

EASTWEEK

ANALYTICAL NEWSLETTER
FOR EASTERN EUROPE, RUSSIA, CAUCASUS, CENTRAL ASIA

ISSUE 15(165)

22 APRIL 2009

PUBLISHED BY

CENTRE FOR EASTERN STUDIES /

OŚRODEK STUDIÓW WSCHODNICH

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ANALYSES

Nagorno-Karabakh: a peace dictated by Russia and Turkey?

Turkey and Russia have in recent weeks visibly stepped up their efforts to develop a framework agreement that would end the Armenia-Azerbaijan conflict over Nagorno-Karabakh. Having marginalised the roles of the USA, the OSCE and the European Union, the two countries are imposing certain solutions on Armenia and Azerbaijan, which are in fact being forced into a compromise. The dynamics of developments, the pressure Moscow and Ankara have exerted, and the conciliatory declarations by Armenian and Azeri officials all indicate that a compromise is very likely to be reached in the near future. If signed, the agreement could significantly change the geopolitical architecture of the Southern Caucasus. It would be a step towards stabilisation of the region, considerably strengthen Russia and Turkey's influence there, and undermine the position of the West.

Russia and Turkey putting pressure on the conflict's parties

A number of high-level visits and talks held in recent weeks have demonstrated that Russia and Turkey have stepped up their efforts to solve the Karabakh conflict. The talks have been held as of last August, since the outbreak of the Georgian war. The most important of them include the Azeri president Ilham Aliyev's visit to Moscow (16–17 April), the visits of the Russian diplomacy chief Sergei Lavrov and the Turkish foreign minister Ali Babacan to Yerevan (16 April), and a series of visits by Turkish officials to Baku. Moreover, the Armenian president Serzh Sargsyan and the Turkish prime minister Recep Tayyip Erdogan are expected in Moscow next week. These meetings are a continuation of the visits paid in recent months such as the Turkish president's Abdullah Gul's trips to Yerevan and Moscow, and the Russian president Dmitry Medvedev's and the Russian foreign minister's visits to Baku.

It is not clear to what extent Russia and Turkey have co-ordinated their positions or are co-ordinating their actions. However, the main element in these efforts consists in putting pressure on Yerevan and Baku and convincing them to conclude a compromise. The role of the two parties of the conflict is in fact limited to approving or tactically objecting to the solutions Moscow and Ankara are imposing.

The gestures which Armenia and Azerbaijan are making seem to show that Russia and Turkey's activities have been effective. It is extremely significant that Baku has abandoned its militant rhetoric and has been making conciliatory gestures to Armenia (during his visit to Moscow, President Aliyev spoke about guarantees of security for the Karabakh Armenians and the possibility to leave the Lachin corridor between Armenia and Karabakh under Armenian control). For his part, the Armenian president Serzh Sargsyan stated during his visit to Iran on 15 April that Yerevan is willing to normalise its relations

with Turkey without any initial conditions (this means that Armenia would be ready to refrain from officially raising the issue of Turkey's recognition of the 1915 massacres of Armenians as genocide). Also important are Turkey's repeated statements that Ankara will not open its borders with Armenia before at least a preliminary agreement on Karabakh is reached. The purpose behind these declarations has been to appease Azerbaijan and make it more prone to compromise.

The West has played a marginal role in this process. However, if an agreement is developed, it will have to accept it, probably under the aegis of the OSCE Minsk Group. The US administration has nervously been trying to join the peace process (President Obama met the Armenian and Azeri foreign ministers in Ankara on 6–7 April, and the US diplomat, OSCE Minsk Group co-chair Matthew Bryza has repeatedly visited Baku and Yerevan). However, these efforts are unlikely to succeed.

The main points of the agreement

It is very probable that the framework agreement on solving the Karabakh conflict will be signed, possibly in the next few weeks. It should not be expected that the parties will resolve the main contentious issue, the status of Karabakh (the decision on this matter will probably be postponed for a decade, or indeed several decades). However, compromise is possible on several important points, including the pullout of Armenian troops from the occupied territories of Azerbaijan (with the exception of the Lachin and Kelbajar regions); the return of Azeri refugees to these territories, the re-establishment of diplomatic relations between Turkey and Armenia, opening the Armenian-Turkish border and unblocking the transport routes via Armenia; and the deployment of a (probably Russian) peacekeeping force in Karabakh.

Geopolitical consequences of the compromise

If signed, the new agreement on Karabakh could radically change the current geopolitical architecture of the Southern Caucasus. First of all, it would stabilise the situation in the region and minimise the risk of a new outbreak of Azeri-Armenian armed conflict. Opening the Turkish-Armenian border and unblocking the transport routes between Turkey, Armenia and Azerbaijan would also end Armenia's isolation and enable the country to participate in transport projects in the Caucasus.

The compromise would also strengthen Russia's position in the region. Russia would probably gain the status of the agreement's main guarantor, and Russian peacekeeping troops would be deployed in Karabakh, offering Moscow an important instrument to pursue its own policy in the region and put pressure on Armenia and Azerbaijan. Another important element in the new order would consist in a rapprochement between Russia and Azerbaijan, including in the energy sphere (during his visit to Moscow, Ilham Aliyev voiced support for the idea of exporting Azeri gas to Russia and increasing the capacity of the Baku-Novorossiysk pipeline, and he also distanced himself from the Nabucco gas pipeline project).

Turkey's position in the Caucasus would also be strengthened. A success in Nagorno-Karabakh would demonstrate that Ankara is an important play-

er in the region, capable of developing and implementing political solutions of its own. Opening the border with Armenia would also be a success for Turkey (Ankara's normalisation of relations with its neighbours is currently among its top priorities), and would thus represent a solution to the '1915 problem' at the political level.

On the other hand, the compromise would considerably undermine the regional position of the West, and especially the United States. This would be another blow to the USA's Caucasus policy, after the Russian-Georgian war in August 2008. If a compromise was devised without the USA's involvement, and if the United States were not awarded the status of the agreement's guarantor (which would then be taken by Russia and Turkey) this would be a painful defeat exposing Washington's weakness in the region. A success for the Russian-Turkish initiative would probably also lead to a cooling in relations between the USA and Azerbaijan.

It seems, however, that a possible agreement on Karabakh would not adversely affect the prospects for energy co-operation between Azerbaijan and the West. The fact that Azerbaijan is currently distancing itself from the Nabucco project should rather be seen as a tactical concession to Russia and an expression of disappointment with the lack of progress on this project. Even if Baku decides to co-operate more closely with Russia in the energy sphere, diversification of oil and gas exports will remain a priority of Azerbaijan's foreign policy.

Maciej Falkowski

EASTWEEK ■ Analytical Newsletter for Eastern Europe, Russia

Map. Southern Caucasus



occupied territories



lachin corridor

Political crisis follows elections in Moldova

Vladimir Voronin's team has survived the first, most heated phase of the post-election crisis, although political and social tensions persist and may lead to new demonstrations. However, it is more likely that the political situation will continue to normalise, strengthening the position of President Voronin, who will retain exclusive control of all state institutions for another term. As a result, the process of Moldova's Europeanization will remain stalled for another four years.

The protests and the reaction of the opposition

After three days of massive demonstrations (6–8 April) joined by between ten and thirty thousand people, the wave of protests has subsided. The demonstrations started spontaneously in protest against alleged ballot-rigging and the continued rule of the Voronin team. Many reports and video materials suggest that the acts of vandalism accompanying the demonstrations, such as arson at the presidential palace and the parliament building, committed by small groups using Romanian national symbols, were instigated by the agents provocateurs provocations organised by the authorities. This does not rule out the possibility that demonstrators may have also spontaneously waved Romanian flags and raised pro-Romanian slogans – pro-Romanian sympathies are strong among the young people of Chisinau who constituted the core of the demonstrations.

The three main opposition parties – the Liberal Party (PL), the Liberal Democratic Party (PLDM) and the Party Alliance Our Moldova (AMN) – were clearly surprised by the demonstrations. The liberal-centrist groups have advocated a distinctly pro-Western course for Moldova and close relations with Romania, but, contrary to the allegations voiced by the authorities, they have not called for the incorporation of Moldova into Romania.

The opposition party leaders, Vladimir Filat (PLDM), Serafim Urecheanu (AMN) and Dorin Chirtoaca (PL), appeared among the demonstrators on 7 April. They accused the authorities of ballot-rigging and called for protests, while at the same time trying in vain to stop the protesters from attacking government and police buildings. On 12 April the opposition led a further peaceful demonstration with around fifteen thousand participants, but did not attempt to organise a continuing protest, and decided instead to pursue legal methods to obtain a revision of the election result. It refused to participate in a vote recount, but managed to obtain limited access to the voting lists. This revealed numerous instances of ballot fraud indicating that between 10 and 30 percent of the votes cast on 5 April had been cast by so-called 'dead souls'. The opposition then filed a protest against the election results with the Constitutional Court, demanding that the election be invalidated in view of the ballot fraud detected.

Opposition activists have also been publicising and documenting numerous instances in which young people detained by the police were brutally beaten or even tortured.

In general, the opposition failed to display sufficient determination and political will during the crisis. It was unable to propose a clear program of action that could channel and exploit politically the existing mass dissatisfaction with the regime. Neither was it capable of promoting a single leader. This was due, *inter alia*, to its sense of isolation caused by lack of support from international institutions and the EU, and the fear of repression (arrests) by the authorities.

The authorities' policy

The authorities tried to blame Romania for the demonstrations and to discredit the opposition by accusing it of attempting a coup d'état and insinuating that it had been a tool in the hands of the Romanian intelligence services. Chisinau recalled its ambassador from Bucharest, expelled the Romanian ambassador and introduced a visa obligation for Romanian nationals as of 9 April. Romanian journalists were also expelled, others were denied entry into Moldova, some transport connections with Romania were suspended, and the return of Moldovan students from Romania were blocked.

On 8 April, the police launched mass arrests of young people (officially, around 300 people have been arrested so far, but according to the opposition the number is at least 800). In many cases, the detainees were brutally beaten. Sergiu Mocanu, a prominent opposition politician, and Gabriel Stati, the son of one of Moldova's richest entrepreneurs who had been in conflict with Voronin, have been arrested on charges of organising riots.

At the same time, the authorities made token conciliatory gestures, clearly intended for the external audience. President Voronin called for national unity and reconciliation in the name of the country's European future and requested the prosecution authorities to amnesty the detained youths.

On 15 April the authorities agreed to a vote recount, although its result published on 21 April was almost identical to the original ballot's outcome – the ruling PCRM gained 60 seats in parliament, and the three opposition parties got 41. However, these apparently conciliatory gestures are accompanied by a defamation campaign against opposition. Mocanu, Stati and some of the arrested youths remain in detention, and the authorities are not giving the opposition any opportunities to influence the country's course. Finally, on April 22 the Constitutional Court refused, on procedural grounds, to take into account the evidence of vote fraud filed by the opposition, thus giving the final legal *imprimatur* to the official results of the election.

The EU's policy

High-level European Union officials (Benita Ferrero-Waldner, Javier Solana) as well as diplomats and politicians from the EU countries representing international institutions (Petros Efthymiou, the special co-ordinator of OSCE observers in the Moldovan election, and David Wilshire, the chair of the Parliamentary Assembly's delegation from the Council of Europe) have recognised the result of the Moldovan elections. Their statements, which expressed no support for the opposition and suggested that the 'irregularities' were marginal and should be settled by Moldovan courts, in effect backed President Voronin and his regime. On 10 April Javier Solana announced that a fact-finding

mission would be sent to Moldova to examine the events on 7–8 April, but no such mission has been delegated until now. The EU's special representative for Moldova Kalman Mizsei undertook to mediate between the authorities and the opposition, calling for national dialogue and reconciliation, which should however be based on the recognition of the official results of the 5 April elections. The EU's policy towards the Moldovan crisis has been a hostage to the report adopted on 6 April by the International Election Observation Mission (European Parliament, ODHIR, PACE) which, under the influence of the Russian delegation, expressed a generally positive assessment of the Moldovan elections.

Summary and conclusions

Although the social tension caused by police brutality and the recognition of election results by the Constitutional Court may trigger new demonstrations in Chisinau, the most heated phase of the post-election crisis in Moldova is, most likely, over.

It appears that without determined help from the European Union, the Moldovan opposition will not be able to force President Voronin to make any concessions. Consequently, Voronin's group will keep full control of the state apparatus for another four years. This means a further regression of the Moldovan political system towards a purely façade democracy in which one political and business group controls the political scene, the prosecutor's office, the courts and big business by formal and informal means. Moreover, it also means that the 'Europeanisation' of Moldova, which the European Union and the Voronin team have declared as a joint objective since 2005, will be possible only to the extent it will not threaten to dent the existing system of power and the businesses relations associated with it, as has been the case for the last four years.

Witold Rodkiewicz

EVENTS

Political crisis in Georgia

On 9 April, the Georgian opposition launched its long-announced social protest action intended to overthrow President Mikheil Saakashvili. However, contrary to previous announcements, the scale of protests does not pose a direct threat to the authorities at present, and the two sides have found themselves in a political deadlock that has to be resolved before the situation in the country can normalise.

The protests in Tbilisi, organised by twelve opposition parties on 9 April, brought together between twenty and forty thousand people; however, the organisers had expected several hundred thousand, which would have offered them a chance to immediately remove the president from power. The protests and demonstrations (in front of the parliament, the president's office and the public television building) continued, although with much smaller numbers of protesters. No major acts of violence occurred. The opposition has declared that it wanted to spread the protests to other cities. The protesters' main demands are for Saakashvili's resignation and early elections. The authorities have firmly rejected them, while at the same time declaring readiness to start political dialogue. The European Union has also been calling for dialogue; Peter Semneby, the EU's special representative for the Southern Caucasus, has with other officials been participating in the talks with the opposition and the authorities. So far, the protests have not developed along the speculated scenario of a new 'revolution' because, quite surprisingly, the public has distanced itself from the demonstrations (presumably for fear of chaos) and the authorities have been reacting with moderation. The potential for public frustration, the opposition's determination and pressure from the West should prompt the opposing sides to reach a political compromise (such as concessions concerning the election of the mayor of Tbilisi, changes to the election regulations and early elections, and reshuffles in the management of public television). Unless the tension between Georgia and Russia escalates, this variant for a temporary relaxation of the situation appears to be the most probable. <ks>

China is Kazakhstan's strategic partner in times of crisis

During the Kazakh president Nursultan Nazarbayev's visit to China on 15–19 April, a number of agreements were concluded, mainly of an economic nature, including loan agreements worth US\$10 billion and a deal to sell shares in MangistauMunaiGaz (one of Kazakhstan's largest oil producers) to China's CNPC. The results of the visit indicate that, in the condition's of the current economic crisis, China is Kazakhstan's preferred economic partner.

Under the loan agreements concluded, CNPC and the Export-Import Bank of China will provide loans worth a total of US\$10 billion. The funds will be used mainly to finance the energy projects of strategic importance for both sides (such as the gas pipeline to China) and the purchase of shares in MangistauMunaiGaz from their current owner, Central Asia Petroleum.

In this transaction, KazMunaiGaz will take 50% plus 2 voting shares in the company, while CNPC will take the remaining shares. It is important that shares in the Pavlodar refinery, which are part of MangistauMunaiGaz assets, have been excluded from the deal and will be controlled solely by KazMunaiGaz.

The agreements concluded are favourable to both sides; Kazakhstan gains funds to combat the consequences of the financial crisis, and China obtains guarantees that the energy projects of strategic importance to it will be implemented. In addition, it also gains access to oil fields. The sale of the oil assets which Russia's Gazpromneft has sought to buy to China's CNPC means that Kazakhstan is developing closer co-operation with China. It is also a blow to Russia's position in the region. <ola>

Russia stops gas imports from Turkmenistan...

On 9 April, a failure occurred on the main pipeline transporting gas from Turkmenistan to Russia (the Central Asia-Centre route) after Russia's Gazprom reduced the volume of gas collected from the pipeline by 90 percent and, according to the Turkmen side, informed Turkmenistan about this move too late. The incident provoked a very harsh reaction from Ashgabat (for example, the Turkmen Ministry for Foreign Affairs has issued a note blaming Gazprom for the failure and demanding compensation) and led to a spectacular trial of strength, in which Russia's objective is to force Turkmenistan to respect its interests, mainly by giving up its ambitions to diversify gas export routes.

The drastic reduction in the volume of gas Gazprom collected was probably the immediate reaction to Turkmenistan's announcement of an international tender for the construction of an internal west-east gas pipeline in Turkmenistan. The route might in future enable the launch of gas exports to the West (via the projected trans-Caspian route promoted by the USA and the EU) or to Russia (via the projected Caspian pipeline). Gazprom had been interested in building the pipeline, but it did not accept the terms and conditions proposed by Ashgabat because they did not include any guarantees that the gas pipeline would not be used to transport gas to Europe, among other reasons.

The fact that Gazprom has reduced gas imports from Turkmenistan puts the country in a very difficult situation, as the move (temporarily) deprives Ashgabat of access to its main market and the lion's share of its gas export revenues. In the longer term, this may trigger conflicts within the Turkmen elite which will be deprived of revenue. In the broader context, by reducing gas imports Russia seeks to demonstrate that it remains the main player in the region. <ola>

... and pushes Ashgabat towards Europe

On 16 April in Ashgabat, Germany's energy company RWE and the State Agency for the Management and Use of Turkmenistan's Hydrocarbon Resources signed a memorandum on long-term energy co-operation. The immediate impulse for the signature came from deteriorating Turkmen-Russian relations and Turkmenistan's desire to demonstrate that it is pursuing its policy independently of the Kremlin, and views the West as a prospective direction for gas exports.

The memorandum states that the parties will examine the feasibility of 'first gas supplies' from Turkmenistan to Germany and Europe. It also states that RWE will be granted the right to explore and develop hydrocarbon deposits in the Turkmen section of the Caspian Shelf (the German company will most probably be granted the licence to operate in bloc 23; no information is available on its resources).

The memorandum is the first document signed by Turkmenistan which clearly states that the country is interested in exporting gas to the West. The fact that the document has been signed now, after many years of talks and efforts by Western companies, including RWE, is mainly the consequence of deteriorating Turkmen-Russian relations, and to a much lesser extent, the outcome of the European Union's efforts to gain access to Turkmenistan's gas: the launch of gas exports from Turkmenistan to the West will depend on further action by the EU and energy companies. Nevertheless, the memorandum's conclusion is an unquestionable success for the RWE – this document, as well as the company's participation in the Caspian Development Company (the enterprise in charge of studying the feasibility of Turkmen gas supplies via the Caspian Sea to Europe) and the Nabucco consortium, guarantee that RWE will play a leading role in gas exports from Turkmenistan to Europe if plans concerning such exports are ever implemented. <ola>

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