Pending Normalization of Turkish-Armenian Relations: Implications for Georgia

New Challenges or Greater Opportunities?

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Executive Summary

The expected normalization in Turkish-Armenian relations may turn out to be the most momentous change in the security set-up of the South Caucasus since the break-up of the Soviet Union. Its results may even overshadow those of the August 2008 Russia-Georgia war which did not lead to a substantive redrawing of the map of regional alliances and disputes.

At this point in time, two fundamental uncertainties exist on this issue. The first is, whether the process will actually reach its conclusion. That is to say, whether the protocols signed on October 10 in Zürich by the two countries’ foreign ministers will be ratified by their respective legislatures, thus paving the way for the restoration of diplomatic relations and cross-border communications. One sticking point is the question of whether the ratification of the deal by the Turkish Parliament should be linked to the achievement of genuine progress in the resolution of the Nagorno Karabakh conflict. On the other hand, there is resistance from within Armenian society among those who believe that the agreement would damage efforts to secure recognition of the Armenian genocide. Another big area of uncertainty is related to the impact that the rapprochement between Turkey and Armenia, if it does happen, will have on the regional security environment.

Many within the Georgian expert community think that the impending Turkish-Armenian deal implies inherent dangers for Georgia’s economic and security interests. There are three main areas of concern:

- The agreement will undermine Georgia’s position as a major transit country in the region, thus bringing economic losses;
- The Armenian government, being less dependent on Georgia, will be more active in supporting the demands of Armenian nationalist groups active in the Georgian province of Samtskhe-Javakheti thus destabilizing the region;
- The whole process is part of a joint Russian-Turkish agenda to reduce the influence of Western powers in the region, which will make it easier for Russia to turn Georgia into a satellite state.

Each of these points constitutes a legitimate ground for concern. However, careful analysis shows that the process of Turkish-Armenian normalization, if successful, would create new opportunities for the faster economic development of the region (including Georgia), and would help bring it closer to Europe. So, on balance, the potential benefits of a Turkish-Armenian rapprochement are likely to outweigh the potential risks.

The Georgian government has little capacity to influence the process of normalization and there is no reason for Georgia to pursue a more active role on this issue. However, there are several policy areas to focus on in this regard:

- The Georgian government should more clearly state its support for improved Turkish-Armenian relations, especially if this is linked to achieving progress in the Nagorno Karabakh issue.
- The government should pursue projects aimed at further developing economic ties between Armenia and Georgia. The government and, especially, think-tank community should be more proactive in explaining to society why these projects contribute to Georgia’s national interest.
- Patient and consistent policy should be continued and further developed with regards to the ethnic Armenian community of Javakheti. This should include proactive measures to more fully integrate the region’s population into the political, economic and civil life of the country, as well as large-scale public dialogue on best policies to pursue those goals. Experts and public figures from Armenia should also be encouraged to take part in this dialogue.
- The Georgian government, academic institutions and think tanks should focus more on researching the politics of regional actors, especially Turkey and Armenia.
To link or not to link: The main impediment

The political and economic benefits of improved relations for Turkey and Armenia are so obvious that it may seem surprising that it has taken this long for the sides to embark upon the road to normalization. Armenia is squeezed between neighbors that are either openly hostile (Azerbaijan, Turkey), or friendly but still problematic: Georgia is in a state of cold war with Russia, the closest strategic ally of Armenia, and Iran is seen as a pariah state by the West, relations with which are also important to Armenia. Better relations with Turkey would grant Armenia much greater room for maneuver and improved chances of economic development. Turkey would significantly boost its status as an influential player in the South Caucasus. The normalization of relations with Armenia would also improve Turkey's image and negotiating position vis-à-vis the West and would undermine the influence of the international Armenian lobby that had been busy discrediting Turkey over the issue of what the Armenians contend was a genocide.

For Armenia, the major sticking point is related not to long term political interests, but to collective memory and identity. The formation of the modern Armenian identity has very much been shaped by the collective memory of the horror of the 1915 massacres, and by the definition of this event as a genocide – a definition that the legislatures of quite a few leading nations have shared. However, many others prefer to remain neutral on the issue. Armenia’s greatest concession in the deal signed in Zürich is to agree to establish a joint commission of Turkish and Armenian historians to study these events. This implies that the definition of ‘genocide’ is still up for discussion. The question of whether or not this concession constitutes a step too far is one that bitterly divides Armenian communities around the world. However, it appears that opposition to the terms of the Zürich protocols comes mostly from the diaspora which is more concerned with the genocide issue than those living in Armenia itself. Indeed, support for the deal appears to be stronger within Armenia. However, even there, opposition is strong enough to make it difficult for the Armenian government to make other concessions in the process – especially those linked to the Nagorno Karabakh conflict.

The obstacles on the Turkish side are linked to the issue of Nagorno Karabakh, and to relations with Azerbaijan. If the Zürich agreement is ratified, Turkish sanctions on Armenia will be lifted. These sanctions were imposed in 1993 because Turkey wanted to punish Armenia for effectively annexing an autonomous region within what was Soviet Azerbaijan and occupying considerable territory around it. If Turkey lifts these sanctions, it would be implicitly tolerating what it deemed unacceptable in 1993 and would contradict the interests of Azerbaijan, a country that had relied on Turkey as its chief ally. The message would be that, as far as Turkey is concerned, Armenia has got away with Karabakh.

This bothers Turkey. Apart from the cultural solidarity between the Turks and the Azeris (who speak a language closely related to Turkish) which is an important factor within Turkish society and public opinion, Turkey is linked to Azerbaijan through many common economic projects. Acting against the interests of its traditional ally would undermine Turkey’s credibility in the region. That’s why Turkey insists on linking the ratification of the Zürich agreement to progress in the settlement of the Nagorno Karabakh issue. Of course, the definition of what constitutes progress may vary and a full resolution of the conflict is certainly not a prerequisite to ratification, but Turkey does expect a clear and firm commitment from the Armenian side to give up occupied territories around Karabakh that currently serve as a buffer zone and a bargaining chip.

This link between ratification and the Nagorno Karabakh issue is strongly opposed by Armenia. While the text of the signed agreement does not mention Karabakh, the intention of the Turkish foreign minister to mention it in the introductory statement before the signing ceremony came close to derailing the agreement altogether. Disaster was averted by creative diplomacy (attributed to US Secretary of State Hillary Clinton): the statements were cancelled altogether. However, later, Turkish Prime Minister Recep Tayyip Erdoğan restated several
times that completion of the Turkish-Armenian deal would be dependent on progress in negotiations over Nagorno Karabakh. This means that the interests of Turkey and Azerbaijan not only contradict those of Armenia, but also those of the major international sponsors of the bilateral agreement – the USA, EU, and Russia - who all appear to favor the deal being separated from the Karabakh issue to ease progress. The USA appears to be especially active in promoting the agreement. There are several reasons for this. Firstly, President Obama needs to demonstrate real success in peacemaking having already got advance recognition from the Nobel Prize committee. More specifically, he gave a commitment to the US ethnic Armenian community that he would support the recognition of the Armenian genocide in the US Congress – a promise he is probably not as enthusiastic about now as it could mean spoiling relations with Turkey, something that is not in America’s interests. A Turkish-Armenian deal would help solve this problem. The West tends to share a vague philosophical hope that a Turkish-Armenian rapprochement will prompt Armenia and Azerbaijan to overcome their hitherto irreconcilable differences. Russia’s leadership does not think in these “post-modern” terms and its motives are more complex. However, to mention some of them, the reduction of Armenian dependence on Georgia would weaken the latter – something Russia would like. Moreover, the weakening of Turkish-Azerbaijani ties would make it easier for Russia to increase its own influence over Azerbaijan, which would be a strategically important gain.

The situation is too complex to confidently predict whether the Turkish-Armenian deal will be finalized. The best case scenario is that enough progress is achieved in Armenian-Azerbaijani negotiations to allow Turkey to define it as sufficient to ratify its own deal with Armenia. Even in this scenario, it is unclear whether this will cause a substantive improvement in Armenian-Azerbaijani relations, or whether this will act as a face-saving device for Turkey to go ahead.

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Is Georgia losing its transit function?

Georgian experts often view the prospect of a Turkish-Armenian deal with concern rather than seeing this new development as a source of new opportunities. The most obvious worry is that Georgia may lose its position as the main transit state in the South Caucasus region as well as the economic benefits that come from such a position. Until now, Georgia has been the sole ground route of communications in the northern and western directions. After the Turkish-Armenian deal is done, goods from Armenia may travel via Turkey, bypassing Georgia. Moreover, if Armenia did not participate in larger regional transportation projects (such, for instance, as Nabucco gas pipeline) because of bad relations with its neighbors, with the normalization of Turkish-Armenian relations, routes through Armenia may become more attractive than those that go through Georgia.

This concern is quite rational. When it comes to competition between transit routes, geoeconomics turns into a zero-sum game: when moving from point A to point B, goods such as oil and gas will take only one route and countries that are not on it will be excluded, thus losing transit revenues or the bargaining power that stems from controlling strategically important routes. Some losses are unavoidable. However, it is important to evaluate how big these losses will be and whether or not they might be surpassed by benefits that come from other aspects of the process.
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While complex economic calculations are beyond the scope of this paper, several points can still be made:

- Georgia’s role as a transit state will continue to be an important – but not a dominant – component in Georgia’s model of economic development. This will instead be based on the promotion of Georgia as a business-friendly environment (as recognized by its rapid progress in the World Bank/IFC Doing Business ratings), and especially the attraction of large scale investment in the energy, tourism, and agriculture sectors among others. Income from the transit of goods is important but not decisive for the prospects of economic development.

- Turkish-Armenian normalization will not automatically lead to reconciliation between Armenia and Azerbaijan. Moreover, it may be the case that the ratification of the Zürich protocols is not in fact linked too closely with the achievement of progress on the Nagorno Karabakh issue. This makes it likely that Georgia retains its status as the only country that enjoys reasonably good relations to all regional players (apart from Russia) and will continue to be an attractive partner for many regional transportation projects. For example, it is often said that Turkish-Armenian rapprochement would render the Baku-Tbilisi-Kars railway project redundant, because the renovation of the existing railway through the Armenian town of Gyumri is much cheaper. However, in lieu of a full-scale normalization of relations between Armenia and Azerbaijan, a railway connection between the latter and Turkey through Georgia will still be needed.

- Even in the absolute best case scenario, one in which the Turkish-Armenian deal is followed by the normalization of relations between Armenia and Azerbaijan, the overall advantages for the political and economic development of the region may be so huge that the benefits for Georgia are likely to outweigh the cost of lost transit revenues.

The Javakheti Armenians issue

Another concern shared by a number of Georgian analysts is the possibility of a change in attitude of the Armenian government towards issues related to ethnic Armenians in the Georgian province of Samtskhe-Javakheti. Two districts in the region, Akhalkalaki and Ninotsminda (often referred to as Javakheti), border on Armenia and have a population that is over 95 percent ethnic Armenian, most of whom do not know the Georgian language and are weakly integrated into Georgian society. There have been fears that Javakheti Armenians may mobilize around nationalist slogans, which could mean separatist aspirations at worst, or calls for regional autonomy that many Georgians perceive as the first step towards separatism. However, while there are indeed nationalist organizations in Javakheti that accuse the Georgian government of treating minorities unfairly and try to mobilize people around nationalist issues, the province has been largely free of ethnic tensions since the early 1990s.

One of the reasons why nationalist tensions in Javakheti have not developed is the lack of encouragement from Yerevan. The experience of ethnic conflicts in the early 1990s has shown that the policy adopted by the “historical homeland” has been a highly important, if not decisive, factor for the development of ethnic grievances into fully fledged conflicts. The fact that the Armenian nationalist movement first mobilized around the issue of Karabakh was crucial for the development of that conflict. In the case of Javakheti, the Armenian government has played a stabilizing role since 1990s, supporting different educational and cultural initiatives in the region but never backing political nationalist demands. At the same time, the issue of Javakheti is hotly debated in Armenia. The Armenian media frequently publishes articles accusing the Georgian government of abusing the Armenian minority, and alleging that there is a plan to “Georgianize” Javakheti through assi-
milation and the settlement of ethnic Georgians. The Dashnaksutyun party, known for its focus on nationalist causes as well as its strength in the diaspora, is widely seen as the major political force advocating a more assertive policy on the Javakheti issue, and encouraging Armenian organizations on the ground to be more active and aggressive.

That Armenia, being involved in an open conflict with both Azerbaijan and Turkey, has very much depended on good relations with Georgia, may be one explanation of its restraint with regards to the Javakheti issue. At least, that’s how many Georgian politicians and analysts see it. If this explanation is correct, then the improvement of Turkish-Armenian relations may change the situation. Or, at least, one of the obstacles may be overcome. On September 1st 2009, in a meeting with Armenian ambassadors serving abroad, Armenia’s president, Serzh Sargsyan, said that Armenia should openly support the demands of the Javakheti Armenians – such as making Armenian an official regional language, or the creation of an Armenian-language university there. This could be seen as the first sign of a more assertive Armenian stance towards the Javakheti issue.

The problem does indeed merit close attention. Concessions made to Turkey on genocide recognition and – possibly under international pressure – the Karabakh issue could expose Serzh Sargsyan’s government to criticism from nationalists. Opponents may use any concessions to depict Sargsyan as a weak leader and accuse him of compromising on matters of principle for ‘lowly’ economic gains. This may create a temptation to compensate by raising the issue of Javakheti, thus placating nationalist critics of the government. The September 1st public statement may be a sign of this taking place. Other similar diplomatic steps may follow.

The main question is how far this new assertiveness will go, and whether it will destabilize Javakheti? A significant rise in nationalist tensions in Javakheti cannot be ruled out if there is encouragement from Armenia. However, all things considered, a major conflict with Georgia is hardly in Armenia’s strategic interest even if its relations with Turkey were to improve.

Moreover, Turkish-Armenian reconciliation would take some heat out of what is currently the most potent nationalist issue – that of genocide recognition. This may ultimately strengthen position of the pragmatists vis-à-vis the nationalists within Armenian politics. While the nationalist Dashnak party withdrew from the Armenian government over the Turkish issue, former president and opposition leader, Levon Ter-Petrosyan, expressed his support for the government’s position on the normalization of ties with Turkey. This may be a sign of such a regrouping taking place within Armenian politics, with the political forces that may benefit from stirring up tensions in Javakheti losing some clout.

Possible geopolitical implications

Turkish-Armenian rapprochement may affect the balance of power between the main geopolitical actors in the South Caucasus, most notably Russia, Europe and the United States. The concerns of many Georgian analysts are based on the assumption that the Turkish-Armenian deal may ultimately lead to the strengthening of Russia’s position in the region. Obviously, such a development would not be in the Georgian national interest.

This is the most important factor to consider when discussing the possible repercussions of an improvement in bilateral Turkish-Armenian relations. For example, while this change would reduce Georgia’s leverage over Armenia, this is only dangerous if one assumes that Armenia is going to use this against Georgia. It is argued that Russia could play a role here and pressure Armenia into doing this. The perception that Turkish-Armenian reconcili-
The real challenges inherent for Georgia may well be more closely tied to the establishment of warmer relations between Turkey and Russia, not to the normalization of Turkish-Armenian ties per se. Is the reduction of Western influence in the South Caucasus the hidden agenda of the Caucasus Stability Platform? Is Turkish-Armenian rapprochement just an element of this plan? If so, then Georgia has real grounds for concern.

Thus, the real challenges inherent for Georgia may well be more closely tied to the establishment of warmer relations between Turkey and Russia, not to the normalization of Turkish-Armenian ties per se. Is the reduction of Western influence in the South Caucasus the hidden agenda of the Caucasus Stability Platform? Is Turkish-Armenian rapprochement just an element of this plan? If so, then Georgia has real grounds for concern.

The timing of the announcement of the Caucasus Stability Platform cannot be dismissed as mere coincidence – it indicates the existence of a commonality of either strategic or tactical interest between Turkey and Russia. There are two possible reasons for the Turkish move:

- Russia imposed a blockade on Turkish goods during the August 2008 war. This was an extremely painful signal for Turkey, a country that considers access to the Russian market crucial to its economic development. Therefore, Turkey needed to placate Russia. The Turkish proposal – the Stability Platform – could only be attractive to Russia if it implied a reduction in Western influence in the South Caucasus; influence that the Russian leadership considers to be inimical to its interests.

- The Stability Platform fits into the concept of ‘multidimensionality’ developed and pursued by the current Turkish Prime Minister Ahmed Davutoğlu. According to this view, Turkish foreign policy has so far been excessively focused on relations with the West, including, for example, cooperation with NATO and efforts to join the European Union. The policy of multidimensionality has meant that Turkey aims at devoting attention to relations with it’s’ neighbors to the north, east, and south. In the South Caucasus, the greatest obstacle to this goal has been bad relations with Armenia – therefore normalizing them became a priority.

What is the broader motivation behind the shift in Turkish foreign policy towards ‘multidimensionality’? Is this a sign that Turkey is moving away from the West? Or is this shift primarily aimed at increasing Turkey’s bargaining power in its relations with the West? Over the past decade, Turkey has been subject to a series of setbacks in its relations with Europe and the United States. This includes the ongoing problems and delays associated with Turkey’s bid to join the European Union, American neglect of Turkish interests during its invasion of Iraq, and a string of Armenian genocide recognitions by several major Western powers. Turkey feels slighted by the West and wants to demonstrate that it can play an independent role in the region rather than serve as a vehicle of Western interests. This sentiment forges a common sentiment with Russia, for whom being snubbed by the West constitutes a deep existential trauma.

But is this commonality sufficient as a basis for
the formation of a Turkish-Russian axis based on a common resentment of Western power?

This would fit perfectly with the general course of Russian policy, but to assume that the same is true of Turkey would be going too far. Despite the aforementioned difficulties, anti-Western sentiment has not become the dominant issue within Turkish politics and society. The latter is far too preoccupied with its internal dilemma of reconciling the religious traditionalism of the ruling AKP party with the maintenance of the Kemalist tradition of westernization and modernization. A turn away from the West in foreign policy would constitute a tectonic shift in the development of Turkish society – something one could theoretically imagine but does not look likely in the foreseeable future.

It is more probable that Turkey will continue its pragmatic policy of finding common interests with different regional and global actors, including Russia. However, if Turkey wants to play a more active role in the South Caucasus, some competition with Russia is also unavoidable. Turkey will probably avoid taking actions that would upset Russia, but helping Russia become too strong, not to speak of following its lead, is not in Turkey’s interest either.

On the other hand, a stronger Turkish role in the South Caucasus does not appear to collide with US and European interests. Contrary to the perception that Turkish-Armenian rapprochement is part of an implicitly anti-Western Russian-Turkish plan, it is the United States that pushed hardest for the normalization of Turkish-Armenian ties. In fact, the US is pressuring Turkey to separate the issue of establishing normal relations with Armenia from that of the Nagorno Karabakh conflict, thus removing the major obstacle to the deal.

This US policy may or may not be the right one. America’s motives – outlined in the first section – could be criticized. However, it is hard to deny the fact that the Turkish-Armenian agreement – if ratified and implemented – would remove an important obstacle in both US-Turkish and European-Turkish relations (of course, however, this would not be a panacea). The implication of this is that the South Caucasus is more likely to enjoy closer ties to Europe.

The normalization of relations between Turkey and Armenia is not likely to lead to a significant increase in Russian influence in the region. Quite to the contrary, for Armenia, Russia’s staunchest ally in the region, it will mean less incentives to follow Russia’s lead and greater chances to come closer to Europe.

Russian influence may well increase in Azerbaijan, from whom Russia is trying to buy as much gas as possible in order to reduce the incentive for it to participate in regional gas transportation projects like Nabucco. If this goes too far, it would become a matter of serious concern for Georgia, whose energy independence significantly depends on cooperation with Azerbaijan. A Russian drive to develop closer ties with Azerbaijan in order to isolate Georgia would probably occur even without Turkish-Armenian rapprochement. But there is an indirect link – Azerbaijan may seek closer ties with Russia if it perceives that Turkey and the West are neglecting its interests by pursuing a Turkish-Armenian deal regardless of the situation in Nagorno Karabakh.

However, while the Azerbaijani reaction to Turkish-Armenian normalization will be negative, it will not be in Azerbaijan’s interest to fall fully into Russia’s sphere of influence. Azerbaijan will probably continue to play the balancing game and avoid open confrontation with Russia. Even if the issues of conflict resolution in Karabakh and Turkish-Armenian normalization are fully separated, it would not be rational for Azerbaijan to dramatically change its policy of energy independence.

Another indirect result of a Turkish-Armenian rapprochement that does not take Azerbaijani interests into account would be the resumption of Azerbaijani-Armenian hostilities. In a recent statement that raised many eyebrows, Azerbaijani President Ilham Aliyev said that Azerbaijan maintains the right to use force, as a measure of last resort, to solve the Karabakh problem. A new war would indeed be a catastrophic development for the region. However, most experts assume – correctly – that this statement was
aimed at pressuring the West into being more active in its conflict-resolution efforts in Karabakh, and was not an expression of actual intent.

Nevertheless, the possibility that Russian influence in the region may grow in ways that are threatening to Georgia, cannot be ruled out. The major risk is that the West – too preoccupied with crises in the Middle East and Afghanistan and/or internal economic problems – may lack the political will to resist Russian efforts to exclude the West from its ‘near abroad’, perhaps even tolerating the use of open military aggression to this end. However, the normalization of relations between Turkey and Armenia is not likely to lead to a significant increase in Russian influence in the region. Quite to the contrary, for Armenia, Russia’s staunchest ally in the region, it will mean less incentives to follow Russia’s lead and greater chances to come closer to Europe.

**What should Georgia’s policy be?**

It is clear that Georgia has few resources to influence the process one way or another, and it should not try to play a more important role in the process. It should act on the assumption that both outcomes – the successful reestablishment of Turkish-Armenian ties, or failure – are possible, and that neither represents a direct threat to Georgian security.

However, the following should be carried out:

- The Georgian government should more clearly state its support for improved Turkish-Armenian relations, especially if this is linked to achieving progress in the Nagorno Karabakh issue.

- The government should pursue projects aimed at further developing economic ties between Armenia and Georgia. The governmental and NGO sectors should be more proactive in explaining to society why these projects contribute to Georgia’s national interest.

- Patient and consistent policy should be continued and further developed with regards to the ethnic Armenian community of Javakheti. This should include proactive measures to more fully integrate the region’s population into the political, economic and civil life of the country, as well as large-scale public dialogue on best policies to pursue those goals. Experts and public figures from Armenia should also be encouraged to take part in this dialogue.

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