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Preventing Escalation in the Nagorno-Karabakh Conflict: Threats to
Euro-Atlantic Security and Opportunities for Euro-Atlantic
Cooperation

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Not Another Proxy War ¹

When in April 2016 hostilities broke out in Nagorno-Karabakh some accounts in international media presented this conflict as another episode in the global confrontation between Russia and the West. It is not surprising that some saw it as another one among the so-called “frozen” or “protracted” conflicts on the periphery of Russia, which pit de facto states supported by Russia against post-Soviet republics friendly with the West. It is true that the conflict in Nagorno-Karabakh has many similarities to the other post-Soviet protracted conflicts in Transnistria, Abkhazia and South Ossetia. However, the situation in Nagorno-Karabakh has important differences from these conflicts in several respects, and one of the most striking is the position of Russia and the West. Not only have both Russia and the West refrained from decisive support to either side, but they have cooperated for decades in the efforts to find a peaceful resolution of the conflict. As this paper will argue, though there have been and remain disagreements between the mediators, overall the Nagorno-Karabakh issue remains one of the few examples of cooperation between Russia and the West against the background of what some are calling “the New Cold War”. At the same time, due to various factors discussed in the paper, this cooperation has not been effective enough to bring about significant progress in the resolution of the issue.

In the words of a Russian analyst, though the interests of Russia and the West in Nagorno-Karabakh cannot be considered completely identical, there has never been an open clash of interests between them when it came to Karabakh conflict resolution. This is proven by the fact that the Minsk Group has survived the Crimea crisis, and the situation in Syria, as it has survived other crises in the relations between Russia and the West in the past.² Both Western countries and Russia have tried to strike a balance between the sides in their approach to the Nagorno-Karabakh conflict. On the one hand, they recognize the territorial integrity of Azerbaijan; however, at the same time they have repeatedly called for a peaceful resolution of the conflict, and, in addition to the principle of territorial integrity, they have recognized the principles of self-determination and non-use of force as principles on which the decision has to be based. France, Russia and the USA are cooperating in mediation efforts for the resolution of the Nagorno-Karabakh conflict in their capacity as the Co-Chairs of the Minsk Group of the OSCE. The general approach is to keep the balance between Armenia and Azerbaijan, and this has also been the principle with which these countries have been treated by most international organizations. Thus, both countries were admitted simultaneously to CSCE (January 1992), UN (March 1992) the Council of Europe (January 2001), both became simultaneously part of programs like the European Neighborhood Policy and Eastern Partnership.

Similarly, Armenia and Azerbaijan are pursuing multi-vector foreign policies, attempting to keep a certain balance in their relations with both Russia and the West, though not always successfully. Armenia is considered a Russian strategic ally and is a member of Russian-dominated security and economic blocs, the Collective Security Treaty Organization and the Eurasian Economic Union. Russia is also home to the largest Armenian community outside of

¹ The author would like to thank Philip Remler and James Collins for their comments and suggestions.

² Expert interview, Moscow, February, 2016 (Sergey Markedonov)

Armenia, about two million strong, as well as to hundreds of thousands of seasonal migrant workers. At the same time Armenia has been actively cooperating with the EU and NATO, and has close links to the USA and Europe, supported by the existence of a million-strong ethnic Armenian community in the USA and half a million strong Armenian community in France. Armenian peacekeepers have served as part of NATO peacekeeping operations in Kosovo and Iraq, and are currently serving in Afghanistan.³ Until 2013 Armenia was actively involved in negotiations with the EU over joining the Deep and Comprehensive Free Trade Area. These negotiations ended abruptly in 2013, when Armenia announced its decision to join the Eurasian Economic Union (more precisely, the Customs Union, as it was called at the time).⁴ In spite of the failure of the DCFTA deal, the EU and Armenia continue discussing the format of their cooperation as negotiations over the Association Agreement with EU have been under way since December 2015.⁵

Azerbaijan has pursued a more isolationist foreign policy, while working to maintain a balance in its relations with major global and regional powers. While it remains a member of the Commonwealth of Independent States (CIS), it has so far not joined the Russian-dominated Eurasian Integration project. It has also not joined the CSTO, not least because of its conflict with CSTO member Armenia.⁶ However, Azerbaijan and Russia have friendly relations as well, which have become closer in recent years against the background of a negative reaction of both governments to the Ukrainian revolution and Western “meddling” related to human rights issues. At the same time, relations with the EU and US have deteriorated, as Baku has pursued a crackdown on opposition activists and the NGO sector.⁷ Moscow and Baku share a dislike for Western advocacy for human rights, and Azerbaijan, like Armenia, has voted together with Russia on numerous issues in international structures. Moreover, when the Parliamentary Assembly of the Council of Europe discussed the issue of depriving the Russian delegation of the right to vote, Armenian parliamentaries abstained, while Azerbaijani MPs voted against, an episode that was perceived by some circles in Russia as a sign of Armenia’s unreliability.⁸ Russian-Azerbaijani relations are strengthened by the work of Azerbaijani diaspora organizations and lobbyists in Russia. While both Azerbaijanis and Armenians are among the most populous and influential ethnic communities in Russia, several Russian experts believe that Azerbaijani lobbying has been more effective in Russia than similar efforts by the Armenian diaspora.⁹ In

³ “Relations with Armenia”, North Atlantic Treaty Organization, http://www.nato.int/cps/en/natohq/topics_48893.htm last accessed August 20, 2016.

⁴ Georgi Gotev, EU loses Armenia to Russia’s Customs Union, Euractive.com, September 4, 2013, <http://www.euractiv.com/section/europe-s-east/news/eu-loses-armenia-to-russia-s-customs-union/> , .

⁵ “EU relations with Armenia” European External Action Service, http://eeas.europa.eu/armenia/index_en.htm , .

⁶ In fact Azerbaijan had signed the Collective Security Treaty in 1993, but left the organization later.

⁷ Robert Ledger, “The EU’s lack of unity and strategy is being felt in Azerbaijan”, Open Democracy Net, 27 July, 2016 <https://www.opendemocracy.net/od-russia/robert-ledger/eu-s-lack-of-unity-and-strategy-is-being-felt-in-azerbaijan> , .

⁸ Radio Azatutyun, Армения воздержалась при голосовании в ПАСЕ по резолюции о лишении России права голоса, January 29, 2015, <http://rus.azatutyun.am/a/26820215.html> , ; ИА REGNUM, Азербайджан голосовал в ПАСЕ исходя из своих интересов — мнение; 30 January, 2015, <https://regnum.ru/news/1890252.html> .

⁹ Expert interview, March 2016, Sergey Utkin; Expert interview, July 2016, Aleksandr Skakov.

spite of the Russian alliance with Armenia, Russia is also the top arms provider to Azerbaijan, while most Western countries have maintained an arms embargo to all sides of the conflict.

When it comes to cooperation in the field of security, Armenia is a member of CSTO, and has advanced bilateral military cooperation with Russia.¹⁰ The relations between the two countries are normally described in official rhetoric as a “strategic alliance”. Armenia hosts a Russian military base in Gyumri, Armenia’s second largest city, situated near the Turkish border. Moreover, Armenia’s borders with Turkey and Iran are guarded by Russian border guards, based on an agreement signed as early as 1992.¹¹ Armenia’s air space had been under joint Russian-Armenian protection since the mid-1990s, and this state of affairs was once again reaffirmed recently, when the sides signed an agreement in December 2015 on establishing a “united regional system of air defense in the Caucasus region of collective security.”¹²

At the same time, Russia has described its relations with Azerbaijan as a “strategic partnership”. Arms sales by Russia to Azerbaijan since 2010 have amounted to 4 billion USD.¹³ The difference between Armenia and Azerbaijan in this respect is that while Armenia, as a CSTO member, receives Russian weapons at discounted prices and sometimes even free of charge, Azerbaijan pays the full market price.¹⁴ However, this may also mean that the supplies of arms to Azerbaijan are carried out in a more timely manner, since a specific business interest of the military-industrial complex is involved, while supplies of weapons to Armenia need to go through bureaucratic channels, which significantly slows the process down. Thus, while Armenia received a 200 million Russian credit to acquire Russian weapons in mid 2015, the weapons acquired within the framework of this deal were not received by Armenia until April 2016,¹⁵ which may have been one of the causes of the outbreak of hostilities that took place that month, as it created a temporary imbalance which the Azerbaijani side could have used.

Until the events of April 2016, the Armenian government was reluctant to talk publicly about the Russian arms sales to Azerbaijan, though most probably the issue had been raised in closed informal discussions.¹⁶ After the April hostilities some cautious remarks were made by Serzh Sargsyan during his visit to Berlin on April 6, and some more open criticism of Russia was made by pro-government politicians in connection to the “the four day war.”¹⁷ Russia has defended its

¹⁰ Соглашения между Россией и Арменией по вопросам военного сотрудничества и помощи, Кавказский Узел, <http://www.kavkaz-uzel.eu/articles/280284/>, .

¹¹ Договор между РА и РФ о статусе Пограничных войск РФ, находящихся на территории РА, и условиях их функционирования (30 сентября 1992 г., Ереван), Кавказский Узел, <http://www.kavkaz-uzel.eu/articles/280284/>, .

¹² Radio Azatutyun, Russia, Armenia Upgrade Joint Air Defense, 23 December, 2016, <http://www.azatutyun.am/a/27445236.html>, .

¹³ Emil Danielyan, “Why Armenia’s Military Alliance With Russia Is Not At Risk”, November 7, 2015, RFE/RL <http://www.rferl.org/content/caucasus-report-armenian-russia-military-alliance/27351046.html>, .

¹⁴ Ibid.

¹⁵ Radio Azatutyun, April 7, 2016, Russia Asked To Speed Up Arms Deal With Armenia, <http://www.azatutyun.am/a/27660947.html>, .

¹⁶ Expert interview, Moscow, July, 2016 (Nikolay Silayev)

¹⁷ Armen Grigoryan, “Russia’s Image in Armenia Damaged by Fighting in Karabakh”, the Jamestown Foundation, Eurasia Daily Monitor Volume: 13 Issue: 73, April 14, 2016

arms supplies to Azerbaijan on the grounds that if Russia stopped them, Azerbaijan would turn to other suppliers. This, the argument goes, would then deprive Russia of leverage over Azerbaijan and make Baku's position on the Nagorno-Karabakh issue more aggressive, thus contradicting Armenia's interests.¹⁸ Instead, according to this argument, Russia is trying to maintain the relative balance of power, through deals like the US \$200 million loan to Armenia mentioned above. However, no matter what the justifications of Moscow, obviously, the change in the balance of power had gone far enough to allow Baku to flex its military muscle in April 2016, and Russian supplies were among the factors that contributed to altering the balance between the sides of the conflict.

Russia's priority when it comes to the Nagorno-Karabakh conflict is keeping its influence over both Armenia and Azerbaijan, while preventing the conflict from escalating into a full-blown war. Such an escalation would be disastrous for Russia's interests, as it would force Russia to make a choice between Armenia, which it describes as its "strategic ally", and Azerbaijan, its "strategic partner". In a case of full-blown escalation the war would hardly be confined to the territory of the unrecognized Republic of Nagorno-Karabakh and could spread to the territory of the Republic of Armenia, which would activate Russia's duties as Armenia's ally. A failure to assist its ally would deal a tremendous blow to the image of Russia in the post-Soviet space.

On the other hand, supporting Armenia would mean destroying a friendly relationship with Azerbaijan, which is also quite important for Moscow. Azerbaijan's strategic geopolitical position makes it a key partner in Russia's attempts to forge a closer relationship with Iran and Turkey. Besides, stable relations with Azerbaijan are important for Russia, given Azerbaijan's cultural and geographic proximity to Russia's most explosive region, the North Caucasus. Finally, resentment of Western attempts to "impose" democratic norms and principles is another common denominator that unites the governments in Moscow and Baku.

Thus, a full-blown war between Armenia and Azerbaijan would also present a serious challenge to the military, political and economic alliances that Russia has been building in the Eurasian space. More specifically, if such a war affects the internationally recognized territory of Armenia, this would mean CSTO would be obliged to intervene, which could create a serious crisis inside this security alliance. It is obvious that it would be hard to work out a unanimous response to such a crisis, since some CSTO members have close relationships with Azerbaijan, and would object to CSTO action against Baku. Such a crisis in CSTO could also affect the Eurasian Economic Union, as there is a significant membership overlap between the two organizations.¹⁹

http://www.jamestown.org/programs/edm/single/?tx_ttnews%5Btt_news%5D=45319&cHash=32369e0fe4faf1ada59a12a26c9fe580#.V7lvZfi97IU , .

¹⁸ See for example Gevorg Mirzayan, "Стреляют Люди", Эксперт, April 5, 2016, <http://expert.ru/2016/04/5/strelyayut-lyudi/>

¹⁹ Expert interview, Moscow, February, 2016 (Markedonov)

The West's approach to the conflict in Nagorno-Karabakh has also been fairly balanced. While Western countries have frequently stated that they recognize the territorial integrity of Azerbaijan, they have also emphasized the need to refrain from use of force and the need to consider the opinion of the people of Nagorno-Karabakh in the resolution of the conflict. According to one of the experts, the principle of self-determination is hardly mentioned by Western powers in relation to the conflicts in Transnistria, Abkhazia and South Ossetia.²⁰ In spite of Azerbaijan's calls to "punish the aggressor", Armenia has never faced any obstacles in cooperation with organizations such as NATO, the EU or CoE, let alone sanctions. On the contrary, while Turkey has sealed its border with Armenia in support of the Azerbaijani position, Western countries have frequently called on Turkey to normalize its relations with Armenia, and even became (together with Russia) the sponsors of the attempt at Armenian-Turkish normalization in 2009.

The EU's official position is that it supports the efforts of the OSCE Minsk Group aimed at the peaceful resolution of the Nagorno-Karabakh conflict. Of course, this is official rhetoric, which does not exhaust the EU's involvement with Nagorno-Karabakh. As both Armenia and Azerbaijan are part of the European Neighborhood Policy and Eastern Partnership, the EU has elaborate relations with both countries, and the issue of Nagorno-Karabakh plays a significant role in these relations. There is an understanding in Brussels that an explosion in Nagorno-Karabakh would be extremely dangerous as it would connect as two pieces of a puzzle the two most urgent crises of the moment, the ones in Syria and Ukraine, creating an arc of instability that would stretch from the Middle East to Central Europe.²¹ In terms of more specific consequences the conflict would add to the refugee flows to Europe, even though the absolute number of refugees would hardly be high compared to the numbers of refugees from Iraq and Syria. Fighting in Nagorno-Karabakh could also disrupt energy exports from Azerbaijan to Europe,²² which though not very high in absolute quantities, are important for Europe's energy diversification and in providing alternatives to Russian imports.

Dealing with the Nagorno-Karabakh conflict is an important part of the work of the European Union's Special Representative for South Caucasus and the Conflicts in Georgia, a position currently occupied by Ambassador Herbert Salber, who remains in constant communication with highest level officials in both Armenia and Azerbaijan, and also maintains contacts with the expert community and civil society.²³ Periodically, the issue of Nagorno-Karabakh comes up in discussions in the European Parliament, where some MEPs often express "pro-Armenian" or "pro-Azerbaijani" views. Some members of the European Parliament, particularly from the left wing "Greens/Free European Alliance" have angered Azerbaijan by travelling to Nagorno-Karabakh and maintaining contacts with its politicians.²⁴ However, ultimately these debates

²⁰ Interview with Russian expert (Aleksandr Skakov), July 2016

²¹ Interview with an EEAS official, Brussels, February, 2016.

²² Interview with Carnegie Brussels expert, Brussels, February, 2016 (Tom de Waal).

²³ Interview with Herbert Salber, Brussels, February, 2016.

²⁴ Interview with a Member of the European Parliament, February 2016.

barely affect EU policies on Nagorno-Karabakh, as the issue remains quite removed from the priorities of Brussels.

An issue that is often raised in connection with the EU role in the Nagorno-Karabakh conflict is engaging the EU as a co-chair in the Minsk Group. Periodically there are suggestions to either add an EU representative as the fourth co-chair to the Minsk Group, or to replace France.²⁵ The latter option is lobbied by Azerbaijan, which sees France as a pro-Armenian country due to the existence of a large Armenian Diaspora there.²⁶ However, so far there is little chance that such a change would actually take place: France is unwilling to give up its position, and at the same time there is not much enthusiasm on the part of Brussels to assume responsibility for yet another potential international crisis.

In general the approach of the European Union has been based on the realization that while the EU does not have enough leverage to play a dominant role in resolving the conflict, it has the resources to encourage peaceful dialogue through its soft power. The EU has expressed its willingness to commit significant financial resources to the rebuilding of the region after a peace agreement is reached. It is currently engaged in helping to foster a track two dialogue, through the EPNK program (European Partnership for Peaceful Resolution of the Conflict in Nagorno-Karabakh), implemented by several international NGOs with EU funding. However, as the situation in the conflict zone has become more tense, more obstacles have emerged to the implementation of EPNK. An especially strong blow to EPNK was dealt by repression of civil society in Azerbaijan, which affected the readiness of Azerbaijani civil society actors to engage in the program.²⁷ Besides, the situation in the conflict zone changed significantly in the aftermath of the April hostilities, and there is a need to adjust the EPNK format and strategies to the new conditions.

NATO's official position on Nagorno-Karabakh conflict resolution coincides with the position of the EU: NATO supports the efforts of the OSCE Minsk Group aimed at the peaceful resolution of the Nagorno-Karabakh conflict. Of course, there are differences, as NATO is a military-political bloc, and its cooperation with both Armenia and Azerbaijan, which is carried out through Individual Partnership Action Plans (IPAP), cannot remain purely political and is bound to affect the military sphere. Realizing this, NATO has been careful to refrain from forms of cooperation that could alter the balance between the sides, focusing on cooperation that would not lead to an imbalance in NATO's relations with Armenia and Azerbaijan. These fields of cooperation include training peacekeepers and peacekeeping missions, bringing more transparency in defense budgeting, advising on strategic documentation, promoting democratic civilian control over armed forces, modernizing the education of military officers, etc.²⁸

²⁵ Interview with political analyst, Brussels, February, 2016 (Amanda Paul)

²⁶ The "pro-Armenian" image of France may be based on stereotypes rather than its actual policies. The supposedly "pro-Armenian" actions of France in the past decades have been related to the recognition of the Armenian Genocide in Turkey in 1915 and French-Turkish relations,; however, this recognition hardly affects the policies of France in other issues, including the Karabakh issue.

²⁷ Communication with EPNK participant, Tbilisi, July 2016.

²⁸ Interview with a NATO official, March, 2016.

Sometimes, this cooperation within the framework of NATO programs had led to unfortunate incidents, as in the most extreme case, when Gurgen Margaryan, an Armenian officer taking part in a NATO training course, was axed to death by Ramil Safarov, an Azerbaijani participant in the same course in Budapest in 2004.²⁹ However, NATO has been insisting on the participation of both Armenian and Azerbaijani representatives in its activities, even if they are taking place on the territory of Armenia and Azerbaijan respectively, and some activities have been even cancelled when one of the sides was reluctant to accept participants from the other country.³⁰

Obviously, another major difference from the EU is that NATO includes Turkey as one of its members, which means that if Turkey were to interfere into the Nagorno-Karabakh conflict, leading to a Russian response, this could present a challenge for NATO. Obviously, direct Turkish intervention in support of Azerbaijan would have little chance of finding support in NATO and Turkey's partners in NATO would do everything in their power to prevent Turkey's direct intervention in the conflict.³¹ However, Turkey is a signatory to the Treaties of Kars and Moscow, which ratified the present borders of Armenia and Azerbaijan with Turkey and ensured that Turkey would have direct access to Azerbaijan through Nakhchivan. If there is any forcible change in Nakhchivan – for example through a spillover of fighting from Karabakh – that could trigger a Turkish military response under the terms of that treaty, which would obviously be a nightmare scenario from NATO's point view. Thus, in a sense NATO's position on the conflict is symmetrical to the Russian position: an extreme escalation of the conflict could draw both Russia and NATO into a fight, which none of them would be willing to engage in, and therefore both have a strong vested interest in preventing an all-out war in Nagorno-Karabakh.

Of course, the Turkish position is a separate issue in the Nagorno-Karabakh conflict. While a member of NATO and candidate for membership in the EU, Turkey, especially during the AKP administration, can hardly be considered simply a part of the West with regard to its geopolitical preferences and positions: Turkey acts as an independent geopolitical player, whose positions on a number of issues may not coincide with the positions of other members of the Euroatlantic community. This is especially true with regard to the Caucasus, and particularly the Karabakh conflict. For reasons of ethnic and cultural affinity, Turkey firmly supports Azerbaijan's position in the conflict. Together with Saudi Arabia and Pakistan, Turkey is one of the three countries that have refused to establish diplomatic relations with Armenia (Saudi Arabia and Pakistan have done so in order to demonstrate solidarity with Azerbaijan as a Muslim country). There is large scale military cooperation between Turkey and Azerbaijan, which involves arms supplies and training, particularly working with military personnel in special forces.³²

²⁹ The release of Ramil Safarov from Hungarian jail and his transfer to Azerbaijan, where he received a hero's welcome, became a cause for a major international scandal and led to much tension in Nagorno-Karabakh in 2012 "Blunder in Budapest: Hungary, Armenia and the Axe Murderer", *the Economist*, September 4, 2012.

³⁰ Interview with NATO official, Brussels, 2016.

³¹ Expert Interview, Carnegie Moscow, March 2016 (Alexey Malashenko).

³² Interview with expert from Turkey, Brussels, February, 2016.

Turkey was the only country that completely supported the Azerbaijani position during the hostilities of April 2016. It is obvious that a full-scale collision in Nagorno-Karabakh contains the threat of drawing in Turkey, which would in turn draw in Russia, especially given the complicated state of Russian-Turkish relations in recent years. Even a limited intervention would bring about serious political and military risks for Turkey and therefore is highly improbable: as one analyst put it, “attacking Armenia directly, immediately after the centennial of the Armenian genocide, would be too much even for Erdogan.”³³ According to a Turkish expert, however, a large-scale defeat of Azerbaijan could put significant pressure on the Turkish government to intervene, especially since in recent years Erdogan’s government has gravitated toward the nationalist part of the electorate, which actively supports Azerbaijan.³⁴ Some Russian experts believe that Turkish support for Azerbaijan is an additional irritant for Russia in the context of soured Turkish-Russian relations in the wake of the downing of a Russian plane.³⁵ Obviously, a conflict that draws in both Russia and Turkey would be a nightmare scenario, which is highly unlikely, but such a possibility cannot be excluded.

The Oldest “Frozen Conflict”

The approach of the West to the Nagorno-Karabakh conflict, which Azerbaijan perceives as contrasting to the Western approach to other protracted conflicts, often leads to accusations of “a Western double standard” based on an alleged preference for Christian Armenia over Muslim Azerbaijan and the influence of the ubiquitous Armenian Diaspora.³⁶ On the other hand, there is a lot of resentment in Armenia, especially in the aftermath of the April events, over the position of Russia, which is accused of being an unreliable ally at best, and of openly supporting Azerbaijan at worst. However, the frustrations of the sides of the conflict have more to do with their own stereotypes and unrealistic expectations, often reinforced by the propaganda of their own governments: it is easier to blame outside forces than to assume responsibility for foreign policy failures. In fact, differences in the approaches of both Russia and the West to the conflict in Nagorno-Karabakh and the other post-Soviet protracted conflicts are partly a result of calculations of pragmatic interest and partly a product of a different trajectory of conflict. In addition to that, the existence of large diaspora communities, Armenian in the case of Western countries, and both Armenian and Azerbaijani in case of Russia, helps to keep the issue relatively high on the agenda.

In historical perspective, a key difference between the Nagorno-Karabakh conflict and the other protracted conflicts becomes obvious. The conflicts in Abkhazia, South Ossetia and Transnistria emerged as a reaction by local ethnocultural minorities supported by Moscow to the pro-independence nationalist movements in Georgia and Moldova. The dynamic in Nagorno-Karabakh was quite different. In fact, while the conflicts in Georgia and Moldova were a

³³ Expert interview, Moscow, June, 2016 (Nikolay Silayev)

³⁴ Interview with expert from Turkey, Brussels, February, 2016.

³⁵ Expert interview, Carnegie Russia, March 2016 (Alexey Malashenko)

³⁶ An appraisal hardly shared by many Armenians, who often complain that Diaspora lobbying is inefficient and Armenia is on the losing side of “the propaganda war”.

consequence of the pro-independence nationalist movement, in Armenia and Azerbaijan it was the other way round. When the conflict erupted in early 1988, pro-independence sentiment was far from being mainstream in both countries, voiced only by some radicals and dissidents, many of them behind bars or in exile.³⁷ For Armenians it was unification of Armenia and Nagorno-Karabakh that was the main goal, while for Azerbaijanis it was preservation of Nagorno-Karabakh as part of Azerbaijan. It was the failure of Moscow's conflict management that led to alienation both in Armenia and Azerbaijan, as each side considered itself discriminated against by Moscow. In fact, it was the perception that Moscow was unfairly assisting their opponents that led to emergence of anti-Moscow and pro-independence sentiments in both Armenia and Azerbaijan. Both the Armenian National Movement and Azerbaijani National Front emerged as a reaction to the struggle over the Nagorno-Karabakh and their pro-independence agenda developed only in the course of the conflict. In fact, contrary to what was happening in South Ossetia and Abkhazia, it was the union republic, Azerbaijan, that was interested in the preservation of the Soviet Union rather than the other way round.³⁸

When the conflict started in 1988, the demands of the Armenian population of Nagorno-Karabakh for unification with Armenia were unacceptable for Moscow: if Moscow were to agree to a territorial re-arrangement under pressure from the local population, this could have opened the Pandora's box of ethno-territorial arrangements all over Soviet Union. At the same time, Moscow could not afford to side completely with one Union republic against another, since that would undermine its legitimacy as the ultimate arbiter in the relations between union subjects. This conundrum led to a situation in which both sides mistrusted Moscow and viewed it as an adversary. In 1990 as the Communist Party lost power in Armenia, while Azerbaijan was controlled by pro-Moscow Communist Ayaz Mutalibov, and as a result Moscow started leaning toward Azerbaijan. Soviet forces even took part in military actions against the Armenian population in Nagorno-Karabakh and the adjacent regions, which came to be known as the operation "Ring", an episode which Thomas de Waal had described as "a Soviet civil war."³⁹ This episode is among the factors why many in Armenia and especially in Nagorno-Karabakh are strongly opposed to deployment of Russian peacekeepers.

As the USSR disintegrated, in the ensuing chaos both sides sought assistance from Russia, while at the same time accusing Moscow of supporting the other side. Armenia's leadership under Levon Ter-Petrosyan was somewhat better placed in this competition, given the links between Ter-Petrosyan's Armenian National Movement and Russian democrats under Boris Yeltsin who came to power after the collapse of the USSR. However, the turmoil in Russia, and Moscow's unwillingness to lose influence in Azerbaijan, led to policies that in some cases could be explained by desire to keep a balance, and in some cases by sheer inconsistency. "The hand of Moscow" became a common explanation for military defeats on both sides: thus, many in Azerbaijan believe that military victories of Armenian side were due to support the latter

³⁷ As late as 1991 Armenian political parties in the Diaspora, including the influential Dashnaksutyun party, opposed independence, arguing that Armenia would become vulnerable to Turkish threat.

³⁸ Philip Remler, personal communication, 25 August, 2016.

³⁹ Том де Ваал, Черный Сад: Армения и Азербайджан Между Миром и Войной, Москва, Росспэн, с. 138-156.

received from Russia. This is true for Armenia, though probably to a lesser extent: thus, in Armenia many believe that the successful offensive of Azerbaijani forces in summer 1992 was a result of cooperation with the Russian military.⁴⁰ As one analyst noted, “if you ask people in Azerbaijan, they would say that the Armenians won because Russia was on their side, if you ask Armenians, they would say if it had not been for the Russians they would have captured Ganja [Azerbaijan’s second largest city] and then gone further to Baku.”⁴¹ It is not our aim here to assess the veracity of these claims. What is obvious, however, is that during the war Russia refrained from openly siding with either of the sides, which was among the factors that allowed it to act as a mediator. Of course, some of these episodes can be explained by the fact that an uncontrolled Russian military lent its forces out as mercenaries and sold weapons from its stocks to both sides, especially in the immediate aftermath of the collapse of the USSR, before the political leadership in Moscow was able to establish its full control over the military. Whatever the cause, this Russian involvement led to resentment against Russia in both societies.

After the ceasefire in 1994, both Armenia and Azerbaijan pursued policies that in the post-Soviet space are normally called “multi-vector”. Contrary to its predecessors, Heydar Aliiev’s government worked hard to maintain good relations with Moscow, even though in terms of economic cooperation the main vector of Azerbaijan’s foreign policy was at the time directed toward the West, which had an interest in Azerbaijan’s hydrocarbon resources. Similarly, the successive governments of Ter-Petrosyan and Kocharyan in Armenia moved the country toward a closer military-political alliance with Russia, while at the same time trying to advance relations with the West. This dynamic allowed a situation in which both Russia and Western countries were in a position to act as (more or less) impartial mediators in the Nagorno-Karabakh conflict.

Twenty-Five Years of Mediation

The mediation efforts in the Nagorno-Karabakh conflict have been going on for about a quarter of a century. As they have already been covered by other authors, there is no need to address them in detail here.⁴² The aspect that interests us in this paper is whether the mediation efforts were dominated by cooperation or competition between Russia and the West. Ultimately, both factors have been present in the process. Pradoxically, elements of competition abounded in the 1990s, when in general the relations between Russia and the West were friendly, and Russia, at least officially, was on a course of integration with the Euroatlantic community. On the contrary, today, when relations between Russia and the West are in their worst phase since the end of the Cold War, the activities of the Minsk Group co-chairs seem to be dominated by cooperation.

⁴⁰ Russian military support during the 1992 Mardakert offensive is confirmed by eyewitness diplomats from US. Former US diplomat, personal communication, 25 August, 2016.

⁴¹ Expert interview, July, 2016 (Vadim Mukhanov)

⁴² Philip Remler, *Chained to the Caucasus: Peacemaking in Karabakh, 1987-2012*, New York, International Peace Institute, 2016; Tom de Waal, *op. cit.*; Vladimir Kazimirov, *Peace for Karabakh: Toward an Anatomy of a Resolution*, Moscow, 2009; John Maresca, “Resolving the Conflict over Nagorno-Karabakh: Lost Opportunities for International Conflict Resolution” in Chester A. Crocker, Fen Osler Hampson, Pamela Aall (eds), *Managing Global Chaos: Sources and Responses in International Conflict*, US Institute of Peace Press, Washington, D.C., 1996.

The former Russian negotiator in the Minsk Group, Vladimir Kazimirov, believes that in the early 1990s the competition between US and Russia was more pronounced than now. In his view, for the US and other Western countries in the Minsk Group, diminishing the Russian influence in the South Caucasus was as important as, or maybe even more important than, bringing a peaceful resolution to the conflict. Kazimirov complains that the competition between the mediators themselves was so obvious that it went beyond the norms of diplomatic etiquette, as when, for example, during a Minsk Group meeting in Moscow, he accidentally discovered that the “Western” members of the group had been holding separate meetings to discuss how to counteract Russian efforts.⁴³

The view that the competition between Russia and the West in the mediation efforts was so fierce that it often obstructed the mediation effort itself is echoed from the other side of the divide by the US representative to the Minsk Group of the time, John Maresca. Maresca argues that Russia’s desire to monopolize peacekeeping efforts in the territory of the former USSR led to a situation that was described by one Karabakh Armenian in the following way: “We have become the mediators between the Russians and the CSCE.”⁴⁴ Evidence of how the competition between Russia and the West in the context of the Minsk Group could sometime lead to some quite undiplomatic episodes is provided by Philip Remler.⁴⁵

It was within the context of this competition that the ceasefire of 1994 was signed with Russian mediation, rather than with the participation of the Minsk Group. However, as the format of Minsk Group Co-Chairs, including Russia, US and France took form, the competition between various mediators gave way to more cooperation, or at least the competition was pushed below the surface. Most analysts agree that currently relations among the Minsk Group co-chairs are dominated by the spirit of cooperation, and if there is competition, it mostly stays far from the surface. Kazimirov says that sometimes he envies the current Russian co-chair, since the cooperation between Russia and the West in the framework of the Minsk Group is so much smoother today than it used to be in the early 1990s.⁴⁶

The activities of the Minsk Group have been subject to much criticism from both sides of the conflict as well as from third parties. Many in Azerbaijan have accused the Minsk Group Co-Chairs of legitimizing the status quo, which serves Armenian interests. According to this view, the Minsk Group has failed to bring about progress, which is understood first of all as withdrawal of Armenian forces from the territories surrounding Nagorno-Karabakh. On the other hand, criticism coming from Armenia and Nagorno-Karabakh often focuses on the Minsk Group Co-Chairs’ reactions to ceasefire violations and to the use of belligerent rhetoric. According to this argument, the fact that the Co-Chairs normally refuse to point to the specific culprit behind violations encourages Azerbaijan to continue using ceasefire violations as a tool for applying

⁴³ Interview with Vladimir Kazimirov, March, 2016, Moscow

⁴⁴ John Maresca, *op. cit.*

⁴⁵ Philip Remler, *op. cit.*, p. 68.

⁴⁶ Interview with Vladimir Kazimirov, Moscow, February, 2016.

pressure on the Armenian sides. Both criticisms may have some basis in reality, yet both criticisms stem from exaggerated expectations that the Minsk Group is hardly in a position to fulfil. Being a mediator, the Minsk Group cannot solve problems if the sides are unable to agree on a compromise, and if each side refuses to make the concessions necessary for a compromise solution. Therefore, if there has been no progress in the negotiations and the status quo has been perpetuated, one has to look for the causes not in the actions of the Co-Chairs, but in the positions of the sides. On the other hand, the Minsk Group's status as a mediator, rather than an arbiter, means that it is often forced to refrain from "naming and shaming" one of the sides, even in those cases when it possesses information about which side is responsible for ceasefire violations.

The achievements of Minsk Group may be modest, but they are still important. For about two decades the ceasefire in Nagorno-Karabakh has held, even in the absence of a peacemaking force. This is quite an achievement, at least compared to other protracted conflicts, where peace has been kept by (Russian) peacekeepers, and, in the case of Georgia, for a much shorter period of time. Though the fact that the ceasefire has held for so long is related to many factors and the activities of the mediators are only one of them, it would be wrong to ignore the positive role of the Minsk Group in keeping the situation calm. The negotiations, even when they produced no specific results, provided a channel of communication between the sides, which has helped for the time being to prevent escalation.

"The Four Day War": Why Now?

Whatever the strengths and weaknesses of the Minsk Group, it has helped to maintain relative calm for more than two decades. To many in the region it seemed that this situation of relative calm would last for years to come. However, the events of early April showed that the dynamic in the Nagorno-Karabakh conflict can be much more unpredictable than it seemed.

To be fair, the April fighting, which many in the region are calling "the four day war," did not come out of the blue. There have been major incidents on the line of contact in Nagorno-Karabakh, as well as on the Armenia-Azerbaijan border, throughout the two decades since the 1994 ceasefire. A dramatic increase in the number and intensity of the incidents was observed: since 2014, tension has started to increase, both in terms of quantity of incidents and the nature of the weapons used.⁴⁷ While the majority of analysts seemed to think that a major escalation in Nagorno-Karabakh was unlikely, there were also voices in the expert community pointing to the worrying dynamic in the Nagorno-Karabakh region, and warning that Nagorno-Karabakh could become the next big crisis in Eurasia.⁴⁸ Thus, even though the recent round of fighting may have caught both the societies of the region and the international community off guard, it was hardly

⁴⁷ On the creeping escalation of violent clashes in 2014-2016 see Laurence Broers, *The Nagorno Karabakh Conflict Defaulting to War*, Research Paper, Russia and Eurasia Programme, Chatham House: the Royal Institute for International Affairs, July 2016 p. 6-8.

⁴⁸ Paul Stronski, 'Finding the Next Flashpoint in US-Russian Relations', December 4, 2015, <http://www.eurasianet.org/node/76426>

unpredictable. By spring 2016 a combination of internal and external factors made the military escalation more likely than ever.

One of the factors may have been the internal socio-economic and political situation in Azerbaijan, which was suffering the consequences of a global slump in oil prices.⁴⁹ The society, which had become accustomed to large government spending and a relatively high quality of life, had been affected by the economic difficulties. The government, which had spent years describing how the oil profits had been used to enhance Azerbaijani army, was under pressure to demonstrate at least some results in Nagorno-Karabakh in order to restore its credibility. As there were signs of potential social and political unrest in the country, the elites could use “a victorious little war” to distract the society from the socio-economic problems and rally the population around a patriotic agenda. As one Azerbaijani analyst noted, the government had put itself in a difficult state with its constant propaganda about the strength of the Azerbaijan army and the huge military budget: sooner or later it had to show some concrete results or risk losing credibility with its own population.⁵⁰

There is also another way in which falling oil prices have been changing the calculations on the Azerbaijani side. For years, at least since the late 1990s, Azerbaijan’s strategy has been based on the assumption that oil profits and a growing economy could be used to attain a solution of the Nagorno-Karabakh issue preferable for Baku. According to this paradigm, Armenia, lacking natural resources and weakened by closed borders with Turkey and Azerbaijan, would be unable to sustain an arms race. However, the revolution in fossil fuels, coupled with the re-emergence of Iran as a major player in the energy market, may make these calculations obsolete. Moreover, it is not clear how long Azerbaijan will be able to maintain the military edge over Armenia and Nagorno-Karabakh, as it will hardly be able to spend the same amount of money on arming its forces, while Armenia can still count on discounted arms sales from Russia. As a result of the slump in the oil prices, Azerbaijan was forced to cut down its defense spending by 40%.⁵¹ The military advantages that Azerbaijan gained over Armenia during the oil windfall years may not be sustainable in the long term perspective. Therefore, there is an urgent need to convert that economic advantage into specific military and political gains before it is too late.

Finally, there is frustration in Baku with the ongoing process of negotiations, which from the Azerbaijani point of view has helped Armenia to preserve the status quo. These considerations may have been among the ones that led Azerbaijan to adopt a new strategy, which Azerbaijani analyst Zaur Shiriev has described as a “war of attrition: wearing down the enemy to the point of compromise through continuous losses.” In his words, “the ultimate goal of Azerbaijan’s attrition strategy is actually to bring Armenia back to the negotiations table, as maintaining the military

⁴⁹Thomas de Waal, Azerbaijan’s Perfect Storm, Carnegie Europe, January 19, 2016, <http://carnegieeurope.eu/strategieurope/?fa=62501>.

⁵⁰ Expert interview, Azerbaijani expert, Berlin, March, 2016 (Sergey Rummyantsev); it is noteworthy that the interview was conducted a week before the April events.

⁵¹ Craig Caffrey, ‘Azerbaijan to cut defence spending by 40%’, IHS Jane’s 360, 27 January 2016, <http://www.janes.com/article/57500/azerbaijan-to-cut-defence-spending-by-40> ,

status quo along the LOC will now be more costly for Yerevan and could spark domestic turbulence in Armenia.”⁵²

In addition, the international and regional climate made an escalation in Nagorno-Karabakh possible. Both Russia and the West were distracted by the crises in Syria and Ukraine. The refugee crisis, terrorism threat and Brexit dominated the agenda in Europe and the US was in the middle of a ruthless election campaign. An important factor that might have played a catalyzing role was the Russian-Turkish confrontation, which started with the shooting down of a Russian airplane. One expert argued that this confrontation provided a stimulus for Turkey to encourage Azerbaijan to take decisive action in order to create a difficult situation for Russia in the South Caucasus.⁵³ At the same time, it created a situation in which Moscow would be less likely “to punish” Baku for any activity in Nagorno-Karabakh, as in such case it would risk “losing” Azerbaijan to Turkey.

While there were also opinions in the media that suggested that the aim of the Azerbaijani action was to perform a blitzkrieg,⁵⁴ it seems more plausible that the April fighting represented a more limited operation.⁵⁵ As one of the experts put it, the operation was a “reconnaissance in force” type operation that pursued not just military, but also political goals. Apart from testing the defenses on the line of contact, it pursued internal political goals: consolidating the society around the ruling government; as well as external political goals: modifying the status quo in the peace process and testing the international community’s reaction to military action in the region.⁵⁶

The outbreak of fighting helped Baku to reach some of these goals. The April campaign, which was represented as victorious by Azerbaijani media, helped the government in terms of restoring credibility inside the country, rallying the society around a patriotic agenda, and distracting the populace from socio-economic problems.⁵⁷ The April events led to a consolidation of various groups of the population, including the opposition and a large part of the NGO sector, around a patriotic discourse, and to the further marginalization of the discourse of peace.⁵⁸ As for the external context, the April events served at least two interconnected goals. One, Azerbaijan was able to send a message that the status quo was unacceptable and statements about its readiness to alter the status quo by military means should be taken seriously. The second goal, most

⁵² Zaur Shiriev. Azerbaijan’s War of Attrition: A New Strategy to Resolve the Karabakh Conflict? Publication: Eurasia Daily Monitor Volume: 13 Issue: 67 April 6, 2016 http://www.jamestown.org/programs/edm/single/?tx_ttnews%5Btt_news%5D=45281&cHash=9636c7ddda38c2e853bdc60fa8983e53#.V7h_C_l97IU.

⁵³ Expert interview, June 2016 (Nikolay Silayev)

⁵⁴ This was the point of view voiced by many Armenian sources, including the spokesperson of the Ministry of Defense, see Marianna Mkrtchyan, “Artsrun Hovhannisyan: Azerbaijan’s attempt of blitzkrieg failed,” ArmInfo, April 4, 2016, <http://www.arminfo.info/index.cfm?objectid=A35495F0-FA77-11E5-9D010EB7C0D21663> .

⁵⁵ For an informed discussion on this question see Laurence Broers, Op. Cit., p. 16-18.

⁵⁶ Expert interview, July 2016, (Vadim Mukhanov)

⁵⁷ Expert interview, Azerbaijani expert, Berlin, April, 2016.

⁵⁸ Sabir Akhundov, Azerbaijanism. August 3, 2016. <https://www.opendemocracy.net/od-russia/sabir-akhundov/azerbaijanism> .

probably, has to do with the format of the Minsk Process. In recent years Azerbaijan has often expressed its irritation with the current format of negotiations, in which the peace process is mediated by Minsk Group Co-Chairs. Armenia, on the contrary, though it has expressed its disagreement with specific statements or actions of the Minsk Group Co-Chairs, has in general supported the Minsk Group's efforts. The the recent round of fighting exposed the Minsk Group as a weak actor, unable to stop the "unfreezing" of the Karabakh conflict. That these goals have been reached, at least partly, becomes obvious from the fact that various actors of the peace process had been repeating in the aftermath of the April hostilities that a status quo is unsustainable and has to be changed.

Another important goal was testing the reaction of the international community and the important players. The reaction to the April events showed that the international community was concerned with the events in Nagorno-Karabakh. Statements expressing concern for the course of events and condemning the violence (without naming the side responsible), were made by international organizations, including the UN, EU, CoE, and the governments of the Minsk Group countries, as well as other countries of the region. Ultimately, as in 1994, it was Moscow that was able to bring about a ceasefire, as at a meeting in Moscow, the Chiefs of Staff of Armenia and Azerbaijan, Yuri Khachaturov and Necmeddin Sadyghov, agreed a ceasefire in Moscow. While skirmishes and shootouts continued during the following days, in general the ceasefire was respected.

In the view of Alexey Malashenko, "Moscow missed the beginning of the conflict... in the beginning it simply did not know what to do."⁵⁹ However, the general line of Moscow was to keep the balance. Russian Prime-minister Dmitry Medvedev visited both Yerevan and Baku in the immediate aftermath of the four day war, and made statements that were extremely cautious.⁶⁰ There were some exceptions. The CSTO Secretary Nikolay Bordyuzha made a statement on the first day of the conflict that placed the blame for escalation on Azerbaijan.⁶¹ On the other hand, several days after "the four day war", Russia's vice-premier for arms sales, Dmitry Rogozin, visited Baku and not only announced that the arms sales to Azerbaijan would continue, but also gave an extremely rude answer to his Armenian critics.⁶² A Russian expert ascribes such statements to lack of coordination among various Russian state agencies and officials.⁶³

⁵⁹ Алексей Малашенко, Юрий Югов, "От Москвы в Ереване ждали более проармянской позиции, и армяне обиделись", Carnegie.ru, 12 July 2016, <http://carnegie.ru/2016/07/12/ru-64065/j2y0>, .

⁶⁰ Медведев обсудил с Саргсяном проблему Карабаха, Moskovskiy Komsomolets, April 7, 2016 <http://www.mk.ru/politics/2016/04/07/medvedev-obsudil-s-sargsyanom-problemu-karabakha.html> last accessed Augsut 20, 2016.

⁶¹ CSTO Chief Blames Baku For Escalation In Karabakh, Radio Azatutyun, April 2, 2016 <http://www.azatutyun.am/a/27650276.html>

⁶² Lenta.ru, Рогозин подтвердил продолжение продаж российского оружия Азербайджану и Армении, 8 april, 2016, <https://lenta.ru/news/2016/04/08/mustflow/>; Haqqin.az, В Армении призывают объявить Рогозина персоной нон грата, 13 Апрель 2016, <http://haqqin.az/news/67981>

⁶³ Expert interview, July, 2016, (Vadim Mukhanov)

Russia's policies of maintaining the balance led to serious tension in relations between Moscow and Yerevan. First, there was public outrage in Yerevan over the continuing arms sales to Azerbaijan; however, this was not the only cause for anti-Moscow sentiments. Disappointment with the perceived lack of support from Armenia's Russian allies was expressed on various levels, from opinions voiced by politicians and analysts to street rallies and throwing eggs at the Russian embassy.⁶⁴ While there was an understanding in Armenia that direct military assistance from Russia was difficult to imagine, there had been expectations of political or psychological support from Moscow, which were not fulfilled. As Alexey Malashenko put it, "in Yerevan they expected more... they expected from Moscow a pro-Armenian position, even if not officially stated." Besides, according to Malashenko, another cause for Yerevan's disappointment was the behavior of CSTO: "CSTO, except for one statement by Bordyuzha, did nothing... this once again proves that CSTO is some kind of a nominal organization, and because in CSTO Russia plays the main role, it was a blow to its prestige."⁶⁵

Moreover, opinions were expressed in Armenian media that Moscow may have known in advance about the Azerbaijani operation, or, according to some of the most radical views, Moscow may have even been involved in organizing the Azerbaijani offensive, in order to provide a cause for introducing a Russian peacekeeping force. Thus Armenia's former head of national security David Shahnazaryan expressed the opinion that the "four days war" was a joint Russian-Azerbaijani plan for "blitzkrieg", which, however, failed.⁶⁶ While this may be a somewhat radical interpretation of Russia's potential role in the fighting, it is interesting that Azerbaijani analyst Zaur Shiryev has also expressed the view that the highest leadership in Moscow may have been aware of Azerbaijani plans of military action: "Azerbaijan's military offensive and its policies during the period of escalation may have been precipitated by a 'gentlemen's agreement' between Baku and Moscow; or Russia could have given Azerbaijan a kind of 'green light' for military action, as long as the latter refrained from pushing Armenia to question its strategic alliance with Moscow."⁶⁷ These suggestions were dismissed by Russian experts, some of whom explained the emergence of such allegations as a sign that in Armenia "there is a tendency to overestimate the importance of Armenia to Russia, as well as of the capacity of Russia to influence Azerbaijan."⁶⁸

The Armenian reaction led in turn to a certain irritation in Russia, where, in the words of one expert, "The attitude toward Armenia is becoming worse because of such anti-Russian statements, even though during the four day war most media and public opinion were inclined to

⁶⁴RFE/RL, "Armenians Protest Against Russian Arms Sales To Azerbaijan" April 13, 2016

<http://www.rferl.org/content/armenia-protest-russian-arm-sales-to-azerbaijan/27673173.html> .

⁶⁵ Алексей Малашенко, Юрий Югов, "От Москвы в Ереване ждали более проармянской позиции, и армяне обиделись", Carnegie.ru, 12 July 2016, <http://carnegie.ru/2016/07/12/ru-64065/j2y0>

⁶⁶Давид Шахназарян, "Изменить Формат Войны", "168 Hours", 5 May 2016,

<http://ru.168.am/2016/05/05/%D0%B8%D0%B7%D0%BC%D0%B5%D0%BD%D0%B8%D1%82%D1%8C-%D1%84%D0%BE%D1%80%D0%BC%D0%B0%D1%82-%D0%B2%D0%BE%D0%B9%D0%BD%D1%8B/> , .

⁶⁷ Zaur Shiryev, "Azerbaijan's war of attrition"...

⁶⁸ Expert interview, July, 2016 (Alexander Skakov)

support Armenia.”⁶⁹ As another expert argued, this situation is normal, as both Armenia and Russia are independent countries with their own interests, and one cannot expect “Russians to be more Armenian than the Armenians, and vice versa”: there is an understanding in Moscow that Yerevan would not recognize Crimea as Russian territory or recognize the independence of Abkhazia and South Ossetia, so Yerevan should also understand the Russian position when it comes to Nagorno-Karabakh.⁷⁰

Another cause for disappointment for Yerevan was the position of its allies in the CSTO and EEU. If Russia was trying to strike a balance between Armenia and Azerbaijan, Belarus and especially Kazakhstan did little to hide their sympathies for Baku. In case of Belarus, there was a small diplomatic row between Yerevan and Minsk over a statement by the Belarusian Foreign Ministry, which emphasized sovereignty, territorial integrity, and the inviolability of borders, while “forgetting” to mention self-determination.⁷¹ Kazakhstan, a country that pays significant attention to the factor of Turkic solidarity in its foreign policy, went further. A meeting of prime-ministers of the Eurasian Economic Union scheduled to take place in Yerevan in early April was postponed when the Kazakhstani prime-minister refused to take part in it, since holding the meeting in Yerevan could have been perceived as a sign of support for Armenia versus Azerbaijan.⁷²

Ultimately, the April fighting led to an activation of the peace process. The first meeting after the escalation took place in Vienna on May 16 with the participation of the Minsk Group Co-Chairs and the presidents of Armenia and Azerbaijan. The next meeting took place in June in Saint Petersburg on June 20, with Russian mediation, in the presence of the Russian president Vladimir Putin.⁷³ There was much speculation in the aftermath of these meetings as to whether there had been attempts by Russia to push the West out of the peace process or vice versa.⁷⁴ However, one has to remember that in the course of mediation efforts various actors were taking upon themselves the initiative for resolution, with support (or at least declared support) from the other Co-Chair countries.

Thus, in 2001 the US was in the lead, as the negotiations took place in Key West with the participation of not just the US co-chair Carey Cavanaugh, but also US Secretary of State, later

⁶⁹ Expert interview, July, 2016 (Alexander Skakov)

⁷⁰ Expert interview, July 2016, (Alexander Krylov)

⁷¹ EuroBelarus Information Service, Armenian Foreign Ministry is displeased with the Belarus’ statement re Nagorno-Karabakh, April 4, 2016 <http://en.eurobelarus.info/news/politics/2016/04/04/armenian-foreign-ministry-is-displeased-with-the-belarus.html> .

⁷² Aza Babayan, Eurasian Union Meeting In Yerevan Cancelled, Radio Azatutyun, <http://www.azatutyun.am/a/27660207.html> .

⁷³ On these meetings see Mikayel Zolyan, “Jaw-Jaw is Always Better than War-War: What are the implications of the Vienna meeting of the Presidents of Armenia and Azerbaijan?”, Russian Council on Foreign Affairs, 24 May, 2016, http://russiancouncil.ru/en/inner/?id_4=7703#top-content ; Ни мира, ни войны: Результаты встречи президентов Армении и Азербайджана в Санкт-Петербурге, 23 June 2016, Russian Council on Foreign Affairs, http://russiancouncil.ru/inner/?id_4=7827#top-content

⁷⁴ See for example Юрий Рокс, Россию лишают инициативы в решении карабахского конфликта, Независимая Газета, May 17, 2016, http://www.ng.ru/cis/2016-05-17/6_karabah.html

followed by meetings in Washington with the US president George W. Bush. At another point the president of France Jacques Chirac took the lead, with the meetings at the Elysee Palace that continued at Rambouillet.⁷⁵ Dmitry Medvedev's presidency in Russia was marked by a new round of peacemaking activity by Russia, which started with the Meyendorf declaration in November 2008 and came close to signing a document in Kazan in 2011. Medvedev's initiative had much to do both with the internal Russian dynamic, more precisely with Medvedev's desire to have his own foreign policy success, as well as with the aftermath of the Russian-Georgian war: he needed to show that he was a "European" politician and that Russia could play a constructive role in the South Caucasus.⁷⁶

Similarly, in the St.Petersburg meetings, there was a clear statement of support from US co-Chair James Warlick. Of course, as one of the experts argued, that does not mean that the agreement between the West and Russia within the Minsk group might not evaporate when the negotiations process reaches the stage of negotiating specific arrangements such as the deployment of a peacekeeping force.⁷⁷

From the Madrid Principles to the Putin Plan: the Impossibility of the Inevitable

The basis for cooperation between Russia and the West on the Nagorno-Karabakh peace process is their agreement over a general framework for the resolution of the conflict. There is a basic consensus between Russia and the West around this framework, which at some point in the peace process became known as "the Madrid Principles" and later as "the renewed Madrid Principles."⁷⁸ Since then no other more or less plausible formula for compromise had been suggested by the mediators. However, the attitudes of the societies, lack of mutual trust between the sides, unwillingness of major regional and global players to commit significant resources to the resolution, as well as the ineffectiveness of international organizations and ensuing lack of trust in the international community have led to a situation in which this formula has been impossible to implement. Thus the situation in the Nagorno-Karabakh peace process is somewhat paradoxical: most actors understand that the only plausible compromise is the one that for years in one version or another has been proposed by the mediators, yet at the same time it is also clear that this compromise is impossible to realize under current circumstances.

All the peace proposals from "the Madrid Principles" to "modified Madrid Principles" to the "Lavrov/Putin plan" have centered on the same formula for peace: an exchange of territories held by the Armenian side in exchange for an interim status and international security guarantees for Nagorno-Karabakh, as well as the establishment of a mechanism for determining its permanent

⁷⁵ Philip Remler, op. cit. p, 94.

⁷⁶ Expert interview, Moscow, July 2016 (Nikolay Silayev)

⁷⁷ Expert interview, Moscow, June 2016, (Nikolay Silayev)

⁷⁸ Expert interview, Moscow, March, 2016 (Sergey Markedonov)

status in the future.⁷⁹ As a political analyst in Moscow put it, “it is virtually impossible to imagine the return of Nagorno-Karabakh to Azerbaijan without a major act of ethnic cleansing, which nobody would allow... at the same time it is equally difficult to imagine that Nagorno-Karabakh would be allowed to hold on forever to the territories of the so called ‘security zone.’”⁸⁰ However, Baku has excluded the recognition of independence, while Yerevan and Stepanakert have excluded any form of association of Nagorno-Karabakh with Azerbaijan; hence the issue of status seems insoluble. Therefore, most peace plans have suggested postponing the final resolution of the status issue, suggesting instead a temporary status backed by the international community and establishment of a mutually agreed mechanism to determine the permanent status in the future.

There has been a lot of debate regarding various details of the Madrid principles and subsequent documents. Much of this speculation has been conditioned by the fact that negotiations are taking place according to the principle that “nothing is agreed until everything is agreed.”⁸¹ This opens up space for the sides to interpret the same proposals differently, as well as for one side or the other to spread outright misinformation to gain advantage in the negotiations process. Therefore, when discussing the Madrid Principles, or any other subsequent document put forward by the mediators, only a very general formulation can be considered credible. In order not to get bogged down in the endless discussions of the details of the proposals, we shall focus only on those principles that had been made public by common statements of the leaders of the Minsk Co-Chair countries at summits at L’Acquila and later reiterated in Muskoka: “return of the territories surrounding Nagorno-Karabakh to Azerbaijani control; an interim status for Nagorno-Karabakh providing guarantees for security and self-governance; a corridor linking Armenia to Nagorno-Karabakh; future determination of the final legal status of Nagorno-Karabakh through a legally binding expression of will; the right of all internally displaced persons and refugees to return to their former places of residence; and international security guarantees that would include a peacekeeping operation.”⁸²

In 2016 there has been talk of the existence of a “Lavrov plan” (named after Russian foreign minister Sergey Lavrov), which had been mentioned before the April fighting, and which was more widely discussed afterward. After the St.Petersburg meeting, which was chaired by Russian president Vladimir Putin, the media started to refer to “the Putin plan.” Of course, not only has the content of the “Lavrov/Putin plan” not been disclosed, but even its existence has not been officially confirmed. The closest that anyone came to admitting that such a plan existed was during Lavrov’s visit to Yerevan in April 2016, when, answering journalists’ questions regarding the existence of such a plan, Russian MFA spokesperson Maria Zakharova said that “Lavrov

⁷⁹ In the current form, this mechanism is quite vaguely described as “expression of popular will”, which allows for conflicting interpretations on both sides.

⁸⁰ Expert interview, Moscow, June 2016, (Nikolay Silayev)

⁸¹ Interview with senior EU diplomat, February, 2016

⁸² Statement by the OSCE Minsk Group Co-Chair Countries, L’Acquila, 10 July 2009;

<http://www.osce.org/mg/51152/> Compare with the Muskoka statement: Statement by the OSCE Minsk Group Co-Chair countries, June 26, 2010, <http://www.osce.org/mg/69515>

never travels anywhere empty-handed.”⁸³ A Russian political analyst noted that “the Lavrov/Putin plan has a chance to become the new Dulles plan: no one has seen it, but everyone knows what is in there.”⁸⁴

Thus, for about a decade the Madrid principles, or some modified version of the Madrid principles have been the formula put forward by the mediators as the basis for the resolution of the conflict. However, whether these principles can become the basis of an actual agreement that would be implemented, depends on at least two factors: the readiness of the sides to accept a compromise and the readiness of the international community to provide substantial guarantees of its implementation.

So, first, there is the question to what extent a compromise would be acceptable for the societies. Both in Armenia and Nagorno-Karabakh on the one hand, and in Azerbaijan on the other, the formula “land for status and/or security” is unacceptable to many. Many in Armenia, and especially in Nagorno-Karabakh, consider the territories outside of the borders of the former NKAO and integral part of Nagorno-Karabakh and an integral part of the Armenian homeland, which had been “liberated” and cannot be conceded under any conditions. It would be wrong to dismiss these views as marginal: in fact this is a widespread opinion in Armenia proper, and even more so in Nagorno-Karabakh.⁸⁵

At the same time, in Azerbaijan both the government and public opinion are hostile to the idea that Azerbaijan may one day recognize the independence of Nagorno-Karabakh. In fact, while Armenian government officials have time after time hinted at the possibility of “compromise”⁸⁶ when it comes to the issue of the territories, Azerbaijan’s official position has been clear: no independence for Nagorno-Karabakh. This is a position that has not only been supported by government media, but is also shared by the majority of Azerbaijani opposition and civil society groups, including those who radically oppose the government on many other issues.⁸⁷ Moreover, as noted by a political analyst, “Anti-Armenian propaganda has become a systemic factor in Azerbaijani political life, one of the bases of the ideology of the ruling regime... and it would be very difficult for the government to reverse this propaganda and defend a compromise with Armenians.”⁸⁸

However, even if an agreement is signed by the heads of state, there still remains the issue of guaranteed implementation of the compromise agreement by all sides, at all stages of its

⁸³ РИА Новости, “Лавров предложит в Ереване наработки РФ по урегулированию в Карабахе”, <http://ria.ru/world/20160421/1416352898.html> .

⁸⁴ Internet communication, Russian expert, July 2016 (Sergey Markedonov), Refers to the mythical “Dulles plan”, which allegedly contained a plan of subversive actions aimed at destroying the USSR from within.

⁸⁵ Interview with sociologist, conflict resolution specialist, Armenia, July 2016.

⁸⁶ Thus, Serzh Sargsyan once said that Karabakh Armenians fought to liberate their homeland and “Aghdam is nout our homeland”, referring to one of the districts held by the Karabakhi Armenian forces. Hayk Aramyan, “Serzh Sargsyan’s Aghdam”, 29 June, 2012, <http://www.lragir.am/index/eng/0/comments/view/26708>

⁸⁷ Interview with Azerbaijani expert, Berlin, March 2016

⁸⁸ Expert Interview, Moscow, June 2016 (Nikolay Silayev)

implementation. This issue is directly related to the lack of trust between the sides. Since the agreement suggested by the mediators will be implemented step by step, at various stages of its implementation one side may have to take steps that would put itself, at least temporarily, in a disadvantaged position. Therefore, that side would need guarantees that the other one would not renege on its commitments after receiving what it needed. To cite an example, the Armenian sides would need a guarantee that Azerbaijan, after regaining control over the territories around Nagorno-Karabakh, would not engage in military activities.

This issue could be solved in two ways. One way is building trust between the societies involved in the conflict. Obviously, after years of protracted conflict and propaganda of hatred toward each other, the level of trust between both the societies and governments is very low. This problem could have been solved, had Armenia and Azerbaijan shared a common motivation for solving the conflict peacefully. Thus, for example, trust could have emerged if both countries were part of a common political-economic or military bloc. However, this is not the case, at least so far, and it is difficult to imagine this happening in the near future. Therefore, the task of ensuring that the agreement will be implemented thoroughly would fall upon the international community, and, more specifically, the mediators, or, in other words, the countries of the Minsk Group.

However, here, as well, a number of issues arise. First, to what extent are the Minsk Group countries willing to commit serious resources to ensure that the Nagorno-Karabakh conflict resolution works? Obviously, there is a difference between the approaches of Russia and the West in this case. Various experts have noted that the issue is of higher priority for Russia, as the conflict is taking place in the immediate vicinity of its borders.⁸⁹ However, until recently even Russia was not willing to commit significant resources and take significant risks when it came to Nagorno-Karabakh conflict resolution. Till now many experts, including Russian ones, are very skeptical about the reality of the implementation of the “Madrid principles”, and believe that the risks associated with active Russian involvement, and in particular deployment of peacekeepers, are higher than the potential benefits.⁹⁰ In the West, as well as among some circles within Armenia and Azerbaijan, the received wisdom is that Russia is not interested in the peaceful resolution of the Nagorno-Karabakh conflict, since it helps to keep both Armenia and Azerbaijan within the sphere of Russian influence.

A Window of Opportunity or a New Danger?

There are some signs that calculations on the Russian side might have changed after the April combat. The fact that Vladimir Putin has begun taking part in the negotiations personally may be a sign that Russia is willing to invest serious effort into the process of Nagorno-Karabakh conflict resolution. According to some experts, Russia is willing to commit significant resources, from applying political pressure on the leaders of the countries involved all the way to the

⁸⁹ Expert interview, July 2016 (Nikolay Silayev), Expert interview, March 2016 (Sergey Markedonov); Expert interview, Carnegie Brussels, February 2016 (Thomas de Waal)

⁹⁰ Expert interview, March 2016, Moscow (Sergey Markedonov)

deployment of peace-keeping troops in the zone of conflict in order to preclude a new outbreak of the conflict, since such an escalation would put Russia in an extremely difficult situation.⁹¹ Deployment of Russian peacekeeping troops would also help Russia to secure its influence in the South Caucasus: while at the moment Armenia does have Russian military bases on its territory and is thus within its “sphere of influence”, deploying Russian troops on the line of contact with Azerbaijan would also ensure that this country as well would be within that “sphere of influence”. A “pax Russica”, ensured by the presence of Russian peacekeepers, especially in the absence of an ultimate agreement over status, would guarantee even stronger and more durable Russian influence both in Armenia and Azerbaijan.

Until recently, deployment of a purely Russian or Russian-dominated peacekeeping force was considered virtually impossible. After 1994 Russia was pushing for a deployment of a peacekeeping force under the aegis of the CIS. However these efforts caused little enthusiasm on all sides, and there was even a tacit agreement between the sides to reject the Russian offer.⁹² Since then, as one expert put it, Azerbaijan rejects the deployment of Russian peacekeepers completely, while Armenia and Nagorno-Karabakh are rather against it than for it, though with them, at least, this is an issue that can be discussed.⁹³

Until recently Russia has not been very active in promoting its role as a potential provider of a peacekeeping force, taking into account the possible risks associated with such an operation. Moreover, judging from Putin’s attitude to the issue in the past, Nagorno-Karabakh has not had the same priority as Crimea, Donbass or Abkhazia, and it was understood that Putin would not be willing to put the lives of Russian soldiers at risk in Nagorno-Karabakh.⁹⁴ It was obvious that Russian peacekeepers would not be acceptable for Azerbaijan, or Turkish ones for Armenia; US peacekeepers would be unacceptable for Russia, and Iranian peacekeepers would be unacceptable for the West. Thus, an understanding was reached between the sides that the potential peacekeeper force would not include forces from Russia, the United States, France, or Turkey.⁹⁵ Is it possible that this understanding could change in the wake of the April outbreak of hostilities?

In other words, is there a possibility that a Russian or Russian-dominated peacekeeping force may be deployed in Nagorno-Karabakh? If until recently such a development seemed completely impossible, in the post-April context this perspective cannot be ruled out. Normally in the past it was Azerbaijan that rejected the presence of Russian peacekeepers. However, the last years’ rapprochement between Baku and Moscow may lead to a change in this position. While Yerevan and Stepanakert may be unhappy with this perspective, they may be in no position to say no, given their dependence on the Russia in the field of security. In the past Armenians often relied on Baku’s defiance. However, if Baku does agree to deployment of Russian troops, this tactic

⁹¹ Expert interview, July, 2016 (Nikolay Silaev)

⁹² Expert Interview, Carnegie Brussels, February, 2016 (Thomas de Waal)

⁹³ Interview with expert, Moscow, July 2016 (Alexander Skakov)

⁹⁴ Expert Interview, Carnegie Brussels, February, 2016 (Thomas de Waal)

⁹⁵ Philip Remler, *op. cit.* p. 93.

will no longer work. Of course, most probably the peacekeeping force would not be exclusively Russian. It is possible that the CSTO would provide the peacekeeping force: that would be easier to accept for Azerbaijan, since as the April events showed, some CSTO members, Belarus and Kazakhstan, have more sympathy for Azerbaijan than for their own CSTO ally Armenia.

Whether such a deal is possible or not would depend on the position of the West. To what extent this is possible remains an open-ended question. On the one hand, though the deployment of a Russian-dominated peacekeeping contingent would hardly be pleasant news for the West, in the current international climate it may choose to accommodate that move. If both Armenia and Azerbaijan agree to such move, the West would have no formal reason to object. Besides, given the numerous challenges that the West is facing elsewhere, the West may treat the strengthening of the Russian influence in the South Caucasus as the lesser evil, compared to a possible “de-freezing” of the conflict. On the other hand, the West may see Russia’s ambitions in the region as another case of Russian expansionism and choose to block it using its leverage in international organizations (e.g. blocking UN recognition of such a force). Finally, the West may see the Russian rhetoric about the conflict resolution as a bluff.⁹⁶

Obviously, it would be difficult to reach an agreement on peacekeepers if the regional players, Turkey and Iran, are strongly opposed to it. On the one hand, Turkey may have reasons to accept it, as it is currently weakened by internal instability and looking to mend fences with Russia. Therefore Ankara’s support for the deployment of Russian peacekeepers could be part of a regional deal with Russia. On the other hand, if Ankara decides that the deployment of Russian peacekeepers presents a danger to its interests, it has a lot of leverage to foil that development. It could either use its influence in Azerbaijan, or it could set conditions unrelated to Nagorno-Karabakh for opening the border, which could prove politically unsustainable for Yerevan and ruin a deal.⁹⁷

As for Iran, which immediately borders the zone of conflict, in the past it has been reluctant to see any foreign military on its border; however, deployment of Russian forces could also be seen by Iran as “the lesser evil”, especially compared to the prospective deployment of troops from NATO countries, which could happen in a wider international operation. Whether this happens or not may to a large extent depend on the larger context of Russian-Iranian relations. On the one hand, there has been active cooperation in various fields, including military cooperation in Syria. On the other, as the recent episode with the use of an Iranian base by Russian aircraft showed, this cooperation has its limits.⁹⁸ Indeed, if Iran chooses to oppose deployment of peacekeepers in Nagorno-Karabakh, it can use its influence both in Armenia and Azerbaijan to foil the deal.

⁹⁶ See the positive, yet skeptical assessment of Putin’s initiative by a Minsk Group co-chair Matthew Bryza, Matthew Bryza, “Two Surprising Proposals for Peace in the Nagorno-Karabakh Conflict” , Atlantic Council, August 18, 2016, <http://www.atlanticcouncil.org/about/experts/list/matthew-bryza>

⁹⁷ Philip Remler, personal communication, 25 August, 2016.

⁹⁸ On this issue see Николай Кожанов, “Российская база в Иране: почему Тегеран передумал”, 29 August, 2016, Carnegie Moscow, <http://carnegie.ru/commentary/2016/08/29/ru-64407/j4oy>

Thus while mediation efforts have become more active in the wake of the April events, there is not enough evidence to suggest that this activity will necessarily lead to a breakthrough. However, if we assume that in the post-April context there has emerged a “window of opportunity” for a Russian-brokered deal supported by the West, would such a deal be enough to ensure the peaceful resolution of the Nagorno-Karabakh conflict? There are strong reasons to believe that this would not be the case. First, there is the issue of maximalist approaches on both sides of the conflict, which have been fueled by nationalist propaganda on both sides. For more than two decades a vicious cycle has been at play in all the societies involved in the conflict: government propaganda reinforced the image of the enemy and helped to radicalize the society, and in turn the radicalization of the societies created demand for more nationalist propaganda, which was readily supplied by the government. As a result of this vicious cycle, all the governments involved have painted themselves into a corner: by feeding unrealistic expectations of a complete victory they have sealed off the road to compromise.

Making concessions to someone who has for decades been proclaimed a mortal enemy is never an easy task. However, it is even more difficult in an authoritarian or semi-authoritarian system like the ones that exist in Armenia, Azerbaijan and Nagorno-Karabakh. In the absence of democratic mechanisms for the legitimation of power, the unresolved conflict and the image of the enemy help the ruling elite to keep their hold on power.⁹⁹ Therefore, attempts to find a compromise could result in the destruction of the legitimacy of the ruling regime and lead to its demise. Unconfirmed rumors that Serzh Sargsyan’s government was planning to “concede territories” led to an attempted armed uprising in Yerevan, which plunged the country into an internal political crisis for two weeks.¹⁰⁰ While Azerbaijan’s ruling regime seems more stable on the surface, if it has to make serious concessions on Nagorno-Karabakh, the consequences can be equally serious.

This logic is enforced by the internal political dynamic in Armenia and Azerbaijan in the wake of the April outbreak of fighting, which, though for opposite reasons, leaves few chances for a genuine and sustainable compromise. It has already been mentioned that the “4 day war” helped to stabilize the internal political situation in Azerbaijan and to consolidate support for the government. The fact that the military gains were quite limited did not prevent the government from being able to present the campaign as a major victory. In fact, as one analyst noted, more significant gains would have been connected to larger loss of life, which would have ruined the propaganda effect.¹⁰¹ In any case, the signs of unrest which had begun unfolding in Azerbaijan in the winter 2015-2016 have abated, and the government has been able to mitigate the potentially

⁹⁹ Interview with Azerbaijani expert, Berlin, March, 2016.

¹⁰⁰ On the July events in Yerevan see Thomas de Waal, Armenia’s crisis and the legacy of victory, Open Democracy Net, 3 August 2016, <https://www.opendemocracy.net/od-russia/thomas-de-waal/armenia-s-crisis-and-legacy-of-victory> ; Mikayel Zolyan, The Daredevils of Sasun: Why an Armed Incident Triggered a Political Crisis in Armenia, Russian International Affairs Council, 27 July, 2016. http://russiancouncil.ru/en/inner/?id_4=7969#top-content ; Sergey Markedonov, Armenia’s Changing Culture of Protest, Carnegie.ru, July 27, 2016, <http://carnegie.ru/commentary/2016/07/27/armenia-s-changing-culture-of-protest/j391> last, accessed August 20, 2016.

¹⁰¹ Expert interview, Moscow, July, 2016. (Vadim Mukhanov)

destructive consequences of the fall in energy prices, which led to a severe recession in Azerbaijani economy.

Of course, a deal that involves the return of at least part of the territories around Nagorno-Karabakh could help to boost the popularity of the Azerbaijani government. However, a lot depends on what concessions would be demanded in return. A compromise agreement, were it to be signed, would obviously entail certain concessions on the Azerbaijani side, such as agreement to an interim status, deployment of international peacekeepers, probably including a Russian peacekeeping force, and, most importantly, an agreement in principle on the mechanism of determining the permanent status of Nagorno-Karabakh. Those concessions, especially the latter, would be hard to sell to a public which had been convinced that April campaign was a major victory, and thus expects new victories, whether diplomatic or military. Whether the Azerbaijani government would be able “to sell” compromise to its own society depends on many factors, including such unpredictable ones as the prices of oil and gas.

While for the Azerbaijani government “selling compromise” is a difficult and risky task, in the case of Armenia and Nagorno-Karabakh it can be described as virtually impossible under current conditions. When it comes to internal political situation, the picture here, in a sense, represents the opposite of the situation in Azerbaijan. Before the April events the positions of the authorities in both Yerevan and Stepanakert seemed quite stable. Even though the Armenian economy had been affected by the recession in Russia’s economy, and 2015 had been quite turbulent in terms of internal politics, by the end of the year Sargsyan’s government had secured its position within the country, having claimed victory in a referendum on constitutional changes, albeit marred by allegations of fraud.¹⁰²

However, the April events had a seismic effect on internal politics in Armenia and Nagorno-Karabakh. While during the days of fighting there was an upsurge of patriotic feeling in Armenia and Nagorno-Karabakh, public reaction to the government’s handling of the crisis took a negative turn in its aftermath. It became obvious that assurances by Yerevan and Stepanakert that the Armenian and Karabakhi military were well-prepared for any Azerbaijani offensive were not completely trustworthy. Amid allegations of incompetence and corruption voiced by the public against the military of Armenia and Nagorno-Karabakh, several high-ranking officers were fired, including Armenia’s deputy ministers of defense responsible for logistics, communication and intelligence.¹⁰³ On a more general level, the April hostilities undermined the Armenian leadership’s claim that Armenia and Nagorno-Karabakh’s security had been assured by Yerevan’s alliance with Russia and membership in the CSTO and EEU.

Against the background of a stagnant economy and increasingly dire social conditions, which had led to a large-scale migration of the labour force from Armenia, the preservation of the status

¹⁰² Armen Grigoryan, Armenia's constitutional referendum, Central Asia Caucasus Analyst, December 29, 2015, <http://www.cacianalyst.org/publications/analytical-articles/item/13317-armenias-constitutional-referendum.html> .

¹⁰³ Satenik Tovmasyan, Dismissed: Sargsyan relieves three generals of senior army positions, April 26, 2016, <https://www.armenianow.com/en/news/2016/04/26/armenia-generals-resignations-president-sargsyan/1904/> .

quo in Nagorno-Karabakh was to a great extent the only achievement that the Armenian government had been able to claim as unequivocal. With that status quo called into question by the April events, as well as by the subsequent rounds of negotiations, it seems that the incumbent Armenian government will be facing an increasingly hard time in domestic politics. The attempted armed uprising in July 2016 in Yerevan, supported by thousands of protesters in the streets, may be a sign that the worst is yet to come. It is hard to imagine how, faced with such serious challenges at home, the Armenian government would be able to convince the society to accept the extremely unpopular concessions which would have to be made if a compromise is reached on Nagorno-Karabakh.

The foregoing means that both sides are likely to step up their demands and are unlikely to reach a compromise, though for different reasons. Another issue that could undermine the peace deal is the sustainability of international guarantees. The events that have unfolded since 2014, including the crisis in Crimea and Eastern Ukraine, have demonstrated that international law and international commitments are often too weak to manage conflictual issues in the post-Soviet space, and issues are solved through the application of sheer force. Against this background, it would be difficult to blame the sides of the Nagorno-Karabakh conflict for their unwillingness to put their trust in international guarantees to ensure security and guarantee the implementation of the agreements they sign. During the past decades not only have the conflicting sides come to distrust each other, but they have also lost trust in international institutions and the international community.

Finally, the agreement that exists between the main mediators, Russia and the West in the case of Nagorno-Karabakh, may be fragile. While for years there has existed a general understanding on the formula for the resolution of the Nagorno-Karabakh conflict, this understanding may evaporate when it comes to practical steps, especially if these steps contradict previously existing agreements (e.g., in case of deployment of peacekeeping force dominated by one of the Minsk Group countries). Even if the agreement on Nagorno-Karabakh holds, cooperation between the countries may fall victim to disagreement in other spheres. NATO and Russia increasingly treat each other as potential rivals in Eastern Europe from the Baltics to the Black Sea. Speculation about the possibility of conventional or “hybrid” warfare, or even “limited use of nuclear weapons,” which would have seemed complete lunacy several years ago, has become a part of the analytical discussion, both in Russia and in the West. Donbass and Crimea remain a breeding ground for instability and conflict in Ukrainian-Russian relations, which could lead to a larger confrontation between Russia and the West. Would a Nagorno-Karabakh peace deal survive a major confrontation between the West and Russia? These are questions which do not have a clear answer today.

As the factors that could help bring about a peace deal are not strong enough, there is little hope that an agreement can be reached, or if reached, implemented. Therefore, the risk of renewed escalation remains high. Most experts interviewed for this project continued to consider an all-out war improbable, since that would entail risks that neither Yerevan nor Baku would be willing to consider. The amount of weaponry available to both sides means that each side is aware of the

potential damage and is extremely careful to limit its actions to avoid provoking a full-blown response.¹⁰⁴ Even a victorious war would entail such high costs for any of the sides that the decision to launch a full-scale war is almost impossible to contemplate, at least if we assume that the sides behave rationally. As one expert noted, anything is possible, but if the leaders take outright irrational decisions, then it is up to psychologists or psychiatrists to predict or explain them, rather than political analysts.¹⁰⁵ However, some experts believed that a repetition of “a small war” of the kind that took place in April was quite possible. Some of them even made estimates of a time frame when such an escalation could be most probable: thus one expert considered autumn 2016 an especially dangerous period in terms of renewed escalation.¹⁰⁶ Of course, whether such an escalation could take place depends on factors such as the state of Russian-Turkish relations and the level of oil prices, to name just two of many.

As part of efforts aimed at preventing escalation, strengthening the monitoring mission and introducing effective investigation mechanisms have been suggested and were discussed during the Vienna and St.Petersburg meetings. In fact some of these mechanisms were already envisaged by a 1995 agreement on strengthening the ceasefire which, however, has stayed on paper since then.¹⁰⁷ There is an obvious difficulty in reaching agreement on the monitoring and investigation mechanism, since while these are supported by Armenia, Baku feels that such mechanisms would tie its hands and help advance Armenia’s goal of prolonging the status quo in Nagorno-Karabakh. In any case, since the Minsk Group co-chairs have invested their political weight in negotiations over this issue, it is probable that some additional mechanisms of monitoring and investigation will be introduced. However, that would hardly be a guarantee against future outbreaks of fighting: in the practice of conflict resolution there are very few if any cases when mechanisms of monitoring or investigation alone have been able to prevent escalation.

What Can Be Done?

In the light of the foregoing, all interested parties need to acknowledge that resolution of the Nagorno-Karabakh conflict, or even significant progress in resolving it, is a matter of years, possibly even decades. At the same time this does not mean that the international community and those within the region who are interested in the peaceful resolution of the conflict should not engage in activities that would at least help to prevent another escalation, and at most help to bring an agreement closer. These activities should progress in at least three directions:

- Continuing the negotiation process at the level of state officials aimed at bringing the positions of sides closer to an agreement. Even in the absence of such an agreement, continuing negotiations at the level of heads of state and other officials would help to establish a channel of communication that would help to prevent new escalation.

¹⁰⁴ Expert interview, March, 2016 (Sergey Markedonov)

¹⁰⁵ Interview with Carnegie Expert, February, 2016 Moscow (Alexey Malashenko)

¹⁰⁶ Expert interview, Moscow, July 2016 (Alexander Skakov)

¹⁰⁷ Interview with Vladimir Kazimirov, Moscow, February, 2016.

- Strengthening mechanisms to monitor and investigate the situation on the ground. Obviously, in the absence of a peace agreement and/or a peacekeeping force, the OSCE monitors would be in no position to prevent violent incidents. However, effective monitoring and investigation mechanisms would significantly raise the “price” for initiating violations of the ceasefire, and help at least to reduce violent incidents.
- Working with the societies to prepare them for accepting a compromise solution. It is obvious that so far the governments have not been willing to explain to their own societies the need for a compromise solution, and on the contrary have often supported propaganda in favor of radical positions, used hate speech, and promoted the creation of an image of the enemy. There is a need for concerted international pressure on the governments to force them not just to abandon their militant rhetoric, but also to stop creating difficulties for civil society actors advocating peace and dialogue. The obstacles created by the governments to programs by international organizations and international NGOs promoting dialogue should be removed. These efforts should also include the non-recognized Nagorno-Karabakh Republic, to make sure that the society there is also prepared for peace.

Some specific suggestions related to work in these directions can also be made:

- In order to strengthen the negotiating format, which so far has been confined to meetings either of presidents or ministers of foreign affairs, an institution of special representatives of presidents for Nagorno-Karabakh resolution can be introduced. The presidents of Armenia and Azerbaijan can be asked to nominate representatives who would be able to meet periodically and hold discussions. There were several precedents, including the establishment of a constant communication channel between presidents’ advisors Gerard Libaridian from Armenia and Vafa Guluzade from Azerbaijan in the 1990s,¹⁰⁸ or the Prague process of 2002-2005, between Armenian and Azerbaijani diplomats who had the title of “presidential representative.”¹⁰⁹
- The 1995 agreement on strengthening the ceasefire, concluded under the aegis of the OSCE Minsk Conference Co-Chairs, which contained a mechanism for investigation of incidents, can be used as a blueprint for designing new mechanisms of monitoring and investigations. In addition, a direct channel of communication between the militaries of the conflicting sides should be created to reduce the possibility of “escalation by mistake”.

¹⁰⁸ Expert Interview, Carnegie Brussels, February 2016 (Thomas de Waal)

¹⁰⁹ Philip Remler, personal communication, 25 August 2016.

- The international community should be prepared to use the instrument of sanctions against members of the political elites of the sides of the conflict if involved in extreme cases of hate speech or persecution of civil society actors engaged in peace dialogue. These sanctions could include blacklisting certain officials for travel, sanctions related to their property abroad, etc.¹¹⁰ Of course, we realize that the use of such sanctions may be undesired from the point of view of a specific government; however, even introducing the possibility of sanctions into the public discourse, or hinting at such possibility through informal channels could help to cool down heads and reduce the amount of hate speech and the obstacles put forward against track 2 dialogue.
- There should be more international funding for programs aimed at promoting peace in the region. At this point the EU-funded program EPNK has been launched; however, actual work on the project has yet to begin. There is a need not just to enlarge this program, but also to re-evaluate its goals and methods, since the setup and strategy of EPNK reflect the situation that existed in the conflict prior to “the four days war”. Continuing with activities that were designed before April 2016 may prove either impossible or counterproductive.
- So far there has been a clear division between track two programs implemented by Russia and the West, which has led to a somewhat unhealthy competition and even openly hostile attitudes between the “pro-Russian” and “pro-Western” sectors of the civil society. The successful cooperation in the Minsk group on the level of “track one” should be duplicated in the field of track two diplomacy. A joint “track two” program, funded by Minsk Group members, and administered by a joint committee consisting of representatives of Minsk Group countries, could complement the efforts of Minsk Group on the political level, as well as the efforts of EPNK on the “track two” level.

¹¹⁰ Expert Interview, Carnegie Brussels, February 2016 (Thomas de Waal)

Individuals listed below have been interviewed by the author of the following policy paper. They are not responsible for the contents of this paper. Conclusions reflect the views of the author. Affiliations are provided for identification purposes only. Interviews were conducted in Brussels, Moscow and Tbilisi, in February, March, June and July of 2016.

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