

# APPREHENDING STATUS SHIFTS OVER TIME: THE QUEST FOR STRATEGIC PATIENCE IN THE SOUTH CAUCASUS

## Policy Recommendations <sup>1</sup> Study Group Regional Stability in the South Caucasus



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### Current Events in the South Caucasus

The ripples from the Ukrainian crisis continue to reach the South Caucasus. In early March, 2015, NATO Secretary General Jens Stoltenberg announced that the Alliance was considering the creation of a joint training centre in Georgia. The announcement elicited a vocal reaction from the Russian representation at NATO, and it is not impossible that the decision to create such a joint training centre may have been made in the wake of further “creeping annexation” moves by Russia. Interestingly, members of the Regional Stability in the South Caucasus Study Group residing in Abkhazia and South Ossetia have manifested their disquiet on the one hand at the loss of sovereignty this could entail for Abkhazia, and on the loss of security that may be created by the merging of the South Ossetian militia within the Russian army structure on the other hand.

Sanctions against Russia are also having an impact on the Georgian domestic political and economic scene, as the Georgian Lari has plunged to “politically dangerous levels”. Decreasing confidence in the national currency may help the fortunes of the new political party of the “Free Democrats” founded by Irakli Alasania, Georgia’s ex-defence minister.

On 1 January 2015, Armenia officially joined the Eurasian Economic Union (EEU) - the Moscow-led regional integration project in the European Eastern Neighbourhood. This shift in the dynamics of the South Caucasus followed upon an October 2014 EEU in-



ternal agreement on the main controversy concerning Armenia’s admission – the likely establishment of customs controls on the border with Nagorno-Karabakh. The decision to join the EEU instead of signing an Association Agreement and a Deep and Comprehensive Free Trade Agreement with the EU was publicly explained by Yerevan by invoking a need for Russian economic and security guarantees, in the context of the Nagorno-Karabakh conflict.

However, Armenian authorities seem also willing to set up a new and more flexible cooperation framework for Armenia’s relations with the EU at the upcoming Eastern Partnership (EaP) summit in Riga. Indeed, according to the Latvian rotating presidency of the EU Council of Ministers (January–June 2015), the EaP will further develop with greater consideration given to partner countries’ individual preferences.

Meanwhile, the economic situation of Azerbaijan has deteriorated mainly because of the downward trend of global oil prices, and of the indirect impact of Western economic sanctions against Russia. On February 21, the Central Bank of Azerbaijan (CBA) devalued the country's currency, the Manat, by 33.5 percent against the US dollar, and 30 percent against the Euro. According to the CBA the decision to devalue the Manat was made in order to boost the development of the country's economy, increase its international competitiveness and to improve its export potential. It is unclear though to what extent this prospective economic downturn would affect the Azerbaijani defence budget and plans to regain control over Nagorno-Karabakh and its seven districts.

Over the last months, military clashes resulting in casualties on both sides continued along the Line of Contact around Nagorno-Karabakh and the Armenian-Azerbaijani border. At present, an increasing number of international experts have started to relate the current political stalemate over the status of Nagorno-Karabakh to the uncertainties dominating the current European security order, in the context of the annexation of Crimea and of continued Russian support to Ukrainian separatists in Donbas.

### 1. Historical Examples of Conflict Resolution through the Passage of Time

The panel focused on the methods used by opponents in the South Tyrol, Czech-Slovak and Quebec separatism cases.

Dr. Michael Gehler of Hildesheim University, argued that South Tyrol had a functional autonomy as part of the Italian state, and that this consideration, without forgetting the Maastricht Treaty and the establishment of the Schengen area, made the separatist idea lose much of its value. The inclusiveness (not to mention the economic advantages) provided by the EU was conducive to the shaping of a new identity. Also, the constant and positive economic growth at the regional level, thanks to the EU's now open borders, convinced the constituents that radical change was now unwanted as it might upset growth in the future. The economic argument became, over time, the basis on which a broad consensus could emerge on the way ahead for the South Tyrol within Italy.

By contrast, Dr. Mary Heimann showed that the seemingly peaceful separation of the Czech and Slovak Republics was in fact accomplished on the back of a dark common history. Nevertheless, the two republics endured together throughout the Cold War, and came to separation by mutual agreement in 1992. The conditions that made this possible were due to the fact that separation had been achieved in fact already. To

those who fear the separation of their breakaway regions, the de facto "separate" character of the relationship of the centre with the periphery is a constant reminder that the Czecho-Slovak scenario could legitimize separation in their case too. Another observation made by Dr. Heimann is that the decision to "let go" by the two sides was based on the idea that progress towards higher forms of integration, i.e. NATO and EU membership, would be easier to achieve alone than together. Moreover, the decision to separate was not left for the people to decide. Instead, leaders seized the opportunity for radical change provided by exceptional times.

Frederic Labarre treated Quebec separatism as a successful drawn-out mixture of compromise and branding strategy by the Canadian Federal government towards the Province of Quebec. This patient strategy was aimed at forcing a reduction of the narrative to the point that the message of separation would be attractive only to the smallest minority, while at the same time conceding on key points to force this change of narrative. Canada's increasing economic prosperity provided the grounds whereby a favourable branding strategy putting forward the most positive Canadian symbolism was used to create an attractive identity. Canada's international reputation, developed during world class sports events such as the Olympics, as well as its positive participation in peace support operations and also in combat operations in Afghanistan have galvanized Canadian identity so that language or culture issues have become less relevant.



### 2. Current Examples of Status Shifts – or Status Permanence

This panel looked at the example of Ukraine and Crimea, thematically or geopolitically reminiscent of the situations faced in the South Caucasus. Unsurprisingly, all speakers contested the main argument of this debate from both the Realpolitik and human security perspectives. Neither the members of the Group brought up strong arguments in favour of it, leaving the overall impression that the argument of this panel was, at present, "a bridge too far".

The Ukrainian speaker focused on the de-occupation and re-integration of Crimea with both the Ukrainian mainland and with the wider community of the European countries. His main concern was “how to win Crimea back”? While re-establishing control over the territory annexed by a neighbouring country was deemed as a matter with historical, normative and wider Realpolitik underpinnings, he thought that focusing on preserving the societal ties of Crimeans with the mainland Ukraine, and on winning hearts and minds on the side of Ukraine might yield, over time, some positive results. Crimea’s status shift was totally unacceptable from his perspective, while a Ukrainian strategy for de-occupation and re-integration was more necessary than ever.

Dr. Cornelius Friesendorf, took human security as the key criteria for evaluating the effects of status shifts. He argued that the view that violent status shifts can become acceptable over time neglected how violence committed against civilians would affect the acceptance of status shifts and create powerful historical narratives that could undermine sustainability, with victims of violence or their descendants contesting such shifts even decades later. He further argued that actors who worked towards status shifts – whether internal or external to a conflict – should have to reckon with the power of justice claims resulting from harming civilians. This would make for an imperative to reign in those pushing for war and to find peaceful ways to resolve status issues.

### 3. Status Quo, or Status Quo Ante, for the Unrecognized Regions?

The presentations made during this session shed new light on the perception of the outside world in South Ossetia. For example, the transfer of authority of the South Ossetian militia to Russian control is seen as disquieting for Tskhinval residents, and so is the news of the creation of a new NATO training centre in Georgia. Presenters argued that dialogue should be transferred to the civil society level to offset informational pressure. The problem of “polluted” or biased information is a great hindrance to the establishment of dialogue platforms. The Georgian representative also agreed that further dialogue was needed to seize upon various methods and opportunities for “integration”. Integration here seems not to have been meant in a manner pejorative to South Ossetian or Abkhaz aspirations.

In the Nagorno-Karabakh conflict, Azerbaijani participants predictably suggested that the status quo ante was the only solution. However, a caveat was introduced when it was suggested that the Armenian and Azerbaijani communities of Nagorno-Karabakh should be invited to jointly decide about the future of

their region, rather than make that decision hostage to the negotiations between Baku and Yerevan within the Minsk process. The rights and security of Armenians living in Nagorno-Karabakh would be assured as a progressive return of Azerbaijani IDPs would take place. The Armenian participants agreed in principle that confidence and security-building measures (CSBMs) were a critical component, but depended on political willingness, substantive progress, and abandonment of enemy images spun by the media, among other. While Armenians preferred the status quo, a reduction of tensions along the line of contact in Nagorno-Karabakh should nevertheless be possible.



### Summary of Policy Recommendations

Policy recommendations extended beyond the issue of status shifts. As in the previous RSSC SG workshop, recommendations were formulated against several “levels” – general to specific.

#### General Policy Recommendations

A new “Grand Design” or “Grand Bargain” has to be struck between great powers with regards to European security. A major powers’ summit should be convened to resolve remaining frozen conflict issues, including Ukraine and achieve a new “Power consensus”. Such a summit could consider the following:

- a. Open/soften the borders or the facilitation of trade is an integral component of regional (including South Caucasus) security.
- b. Strengthen the regional ownership of the peace processes through developing and implementing a joint post-conflict vision for regional integration and economic development.
- c. Create mechanisms that give a say to local players in discussions on status.

## Use History as Inspiration

Historical examples presented offer certain ways to move forward, if not resolve issues entirely. Among others:

- a. Focus on internal self-determination to pave the way to future re-integration in larger structures (i.e. EU or Eurasian Union).
- b. Focusing on internal self-determination can also be made more acceptable if certain socio-political concepts do not become loaded. For example, elite and the public must be informed of the real meaning and content of terms such as “sovereignty”. With this in mind, it should be possible for South Caucasus countries to recognize certain geographic boundaries (as opposed to recognizing full sovereignty), and recognize the right of self-determination (as opposed to independence).
- c. A general process of humanization of the “other” needs to take place, alongside new narratives conducive to the acceptance of alternative political solutions or realities.

## Create South Caucasus-wide Institutions

Many novel solutions were proposed which could propel thinking forward on many frozen issues:

- a. A “condominium” solution for Karabakh, where public administration would be mixed. The intent is to share authority, and jointly administer the area with the interests of both sides in mind. For example, Joint Commissions might be tasked to develop and publish a concrete program for bilateral reconciliation and reconstruction in Karabakh, as well as joint policies and a bilateral program dealing with refugees and IDPs.
- b. A South Caucasus Regional Arbitration Court, established in the region, with authority to consider certain legal cases over the whole area, irrespective of nationality.
- c. A South Caucasus “welfare zone”, where public health services could be dispensed region-wide, without regard to nationality. This would necessitate

certain border passage facilitation which could offer ulterior spill-over opportunities.

- d. A broad-based dialogue on the goals, aims, priorities, and the ways and means for promoting economic integration in the South Caucasus as a conflict resolution tool aiming to ease tension and help all parties to look into the future. This may include developing Free Trade Zones and Qualified Industrial Zones, and other economic and infrastructure multilateral projects, involving interested business groups and civil society from Armenia, Azerbaijan, Nagorno-Karabakh, and from Western and neighbouring states.

## Focus on Positive Confidence Building Measures that Reward Human Security

The negotiation simulation produced an impressive array of CSBMs aimed at reducing media war-propaganda, increasing people-to-people contacts, involving civil society in setting up inter-community dialogue on ways and means for reconciliation, thereby reducing mutual hatred, and strengthening democratic governance. In particular, the following ideas were discussed:

- a. Make borders less important
- b. Engage in student exchanges, summer schools, and promote multilingual education
- c. Support Track II diplomacy from the grass roots
- d. Reward local actors who favour a free, unbiased, and responsible media.



These Policy Recommendations reflect the findings of the 11th RSSC workshop “APPREHENDING STATUS SHIFTS OVER TIME: THE QUEST FOR STRATEGIC PATIENCE IN THE SOUTH CAUCASUS” convened by the PFP Consortium Study Group “Regional Stability in the South Caucasus” in KIEV from 26-28 MARCH 2015. They have been compiled by Frederic Labarre, RSSC Co-chair with input from George Niculescu. Valuable support came from COL Ernst M. Felberbauer and Maja Grošinić from the Austrian National Defence Academy.