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**EU Conflict Management in the South Caucasus: A
Preliminary Analysis**

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1. INTRODUCTION

This paper presents some preliminary analysis and reflections on the EU's role in conflict management and resolution in the South Caucasus.¹ The EU has to date had a minimal role in efforts to resolve the Abkhazia and South Ossetia conflicts in Georgia, and in Nagorno Karabakh, a region subject to a dispute between Azerbaijan and Armenia. The conflicts are rooted in the break-up of the Soviet Union in the late 1980s, and their intractability presents a particular challenge for the EU and other mediators. While ceasefire agreements have been in force since the early-mid 1990s, in all cases, no viable solutions to the self determination/territorial disputes have been found. It is increasingly in the EU's interest, and indeed a stated objective of the European Neighbourhood Policy Action Plans, to take greater responsibility in the management and resolution of these disputes.

The paper briefly outlines the background to the regional conflicts and the EU's relations with the South Caucasus countries to date. It then assesses the EU's role in the region: why has the Union stepped back from a more active role in these 'frozen' conflicts, and what has the EU contributed to conflict resolution? The paper then moves on to the challenges and opportunities the EU faces as a conflict resolution actor in the South Caucasus, examining in particular the challenge of addressing intractable conflicts, and the viability of the EU as an actor in conflict resolution.

Finally, the paper attempts to bring together some approaches and ideas from the disciplines of European Studies and Conflict Resolution. In order to pursue a more proactive role, what can the EU learn from conflict theories and intervention strategies developed in the field of Conflict Resolution? What strategies, perhaps based on a more systematic understanding of the conflicts, could the EU adopt that contribute more to their resolution, rather than their management?

2. THE SOUTH CAUCASUS: A DISUNITED REGION

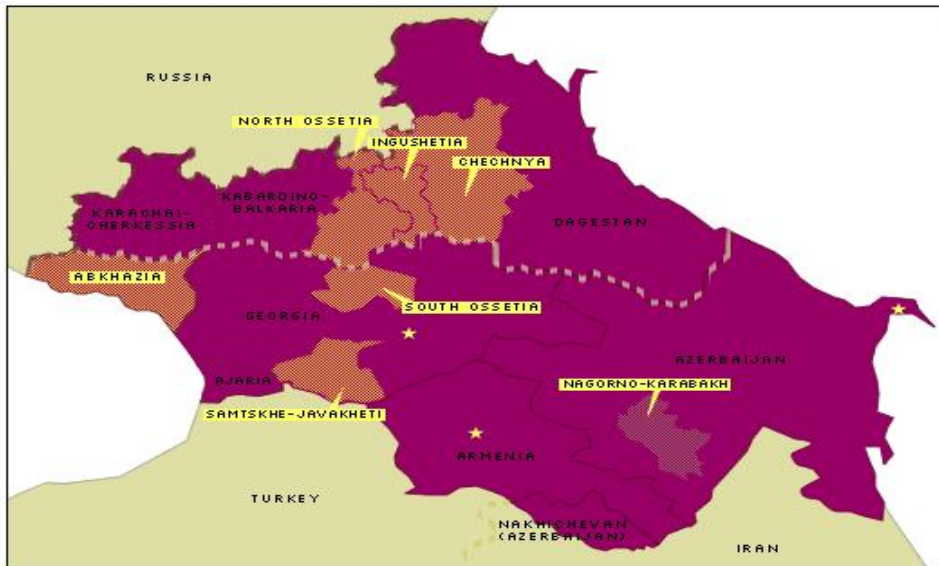
The failure to resolve the conflicts in Georgia and Nagorno Karabakh has seriously held back the rehabilitation of the South Caucasus region in the post-Soviet period.

The conflicts erupted in the early stages of the dissolution of the Soviet Union. The hierarchical political organisation of the USSR, composed of Union Republics (e.g. Georgia, Armenia and Azerbaijan), autonomous republics (e.g. Nagorno Karabakh and Abkhazia), and autonomous regions ('oblasts' e.g. South Ossetia), failed to translate into fifteen coherent nation states, resulting in instability, power struggles, and, in the South Caucasus, war.

Violence erupted in Georgia from 1989 onwards, with conflict first in the autonomous region of South Ossetia, then in the violent overthrow of President Gamsakhurdia, and finally the war over the autonomous republic of Abkhazia.² South Ossetia and Abkhazian forces, with Russian assistance, defeated Georgian forces and established de facto states that have survived outside central government control since ceasefires were agreed in 1992 and 1993 respectively. Despite mediation by the Organization for Security and Cooperation in Europe (OSCE) in South Ossetia and the United Nations (UN) in Abkhazia, no agreements on the final status of the breakaway states has been reached.

¹ As part of a two-year research project ('The EU and Frozen Conflicts in the South Caucasus') started in September 2007.

² See Christopher Zücher (2005) 'Georgia's Time of Troubles, 1989-1993' in Bruno Coppieters and Robert Legvold (eds.), *Statehood and Security. Georgia after the Rose Revolution*. Cambridge, MA and London: The MIT Press.



Map 1. The Caucasus

The autonomous oblast of Nagorno (or Nagorny) Karabakh³ was a majority Armenian populated region situated within the Soviet Socialist Republic of Azerbaijan. The rise of Armenian nationalism as a result of perestroika led to calls in 1988 for the oblast to be incorporated into Armenia. The dispute escalated, leading to localised violence and the expulsion of Azeris from Karabakh, and Armenians from Azerbaijan. The break up of the Soviet Union in 1991 led to a full blown war over the region between Azerbaijan and Armenia. The Armenian Karabakhs, now calling for independence, held the territory, and Armenian forces occupied the surrounding region, as well as a corridor of land linking Karabakh to Armenia proper (the Lachin corridor).⁴ A ceasefire was agreed in 1994, and the OSCE has been the principal mediator through the Minsk Group (composed of representatives from the US, Russia and France) since then. As in the conflicts in Georgia, no progress has been made on a settlement, and the Karabakh Armenians' calls for independence continues to fall on deaf international ears. All the breakaway territories have developed de facto states with their own governments and are heavily reliant on outside powers (Karabakh on Armenia and Abkhazia and South Ossetia on Russia) for their survival.

The term 'South Caucasus' has come into frequent usage by the EU and analysts in an attempt to distinguish the three countries from the rest of the Caucasus (including Dagestan, Chechnya and North Ossetia), which remain within Russian territory. It is problematic, however, to view the South Caucasus as a distinct or united region. Bruno Coppieters, among others, has pointed out that it is more accurate to see the South Caucasus as part of a "wider Caucasian region, which encompasses both the South and North Caucasus, and where Iran, Russia and Turkey have competing and overlapping interests".⁵ The Russian Federation's policy towards the Caucasus reflects the perceived linkage between the North and the South.⁶ Not only do the countries look to external allies – Armenia to Russia and its diaspora; Georgia to Europe and the US, and Azerbaijan to Turkey, but

³ 'Nagorny' is the Russian word for 'mountainous'.

⁴ See Svante E. Cornell (1999) 'The Nagorno Karabakh Conflict' Report No. 46, Department of East European Studies, Uppsala University (available online at http://www.silkroadstudies.org/new/inside/publications/1999_NK_Book.pdf) and Stephan H. Astourian (1994) 'The Nagorno-Karabakh Conflict: Dimensions, Lessons, and Prospects' *Mediterranean Quarterly*, Vol. 5 (4) pp. 85-109, for the background to the conflict.

⁵ Bruno Coppieters (2003) 'An EU Special Representative to a new periphery' in D. Lynch (ed.) 'The South Caucasus: A Challenge for the EU,' Chailot Paper No. 65, Paris: EUISS, page 162.

⁶ Svante E. Cornell and S. Frederick Starr (2006) 'The Caucasus: A Challenge for Europe' Silk Road Paper, June. Available at <http://www.silkroadstudies.org>.

they have little contact with each other. Armenia has no diplomatic relations with Azerbaijan (or Turkey) because of the Nagorno Karabakh conflict, and suffers from economic blockades imposed by these two countries. Georgia has become a hub of international activity partly because of the closed border between Armenia and Azerbaijan, but does not lay claim to regional leadership, and outside pragmatic economic links does not cooperate closely with Armenia or Azerbaijan.⁷ The power and influence of external regional actors complicates EU attempts to both deal with the countries individually, and to encourage regional cooperation between them. Moreover, the unresolved regional conflicts continue to play a significant role in disuniting the South Caucasian countries and destabilising the region.

3. THE EU AND THE SOUTH CAUCASUS TO DATE

The EU has only recently elaborated a policy towards the countries of the South Caucasus. The region was not a priority for the EU in the early 1990s, when the organization and its member states were focusing on their immediate neighbours and stumbling over their foreign policy in Former Yugoslavia. Furthermore, the EU has been particularly reluctant to forge an external relations policy in the post-Soviet region, and relations with Russia continue to take priority and lead to member state hesitancy vis-à-vis the South Caucasus. Nevertheless, the EU has a number of interests, as well as challenges, in the South Caucasus that increasingly require attention. Interests include the diversification of European energy supplies, and the desire for security on its periphery to avoid the adverse spill-over effects of instability. The EU's security challenges in the region have been summed up rather dauntingly by one analyst as "extremism, separatism and terrorism, as well as territorial disputes, a regional arms race, environmental concerns and the rise of transnational organised crime."⁸

While political relations between the EU and the South Caucasus states have been slow to develop, the countries have benefited from a considerable amount of aid and technical assistance since becoming independent. Georgia, Armenia and Azerbaijan were included from 1991 in the TACIS (Technical Assistance for the Commonwealth of Independent States) regional funding programme, and EU aid assisted refugees from the conflict zones in Abkhazia, South Ossetia and Nagorno Karabakh. Local populations were also supported through the EU Food Security Programme and the European Community Humanitarian Office (ECHO). The Commission has funded many NGO human rights and civil society projects in Georgia, including within the breakaway regions, as well as infrastructure rehabilitation, and assistance under the European Initiative for Democracy and Human Rights (EIDHR). Overall, Georgia has received approximately €505 million of EU assistance since 1992⁹, Azerbaijan €400 million¹⁰, and Armenia €386 million.¹¹ To put these figures in comparative perspective, it is interesting to note that Albania received nearly €300 million from the EU during a period of five years (2001-2006)¹², and Macedonia has been the recipient of €870 million of EU

⁷ Thomas De Waal, (2005) 'Georgia and its distant Neighbors' in Bruno Coppieters and Roberst Legvold (eds.), *Statehood and Security. Georgia after the Rose Revolution*. Cambridge, MA and London: The MIT Press.

⁸ Elkhan Nuriyev (2007) 'EU Policy in the South Caucasus: A View from Azerbaijan,' CEPS Working Document No. 272, Brussels: Centre for European Policy Studies.

⁹ Georgia Country Strategy Paper, 2007-2013.

¹⁰ Azerbaijan Country Strategy Paper, 2007-2013.

¹¹ Armenia Country Strategy Paper, 2007-2013.

¹² 'EU-Albania Relations', http://ec.europa.eu/enlargement/albania/eu_albania_relations_en.htm. Accessed 9.11.07.

assistance since 1992 (the figure excludes the cost of the ESDP police and peacekeeping missions).¹³

Partnership and Cooperation Agreements (PCAs) were agreed with the South Caucasus countries in 1996 and came into force in 1999. The agreements allowed for regular high-level meetings between representatives of the EU and officials from Georgia, Armenia and Azerbaijan, and included enhanced cooperation in trade, economic development, and political dialogue. The countries were belated additions to the European Neighbourhood Policy (ENP) initiative of 2003, being included from 2004. ENP Action Plans, with five year durations, were agreed with each country in November 2006, and the ENP funding instrument replaced TACIS funding from 2007.

In tune with the renewed EU interest in the South Caucasus, and as a result of Swedish and Finnish pressure, the EU appointed Finnish diplomat Heikke Talvitie as EU Special Representative to the South Caucasus in July 2003. Talvitie was tasked with developing contacts with local actors, encouraging regional cooperation, and assisting in conflict resolution. He was replaced by Swedish diplomat Peter Semneby in February 2006, with an expanded mandate: to contribute to regional conflict resolution rather than just assisting the UN and the OSCE.¹⁴

The EU also launched its first civilian Rule of Law mission (EUJUST-THEMIS) to the Georgian capital of Tbilisi in 2004-2005 at the request of the new Saakashvili government. The mission consisted of a small team of 12 officials to assist in judicial reform. The EU Special Representative has had, since September 2005, a team of 20 staff based at the EC delegation in Tbilisi, providing a follow up service to the mission, and assisting with reform of the Georgian Border Guard service. This action followed the EU's decision not to take over the OSCE's border monitoring mission on the Georgian-Chechen border. The Russian government, having vetoed the extension of the OSCE mission, did not support an EU mission on its border. With several member states unhappy about Russian opposition to the proposed mission, the EUSR team was established as a compromise.¹⁵ The European Commission provided €4.65 billion under the Rapid Reaction Mechanism in July 2004 to help the Georgian government consolidate democracy and rule of law in the wake of the Rose Revolution of November 2003.

Trade is an important dimension of EU-South Caucasus relations, with Azerbaijan being the EU's largest trading partner (exporting mainly gas, oil and cotton to the EU). Georgia is a key transit state for oil and gas, while Azerbaijan is an important oil producing state. The Baku-Tbilisi-Ceyhan (BTC) pipeline, linking the Caspian to the Mediterranean, was completed in 2005 by a consortium of European and international companies headed by British Petroleum (BP), and other projects to diversify Europe's energy supplies are in the pipeline.¹⁶

The South Caucasus are included in the European Commission's Black Sea Synergy initiative of April 2007. Instigated by the accession of Bulgaria and Romania and the opening of accession negotiations with Turkey, the

¹³ 'EU-Former Yugoslav Republic of Macedonia Relations', http://ec.europa.eu/enlargement/the_former_yugoslav_republic_of_macedonia/eu_the_former_yugoslav_republic_of_macedonia_relations_en.htm

¹⁴ CFSP Joint Action 2006/121/CFSP of 20/02/2006.

¹⁵ Dov Lynch (2006) 'Why Georgia Matters' Chaillot Paper No. 86, Paris: EUISS, page 65; Damien Helly (2006) 'EUJUST Themis in Georgia: an ambitious bet on rule of law' in Agnieszka Nowak (ed.) 'Civilian Crisis Management – the EU Way,' Chaillot Paper No. 90, June, Paris: EUISS, page 95.

¹⁶ The Nabucco natural gas pipeline, scheduled to operate from 2009 will take gas from Turkey to Austria.

Commission's Communication¹⁷ advocates a coordinated regional EU approach to the Black Sea region (defined as Turkey, Bulgaria, Romania, Moldova, Ukraine, Russia and the South Caucasus countries). While the initiative is not intended to make a direct contribution to conflict resolution, "it could generate more mutual confidence, and, over time, could help remove some of the obstacles that stand in the way."¹⁸

4. ASSESSING EU-SOUTH CAUCASUS RELATIONS

Despite the EU's external ambition under the ESDP, and internal capacity and policy improvements, the EU has played a lesser role in the region than might have been expected. We first examine why the EU has played a minor role in the region, then assess the EU's contribution to the resolution of the conflicts in Abkhazia, South Ossetia and Nagorno Karabakh.

A minor role?

The South Caucasus, as already mentioned, were not a priority for EU foreign policy during the 1990s because of their distance from EU borders and their Soviet legacy. The EU had more pressing issues, closer to home, to deal with: supporting the democratic transitions in central and eastern Europe, and responding to the break-up of Former Yugoslavia.¹⁹ Nevertheless, it is still reasonable to enquire why, given the region's acute problems, it has taken so long for the South Caucasus to creep on to the EU's external relations agenda. The South Caucasus, as Dov Lynch explains (2003)²⁰, were promoted from a footnote in the Commission's Wider Europe Communication of March 2003²¹, to an example of a region in which the EU should play a more active role in the European Security Strategy²² several months later. According to Lynch, this reconsideration of the importance of the region to the EU's security was conditioned more by the initiatives of a few member states (Finland, Sweden and the Baltic states), rather than a clear and focused strategy towards the region. The Swedish Presidency of 2001, led by Anna Lindh, was instrumental in pushing forward greater EU cooperation with the South Caucasus, with the support of the then Commissioner for External Relations, Chris Patten.

The EU's clearly had the ambition to contribute to peace and security on its expanding borders, (as laid out in Security Strategy), but has been thwarted by a number of factors - both internal to the EU, and external. The EU underwent considerable internal difficulties in the aftermath the rejection of the Constitutional Treaty by the French and Dutch publics in May and June 2005. Member state clashes in the Council, a bitter budgetary dispute, and low morale in the European Commission²³ were unlikely to add up to innovative external policy in a difficult region such as the Caucasus. It has taken more than two years to agree on a Reform Treaty, a watered down version of the Constitutional Treaty, and this is still subject to ratification procedures, including some referendums, in the member states. The EU has also been coping with the administrative consequences of enlargement: incorporating ten new member

¹⁷ Communication from the Commission to the Council and the European Parliament, 'Black Sea Synergy - A New Regional Cooperation Initiative' COM(2007) 160 final, Brussels, 11.04.07.

¹⁸ *ibid.* page 1

¹⁹ See Dov Lynch (2003; 2006) *op. cit.*

²⁰ Dov Lynch (2003) 'The EU: towards a strategy' in D. Lynch (ed.) 'The South Caucasus: A Challenge for the EU,' Chaillot Paper No. 65, Paris: EUISS.

²¹ 'Wider Europe - Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours' Commission Communication COM (2003), 104 final, Brussels, 11 March 2003.

²² 'A Secure Europe in a Better World - European Security Strategy', paper presented by the High Representative of the CFSP to the European Council, Thessaloniki, 20 June 2003.

²³ See Desmond Dinan (2006), 'Governance and Institutional Developments: In the Shadow of the Constitutional Treaty' *Journal of Common Market Studies*, Vol. 44 Annual Review: pp. 63-80.

states in 2004 and two in 2007.²⁴ Nevertheless, the EU continued to function successfully in 2006 despite these internal challenges²⁵, and the new member states have been pushing for a more active role in the new east, including the South Caucasus.²⁶

External factors also explain the EU's minor role. Firstly, the South Caucasus is a region crowded with actors: international organizations such as the OSCE, UN, and NGOs, as well as state actors like the US, Turkey, Iran and Russia. The EU's cautious approach can be partly explained by the desire to avoid duplicating the role of other international actors.²⁷ More crucially, EU member states are cautious about acting in the former Soviet space in general, and want to avoid aggravating Russia in particular.²⁸ The lack of agreement on confronting Russia vis-à-vis its role in the secessionist conflicts has meant that, despite EU intentions²⁹, the issue has not been properly raised in EU-Russia dialogue.³⁰

Various internal and external factors can be postulated to explain the EU's neglect of the South Caucasus. However, when confronted with foreign policy challenges, the EU does not have a good record in 'grasping the nettle', and nor is this likely to change as long as it has an intergovernmental foreign policy representing 27 states. Foreign policy is piece-meal and incremental, and the EU has recognized that the South Caucasus is a complex and troubled region, and that it may not always be able to add value with its interventions. The area is of geopolitical significance because of its value in oil and gas production and transit, and, in the post-9/11 security environment, its proximity to Afghanistan and the Middle East. Nevertheless, it remains the case that "despite frequent references to the geopolitical significance of Georgia and the South Caucasus, neither is an area of primary interest for the United States or the European Union"³¹

Contributing to conflict resolution?

'The ENP has achieved little in supporting the resolution of frozen or open conflicts in the region...The EU needs to be more active, and more present, in regional or multilateral conflict-resolution mechanisms and in peace-monitoring or peace-keeping efforts.'

European Commission Communication on Strengthening the ENP, 4 December 2006.

The European Commission, as the above excerpt illustrates, is candid about the ENP's paltry contribution to conflict resolution in the South Caucasus. What is most striking, however, is not necessarily what the EU hasn't done in the region, but more the disparity between its efforts in Georgia compared with Armenia and Azerbaijan. Analysts have agreed that the EU's role in Georgia has been characterised by neglect and lack of foresight.³² However, while criticism of the

²⁴ See Desmond Dinan (2006), op. cit. and Desmond Dinan (2007) 'Governance and Institutional Developments: Coping Without the Constitutional Treaty' *Journal of Common Market Studies*, Vol. 45 Annual Review: pp. 67-87.

²⁵ Desmond Dinan (2007) op. cit.

²⁶ See Geoffrey Edwards (2006) 'The New Member States and the Making of EU Foreign Policy' *European Foreign Affairs Review*, Vol. 11: pp. 143-162.

²⁷ Nathalie Tocci (2006), 'EU Neglect and Competing Mediation in Georgia's Conflicts' *International Spectator*, Vol. XL (4) pp. 69-84

²⁸ Nathalie Tocci (2006) op. cit.; Dov Lynch (2006) op. cit.

²⁹ In ENP policy documents and action plans.

³⁰ Nathalie Tocci (2006), op. cit.

³¹ Damien Helly and Giorgi Gogia 'Georgian Security and the Role of the West' in Bruno Coppieters and Robert Legvold (eds.), *Statehood and Security. Georgia after the Rose Revolution*. Cambridge, MA, page 271.

³² Nathalie Tocci, 'EU Neglect and Competing Mediation in Georgia's Conflicts' *International Spectator*, Vol. XL (4) pp. 69-84; Dov Lynch (2003) 'The EU: towards a strategy' in D. Lynch (ed.) 'The South Caucasus: A Challenge for the EU,' Chaillot Paper No. 65, Paris: EUISS.

EU's belated interest in Georgia is justified, the EU has truly neglected the conflict in Nagorno Karabakh. In Georgia's capital, Tbilisi, the EC delegation shares a building with the EU Special Representative's staff. The EU carried out its first ever Rule of Law Mission in Georgia, and, through the central government, has funded rehabilitation projects in South Ossetia and Abkhazia. There is no full EC delegation in the Azerbaijan capital, Baku, only a 'Europa House' information centre with one EU envoy. Unlike in Georgia, the EU has done nothing and has no presence in Karabakh or the surrounding occupied territories, and has not carried out any needs assessment or fact finding. In the event of any progress towards a political settlement the EU therefore has no information, or any idea, about what it can do to help rehabilitate the territory.³³ The lack of EU presence and visibility in Nagorno Karabakh reinforces the de facto states' reliance on their true benefactors, Armenia and Russia.³⁴ The EU's presence in South Ossetia and Abkhazia is low key, and there is a lack of information in the de facto states about the EU.³⁵ Nevertheless, the EU has funded a wide range of economic and infrastructure projects in the regions, and is actively trying to step up engagement.

The EU's strong role in Georgia can partly be attributed to the Saakashvili government's European aspirations and commitment to state reform. Indeed, the Georgian government invited the EU to assist in judicial reform, and wanted the EU to play a greater role in conflict resolution to bolster central government control over the breakaway territories. The government was disappointed when the EU failed to take over the monitoring mission on the Georgian-Chechen border in 2005³⁶, despite operation EUJUST Themis demonstrating that "the idea of an ESDP mission in the former Soviet space has not led to increasing tensions with Russia."³⁷ Analysts disagree about whether the EU should become more directly involved in the conflict negotiations in South Ossetia and Abkhazia.³⁸ While the EU and other international actors support the territorial integrity of the Georgian state, it is important that the EU is viewed as an impartial actor in the breakaway regimes.

The EU's lack of engagement in the Nagorno Karabakh conflict can be partly explained by an unwillingness of the key parties – the governments of Azerbaijan and Armenia – to seek EU assistance. Unlike Georgia, Armenia and Azerbaijan have not been vocal about their European credentials, with Armenia preferring to maintain its good relations with Russia, and Azerbaijan, bolstered by its oil wealth, taking a middle path between Russia and the West. The peace negotiations, lead by the OSCE Minsk Group, are fragile, and the opening up a new forum for discussion of the conflict could undermine this process, which, after all, the EU member states are committed to through their membership of the OSCE. Hopes of a breakthrough in negotiations were dashed again this summer, as the Azerbaijan and Armenian leaders failed to agree on fundamental issues in a new Minsk Group peace proposal. What value can the EU add in these circumstances? Unfortunately, the status quo is preferable to most actors than settlement of the dispute. The goals of the governments of Armenia and

³³ 'Conflict Resolution in the South Caucasus: The EU's Role' International Crisis Group, Europe Report No. 173, March 2006.

³⁴ See ICG, 'Conflict Resolution in the South Caucasus: The EU's Role' and Nicu Popescu (2007) 'Europe's Unrecognized Neighbours: The EU in Abkhazia and South Ossetia,' CEPS Working Document No. 260/March. Available at <http://www.ceps.be>

³⁵ Nicu Popescu (2007) op. cit.

³⁶ Dov Lynch (2006) op. cit. page 14

³⁷ Damien Helly (2006) 'EUJUST Themis in Georgia: an ambitious bet on rule of law' in Agnieszka Nowak (ed.) 'Civilian Crisis Management – The EU Way' Chaillot Paper No. 90, June. Paris: EUISS, page 102.

³⁸ Dov Lynch (2006, op. cit.) thinks not, while Svante Cornell and Frederich Starr (2006 op. cit) and the ICG (2006) argue for more direct EU involvement.

Azerbaijan are totally incompatible: Azerbaijan will not give up the territory, and Armenia will not support a reintegration of Karabakh into Azerbaijan. In any case, Armenia could not force the Karabakhians to accept autonomy within Azerbaijan, and the occupied territories around Karabakh have been systematically settled by Armenians (echoes of Gaza?). As in Georgia, there is no of incentive for the breakaway regime to reintegrate. The current political situation is more acceptable to most than having to compromise to secure a settlement. Furthermore, years of economic blockades and closed borders have created lucrative smuggling businesses and other corrupt practices that benefit local leaders and populations.³⁹ In Karabakh in particular, the local Armenian population has no contact with Azerbaijanis, and as the conflict continues, the chance of rapprochement diminishes.

For the EU and other parties the status quo is also, in many ways, more appealing than the prospect of intervening in war, and it provides stability for foreign investment. War could destroy much of what the EU and other organizations have funded over the years since Soviet collapse. Yet in Azerbaijan, there are signs that the public would welcome more engagement from the EU in the Karabakh conflict. According to some analysts, the EU enjoys the trust of Azerbaijanis, and many are keen to see a greater EU role in conflict resolution.⁴⁰ According to the ICG, the Azerbaijan authorities are disappointed that the EU is not willing to state clearly that Armenia occupies Azerbaijani territory.⁴¹ This sense of isolation must be familiar: as Svante Cornell points out, during the Karabakh war in the 1990s, Armenia "managed to de facto alter internationally recognised borders by force, without even receiving a direct condemnation by any major power or organization except Turkey, and to a lesser extent, Iran."⁴² The EU is careful to protect its strategic interests in Azerbaijan - as the signing of a memorandum of understanding on strategic energy partnership between EU and Azerbaijan in November 2006, shows. However, it would do well to remember that "conflict resolution should be regarded as a prerequisite for securing energy export routes."⁴³

The ENP Action Plans negotiated in 2006 were an opportunity for the EU to contribute to conflict resolution in Georgia, Armenia and Azerbaijan. Yet according to the ICG, conflict resolution has "fallen by the wayside"; while it is a priority in ENP rhetoric, it plays a lesser role in the Action Plans, with more EU focus on economic and political change.⁴⁴ The EU did not push Armenia and Azerbaijan for progress in the Karabakh conflict, and while the issue features prominently in the Azerbaijan Action Plan, it is not a priority in the Armenian Action Plan. The lack of timetables for the plans' implementation also indicates that Brussels has lost the opportunity to make cooperation conditional on measured progress in reform.

Aid is an important contribution to conflict resolution as it can help to create the conditions necessary for conflict settlement. Yet EU money has gone towards infrastructure projects rather than those more directly linked to conflict resolution/conflict prevention, such as small arms control, the rule of law and human rights.⁴⁵ The jury is out on whether EU economic assistance has

³⁹ See Charles King (2001) 'The Benefits of Ethnic War: Understanding Eurasia's Unrecognized States' *World Politics*, Vol. 53 (July), pp. 524-52.

⁴⁰ Arman Grigorian (2003) 'The EU and the Karabakh Conflict' in D. Lynch (ed.) 'The South Caucasus: A Challenge for the EU,' Chaillot Paper No. 65, Paris: EUISS; Elkhan Nuriyev (2007) 'EU Policy in the South Caucasus: A View from Azerbaijan' CEPS Working Document No. 272, July. Available at www.ceps.be

⁴¹ ICG (2006) op. cit. page 11

⁴² Svante E. Cornell (1999) op. cit. page 42

⁴³ Elkhan Nuriyev (2007), op. cit. page 3

⁴⁴ ICG (2006) op. cit. page 8

⁴⁵ ICG (2006) op. cit.

contributed to conflict resolution, or whether it has simply helped to sustain the status quo. Jonathan Cohen warns that "spurring economic development should not be seen as the carrot that will make peace agreements happen, but rather as the cement that can hold them in place."⁴⁶ Tocci argues that it is not the economic focus of the EU per se that has resulted in minimal EU impact, but more the quantity of aid that has been offered: particularly compared to the Stabilization and Association Agreements in SE Europe, or even the EuroMed association agreements.⁴⁷ And, of course, the lack of a membership perspective in EU-South Caucasus relations goes a long way towards explaining the EU's negligible role in conflict resolution to date.

5. EU CONFLICT RESOLUTION: CHALLENGES AND OPPORTUNITIES

The challenge of 'frozen' conflicts

For an actor with little experience in conflict interventions, the South Caucasus conflicts are a serious test for the EU. Commentators disagree over the typology of the conflicts. Can they be labelled as 'frozen', when, in fact, the conflict dynamics are constantly changing?⁴⁸ Even if the political situations in the de facto states are in stasis, does 'frozen' wrongly imply that the conflicts are stable? Are they 'ethnic' conflicts, or is this another example of the politicisation of ethnicity?⁴⁹

The dispute over Nagorno Karabakh is particularly complex, with inter-state and intra-state components. While it may be the case that there is no international precedent for Nagorno Karabakh and "any solution that is acceptable to both parties must be ploughing new ground in the field of conflict resolution,"⁵⁰ the EU has confronted similar intractability in Cyprus, where two states dispute the ownership of a territory. The EU's track record here is not encouraging: even with the lever of enlargement, the Union had little success in resolving the Cyprus conflict, and allowed a divided island to accede. The fact that Karabakh has been effectively incorporated into Armenia makes the possibility of re-incorporation back into Azerbaijan particularly difficult. The majority Armenian Karabakh population will not accept Azeri rule, and Azerbaijan will not accept a political settlement ceding Nagorno Karabakh to Armenia. Given that the territory was conquered militarily by Armenia and Armenian Karabakhs, with ethnic expulsions, the international community is unlikely to sanction this anyway. The viability of independence is questionable, and would set a difficult precedent in the post-Soviet region, which is awash with national and ethnic minorities.

The EU has the added complication of tiptoeing around powerful regional actors with overlapping interests in the region – especially since EU relations with Russia and Iran are problematic. However, Turkey's cooperation, and eventual accession to the EU could help to accelerate the EU's role in the Karabakh conflict. Turkey is the only state that has consistently argued Azerbaijan's corner in international fora, while refraining from offering overt military support to the Azeris. Georgia's volatile relationship with Russia, compounded by the porous border with Chechnya, makes any mediation by the EU doubly difficult. The prospects of a more united and robust EU policy towards Russia seem unlikely until consensus around a common approach can be reached.

⁴⁶ J. Cohen (2002) 'Southern Caucasus Regional Introduction: Struggling to Find Peace' in P. van Tongeren, H. van de Veen and J. Verhoeven (eds) *Searching for Peace in Europe and Eurasia*, Boulder, Colorado: Lynne Rienner.

⁴⁷ Nathalie Tocci (2006) op. cit. page 75

⁴⁸ Jonathan Cohen (2002) 'Regional Introduction: Struggling to Find Peace' in Paul van Tongeren, Hans van de Veen and Juliette Verhoeven (eds.) *Searching for Peace in Europe and Eurasia*, London and Boulder, CO: Lynne Rienner.

⁴⁹ Bruno Coppieters (2001) 'Ethnic-Federalism and Civic State-Building Policies: Perspectives on the Georgian-Abkhaz Conflict' *Regional & Federal Studies*, Vol. 11(2) pp. 69-93.

⁵⁰ Svante E. Cornell (1999) op. cit. page 136. 'The Nagorno Karabakh Conflict'

Meanwhile, there is a worrying military build up in all three of the South Caucasus countries. There has been speculation that Azerbaijan, increasingly frustrated by the lack of progress over Karabakh, is building up its military strength on its oil wealth, and is planning to retake the territory by force.⁵¹ The Karabakh conflict has continued to drive the militarization of the Armenia state,⁵² and the Georgian government has recently increased national defence spending.⁵³ The danger that one or all of the conflicts could descend back into war is real, and not something that the EU is prepared for.

A viable actor in conflict resolution?

Given the difficulties associated with the South Caucasus region and the complexity of the conflicts, is the EU a viable actor in conflict resolution, or is it out of its depth? Mediators in conflict generally have to be perceived to be impartial and without vested interests. As a complex organisation involved in a number of political and economic spheres, the EU is not a traditional actor in conflict resolution beyond its internal history of peace and prosperity through cooperation. Furthermore, in the context of the conflicts in the South Caucasus, will an enhanced EU role add value to the peace processes? According to the ICG⁵⁴ and Dov Lynch⁵⁵, the EU *can* add value as an 'honest broker' in the region. It does not play power games in the Caucasus like the US and Russia, and is not seeking to extend its influence at the expense of other actors. Yet the question remains if the EU has sufficient expertise to extend its conflict resolution role. The EUSR practices soft diplomacy, but is not trained as a mediator. Neither has the EU demonstrated a clear and focused approach to the region that inspires confidence in its efforts.

It also remains to be seen if the EU can work effectively with other organizations to promote conflict resolution. It has already had problems coordinating its own actors in Georgia⁵⁶, and does not have a strong record in coordinating with other international actors in conflict zones.⁵⁷ The OSCE is perhaps the most important partner the EU has in the South Caucasus, and Russia's opposition to the organization's work in the region may present an opportunity for the EU to step up its role. The failure to take on the OSCE border monitoring mission because of member state disagreements does not bode well for further ESDP missions in the region. According to the ICG, the EU and the OSCE have worked closely in relation to the Georgian-South Ossetian conflict, but more as a result of the people involved rather than any mechanisms put in place by the organizations.⁵⁸ The EU should draw on OSCE experience rather than step on OSCE toes.

The EU has a wide range of tools to contribute to conflict resolution, and their measured application has the potential to make an important contribution. A coordinated, cross-pillar approach is required if the EU is to make best use of its assets. Aid for infrastructure rehabilitation could be better balanced by assistance for democracy and human rights promotion. Regional experts have called for

⁵¹ See Rovshan Ismayilov 'Experts: Azerbaijani Military Build-Up for Diplomatic, Domestic Advantage,' Eurasia Insight, 7/03/07, <http://www.eurasianet.org/departments/insight/articles/eav070307.shtml>

⁵² See Richard Giragosian (2006) 'Repositioning Armenian Security and Foreign Policy within a Region at Risk' Working Paper No 06/07, Armenian International Policy Research Group. Available online at www.aiprg.net

⁵³ See Liz Fuller and Richard Giragosian, 'Georgia: What Is Behind Expansion Of Armed Forces?' Radio Free Europe/Radio Liberty, 19 September 2007, <http://www.rferl.org/featuresarticle/2007/09/955634FF-BA39-49FB-8396-F8CF1AEA7BC2.html>

⁵⁴ ICG (2006) op. cit.

⁵⁵ Dov Lynch (2006) op. cit. page 72

⁵⁶ See Damien Helly (2006) op. cit.

⁵⁷ See E.J. Stewart (2006) *The European Union and Conflict Prevention: Policy Evolution and Outcome*, Münster: Lit Verlag/Kiel Peace Research Series.

⁵⁸ ICG (2006) op. cit. page 21

more EU help in democratisation⁵⁹, with one claiming that the erosion of democracy in Armenia and Azerbaijan "has made progress in [peace] negotiations difficult".⁶⁰

The problem is that conflict resolution and democracy promotion are not well integrated within EU institutions to allow for a strategic linkage between policies.⁶¹ Conflict resolution, like conflict prevention, is a 'catch-all', cross-cutting issue that is forever being repeated in EU rhetoric, but seems destined to fall between the policy-making cracks.

The further development of the EU as a military actor may have implications for its role in conflict resolution. The role of force in conflict management is controversial, as the NATO bombings of Bosnia and Serbia during the 1990s demonstrated. The EU has yet to clearly outline the instances in which it would use its military capacity: would it use bombs to bring peace to its neighbourhood, like NATO? And, if so, would it then undermine its role as an organization promoting peace, and undertaking conflict resolution?

EU Studies and Conflict Resolution- bridging the gap?

Studies on EU foreign policy tend to focus on what type of international actor the EU is, and case studies of EU policy in particular countries or regions. While documenting the EU's role in the South Caucasus is a useful exercise, and has been well done by other scholars, it may also be useful to draw ideas from different perspectives when thinking about the EU as an international actor. What can we learn about the impact and role of the EU by attempting to bridge the gap between EU Studies and Conflict Resolution?

Central to conflict resolution is an understanding of the root causes of violent conflict.⁶² An understanding of these causes can be particularly invaluable when confronting intractable ethno-territorial conflicts with complex histories and deeply ingrained misconceptions. As Charles King has noted, "...seeing ethno-territorial confrontations as mainly a security problem can blind researchers to the deep political and economic incentives that sustain disputes and fossilize networks of war into institutions of de facto states."⁶³ The EU's policies in the South Caucasus have not been based on a deep or common understanding of the reasons behind the conflicts or the forces that continue to separate the conflicting parties. EU policy in the region has been reactive- driven by events rather than by long-term considerations, and as such has not significantly contributed to conflict transformation; that is, not simply the ending of war, but "a deep transformation in the parties and their relationships and in the situation that created the conflict."⁶⁴ As Stefan Wolff has argued, "the success of conflict management and resolution depends on the proper analysis of the conflict situation, the willingness and ability to employ well-resourced policies, and the skill to maximize their impact."⁶⁵

⁵⁹ See Arman Grigorian (2003) 'The EU and the Karabakh Conflict' and Arif Yunusov (2003) 'Azerbaijani Security Problems and Policies' in D. Lynch (ed.) 'The South Caucasus: A Challenge for the EU,' Chaillot Paper No. 65, Paris: EUISS.

⁶⁰ Arman Grigorian (2003) op. cit. page 137.

⁶¹ Richard Youngs (2004) 'Democratic Institution-Building and Conflict Resolution: Emerging EU Approaches' *International Peacekeeping*, Vol. 11(3) pp. 526-543.

⁶² Hugh Miall, Oliver Ramsbotham and Tom Woodhouse (1999) *Contemporary Conflict Resolution*, Polity: Cambridge; Stefan Wolff (2006) *Ethnic Conflict. A Global Perspective*, Oxford and New York: Oxford University Press

⁶³ Charles King (2001) op. cit. page 552.

⁶⁴ Hugh Miall, Oliver Ramsbotham and Tom Woodhouse (1999) *Contemporary Conflict Resolution*, Polity: Cambridge.

⁶⁵ Stefan Wolff (2006) *Ethnic Conflict. A Global Perspective*, Oxford and New York: Oxford University Press, page 154.

'Frames', or "lenses through which disputants interpret conflict"⁶⁶ can contribute to entrenching the positions of conflicting parties. This is particularly the case in the ethno-territorial conflicts such as in the South Caucasus, where Abkhazians, South Ossetians and Karabakh Armenians have different interpretations of ancient history, wartime casualties, and even recent politics, than the Georgians or the Azeris. Frames are used interpretively to "make sense of complex situations in ways internally consistent with our worldviews" and strategically to "help rationalize self-interest, persuade broader audiences, build coalitions, or promote preferred outcomes."⁶⁷ One of the challenges faced by mediators is to change the way that the disputants frame the conflict, in order to find common ground and work towards a settlement. A more systematic understanding of the roots of the South Caucasus conflicts could assist the EU in helping, perhaps in partnership with NGOs and/or the OSCE, to 're-frame' the conflicts in the course of confidence-building projects.

Conflict resolution analysts stress the importance of commitment and leadership in the transition from managing, to resolving, conflict.⁶⁸ The absence of local leaders committed to resolving the South Caucasus conflicts has contributed to their persistence. This is particularly the case in Nagorno Karabakh, where the leader of Armenia, Robert Kocharian, is a former nationalist leader of the Karabakh regime. There is more hope in Georgia, where the Saakashvili government has shown commitment to a solution to South Ossetia and Abkhazia. However, the heavy handedness of the government has not always been productive, and the recent anti-government riots in the Georgian capital, Tbilisi, show that government policies may lack public support. Continued instability in Georgia despite intensive international assistance demonstrates the uphill struggle that the EU faces in the South Caucasus countries. Soviet governments have been replaced by weak democracies characterised by clan-based politics, corruption, and widespread public disillusionment. Local commitment to peace is a fundamental factor in conflict resolution. However, positive third-party interventions are also crucial in the search for sustainable peace. The EU also has a leadership problem that impacts negatively on its role in conflict management and resolution. The Union has a large number of actors on the ground in the South Caucasus: more leadership from the EUSR may enhance the quality of EU interventions.

The EU has adopted the language of peace-building and long term conflict prevention in its documents and rhetoric. In the coming years, it will face the challenge of helping to sustain peace settlements in the South Caucasus when they are negotiated. Clearly, the EU's role in economic assistance, democracy and human rights promotion, and support for civil society, will be crucial in the process of peace-building in the South Caucasus. Yet the Union has been lax in its commitment and indecisive about what it is prepared to do to help. If the EU is serious about stability in the new neighbourhood, it needs to start planning for peace-building now.

6. CONCLUSIONS

EU relations with the South Caucasus have been slow to develop and have had mixed results. While a considerable amount of aid and assistance has gradually been committed to the region, EU policy has lacked focus and direction. The reasons for this are complex and not easily arrived at. Clearly, the absence of a membership perspective in EU-South Caucasus relations has resulted in a lack of

⁶⁶ Deborah Shmueli, Michael Elliott and Sandra Kaufman (2006) 'Frame Changes and the Management of Intractable Conflicts' *Conflict Resolution Quarterly*, Vol. 24 (2) pp. 207-218; page 207.

⁶⁷ Ibid. page 208.

⁶⁸ See Stefan Wolff (2006) op. cit. and Hugh Miall, Oliver Ramsbotham and Tom Woodhouse (1999) op. cit.

EU planning and neglect. The fact that the region is politically and economically unstable, with long-running, unresolved conflicts, has led to hesitancy and a desire to leave conflict resolution to other international actors. Member states have different perspectives about the EU's long-term goals in the South Caucasus, and the EU, distracted by its own internal problems, has been reluctant to become involved in regional power politics.

EU activity in the region varies considerably from country to country. The EU's role in Georgia has been extended in recent years, and it has played a significant role in helping the Georgian government to implement reforms, particularly in the economic sphere and in rule of law. In contrast, the EU has not increased its role in Nagorno Karabakh, and, while it has offered aid and assistance, its policies in Armenia and Azerbaijan are largely focused on economic reform and energy cooperation. The value on the ENP Action Plans are not clear: they have only a marginal impact on conflict resolution, and have not explicitly made EU assistance dependent on measured reform. Given the problems between the South Caucasus countries, and the variety of interests the EU has in the region, it may be beneficial to develop a regional approach towards the South Caucasus through the Black Sea Synergy initiative. Involving Russia, Turkey, as well as Bulgaria and Romania, may help the EU to formulate a more rounded and informed policy that convinces Armenia and Azerbaijan in particular that cooperation with the EU is worthwhile.

In the meantime, the EU could improve the quantity and quality of its assistance, especially by concentrating more on democratisation, and establishing a foothold in Nagorno Karabakh. Clearly, conflict resolution in the South Caucasus cannot go ahead without the cooperation of the Russian Federation, and more EU efforts to build a consensus around a robust but constructive Russian policy is a priority. It is perhaps unrealistic to expect the EU to have a clear-cut approach to the problem of frozen conflicts in the post-Soviet region. Nevertheless, the EU has the potential to be a viable actor in conflict resolution, and with the careful application of its considerable resources, could make a real difference. Of course, it needs to work with, rather than in competition with, other international actors. The OSCE has much experience and expertise, but faces Russian opposition to its activities in the region. If the EU is more acceptable to Russia as an actor in the South Caucasus than the OSCE, it should step up to the challenge, while making use of its partner organisation's vast expertise.

Thinking about the EU from the perspective of conflict resolution studies provides some insights about the EU's role in this area. However, as well as thinking about what the EU can do to improve its approach to conflict resolution, it may be important to have a debate about what the EU can't do. Can it be a military actor, a donor, an actor in civilian crisis management, and a mediator? As the EU extends its influence and instruments across the new neighbourhood, the debate about its role in the international arena is unlikely to lose its potency.