

MOSCOW DECLARATION ON NAGORNO-KARABAKH: A VIEW FROM BAKU

Pointing out the pros and cons of the Moscow Declaration for both Armenia and Azerbaijan, the author argues that the interests of Russia have shifted post August war (with Georgia) and that this may be the determinant of whether a resolution of the Nagorno-Karabakh conflict is in fact feasible. Acknowledging the hurdle of domestic opposition in Armenia and countering the view that Azerbaijan is eager to use force, the author states that the Moscow Declaration is not a breakthrough but does have symbolic implications.

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The year of 2008 was an important year for one of the bloodiest and most complicated conflicts in the world – the Nagorno-Karabakh conflict. For the first time since 1994, the warring sides' presidents signed a joint document – the Moscow Declaration – which outlined some key elements of the ongoing peace process. The document was signed by the President of the Russian Federation Dmitry Medvedev as well. The role of Russia in the peace process and its substantial change in the past several months will be the main focus of this paper. Moreover, the author will attempt to analyze the Moscow Declaration itself, its interpretations in Baku and Yerevan and give forecast for the near future.

Kremlin's Role in the Nagorno-Karabakh Conflict

Russia is considered the most important outside player in the Nagorno-Karabakh conflict. The tensions between Armenia and Azerbaijan started back in 1988, when both republics were still controlled by Moscow. Thus, both warring centers were eager to receive the support and sympathy of the Kremlin. The following years, the Russian Federation provided much military support to the conflicting parties and used the Nagorno-Karabakh, as well as other regional conflicts, to maintain its influence in the region. Thus, the perception that Moscow was more interested in maintaining the conflicts than solving them strengthened in the minds of people. Indeed, at some points in the 1990s, Moscow hindered the peace process more than assisting in resolution efforts.

Post-Georgia conflict, however, a significant change in the policy of Russia seems to have come about. The August war between Russia and Georgia resulted in the complete degradation of the bilateral relations and eventually the recognition of the break-away regions of Georgia-Abkhazia and South Ossetia, by Russia. This means that Georgia will never agree to be part of the Russian orbit of influence again. Georgia's membership in NATO is a matter of time.

The loss of Georgia creates certain geopolitical problems for Russia. First, it isolates Russia from Armenia, Russia's main ally and strategic fort post in the region. Secondly, the war created the image of Russia as aggressor towards its neighbors. Finally, should Azerbaijan follow the Georgian path and eventually seek NATO membership, then Russia will significantly weaken its position in the South Caucasus region.

Pursuing friendly relations with Azerbaijan will prevent all of the above mentioned threats. It will show Russia as a friendly neighbor and open new transport corridors to Armenia, if the Nagorno-Karabakh (NK) conflict is eventually resolved.

In addition, in the summer of 2008, Russian energy monopoly, Gazprom, expressed an interest in buying all of Azerbaijani gas at the world price¹ – a move that was interpreted by many analysts as an attempt to prevent the emergence of alternative energy supply routes to the European markets and also help meet Gazprom's own contractual obligations. Evidently, Azerbaijan in return could ask for some significant bargain. This could be an effective, practical and most importantly result-oriented assistance in the resolution of the Nagorno-Karabakh conflict. Russia, in the post-Georgia conflict period, seems to have accepted the bargain, at least on the surface.

So did Armenia. Remaining in regional isolation creates economic challenges, which were further aggravated by the cut-off of Georgian-Russian economic and trade ties. The only solution to this economic isolation is the quick resolution of the Nagorno-Karabakh conflict and active trade with Azerbaijan and Turkey. The fact that right after the Georgian-Russian conflict the official Ankara has come up with a new regional security initiative, called the Caucasus Stability and Cooperation Platform and significantly improved relations with Yerevan by the first-ever presidential visit to that country, and subsequent meetings of the foreign ministers, provided further incentives for the Armenian politicians to pursue softer relations with Turkey and possibly make certain concessions in order to lift the country out of regional economic isolation.

The increased pro-active role of the Kremlin in the peace process can produce concrete results. No one will deny the heavy dependence of Yerevan on Moscow, in economic, military, humanitarian and political terms. More than 90 percent of Armenia's electricity generation and distribution is controlled by Russian companies.² Russian military bases and border guards are based in Armenia. Armenia receives significant portion of its revenues from money sent by Armenian Diaspora in Russia. These facts show the high degree of pressure that Moscow can exert on Yerevan to force the latter to compromise.

The Moscow Declaration

The Moscow Declaration did not create a breakthrough in the peace process. Nor did it bring any new elements on the negotiation table. Analysts and pundits rushed to study the document in details and draw some important conclusion from it.

The signing of the Moscow Declaration has several symbolic implications. For Russia, it is good PR to show the rest of the world that indeed Moscow continues to play the main role in the resolution of the South Caucasus conflicts.

¹ <http://uk.reuters.com/article/oilRpt/idUKL0293740820080602>.

² Vladimir Socor, "Russia cements control of Armenia's energy system", *Jamestown Foundation*, 3 November 2006.

At the same time, it significantly improves the image of the Russian Federation from that of an aggressor in the eyes of a Western audience to that of a regional peacemaker.

For the Azerbaijani and Armenian leadership the document brings dividends, which both sides can emphasize at home for their own domestic audiences.

Azerbaijan sees in the document, first of all, the continuous commitment of the signing parties and the international community to solve the conflict based on the territorial integrity of Azerbaijan. The first point of the Moscow declaration declares that the parties will try to solve the conflict “based on principles and norms of the international law and decisions and documents adopted within this framework.” Departing from this point in the declaration, Azerbaijani officials stress that the conflict should and will be resolved based on the territorial integrity of Azerbaijan. Partly because all of earlier adopted documents of OSCE, UN, Council of Europe, OIC and other respected international organizations expressed a commitment to solve the conflict based on the territorial integrity of Azerbaijan (there is not a single document adopted by an international organization since the start of the conflict, which does not recognize the territorial integrity of Azerbaijan³). And partly because in international law, the principle of self-determination can be fully exercised within the territorial integrity of a state. Khazar Ibrahim, the spokesman for the Ministry of Foreign Affairs of Azerbaijan said to journalists: “Self-determination can only be within the frames of the territorial integrity of Azerbaijani state. The principle of self-determination envisions a certain status, which does not go outside the boundaries of the territorial integrity and sovereignty of the state.”⁴

Azerbaijani officials and public are also pleased that the Moscow Declaration is signed by the Presidents of Armenia and Azerbaijan and there was no participation of representatives from the so-called “Nagorno-Karabakh Republic”, which Baku does not recognize as legitimate. Azerbaijanis consider the regime in Nagorno-Karabakh as illegitimate since the Azerbaijani community of Nagorno-Karabakh has not been represented in any local elections or decision-making processes that have taken place in the region since the start of the conflict (because all of them have been driven away from their homes and are considered IDPs in Azerbaijan). The absence of the “Nagorno-Karabakh Republic” representatives on the table demonstrated to the international community that the so-called Nagorno-Karabakh Republic is not a party of the conflict, and that the real conflict is between Armenia and Azerbaijan. Thus, the Nagorno-Karabakh

³ Lisbon Summit of OSCE, UN Security Council Resolutions 822 (1993), 853 (1993), 874 (1993) 884 (1993), Council of Europe Parliamentary Assembly Resolution 1416 (2005) UN General Assembly Resolution A/RES/62/243 (2008).

⁴ <http://www.armtown.com/news/ru/pan/20081118/27727/>

conflict is an inter-state and not an intra-state conflict. This has important legal and political consequences and implications, since from the start of the conflict Azerbaijan has been stating that it has become a victim to Armenia's territorial claims and aggression and not internal secession. Actually, the fact that Armenia financially supplies more than half of Nagorno-Karabakh's budget and positions its troops in the occupied territories proves that the real party to the conflict is Armenia and not Nagorno-Karabakh. Nevertheless, the Moscow Declaration once again re-affirmed this point. In the introduction of the declaration, it clearly says that the direct political dialogue will be continued between "Armenia and Azerbaijan".

Levon Ter-Petrosian, the former President of Armenia and current opposition leader, has accused the President of Armenia Serj Sarkisian for signing a document which "for once and for all buried Nagorno-Karabakh as a party of the conflict."⁵ Because nowhere in the document is Nagorno-Karabakh mentioned as an independent party to the conflict.

Finally, a point of celebration for the Azerbaijani side is the commitment of the signing parties to resolve the conflict step-by-step, rather than as a package deal. The fifth point of the Moscow Declaration writes "the international guarantees for all aspects and stages" of the peaceful resolution. This, in the opinion of Azerbaijani analysts, proves the readiness and willingness of the conflicting sides to resolve the conflict step-by-step, in a phased approach.

The step-by-step approach has been advocated by the Azerbaijani side for many years – that is to liberate the seven occupied regions of Azerbaijan outside of Nagorno-Karabakh, let the Azerbaijani displaced people return to their homes, repair the public infrastructure, conduct de-mining activities, restore the trust and confidence between the two communities of Nagorno-Karabakh, fix the transport, communication and trade links and, only after these measures, determine the status of Nagorno-Karabakh in a mutually acceptable way. The Armenian side, in return, has always advocated for the "package deal", urging the determination of the status of Nagorno-Karabakh at the same time as the liberation of the occupied seven provinces outside of Nagorno-Karabakh.

Armenian political leadership can also claim success to its domestic audience. Foremost, the official Yerevan is happy to see that the warring sides commit themselves to the Minsk Group of OSCE. The first sentence of the declaration states that the parties will try to resolve the conflict "through the continuation of the direct dialogue between Azerbaijan and Armenia with the mediation of

⁵ <http://www.regnum.ru/news/1078589.html>

Russia, U.S. and France as co-chairs of the Minsk group of OSCE.” The fact that Azerbaijan further commits itself to this process is a positive achievement for Armenia, because seeing the fruitlessness of the peace talks, the official Baku, in the past several years, started looking for alternative means to move the negotiation process out of the deadlock.

First Azerbaijan co-sponsored a resolution at the Parliamentary Assembly of the Council of Europe in 2005, then at the United Nations General Assembly in March 2008. Both documents were passed and once again reaffirmed the territorial integrity of Azerbaijan. This was the first since 1993 when a UN Resolution was adopted on the Nagorno-Karabakh conflict.

Armenian diplomacy saw in this act an attempt by Azerbaijan to move away from OSCE’s Minsk group format and involve the UN and other international organizations to the mediation process. That would significantly undermine the negotiation power of Yerevan, since the latter feels much more comfortable with the three co-chairs of the Minsk group (coincidentally, all three of them have strong Armenian Diasporas), than with the UN or Council of Europe, precisely due to the multicultural composition of these organizations.

More importantly, however, the official Yeveran is pleased to see reference to the ”resolution of the Nagorno-Karabakh conflict through political means” in the Moscow Declaration. This, in the opinion of the Armenian politicians and diplomats, is a clear committment of Azerbaijan to refrain from military means to resolve the conflict. Indeed, in the past five years, the fear in Armenian circles that Azerbaijan will turn to a war to liberate its occupied territories has increased. The growing economic capacity of Azerbaijan, due largely to oil revenues, has allowed the country to boost its military budget from 150 million dollars in 2003 to more than one billion dollars in 2008.⁶ Most of these funds are spent on social protection and welfare of the army, improvement of hardware and amunition, and improvement of personnel training. For the first time since 1992, the Azerbaijani government staged a military parade in Baku in 2008⁷ as a sign of its growing military capability. In a way, this was a message to the international community and Armenia that Azerbaijan is ready and willing to liberate its occupied territories and restore its constitutional right over them should the peace process fail. It was also an attempt to move the peace process forward from the dead point. Statements to that end have come from President Aliyev and other senior officials on a number of occasions. This was used by the Armenian Diaspora in the U.S. and Europe to portray Azerbaijan as a “war monster”.

⁶ <http://www.reuters.com/article/latestCrisis/idUSL1597375>

⁷ <http://en.apa.az/news.php?id=51202>

Armenia, with its weak economy, can not catch up with such rapid pace of military development. Obviously, the possibility of a war scares the Armenian side and thus, the fact that both the Azerbaijani and Armenian presidents signed the Moscow Declaration, which refers to the “political way of settlement of the conflict” pleases the official circles in Yerevan.

Azerbaijan is not eager to go to a war. The country’s leadership understands that it would be devastating for the country’s economy. The fact that Azerbaijan has been in the peace process for more than 14 years despite the continued hardship of its one million strong refugee and IDP community shows that it is indeed committed to the peace process. But patience has its limits and in the opinion of the Azerbaijani politicians, the peace process cannot last forever. That is why, Azerbaijan reserves for itself the right to use other means to resolve the conflict.

Immediately after the signing of the Moscow Declaration, President Aliyev said that the document does not mean that there will not be a new war. “Nobody can find any commitment in the document, prohibiting Azerbaijan to resolve the conflict in the military way,”⁸ said Aliyev.

Looking Ahead

The momentum for quick and effective resolution of the conflict is ripe in the aftermath of the Moscow Declaration. The Foreign Ministers of Armenia and Azerbaijan as well as those of the Minsk group co-chairs met in Helsinki in early December at the sidelines of OSCE’s Foreign Ministers meeting and further discussed the resolution of the conflict. It seems that two issues will determine whether this positive trend will turn into an actual peace agreement.

First, Russia should truly and seriously commit to the peace process. Not for the sake of words, but for the sake of regional security and its own national interests. The common wisdom that the freeze of the conflict is in interest of the Russian Federation no longer holds. In the post-Georgian war reality, it is better for Russia if Armenian-Azerbaijani relations improve. This way, Russia can gain more sympathy and political influence over Azerbaijan and thus strengthen its position in the South Caucasus. Besides, no one guarantees that even if the peace agreement is reached and signed, the Nagorno-Karabakh conflict will be resolved immediately. Both sides will continue to depend on Russia’s goodwill to maintain the fragile peace until the actual status of the Nagorno-Karabakh is determined in 15 or so years. As long as Russia understands its benefit from the

⁸ <http://www.regnum.ru/news/1089920.html>

resolution of the conflict and helps to achieve it in practical terms, that will be the most important factor for the success of the peace talks.

Second, the Armenian political leadership should find the strength and will to commit itself to the consensus on Nagorno-Karabakh peace talks, despite hard opposition at home. Many opponents of President Sarkisian accuse him for the sell-out of Nagorno-Karabakh. In order for the peace talks to produce concrete results, Armenia must agree to liberate the occupied territories prior to the determination of the the status of Nagorno-Karabakh. This is the essential and most contested point of the negotiation process.