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## The OSCE in the Caucasus: Long-Standing Mediation for Long-Term Resolutions<sup>1</sup>

This article reviews the contributions of the OSCE towards conflict settlement in the area dealt with by the Minsk Group and in Georgia over a two-year period (1997-1998). In the first section it outlines and evaluates peace negotiations for Nagorno-Karabakh. The second part discusses the specifics of the OSCE Mission in South Ossetia and highlights the relationship between the OSCE and the UN in Abkhazia.

### *The Conflict Dealt with by the Minsk Group*

The Nagorno-Karabakh conflict has gone into its eleventh year, as no acceptable political settlement has been reached up to now. Moreover, all parties to the conflict seem to be caught up in a pre-negotiation phase: differences remain over methodology (step-by-step or package approach) and over the recognition of the direct participants in the peace talks (Karabakh Armenians/Karabakh Azeris).

The current "no peace no war" situation thus continues. Nevertheless the situation has evolved over the last decade.<sup>2</sup> Thriving on the beneficial climate of glasnost and perestroika, in February 1988 the ethnic Armenian population of Nagorno-Karabakh, an enclave within Azerbaijan, raised its voice in favour of secession from Azerbaijan and unification with Armenia. It later traded this irredentist aspiration for outright independence, which the Nagorno-Karabakh republic declared on 6 January 1992. However, this step was neither recognized by the Azeri nor by the Armenian leadership. Complaints about cultural discrimination, along with painful memories of nationality policies during the early Stalin period, were pressing enough to induce serious ethno-nationalist unrest, which culminated in a grave internal dispute over territorial rights. Soviet operations (such as the military intervention in Baku in 1990) served as a clear catalyst for the exacerbation of tensions and caused both parties to harden their positions. Escalation into full-blown war-

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2 For comprehensive background information on the Nagorno-Karabakh conflict, see Michael P. Croissant, *The Armenia-Azerbaijan Conflict: Causes and Implications*, Westport/Connecticut 1998.

fare between Azeri and Karabakh Armenian forces took place in late 1991, with the "Republic of Nagorno-Karabakh" being proclaimed on 2 September during a joint session of the Nagorno-Karabakh Regional Council and the Governing Council of the Shahumian district. The autonomous status of the Nagorno-Karabakh oblast was subsequently renounced by the Supreme Soviet of Azerbaijan in October 1991. Following the collapse of the Soviet Union the war raged in its most cruel form until the temporary cease-fire agreement of May 1994 brokered by Moscow. This was formalized into a permanent cease-fire agreement by the defence ministers of the three parties involved in July putting an end to military activities and freezing the situation on the ground. Currently 16.7 per cent of Azeri territory (including districts in Azerbaijan proper) is occupied by Karabakh forces and 1,100,000 persons - among whom 700,000 Azeri internally displaced persons (IDPs) and 400,000 Armenian refugees - have been made homeless. Divergent positions with regard to their political status persist due to conflicting historical interpretations and to seemingly opposing international principles of territorial integrity (favoured by Azerbaijan) and self-determination (favoured by Armenia and Nagorno-Karabakh).

### *OSCE Mediation: Negotiating Structure and Selection of Peace Plans*

Various mediation attempts have been undertaken to help regain peace and stability, especially by regional powers - such as Iran, Kazakhstan and Russia - that stand to benefit from a wider security framework. Russia should be conferred with a special status in this respect, since the Caucasus is of immediate geopolitical and strategic importance to it.

Since 1992 the OSCE<sup>3</sup> has been involved in the region to a lesser or greater extent, due to the swinging pendulum of attention given it by participating States, internal restructuring processes and mediation competition from Russia. Following the Budapest Summit in 1994 - during which Russia was made a permanent Co-Chair of the Minsk Group<sup>4</sup> - the OSCE serves as the most pertinent framework for continuing negotiations and has been accepted

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3 For convenience the acronym OSCE will be used throughout the article (instead of CSCE before 1995).

4 The Minsk Group, co-chaired by Russia, the United States and France since 1997, currently includes Armenia, Azerbaijan, Belarus, the Czech Republic, Germany, Italy, Sweden and Turkey. These participating States - including Slovakia as part of the then still existent Czechoslovakia - were initially to take part in a conference on Nagorno-Karabakh under the auspices of the OSCE that would occur in Minsk and provide a forum for negotiations. "Elected and other representatives of Nagorno-Karabakh" were invited to this conference as "interested parties"; Helsinki Additional Meeting of the CSCE Council, 24 March 1992, Summary of Conclusions, in: Arie Bloed (Ed.), *The Conference on Security and Co-operation in Europe. Analysis and Basic Documents, 1972-1993*, Dordrecht/Boston/London 1993, pp. 841-844, here: p. 842. The Minsk Conference never took place, but the group of participants - the Minsk Group - continued to work on the resolution of the conflict.

as such by all the parties involved, partly because no credible alternative conflict management structure exists. Despite limited available financial resources, the High Level Planning Group (with assistance of the Personal Representative of the Chairman-in-Office and his field assistants, and guidance from UN experts) continues to update the modalities of, and logistical arrangements for, a multinational peacekeeping operation during fact-finding missions in Armenia, Azerbaijan and Nagorno-Karabakh. So far, conditions for deployment - which is widely held to be the litmus test of the OSCE's *raison d'être* as a full-fledged regional security organization - have not been considered favourable.

In the course of 1997-1998, some changes in the negotiation structure took place and a number of peace plans were outlined. They will be set forth in more detail below. As of 1997, Russia, France and the United States have assumed (permanent) Co-Chairmanship of the Minsk Group. The fact that France succeeded Finland as Co-Chair initially led to objections from the United States, which had expressed increasing interest in the resolution of the conflict in view of the economic prospects of developing oil and gas deposits in the region. Welcoming the growing involvement of the United States as a counterbalance against Russia - which is perceived as a biased negotiator because of its continued military co-operation with Armenia - the Azeri leadership allied with the United States in their opposition against France. Despite this original rivalry, the new triple Co-Chairmen structure of the Minsk Group provided fresh impetus propelling new rounds of negotiations. The Lisbon principles of 1996 (territorial integrity of Armenia and Azerbaijan, highest degree of self-rule for Nagorno-Karabakh within Azerbaijan and guaranteed security for Nagorno-Karabakh and its population) remain important guidelines in subsequent peace plans. In late May 1997 the US-Russian-French triumvirate made a new two-layered proposal, details of which would serve as a basis for simultaneous negotiations and included the following elements:

- (1) the withdrawal of Karabakh Armenian forces from seven Azeri raions (including the Lachin district) and from the town of Shusha/Shushi<sup>5</sup>, the latter linked with the withdrawal of Azeri forces from the Shahumian district;
- (2) the deployment of OSCE-mandated peacekeepers in a jointly de-mined buffer zone, with the task of monitoring the repatriation of IDPs and ensuring road communications through the Lachin corridor;
- (3) the leasing of the Lachin corridor from Azerbaijan to Karabakh with the OSCE serving as intermediary;

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5 Shusha is the Azeri name for the town located in the western part of Azerbaijan and most directly affected by the Karabakh conflict, the Armenians call it Shushi.

- (4) the lifting of the blockade on Armenia by Azerbaijan and Turkey;
- (5) political self-rule and the status of a free economic zone for Nagorno-Karabakh, albeit within Azeri jurisdiction;
- (6) the downsizing of Nagorno-Karabakh forces to a military police force after agreement has been reached on status; and
- (7) an international inventory and control of Nagorno-Karabakh armaments which will be considered part of Armenia's permitted CFE quota.

Nagorno-Karabakh flatly rejected these suggestions. It also discarded the second draft of July 1997 - which was based on a "package deal" approach as well and included only minor changes to the above-outlined proposal. After the presidential elections in Nagorno-Karabakh in September 1997 - which were not officially recognized by Azerbaijan and the West, despite the OSCE's insistence that talks be conducted with elected and other representatives of Nagorno-Karabakh - subsequent talks centred on methodology rather than content. The Minsk Group left out the section dealing with political status, postponing a formal decision until the withdrawal of troops, the repatriation of displaced persons and other confidence-building measures had taken place, but incorporating much-wanted security guarantees. Nagorno-Karabakh said again no to this proposal, as it might have been dissatisfied with the security guarantees offered<sup>6</sup> or concerned about the lack of incentives for Azerbaijan to make substantial concessions. Baku endorsed the OSCE draft peace plan as a basis for negotiations, as did Armenian President Levon Ter-Petrossian, who reiterated the need for a compromise solution in order to expedite a settlement and ensure Armenia's prosperity, strong condemnation of members of his own cabinet notwithstanding. The first months of 1998 continued to be characterized by serious differences between Yerevan and Stepanakert as well as by larger conflicting views within the Armenian leadership (Prime Minister versus President), which precipitated the resignation of Armenian President Ter-Petrossian on 3 February. After the March presidential elections, the newly elected Armenian President Robert Kocharian - who had been the Karabakh leader before his appointment to the post of Prime Minister of Armenia - joined Karabakh in rejecting the OSCE's step-by-step approach.

Meanwhile, the OSCE-mediated peace talks continued in an effort to get the parties back to the negotiation table. In mid-September the three Co-Chairmen - Yuri Yukalov (Russia), Donald Kaiser (United States) and Georges Vaugier (France) - visited Baku, Yerevan and Stepanakert to consult - at the initiative of Russia - about a new approach that seeks to apply creatively the concept of a "common" state. The revised peace plan in November 1998

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6 See Gerard J. Libaridian, *The Challenge of Statehood, Armenian Political Thinking Since Independence*, Cambridge/Massachusetts 1999, Chapter 2: A Resignation.

suggested the creation of a common state by Nagorno-Karabakh and Azerbaijan, whereby the precise relationships between both entities would be subject to a separate agreement in a later stage, although the principles on which it should be based were spelled out. Baku, not unexpectedly, rejected the plan because it did not guarantee the restoration of Azeri sovereignty over the Nagorno-Karabakh enclave and would result in a radical transformation of Azeri identity (rumours have been circulating, however, that initially the original draft proposal on a common state was approved verbally by President Heydar Aliiev); Armenia and Nagorno-Karabakh accepted the plan, despite some reservations. The OSCE Chairman-in-Office in 1998, Polish Foreign Minister Bronisław Geremek, met with the parties in late November to persuade them to take a positive stance on the new plan and repeated his call for a speedy resumption of the negotiations and for displaying political will at the Oslo Ministerial Council in December 1998. At this gathering, however, no reminder of compliance with the 1996 Lisbon principles was sent to the parties. The Minsk Group Co-Chairs, who were urged by the Azeri side in February 1999 to show more resolve in dealing with the Karabakh conflict, demanded the continuation of direct talks and the establishment of a channel of regular dialogue between the Azeri and Armenian leadership, which meanwhile seems to have materialized. The OSCE Chairman-in-Office in 1999, Norwegian Foreign Minister Knut Vollebæk, continued efforts in the same vein during his visit to the Caucasus in August 1999.

#### *Alternative Route Ahead*

The European Parliament's endorsement of the "common state" proposal on 11 March 1999 seems to demonstrate that the international community is supportive of this middle-ground solution between (maximalist) independence and (minimalist) autonomy. Since the resignation of Ter-Petrossian, the OSCE has adopted a more receptive attitude to the position of Armenia and the independent voice of the Nagorno-Karabakh authorities. Both have lately been pushing for "limited sovereignty" and horizontal relations between Baku and Stepanakert in a quasi-federal or confederal state. Some sources hint at a "pro-Armenian turn" in the Karabakh conflict.<sup>7</sup> It remains, however, to be seen whether or to what extent the OSCE proposal of a common state will be adhered to in its present form, as there is no such precedent in international practice - with the exception of Bosnia and Herzegovina - of bringing together two separate entities in one state. Moreover, the common-state paradigm holds substantial room for opposing interpretations and since

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7 Cf. Emil Danielyan, German Academic sees Pro-Armenian Turn in Karabakh Conflict, in: RFE/RL Newslines of 26 March 1999.

March 1999, Russia - initiator of the latest proposal - no longer insists on this formula as a basis for negotiations.

The need for direct and unconditional talks between Baku and Stepanakert - to end the mediation impasse - is also being supported more ardently by members of the OSCE Minsk Group (Russia as early as 1996, Armenia, France and Germany among others). The Azeri leadership continues to refuse to engage in such a direct bilateral dialogue with the leadership of Nagorno-Karabakh, unless the latter would agree to accept autonomy within Azerbaijan. On the other hand, through actively promoting direct contacts, the OSCE might seek to redress criticisms, from the Armenians especially, that reproach the Organization for appropriating too many rights and responsibilities in the Karabakh conflict.<sup>8</sup> Moreover, the Treaty on Friendship, Co-operation and Mutual Assistance (1997) between Armenia and Russia - in particular, the clause on mutual assistance in case of armed aggression by a third state - as well as Russia allegedly offering "land for military bases" to Azerbaijan, raises questions about Russia's motives, its position as an unbiased mediator and the Minsk Group peace proposals in general. Mutually declared commitments to peace notwithstanding, rearmament strategies remain important both for Armenia and Azerbaijan if only to cope with accumulated frustration over the persistent stalemate. Pipeline politics and export routes for Caspian Sea oil need to be carefully monitored in this respect as well. Despite the fact that the energy resource base is smaller than anticipated, Azeri oil development might give rise to increased tensions, as the petrodollars could provide necessary means for renewed military build-up.

The institutional set-up of the OSCE - such as its decision-making procedures, the annual rotation of the Chairman-in-Office and its make-up as an intergovernmental body - unavoidably impedes some of the swiftness and effectiveness of its conflict resolution capabilities.<sup>9</sup> Efficacious peacemaking, though, depends largely on participating States backing their statements with political commitment (effective pressure and support). The parties involved need to display goodwill, flexibility and accommodation to negotiate principal issues with reference to substance, not form or name tag. The "common state" principle might be of significant value, as its viability has been explored elsewhere in the region (Moldova/Trans-Dniestria, Georgia/Abkhazia). Its successful application could hold valuable lessons for present and future conflict management.

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8 See among others Elizabeth Fuller, Karabakh President Discusses Mediation Process, in: RFE/RL Newslines of 19 November 1997; Moorad Mooradian, How Intractable is the Karabakh Conflict?, in: Security Dialogue 1/1998, pp. 252-254.

9 See S. Neil MacFarlane, The UN, the OSCE, and the Southern Caucasus, in: Caspian Crossroads 1/1997, pp. 18-23.

## *Georgia*

A detailed chronicle of the conflictual relationship between Tbilisi and the Tskhinvali region should start by a narration of the history of several decades, which includes opposite claims to the disputed South Ossetian territory and its degradation into an Autonomous Oblast through Soviet border reshuffling. Due to limited space, this article cannot but summarize the events and subsequent courses of action in the early 1990s. The trend towards nationalism induced a chain of developments, such as the demand for upgrading the status of the Ossetian Autonomous Oblast into an Autonomous Republic - analogous to Abkhazia and Adjara within Georgia - and led to attempts by the central government to revoke cultural and local political rights of the Ossetian majority. In September 1990 the secessionist administration declared its own sovereignty and three months later it organized parliamentary elections, the legitimacy and results of which were denied by the Georgian Parliament in Tbilisi, which immediately annulled South Ossetian autonomy altogether. Early January 1991 marked the outbreak of violent civil strife and armed struggle between Georgian police and paramilitaries and Ossetian self-defence units. Militarily, the Ossetians had the upper hand, according to Georgia thanks to financial and logistic support from Russia. After several failed cease-fires, Moscow brokered the final one in June 1992, which is still in effect. The distinct wish of the Ossetians to unite with North Ossetia (Russia), expressed by referendum in January 1992 with more than 90 per cent of the votes in favour, has not materialized. The political status of South Ossetia therefore still hangs in a balance.

### *The OSCE Long-Term Mission to Georgia in 1997-1998*

Today the OSCE Long-Term Mission to Georgia continues to fulfil its political and monitoring mandates in South Ossetia as laid down in 1992 and 1994 respectively. The Mission currently encompasses 19 members - half of whom are military observers - with 17 Mission members at Tbilisi headquarters and two members assigned to the branch office in Tskhinvali, which became operational in April 1997. As of 2 November 1998 Ambassador Jean-Michel Lacombe of France became Head of Mission succeeding Ambassador Michael Libal of Germany.

A few cease-fire violations and armed incursions notwithstanding, the security situation on the ground has improved significantly. In February 1997 the quadripartite Joint Control Commission expressed its resolve to reduce the numerical strength of the "peacekeeping and law enforcement forces" and to bring down the number of checkpoints to 16. The police functions of the joint peacekeeping battalions under Russian command, which by now con-

form satisfactorily to OSCE principles, will be handed over piecemeal to the local authorities.

Meanwhile the quest for a solution to the question of political status for South Ossetia persists. Although no final settlement is forthcoming, the OSCE aims at keeping political dialogue going at all levels. On 14 November 1997 in Java (South Ossetia) and 20 June 1998 in Borjomi, Georgian President Eduard Shevardnadze met face to face with the elected leader of the unrecognized South Ossetian Republic, Liudvig Chibirov, with the OSCE Head of Mission present at both meetings. Both encounters are indicative of growing mutual trust and confidence between the parties. An interim document from the November 1997 meeting ensued giving priority in 1998 to the repatriation of IDPs. OSCE Chairman-in-Office in 1997, Danish Foreign Minister Niels Helveg Petersen, and his successor, Polish Foreign Minister Bronislaw Geremek, paid visits to Tbilisi in August 1997 and November 1998 respectively to discuss, among other things, the mediating role of the OSCE and its capacity to facilitate a final agreement on political status. On 9 January 1999 in Tskhinvali OSCE personnel, together with Russian and North Ossetian representatives, convinced both parties to consent to start negotiations on an intermediary document on status within the framework of the Vladikavkaz agreements.

The prospects of signing such an accord formalizing the relations between Tbilisi and Tskhinvali remain, however, quite dim. The "comfortable" situation of *de facto* independent rule, increasing economic and social ties with Tbilisi and a peaceful security zone in the Tskhinvali region does not provide the strong incentives needed to urge a swift decision on political status. Stressing a relationship of equality between the two entities within a federal Georgian state, Chibirov espouses similar claims to those of Abkhazia and Nagorno-Karabakh and is reluctant to settle now for a less favourable division of authority than fellow separatist regions might achieve in the future.

The OSCE Mission to Georgia has been in the vanguard of economic rehabilitation and reconstruction, and the repatriation of refugees and IDPs - an issue of primary concern in 1998, because of the danger they pose to the peace process. On 6-7 November 1997 a workshop on property rights was hosted by the OSCE Mission in co-operation with OSCE/ODIHR, UNHCR and the Council of Europe to assist Georgian authorities in providing the legal foundations for a return of, or compensation for, houses or apartments lost because of the conflict. A follow-up "Round Table on Housing and Property Rights of Refugees and IDPs" took place on 17 September 1998 resulting in a working group to draft relevant legislation in accordance with international standards with the participation of OSCE experts. The Memorandum of Understanding between Georgia and the OSCE of 23 November 1998, following an ODIHR needs assessment mission in March, testifies to deepening



co-operation, in particular in the human rights field. The January 1999 meeting in Tskhinvali once again underscored the role of co-operation in various sectors, especially economic (energy supplies), as a contributive measure to forward the peace process and to induce a sense of restitution for damage inflicted during the fighting in 1990-1992.

*The UN and the OSCE in Georgia: Friendly Rivals*

Georgia is generally perceived as a laboratory test case for synergy among international and regional organizations. Through a *de facto* division of labour - established to avoid overlap of mandates and duplication of efforts - the OSCE takes the lead with regard to the South Ossetian conflict, while assuming a less prominent role in support of the UN in Abkhazia. Despite initial growing pains with regard to co-ordination, integration and functional co-operation, the institutionalized relationship between the UN and the OSCE in the Abkhaz conflict is instructive for future cases.<sup>10</sup>

In the period under discussion, joint efforts have proceeded along the two tracks of participation and co-operation. The Representative of the Chairman-in-Office participates, as an observer, in the consecutive Co-ordinating Council sessions, the three working groups on security, refugees and economic issues established in November 1997, and in the high-level Geneva mechanism for negotiating a political settlement in Abkhazia. Co-operation with functional UN agencies has been extended and increasingly institutionalized. Following the April 1997 Memorandum of Understanding outlining the modalities of co-operation, the OSCE Mission to Georgia currently contributes one officer to the UN Human Rights Office, which opened premises in the city centre of Sukhumi (Abkhazia) on 1 July 1997 and has assured the continuing functioning of the Office during the more than four months of absence of a UN appointed Director in the first half of 1998. Another example of co-operation resides in the Memorandum of Understanding with UNHCR, signed on 15 October 1998, that provides for the establishment of regular channels for information exchange at all levels of operation and joint assessments of the refugee situation in areas of common concern. At the Oslo Ministerial Council in December 1998, the OSCE declared its readiness to assist the UN with the implementation of a transitional administration in the Gali district (Abkhazia) if an agreement were reached. To that effect, the Chairman-in-Office has been asked to explore, in close consultation with the

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10 Examples of this institutionalized relationship include: the declaration at the 1992 Helsinki Summit by the OSCE Heads of State or Government of their understanding that the OSCE is a regional arrangement of the UN in the sense of Chapter VIII of the UN Charter; the Framework for Co-operation and Co-ordination between the UN and the OSCE (26 May 1993) and subsequent UN General Assembly resolutions on co-operation between the UN and the OSCE (e.g. A/RES/53/85 of 26 January 1999).

UN Secretary-General, the usefulness of opening up an OSCE branch office in Gali. The Georgian call for the OSCE to assume a more active (broader humanitarian) role in Abkhazia - alongside its human rights mission - might be evidence both of an effort to secure a stronger counterbalance against Russian mediation and of a strategy aimed precisely at invigorating UN involvement, as some competition between both organizations is prevalent, though not outspoken. This friendly rivalry could however constitute an important catalyst to set off new initiatives for progress in the region.

#### *Encouraging Signs amidst the Absence of a Final Settlement*

Overall, the OSCE Mission to Georgia has proven effective within the limits of what can be accomplished through post-conflict deployment (as opposed to pre-emptive action and *preventive diplomacy*). It has performed its "indirect" *peacekeeping* function with observable success (increased transparency); its *peacemaking* mission will take understandably longer to bear fruit. Nevertheless, the Mission has made substantive contributions to pave the way forward by trying to capitalize on the momentum for seeking a comprehensive political settlement. The record of its *peace-building* capabilities also must be judged in the longer term. An interim evaluation leads the author at present to applaud the reconstruction and rehabilitation efforts where headway is currently being made. As to the human rights component, one could argue that human rights education has been overemphasized in comparison with the monitoring of human rights violations. The OSCE Mission's presence and visibility in South Ossetia in particular remain important, both for the international community - for which stabilized conflicts have lost priority, especially since the conflict zone is not considered a strategic location in the Caucasus - and for regional powers, such as Russia that are deeply involved.

A breakthrough in one of these two frozen conflicts in the Caucasus - which have similar separatist claims and conflict developments - will set the tone for, and expedite the resolution of, other current and latent conflicts. To that effect, consensus among the region's neighbours (especially Russia) on the settlement of the disputes is as consequential as agreement among the parties themselves. The OSCE's work, which must be continued and reinforced, has prepared the ground for workable solutions in Georgia and Nagorno-Karabakh.