

The end of Nagorno-Karabakh. A political earthquake in the South Caucasus

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Following a rapid military operation on 19–20 September, Azerbaijan smashed the forces of the internationally unrecognised Armenian Republic of Nagorno-Karabakh. This led to the de facto dismantling of the parastate's structures, which its authorities formally confirmed on 28 September by announcing its self-dissolution as of 1 January 2024. Baku is taking control of the territory. The technical aspects of this process are being worked out under the tutelage of the Russian peacekeeping contingent. The humanitarian crisis and the mass exodus of the Armenian population remains a pressing problem: as of the morning of 28 September, some 66,000 people had left Nagorno-Karabakh – more than half of the total population. The crisis has given rise to unprecedented activism by the US, the EU and France, among others, to minimise both its immediate and long-term impact.

The collapse of the parastate has catalysed serious socio-political tensions in Armenia (including multi-day mass protests demanding the resignation of the government, and the activation of the opposition) and caused unprecedented friction between Armenia and Russia. Yerevan denies that it is in a military alliance with Moscow, while the Kremlin for its part has been calling almost openly for the overthrow of the government. If Armenia's prime minister Nikola Pashinyan remains in power, that could open the way to a political end to the conflict with Azerbaijan and Turkey and a fundamental revision of the political order in the South Caucasus, quite possibly at Russia's expense. In turn, Pashinyan's departure would radically raise the risk of a further escalation of the Azerbaijani-Armenian conflict. The stakes are clear to both Brussels and Washington, as evidenced by their activity directed not only at the humanitarian dimension of the crisis, but also at de-escalating and resolving the conflict through the peace process. The turmoil in the region, as well as the political calendar (including the talks planned for 5 October in Granada between the leaders of Azerbaijan and Armenia under the EU's auspices) make the current situation extremely tense and unpredictable.

The end of the parastate

The Azerbaijani forces' operation has effectively dismantled the structures of the separatist Nagorno-Karabakh Republic. Its armed forces have been broken up and are currently being disarmed, and Azerbaijan is taking over the military infrastructure. The apparatus of the parastate has completely disintegrated: it is no longer a subject of talks with Baku, and both Armenia and Russia have dissociated themselves from it. Its collapse has been confirmed in a decree announced on 28 September by the president of the unrecognised republic, Samvel Shahramanyan, which will legally dissolve the parastate on 1 January 2024. Despite

individual incidents of opposition to the surrender by the Karabakh military, they do not have the military capacity to conduct any meaningful resistance to Azerbaijan's actions. According to Baku, Nagorno-Karabakh and its population are to be reintegrated with the rest of the country, with the individual rights of the local population preserved and accompanied by a partial amnesty. Another factor influencing the situation in Nagorno-Karabakh is the Russian contingent of peacekeepers stationed there (numbering around 2000 troops). Contrary to its mandate under the 2020 agreement, however, the Russian troops remained passive in the face of the Azerbaijani attack, and are currently focused on distributing humanitarian aid and protecting internally displaced persons from Karabakh.

The main problem at present is the mass exodus of Armenian civilians from Nagorno-Karabakh, who fear Azeri repression or see no prospects for themselves within the state of Azerbaijan. By the morning of 28 September, some 66,000 refugees had crossed into Armenia. The number of ethnic Armenians who had previously lived in Nagorno-Karabakh is difficult to estimate; the figure of 120,000 quoted in this context was certainly inflated before the conflict, and undoubtedly fails to take into account the earlier wave of refugees and migrants after the defeat in the Second Karabakh War in 2020. The exodus is likely to continue, and will most probably come to include the vast majority of the Karabakh Armenians.

The humanitarian crisis, the prospect of *de facto* ethnic cleansing, and before that the Azerbaijani attack itself – which took place in contravention of Baku's previous assurances – have all triggered strong criticism of Azerbaijan from Western states and institutions (including the US, France and the EU, including at the level of the European Commission and the European Parliament), politicians and public opinion. Expressions of concern have included warnings to Baku (including threats of sanctions, which have been discussed in the US Congress among other bodies), demonstrative visits to the region (including from the US Assistant Secretary of State and the head of USAID), and *ad hoc* aid programmes (from the US, EU and France, to cost tens of millions of euros). Attempts to de-escalate the crisis and limit its consequences include the idea (put forward by Washington, and accepted by Baku on a preliminary basis) of an international observation mission to Nagorno-Karabakh which would oversee the civilian population's rights and the protection of the Armenian cultural heritage.

Crisis in Armenia

The fall of Nagorno-Karabakh has catalysed a serious socio-political crisis in Armenia. Street protests have been taking place in Yerevan since 19 September; the demonstrators have accused the prime minister of betraying the nation and are demanding his resignation, while anti-Russian demonstrations in front of the Russian Embassy have also been held at the same time. The protests have seen an unsuccessful attempt to storm government buildings, recurring attempts to blockade the city, clashes with police (over a hundred people have been detained) and the formation of an anti-government National Committee. At this stage the demonstrations appear to be losing momentum, but they may escalate again with the influx of refugees, veterans and politicians from Karabakh; controversial moves by the government on Armenia's relations with Azerbaijan are also expected, which could further exacerbate the situation. The government's opponents suffered a major blow in the form of the detention by Azerbaijani forces on 27 September of Ruben Vardanian (a

Russian-Armenian oligarch, a Karabakh politician and Pashinyan's most serious rival). Under such conditions, an attempted coup and the physical removal of the prime minister cannot be ruled out; this would destabilise and permanently marginalise Armenia, leaving it under close Russian control.

The intra-Armenian dispute is inscribed in Armenia's particular and ambiguous relationship with Russia, which has taken shape in their alliance within the CSTO, among other forms. Pashinyan (and with him a significant part of the population) has consistently distanced itself from Moscow, including openly accusing it of disloyalty, of failing to fulfil its obligations under the alliance, and finally of being responsible for the fall of Nagorno-Karabakh, of which Russia had become a formal protector after the Second Karabakh War (2020).

The ineffectiveness of Armenia's alliance with Russia, together with its inability to defend Karabakh with its own forces, has prompted Pashinyan to disengage from Nagorno-Karabakh and enter into difficult peace talks with Azerbaijan in the hope of securing Armenia's core interests without having to rely on Moscow.

For its part Russia – as it simultaneously targets sections of the Armenian public and its opposition elites – has blamed the defeat of the Karabakh Armenians (and by extension Armenia) on Pashinyan and his mistakes, as well as on the 'deliberate destabilisation of Russia's neighbourhood by the US and other NATO countries'. Both the tone of the official statements and the sharpness of the media coverage in Russia constitute an open threat to use the instruments at its disposal (including economic tools) against Armenia, a direct call for a change of power in Armenia, and an attempt to halt Yerevan's anti-Russian course.

Revision of the regional order

The recapture of Nagorno-Karabakh is another manifestation of the dominant position and strategic initiative presently held by Azerbaijan – and indirectly by Turkey, which supports it. A burning issue – both for Armenia and for the West & Iran – is Baku's threat to take control of the so-called 'Zangezur corridor'; this is a transport route running through Armenian territory which links Baku to the Nakhichevan enclave and runs on to Turkey. The theme of the 'corridor' resonated strongly in Azerbaijani president Ilham Aliyev's statements during his meeting with Turkish president Recep Tayyip Erdoğan on 25 September. If Azerbaijan seizes the 'corridor' on Armenian sovereign territory by force of arms, this would shatter the legal order in the region, complete the marginalisation of Armenia, and also open up potential conflicts for Azerbaijan and Turkey with the West and Iran. While Baku's suggestions that it might take further military action appear at present to be an attempt to put pressure on the parties to come to a political settlement, this option remains viable if no progress in the negotiations is made. The activation of the 'corridor' – whether politically or militarily – and thus the strengthening of the Baku-Ankara axis is of serious concern to Iran; the telephone consultations between the Iranian and Russian presidents on 26 September is proof of Tehran's disquiet. Fearing an escalation, Turkey has since toned down its stance (as shown at the meeting between Erdoğan and Aliyev on 25 September).

The main driver of the unprecedented Western activity in the South Caucasus, alongside the humanitarian crisis around Nagorno-Karabakh and the desire to support the democratic government in Armenia and its sovereignty, appears to be the fear of a further breakdown of the legal order and the deeper destabilisation of the region. Warnings to Baku have been

voiced by the US, the EU and France alike, with Washington and Paris having announced their recognition of the principles of sovereignty & territorial integrity and a readiness to cooperate. Additionally, France intends to open a new consulate in the Armenian province of Syunik, which is threatened by the potential for Azerbaijan's aggression. However, prospects for direct Western involvement in the region remain limited, although they may be real and significant; this was demonstrated, for example, by the establishment of an EU observer mission in Armenia in 2022. At the same time, its political and economic instruments to put pressure on the parties to this conflict remain consistently strong.

One potentially positive aspect of the regional dynamic remains the rapid acceleration of the negotiation process between Armenia and Azerbaijan under Western (mainly EU) auspices. For Armenia, the conclusion of a peace agreement which includes even limited Western guarantees offers hope of a way out of a hopeless situation, and represents the only chance for Pashinyan to regain his still disputed popular legitimacy. For Azerbaijan (and Turkey), on the other hand, an agreement would be an opportunity to legitimise its dominance and pursue its political and economic goals without suffering any negative consequences from the West. The normalisation of relations has been under way in Brussels and Washington since 2021, and had been reported to be well advanced. On 26 September further talks between representatives of Baku and Yerevan were held in the company of representatives of the European Commission, the French president and the German Chancellor in Brussels, while a potentially landmark meeting between the leaders of Armenia and Azerbaijan is expected to take place on the margins of the European Political Community Summit in Granada on 5 October. Russia has traditionally adopted a hostile stance towards the peace process, while Turkey, which is not participating in the talks directly, remains restrained. If there is a further military escalation, then a hypothetical alternative format for talks is the never-before-implemented 3+3 format (the three states of the South Caucasus plus Russia, Turkey and Iran), which has been mentioned in recent days in Tehran and Moscow.