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# POLICY BRIEF

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## A Positive Influence in the South Caucasus? Georgia's Potential as a Regional Stabilizer

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### EXECUTIVE SUMMARY

The Nagorno-Karabakh conflict that erupted in 1988 may reach a new level of intensity in the coming years. Although recent developments have shown the parties' willingness to seriously restart the peace negotiations, the situation remains fragile. The implementation of an unbalanced status quo and the political attractiveness of short-term military victories in times of economic difficulties are factors which contribute to durable instability and may still lead to a new clash. In a region where economic interests are so interconnected and influence is so disputed, the possibility of a full-out war between Armenia and Azerbaijan would have disastrous consequences for the entire region including neighbouring Georgia. While potentially disastrous consequences for all parties affected by the conflict are clear, the question being raised here is whether and how Georgia can play the role of an honest broker and positively influence the conflict.

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## Origins of the Conflict and 2016 Flare-Up

Security and stability in the South Caucasus and the wider region strongly depend on the development of the three decades-long Nagorno-Karabakh conflict between Armenia and Azerbaijan. After the collapse of the Soviet Union, an open war broke out between both countries over the Nagorno-Karabakh region, which claimed its independence. While a cease-fire was signed in 1994, the non-resolution of the conflict challenges any hope for sustainable stability. The brief yet intense clashes of April 2016, which resulted in a minor territorial change in favor of Azerbaijan and in many casualties on both sides, was a reminder of the fragility of the situation. Since 1992, the OSCE's Minsk Group acts as a mediator in the peacebuilding process, but fails to bring tangible results. We have all the reasons to believe that, without significant progress and commitments from both parties in the peacebuilding process, a new outbreak of hostilities is possible, if not inevitable.

Very dissatisfied with the status quo, which granted Yerevan the effective control over Nagorno-Karabakh and other seven adjacent territories of Azerbaijan, Baku's impatience relative to the lack of progress with the OSCE-led peacebuilding process is reaching its limits. Given the *de facto* loss of control of the region and the displacement of over 600 000 people,<sup>1</sup> a sense of humiliation remained in the Azerbaijani society, and popular willingness to engage in future military activities is high - a determination shared regionally, not only by Armenians of Nagorno-Karabakh, who are "psychologically prepared" to answer any new offensive,<sup>2</sup> but also by a large number of ethnic Armenians and Azerbaijani living in Georgia, ready to take up arms and fight with their "brothers" in case a war breaks out.<sup>3</sup> The 'Four-Day War' in 2016 also positively distracted the Azerbaijanis' attention from the growing economic problems the country is facing, and Baku might be tempted to strike this chord again. The risk is all the more real because the Azerbaijani leadership did not succeed in reaching its goal, and each seizing of territory, however small it is, has the taste of a political victory.

On the Armenian side, former Prime Minister Serzh Sargsyan made it clear that any new large-scale attack from Azerbaijan would lead to war.<sup>4</sup> The change of leadership that followed the 'Velvet Revolution', however, led to a certain degree of appeasement and some remarkably positive developments. Current Prime Minister Nikol Pashinyan proclaimed his wish to solve the conflict peacefully,<sup>5</sup> direct military lines of communication have been restored between both countries for the first time in years, and an overall decrease of violence is observed.<sup>6</sup> Even more

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<sup>1</sup> Richard Giragosian, 'War in Nagorno Karabakh: What would it mean for Georgia?', Georgian Institutes of Politics, 30/03/2017. Available at: <http://gip.ge/the-risk-of-renewed-hostilities-over-nagorno-karabakh-and-implications-for-georgian-security/> [accessed on 08/11/2018].

<sup>2</sup> Eugene Kogan, 'The Recent Flare Up in Nagorno-Karabakh: Azerbaijani Impatience, Armenian Perseverance and the International Community Complacency', Expert Opinion 68, Georgian Foundation for Strategic and International Studies, 2016, p. 6. Available at: <https://www.gfsis.org/files/library/opinion-papers/68-expert-opinion-eng.pdf> [accessed on 08/11/2018].

<sup>3</sup> Gita Elibekyan, '« If war breaks out again, I will go » - the polarization of young Armenians and Azerbaijanis in Georgia', Open Caucasus Media, 8 Mays 2017. Available at: <http://oc-media.org/if-war-breaks-out-again-i-will-go-the-polarisation-of-young-armenians-and-azerbaijanis-in-georgia/> [accessed on 08/11/2018].

<sup>4</sup> Eugene Kogan, *op. cit.*, p. 6.

<sup>5</sup> Kavar Kurda, 'Nikol Pashinyan and the Nagorno-Karabakh Conflict', Global Risk Insight, 04/11/2018. Available at: <https://globalriskinsights.com/2018/11/nikol-pashinyan-nagorno-karabakh-conflict/> [Accessed on 14/01/2019].

<sup>6</sup> Olesya Vartanyan, 'Armenian Elections Boost Hopes for Peace with Azerbaijan', International Crisis Group, 10/12/2018. Available at: <https://www.crisisgroup.org/europe-central-asia/caucasus/armenia/armenia-elections-boost-hopes-peace-azerbaijan> [Accessed on 17/01/2019].

noteworthy, the Armenian and Azerbaijani foreign ministers have, during a recent meeting held in Paris, agreed to take ‘concrete measures to prepare the populations for peace’ and expressed their wish to ‘give a strong impulse to the dynamic of the negotiations’.<sup>7</sup> That being said, good intentions still have to be translated into acts. Achieving sustainable peace will require a great deal of sacrifices from both countries, making such policy difficult to accept for parts of the populations. In addition, any positive development will be threatened by potential leadership rotation in Armenia, and the risk of backlash is high. Therefore, to this day, a new outburst of violence remains absolutely possible.

## Georgian Stakes in the Conflict

The importance of energy projects in the South Caucasus, and in particular the oil and gas pipelines linking the Caspian Sea to Turkey through Georgia, could act as a deterrent for starting a war. At the same time, they could also serve as a strategic target, and their destruction would be a catastrophe for the region, especially for Baku and Tbilisi. In general, the possibility of a war would greatly hinder Georgia’s biggest development schemes: due to its regional nature, the objective to become an energy and transport corridor (notably in the context of the Chinese Belt and Road Initiative) would immediately be shattered. A war would also greatly affect the country’s tourism and foreign investment attractiveness, and the possibility for Georgia to become a regional economic hub thanks to the conclusion of a Deep and Comprehensive Free Trade Agreement (DCFTA) with the EU and a Free Trade Agreement (FTA) with China. In case a future war over Nagorno-Karabakh should reach a regional dimension, with Russia backing Armenia and Turkey supporting Azerbaijan, Georgia could be even more gravely affected. A resumption of the conflict could also have critical social consequences in Georgia, by bringing a potential humanitarian crisis to its doors and provoking clashes between the Armenian and Azerbaijani ethnic communities, who already represent 168 000 and 233 000 people respectively.<sup>8</sup>

## An Alternative to the Russian Approach?

Russia’s position towards the Nagorno-Karabakh conflict is another source of concern for Georgia. Formally neutral and trying to foster the image of a mediator between Armenia and Azerbaijan, the Kremlin has actually been known for “playing both sides”.<sup>9</sup> Already engaged with Armenia in the Collective Security Treaty Organization, Moscow also signed a military deal with Yerevan in November 2016 creating a joint military border patrol, guaranteeing cheaper Russian military equipment for Armenia and instating a mutual defense clause. But Russia is

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<sup>7</sup> Joshua Kutera, ‘Armenia and Azerbaijan agree to “prepare populations for peace”’, Eurasianet, 17/01/2019. Available at: <https://eurasianet.org/armenia-and-azerbaijan-agree-to-prepare-populations-for-peace?fbclid=IwAR2rSiKKdmlgt7ZVXqg7vQRMpp5PajhHLeuvbxtDHd315GmtHqlyIneMf0> [Accessed on 20/01/2019].

<sup>8</sup> National Statistics Office of Georgia (Geostat), 2014 General Population Census Main Results, General Information, 28.04.2016, p.8. Available at: [http://geostat.ge/cms/site\\_images/files/english/population/Census\\_release\\_ENG\\_2016.pdf](http://geostat.ge/cms/site_images/files/english/population/Census_release_ENG_2016.pdf) [Accessed on 19.12.2018].

<sup>9</sup> Joseph Larsen, ‘Russia is Stacking Both Decks in Armenia and Azerbaijan’, Georgian Institute of Politics, 01/12/2016. Available at: <http://gip.ge/russia-is-stacking-both-decks-in-armenia-and-azerbaijan/> [accessed on 09/11/2018].

Baku's largest arms provider as well, and defends what it sees as an arms control policy: a monopoly on arms sales supposedly makes it easier to regulate the flow of arms and avoid a potential war.<sup>10</sup> The April 2016 flare-up, however, revealed the weakness of this alleged strategy. Observers actually tend to believe Moscow does not have a genuine interest in promoting peacebuilding or working towards the resolution of the Nagorno-Karabakh conflict. Russia's objective is to strengthen its influence in the South Caucasus, and an active conflict would give Moscow a reason to deploy further "peacekeeping" forces in the region and thus remain in control. The unit created by the Russian-Armenian military deal, for instance, could be deployed in Nagorno-Karabakh.<sup>11</sup> In case of a war, Russia could also pressure Georgia in using its territory and airspace as a transit corridor for its military deployment to Armenia. The Kremlin is even suspected to have either encouraged the triggering of the Four-Day War, or to have been aware of Baku's upcoming offensive without attempting to stop it.<sup>12</sup> After all, the main loser of the April 2016 crisis was the OSCE Minsk group, which failed to trigger the resumption of the peace talks, while Moscow, managing to affirm itself as the sole mediator of the conflict, is considered its big winner.

## Georgia as a Mediator: Diplomatic Balance and Bottom-Up Approach

The potential of Georgia as a regional stabilizer starts with its vital interest in regional stability. Crucial for the country's Euro-Atlantic ambitions and its public diplomacy strategy towards the European and international communities, the development of the South Caucasus through the implementation of international projects goes hand in hand with regional peace. The marginalization of the OSCE as a mediator and the increasing importance of Moscow in the Nagorno-Karabakh conflict indirectly but greatly endanger Georgia's development and European integration schemes. Georgia not only has all the qualities to become a key mediator in the conflict, but also seems to be, at the moment, the only pertinent regional alternative to Russia in this role.

Tbilisi has several undeniable assets for taking up this task. The Georgian government maintains decent relations with both Armenia and Azerbaijan, is completely neutral in the conflict and calls for its peaceful resolution with the involvement of the international community. Furthermore, it has strong stakes in peace and is greatly dependent on an objective that can be shared with its neighbors: regional stability and prosperity. Georgia can be considered, to some extent, as a role model in terms of democratization while, unlike Russia, it is not attempting to increase its leverage over the South Caucasus.

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<sup>10</sup>*ibid.*

<sup>11</sup> Richard Giragosian, 'What does the Russian-Armenian Joint Military Force Mean for Security in the South Caucasus?', Expert Comment, Issue #1, Georgian Institute of Politics, December 2016, p.2. Available at: <http://gip.ge/wp-content/uploads/2016/12/Expert-comment-GIP.pdf> [accessed on 10/11/2018].

<sup>12</sup> Aleksandra Jarosiewicz and Maciej Falkowski, 'The four-day war in Nagorno-Karabakh', Center for Eastern Studies, 04/06/2016. Available at: <https://www.osw.waw.pl/en/publikacje/analyses/2016-04-06/four-day-war-nagorno-karabakh> [accessed on 10/11/2018]

## Challenges to Direct Georgian Mediation

While Georgia has remained neutral in the conflict, this is first and foremost because getting involved comes with some political risk. The matter is generally delicate with regard to its own situation: direct involvement in the resolution of an external territorial conflict may lead to backlashes in the context of its unresolved conflicts with Abkhazia and South Ossetia, in which Georgia calls for respect for its territorial integrity. The topic is very sensitive in Tbilisi, and any positioning in the Nagorno-Karabakh conflict would immediately be interpreted in Sukhumi and Tskhinvali. Due to its vital national interest, Georgia cannot support a self-determination policy. This is actually an important factor why on the international stage, Tbilisi officially calls for the respect of Azerbaijan's territorial integrity. Armenia, however, supports the concept of self-determination. In the context of conflict resolution, this disbalance may set the basis for rivalry between the parties and, eventually, for the discredit of the peacebuilding process by one of them. If Georgia was to get involved, it would have to take strong diplomatic and political commitments to display its neutrality and objectivity.

Moreover, as of today, Georgia's relations with Azerbaijan and Armenia are not at the same level of development. Regularly designating themselves as 'strategic partners',<sup>13</sup> Tbilisi and Baku are engaged in common energy projects of utmost importance for both countries, and clearly aim at advancing their relations. Azerbaijan is a major trade partner of Georgia, as well as its second largest investor.<sup>14</sup> Along with Turkey, Georgia and Azerbaijan hold regular trilateral meetings, and have been expanding their cooperation in the domain of defense.<sup>15</sup> If cordial, Georgian-Armenian relations are not as developed, the main reason being that Yerevan and Tbilisi are not involved in the same regional integration schemes.<sup>16</sup> Armenia joined the Eurasian Economic Union, the Eurasian Customs Union and the CSTO, while Georgia signed a DCFTA with the EU and seeks EU and NATO membership. This situation is unlikely to change in the close future, and Georgian-Armenian relations are destined to remain 'good neighborly' ones.

## Strengthening the Engagement of Georgian Civil Society in Conflict Resolution

An interesting alternative to acting as a direct diplomatic mediator would be to encourage the involvement of Georgian civil society in the peacebuilding process. Much less risky politically, this strategy actually reflects the full potential of Georgia as a regional stabilizer: Georgia is the only place in the South Caucasus where Armenian and Azerbaijani citizens can reasonably meet

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<sup>13</sup> The most recent instance being in the statement of Chairman of Azerbaijan's Milli Majlis Ogtai Asadov during the inauguration of the 5th President of Georgia Salome Zurbishvili on 16th December 2018: <http://www.mfa.gov.ge/News/%E2%80%8Bsaqartvelo-chveni-megobari-qveyana-da-strategiuli.aspx?lang=en-US> [Accessed on 19.02.2018]

<sup>14</sup> Bidzina Lebanidze, Mariam Grigalashvili, 'Not EU's World? Putting Georgia's European Integration in Context', Report, Georgian Institute of Politics, 2018, p. 11.

<sup>15</sup> 'Azerbaijani, Georgian, Turkish Defense Ministers Sign Cooperation Memorandum', Civil Georgia, 2/4/2018. Available at: <https://old.civil.ge/eng/article.php?id=30996> [accessed on 10/11/2018]

<sup>16</sup> Valeri Chechelashvili, 'The Past and the Future of Georgian Armenian Relations' Expert Opinion 96, Georgian Foundation for Strategic and International Studies, 2018, p. 6.

and work together in a neutral environment, as entry regulations, safety concerns and grievances make reconciliation activities on Armenian or Azerbaijani territory almost impossible. Furthermore, given the Abkhazian and South Ossetian conflicts, Georgian civil society is already experienced in politically delicate peacebuilding projects focused on non-political activities, such as youth, sports and cultural activities. Traditionally, international grants privilege local NGOs to undertake this type of work, and Georgian associations lack incentives to embark on projects dealing with Nagorno-Karabakh. As of today, the potential of Georgia as a platform for meetings and dialogue is thus not fully exploited. Good integration of the Armenian and Azerbaijani ethnic minorities in the Georgian society could be considered a component of the peacebuilding process and a key element for regional peace; but there again, a lack of political will with regard to the matter prevents the creation of successful programs.<sup>17</sup>

## Conclusion and Recommendations

Stuck between greater powers, engaged in its own territorial conflicts and focused on its development and Euro-Atlantic ambitions, Georgia lacks both powerful leverage and political will to assert itself as a major actor in the resolution of the Nagorno-Karabakh conflict. Yet, due to the danger of renewed fighting, in the long run, Tbilisi's strategy of inaction at regional level has high chances of being detrimental to its own international objectives. If the risks of compromising diplomatic relations with its neighbors and irritating Moscow are real, Georgia nonetheless has a lot to win in showing more dedication to the resolution of the conflict.

This policy brief argues that the Georgian government should pursue a more proactive approach. Tbilisi is the only actor linked to both Yerevan and Baku with similar ultimate stakes of regional peace and sustainable development. A common region, a common fate. The main difficulty for Tbilisi will be to remain neutral and impartial while officially sharing Azerbaijan's position on territorial integrity. Letting the parties discuss this matter by themselves while insisting on the stakes shared by all three countries is still a possible and realistic approach.

- The Georgian government should get involved in peaceful resolution of the Nagorno-Karabakh conflict. Georgia could make regional development an essential national objective, which must include the promotion of research on regional peace, and the formulation of a Nagorno-Karabakh policy on this basis. The content of such a policy would primarily consist in facilitating and supporting peace negotiations. By all means, Georgia should elaborate a policy built on strong principles of neutrality and impartiality. To be able to walk this thin line and justify such engagement, Georgia should remain strictly in the sphere of interests shared by all three parties, in particular in the name of regional prosperity. A crucial step in this strategy would thus be for the parties to identify together these common national and regional interests. As Baku and Yerevan are starting to make small yet visible steps towards each other, now is the perfect moment for Tbilisi to become involved in this process.

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<sup>17</sup>'Georgia's Armenian and Azerbaijani activists at odds over commemorations of the Khojaly massacre', Open Caucasus Media, 01/03/2017, Available at: <http://oc-media.org/georgias-armenian-and-azerbaijani-activists-at-odds-over-commemorations-of-the-khojaly-massacre/> [accessed on 12/11/2018].

- The Georgian government can and should work towards ethnic reconciliation on its own soil. Armenia and Azerbaijan expressed their will to prepare their population for peace, and Georgia should participate in this movement. This is a great opportunity for Tbilisi to insist on regional ramifications of the conflict and its resolution. Programs targeting the youth, promoting peacebuilding and supporting the integration of ethnic minorities in the Georgian society would facilitate this process.
- The European Union should support the Georgian government and civil society's involvement in the peacebuilding process. For instance, it could open new grant schemes, allocate more funds to international organizations or consider Georgian structures 'local' (and thus favouring them in the selection process).
- The OSCE should admit the limitations of its Minsk Group's peacebuilding process and question its own policy and strategy. The co-chairs of the group (USA, France and Russia) are sometimes criticized for their diverging interests in the resolution of the conflict, and adding new co-chairs is mentioned as a potential solution to reinvigorate the process. In this vein, adding Georgia could be a promising idea.

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