenia and Azerbaijan (OSCE HANDBOOK, 1992). It was first co-chaired by Sweden, Italy and Finland. It has had permanent co-chairs since 1997, Russia, France and the US. At first the Minsk group was chaired by small states disinterested in the region, which had both negative and positive aspects: it was good for the mediation because they dealt with the conflict objectively not supporting either of the sides and therefore took a real mediating position. But on the other hand, the war was advancing and it was difficult for an international organisation represented by neutral states such as Sweden and Finland to persuade them to stop fighting (DEHDASHTI, 2000:234). The failure of the OSCE to deploy a peace-keeping troop in the region was connected with that period. The OSCE was inexperienced in resolving conflicts, it had already experienced the disadvantage of sending peace-keeping troops to Bosnia and therefore wasn’t ready to send troops to the very complicated area of Nagorno-Karabakh, nor interested in any further financial burden. The first achievement of the Minsk group was at the Budapest Summit where two proposals were made for the settlement of the conflict: A step-by-step settlement and a package settlement (OSCE Handbook regarding mediation efforts). The step-by-step settlement was further developed at the Lisbon Summit, which was an important turning
point in the history of the conflict. At the Lisbon summit all states, except for Armenia, recognised the territorial integrity of Azerbaijan and offered an internationally guaranteed highest autonomy to Nagorno-Karabakh (Statement of the OSCE Chairman in Office 1996). Vetoing this decision of the OSCE states Armenia ran the risk of being isolated diplomatically. However, the resignation of the Armenian President and the election of the hard-liner Kocharyan forced the OSCE to recur to the “package settlement”. It implied that there could be no action in the conflict before the status of NK is settled and the terms “territorial integrity” and “autonomy” shouldn’t be used in the text of the proposal (SHEETS, 1998). The step-by-step settlement which implied the repatriation of refugees first and then determination of the political status of Nagorno-Karabakh would make the Armenians lose what they had gained in the war—the Azeri territories outside of Nagorno-Karabakh which they used as a stake in the negotiations. By this plan the Armenian military units should withdraw to their own territory and the military units of Nagorno-Karabakh should lift the security corridor along the borders of the enclave and then go to negotiations (ABASOV/KHACHATRIAN, 2002:37). The latest proposal of the OSCE was made in 2000 consisting of “a common state” principle. It had been worked out in 1998 when the package settlement had become prospective. The “common state” idea was this time rejected by Azerbaijan on the grounds that it breached its territorial integrity. The Minsk group had expected that Baku’s position was more fragile than Yerevan’s, and therefore it could pressure Baku more easily. Under it Baku would have to comply all its foreign and internal policies with the 140,000 Armenian minority in NK and consequently Azerbaijan would depend on them. Baku stated that it wasn’t in the interests of Azerbaijan to accept the plan because under it Azerbaijan not only lost Nagorno-Karabakh including Shusha town and Lachin region not included in NK, but also the whole of the state would become dependant on Nagorno-Karabakh’s Armenian population (Parliamentary discussions Baku, 2000). In a common state the Armenian population of NK could simply block any of Azerbaijan’s foreign policy decisions, internal policies or energy developments that they disliked. The major disadvantage of the Minsk group is that it is currently dominated by the interests of the co-chair states—Russia, France and the US, who have an interest in the continuation of the deadlock. It has been representing the interests of the co-chairs rather than of the OSCE. The presence of hard-liners in the Armenian government and the refusal of President Kocharyan to accept any plan which would provide the territorial integrity of Azerbaijan and eliminate the independence of NK compelled the OSCE to abandon its plans providing the territorial integrity of Azerbaijan.
Another aspect in the work of the OSCE is the Russian factor. From the very beginning Russia wasn’t interested in the presence of the OSCE in the region. Later on, Russia insisted that the OSCE peace-keeping troops should be made up of Russian troops only, as in Abchasia. At that moment, the OSCE appeared to be a means for the US and Turkey to prevent Russia from dominating in the region. The OSCE was a golden opportunity for Russia to deploy its troops in Azerbaijan, the only country in the South Caucasus where Russian troops are not present. There were actually two parallel mediations in the peace process: OSCE sponsored negotiations and Russian sponsored negotiations. Russia did its best to show that it was a better broker for peace in the region than the OSCE. Indeed, there were many cases in which Russia went on with its own mediation without informing the OSCE and in fact the permanent cease-fire was achieved because of Russian involvement. (CORNELL, 1999:119).

The interests and strategies of world and regional powers concerning the conflict

The interests of world and regional powers in the conflict are varied. Turkey and the EU can be viewed as the only powers interested in the settlement of the conflict. The major threat to peace in the South Caucasus is Russia. Even if the countries agree to reach a settlement, it can’t happen if it is against the interests of Russia as was seen in 1997, ending up with the resignation of the Armenian President Petrossyan (MANGOTT, 1999: 181-185). Therefore, it can be regarded that a solution depends on external factors more than internal factors. The West views the countries of the region not on equal basis. Georgia has been suffering from separatist movements in its territory supported by Russia. The West has recognised that the conflicts in Georgia are of strategic importance to Russia and is not willing to worsen its relations with Russia because of Georgia. The recognition of Russian troops in Georgia as OSCE troops by the international community showed the unwillingness of the West to intervene in Russian security policies. The same cannot be said about Azerbaijan. The increased economic interests of the West in Azerbaijan forced it not to allow Russia to dominate here politically. As a result, the attempts of Moscow to get the recognition of Russian troops as OSCE troops in Nagorno Karabakh failed. After all the attempts of Moscow to keep the conflict under its sole control failed, it tried to dominate in the peace process. Both the internal conflicts in Georgia and the N.K. conflict are sensitive issues for Russian security political strategy in the region. The Nagorno-Karabakh dispute causes a real confrontation between the Russian and
Western interests in the region. The question arises whether the dispute is within the field of cooperation of Moscow with Washington; Washington rejected the plan for a US peace-keeping troop in NK considering the sensitivity of the issue for the Russian security-political interests.

**Russian position in the conflict**

Of all the countries that have exerted influence on the conflict, Russia is the one to have the last word. A solution should be searched for not in Yerevan or Nagorno-Karabakh, but in Moscow. From the very beginning the outbreak of the conflict was not Russia’s fault, but rather it took advantage of its course. Russia used the conflict to pressure both countries, particularly Azerbaijan, to allow the deployment of Russian troops in its territory and to join the CIS. After the breakup of the SU, Russia didn’t have a clear strategy for the region. Its major interest was to bring pro-Russian leaders to power. The real foreign policy strategy of Russia was established in 1992, when Moscow made a move from *Ideal Atlanticism to Real Eurasianism*. The essence of the new strategy was to dominate in the former SU rather than furthering its cooperation with the West (FULLER, 1994:12-13). The CIS was determined as the major instrument of security political interests. The collective security treaty allowed Russia de-facto control of the military and security affairs in the region. The new strategy had planned to destabilise the whole South Caucasus region and to get it recognized as an area of “failing states”. A failing state is one in which nobody is interested in making large investments. Making Azerbaijan a failing state by fostering poor the relations between the minorities there, Russia would block the involvement of the West in the energy development in the Caspian.

Russian support for the separatist Armenians in NK caused Azerbaijan to keep away from cooperation with her. The actual questions concerning the Russian position is as why Russia supports Armenia in the conflict and whether it would be more profitable for its interests to make Azerbaijan its strategic ally in the Caucasus. What caused Russia to support Armenians militarily and would it support Armenia or Azerbaijan in a possible future military conflict? In 1992 Azerbaijan had a pro-Russian government headed by Mutallibov. The foreign policy then was also pro-Russian and Baku was ready to cooperate with Moscow in all fields. However, the participation of Russian troops in the massacre of Azeris in Khojaly in 1992 caused this government to be ousted and a new, anti-Russian, very pro-Turkish government was established during which Russia faced the risk of Turkish involvement in the dispute (HALE, 2000: 734). This raises the question why Russia had an interest in ousting a pro-Russian government. The participation of Russian military units in the
massacre was not in the strategic interests of Russia, wasn’t an intentional policy and was actually the result of political chaos in Moscow (IZVESTIA, 06.03.92). This act of the army had not been agreed upon by the security and foreign ministries. It led to the departure of Azerbaijan from Russian oriented policy and the formation of a new strategic alliance with Turkey. After the political changes in Baku in 1992, Russian military support for Armenia increased, including military and financial assistance to the Armenian military forces in Nagorno-Karabakh. In 1992 the new government formed in Baku headed by Elchibey had a pro-Turkish/Western foreign policy and was able to get the Russian military bases out of Azerbaijan. This government had a few military victories in the war and the risk of the war being won by Azerbaijan with Turkish assistance would have put an end to Russian presence in the whole region of Central Asia and the South Caucasus. In that period Nagorno-Karabakh turned out to be a wonderful opportunity for Moscow to pressure Azerbaijan. Azerbaijan’s departure from a Russian oriented foreign policy after the Khojaly massacre and the preference for Turkey in its foreign policy caused Russia to support Armenia actively. There were additional factors that influenced Russia’s decision to support Armenia. Russia has had a great interest in the duration of the conflict; it’s the Nagorno-Karabakh conflict that blocks regional integration, which keeps the Armenian-Turkish border closed and blocks the access of Turkey to Central Asia and the South Caucasus. A solution of the dispute would bring an end to Russian presence in the South Caucasus. Russia is not interested in the normalisation of the Armenian-Turkish relations for obvious reasons. It was analysed in 1992 that the withdrawal of Moscow from the South Caucasus would cause a political vacuum which Turkey would fill and which could enable her to create an ethnically and religiously homogenous power dominated by Ankara; within a short period of time Turkey could become a superpower whose population and economic potential would be comparable to that of Russia (FULLER, 1994:4). The main guarantee of a Russian presence in the region and its ability to pressure Baku is the Nagorno-Karabakh conflict.

It can be assumed that Armenia is more advantageous for Russia than Azerbaijan for alliance in the Caucasus. Cooperating with Armenia, Moscow has been able to exert influence on both Azerbaijan and Turkey. If Moscow had supported Azerbaijan it would not have been able to weaken the position of Turkey in the region since Baku would never pursue a policy against the Russian rival Turkey. By locating military bases on the Armenian-Turkish and Armenian-Iranian border Moscow demonstrated that these countries should keep out of the region. Azerbaijan’s refusal to host the Russian military bases and to enter the CIS (until late 1993) demonstrated that it would cooperate with
Russia only on the basis of equal partners whereas Armenia wasn’t very interested in departing from it. Azerbaijan had expressed the desire to use its natural resources independently with the presence of Western companies and to form a strategic partnership with the NATO ally Turkey in 1992 (Freddy De Pauw, 1996). The question arises why Baku has preferred an alliance with the West, not with Russia; if the solution lies in Moscow, why did Azerbaijan choose the West for strategic partnership. Russian strategic interests in the South Caucasus dictate that there couldn’t be any constant solution to the conflict in favour of Azerbaijan. In that case, even if Azerbaijan agrees to host the Russian military bases and locate them on its borders with Iran and Turkey it’s very much under question if Moscow would let Azerbaijan provide its territorial integrity. The presence of Russian military units in Georgia has not changed the Russian attitude to the separatist movements in the country. Baku, as well as Tbilisi, has the prejudice that an alliance with Russia would risk their sovereignty. Furthermore, Russia would not be prepared to replace its alliance with Armenia with a Russian-Azeri alliance, since the first one is more profitable for the foreign policy interests. However, it’s also clear to Moscow that the conflict can’t exist forever; therefore Moscow is keen on making use of the conflict for its own interests as much as possible until there is a solution. So, to sum up NK is only a means, and not a goal for Moscow to implement its South Caucasus policies. In the case of a real opportunity for the settlement of the conflict Russia would have to search for an alternative means for the implementation of its security-political aims in the South Caucasus.

At every move of Azerbaijan towards NATO, Russia enlarges its military bases in Armenia. In 1997 it sold Armenia weapons worth 1 billion dollars and later concluded a treaty of mutual defence (MALEK, 2000:11). It annually holds military manoeuvres with the Armenian armed forces on the Armenian-Turkish border, which can be assessed as an attempt to force Azerbaijan to agree to a treaty of mutual defence. The recent removal of Russian military equipment from Georgia to Armenia showed that Russian military presence in the region had long-term goals.

Russia was involved in the coup against the Azeri President Elchibey in 1993 and in the separatist movements in the north and south of Azerbaijan (GOLTZ, 1998:348). In ousting the “Elchibey” government, Moscow was able to block the strong Turkish engagement in Azerbaijan and the conclusion of an oil treaty with international corporations, which excluded Russia. Supporting the organisers of the coup it planned to bring Mutallibov’s pro-Russian government back to power (GOLTZ, 345-368). However, the appearance of the pragmatic and experienced Heydar Aliyev onto the political scene changed Moscow’s plans. He was able to persuade the parliament to join the CIS and
secured Russia a 10% share in the oil treaty called “Contract of the century” and ensured stability in Azerbaijan within a short period. At first he even promised that Azerbaijan would relocate the Russian military bases in its territory, which would be sponsored by the Azeri government, although he later rejected it (GOLTZ, 345-368). All this was enough for Moscow to oppress the separatist movements in Azerbaijan and agree to sponsor a cease-fire between the countries.

Another issue of strategic importance for Russia in the region was the radar station in central Azerbaijan, which can monitor air and missile traffic over an area ranging from the Arab peninsula to the Turkish frontier. It was finally agreed in 2002, during a visit of President Aliev to Moscow, on the lease of the radar station to Russia for 10 years (BURKE, 2001). However, what concession Azerbaijan got from Russia in return is not clear. In conclusion, the location of Russian military bases in the South Caucasus have been the essence of Russian South Caucasus policies.

**US Position in the conflict**

US engagement in the conflict wasn’t very active in the early 1990s. Immediately after the independence of the South Caucasus states, Washington considered the region to belong to the Russian sphere of influence. In 1992 Washington was too engaged with the future of Russia, democratisation and reform in Moscow and particularly with the dissemination of nuclear weapons left from the SU. Nevertheless, Washington also let Moscow and Tehran know that it wouldn’t let them monopolise the region. The primary consequence of the US reluctance to engage in the region was the adoption of section 907 to the Freedom Support Act of the US Congress in 1992. The FSA intended economic assistance to the former Soviet countries and section 907 banned all forms of economic assistance to Baku because of its “blockade” of Armenia (MACFARLANE, 1997:99). The section was adopted under the influence of the Armenian lobby in the US and was quite one-sided. Armenia had land border and economic relations with Georgia and Iran and therefore the “blockade” by Azerbaijan, which was later joined by Turkey, can only be described as an embargo (CORNELL, 1999:96). Azerbaijan was too engaged with the war at that time and its reaction didn’t even reach the European and American news desks. Furthermore, it ignored the fact that Yerevan itself was the author of the blockade of Nakhchivan, a part of Azerbaijan, which doesn’t have any land connections with it. The section was certainly not in the national interests of the US since it was an obstacle to US Azerbaijan policy (MACFARLANE, 1997:99). In the other CIS states US aid was used for legal
reforms and liberal democracy, but in Azerbaijan it only reached the NGOs. A tactical error of the Azeri government during the adoption of the section was in its relations with Iran. The state department, which was from the very beginning against the adoption of the article, supposed that it would cause Azerbaijan and Iran to become closer and the US government was fully prepared to cancel the section if that were the case. However, the emotional tone of the Azerbaijan government towards Iran and the enmity of Iran to an independent Azerbaijan removed the potential of a catastrophe of US policy in the South Caucasus. As Baku was deprived of US aid, Armenia became the second largest receiver of it after Israel. There is also today a direct financial aid package for the breakaway republic of Nagorno-Karabakh.

One of the factors influencing the US administration to activate its role in the region was the increased economic interests of US companies. In 1994 US companies got a share of 44% in the “Contract of the Century” (SCHMIDT-HÄUER, 26.06. 1995). The interests of the oil corporations turned out to be parallel to Azerbaijan’s interests. With the participation of US companies in the country’s oil industry, the government hoped that it would increase the importance of the country for the US government. Moreover, most of Azerbaijan’s oil fields were located offshore and the unsettled status of the Caspian Sea meant Russia and Iran could demand a joint exploitation of the offshore oil resources; Teheran and Moscow defended the argument that the Caspian is a lake and its resources, according to the treaty on lakes, must therefore be shared; therefore, Azerbaijan needed Western companies for the production of its offshore energy resources independently of Russia or Iran (CROISSANT, Michael 1999:). The US supported Azerbaijan’s position in the division of the Caspian Sea in 1996, which implied the division of the sea into economic zones. In doing so, Washington, was able to secure that the sea didn’t fall under the absolute monopoly of Russia and Iran who wished to exclude Western participation in the use of the sea’s energy resources by defending the common use of the resources by all the neighbouring states (CROISSANT, Michael 1999:23-30).

There can be two interpretations of the US policy towards the conflict: the conflict is within the cooperation field of Moscow with Washington and therefore the US doesn’t desire a possible confrontation with Moscow on the region. Or, a frozen continuation of the conflict suits the American interests. Since US officials know very well that for the time being Azerbaijan is unwilling to let Russian military bases in, Washington remains the only power which Azerbaijan can cooperate with. Indeed Washington tried to pressure Yerevan in 1997 as a result of which the infamous statement of President Petrossyan on the acceptance of the step-by-step package emerged. It’s also
true that Washington, not Moscow, has been the net contributor to the Armenian budget and has a few financial means to pressure it for compromise. Washington is also keen on retaining a means of pressure on Azerbaijan for the near future and, therefore, doesn’t firmly support Azerbaijan in the issue. Although Washington makes frequent statements criticising Yerevan’s position in the conflict, it keeps financing Nagorno-Karabakh annually.

**Turkish attitude to the conflict**

Turkey is the only state that has solely supported Azerbaijan from the very beginning and has a deep interest in a solution. The conflict has been a very sensitive issue both to Turkish politicians and the public because Turkey has close ethnic, historical, religious and linguistic ties with the Azeri people. At first, Turkey tried to remain neutral and even pressured Azerbaijan to restore the autonomy of NK when it removed it in 1991, but the course of events at the front caused anxiety in the Turkish public. In 1992 after the Armenian President Petrossyan closed down the ultra-nationalist organisations of Dashnaksutyun and ASALA and sacked his anti-Turkish foreign minister, Turkey even agreed to deliver Armenia barley and electricity (MANGOTT, 1999: 156-157). The Nagorno-Karabakh dispute was also a threat to Turkey’s own security. Having a tiny border with Azerbaijan of 6 km in Nakhchivan, Turkey is obliged to provide the security of this territory if it is attacked by a third country according to the Kars treaty signed between the Azerbaijan Soviet Republic and Turkey in 1921 and later renewed in recent times (TUTUNCU, 1998: 183). Throughout the military operations there was a real risk of Turkish military intervention, which was widely demanded by the Turkish public (DIKBAS, 1997: 11-113).

The disintegration of the SU enabled Turkey to restore its historical role in the South Caucasus. A historic opportunity emerged for Turkey to integrate the Turkic peoples of the region under its leadership and thus become a regional power. Ever since Turkey has been playing the role of a bridge between the West and the South Caucasus. The Nagorno-Karabakh dispute was the first major event at which the Turkish and Russian positions sharply conflicted. Ankara’s strategy in the conflict also conflicted with that of Washington. As it began to intervene actively during the presidency of Turgut Ozal, concerns grew also in Washington about a confrontation with Russia. Being a NATO ally Washington wanted, by all means, to keep Turkey away from military assistance (AMINEH, 1999: 103). The Nagorno-Karabakh conflict is today the biggest obstacle for Turkish access to the South Caucasus and Central Asia. Turkey is the one power that has had a real capacity to fill the political vacuum left by the collapse of the SU. Ankara has also been careful in its relations with
Azerbaijan because of the negative reaction of Moscow since it couldn’t have afforded to have a direct conflict with the latter. Political circles in Turkey demanded that it assist Azerbaijan militarily, particularly in 1993 when Azerbaijan experienced a sharp offensive by the Armenian military forces and Nakhchivan was attacked (RAMEZANZADEH, 1996:4). The question arises why did Turkey consequently concede the region to the Russian sphere by withdrawing from an active involvement in the conflict? Russia used every opportunity to hint to Turkey that it should get out of its region. After locating military units on the Turkish-Armenian border the Russian defence minister stated that since Armenia and Russia were members of the collective security treaty of the CIS, Turkish intervention would cause a direct military conflict between Russia and Turkey (HALE, 2000:743). According to the CIS collective security treaty if a member state is attacked by a third country the others are obliged to assist in her defence. The Turkish retreat from the conflict could have led to Iran’s engagement in Azerbaijan. So, on the one hand Turkey didn’t want Iran to take a lead, on the other hand Turkish intervention meant a possible Turkish-Russian conflict. There was another factor that influenced Turkey’s retreat: the Kurdish factor. Russia had made it clear that if Turkey got further engaged in the region Russia would support the Kurdish separatist rebels of the PKK (AMINEH, 1999:102-105). The PKK factor and potential military confrontation with Russia forced Turkey to soften its position. Retreating from active involvement, Turkey lost its influence over not only Azerbaijan, but also the whole region of Central Asia and the South Caucasus. However, Turkey wasn’t completely isolated: it supported Azerbaijan at all diplomatic tables and to secure that Ankara, not Tehran, remained the leading political ally of Azerbaijan, it closed down its border to Armenia refusing to establish diplomatic relations with her. The conflict showed that only Ankara had the means to restrict the security-political activity of Russia in the region. Had Moscow not played the Kurdish card, would Nagorno Karabakh not have been occupied today? The Turkish influence on the region will strengthen again with the Baku-Tbilisi-Jeyhan pipeline route, which is envisioned to commence operating in 2005. As Russia enjoys military alliance with Armenia, Turkey is also trying to enlarge its military ties with Azerbaijan and Georgia. Turkey’s position has also shifted and officials have more than once made statements that if Azerbaijan decided to restore its territorial integrity by an anti-separatist operation, Turkey would be prepared to support it militarily (Turkish ambassador interview to ANS Agency, 05.03.2002).
Iranian position in the conflict

The most important factor influencing the Iranian South Caucasus policies is the existence of an estimated Azeri population of 26 million living in the north of Iran, also known as "Iranian Azerbaijan". The foundation of an independent Azerbaijan Republic was considered by many experts in Tehran as a threat to the territorial integrity of Iran. Hence, Iran is interested in the prevention of Azerbaijan’s economic and democratic development. It has a strategic security-military alliance with Russia and Armenia and common goals with Moscow directed against the spread of Western influence in the region. Therefore, both countries have supported the division of the Caspian Sea by condominium status, by which the resources of the sea should be used commonly and the Western participation would be excluded and this would create an Iranian-Russian monopoly (OLIKER, 2001:203). Iran also depends on Russia for military supplies. Iran got no share in the oil treaty of the "Contract of the Century" in 1994 due to US pressure, which caused Tehran to harden its position on the status of the Caspian Sea. Although the Aliyev administration of Azerbaijan later granted Iran a 10% share in a natural gas project in the Azeri sector of the Caspian Sea which didn’t greatly satisfy Iran (HUNTER, 132-136) It desired a share in the “contract of the century”, which had a large Western presence that could have ended Iran’s international isolation; by participation in this multi-billion dollar project Iranian companies would be able to cooperate with the Western companies and would not be isolated from the political developments in the region.

Of all the South Caucasus countries, Azerbaijan is the most important for Iran. Overall there are a few factors that have influenced the relations between the two countries. Firstly comes the South Azerbaijan issue. The territory of Azerbaijan was divided into two parts as the result of the Russian-Iranian wars in 1806-1813 and 1826-1828: the principalities in the north of Azerbaijan were annexed to Russia and the ones in the south to Iran and so the Azeri people were divided (ATKIN, 1980:127-129) The Azeri question was critical in the course of the 20th century. In 1941, as the British and Soviets occupied Iran, the Azeris in Iran achieved their de-facto independence and formed an autonomous republic; there is also an assumption that Stalin had planned to unite the two Azerbaijan. However, in 1946 Iran promised the oil fields in the north to the Soviets and British on condition foreign troops left Iran and the Azeri revolution was oppressed (FAWCETT, 1992) Immediately after the break up of the SU Iran tried to disseminate its ideology in neighbouring Azerbaijan, whose population predominantly belongs to the Shiite branch of Islam. But, things didn’t go as expected in Tehran. The mistrust and hostility between the two countries didn’t allow cooperation at a maximum level. The relations were
further spoilt as the Azeri President Elchibey called the Azeris in Iran to support reunification and criticised the religious regime. Since the collapse of the SU there has been a belief in Iran that a rich, strong, democratic Azerbaijan could wake national tendencies amongst its own Azeri population. This factor therefore always destabilises the relations between the two countries.

The Iranian position in the Nagorno-Karabakh conflict is clear. Iran is deeply interested in a continuation of the freeze of the conflict. Nagorno-Karabakh is the guarantee that Baku remains engaged with Armenia, remains weak and has no opportunity to speak of reunification. It also makes Iran the major trade partner of Armenia, preventing Turkey from dominating in the Armenian market. In 1989 before Azerbaijan gained its independence Azeris from both sides of the border met each other for the first time in seventy years. The border was removed, concerts were held and the Azeri press began to focus on the issue of reunification. Only after the outbreak of the Nagorno-Karabakh dispute did the Azeri press give up writing about Iranian Azerbaijan, a fact which raises the question of Iranian involvement (NASIBZADEH, 2000). However, it's also true that few Azeri volunteers from Iran joined the Azeri armed forces during the Karabakh war. There is an assumption that even if Iran desired to support Azerbaijan in the conflict it wouldn't be able to: it fully depends on Russia for political-security cooperation, which is why it can't take steps that would be contradictory to Russian interests. Iranian-Russian partnership is viewed in Teheran as far more important than a possible Iran-Azerbaijan Partnership; therefore, the conditions of a possible Iran-Azerbaijan strategic cooperation determined by Baku are that Tehran should either block the border with Armenia or at least pressure it over Nagorno-Karabakh. Iran would not be willing to spoil its relations with Russia because of Azerbaijan. Thus, Tehran today enjoys economic and military cooperation with Yerevan, which is a further destabilising factor in the Azeri-Iranian relations.

**The position of the EU**

The EU is a passive actor in the region and that's connected with its internal structural problems. Whether the EU has a definite South Caucasus strategy is not under question at all, but whether it has the proper instruments for the implementation of its strategy is questionable. The member states France and Britain have different and sometimes contradicting attitudes to the region and are present in the region not as EU representatives, but of their own national interests (ICG REPORT, 2004:4-5). The EU South Caucasus strategy is a part of the broader European security agenda, which implies that security in the South Caucasus is of importance for the eastward enlargement
It's clear to EU officials such as Javier Solana that "Europe can't be secure when the South Caucasus remains out of the European security sphere" (stated during his visit to Baku January, 2000). The Kosovo war, the Balkans proved that Europe couldn't provide its own security without US assistance. The extent of US intervention in European security affairs has been disliked by member states as France. France has long been pressing for the establishment of a completely independent foreign and security policy of Europe with minimal or no US intervention at all. As a result military groupings emerged within the EU headed by Britain and it was decided to establish a 60,000 quick reaction force. Thus, in order to become an equal, strong power in international relations the EU needs to establish an independent security system and military structures. Taking into consideration that the EU can only spend about 60% of what the US spends on defence, one can assume that it can't for the time being completely provide its own security independently (HEISBOURG, 2000:9). However, the EU wouldn't require as much security if its neighborhood were secure. For that reason, the EU is the second power after Turkey who has a direct interest in the settlement of the Nagorno-Karabakh conflict. On the other hand, the EU views the Caspian basin as an important permanent source of energy and is well aware of the reality that without security in the South Caucasus transport corridor, these energy resources are of no importance. The EU has been trying to enable both countries to reach a long-term peace by its humanitarian and financial projects. The instruments of its South Caucasus policies, which are solely humanitarian, technical projects such as TACIS/TEMPUS, TRASECA and short term visits, are not strong enough factors to pressurise the countries to make mutual compromise. Since the conflicts in the South Caucasus are important elements of the foreign and security policies of Russia, Iran and the US in the region and the interests of Russia and Iran would by no means desire a solution, it can be said that there is a clear conflict between the EU interests in the region and the interests of the above-mentioned states; and the major question that arises is can the EU compete with the above-mentioned states. The EU's strategy is to provide security by encouraging economic integration in the region, but it cannot really have power to pressure the states. Nevertheless, an activation of the EU as an actor in the region is to be felt since 2003. In 2003 the post of a special envoy of the EU to the South Caucasus was designated which is implemented by the Finnish diplomat Heiki Talvitie, who often makes visits to the region and prepares recommendations and proposals on the socio-economic development and security affairs. The countries were also included in the Wider Europe Initiative: New Neighbourhood Policy of the EU. Meanwhile, Azerbaijan is doing its best to take advantage of the rivalry between the US and
EU in the region and involve the European Commission in the settlement of the conflict. The EU is very interested in the liberation of the four regions of Azerbaijan through which a railway links Azerbaijan with its exclaves Nakhchivan passing Armenia. This desire was expressed in the report prepared by Pierre Garton, MEP for the External Relations Committee of the EUP (ZERKALO, 17.02.04). The Garton report was not adopted by the EUP because of the French objection to it. The French Caucasus policy is not within the EU Caucasus Policy, represents the French interests and is to a certain extent contradictory to the EU South Caucasus strategy (ICG REPORT 2004:4-5). For that reason, Baku has been determined to find an alternative access to the EU Commission which is more a representative of the EU interests rather than the member states. In conclusion, the EU’s current structure and power in the region are not strong enough to compete with regional and super powers present in the region.

The conflict in current perspective

As a matter of fact there is today a passive movement, both in the region and in the international community, for the settlement of the dispute. The major interest of the West is stability and this has been partly achieved. There are no grounds for the West to worry about the breach of stability in the region. It’s clear to all parties, particularly to Baku, that a military settlement is today far from reality. The statements of the Azeri defence ministry officials about the possibility of a military settlement are nothing more than populist speeches. Official Baku knows very well that it’s neither ideologically, nor militarily prepared for a military settlement. Furthermore, the Baku-Jeyhan pipeline is only 20 km far from the de-facto border of NK (AMINEH, 1999:157-160).

In the West the conflict is regarded as a centre-minority conflict rather than a conflict of territorial claim and normally there has been a dominant tendency since the Second World War that whenever there is a conflict between the state and its minority, support is granted to the minority. The issue of minority rights has been very important since the war, therefore when human rights and territorial integrity conflict with each other, preference is not immediately given to the territorial integrity of the state (525ci: ALIEVA, 19.06.2003). There is a tendency in the western world towards the adaptation of the state to the minority rather than of the latter to it. Therefore, Baku should pay more attention to the issue of its one million refugees and their humanitarian issues. At the same time, Baku should work out stronger arguments to explain why it doesn’t favour a confederation or a federation which was prospective in the negotiations in 2001. Although there’s hardly any
factor that might justify the complete secession of NK Armenians from Azerbaijan, and international law is on Azerbaijan’s side, the West still doesn’t have a clear impartial position on the issue.

The easiest solution to the dispute lies in Moscow, as the “boss” of the region. Both in 1997 and in 2001 when Yerevan looked ready to compromise, Moscow intervened to prevent the conclusion of a peace treaty (the latter is Key West). Russia has been offering to locate its military bases in Azerbaijan as an unofficial condition for enabling a solution. However, at this stage it would be difficult for Baku to agree to military cooperation with Moscow when there is a strategic partnership with Washington and Ankara. Moreover, Moscow’s offer has been viewed in Azerbaijan suspiciously because of the similar negative experience that Georgia had with it. Agreeing to host Russian military bases, Georgia hoped that Russia would support her in restoring its territorial integrity, an expectation which didn’t happen. Moscow could solve the conflicts in the South Caucasus within a short period of time. The Russian military complex in Armenia is constantly growing and Armenia is better equipped than Azerbaijan. To expect a possible solution from the international community would be unreal. There is no real threat to stability in the region, Azerbaijan’s statements of providing its territorial integrity by force are not perceived serious in the West. The Russian foreign and security interests in the region have made Armenia, not Azerbaijan, a strategic ally and the Nagorno-Karabakh conflict is a major means of implementing Russian South Caucasus policies. Therefore, the classical view is, even if Azerbaijan agrees to host Russian military bases, the Russian foreign and security policy doctrine will not allow a favourable solution. However, a recent improvement in the relations between Baku and Moscow, in particular after the lease of the Gabala radar station and presidential elections in Azerbaijan shows that Russian agreement to a peace between Azerbaijan and Armenia is not impossible.

The standing armies of both Armenia and Azerbaijan are almost equal, there is not a large imbalance (BAILES, 2003:21). However, the military equipment of Yerevan and Nagorno-Karabakh is a lot larger than that of Azerbaijan (MALEK, 2000:16). So, Azerbaijan needs to achieve an army which is a lot stronger than that of Yerevan and that is impossible to achieve for a country whose economy is only just starting to flourish. Only in that case might Yerevan have to compromise, seeing that it would definitely be defeated by Baku in a possible military confrontation. It’s also true that Moscow knows very well that if Azerbaijan restarts military operations, Turkey will be on Azerbaijan’s side and Azerbaijan will be assisted, not only by Turkey, but by Pakistan as well, which has repeatedly confirmed that it would be on the Azeri side in any possible military conflict with Armenia (nca.com:8.07.04).
Furthermore, if Azerbaijan were successful in its anti-separatist operation in NK, which is not unreal, Russian interests in the region would seriously be damaged and Turkey would take a leadership role in the region again. The difficult question is whether Azerbaijan would be prepared to take the risk? Azerbaijan has been more attached to the idea that it shouldn’t make any dramatic concessions since international law is on its side and the inviolability of the borders of Azerbaijan has been stated by UN and other international organisations. Another version of Azeri approach is to wait until Azerbaijan gets economically and militarily a lot stronger than Armenia, which is possible and then liberate the regions militarily. Azerbaijan also misses the prospect that lately precedents in international law have tended to become norms and permanent principles.

NK is today a non-controllable area. Azeri national security ministry officials state that NK has become a centre of drug plantations, smuggling and even hosts the headquarters of ASALA (ZERKALO, 01.06.2002). The Breakaway Republic is majorly financed by the Diaspora Armenians. It would perhaps be more useful to search for a settlement in the Armenian Diaspora than in Yerevan or Nagorno-Karabakh. The Diaspora is of crucial importance in Armenian politics and Nagorno-Karabakh has better relations with it than Yerevan itself (ICG Report on Armenia, 2004).

The question is, how long the territory of Azerbaijan can be kept under occupation. It will never be recognised by the international community, the occupied regions have an extremely low standard of living, Yerevan is in regional isolation, the West is pressuring for long-term stability. The conflict is an important stake in the confrontation of Russian-Western relations. Russia still views the conflict as a means of keeping the region under its authority and therefore is doing its best to keep it unresolved. The answer to the above-mentioned question is that as long as Russia remains strong and dominant in the region the territory of Azerbaijan can remain occupied. Russia and her ally Iran can provide Nagorno-Karabakh with its needs for another five years. It raises further questions concerning matters of international law and global governance and human rights: Karabakh has de facto been unified with Armenia, there is violation of international law, of international treaties, the rights of refugees for their homes are under threat, Azerbaijan’s territory is under occupation and there is a reluctance of the international community to this dramatic situation.

Another alternative, which could lead to a settlement, could manifest itself in changes in the balance of power in the South Caucasus. There is on the Armenian side a strong Russian military presence, whereas in Azerbaijan there isn’t any major foreign military presence. The deployment of NATO troops in Azerbaijan, in which Turkey would play a crucial role, could create a counter
balance to the Russian-Armenian military alliance. The presence of NATO troops doesn’t mean that the conflict would be settled in favour of Azerbaijan or Armenia, but at least both sides would be pressured to compromise and consequently the peace process would be accelerated. Whether NATO would be ready to embrace the region at the cost of worsening its relations with Russia is under question. The truth is, having said yes to Eastern Europe, NATO wouldn’t say no to such a strategically important region as the South Caucasus. However, it is obvious that at the current stage NATO is not prepared for such a serious confrontation with Russia in the region.

De-facto independence model for the Karabakh conflict

Although there have been continuing negotiations on the NK problem, no progress has yet been achieved. It was strange enough that the Azerbaijani foreign minister E. Mammadyarov after a visit to the US stated in an interview to the Zerkalo newspaper that a settlement of the conflict shouldn’t be expected to be reached in the near future. Despite the statements of the Armenian foreign minister Oskanyan about the existence of Paris and Key West principles for the regulation of the conflict, Baku still denies them. Whatever these principles might be, it’s clear that NK wouldn’t agree to any agreement that would return the region to the pre-1991 status quo. NK as a winner in the war, wouldn’t make large concessions for nothing. The position of the autonomous region is so as not to agree to being a part of Azerbaijan voluntarily. The only way to subdue NK to Azerbaijani rule in a way suitable to the national interests of Azerbaijan is by use of force. Only by use of force, can Azerbaijan either make NK an administrative or autonomous region of its jurisdiction. However, use of force is neither possible nor favourable today.

Therefore, a compromising variant representing the minimal interests of both states (Azerbaijan and Armenia) should be agreed upon. Thus, Baku’s pragmatic or cold-blooded position is that Azerbaijan’s consent to NK’s independence could cause legal and political problems in Azerbaijan leading to its disintegration, since there are minorities in the South and North. It’s also clear to Baku that it’ll never be able to cleanse its historic region of Karabakh from Armenians and produce an Azeri majority there. Hence, an agreement with minimal, but real benefits for Azerbaijan would be one that did not violate the territorial integrity of Azerbaijan, not change its legal system and achieve the repatriation of the 25% Azeri population of NK back to the area. An agreement with maximal benefits for NK as a winner of the war must include the security of NK and its de-facto independence. A de-facto independence of
NK wouldn't violate the sovereignty and territorial integrity of Azerbaijan; actually the thing in question is either Azerbaijan agrees to an agreement with minimal benefits or an agreement with no benefits. A frozen existence of the conflict for another ten years is possible; in ten years' time there would even be a more effective solely Armenian government in NK living on tourism and agriculture; besides, the principle of legitimacy is being derogated by the principle of effectiveness in international law today. In conclusion, it's very doubtful whether Azerbaijan would be able to settle the dispute in its own favour in the future when it's economically powerful enough.

An alternative model therefore can be produced in which NK could gain independence from Baku in all matters except for foreign and defence policies. NK could have de-facto independence and for the purpose of not violating the territorial integrity of Azerbaijan and general principles of international law, remain within Azerbaijan and let its foreign policy be run by Baku. Foreign policy is quite an important attribute of sovereignty, so that would satisfy Baku as well. NK would have its own police force, government, parliament, flag, and economic ties with the neighbouring countries on condition the above-mentioned bodies included representatives of the 25% Azeri minority as well. For a period of time the security of the region would be provided by the OSCE Security forces or the EU until the relations between the Azeri and Armenian peoples normalised. The Azeri and Armenian communities in NK should have equal rights and establish a joined armed police force similar to the Swiss police once the OSCE Security Forces leave. Legally NK should have the status of autonomous region or even autonomous republic within Azerbaijan, be de-facto independent, but de-iure within Azerbaijan. NK would have Armenian and Azeri representatives in the Parliament in Baku. The representatives of NK in the Parliament would be able to veto any decision concerning NK. Azerbaijan would be given the guarantee that NK would never raise the issue of secession without Baku's consent. Azerbaijan would represent NK at all international organisations, so there would be no question of NK's foreign policy or direct foreign relations. NK should get the guarantee that Azerbaijan wouldn't cause any danger for NK and its population, wouldn't change its semi-independent status. The Lachin corridor linking Armenia with NK and the Mehri corridor linking Nakhchivan with Azerbaijan should have extraterritoriality-hence be accessed by states other than the state owning the territorial corridor.

The essence of the model is that Azerbaijan gets its people represented in its semi-independent province where the minority of the rulers would be Azeri which would be a guarantee of the impossibility of the province's secession in
the future. Another guarantee would be legal one. The model is based on the principle *more than autonomy, but less than a state*.

An alternative might also be Caucasian integration. If the Caucasus was to become a union without national frontiers, like the EU, no ethnic conflict would remain unresolved (EMERSON, 2000:CEPS). Since the peoples of the Caucasus would feel that they belonged to a single state they would not be governed by outsiders. The status of NK could be frozen until the commencement of integration and during this time it would be governed by both Azeris and Armenians. But, a particular time frame should be set for achieving integration. Actually, what the Caucasus needs is being globalised and denationalised. The peoples of the Caucasus have had a lot to suffer from nationalism, so now there may be time for forgetting the past hatred and removing nationalism from the societies in a cold-blooded manner.

The problem is that public opinion in both countries doesn’t want to take realities into account. Both peoples are emotional rather than pragmatic in their attitude to each other and don’t realise that eventually they’ll have to reach an agreement and cooperate with each other for long-term goals. A military settlement is not profitable for either countries: a war can set a country’s economy back twenty years, it would block the regional development in the South Caucasus and, last but not least, there would be human casualties. A war is not favourable for Azerbaijan because it could eliminate Azerbaijan’s chance of profiting from the energy development and becoming a regional centre. The younger generations of both countries aren’t interested in war, but economic welfare. The two major obstacles to a permanent settlement is the Russian factor and the Armenian Diaspora factor. Armenia receives revenues from the Diaspora abroad, which isn’t prepared to agree to any settlement which would return Nagorno-Karabakh to Azerbaijan’s authority. The Diaspora played a crucial role in the course of the war and has been more anxious about the developments than the Armenian population in Yerevan. Not making the mistake of his predecessor Petrossyan, who was accused by the Diaspora of selling out national interests, Kocharyan’s position is parallel to the interests of the Diaspora on the issue. Geopolitical changes are expected to occur during the presidency of Ilham Aliev, which could enable a possible settlement of the conflict with compromises on both sides. The question is not a settlement completely in favour of Azerbaijan, but one with compromises on both sides. The conflict has existed too long, it just can’t go on in this way, it causes a lot of discontent in the public in Azerbaijan, is a source of instability and therefore, the new Azeri government has made the solution its priority.
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