

Opinion

On Razor's Edge: An Armenian Perspective on the Georgian-Russian War

By Haroutiun Khachatryan, Yerevan

Abstract

While the Armenian government was neutral during the August conflict between Russia and Georgia, Armenians backed the Russian and Ossetian side, seeing it as analogous to their dispute with Azerbaijan over Nagorno Karabakh. The war strained the Armenian economy because trade through Georgia is Armenia's main link to the outside world. In the aftermath of the war, too, Armenia is seeking to stay on good terms with both Russia and Georgia. Because of the war, both Georgia and Russia lost influence in the region and everyone recognized the further conflict was not desirable. Armenia hopes that the violence will help it expand ties to the West, improve relations with Turkey, and resolve the Nagorno Karabakh conflict.

Attitude Toward the Conflict

From the first day of the Russian-Georgian conflict in South Ossetia, the Armenians backed the Russian and Ossetian side. Armenians view Georgia's conflicts with its separatist regions as a direct analogue of Armenia's dispute with Azerbaijan over Nagorno Karabakh. Before August 2008, negotiators were trying to find a compromise solution in all three cases. The Armenians feared that, if Georgia was successful in its bid to solve the problem of South Ossetia by force, it would open the door for Azerbaijan to do the same regarding Nagorno Karabakh. Accordingly, the Armenians sympathized with the Russians as the latter prevented the Georgian side from imposing a military solution on the ethnic conflict, thus sending a message to Azerbaijan as well. No one in Armenia doubted that the Georgians were the first to attack, forcing the Russian military to respond.

Not surprisingly, Armenian political parties across the spectrum voiced support for South Ossetia. Galust Sahakian, one of the leaders of the ruling Republican Party, accused the Georgians of "genocide." The leader of the radical opposition, former President Levon Ter-Petrosian made a similar statement, although using more careful phrasing: "Russia prevented the genocide of Ossetians." Nevertheless, he also criticized the Russians for using excessive force. Of course, the official reaction of President Serzh Sargsyan and the government was more careful as they sought to focus on the economy.

Economic Problems

The beginning of the war reminded Armenians of the severe energy crisis and catastrophic economic contraction they suffered in 1992–3, which resulted from the Georgian-Abkhazian war that began on August 14, 1992 and cut the last railway link between Armenia and Russia, Armenia's only trading partner then. In the subsequent years, Armenia had to find a new route to con-

duct business with the outside world, namely, directing freight to the Georgian ports of Poti and Batumi, from where it could be shipped on ferries to Russia or other countries. By August 2008, this route accounted for at least 70 percent of Armenian cargo turnover, because the borders with Azerbaijan and Turkey remain closed, and the country has only a low-capacity motorway linking it to Iran.

The violence in Georgia threatened this trade route as the Russian military attacked the port of Poti several times. Fortunately, the land link connecting Georgia and Armenia did not suffer seriously during the five days of the war, although problems in the port cities delayed some Armenian supplies. The mysterious destruction of the railway bridge between Tbilisi and Gori on August 16 caused more serious problems for Armenia, including some panic-inducing petroleum shortages. Within ten days, the authorities restored traffic on the railroad bridge, which is vital to all three south Caucasus economies.

The Armenian government claimed that the country suffered some \$700 million in losses as a result of the conflict, though it provided no details on the breakdown of these costs. The damage evidently included the government's efforts to help its citizens evacuate from the Black Sea shore (tens of thousands of Armenians were vacationing there), repair the railroad bridge (both specialists and materials were sent from Armenia), reroute trade through Iran (which is longer and much more expensive than through Georgia), and replace lost goods. If the war had gone on longer, Armenia would have faced severe consequences.

Political Problems

Armenia's key dilemma in the aftermath of the war is balancing its relations between Russia and Georgia, since Armenia wants to stay on good terms with both. Arme-

nia's interest in Georgia goes beyond the important transportation route. The two countries have a long common history marked by good relations, and some 300,000 ethnic Armenians live in Georgia. On the other hand, Armenia has been a strategic partner of Russia in the military-political sphere, and is an active member of the Collective Security Treaty Organization (CSTO), the military bloc led by Moscow. Russia also plays a growing role in Armenia's economy as its largest investor and trade partner.

Armenia has succeeded in reaching both goals. Russia has retained its friendly relations with Armenia, as demonstrated by the symbolic visit of President Dmitry Medvedev to Armenia on 20 October. In particular, Moscow did not press Armenia to recognize the independence of South Ossetia and Abkhazia, as many feared it would. Prior to that, President Sargsyan paid a visit to Georgia in late September and re-affirmed friendly relations with Armenia's northern neighbor. An important result achieved during that visit was the initial agreement between Sargsyan and President Mikheil Saakashvili on building a new highway connecting the two countries with each other and Iran. This highway will run from the Georgian resort city of Batumi to the Armenian-populated Georgian region of Samtskhe-Javakhetia and Gyumri in Armenia, reducing travel time between Yerevan and Batumi to six hours, half the time needed now. The two countries hope that the Asian Development Bank will provide a loan for this project.

Armenia's success in preserving relations with Georgia and Russia made it possible for it to maintain good relations with the West even as the Western community's relations with Moscow deteriorated. The previously scheduled NATO war games, Cooperative Longbow-2008/Cooperative Lancer, took place successfully in Armenia in late September, just one month after the Georgian-Russian war. Accordingly, the so-called "complementarity policy" of keeping good relations with both Russia and the West, and working to harmonize their interests in the South Caucasus region proved successful once more.

The Aftermath of the War

The August war radically transformed the geopolitical pattern in the South Caucasus in several ways. First, Georgia lost its previous central role in the region, which may endanger many investment programs (including energy) previously linked to that country. Second, due to the break in relations between Georgia and Russia, Moscow lost part of its influence on the whole region, with the European Union and Turkey striving to fill that

gap. Third, the five-day war showed everybody how fragile south Caucasus stability is and how dangerous an armed conflict may be in this region.

At the same time, the conflict has provided several beneficial outcomes. The emotional background surrounding the fighting was one of the principal reasons making the unprecedented Armenian-Azerbaijani summit of November 2 possible. Adoption of the so-called Meindorf Declaration (sometimes called the Moscow Declaration) in which the presidents of Armenia and Azerbaijan confirmed their commitment to continue peaceful efforts to find a political solution to the Nagorno Karabakh problem represents a possible breakthrough in this direction. Another potentially beneficial result of the August war was the progress in Armenian-Turkish relations, now commonly dubbed "football diplomacy." Armenia has always called for normalization of relations with Turkey and re-opening the common border, which Turkey closed in 1993. Among other benefits, opening the border would eliminate Armenia's current trade dependence on Georgia. Most experts believe that although Sargsyan invited his Turkish counterpart Abdullah Gul to visit Yerevan on September 5 as early as June, the positive reaction of the Turkish president would not have occurred without the August conflict.

Armenia is now working to consolidate these successes. During Sargsyan's visit to Brussels in early November, Armenia sought to further tighten its ties with the EU, declaring once again its commitment to consolidating market institutions and developing a democratic society. In particular, Armenia agreed to the creation of an EU Advisory Experts Group to support Armenia in implementing the European Neighborhood Policy Action Plan and its process of internal reform.

The government's critics often express skepticism about its declared European orientation since Council of Europe representatives frequently criticized its violent crackdown on the opposition during and after the events of March 1. Nevertheless, the creation of the Advisory Experts Group (which is expected to work in Armenia for several months) is an unprecedented event and indicates that both the EU and Armenia are interested in developing relations.

Similarly, Armenia is working to develop its relations with NATO. Russia has repeatedly declared that such cooperation is not an obstacle for Armenia's membership in the CSTO.

As for regional affairs, Armenia expects that its cooperation with the West will support its principal objec-

tives: preventing the resumption of hostilities in Nagorno Karabakh and normalizing relations with Turkey. Unfortunately, there is much work to do in both areas despite the optimistic expectations the events of recent months raised. In particular, the Meindorf Declaration is a non-binding agreement and there are no guarantees preventing military action in the Nagorno Karabakh conflict zone. Progress is similarly slow in advancing Arme-

nian-Turkish relations. Turkey has not abandoned its requirement that normalization is only possible after resolving the Nagorno Karabakh conflict to the satisfaction of Azerbaijan. This pre-condition has so far deadlocked progress, and Armenia hopes that pressure from Europe and other interested parties will help to overcome this obstacle.

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Opinion

The Georgia-Russian Conflict: A Perspective from Azerbaijan and Implications for the Region

By Fariz Ismailzade, Baku

Abstract

The August war between Russia and Georgia had a significant impact on Azerbaijan. The violence imperiled regional attempts to build an energy and railroad transportation corridor bypassing Russia. The conflict threatened to send a new wave of refugees into Azerbaijan and complicated Azerbaijan's efforts to restore its own territorial integrity. However, there are some silver linings for Azerbaijan: the fighting focused attention on the south Caucasus, encouraged Moscow to seek better relations with Baku, and enhanced Azerbaijan's negotiating power with the US and Russia.

Both Sides Deserve Some Blame

Over the two decades since the end of the Cold War, economic and political cooperation have bound Azerbaijan and Georgia more closely together, and the two nations have made significant strides toward reestablishing the south Caucasus as a thriving trade conduit between Europe and Asia. But the recent armed conflict between Georgia and Russia – and its economic and political fallout in the Caucasus and beyond – threatens to thwart this Azeri-Georgian effort to remake the region as a stable, prosperous and reliable component of the global avenues of trade.

Although the rupture of Georgian-Russian relations into open warfare caught many political leaders outside the Caucasus off guard, it was not a surprise for those living in the region. Tensions between the two countries had been rising since the collapse of the Soviet Union, and they escalated after the Rose revolution and Mikhael Saakashvili's ascension to power in 2004. The list of grievances is long and well-known – from Russia's encouraging ethnic separatism in former Soviet states and using energy supplies as a political weapon to Georgia's routine bellicosity toward Moscow over Abkhazia and South Ossetia and its

high-profile push for NATO and EU membership and close military ties to the US. Both sides bear some culpability for the recent violence.

Economic Impact on Azerbaijan

The war did not spill across the border into Azerbaijan, but its economic repercussions have. Foreign investment has been imperiled by the geopolitical instability laid bare by the brief war and the continuing uncertainty about the present peace. The Baku-Tbilisi-Ceyhan and Baku-Supsa oil pipelines and Baku-Tbilisi-Erzurum gas pipeline, as well as the Azeri state oil company's recent purchase of the Kulevi oil terminal on the Black Sea, had begun to enhance the importance of the region as a major East-West energy corridor. Azerbaijan and Georgia have agreed, in partnership with Turkey, to build the Baku-Akhalkalaki-Kars railway, connecting the rail systems of the three countries. The project would create a much shorter and faster rail corridor between Europe and Asia than the current one through Russia, making Georgia and Azerbaijan the key hubs for the Eurasian transport network.

However, the war has shrouded the future of these achievements in doubt and undermined the Azeri grand