

South Caucasus: Leveraging Political Change in a Context of Strategic Volatility

Policy Recommendations¹ Study Group Regional Stability in the South Caucasus (RSSC SG)

18th RSSC SG Workshop
Reichenau/Rax, Austria, 08-11 November 2018



PfP Consortium of Defense Academies
and Security Studies Institutes



Executive Summary:

The 18th Workshop of the Regional Stability in the South Caucasus Study Group (RSSC SG) of the Partnership for Peace (PfP) Consortium, held at Château Rothschild, Reichenau a.d. Rax, Austria, from 08 to 11 November 2018, had two purposes:

- 1) to provide an opportunity to “stock-take” recent political upheavals in the South Caucasus, and to determine possible connections between events;
- 2) to identify opportunities for peace building, conflict management and resolution brought about by regional political changes in the region.

The following recommendations were adopted/formulated by the participants:

- 1) To refresh the mediation process for the Nagorno-Karabakh conflict, which has reached a dead end. The Co-Chairs should review the OSCE Minsk Group’s concept of operations to make the Group more effective in fulfilling its mandate.
- 2) In connection with (1), to set up an “OSCE Minsk Group Plus (+)” framework for “track-two” discussions and recommendations, from within which academics, civil society, and media experts might support the work of the Co-Chairs to change the mainstream belligerent narratives regarding the conflict, and prepare the public for a comprehensive, compromise-based solution. This framework might include dedicated discussion platforms for confidence building and peace-building measures between the conflicting parties.

- 3) As in the opinion of most local speakers Russia seemed the independent variable in conflict resolution in the region, to involve Moscow in any effective attempt at breaking the deadlocks, while considering its legitimate regional interests.

- 4) To further develop the role of European institutions in sustainably stabilising the situation, reducing frictions, and offering improved living conditions for the citizens of the region, the European Union and the Council of Europe could:

-strengthen support for people-to-people initiatives and civil society dialogue to mitigate the negative impact of the protracted conflicts for all people in the region;

-convene a Strategic Peacebuilding Group under the Eastern Partnership that would enable regional experts (peace scholars) and EU-based conflict resolution professionals to enhance exchanges of views, share innovative ideas, provide sound political advice, develop creative proposals and well-thought-out recommendations dealing with solution models, conflict resolution prospects and post-conflict regional security cooperation scenarios.

- 5) To de-link problematic issues and establish strong Confidence and Security-Building Measures (CSBMs) as a prelude to reciprocity in conflict resolution.
- 6) To redouble Georgia’s efforts at cultural and public diplomacy aimed at the region, as a means of creating a “South Caucasus Strategic Persona”.



Introduction

The 18th Workshop of the Regional Stability in the South Caucasus Study Group (RSSC SG) was designed to debate a maximum variety of points of view concerning the multitude of political events which took place recently, and which had the potential to alter the course of conflict management in the South Caucasus. A “stock-taking” workshop was necessary to properly assess the impact of the ongoing political changes on regional stability. No thematic workshop could address all the potential consequences of the “Velvet Revolution” in Armenia, the presidential elections in Azerbaijan, the resignation of the Georgian prime minister over police abuse, the peace deal offered Abkhazia and South Ossetia, and the recurring demonstrations in Tbilisi and also in Nagorno-Karabakh (NK) for the region.



Taking Stock of Political Change in the South Caucasus

The first panel saw presentations focusing on the direction of foreign policy in the wake of the re-election of President İlham Heydar oğlu Aliyev. It was revealed that there had been some high-level coordination between Russia and Azerbaijan regarding the response to the situation in Armenia. While the Armenian “Velvet Revolution” was unexpected, it was nevertheless deemed partly the result of Azerbaijani multi-layered pressure on Armenia. It was also stated that Azerbaijan was ready to resume talks on a Nagorno-Karabakh conflict resolution, decrease the military tensions with Armenia, and deal with the rise of religious influencers.

Russia’s lack of involvement in Armenian affairs was explained by the spontaneous and internally driven nature of the “Revolution” and by the missing influence of Western intervention. Furthermore, it was noted that the Yerevan mayoral election results indicated a nation-wide backing of the Pashinyan administration. Therefore, Russians took a pragmatic approach of self-restraint vis-à-vis political changes in Armenia, while some Russian media stories had compared the Armenian developments to other “Euro-Maidans”. Also mentioned were the consultations concerning the European Union (EU)-Armenia Center for European Policy Analysis (CEPA) implementation launched by the government, with participation of experts and civil society, and suggestions made that following the parliamentary elections, tougher EU conditions in exchange for additional support might be an important factor in overcoming path dependence.

In the course of this first panel it was argued inter alia that the several events Tbilisi had witnessed in 2018 were the result of a more indulgent atmosphere which had replaced the Saakashvili regime. A contrary point of view was that the whole of the South Caucasus remains hostage to the hazards of regional geopolitics in the neighbourhoods, and, especially, of the demand for natural resources. In that regard, domestic liberalisation and democratisation may be premature and unsuited to bringing regional stability.

The Perspectives of Abkhazia, Nagorno-Karabakh, and South Ossetia

The second panel illustrated other points of view from the region. Regarding Syria’s recognition of Abkhazia and the peace proposal made by Georgian authorities, the group was briefed on Abkhazia’s internal politics. It was claimed that the Syrian recognition of Abkhazia was not only the result of Moscow’s lobbying, but also of Abkhaz diplomacy. It was furthermore suggested that the peace proposal made by Tbilisi did not reach the desired audience and had been shelved and that the 2019 Abkhaz elections would probably be dominated by environmental concerns.

This panel also addressed the current attention paid to Ukraine, and the statement was made that, because of this, South Ossetia had, for the moment, dropped off the international radar. The consequence of this is that repeated calls to guarantee and enforce a non-use of force agreement remained unanswered. This situation also implies that Russian troops in the Tskhinvali region are likely to further increase in number, and become permanently established there.

The “Velvet Revolution” is considered a result of a broken social contract between Armenian political elites and their constituents. Already in 2015, fractures had begun to appear, which led to the appearance of Nikol Pashinyan as leader. The panel expected the “Velvet Revolution” in Yerevan to lead to a softer, but more orderly transformation in Artsakh/Karabakh, more likely to be driven by a public political process than a behind-closed-doors agreement of the ruling elite, and enacted by leaders, accepted by the public, with no criminal records, and able to carry out systemic reforms.

Finally, the “new” Azerbaijan was scrutinised. It was stated that Azerbaijani politics had become “broader” in recent months, and that large parts of the Azerbaijani leadership had moved away from “Euro-centric” structures and poles of influence. The new Armenian leadership was criticised for its unwillingness “to negotiate the return of territories around NK”; the urgent need to resume the conflict resolution process as soon as a new Armenian government is in place was pointed out. It was furthermore stated that the OSCE Minsk Group was having no real effect on the process of stabilisation, suggesting that the time was perhaps ripe for a heads-of-state level meeting between the parties.

The Perspective of Great Powers and the Prospect for Peace

In the third panel, participants discussed the role of great powers in the stabilisation process of the South Caucasus. Corruption, lack of trust in the elites, unemployment and poverty (in Armenia) were described as the factors that led Armenian society to side with Pashinyan, rather than foreign lobbying. Moreover, the opportunities for cooperation in the ongoing Russo-Georgian rapprochement were highlighted. The resumption of trade has meant exchanges worth nearly 1 billion USD in the last few years, turning Georgia into an important commercial corridor for the region.

Another issue which was brought up in the course of this panel was the risk of religious extremism spilling over from the North Caucasus, as well as cases of violent radicalisation erupting in the South Caucasus. One can easily understand the challenge this represents for a country like Azerbaijan.

Armenia's chairmanship of the Collective Security Treaty Organization (CSTO) was also a point of discussion. It was hinted that the organisation was not as Moscow-dominated as commonly supposed. In addition, the CSTO focus has recently been on humanitarian operations support, which suggests that the organisation has a different understanding of security than, for example, today's North Atlantic Treaty Organization (NATO) or the Organisation for Security and Co-operation in Europe (OSCE).

Finally, the audience was reminded that two paradigms perpetually clash in the South Caucasus and prevent meaningful movement towards stabilisation in the region. On the one hand, none of the belligerents – however defined – are willing to start a constructive political dialogue on conflict resolution. On the other hand, each party seems more enthusiastic about regulating relationships with external actors than developing good neighbourly relations. It was stated that the West should not strive to replace Russia's key role in stabilising the region, but it should support the sovereignty and the independence of the three South Caucasian titular states.



Interactive Discussion

The three preceding panels gave ample food for thought for the first interactive discussion of the workshop. At the beginning of this discussion period, Peter Schulze, of the Dialogue of Civilizations' Research Institute (DOC/RI) contributed comprehensive remarks about the "Crisis of the Old West, and the Resurfac-

ing of a New World Order", in which he outlined the strategic volatility increasingly embroiling the South Caucasus region. This changing context was likely to strengthen the role of great powers in the South Caucasus, hinting at a general return of geopolitics as a motivator for international action. His speech looked ahead at the theme which the RSSC SG will explore in its 19th workshop, scheduled to take place in Berlin, concerning the role of "third powers" (large external actors other than Russia and the West) in South Caucasus' regional stability. The subsequent discussion was mainly on the current and prospective roles of the EU, Russia and the United States (US)/NATO in ensuring regional stability in the South Caucasus.

Re-energizing Crisis Management and Conflict Resolution

The fourth and final panel dealt with the re-internationalisation of frozen conflicts in the South Caucasus. It was argued that the "Velvet Revolution" in Armenia did not, so far, have any positive impact on the conflict over Nagorno-Karabakh. However, under growing geopolitical pressure from larger regional powers the situation might change significantly. For example, if a new 'East European Security Deal' were to be implemented, the continuation of the protracted conflicts in the South Caucasus would become counterproductive, and their resolution should become a central part of the new agenda. Conversely, in case the Russia-West confrontation were to prevail and increasingly turn into a broader European conflict, the South Caucasus' conflicts are likely to turn into proxies for the broader Russia-West conflict.

The group was furthermore reminded that the peace proposal made by Georgian authorities to Abkhaz authorities was not the first in the two sides' post-Soviet history. The details of the spring 2018 proposal, however, were that it focused on education and trade. It was stated that the Nagorno-Karabakh status quo is expected to be continued, as the alternative – a large scale war between Armenia and Azerbaijan – would lead to a regional disaster. However, it was conceded that negotiations should be resumed and that the time was also ripe to start thinking about a new paradigm for conflict settlement. The creation of a specific platform was proposed, aimed at a track-two dialogue on possible alternatives to the existing conflict settlement principles in parallel with a strengthening of the multilateral dialogue on confidence-building and peace-building measures.

During the last panel it was furthermore stressed that objective conditions, already created in the dying days of the Soviet Union, could not be ignored if any successful re-internationalisation of the conflicts were to be hoped for. Failing this, the "dynamic status quo", which characterised the South Caucasus conflicts during the last several months, would be a factor of risk to belligerents as well as to mediators. Hence, it was argued that secession was the only way forward to escape the conflict cycle.

Finally it was stated that without the inclusion of civil society (local, regional, and international) in the stabilisation process, no internationalisation of the conflicts was possible.

If it is prudently included in discussions, then the isolation of the region might be successfully broken. Thus, concerning the desire for a peacekeeping force, it was suggested that efforts at Confidence and Security-Building Measures (CSBMs) be doubled by increasing the number of monitors on the contact line.



Policy Recommendations

The second and final interactive discussion elevated the exchanges to the strategic level and provided fertile ground for a number of important policy recommendations. Here are the policy recommendations² as they emerged from discussions:

1. The group reached broad agreement about the need to refresh the mediation process for the Nagorno-Karabakh conflict. In particular, there was near-consensus that after 24 years the negotiations had arrived at a dead end. According to one participant with intimate knowledge of the issues, the OSCE Minsk Group Co-Chairs should come up with a more effective concept on how to fulfil the Group's mandate. Having the Co-Chairs travelling to and within the region, and afterwards delivering fluffy press statements cannot be sufficient anymore.
2. In parallel with recommendation #1, a recommendation was made to set up an "OSCE Minsk Group Plus (+)", a "track-two" framework for discussions and recommendations, from within which, initially on a case-by-case basis, academics, civil society, and media experts should support the work of the Co-Chairs to change the mainstream belligerent narratives on the conflict, and prepare the public for a comprehensive, compromise-based solution. This recommendation bodes well, given the broadly shared view within the SG regarding the establishment of dedicated discussion platforms for confidence-building and peace-building measures between the conflicting parties.
3. A sine qua non condition for effective regional stabilisation in the South Caucasus is the involvement of Russia. In the opinion of most local speakers, Russia seemed the independent variable in conflict resolution in the region. This means that any effective attempt at breaking the deadlock in the region – either by the belligerents themselves, or by other actors (state and non-state) – should involve Russia, while considering its legitimate regional interests.
4. Given the current tense relationship between Russia and NATO/US, it is high time for the EU and the Council of Europe to come forward with fresh ideas and concrete, realistic concepts to stabilise the situation sustainably, reduce frictions and offer improved living conditions for the citizens of the region. For example, the EU should strengthen its support for people-to-people initiatives and civil society dialogue to mitigate the negative impact of the protracted conflicts for all people in the region. In a later communication with the Co-Chairs, one participant added that:

"The main goal would be to convene a Strategic Peace-building Group under the Eastern Partnership where regional experts (peace scholars) and EU-based conflict resolution professionals could enhance the exchanges of views, share innovative ideas, provide sound political advice, develop creative proposals and well thought-out recommendations dealing with solution models, conflict resolution prospects and post-conflict regional security cooperation scenarios... [as] track II diplomacy remains not sufficiently used... [A] Strategic Peace-building Group initiative could become an expert platform accompanying the EU's Eastern Partnership. Through its activities, it can connect experts, scholars and civil society representatives from EU member states and Eastern neighbours, and promote an informed dialogue, cooperation, peace and stability in the entire region."
5. The RSSC SG reiterated the need to de-link issues. This proposal has been made before within the confines of the RSSC SG format. Inherent to this suggestion is the need to establish strong CSBMs as a prelude to reciprocity.
6. Experts focusing on Georgia recommended that this country redouble its effort at cultural and public diplomacy, in particular aimed at the region. This proposal goes a long way in supporting the objectives set by the Austrian National Defence Academy when it re-launched the RSSC SG in 2012, which aimed for the creation of a "South Caucasus Strategic Persona."

¹These Policy Recommendations reflect the findings of the 18th RSSC Workshop South Caucasus: Leveraging Political Change in a Context of Strategic Volatility, held in Reichenau/Rax (Austria), 8-11 November 2018, compiled by Frederic Labarre and George Niculescu. Thanks to Raffaella Woller for her great help in managing the publication process and to Armen Grigoryan, Elkhan Nuriyev, Razi Nurullayev, Benyamin Poghosyan for their most appreciated input in, and comments on, the formulation of these Policy Recommendations.

² During the final interactive discussion, the deployment of a peacekeeping force on the internationally recognized border between Armenia and Azerbaijan was also proposed, provided that the troops supplied to maintain the peace do not come from the belligerents', neighboring, or OSCE Minsk Group mediators' countries. However, representatives of one regional country disagreed with any inclusion of such a specific policy recommendation.