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## 1995 was a Good Year for the South Caucasus

Gerard J. LIBARIDIAN\*

#### **ABSTRACT**

The article discusses the inter-ethnic conflicts in the South Caucasus while focusing on the policies of the leaders of Armenia, Azerbaijan and Georgia and offers an illuminating account on the role of leadership in conflict resolution while taking into account domestic, regional and international settings. The author considers 1995 as the first year of stabilized region and discusses the reasons why this rare opportunity for conflict resolution in the South Caucasus offered by 1995 was not realized.

**Keywords:** Conflict Resolution, Leadership, South Caucasus, Azerbaijan, Georgia, Armenia.

# 1995 Güney Kafkasya İçin İyi Bir Yıldı

# ÖZET

Bu makale Güney Kafkasya'da etnik çatışmaları Azerbaycan, Ermenistan ve Gürcistan liderlerinin politikalarına odalanarak tartışmaktadır. Çatışmaların çözümlenmesinde liderliğin rolünü yerel, bölgesel ve uluslararası boyutları da dikkate alarak aydınlatıcı bir analiz sunmaktadır. Yazar 1995 yılını bölgede istikrarın sağlanma potensiyeli olan bir dönem olduğunu ileri sürerek, kalıcı bir çözüme ulaşılamamasının nedenlerini tartışmaktadır.

Anahtar Sözcükler: Çatışmaların Çözümlenmesi, Liderlik, Güney Kafkasya, Azerbaycan, Ermenistan, Gürcistan.

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The cease-fire agreements reached in 1994 relative to the three militarized conflicts in the region -Abkhazia, South Ossetia and Nagorno-Karabakh- proved to be durable. President Heydar Aliyev had been able to stabilize the internal situation in Azerbaijan, having neutralized a restless military commander and taken charge of the state apparatus; Aliyev was working hard on the development of the country's hydrocarbon resources and their transport to international markets. President Eduard Shevardnadze was close to stabilizing Georgia, having eliminated para-military elements and warlords who had brought him to power. Levon Ter-Petrossian, in Armenia, had eliminated any threat of para-military activity in 1990 and headed a stable country that tolerated an active opposition.

Furthermore, all three presidents could claim a comfortable degree of legitimacy. Despite the extra-legal means by which Aliyev and Shevardnadze had achieved power, both had been welcome by their peoples and elected comfortably in 1993 and 1995 respectively as presidents with enough authority to secure an atmosphere within which it was possible to look at the future. Ter-Petrossian had been elected in 1991 with an overwhelming majority; although he had lost some his support due to economic hardships and the effect of the Karabakh war, he felt confident enough to reverse the economic collapse, deepen the systemic economic reforms initiated earlier, and focus on the resolution of the Nagorno-Karabakh problem.

In attempting to understand this region and project its future, we often focus on the fault lines which that area represents on the larger map of history: a region which separates Europe from Asia; a sharp point of contact between Islam and Christianity; a region at the crossroads of East and West, North and South, whatever these terms may mean in any given context. The history of relations between the three major ethnic groups -Armenians, Azerbaijanis and Georgians- as indeed between major and small groups has been troublesome. Differences of language and religion and strong senses of nationalism have often been pointed out as sources of conflict and antagonism that are insurmountable. Yet one has to be careful not to view these factors as fatal and irreparable fault lines. It is not pre-determined that differences in language and religion will produce irreconcilable differences, or antagonisms and nationalist ideologies that are mutually exclusive and lead to war.

1995 was a good year for the region because the respite from instability and wars provided an opportunity to three leaders to think of the future of their countries, the relevance of the region to them, and the larger problems that would define the perimeters of their security, stability and long term development.

The focus on the conflicts in the region and failure to resolve them has obscured two important dimensions: the three presidents shared a moderation with regard to the problems they were facing, a revulsion of extreme nationalism, in fact they shared the ability to make good judgments and to be circumspect, in view of the fragility of their young states, the fragility of the peace processes and the vulnerability of the region to external stimuli. While successful politicians, the three presidents emerged also as statesmen with a deep sense of their regional identity and interests.

The second dimension, which is a result of the first and validates that assessment, was their agreement on a wide spectrum of issues, especially regarding foreign and security policies.

If we look at 1995 as the first year of stabilized region, this is what we find:

- 1. All three presidents were committed to state building rather than nationalist ideology as the ultimate goal, and they had determined that the conflicts needed to be resolved; by and large they had ruled out the use of force to do so. Shevardnadze relied on diplomacy and negotiations to achieve reunification; Aliyev added diplomatic and economic pressure to find a solution. All three realized that important concessions had to be made for solutions to be found and did not rule out interim or temporary solutions.
- 2. While aware of the differences and historical antagonisms, all three presidents could see the significance of geography and that they were condemned to live together; they could not imagine a future without some form of close cooperation, may be even political and economic association. Azerbaijan was ready to see the oil pipeline go to Turkey through Armenia and, in fact, may have preferred that route, should the Karabakh issue be resolved. It is unfortunate that such a possibility was formulated by Azerbaijan and the United States, as a quid pro quo: Armenia would agree to concessions in return for the pipeline. This formulation made the offer appear as a bribe for concessions which the Armenian side may or may not have been ready to make; it made the offer politically unpalatable. The Armenian side insisted on negotiating the terms of a solution to the conflict on their own merits and leaving aside extraneous issues, as interested as Armenia was in becoming the transit country for Azerbaijan's oil exports. Nonetheless Aliyev's vision for the future did not preclude such close association with Armenia in an area as critical as its oil exports.
- 3. All three presidents regarded integration in European structures as the ideal future, a European type of society constituting their vision of the state. The paths chosen to achieve that goal differed as did the level and depth of the commitment of each to democratic principles. At the least, all three accepted to be judged by European standards.
- 4. All three wished to maintain good relations with Russia, concerns regarding Russian goals notwithstanding, especially in Georgia and Azerbaijan. Shevardnadze and Aliyev set aside the virulent anti-Russian rhetoric of their predecessors, Zviad Gamsakhurdia and Abulfaz Elchibey respectively, and adopted a more realistic attitude based not only on power relations but also on an appreciation of Russia's legitimate concerns. Armenia had always maintained close relations with Russia; their divorce had been a friendly one. All three were members of the Commonwealth of Independent States, though of the three only Armenia was also part of the Collective Security Treaty led by Russia.

- 5. All three maintained normal relations with the Islamic Republic of Iran, though Azerbaijan was dissatisfied by Iran's role in the conflict over the Karabakh issue. Nonetheless Aliyev discarded his predecessor's anti-Iranian and irredentist policies of wishing to annex northern Iran. Unlike his predecessor Elchibey, Aliyev did not see Turkish ethnicity as the determining factor of the identity of his people; he emphasized, rather, an Azerbaijani identity.
- 6. All three maintained or wished to establish normal relations with Turkey. Turkey had recognized the independence of all three republics and established diplomatic relations with Azerbaijan and Georgia. Armenia and Turkey initiated negotiations for the normalization of relations between them in the summer of 1992; despite serious historical and political antagonisms, Ter-Petrossian had adopted a policy of normalizing relations with Turkey without preconditions, inviting much criticism from some Armenian quarters but also overcoming probably the thorniest impediment to the relations of the three republics with their immediate neighbors. In April 1993, following the extension of Armenian military control over Azerbaijan's Kelbajar district, Turkey linked normalization of relations with Armenia to a solution or, at the least, serious steps, toward a resolution of the Karabakh conflict, in support of Azerbaijan.
- 7. All three developed relations with NATO through its Partnership for Peace program. The menu of joint activities with NATO each republic adopted might have been longer for Georgia and fewer for Armenia. Yet even Armenian made clear that it did not view its membership in the Collective Security treaty led by Russia as a limiting factor on its general concept of national security, nor did it view NATO as an antagonistic structure. Armenia may have needed strategic relations with Russia, but did not feel that such relations limited its option of developing relations with the West or all of its neighbors.
- 8. All three were weary of the Kurdish issue, which was critical for Turkey and Iran and the wider Near East. Armenian sympathies for the fate of Kurds and full recognition of its Kurdish minority did not translate into a policy of support for the PKK in Turkey.
- 9. Both Armenia and Azerbaijan were careful not to encourage the secessionist tendencies of their respective Armenian and Azeri minorities in Georgia, thus leaving the Karabakh problem the only conflict between any of two of the three republics, an anomaly rather than the rule.
- 10. Notwithstanding a couple of missteps by Azerbaijan, both Armenia and Azerbaijan labored hard to make sure the Nagorno-Karabakh conflict is not perceived as a religious conflict; in this effort, they had a partner in Iran, whose neutrality, however much resented by Azerbaijan, contributed to keeping religion out of the definition of the conflict.

- 11. Although speaking altogether unrelated languages, the presidents and the elites in the three republics used Russian as a lingua franca in their discussions and communications, a fact that stressed their common history of the last two centuries, the promotion of national histories in each republic notwithstanding.
- 12. All three republics were careful not to engage deeply in the Israeli-Palestinian conflict. Georgia and Azerbaijan may have developed closer relations with Israel than Armenia, while Armenia had better relations with the Arab countries and Iran. But that conflict was not internalized and did not become a determining factor in the security concept of the three republics.
- 13. All three projected a security system that was based, ultimately, on the resolution of conflicts and close cooperation between them.

Thus, if for a moment we leave aside the Karabakh conflict, we see a remarkable spectrum of agreement between the three republics on major issues relevant to them and to the wider Near East of which they are part. Differences were limited to degree and emphasis; none would have prevented them from pursuing a common foreign policy.

This wide spectrum of agreement evolved despite the differences in ethnicity, language and religion, despite the long history of antagonisms, and despite the renationalization of cultures. The areas of agreement also evolved without collective work or extensive consultation between them; it was the result of the maturity and circumspection of the three leaders and the considerable forces behind them in their respective countries.

There was even a degree of agreement on the difficult problem of Karabakh. Although on occasion Heydar Aliyev did evoke his country's ultimate right to resort to the use of force should negotiations fail, he believed that the problem should and could be resolved through diplomacy; in direct negotiations with the Armenian side, he had agreed in August 1994 that the cease-fire agreement brokered by Russia and signed earlier in May that same year was a permanent cease-fire, one that would be effective until the signing of a larger political agreement. The Armenian side had no reason to resort to a military solution, since it had the advantage on the ground. The more important point here is that the concessions Ter-Petrossian was ready to make, if Azerbaijan responded in kind, would have been sufficient to solve that problem too.

Aliyev and Shevardnadze had matured as politicians and master bureaucrats, as capable Communist party leaders in their own republics and had gone on to achieve USSR level positions. Aliyev was removed by Gorbachov as KGB chief and Politburo member; Shevardnadze was elevated to a federal position by Gorbachev and would eventually resign that position in protest against the hardening of Gorbachev's domestic policies. Aliyev and Shevardnadze returned from obscurity to take charge of the republics they had left behind for Moscow. The devoted communists from the despised Caucasus region returned as saviors of their republics moving then on the nationalist track for collisions with the others' nationalisms.

Aliyev and Shevardnadze returned to their republics—the first for being too conservative and the second for being too liberal—and ended up with the same synthesis: there was something valuable in the overrated internationalism of the Soviet era and something in the nationalism of their countrymen which, nonetheless, beyond the desire for independence, had mired them in conflicts that could have been avoided or dealt with differently. Both ended up with the concept of state building, the very old and very new nation-state, and in their case, the state-nation.

Aliyev and Shevardnadze charted a middle ground between whatever they could rescue from the obtuse and discredited internationalism of the Soviet absurd and the nationalism that replaced it in their republics.

The youngest of the three presidents, Ter-Petrossian of Armenia, had not held any political office and was not even a member of the Communist Party when he became one of the leaders of the national movement in Armenia in 1988 and led the country to independence, becoming its first president. Ter-Petrossian and his colleagues had reached the same conclusion as to the primacy of statehood and state-building from a completely different perspective than his colleagues in Georgia and Azerbaijan: a radical rereading of Armenian history and the security challenges the Armenian people had faced in its long history. Ter-Petrossian and his colleagues had debunked the myth of Armenian security being based on the "eternal friendship" with Russia and its threat coming from the "eternal enemy," Turkey. This was a revolution in Armenian political thinking that brought Armenia's position close to that of its two neighbors and would make "regional thinking" possible.

Anyone who observed the interaction between the three presidents when they met at regional or international gatherings, beyond joint official statements or the lack thereof, could sense or should have sensed the significance of special historical moments, -three kindred minds, though not kindred personalities.

There were, then, also no personality clashes between these three leaders. All three were endowed with large but secure egos; they were aware of the place history would assign them in the building of their countries; and, in their case, that awareness acted as a break on any temptation to adopt extremism or brinkmanship.

It was possible to imagine that the combination of the wide spectrum of agreement on foreign policy issues and the personalities of these three presidents could have produced joint statements on a common foreign policy more often than even members of the European Union could.

And that would have been the only way to counteract to the sense that the three presidents and others had that while the larger Cold War had ended, a mini Cold War continued, as applied to the south Caucasus region where both Russia and the United States acted as the Great Powers did in the 19<sup>th</sup> century. It is also true that each in his own way the three presidents tried to maximize their benefits from the big players. Clearly, Washington and Brussels had replaced Moscow as the center that must be engaged, at least as far as Azerbaijan and Georgia were concerned. These centers of power would provide technology 132

and capital needed for the exploitation and transportation of hydrocarbon resources as well as forces to balance the Russian advantage in the region. Even Armenia's quest for normalization of relations with Turkey was based on a dual consideration: not only to diminish any threat Turkey might represent by normalizing relations, but also, by doing so, diminish the degree of dependence on Russia for its security.

1995 was a good year, then, for the South Caucasus, for the opportunities it represented for the development of a sense of regional identity. And the development of a regional identity was critical for the welfare of the three republics and the peoples in the region, particularly for the ability to help shape their own destinies rather than that destiny being shaped, for the most part by larger regional and international forces that had already designated the region as an arena for competition and rivalry.

We can now ask the question, "why wasn't this rare opportunity offered by 1995 realized?"

Clearly, it was difficult for many of the players in the new great game to see the opportunity that the co-incidence of the presidencies of these three leaders provided. Even Germany, which tried hard to shape a European policy that would compel the three countries to act jointly when dealing with Europe was not conscious of the underlying strength of such a policy; Germany perceived regional cooperation as a policy that needed be imposed from above for practical reasons rather than for a policy that had indigenous foundations and needed to be nurtured.

One can also argue that even the three presidents themselves were not fully conscious to what extent they agreed on so many issues; when localized, their thinking was focused on the conflicts; when looking at the international arena, their concern was how to make their country relevant to the big players, and how to fend themselves so as not to become fully dependent on one state; after all, that was the meaning of independence. The localized and international thinking met on two levels: How to connect to the international community to assure maximal support for their efforts to reset their shattered economies; and how to use the international community in support of their solution to the conflicts.

These points of junction lead us to the policies of the regional and international players themselves toward the South Caucasus.

My first argument was already introduced above: neighboring and geographically more distant powers by and large viewed the region as an arena where their interests collided with those of others, where increased influence of one power meant the decrease of the power of another or others. Even the most disinterested of the powers, the EU, that preached the religion of regionalism, was still made up of members who tried to exploit the benefits of their influence on one or the other country. Most external powers continued to look at the region in terms of how it could contribute to its national interest. The "it" here could be the whole region or one single country; if the interest was in the Caspian hydro carbon resources, Azerbaijan was important. If the interest consisted in the transport of Caspian oil to the West bypassing Russia and Iran, then the interest consisted in engaging either

Armenian or Georgia. Either one would do. If the transit country could not be Armenia, Georgia would do and Armenia could become, for all practical purposes, irrelevant, except to make sure it does not destabilize the region. Regardless, that value was centered in the perception of each capital of the value of the South Caucasus. By definition, therefore, the region itself and how its leaders might imagine their future was relevant to the external forces only to the extent that such visions might run counter to the strategic functions and roles assigned to these republics by the strategic thinking of the external powers.

For the regional and more distant powers the Nagorno Karabakh conflict was not just an another obstacle to more propitious developments in the region; it was not just another independent variable which was difficult to manage because of the hard-line positions of the parties to the conflict; the resolution of the conflict was made more difficult because of the use of the conflict by the external powers that pursued their own interests through their involvement in the conflict resolution process. The question on the missed opportunity of 1995 is reduced then to a question on why was it not possible to resolve the Karabakh problem or, at the least, make serious progress beyond the maintenance of the cease-fire. At the least, outside powers looked upon the conflict from the perspective of their larger interests; whether a solution was desired or not depended on that perspective. More commonly, the character and content of proposed solutions were measured by the degree to which their interests would be promoted or harmed.

## Specifically,

- While all concerned professed their goal of achieving peace in the region, major
  players were reluctant to support any solution to the Karabakh conflict that
  might have reduced their influence or increased the influence of the "other."
  This was true of the US as well as of Russia, of Turkey as well as of Iran.
- 2. When in a weaker position in the international arena, Russia was reluctant to use its influence to solve the problem, since under the circumstances a solution might lead to the loss of its influence in the region. More often than not analysts have thought Russia was weak in general, since it was weak relative to the US and the West in general. For this mistaken and ill fated notion, the Caucasus countries and peoples as well as the West have paid very dearly: from Chechnya in the 90s to Georgia in the summer of 2008. Of the major players in the region, Russia is the best positioned to compel the Armenian side to make concessions. And, in the medium term and long term, peace, as opposed to the existing cease-fire, depends on concessions on the ground by the Armenian side.
- 3. An ascendant US during the 1990s decided to become a major player in the region, and the role of a mediator in the Karabakh conflict (membership in the OSCE Minsk Group) provided that initial opportunity. From that point on, statements to the contrary notwithstanding, the US viewed the great game at least in this region as a zero sum game: for the US to gain Russia had to lose. In addition to a schizophrenic policy toward Russia, the US had plans for Caspian Sea hydrocarbon resources and NATO expansion, and a sanctions policy toward Iran.

- 4. Turkey subjected its South Caucasus policy to identity politics. Instead of rising to the occasion and, recognizing Armenia's readiness to establish diplomatic relations without preconditions, Turkey decided to link the process to the settlement of the Karabakh problem, thus making Turkish policy hostage to Azerbaijani intransigence and, in fact, inviting such intransigence. That linkage, while giving successive Turkish governments short term political security, diminished Turkey's ability to be a full strength regional player and certainly made it impossible for that country to become a major intermediary in the conflict. It is difficult to determine whether this policy was due to the weak coalition governments that succeeded each other or to an exaggerated sense of what that policy of continuing closed borders with Armenia could accomplish. The fact remains that such a policy did not contribute to the resolution of the conflict; compared to Russia and Iran, Turkey looked very much like a party to the conflict.
- 5. Despite its religious affinities with the majority of the population in Azerbaijan, Iran was able to transcend identity politics and pursue a neutral policy in the region; at one point in 1992, it emerged as the mediator in the conflict. That effort was torpedoed by Russia, the US, and Turkey, separately but equally forcefully. Increasingly Iran viewed Azerbaijan as a rival oil and gas exporter with competing claims on some offshore fields in the Caspian. Subsequently, Iran looked upon the status quo as the best solution, lest a solution increase US and/or Turkish influence or even brings in NATO in the region. An Azerbaijan freed of its Karabakh wound may be ready for NATO; and Armenia would have less need for Iran.
- 6. The regional powers and the US did not disabuse the governments of the region from their notion that they each could translate their leaning toward one or the other outside powers into diplomatic or military advantages in their conflicts with secessionist regions. Within a short few years there were significant changes also within the region as two of the three republics witnessed regime changes that produced also important policy changes.
- 7. Armenia's Ter-Petrossian was compelled to submit his resignation in early 1998 under pressure from power ministries led by Prime Minister Robert Kocharian; Ter-Petrossian had accepted a Minsk Group proposal for the resolution of the Nagorno-Karabakh conflict as a basis for negotiations, a proposal that involved significant compromises but ensured the security of Karabakh and its people. Kocharian, former leader of Karabakh became president of Armenia. In a formal way he continued Armenia's foreign policy in all matters except for an uncompromising line on Karabakh and raising the issue of Genocide recognition by Turkey to the level of state policy. But these two items were sufficient to sabotage the rest of his policies, at the least making them less credible and certainly less practicable or meaningful. At the end, the Kocharian policies made Armenia far more dependent on Russia and kept Armenia out of regional and international development projects.

8. In Georgia, Shevardnadze was removed by a group of young leaders he had brought to power, supported by street demonstrators, in 2003. The reasons given in this case of rebellion were authoritarianism, corruption, and lack of national will and leadership. The new president, Mikhail Saakashvili, while formally maintaining the outline of his predecessor's foreign policy, introduced two changes: integration of the secessionist states by any means; and, making Georgia's membership in NATO the linchpin of his strategy and Georgia's security. But, as in the case of Armenia, these two changes made all other dimensions of his foreign policy quite irrelevant, statements to the contrary notwithstanding.

The problem with the changes in Armenia and Georgia was quite clear, though possibly not clearly seen: Armenia insisted on its independence and an independent policy vis a vis Europe and the US while pursuing a policy that made it more and more dependent on Russia in more areas; and Georgia insisted on independence from Russia and doing so by offering to be completely dependent on the US and NATO.

For all practical purposes, the possibility of a regional cooperative effort based on a common perception of foreign policy issues became impossible. That impossibility was secured by recklessness in Armenia and Georgia. In Armenia, recklessness consisted in the belief that no change was the best policy; in Georgia, it consisted in the belief that change at any cost and at any price was the best policy.

In both cases there was a connection between the changes introduced. Offering oneself to the US and NATO was supposed to provide security and support in brinkmanship: Georgia "belongs" to NATO and the US and, therefore, if for any reason, including those related to its secessionist states, its sovereignty is violated by Russia, NATO and the US will come to its assistance. In Armenia, the hope for support was not for any action it might take regarding the resolution of the Karabakh problem, but its inaction. That is, should there be pressure to compel Armenia to accept a resolution of the Karabakh problem that required any changes on the ground, Russia would secure Armenia's back.

Both Armenia and Georgia were mistaken, of course. When the Georgian strategy was tested in the short war of the summer of 2008, the US failed to provide military assistance. And Russia, feeling more secure and aggressive, has been able to compel Armenia to accept concessions which it could not otherwise accept in the case of the Karabakh conflict, for the right price, which at the present, appears to be eventual Russian control of the strategic Lachin corridor.

Interestingly, Azerbaijan is the one country that has shown continuity of policies in general, although, with Heydar Aliyev's death, his son succeeded him. Even though with limited experience and less authoritative than his father, Ilham Aliyev has proven to be an adept politician and diplomat.

There have been a number of opportunities for the settlement of a given conflict in the history of post-Soviet Caucasus that can be considered lost. This article tries to 136

indicate that there are also larger moments where with some imagination and political will much more than a single conflict could have been resolved; 1995 and possible a year or two following it constituted such a "moment" when the larger congruencies could have driven the actors to resolve the specific conflicts because the list of benefits ready to be harvested was far longer.

The motivation for this article is not nostalgia; rather, it is to point out to a moment that was not self conscious, a moment that was lost, and one that may return, hopefully with actors who are more ready to take advantage of it.