

KEY POINTS OF THE EGF DIRECTOR DR. MARAT TERTEROV'S INTERVIEW TO THE CAUCASUS JOURNALISTS NETWORK ON JANUARY 23RD 2012



KARABAKH CONFLICT

Angela Khachatryan, the Zhamanak (Time), www.1in.am portal (Armenia)

- Mr. Terterov, what effect can the crisis in Europe have on the countries of association partners to the EU, of which Armenia is one?

MT: I think the main point to take here is the question of whether countries in the EU's Eastern Partnership framework, or those coming into the wider-European Neighbourhood context, are a priority for EU external relations strategies. Clearly, some countries come higher up the EU pegging order than others. This also depends on which EU member states holds important positions in the EU institutions, including the rotational presidency of the Council of the European

Union, and the foreign policy strategies which those countries entertain. Clearly, when France holds the presidency, one can assume that greater EU external policy resources will be directed towards the South Bank Mediterranean countries. This is also likely to be the case even more so now with the EU having to show its "interest" in the region in way of developments associated with the Arab Spring. When Poland, for example, holds the presidency, it is likely greater EU foreign policy resources will be directed towards Ukraine and Belarus.

So, where does this leave countries from the Caucasus, including Armenia, taking into account the macro-level monetary concerns in the Eurozone? Armenia has no shortage of supporters within the EU, both through its Diaspora organisations and other

means of engagement of EU institutions. The image of the country, in historic and cultural terms, is relatively favourable in Europe. The country also benefits from various existing funding and other levels of EU support, within the framework of Yerevan's Partnership and Cooperation Agreement with Brussels, and other Brussels-driven facilities. The EU is likewise trying to work in the direction of closer integration of Armenia into "European institutional space", be it via advent of the Association Agreement, free trade documents and other instruments. Although I am now aware of the budgets allocated for these, I would imagine that these forms of cooperation will remain in place, as most are enshrined through intergovernmental agreements of a binding nature. The crisis in the Euro-zone is much bigger than the EU's relationship with Caucasus neighbourhood countries and will have far greater impact on the EU than on states such as Armenia. Nevertheless, the crisis dampens the general mood and outlook in Brussels, and creates a certain pessimism within the Brussels decision making community, meaning that there may be less appetite to expand budgets and new forms of institutional cooperation towards the Caucasus in the near future.

- In the recent months different top politicians in the EU have declared of the intention of the EU to more actively participate in the resolution of the Karabakh conflict. Do you think the EU is ready for such participation in the conflict and does the EU have the appropriate resources and possibilities?

MT: I don't think there has even been much appetite in Brussels to become involved in the resolution over

the NK conflict and do not see the situation changing in the near future. Brussels' former-EU Special Representative to the Caucasus was very cautious in his approach to any form of crisis mediation so as not to offend either Armenia or Azerbaijan, or other stakeholders. As far as I know he never visited Stepanakert, for example, which would have put him in the bad books with Baku. On the other hand I have seen him criticized in the European Parliament by Armenian stakeholders, for what many considered to be overly cautious and too politically correct attitude. A new EU SR has been appointed since that time, a former French Diplomat, who has, publically at least, declared his readiness and eagerness to engage all stakeholders. However I have not seen much from the EU yet in this respect and I know that both Yerevan and Baku, as well as other external stakeholders are disappointed in Brussels' efforts (in relation to the NK crisis) thus far.

Further, I don't know how much the EU can do in reality, and how much we should expect from it. The Caucasus remains a highly difficult geopolitical terrain, both in terms of inter-state relations (which are characterised by severe lack of trust between countries) and domestic political constellations. Russia and Turkey remain the most active external actors in the region, particularly Moscow. It is widely known that Armenia remains strongly influenced by Russian strategic policies in the region and Moscow likewise has its say over relations with Baku. Turkey is less active but has capacity to influence developments, particularly via its energy policy in the region. The US, NATO, the OSCE and several European states, are all

active in the Caucasus, but less so than Moscow and Ankara. Any actions which Brussels takes needs to go through a long internal communication and approval process, while Brussels bureaucrats are extremely cautious to not saying anything which might not be in tune with the foreign policies of EU member states. Thus while many international experts are calling on Brussels to be more active both in the NK conflict and in Caucasus crisis management more broadly, I would not hold my breath.

Artak Barseghyan, Public Radio of Armenia

- What are the real possibilities of the influence of Brussels on the situation in South Caucasus today, in particular, on the repetition of the scenario of the Arab spring here and the resolution of the Nagorno Karabakh problem?

MT: I have largely answered this question above, at least in relation to the conflict over NK. In terms of an Arab Spring taking place in the South Caucasus (SC), the EU is not really a “preventative” actor in the international arena and largely acts on the basis of the mandate accorded to it by member states. The EU, despite the establishment of the European External Action Service and the appointment of the so called Higher Representative for external action, Baroness Ashton, does not have its own (integrated and unified) foreign policy. The EU treaties only allow Brussels to act as a spokesman and coordinator of EU member state positions, but the real power (in foreign policy terms) remains with the member states. If the political situation in the SC deteriorates significantly, and Arab Spring style scenarios appear likely, any initial policy action would come from the diplomatic

offices of individual European countries. Brussels’ role would be secondary, and in many ways devoid of any real influence over the course of events (as was the case with the Arab Spring when it erupted a year ago).

Gagik Baghdasaryan, Novosti-Armenia News Agency, www.newsarmenia.am

- Mr. Terterov, does the acknowledgement of the independence of Kosovo by countries in the EU mean that the legal priorities have changed in Europe in favor of the unreserved acknowledgement of the people’s rights for self-determination? When shall we expect the recognition of Karabakh?

MT: Not at any time soon. Kosovo is “much closer to home” for EU decision makers in terms of neighbourhood policy and relates to the politics/diplomacy of Serbia’s candidacy as an EU member. Europe is looking to reduce scope for political crisis, political instability and associated refugee problems in its own backyard as much as possible. Ex-Yugoslavia is much more in the EU’s neighbourhood than Karabakh, in this context, and Russia has much less influence over developments in the Balkans than it does in the Caucasus.

I have already suggested to your colleague above that the EU does not have a major appetite to mediate in crises in the Caucasus, including Karabakh. Georgia-Russia 2008 was much more a case of French diplomacy at the highest level, which possibly prevented Russian military might marching into Tbilisi, despite the fact that Georgia has acclaimed EU (as opposed to French) intervention. Peter Semneby, the former-EU Special Representative for the Caucasus did not visit Stepanakert during his 5 years or so in

that position, in fear that Azerbaijan would have taken this as a possible sign of EU recognition of Karabakh. There is no sign that his successor, Philippe Leffort, is likely to take a more active approach. Brussels will remain very cautious on Karabakh and I would not expect the Kosovo experience with self determination to be transferable to that enclave at any time soon (unless the US or someone of that calibre starts to take the lead).

David Stepanyan, ArmInfo News Agency,
www.arminfo.am

- The year 2011 was marked with new attempts taken by Russia for the resolution of the Karabakh conflict. Does this mean that France and the USA, both being countries involved in the OSCE Minsk Group, have given Moscow a carte blanche in this issue?

T: Again, we have hinted to this question above – perhaps you can share the information with your colleagues. I don't think Moscow will have total carte blanche in the NK peace process, but it is clear that Russia is a far more active geopolitical force over any such development in the South Caucasus than other external powers. It will also look to engage its strategic capacity over Armenia this year even more actively, as a possible means of leveraging over Azerbaijan and Turkey in respect to their efforts to supply Caspian gas to Europe through the Southern Energy Corridor, which is not in Moscow's interest. However any role that Russia has over the NK peace process will be subject to the "bigger picture" of its relationship with the great powers (US, France, etc),

be it questions relating to the Middle East, Afghanistan, Korea, etc

NEIGHBORHOOD POLICY AND THE EASTERN PARTNERSHIP INITIATIVE

Artak Barseghyan, Public Radio of Armenia

- Mr. Terterov, how do you assess the prospects of the implementation of the European Neighborhood Policy and the Eastern Partnership initiative in the conditions of the deepening global financial and economic crisis? What can impact on the volume of the financial support from the EU, and the countries in South Caucasus, in particular?

MT: The EU's Eastern Partnership (EaP) initiative is a microcosm in relation to the role of the EU in the world and the question of the global financial and economic crisis. This is where the discussion starts, and ends. Your second question is dealt with below, but you need to consider the way the EU works, its many shortcomings and the fundamental role of EU treaties and associated inter-governmental agreements which underlie monetary facilities such as those which become available under the EaP.

David Stepanyan, ArmInfo News Agency,
www.arminfo.am

- Do you think the financial crisis that has broken out in Europe has affected the Eastern Partnership initiative of the EU? Is it possible that the volumes of the financial support allocated to the six partnering countries enrolled in the initiative will be reviewed?

MT: I have already replied to this sort of question above. I don't think it will have any immediate impact on those facilities and instruments within the EaP

which are already in place, and are being disbursed to the donor countries, but it may well have a (negative) impact looking ahead.

EURO ZONE

Tarana, Turan News Agency, www.contact.az (Azerbaijan)

- Can the crisis in Europe bring to a review of basic political priorities?

I don't know what you mean exactly by "political priorities", but I have already commented quite a bit on the impact of the crisis in the Eurozone. I would say that first and foremost the crisis may have an impact on the institutional nature of the EU and the treaties upon which it is founded. We could see changes in this area and this will then have an impact on policy making.

- Is there a conceptual vision for a way out of the current economic crisis in Europe? Is it realistic to speak about a possible split or collapse of the euro zone, or the expulsion of individual countries from the European Union or underrating their statuses as EU members?

Clearly, EU leaders are taking the crisis very seriously and are looking at their options at present. While we tend to be critical of EU leaders for "letting it go this far", I would not blame current leaderships too much as they have only been recently elected and have inherited much of the situation from the past. The main approach at the moment seems to be greater fiscal injection to help the troubled Eurozone

governments (ie, strengthening the bail out) and tightening of monetary rules for the member states. However many financial analysts feel that this will not do the job and yes, we cannot rule out countries peeling away from the Eurozone. There is no real light at the end of the tunnel at present and the French and German leaders gave rather sober economic messages for the EU economies at the start of 2012.

The real problem is the social and political impact of monetary belt tightening for democratically elected governments in the EU. People in the EU have become too accustomed to receiving generous state funded handouts and most are reluctant to see these benefits taken away. This is also one of the reasons why EU member states tend to attract so many migrants from developing countries around the EU. I think that it is no secret that thousands of EU bureaucrats in Brussels have themselves "grown fat" with their own inflated salaries and benefits packages. No one is keen to give up or redistribute largess of this nature.

Sevinj Mamedyarova, the newspaper Echo, www.echo-az.com (Azerbaijan)

- How does the crisis in Europe (and the situation with the Euro) affect the economies of the countries in South Caucasus? Which countries will the impact be greater on, and which countries will be less affected?

MT: I have already suggested that we are unlikely to see any change in the immediate donor relationship with the South Caucasus states, but in the longer term there may be less funds available. I would not think that it will impact one country (in the South Caucasus) more than another, as the EU tends to bloc programs

such as Eastern Partnership under a regional umbrella (which is not always the right thing to do, but there you go...)

- Russia that is currently living through a political crisis is offering financial support to the European countries in crisis. Do you think these offers pursue any hidden goals?

MT: It is clear that the Russian government is, and has been seeking to be, a “player” in the international arena ever since the end of the USSR. While the Soviet Union was a key player, Russia, despite its weaker political reach at the international level, has never reduced its appetite in this respect. Not even in the “weaker” Yeltsin years. During the Putin era, especially from the mid-2000s, it is very clear that any attempt by Russia to assist (or cooperate with) other governments, has a certain “Trojan Horse” element to it. This applies to Ukraine, Iran or Venezuela, just as much as it does to Greece and Iceland. The oil rich Russian government and allied oligarchs need to ensure that the country cleans up its “own backyard” (ie, pensioners and social sectors, social and public goods, infrastructure, etc) before it starts to play the role of the “good cop” in the international arena. However Moscow has never reduced its appetite for playing geopolitics and promoting its “great power ambitions”, and you have to see your present question in this framework.

TURKEY AND EU

Gagik Baghdasaryan, Novosti-Armenia News Agency,
www.newsarmenia.am

- Mr. Terterov, can Turkey join the EU in the near future? What consequences can this lead to and will the requirement to acknowledge the Armenian Genocide become a precondition for the accession of Turkey into the European Union?

MT: Anything is possible one day, but in the near term, everything suggests that Turkey will not become a member of the EU at any time soon. It is widely perceived that two of the leading states of continental Europe, France and Germany, both oppose Turkish membership and we are all familiar with the fact that Franco-Turkish relations have fallen to new lows since the recent vote on the Armenian genocide in the French National Assembly. France and Germany have even suggested in the recent past that Turkey should be offered, instead of an EU membership perspective, an alternative relationship with the EU, a so called privileged partnership, which would put Turkey in the same category of relations with the EU as the North African countries. None of these countries seek to join the EU, while Turkey does. Hence Ankara views such an approach as a way of efforts coming from within the EU to “put Turkey in its place”.

While Turkey remains a very close ally of Washington and London, as well as Euro-Atlantic institutions such as NATO, its relations with Brussels and bilateral ties with some core EU states have deteriorated. They threaten to deteriorate a lot further soon, with the Cypriot EU presidency pending, when Ankara will threaten to suspend relations with Brussels

altogether. Perhaps things will change if a new government is formed in France following elections later this year, but for the moment, there seems to be little light at the end of the tunnel. As for the genocide, I think relations are tense enough as they are and it is unlikely that 27 EU member states would

endorse this to be a condition of Turkey's possible entry into the bloc. It would be seen as a question of honour and national pride and Turkey would never buy it.