

AMERICAN UNIVERSITY OF ARMENIA



**The European Union's policy of conflict resolution towards all the three South
Caucasian conflicts**

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Abstract

South Caucasus during the last 25 years was mainly associated with “frozen conflicts”. The region remains war-torn in Nagorno-Karabakh, South Ossetia and Abkhazia. Despite the efforts of the Organization for Security and Cooperation in Europe (OSCE), the United Nations (UN), the European Union (EU) and other international and non-governmental organizations to peacefully handle the situation, Armenia, Azerbaijan and Georgia have not yet come up with a security framework that will satisfy all the three states.

2004 enlargement has brought the EU borders closer to the volatile South Caucasus. Recognition of growing significance of the South Caucasus is reflected in the EU’s gradual engagement with the region, particularly with regard to conflict resolution. In February 2001 the General Affairs and External Relations Council declared that the EU was willing to play more active role in the South Caucasus, stating that it would seek ways of lending its support “to prevent and resolve conflicts” and assist in post-conflict rehabilitation. Deepening EU engagement with the three countries of the South Caucasus was demonstrated by the appointment of the Union’s Special Representative for the region in 2003 and the inclusion of the three states in the European Neighborhood policy.

This thesis seeks to investigate the interests of the EU in engagement with the South Caucasian conflicts. More specifically, it wants to discover whether the EU is acting in the South Caucasus through conflict resolution to promote peace and democracy or it is circumvented by energy and power related interests.

After conducting discourse analyses and assessing the liberalist IR viewpoints, the thesis’ central findings confirm the liberal motives of the EU in engagement with South Caucasian conflicts. That is, the EU acts in the South Caucasus through conflict resolution to promote peace and stability, democracy and respect of human rights.

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Abbreviations

AP	Action Plan
EU	European Union
EUSR	EU Special Representative
ENP	European Neighborhood Policy
OSCE	Organization for Security and Cooperation in Europe
PCA	Partnership and Cooperation Agreement
TACIS	Technical Assistance to the Commonwealth of Independent States
UN	United Nations

INTRODUCTION

The Soviet “assortment” of Union Republics (Armenia, Georgia and Azerbaijan), autonomous republics (Nagorno-Karabakh and Abkhazia) and autonomous regions (South Ossetia) failed to translate into fifteen coherent nation states when the Soviet Union collapsed in 1991, resulting in instability, power struggles, and in the Caucasus war.¹ Abkhazia, South Ossetia and Nagorno-Karabakh broke away from the central government control for self-determination ultimately have resulted in the creation of *de facto*- political entities that enjoy sovereignty over a territory and a population but are not recognized by any or the vast majority of the states² - states. These territorial disputes led to series of clashes and wars making the South Caucasus an area of turmoil until cease-fires were signed in 1992, ending the conflict of South Ossetia and in 1994 ending conflicts over Abkhazia and Nagorno-Karabakh. However, the conflict parties has not reached the ultimate solution of the disputes, therefore these conflicts have been referred to as “frozen conflicts” or “unresolved conflicts”. Mediation by third parties has been ongoing, with the Organization for Security and Cooperation in Europe (OSCE) taking the lead in Nagorno-Karabakh and South Ossetia, and the United Nations (UN) in Abkhazia. The EU had little tilt to become involved in the resolution of these disputes until the 2004 enlargement brought its borders closer to the South Caucasus and a policy was needed to deal with the “outsiders”³ - those countries close to expanded EU borders that could not expect membership imminently, if at all. Thus, dealing with the conflicts (Nagorno-Karabakh, Abkhazia and South Ossetia) in its neighborhood became unavoidable.

Throughout the 1990s the EU signed Partnership and Cooperation Agreements (PCA) with all three countries (came into force in 1999) and implemented Technical Assistance to the

¹ The North Caucasus was also volatile during this period, with Chechnya declaring independence from the Russian Federation in 1991. See Carlotta Gall and Thomas De Waal. “Chechnya: A Small Victorious War”. *London and Basingstoke: Pan Books* (1997)

² Lynch, Dov. “Engaging Eurasia’s Separatist States: Unresolved Conflicts and De Facto States”, Washington: *United State Institute of Peace Press*, (2004): 1-20

³ Smith, Karen. “The Outsiders: The European Neighborhood Policy” *International Affairs*, Vol. 81 (4) (2005): 757-773

Commonwealth of Independent States (TACIS) programs to support them. However, the unresolved conflicts continued to block the implementation of the PCAs. In 2001 it became clear the conflicts would have to be addressed as part of the PCA process, as the EU declared its intention to play a more active role in the South Caucasus and to search for the ways to support conflict prevention and resolution.⁴ Moreover, in July 2003 the Council appointed an EU Special Representative (EUSR) for the South Caucasus. The first EU Special Representative for the South Caucasus became the Finnish Ambassador Heikki Talvitie, who was tasked with developing contacts with local actors, encouraging regional cooperation, and assisting in conflict resolution.⁵ Even though the South Caucasian states were excluded from the European Neighborhood Policy (ENP) in early 2003, they were offered inclusion in 2004. By including the countries of the South Caucasus in the ENP, the EU expressed a willingness to reinforce its ties with them. The objective of the ENP is to “share the benefits of the EU’s 2004 enlargement with the neighboring countries in strengthening stability, security and well-being for all concerned”.⁶ Action Plans became the primary tools to accomplish this. Action Plans signed in 2006, mostly has proposed a softer approach to conflict resolution, namely to enhance its efforts at confidence building and to provide further economic assistance. It is mainly interested in supporting current UN and OSCE negotiations efforts and formats.

Aims and objectives

This thesis main aim is to investigate why the EU get engaged with the South Caucasian conflicts. What were its motives and interests? Is the EU acting in the South Caucasus through the conflict resolution to promote peace, democracy or it is circumvented by energy and power related interest?

⁴ General Affairs Council Conclusions on Common Strategies, *Brussels*, 26-27 February 2001

⁵ See more in chapter 1

⁶ European Commission, “European Neighborhood Policy: Strategy Paper”, Commission Communication COM (2004), 373 final, Brussels, 15 May 2004, p.3

In order to answer these questions, the research, first of all, through the conceptualization of the EU, attempts to investigate its substance which later leads to the analyses that contributes to in depth understanding of the EU's external relations toolbox that can be used in mediation and peace building process in the South Caucasus. Afterwards, based on discourse analyses and content analyses the capstone tries to understand the EU's main interests in engagement with the South Caucasian conflicts. Moreover, IR theory establishes the framework for inquiry: to help understand the nature of EU-South Caucasus relations, to investigate the common needs of the EU that were the primary causes for the EU's engagement, and to find out the direction the EU's conflict resolution policy is taking: will the conflict remain unresolved or there will be cooperation and harmony? The impetus of global harmony is a central liberal argument, having transpired in the post-Cold War era. The EU's case is directly linked to liberal theory. With a history of cooperative inter-state relations built on multilateralism and a developing security apparatus, it is emerging as a force for good around the world. Its prominent role is to promote peace and stability in conflict regions. Within this context, the EU is an acceptable force for the resolution of South Caucasian conflicts. This development is, thus, best understood through a liberal IR inquiry. However, this thesis also acknowledges the significance of constructivist-oriented ideas that may serve as an umbrella for explanations of the liberal theories.

Structure

The thesis' three chapters are equally relevant to the thesis' investigation to build the closing argument. The first chapter tries to answer to "how" question, meaning, to investigate the EU approach and programs that has been implemented regarding the resolution of conflicts. Moreover, it tries to understand the EU's role in resolution of the South Caucasian conflicts: is it a mediator, a peace builder or a promoter of confidence building activities? The role of humanitarian aid and technical assistance provided by the EU to conflict regions also has been taken into consideration. The second chapter through the discourse analyses of European Parliament Resolutions, Council Conclusions and through official, unofficial statements and

speeches aims to disclose the EU's interests in engagement with South Caucasian conflicts. Along with this, the interests of other regional and international actors (Russia, US, Turkey, Iran) have also been discussed, aiming 1) to understand security complex of the South Caucasus 2) to find out whether the EU's interests coincide with the ones of others. International Relation theories will be discussed in the third chapter. The theories will help to explain the interests of the EU's engagement with the conflicts settlement process and its capability to contribute to the complicated process of conflict resolution in the three South Caucasian states.

Limitations and Recommendations

Lack of interviews

Reader will notice the unequal attitude that looms large in EU's conflict resolution policy towards South Caucasian conflicts. The EU is more involved in conflicts of Abkhazia and South Ossetia and has lesser involvement in Nagorno Karabakh conflict. It would be interesting to come up with the answer by conducting interviews with EU officials and with the representatives of OSCE Minsk Group.

Discourse analyses of regional and international actors

Because of time limitation, the scrutiny of international and regional actors' interests in the engagement with the South Caucasian conflicts have been done based on secondary sources. Conducting discourse analyses of above mentioned actors would be advantageous for further research.

Overall, although limited in scope, a concise investigation has been presented to help provide an understanding of what the EU's conflict resolution policy towards the South Caucasian conflicts is based on.

Literature Review

The existing academic debate on the European Union's international role appears to be trapped in conceptual and policy- focused problems, which is hampering our understanding of how the EU acts in the international security arena. A review of literature reveals lack of unanimity regarding the conceptual and policy-oriented approaches which are used to characterize certain features of the EU's international behavior. While conceptual approaches aim to define categories explaining external behavior (civilian, normative, ethical, moral), policy-focused approaches delve into how these categories are converted into policy actions.

The EU is claimed to be a "different type" of actor in world politics that disregards traditional power politics and advocates "soft power"⁷ means in its external relations. Duchene describes the EU as a distinctive international identity with "civilian power" putting forward the argument that the EU denies the use of military means in pursuing its foreign and security policy objectives. Instead it exercises its influence via economic power.⁸ The core of Manners' "normative power Europe" is better at describing the meanings and discourses associated with the diffusion of normative goals (peace, liberty and democracy, rule of law and human rights, and fundamental freedoms).⁹ Norm diffusion could be identified as transferring forms of appropriate behavior, emphasizing the specificity of the EU's identity as a "different type" of actor. Jorgensen and Laatikainen observe that "the EU's self-image is characterized by a curious blindness to own interests. Instead, the Union tends to present itself as a force for goodness in international society".¹⁰ Thus, their argument appears to emphasize the notion that what the EU "indeed" does is to belittle its own interests. Hence, they also do not seem to reject the importance of the diffusion of norms as part of the EU's external policies. However, it is worth

⁷ Nye, Joseph. "Soft Power" Foreign Policy No. 80 (1990): 153-171

⁸ Duchene, Francois. "Europe's Role in World Peace". Europe Tomorrow: Sixteen Europeans Look Ahead. Ed. Mayne. London: Fontana, (1972): 32-47

⁹ Manners, Ian "Normative Power Europe: A Contradiction in Terms". Journal of Common Market Studies 40(2), (2002): 235-258

¹⁰ Jorgensen, Knud and Laatikainen, Katie. "The European Union and the United Nations". Paper prepared for presentation at the Second Pan-European Conference on EU politics. Bologna (2004):15

noting that they do not see the diffusion of norms and values as something peculiar only to the EU. Aggestam observes that “ethical power Europe” represents a conceptual shift in the EU’s role and endeavors, from what it “is” to what it “does”. Thus, the “ethical power Europe” goes beyond by developing an approach that is interested in actual policy behavior and concerned with the EU’s moral legitimacy and ethical responsibilities.¹¹ However, some scholars¹² identify that the concepts of “civilian, normative and ethical power Europe” fail to explain the EU as an international actor because of lacking of empirical examples. Diez and Pace (2007) argue that the concept of “normative power Europe” is better to see as a discursive construction of EU identity against “Others”, rather than the “objective” analyses of EU behavior. Sjusen (2006) criticizes the conceptualization of the EU as a “civilian/normative/ethical” claiming that it lacks the necessary criteria and assessment standards to qualify and substantiate such conclusions. She emphasizes the necessity to conduct a “systematic empirical investigation”. Vasilyan (2007) states that the literature of the “civilian/normative power Europe” is still “inward-looking, outbound and self-centered”. Moreover, it remains descriptive and idealistic. According to her, these drawbacks not only hinder our understanding of the EU’s external role, but also its academic image as “an actor superior to others”.¹³

Having recognized these drawbacks, Sjusen put forward empirical research proposing to establish normative standards, understand the EU’s constitution through norms and investigate whether international developments influence the EU’s external policy. Other scholars¹⁴ examined these concepts analytically.

¹¹ Aggestam, Lisbeth. “Introduction: Ethical Power Europe?” *International Affairs* 84(1), (2008):1-11

¹² Diez, Thomas and Pace, Michelle. “Normative Power Europe and Conflict Transformation”. Paper presented at the European Union Studies Association Tenth Biennial International Conference. *Montreal*, May 17-19, 2007, Vasilyan, Syuzanna “The EU as a “Civilian” and “Normative” Power: Connotational Meanings from Outside” Paper presented at the European Union Studies Association Tenth Biennial International Conference. *Montreal*. May 17-19, 2007, Sjusen, Helen. “The EU as a “Normative Power” How Can This Be?” *Journal of European Public Policy* 13(2), (2006):235-251

¹³ Vasilyan, Syuzanna. “The EU as a “Civilian” and “Normative” Power: Connotational Meanings from Outside” (2007): 15

¹⁴ Diez, Thomas and Pace, Michelle. “Normative Power Europe and Conflict Transformation” (2007), Vasilyan, Syuzanna. “The EU as a “Civilian” and “Normative” Power: Connotational Meanings from Outside” (2007)

Regarding the EU's conflict resolution policy in the South Caucasus, Vasilyan offers a new conceptual framework of "moral power" Europe. She argues that "civilian/normative power Europe" concepts are insufficient for understanding the substance of the EU's conflict resolution policy. A 'moral power' is defined as an international actor that "retains consequentialism in its policy by relying on a strategy aimed at peace as a desirable outcome... preserves consistency between its rhetoric and behavior... and manifests respect for values, especially when they collide with its interests".¹⁵ Thus, 'moral power' seems to be more objective, empirically sound and analytically enhanced statement for explaining the EU's conflict resolution policy towards South Caucasus.

In this part of the literature review the emphasis will be on the policy-oriented approaches, mainly to the EU's conflict resolution policy literature. It is aimed to acknowledge the means and motives of the EU's engagement with conflict resolution process. The EU has emerged as an actor in conflict resolution beyond its borders at the turn of the twentieth century, with the development of its foreign policy.¹⁶ Being acknowledged as a model for conflict resolution and as a third party actor in the resolution of violent conflicts beyond its borders raises the question how well suited is the EU to perform this role and what added value can it bring to its periphery in general and to the South Caucasus in particular?

According to Hill (2001) the EU's framework of governance, law and policy can serve as a good pledge for the settlement of ethno-political conflicts.¹⁷ More specifically, the EU can create incentives for the settlement and ultimate resolution of conflict. But how and to what extent can the EU export its forms of governance so that it can contribute to the resolution of conflicts? How can the third party such as the EU influence peace-making efforts? According to

¹⁵ Vasilyan, Syuzanna "Moral Power" as Objectification of the "Civilian/Normative" EU: The European Union as a Conflict-Dealer in the South Caucasus". *Journal of International Relations and Development*. (2013): 5

¹⁶ Popescu, Nicu. "Stealth Intervention: The EU and Post-Soviet Conflicts" (PhD diss.,) *Central European University* (2009):1 -298

¹⁷ Hill, Christopher. "The EU's Capacity for Conflict Prevention". *European Foreign Affairs Review* 6(3). (2001):315-334

Lake and Rotchild (1996), contribution to the conflict resolution process by third party can be done through mediation.¹⁸ Mediation refers to a “process of conflict management related to but distinct from the parties’ own efforts, where the disputing parties look for assistance or accept an offer to help without using physical force or invoking the authority of law.”¹⁹ In other words, the mediator attempts to enhance the incentives for an agreement by changing the payoff structure of the bargain. In case of the EU, that incentive could be conditionality applied to disputing parties.²⁰ “Conditionality is a strategy whereby a reward is granted or withheld depending on the fulfillment or non-fulfillment of an attached condition.”²¹ Thus, in conditionality mode the EU provides non-member governments with incentives. Most of the publications on the EU’s conflict resolution policy recognize the aid, trade, investment, enlargement and diplomacy, as well as security guarantees as incentives for the settlement of conflicts.²²

According to some authors²³ Europeanization could also serve as a potential mechanism for transferring above mentioned EU incentives to the parties in conflict regions.

Europeanization is the wider process of political, economic and societal transformation that can develop within and beyond the frontiers of the EU. According to Coppieters, et. al (2003), this process can positively transform the interests of the conflict parties, thereby contributing to conflict resolution. Schimmelfennig and Sedelmeier distinguish two dimensions of

¹⁸ Lake, David and Rotchild, Donald. “Containing Fair: The Origins and Management of Ethnic Conflict” *International Security* 21(2), (1996):41-75

¹⁹ Bercovitch, Jacob. “The Structure and Diversity of Mediation in International Relations” in Bercovitch and Rubin. “Mediation in International Relations-Multiple Approaches to Conflict Management”. *London: Macmillan.* (1992):7

²⁰ Lynch, Dov. “The EU: Towards a Strategy”. *Chaillot Papers* N 65 (2003): 171-192

²¹ Tocci, Nathalie. “Conflict Resolution in the European Neighborhood: The Role of the EU as a Framework and as an Actor”. *European University Institute.* Working Paper 29. (2004):1-31

²² Tocci, Nathalie. “Conflict Resolution in the European Neighborhood: The Role of the EU as a Framework and as an Actor”, Popescu, Nicu. “Stealth Intervention: The EU and Post-Soviet Conflicts”. Gentz, Sussane. “EU Influence in Conflict : Power to Mitigate or to Mediate”. *Oslo Forum.*(2007):1-9, Melvin, Neil and Boonstra, Jos.

“Challenging the South Caucasus Security Deficit”. *FRIDE.* Working Paper 108 (2011): 1-28, Ditrych, Ondrej.

“EU Security Policy in the South Caucasus”. *German Institute for International and Security Affairs.* Working Paper5.(2011): 1-13

²³ Coppieters, Bruno, et.al. “European Institutional Models as Instruments of Conflict Resolution in the Divided States of the European Periphery”. *Center for European Policy Studies.* (2003):1-25, Klasna, Marko. “The EU and Kosovo Time to Rethink the Enlargement and Integration Policy?” *Problems of Post-Communism* 54(4). (2007):15-32, Ditrych, Ondrej. “EU Security Policy in the South Caucasus”

Europeanization.²⁴ On one hand, it can be driven domestically or by the EU. On the other hand, it can be driven by institutional logic: the “logic of consequences” or the “logic of appropriateness”²⁵ (March and Olsen, 1989, p. 160-162). “Logic of consequences” suspects that actors choose the behavior that maximizes their utility, whereas the “logic of appropriateness” determines that actors choose the behavior that is appropriate to their social role and social norms in a given situation. Moreover, under the “logic of consequences”, Europeanization can be managed by the EU through sanctions and rewards that change the cost-benefit calculations of the external incentives model. Whereas, according to the “logic of appropriateness”, Europeanization may be promoted by social learning, that is, “target” states are convinced to adopt EU rules if they consider these rules legitimate. These mechanisms can be implemented either through bargaining or persuasion or through transnational processes via societal actors within the “target” state.²⁶ (Schimmelfennig and Sedelmeier, 2005). Finally, the authors conclude that states may turn to the EU because of the dissatisfaction with domestic status quo and may accept the EU rules if they perceive them as solutions to their problems, either based on instrumental calculations or the appropriateness of the EU solutions.

Tozzi claims that conflict resolution could also be induced through socialization.²⁷ The main aim of socialization is not the transformation of conflict party’s cost-benefit calculus, but the promotion of a voluntary transformation of its interests and values. More specifically, socialization by contrast to conditionality comprises all the EU efforts to “teach” EU policies to the outsiders, that is, to convince them that these policies are appropriate and as a consequence, to motivate them to adopt EU policies. Socialization could be labeled as “social learning”, “constructive impact” and “communication”. Meaning, rather than directly influencing or

²⁴ Schimmelfennig, Frank and Sedelmeier, Ulrich. “Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe”. *Journal of European Public Policy*, 11(4). (2004): 661-679

²⁵ March, James and Olsen, Johan. “Rediscovering Institutions: The Organizational Basis of Politics” *Free Press, New York*, (1989): 160-162

²⁶ Schimmelfennig, Frank and Sedelmeier, Ulrich. “Introduction: Conceptualizing the Europeanization of Central and Eastern Europe”, in *The Europeanization of Central and Eastern Europe*, (eds.) Schimmelfennig, Frank, Sedelmeier, Ulrich, Cornell Studies in Political Economy, *Cornell University Press, Ithaca, NY* (2005): 1-28

²⁷ Tozzi, Nathalie. “Conflict Resolution: Theories and practice”. *Routledge*, (2011): 3-15

indirectly manipulating the cost-benefit calculations of external actors the EU teaches them the principles and rule of European governance.²⁸

Summing up the means by which the EU may contribute to conflict resolution process in the South Caucasus, Diez, Stetter and Albert offer to conceptualize four “pathways of EU impact” on the conflicts.²⁹ According to them, the first pathway is “compulsory impact” which is defined as a process of working with specific measures, namely carrots and sticks, on specific policies. The “connective impact” is for establishing and supporting the contact between the conflicting parties (it is done mainly through the financial measures). Under the “enabling impact”, parties in conflict situations strengthen their influence by connecting their political agendas and positions to the EU. Finally, the outcome of the “constructive impact” is in a fundamental reconstruction of identities as a result of exposure European integration.

Having discussed the means through which the EU may contribute to the conflict resolution process in the South Caucasus, the literature also underlines the motives of EU’s engagement with the South Caucasian conflicts. Scrutiny of literature has revealed three main sets of EU’s interests in the engagement with the South Caucasian conflicts: governance, energy and security. It is in the EU’s interest to see the South Caucasian countries evolving into strong sovereign states based on the rule of law with consolidating democratic institutions, since the EU aims to promote stability and prosperity within and beyond the borders of the EU.³⁰ It also aims to develop a zone of prosperity and friendly neighborhood- a “ring of friends”- with whom the EU would have close, peaceful and cooperative relations. In this context, frozen conflicts are perceived as key obstacles for further regional cooperation which would have based on peace

²⁸ Checkel, Jeffrey. “Why Comply? Social Learning and European Identity Change”. *International Organization*, 55(3), (2001): 553-588, Risse, Thomas. “Let’s Argue! Communicative Action in World Politics”. *International Organization*, 54 (1), (2000):1-39

²⁹ Diez, Thomas, Stetter, Stephan and Albert, Mathias. “The European Union and Border Conflicts: The Transformative Power of Integration”. *International Organization*, 60(3), (2006): 572-574

³⁰ European Commission, “European Neighborhood Policy: Strategy Paper”, Commission Communication COM (2004), 373 final, Brussels, 15 May 2004

and stability in the South Caucasus.³¹ Europe's interest in expanding its import of energy from and through the Caucasus, has also mentioned. In this regard, although the unresolved frozen conflicts are unlikely to physically impact upon energy infrastructure such as pipelines, continued instability in the region, however could restrain future investments, economic and trade relations. It is worth noting that defreeze of any conflict in the region could have an impact on energy production in the Caspian Basin and could ultimately impact on supplies to the international market.³² Finally the EU has an increasing interest in the security of the Caucasus because security threats in the region can affect Europe as well because of their proximity. Moreover, frozen conflicts could become a threat to regional stability and constitute a security problem in the South Caucasus because these conflicts are keen at providing ideal conditions for security challenges such as terrorism, organized crime and illegal trafficking to flourish. The resolution of these conflicts is therefore very important for ensure the stability and security in the region.³³

Thus far, literature review indicated that being a "different type" of actor the EU may use distinguish mechanisms and incentives to contribute to the resolution of conflicts. Through the analyses thesis will try to find the implications of these mechanisms and incentives in the conflict resolution policy towards the South Caucasian conflicts. The literature detached three main sets of interest of EU's involvement in the resolution of South Caucasian conflicts. However, it is worth noting that reviewed resources where lacked of empirical examples and rigorous analyses. Through conducting thorough investigation and discourse analyses the thesis

³¹ Haydar, EFE. "Foreign Policy of the European Union Towards the South Caucasus". *International Journal of Business and Social Science* 17(3), (2012):1-13, Mikhelidze, Nona. "After the 2008 Russia-Georgia War: Implications for the Wider Caucasus and Prospects for Western Involvement in Conflict Resolution". Background paper of the conference on "The Caucasus and Black Sea Region: European Neighborhood Policy (ENP) and beyond", Rome, February 6-7 (2009):1-25, Nuriyev, Elkhan. "The EU Policy in the South Caucasus: the Case of Post-Soviet Azerbaijan. New Opportunities and Future Prospects" Working Paper (2007):1-36

³²Meister, Stefan "Recalibrating Germany's and EU's Policy in the South Caucasus" *DGARanalyse* (2010):1-20, German, Tracey. "Corridor of Power: The Caucasus and Energy Security". *Caucasian Review of International Affairs*. 2(2), (2008):1-9, Alieva, Leila. "EU and South Caucasus", Paper prepared for the Conference "Looking Towards the East. Connecting the German and Finnish EU Presidencies" organized by the Bertelsmann Foundation and the Center for Applied Policy Research. (2006):1-19

³³ Haydar, EFE. "Foreign Policy of the European Union Towards the South Caucasus"

is going to feel in this gap. Moreover, by providing analyses of interests of other regional and international actors in resolution of conflicts, the capstone aims to test the conceptualization of the EU.

Definitions

In order to elaborate more on EU's conflict resolution policy behavior a few definitions are needed to be clear.

Conflict resolution can be referred to a "situation where the conflicting parties enter into an agreement that solves their central incompatibilities, accept each other's continued existence as parties and cease all violent action against each other".³⁴

Conflict transformation is a term often used to signify comprehensive conflict resolution that deals with the root causes of conflict, requiring "real changes in parties' interests, goals, or self-definitions".³⁵

As in the literature there is no common perception to what exactly the conflict resolution entails, this research adopts the term as meaning a relatively broad approach, encompassing mediation and peace building. These activities are fundamental forms of *conflict management*³⁶ that can contribute to the longer term goal of conflict transformation. *Mediation* is a form of third party intervention involving "various forms of assistance and facilitation, short of judicial or coercive steps, designed to help the parties reach an acceptable outcome".³⁷ It can include a range of activities, including "facilitating communication, creating parity, suggesting options and providing resources".³⁸ It also includes *confidence- building* activities designed to create contacts and build trust between conflicting parties. These measures are especially important in the case of ethnic conflicts, since they "seek to reassure ethnic peoples about their future"³⁹ *Peace building*, whether preventive or post conflict, is usually understood as a long term process aimed

³⁴ Wallensteen, Peter. "Understanding Conflict Resolution. War, Peace, and the Global System". London: *Sage Publications*. (2002):8

³⁵ Miall, Hugh, Ramsbotham, Oliver and Woodhouse, Tom. "Calling for a Broad Approach to Conflict Resolution" in van Tongeren, Paul, van de Veen, Hans and Verhoeven, Juliette (eds) *Searching for peace in Europe and Eurasia: An overview of Conflict prevention and Peace Building Activities*. Boulder, Colorado and London: *Lynne Rienner Publishers*. (2002):75

³⁶ Bercovitch, Anagnoson, and Wille. "Some Conceptual Issues and Empirical Trends in the Study of Successful Mediation in International Relations". *Journal of Peace Research* 28(1) (1991): 7-17

³⁷ Bercovitch, Jacob. "International Mediation". *Journal of Peace Research*, 28(1) (1991):3

³⁸ Ayres, William. "Mediating International Conflicts: Is Image Change Necessary?" *Journal of Peace Research* 34(4). (1997): 431-447

³⁹ Lake, David and Rotchild, Donald "Containing Fair: The Origins and Management of Ethnic Conflict". (1996):57

at establishing the conditions for peace.⁴⁰ It is used here to denote activities by the EU that contributes to tackling the root causes of conflict, and includes the direct and indirect impact of economic reconstruction and aid. Clearly there is overlap between activities considered as “mediation” and those classed as “peace building”. The definitions adopted are not intended to create clear-cut specification between conflict resolution techniques, but to assist in the classification and clarification of EU activities in the South Caucasus. It is worth noting that in conflict resolution context is important and a “one size fits all” approach to the reconstruction of conflict-ridden societies does not find support among conflict resolution scholars.⁴¹

⁴⁰ Miall Hugh, Rambotham, Oliver, Woodhouse, Tom. “Contemporary Conflict Resolution”. Oxford: *Polity Press*. (1999)

⁴¹ Miall, Hugh “Transforming Ethnic Conflict: Theories and Practices” in Wimmer, et. al (eds.) *Facing Ethnic Conflict: Toward a New Realism*, Oxford and Lanham. (2004)

Methodology

The aim of this research is to investigate the EU's conflict resolution policy towards all three South Caucasian conflicts. This part of the MA thesis will provide methodological instruments and will explain in detail how the research was conducted.

Qualitative methods have been chosen for this research. The choice of this method mainly depends on the nature of research questions. The capstone has an inductive approach which by means of theories will try to explain the engagement of the EU with the conflicts resolution process and its capability to contribute to the complicated process of conflict resolution in the three South Caucasian states.

Hypotheses and Research Questions

H 1: Peace promotion is the EU's interest for the engagement with South Caucasian conflicts

H 2: The EU acts in the South Caucasus through conflict resolution because of its energy and power related interests.

RQ: Is the EU acting in the South Caucasus through conflict resolution to promote peace and democracy or it is circumvented by energy and power related interests?

Research puts forward also three sub-questions that will complement the main research question and will help to draw a complete picture of EU's conflict resolution policy.

RQ1: What are the instruments the EU has employed to contribute to the conflict resolution?

RQ2: How active is the EU in its engagement with the conflict resolution process in the South Caucasus?

RQ3: Why does the EU get interested in conflict resolution process in the South Caucasus?

A wide range of theoretical and empirical sources was used to answer the research questions. More specifically, this thesis brings together existing literature from a broad framework: EU's conceptual framework; wide range of sources were explored to explain the

conceptual framework of the EU. EU's conflict resolution policy; how the EU get involved with the South Caucasian conflicts, what were the instruments, mechanisms and incentives of that involvement, South Caucasian conflicts; brief overview of the root causes of conflicts, the engagement of regional and international actors in the resolution of that conflicts and IR theories (liberalism/constructivism).

Data collection

For the EU-related information, a combination of EU primary documents and secondary material was draw upon. The internet was widely used in search of these. The use of primary documents gave an insight of first-hand policy and from experts in the field: EU press releases, official visits and statements, European Parliament Resolutions, Council Conclusions. Secondary data on the EU's conflict resolution policy development were also extensively used.

Data analyses

For the discourse analyses the time frame of 2009-2012 has been chosen. Council Conclusions on South Caucasian conflicts were from 2009 to 2012, therefore in order to keep the balance European Parliament Resolutions also fall under that time period. For conducting discourse analyses 9 descriptors have been chosen: 5 of them (peace, liberty, democracy, rule of law and human rights) represents EU's norms and values and the other 4 stands for EU's interests (energy, trade, terrorism, organized crime). For portraying EU's norms and values as descriptors have been taken Manners' five core principles of "normative power" Europe. European Parliament Resolutions, Council Conclusions and official statements are analyzed by a scale from 1 to 10 (1- no reference; 2-general reference; 3- general reference in South Caucasus; 4- somehow comprehensive reference; 5- comprehensive reference; 6- more comprehensive reference; 7- priority; 8- priority per South Caucasus; 9- high priority; 10- the highest priority). Based on this scale, intensity was given to the descriptors and afterwards the mean was calculated. Moreover, in order to find out whether the conflict resolution and EU's interests are

intertwined “cause/effect” approach has been conducted by rigorously analyzing the appropriate documents. The interests of other regional and international actors in engagement with the South Caucasus conflicts have been analyzed through secondary data.

Chapter 1

The EU as a “producer” of peace in the South Caucasus

The EU as a peace promoter

The South Caucasian conflicts are special to their political and historical context. Often time these conflicts labeled as “frozen” because of the prolonged lack of concrete progress in negotiations, experts have pointed out that in fact the conflict dynamics are constantly changing and a failure to recognize this hampers their resolution.⁴²

Nagorno-Karabakh was a majority Armenian populated region within the borders of the Azerbaijan Socialist Soviet Republic. While it had been a disputed territory throughout the twentieth century, it was the growth of nationalism that triggered conflict between Azeri and Armenian communities in Nagorno-Karabakh. Initially calling for unification with Armenia, the Karabakh Armenians were calling for independence by the time the Soviet Union collapsed in 1991.⁴³ Both communities see the territory as integral part to their ethnic/political identities.

In Georgia, too, political instability and the rise of Georgian nationalism prompted Abkhazian and South Ossetian secessions; the Abkhaz, feared the loss of their distinctive language and culture while the South Ossetians preferred unification with their ethnic kin in North Ossetia which remained within the borders of Russia.

The peace processes

The negotiations initiated by third parties are ongoing. The OSCE Minsk Group, led by France, Russia and the United States, has been mediating in the Nagorno-Karabakh conflict since 1992. In 2004, the Minsk Group inaugurated a new phase in the Nagorno-Karabakh peace negotiations: the Prague Process. The process looked for incremental agreement from the parties

⁴² Lynch, Dov. “Engaging Eurasia’s separatist States” Washington: US Institute for Peace (2004)

⁴³ Cornell, Svante. “The Nagorno Karabakh Conflict” Report No. 46, Department of East European Studies, Uppsala University. (1999)

over a number of issues, leaving the issue of status to a later date. However, the Presidents of Armenia and Azerbaijan (Robert Kocharian and Ilham Aliyev respectively) failed to agree on and sign a document outlining basic principles at the OSCE summit in December 2007.

Afterwards, nor Madrid principle, neither the following summits of L’Aquila and Muskoka have not brought the negotiations to a new level.⁴⁴

In Georgia, the situation is not much better. Abkhazia has had a “CIS” peacekeeping force since 1993, consisting of Russian personnel. The UN sent a mission (UNOMIG) to monitor the peacekeeping in 1993. From 2003, UNOMIG has been bolstered by a police component, aimed to assist in the return on internally displaced people (IDPs) and refugees.⁴⁵ Some progress has been made, notably the return of 45000 IDPs to the Gali region. Diplomacy has been stopped since 2006 as a result of deteriorating relations with Russia, and because of a Special Forces Operation by the Georgian government in the Kodori valley region to disarm a paramilitary group.⁴⁶ The UN Group of Friends of the Secretary General (Germany, France, UK, Russia, US) provides a forum for negotiations between the two sides, and support the efforts of the UN Special Representative to Georgia. Russia also played a key role in the Joint Control Commission (JCC), established in 1992 as the negotiating mechanism in the South Ossetian conflict. Consisting of representatives from Georgia, South Ossetia, North Ossetia, Russia and the OSCE, the JCC also contributes the activities of the Joint Peacekeeping Force (with Georgian, Russian and Ossetian battalions). The negotiation format, however, collapsed, with the Georgian side insisting on a change of format, while the Ossetian authorities were opposed to this. The situation in South Ossetia has been further complicated by the emergence in 2006 of a competing leader of the *de facto* regime. Dmitri Sanakoev has been appointed by the central

⁴⁴ Information obtained from the OSCE website at <http://www.osce.org/mc>

⁴⁵ Information obtained from the UNOMIG website at <http://www.un.org/en/peacekeeping/missions/past/unomig/background.html>

⁴⁶ International Crisis Group. “Abkhazia: Ways Forward”. Europe Report No 179, 18 January (2007)

Georgian government as head of a temporary administration unit for South Ossetia.⁴⁷ (On 2008 events will be elaborated below).

EU as a Mediator

For a “different type” of actor as the EU is claimed to be, South Caucasian conflicts seem to be a serious test. Mediation is a task that arguably falls to all EU actors in contact with local actors in the South Caucasus: the Special Representative, EU delegations (in Yerevan, Baku, Tbilisi) and the border monitoring mission in Georgia. The task of mediation in these cases of frozen conflicts is problematic. The challenge that the mediator may face is probable mediator bias.⁴⁸ While the ability to offer incentives and exercise power is seen as important by some analysts,⁴⁹ others argue that the detachment of the mediator is crucial.⁵⁰ However, as James Smith has argued, a distinction must be drawn between different types of mediation: “pure” mediation, which centers on reasoning and persuading, and “power” mediation, which promises rewards or threatens punishment⁵¹. Interpreting this, one may refer to mechanisms of EU’s conflict resolution, such as: “pure” mediation as a case explaining the socialization mechanism and the “power” mediation for conditionality.

The EU is not perceived as an impartial actor in Abkhazia and South Ossetia⁵²: it is a supporter of the Georgian government, and official policy supports the territorial integrity of the Georgian state. The EU has extracted promises from the Georgian government that it will not use force to restore territorial integrity, in return for continued EU aid and support. The European Commission, as a result of its funding of cross-border economic rehabilitation schemes, has gained a seat as an observer in the South Ossetian Joint Control Commission (JCC). However, its

⁴⁷ International Crisis Group. “Georgia’s South Ossetia Conflict: Make Haste Slowly”. Europe Report No. 183, 7 June (2007)

⁴⁸ Smith, James. “Mediator Impartiality: Banishing the Chimera”. *Journal of Peace Research* 34(4) (1994):445-450

⁴⁹ Bercovitch, Anagnoson, and Wille. “Some Conceptual Issues and Empirical Trends in the Study of Successful Mediation in International Relations”. *Journal of Peace Research* 28(1) (1991): 7-17

⁵⁰ Burton, John and Dukes, Frank. “Conflict: Practices, Settlement and Resolution”. London: Macmillan. (1990)

⁵¹ Smith, James. “Mediator Impartiality: Banishing the Chimera”.

⁵² International Crisis Group. “Conflict Resolution in the South Caucasus: The EU’s Role” Europe report No. 173, 20 March (2006)

input is limited because it only sits in on economic meetings.⁵³ In Abkhazia, the EU is not involved in the UN-led negotiations (Geneva process), but has three member states involved in the UN Secretary General's Group of Friends of Georgia. The Abkhaz pulled out of the negotiations in 2006, and in the circumstances, a greater role for the EU in negotiations would not help. However, the deadlock in talks means that informal conflict resolution techniques, particularly confidence-building, are most valuable.⁵⁴

The situation in Abkhazia was deteriorated in March 2008 and the EU took a step to assist the reduction of tensions. A delegation from the Parliamentary Cooperation Committee- one of the constitute bodies of the PCA- visited to Abkhazia and South Ossetia in April 2008. The visit had the mission to eliminate the potential confrontation between Georgia and breakaway region of Abkhazia and South Ossetia. The arrival of the Foreign Ministers of Slovenia, Poland, Sweden and Lithuania to Georgia on 12 May 2008 had the mission to ease the tension between Georgia and Russia. Unfortunately, the mission was unable to record positive outcome in both cases.⁵⁵

When Abkhazia broke its ties with Georgia, in June 2008, Javier Solana, High Representative for the Common Foreign and Security Policy (CFSP) for the first time visited Georgia and Abkhazia in order to assure the parties to abstain from use of force.⁵⁶ In October 2008, the EU deployed an EU monitoring mission to Georgia with almost 200 unarmed observers who started to monitor the line of cease-fire, however they were not allowed into South Ossetia and Abkhazia by secessionist authorities.⁵⁷

Situation was different in South Ossetia: only the OSCE was involved in the conflict resolution process, along with Georgia, Russia and the secessionist authorities themselves. After

⁵³ International Crisis Group. "Georgia's South Ossetia Conflict" (2007)

⁵⁴ International Crisis Group, "Abkhazia: Ways Forward" (2007)

⁵⁵ Vasilyan, Syuzanna "Moral Power" as Objectification of the "Civilian/Normative" EUology": The European Union as a Conflict-Dealer in the South Caucasus" (2013)

⁵⁶ Council of the European Union. S197/08. Brussels, 6 June, 2008

⁵⁷ Information obtained from European Union External Action website at http://eeas.europa.eu/csdp/missions-and-operations/eumm-georgia/index_en.htm

the Rose Revolution Georgian government strived to solve its territorial conflicts and wanted to see greater EU involvement in the conflict resolution efforts. In 2004 after restoring full control over Ajaria, the Georgian government pursued the resolution of its other conflicts.⁵⁸ In October 2004, international delegation, including European experts arrived in South Ossetia in order to find out the causes of the clashes between Georgia and South Ossetia in July and August 2004. This showed the EU's desire to get engaged in conflict resolution process. Another formal visit was paid to Tskhinvali in September 2006 by the South Caucasus Parliamentary Delegation. Visit was dealt with the referendum which the South Ossetian leader Eduard Kokoyty planned to hold in November of that year, aiming to confirm the will of South Caucasians for self-determination. The European officials wanted to prevent the implementation such a provocative act, since the EU supported territorial integrity of Georgia. This position, of course, was unacceptable to South Ossetia. Therefore the EU, because of its lack of legitimacy was unable to bring parties to rapprochement; moreover it could not prevent future clashes in August 2008.⁵⁹

At the end of 2004, Russia vetoed the continuation of the OSCE Border Monitoring Operation (BMO) in Georgia that was monitoring the Russian- Georgian Border. According to Popescu, it was part of a "high-profile attempt" of Russia to not only stop the mission, but also to reform the OSCE according to its interests.⁶⁰ On response to this, Georgia invited the EU to conduct a similar operation under the EU flag. The EU deployed a EUSR Border Support Team that aimed to analyze the threats on the border and to praise Georgia's needs and capabilities. In April 2005, three EU civilian experts were sent to Georgia to start working on border issues in Georgia. The deployment of a greater mission was blocked by Italy, Greece and France regarding the concerns about the Russian opposition.⁶¹ In September 2005 the team was expanded to 13 people. Functioning only until the end of February 2008, EUSR Border Support

⁵⁸ Popescu, Nicu. "Stealth Intervention: The EU and Post-Soviet Conflicts". (2009)

⁵⁹ Vasilyan, Syuzanna. "'Moral Power' as Objectification of the 'Civilian/Normative' EUology": The European Union as a Conflict-Dealer in the South Caucasus" (2013)

⁶⁰ Popescu, Nicu. "Stealth Intervention: The EU and Post-Soviet Conflicts". (2009)

⁶¹ International Crisis Group. "Conflict Resolution in the South Caucasus: The EU's Role" (2006)

Team aimed to reform the Georgian border management system and to facilitate confidence-building between Georgia and Russia, but not to help Georgia to resolve its secessionist conflicts.⁶²

On 8 August 2008, a war between Georgia and Russia broke out, since Russia showed its willingness to help South Ossetia and Abkhazia. Nicola Sarkozy on the behalf of the EU Presidency on 16 August 2008, managed to bring the parties ceasefire agreement. That is, despite the complicated situation the EU managed implement its mediation mission. Later, President Sarkozy, Javier Solana and European Commission President Jose Manuel Barroso visited Moscow and Georgia in order to discuss the implementation of the peace accord, since they were afraid of deterioration of the situation regarding the Russia's recognition of Abkhazian and South Ossetian independence On 25 August, 2008. Therefore on 15 September, 2008, the EU deployed the EU Monitoring Mission (EUMM), consisting of 200 unarmed monitors as a security guarantor. Russia agreed the EUMM to be stationed in the buffer zone between Georgia and *de facto* states, that is, outside South Ossetia and Abkhazia, which consequently diminished the EU's involvement in conflict resolution process. In addition, the EU failed to convince Russia to sign the arms-restriction agreement that was signed between EUMM and Georgia in 2009. Many Parliamentary delegations made a trip to Georgia in 2008, but they preliminary were on *ad-hoc* basis, besides they were not allowed to move beyond the cease fire lines drawn by the Russian troops.⁶³ This, indeed, restricted the ability of the EUMM to record more results and to reach EU's one of the main objectives in conflict resolution: peace

Nagorno-Karabakh is one of the conflicts in the region the resolution of which the EU wants to contribute. Nagorno-Karabakh conflict seems to be one of that conflicts that lays out the development of the region, since it blocks the regional cooperation, may cause Russia and Turkey to get involved in hostilities between Armenia and Azerbaijan and has implications for

⁶² Popescu, Nicu. Stealth Intervention: The EU and Post-Soviet Conflicts”.

⁶³ Vasilyan, Syuzanna ““Moral Power” as Objectification of the “Civilian/Normative”EUlgy”:The European Union as a Conflict-Dealer in the South Caucasus”

the EU energy interests in the Caspian region. However, despite these factors, conflict of Nagorno-Karabakh is the one where the EU has the least involvement.

The launch of the ENP and the appointment of EUSR for the South Caucasus in 2003, the inclusion of the region into the ENP in 2004 and declaration of conflict resolution as an objective of the ENP have set the stage for a greater EU role in South Caucasus. These developments became turning point in the conflicts in Georgia. But to what extent have they affected the EU's involvement in Nagorno-Karabakh? The EU's policies on the conflict in the 1990s could be described as piece of waving patterns of intervention.⁶⁴ It was expected that the EU would extend its role in Nagorno-Karabakh conflict resolution after the launch of ENP APs. However, the EU's APs with both Azerbaijan and Armenia contain practically identical language on Nagorno-Karabakh. Leila Alieva argues that the "EU role as is reflected in the Action Plans does not shape an individual short-term contribution of the EU in the power balance, which has been supporting the status quo for many years, but rather shapes EU role as a secondary and supporting for the other international organizations such as OSCE".⁶⁵ The international framework for negotiations on conflict resolution in Nagorno- Karabakh is the OSCE Minsk Group, with France, the US and Russia as co-chairs since 1997. EU's Action Plans with both Armenia and Azerbaijan state that the EU is going to increase political support to OSCE Minsk Group conflict settlement efforts. However, unlike in the conflict in Georgia, the EU has little intervention in Nagorno-Karabakh conflict. More specifically, no parliamentary delegation has visited Nagorno- Karabakh. Thus, The EU has played a lesser role in Nagorno-Karabakh. Moreover, described situations in conflict areas and EU's attitude to it uncover the EU's inability to play a role of mediator.

Given that the EU may not be able to become more directly involved with the peace processes, there may be scope for an enhanced role in confidence-building or "issue

⁶⁴ Demirag, Yelda. "EU Policy Toward South Caucasus and Turkey" *Perceptions* 9. (2004) 91-105

⁶⁵ Alieva, Leila. "EU and South Caucasus" (2006):17

transformation”⁶⁶ The need for confidence-building in protracted conflicts is patent. As John Paul Lederach has contended, “conflict transforms perceptions, of self, others, and the issues in question, usually with the consequence of less accurate understanding of the other’s intention and decreased ability to clearly articulate one’s own intentions”.⁶⁷ Confidence-building by third parties is desperately important in these cases. At the elite level, there is a severe lack of trust between the parties, leading to increasing belligerence and militaristic language. This situation is not helped by the absence of the *de facto* leaders of Karabakh at the Minsk group peace negotiations. This distrust between leaders impacts negatively on the rest of the populations, and is therefore mirrored in civil society. There are little or no contacts between the citizens of Nagorno Karabakh and Azerbaijan, and the people of Abkhazia and South Ossetia have few encounters with Georgians.⁶⁸ This indicates that the EU failed to accomplish confidence building activities in Nagorno-Karabakh.

The EU’s key player in mediation is the Special Representative (EUSR). The EUSR’s tasks include, inter alia: developing contacts with governments, parliaments, judiciary and civil society in the region; encouraging regional cooperation; contributing to the prevention of conflicts and assisting in conflict settlement; and working with the UN and the OSCE.⁶⁹ The post, created in July 2003, was taken up by Finnish diplomat, Heikke Talvitie. Talvitie was tasked with developing contacts with local actors, encouraging regional cooperation, and assisting in conflict resolution. He was replaced by Swedish diplomat Peter Semneby in February 2006, with an expanded mandate: to contribute to regional conflict resolution rather than just assisting the UN and the OSCE.⁷⁰ EU summit on 1 September 2008 declared about its decision to appoint another EUSR though Peter Semneby was still in charge. At the end of

⁶⁶ Miall, Hugh, Ramsbotham, Oliver and Woodhouse, Tom. “Contemporary Conflict Resolution: (1999):159

⁶⁷ Lederach, Pual. “Preparing for Peace: Conflict Transformation Across cultures”. New York: Syracuse University Press. (1996):18

⁶⁸ International Crisis Group. “Conflict Resolution in South Caucasus: The EU Role”, “Abkhazia Ways Forward”, “Georgia’s South Ossetia Conflict”

⁶⁹ EU Draft Council Joint Action extending and amending the mandate of the European Union Special Representative for the South Caucasus, Council Secretariat, Brussels, 1 February 2007 (5676/07)

⁷⁰ European Union CFSP Joint Action 2006/121/CFSP of 20/02/2006

September Pierre Morel a French diplomat was appointed as another EUSR for the South Caucasus.⁷¹ Task division was made Pierre Morel focused on post-war negotiations between Russia, Georgia and the secessionist authorities as part of the Geneva process, while Peter Semneby have to deal with other issues related to the whole region. On September 1, 2011 Philippe Lefort was appointed as EUSR for the South Caucasus and the crisis in Georgia. His mandate was to prevent conflicts in the region, to contribute to a peaceful settlement of conflicts in the region, including the crisis in Georgia and the Nagorno-Karabakh conflict, by promoting the return of refugees and internally displaced persons and through other appropriate means.

The role of EUSR does assure that the EU has one clear representative in the region. The EU Special Representative has had, since September 2005, a team of 20 staff based at the EC delegation in Tbilisi, providing a follow up service to 2004-2005 Rule of Law Mission (EUJUST-THEMIS), and assisting with reform of the Georgian Border Guard service. This action followed the EU's decision not to take over the OSCE's border monitoring mission on the Georgian-Chechen border. The Russian government, wary of international operations on its borders, and having vetoed the extension of the OSCE mission, did not support an EU mission. With several member states unhappy about Russian opposition, the EUSR team was established as a compromise.⁷² The Border Support Team were tasked with providing reports and assessments of the border situation and facilitating confidence-building between Georgia and the Russian Federation; assisting the Georgian government institutions in preparing a reform strategy; and contributing to the implementation of the EU human rights policy.⁷³ Hence, as it can be entailed from the discussion above, the EUSR practices soft diplomacy, but is not trained as a mediator. The EUSR's frequent meetings with the leaders of the South Caucasus states

⁷¹ Information obtained from the European Union External Action website

⁷² Helly, Damien. "EUJUST Themis in Georgia: an ambitious bet on rule of law" in Agnieszka Nowak (ed.) "Civilian Crisis Management- the EU way" Chaillot Paper No. 90, June, Paris: EUISS. (2006):95

⁷³ EU Draft Council Joint Action extending and amending the mandate of the European Union Special Representative for the South Caucasus, Council Secretariat, Brussels, 1 February 2007 (5676/07)

means that high-level diplomacy is a common feature of EU-South Caucasus relations, although it is not clear how much this involves discussions on the resolution of the frozen conflicts.

Confidence- building activities

Confidence-building, unlike mediation, is an activity frequently mentioned in EU rhetoric. Clearly the EU has the capacity to contribute to confidence-building efforts by helping to “create an optimistic vision of the future”.⁷⁴

Confidence-building is one of the stated objectives of the Black Sea cooperation initiative. The European Commission’s Black Sea Synergy initiative of April 2007 was instigated by the accession of Bulgaria and Romania and the opening of accession negotiations with Turkey. It advocates a coordinated regional EU approach to the Black Sea region (defined as Turkey, Bulgaria, Romania, Moldova, Ukraine, Russia and the South Caucasus countries). Intended as an initiative complementary to existing EU policies, the idea is to “focus political attention at the regional level and invigorate ongoing cooperation processes”⁷⁵ The South Caucasus conflicts are listed as one of the main areas of cooperation, with particular attention being paid to “promoting confidence-building measures in the regions affected, including cooperation programmes specifically designed to bring the otherwise divided parties together”.⁷⁶

The human dimension of the ENP promotes people-to-people contacts, cross-border cooperation and student exchanges under the Erasmus Mundus scholarship programme. All these measures can be cited as contributing to conflict resolution, but their impact is minimal and dispersed. The EU is reluctant to advertise itself as an actor in mediation, preferring a softer approach. Yet the EU’s reluctance to label its work as ‘mediation’ gives the impression that its enthusiasm for confidence-building is an easy substitute for more robust action. As regional

⁷⁴ Mooradian, Moorad, and Druckman, Daniel. “Hurting Stalemate or Mediation? The Conflict over Nagorno-Karabakh”. *Journal of Peace Research* 36(6). (1999):709-727

⁷⁵ Communication from the Commission to the Council and the European Parliament “Black Sea Synergy – A new Regional Cooperation Initiative” COM (2007), 160 final, Brussels. (2007):3

⁷⁶ *Ibid* p.4

expert Ghia Nodia writes, “The EU supports politically uncontroversial confidence-building measures that can reap results only in the long term, if ever”.⁷⁷

EU as Peace builder

Peace building in the aftermath of civil war, with a focus on the development of a functioning market democracy, has been the goal of the majority of post-Cold War interventions by international organizations.⁷⁸ Roland Paris has argued that the international community’s approach to peace building in the 1990s was “a specific kind of social engineering, based on a particular set of assumptions about how best to establish durable domestic peace”.⁷⁹ The approach was based on the belief that the establishment of market economies and liberal democracies would lead to peace.

The South Caucasus countries have not been host to large-scale post-ceasefire peace building missions. Nevertheless, the lessons of Paris’ study are clearly relevant. Much of the EU’s general and longer-term contribution to peace building in the South Caucasus falls under the ENP. The objective of the ENP was to share the benefits of the EU’s 2004 enlargement with the neighboring countries in “strengthening stability, security and well-being for all concerned”.⁸⁰ As Leonard and Grant explain the ENP “seeks to turn potentially unstable countries in the former Soviet Union, North Africa and Middle East into a “ring of friends”, by making European aid and market access conditional on economic and potential reforms”.⁸¹

⁷⁷ Nodia, Ghia. “Reviving Georgia’s Western dream”. Retrieved from <http://www.project-syndicate.org/commentary/reviving-georgia-s-western-dream>

⁷⁸ Paris, Roland. “At War’s End. Building Peace after Civil Conflict” Cambridge and New York: Cambridge University Press (2004)

⁷⁹ Ibid, p.5

⁸⁰ Communication from the Commission “European Neighborhood policy: Strategy Paper” COM (2004)373 final, Brussels

⁸¹ Leonard, Mark and Charles, Grant. “Georgia and the EU: Can Europe’s neighborhood policy deliver?” Centre for European Reform. (2005)

Unlike PCA, the ENP outlines the terms of agreement with the participating countries, does not possess legally binding force. This alludes to the mechanism of socialization for transforming the EU initiatives. See the Literature Review

ENP Action Plans (APs) are bilateral agreements signed in November 2006 between the EU on the one hand and Armenia, Azerbaijan and Georgia on the other hand. The ENP Action Plans for the South Caucasus countries include a host of objectives that contribute to peace building, such as strengthening the rule of law and democracy, the protection of human rights, encouraging economic development, cooperating in security and border management, and regional cooperation. Reforms implemented and sponsored by the EU in a number of these fields have benefited Georgia in particular, but are less visible in the other two states. According to the ICG, conflict resolution has “fallen by the wayside”; while it is a priority in ENP rhetoric, it plays a lesser role in the Action Plans, with more EU focus on economic and political change.⁸² Besides, the EU has a different approach refereeing to conflicts under the APs. In the Georgian case, the *de facto* states of Abkhazia and South Ossetia are considered as part of Georgia⁸³ the case of Nagorno- Karabakh is unclear under the ENP: officially part of Azerbaijan, the territory is not Azeri-administered, and neither is it officially part of Armenia. Moreover, it seems that the EU did not push Armenia and Azerbaijan for progress in the Nagorno- Karabakh conflict, while the issue features prominently in the Azerbaijan Action Plan,⁸⁴ it is not a priority in the Armenian Action Plan.⁸⁵

The European Commission’s ENP Strategy Paper of 2004 stated that the ENP would “reinforce stability and security and contribute to efforts at conflict resolution”.⁸⁶ While peace building is not mentioned as an explicit goal of the ENP, it is implicit in the EU’s intention to create a zone of peaceful and stable countries on its borders and contribute to conflict resolution. Indeed, an ENP focus on politico-economic change would certainly contribute to peace building in the South Caucasus states, even if conflict resolution takes a back seat. Yet, again, from the perspective of Azerbaijan and Armenia in particular, the incentives to adopt EU reforms are

⁸² International Crisis Group. Conflict Resolution in the South Caucasus: The EU’s Role. (2006):8

⁸³ EU/Georgia Action Plan (2006)

⁸⁴ EU/Azerbaijan Action Plan, (2006):1

⁸⁵ EU/ Armenia Action Plan. (2006):.9

⁸⁶ Communication from the Commission “European Neighborhood policy: Strategy Paper” COM (2004)373 final, Brussels

lacking. In fact, since 1999, political systems in many ENP countries have not become more democratic, and neither have human rights been improved.⁸⁷ ENP Progress Reports since 2008 up to 2013, indicate Azerbaijan's continued shortcomings in media freedom and the use of torture.⁸⁸ Thus, Peace building may be a long-term process, but there is not much evidence to show that the ENP with its' host of objectives is contributing to stable peace in the South Caucasus.

The role of the Rule of Law Mission and the Delegations

The EU has carried out specific measures designed to contribute to peace building in Georgia. The European Commission provided €4.65 million under the Rapid Reaction Mechanism in July 2004 to help the Georgian government consolidate democracy and rule of law in the wake of the Rose Revolution of November 2003. The most visible EU contribution to peace building in the South Caucasus was the civilian Rule of Law mission (EUJUST-THEMIS) to the Georgian capital of Tbilisi in 2004-2005, launched at the request of the Saakashvili government. The mission consisted of a small team of nine law experts seconded from member states, and the Head of Mission, to assist in judicial reform. The ESDP mission complemented existing Commission-funded rule of law initiatives.⁸⁹ The disparity between the EU's peace building efforts in Georgia compared with Armenia and Azerbaijan is clear. Analysts have agreed that the EU's role in Georgia has been characterized by neglect and lack of foresight.⁹⁰ However, while criticism of the EU's role in Georgia is justified, the EU has virtually no role in Nagorno Karabakh. European Commission Delegations play an important role in promoting EU reforms, and play a key role in disseminating information about the EU. In Tbilisi, the EC delegation shares a building with the EU Special Representative's staff, helping the EU to

⁸⁷ Kelly, Judith. "New Wine on Old Wineskins: Promoting Political Reforms through the New European Neighborhood Policy" *Journal of Common Market Studies* 44 (1):42

⁸⁸ Progress Report from 2008-2013

⁸⁹ Helly, Damien. "EUJUST Themis in Georgia: an ambitious bet on rule of law" in Agnieszka Nowak (ed.) "Civilian Crisis Management- the EU way" Chaillot Paper No. 90, June, Paris: EUISS. (2006)

⁹⁰ Tocci, Nathalie. "EU Neglect and Competing Mediation in Georgia's Conflicts". *International Spectator* (2006)69-84

increase coordination and coherency on the ground. There was no full EC delegation in the Azerbaijan capital, Baku, until February 2008, only a 'Europa House' information center with one EU envoy and several local staff. Unlike in Georgia, the EU has done nothing and has no presence in Karabakh and, while the Special Representative has visited several times, the EU has not carried out any needs assessment or fact finding. In the event of any progress towards a political settlement the EU therefore has no information about what it can do to help rehabilitate the territory.⁹¹ Nevertheless, the EU has funded a wide range of economic and infrastructure projects in the regions, and is actively trying to step up engagement. Being ready to launch further civilian peace building missions in the South Caucasus, in coordination with EC delegations, demonstrates the EU's commitment to peace in the region and shows that the EU may have a say in peace building process.

The role of aid

Aid is an important contribution to conflict resolution as it can help to create the conditions necessary for conflict settlement. Since the beginning of its involvement with the South Caucasus, the EU has mainly been an aid provider rather than a political actor. In other words, The EU's first effort of contribution to tackle the conflicts in South Caucasus has been through the rehabilitation assistance to the conflict zones. Initially, the EU's involvement in the region was marked by fulfillment of humanitarian crisis in Georgia, Armenia and Azerbaijan, which were caused by the three South Caucasian conflicts.⁹² From 1992 to 2004, the EU provided humanitarian assistance by the European Commission Humanitarian Office (ECHO) and supplied food aid through the Food Security Program (FSP). Armenia received 171 million euro, Georgia 168 million euro and Azerbaijan 160 million euro. Through TACIS program the EU has also provided financial and technical assistance. Between 1992 and 2004, TACIS national distributions were 111 million euro to Georgia, 123 million euro to Azerbaijan and 99 million

⁹¹ International Crisis Group. "Conflict Resolution in the South Caucasus: the EU's Role"

⁹² Delcour, Laure and Duhot, Hubert. "Bringing South Caucasus Closer to Europe: Achievements and Challenges in ENP Implementations". National Research Papers. Department of European Interdisciplinary studies (2011)

euro in Armenia.⁹³ Now, the EU perceived as the largest international donor to both regions. The EU committed some 25 million euro for projects in Abkhazia and over 10 million euro to South Ossetia.⁹⁴ Worth noting that the EU-funded projects have remained “depoliticized” and were not conditioned on progress in the conflict resolution process. They were designed to be very technical. The projects in Abkhazia focused on two priorities: economic rehabilitation and humanitarian assistance. In South Ossetia, EU-funded projects are related to confidence-building activities, as well as financial support for the Joint Control Commission (JCC). But as in Abkhazia, in South Ossetia also the main focus has been on infrastructure rehabilitation and humanitarian assistance. The financial assistance provided to the conflict zones once again outlines “civilian power” of Europe, which denies the use of military means, instead exercising its influence through economic power.

Table 2

Technical assistance from the EU

Year	Assistance amount	Purpose
<i>Abkhazia</i>		
2001-2004	0.5million euro	De-mining
2004-2009	10 million euro	Financial aid and recovery projects
2004-2005	0.6 million euro	Confidence-building between the Georgia and Abkhaz civil society through Rapid Reaction Mechanism (RRM)
2005-2006	9 million euro	Rehabilitation of the Enguri Hydro- Power Plant
2005-2008	4 million euro	Economic rehabilitation
2005-2008	0.2 million	Human rights and judicial capacity-building through European Instrument for Democracy and Human Rights
2006	1 million	Income-generation and confidence and capacity-building of local NGOs through Decentralized Cooperation

⁹³ International Crisis Group. “Conflict Resolution in the South Caucasus: the EU’s Role”

⁹⁴ Vasilyan, Syuzanna ““Moral Power” as Objectification of the “Civilian/Normative”EUlgy”:The European Union as a Conflict-Dealer in the South Caucasus”

2007-2009	1 million euro	NGO co-financing
2007- 2013	10 million euro	Projects through Instrument for Stability (IfS), Non-State Actors and Local Authorities and Development Cooperation Instrument
<i>South Ossetia</i>		
1998-2006	9.5 million euro	Economic rehabilitation
2001	140,000 euro	Joint Control commission (JCC)
2005-2006	50,000 euro	OSCE-led assessment study for appraisal of infrastructural and economic needs
2005	155,000 euro	Confidence-building through RRM
2008-2011	4 million euro	IfS
<i>Azerbaijan</i>		
1997-2000	18 million euro	Assess the damage done to the Terter, Fizuli, Aghdam and Nakhichevan regions through Rehabilitation programme (REHAB)
2001-2002	167.5 million euro	Mine Clearance Program

Source: Vasilyan, (2013), p. 12-13

To conclude, the discussion reveals that the EU fails to be a mediator of conflicts, however, it has a potential to successfully play in peace building role in South Caucasian conflicts. The EU uses its’ “civilian power” to contribute to conflict resolution. So far, the most essential contribution the EU has made to conflict resolution in the South Caucasus is through the implementation of economic and infrastructure rehabilitation programs in Abkhazia and South Ossetia. As it has been already revealed from the discussion the EU has not been active in Nagorno-Karabakh conflict.

Chapter 2

The EU engagement with South Caucasian conflicts:

Peace production or Energy consumption?

After reviewing the evolution of the EU's engagement with the South Caucasian conflicts, the research turns to examining the EU interests in conflict resolution processes in the South Caucasus and the reasons of its more direct involvement particularly in Georgia's conflicts. More specifically, it seeks to understand whether peace promotion or energy and power related interests are the driving force for the EU's engagement with the South Caucasian conflicts. In order to answer this question discourse analyses will be conducted, which will be based on the scrutiny of official and unofficial statements, Council conclusions and European Parliament resolutions. But before analyzing the EU's interests and "behavior", it is also needed to distinguish the interests of regional and international actors towards the region, in particular towards the secessionist conflicts. The interests of key players will be presented separately. The primary objective of this discussion is to observe whether the interests of the EU coincide with the ones of others. If peace or other interests are only EU intrinsic then it gives the EU a role of different type of power.

Russia

Since 17th century the South Caucasus has been perceived as a region of vital importance for the Russia. Moreover, through 18th century the South Caucasus became a buffer zone for Russia against its Muslim rivals Turkey and Iran. After discovering oil reserves in Baku the region gained also an economic importance. However, after the collapse of the Soviet Union, Russia linked its presence in the region to its' national security and strategic interests.⁹⁵ National security interests imply Russia's concern regarding the ethno-territorial conflicts in its

⁹⁵ Light, Margot. "Foreign Policy Making", in Malcolm, Neil, Pravda, Alex, Allison, Roy and Light, Margot. *Internal Factors in Russian Foreign Policy*. (1996):36

neighborhood and their spill-over potential into the North Caucasus, which could become a reality because of ethnic relations and geographic proximity.⁹⁶ Therefore, the regulation of armed conflicts around the Russia and the prevention of their spread to its territory became the most important task for Russian foreign policy in 1990s.⁹⁷

Russia's position on the non-existence of the armed conflicts in its vicinity has remained unchanged up until now, because it is seen as a country's legitimate security interest by its leaders. The National Security Concept of 2000 even defined the ethnic conflicts close to Russian borders as a national security threat.⁹⁸ However, it is worth noting that although Russia is against to any armed conflicts in its' south, it is, at the same time is not interested in their resolution either. It seems that Russia is for maintaining the status quo and "controlled instability". The reason for that is the guarantee that conflicts provide for the political and physical presence of Russia in the region. More specifically, the conflicts have, since the West's engagement in the region, served as a pledge for Russia's interaction with the West and its control over the South Caucasus.⁹⁹

In the wake of 2008 conflict with Georgia, the Russian President Dmitry Medvedev came up with the principles which were going to guide the Russian foreign policy in the future. Reference was made to the primacy of the international law, however at the same time it was stated that the Georgia's attack on South Ossetia disregarded the Russia's commitments to international law as it was required to defend its citizens there. Meanwhile the scrutiny of the principles brings out a controversy which shows the Kremlins' desire to establish geographic spheres "of privileged interest" on or near its borders. President Medvedev asserted that "Russia, just like other countries in the world, has regions where it has privileged interests". Thus, the

⁹⁶ Buzan, Barry and Waever, Ole. "Regions and Power: The Structure of International Security". Cambridge University Press. (2003)

⁹⁷ Ryabov, Andrey. "Russian interest and Strategies in the South Caucasus" in "South Caucasus-20 Years of Independence" Friedrich Ebert Stiftung, (n.d)

⁹⁸ Wallander, Celeste. "Russian National Security Policy in 2000" PONARS Policy Memo 102. Harvard University (2000)

⁹⁹ Baev, Pavel. "Russia's Policies in the Caucasus". Royal Institute of International Affairs (1997)

Moscow considers the South Caucasus as a sphere of its executive influence. Moreover, the used rhetoric to some extent even sent a warning message to the West “as regards to the future, it depends not just on us. It also depends on our friends, our partners in the international community. They have a choice”.¹⁰⁰ Hence, the core of the Medvedev principles was that the Russia wanted to return to its sphere of influence, in other words to re-establish itself as the dominant actor in the South Caucasus. This approach was central in Russian foreign policy since the disintegration of the Soviet Union. The aim of that policy was to see Russia as a dominant regional power which would be able to reinforce its regional hegemony.¹⁰¹ In other words, everything in Russia’s behavior is correlated with power. As Morgenthau says “all nations want to either keep power, to increase power, or to demonstrate power”.¹⁰²

Deeping of the autonomy of the CIS and its’ perception as dominant international legal regime for resolving disputes and regulating relations in the post-soviet space could be seen as measures undertaken for that perspective. This once again alludes to Russia’s wish to re-establish its great power status which refers to being the only pole in its regional security environment. The emergence of any alliance that produces new poles would change the status of the great power.¹⁰³ Therefore, in his speech at the 43th Security Conference in Munich in March 2007 President Putin criticized the US unilateral use of force and anti-missile shield in Eastern Europe and the eastward enlargement of the EU¹⁰⁴, because there was a threat to undermine the sphere of its hegemonic influence. Moreover, Putin’s 2003 message to the Federal Council made it clear that such a country as Russia can survive and develop within the existing borders only if it stays as a great power.¹⁰⁵ One should notice that in this message the status of a great power

¹⁰⁰ BBC World News, “New Russian World Order: The Five Principles” (2008)
<http://news.bbc.co.uk/1/hi/world/europe/7591610.stm>

¹⁰¹ Suny, Ronald. “The Pawn of Great Powers: The East-West Competition for Caucasia” *Journal of Eurasian Studies* (2010)

¹⁰² Morgenthau, Hans. “Politics Among Nations”. New York, Knopf (1960): 39

¹⁰³ Buzan, Barry and Waever, Ole. “Regions and Power: The Structure of International Security”

¹⁰⁴ See Vladimir Putin, “Speech at the 43rd Munich Conference on Security Policy” (2007)

¹⁰⁵ Putin, Vladimir “Poslanie Federanomou Sobraniyu Rossiyskoy Federacii” 16 May 2003

was even held equal to the survival of the state. In this sense, the South Caucasus was and is the region where that attempts always has had implications.

Conclusively, above mentioned analyses shows that Russia, indeed, has domestic security interests in the region, but it is not security that acts as the driving force behind its policies, rather its power-political interests. In other words, the disinterest to see armed conflicts in its south reflects its domestic security interest, while its disinterest to support the resolution of the conflicts by either activating its efforts or creating incentives for the conflicts resolution reflects its power-political interests and all three conflicts have served Russian interest of hegemony and control in the post-soviet space.

United States

The United States engagement with the South Caucasus could hardly be called apparent. The US policy towards the region has evolved in stages. In the period of 1991-1994 the US did not have clear objectives and interests in the region besides the policy of promoting the independence of the newly independent states of the region. Only after 1994 economic, mostly energy interests of the US started to play a vital role aiming to facilitate political and security interests. Svante Cornell describes this period (1994-1997), as a period of “formulation of the policy”.¹⁰⁶ The lack of the US’s coordinated policy in the early 90s has been explained by the fact that the Washington tended to treat the South Caucasus as Russia’s “backyard”, therefore did not take strong interests in the region.¹⁰⁷ In other words, the Washington showed “Russia first” policy approach, which perceived Moscow as almost equal, with considerable respect to its military and strategic capabilities.¹⁰⁸

¹⁰⁶ Cornell, Svante. “The Nagorno Karabakh Conflict” Report No. 46, Department of East European Studies, Uppsala University. (1999)

¹⁰⁷ Shaffer, Brenda “US Policy” in Dov Lynch (ed.) “The South Caucasus: A Challenge for the EU”, Chaillot Papers, No. 65, December 2003: 53-63

¹⁰⁸ Cornell, Svante. “The Nagorno Karabakh Conflict”

However war in Chechnya induced drastic changes in the Washington's perception of Russia. The fact when in August 1996 Chechen fighters recaptured the Grozny despite their numerical inferiority put under question the military capabilities of Russia. Thus, the Chechen war showed that Russia could not any longer militarily claim its influence in the region and was not able to handle the crisis effectively.¹⁰⁹ That situation pushed energy rich South Caucasus to the center of the US economic interests, since Caspian basin reserves could become a major source for the diversification of its oil imports.¹¹⁰ Azerbaijani president Aliyev played his role in it. Starting with the "contract of the century" Azerbaijan aimed to attract as much foreign power as possible into the politics of oil.¹¹¹ Hidden purpose of that policy was to encourage the energy interested countries to support Azerbaijani's stability and display a more positive stance towards Azerbaijan and its position in the Nagorno Karabakh conflict. In other words, Aliyev's strategy was the internalization of Azerbaijan politics with the energy card.¹¹² In this strategy, Aliyev counted on the effectiveness and influence of oil companies in US politics. More specifically, creation of energy lobby by Azerbaijan called to counterbalance the Armenian lobby, which had already created pro-Armenian stance regarding the Nagorno-Karabakh conflict in Congress.¹¹³

The US- Azerbaijan rapprochement based on Azeri oil politics gave its results. In late 90s the US already had a formulated policy towards the region in coordination with the private companies, and Azerbaijan's position had indeed gained strength in Washington. The growing US interest in the region found ground in conflict resolution as well: in January 1997, the US became the co-chairman of the OSCE Minsk Group and focused its efforts on the resolution of the Nagorno-Karabakh conflict. Conflict resolution became a priority for the US, since it was seen as a factor that had a potential to hamper its' strategic objectives on energy. In other words

¹⁰⁹ Baev, Pavel. "Russia's Policies in the Caucasus". 1997

¹¹⁰ Gulf and Russia were the main source for the US energy imports

¹¹¹ Cornell, Svante. "The Nagorno Karabakh Conflict"

¹¹² Polukhov, Elkhan. "Contract of Century". Caucasian Regional Studies. (1997)

¹¹³ Section 907a prohibits US assistance (with the exception of humanitarian assistance and assistance for non-proliferation and disarmament programmes) to the government of Azerbaijan under the Freedom of for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992

the conflict resolution has become both the prerequisite for and an accompaniment to energy development.¹¹⁴ Thus, in terms of reasons for more proactive engagement of the US in the South Caucasus the loss of respect for Russia's capabilities in the South Caucasus and increasing significance of Caspian oil can be cited. However, oil factor could be cited as the primary factor in the US policy shift.

Turkey

The collapse of the Soviet Union was warmly accepted by Turkey, since it was seen as a great opportunity to reunion with "lost cousins" in the Caucasus.¹¹⁵ According to Oran, Turkey's engagement with the region can be explained by external and internal factors.¹¹⁶ The main external factor was the US which "pushed Turkey towards these new countries"¹¹⁷ because of its fear regarding the spread of Iranian influence in the region. Internal dynamics composed of more economic, political and psychological elements. Economically, South Caucasian states were seen both as a new market for Turkish exports and as a new source of energy. Moreover, Punsmann (2003) defines the Baku-Tbilisi-Ceyhan project as a cornerstone of Turkey's policy in the region. Politically, it would have helped Turkey to play a role of leader for the Turkic community of states. Finally, psychological factor supposed the "revealing" of a new community of nations with which Turkey had ties of kinship.¹¹⁸

Turkey's pipeline policy boosted the creation of regional security framework, where Turkey aimed to ensure the status quo. Meaning the regional security system which was concentrated on the "pipeline protection", facilitate to the freeze of the conflicts in the region.¹¹⁹ Pipeline project could be seen as one of the reasons for freezing the Azerbaijani-Armenian

¹¹⁴ Talbott, Strobe. "A Farewell to Flashman: American Policy in the Caucasus and Central Asia". Johns Hopkins School of Advanced International Studies. (1997)

¹¹⁵ Cornell, Svante. "The Nagorno Karabakh Conflict"

¹¹⁶ Oran, Baskin "The Turkish Approach to Transcaucasia and Central Asia" AARHUS University Press (1998)

¹¹⁷ *ibid* p.10

¹¹⁸ Punsmann, Burcu Gultekin "Turkey's interests and Strategies in the South Caucasus" in "South Caucasus-20 Years of Independence" Friedrich Ebert Stiftung 2003

¹¹⁹ *Ibid*

conflict over Nagorno Karabakh. However, it is not the major one. Turkey had complicated relations with Armenia concerning the genocide recognition issue and of course the Nagorno-Karabakh conflict in which Turkey's position was more for its "brother state" Azerbaijan.¹²⁰ That is, Turkish Armenia relations have been at freezing point. For Turkey it was also difficult to evolve a comprehensive policy towards Abkhazia, since it saw direct parallel between Nagorno-Karabakh and Abkhazia conflict. That is, it would not be plausible to follow different policies in these conflicts. Because of this, also because of its Kurdish problem Turkey constantly endorsed the principle of territorial integrity, in case of Georgia and Russia in Chechnia.¹²¹

Iran

Disintegration of the Soviet Union came to open new dimensions for the Iran's interests in the South Caucasus. The aim of Iran was to recover its former political, economic and cultural influence in the region. Strategic location of the South Caucasus was the main reason for the involvement with the region, because historically the South Caucasus was known as a crossroad of trade from the Mediterranean to China and from the Baltic Sea to the Arabic world. Existence of the important oil and gas reserves make the region more appealing for Iran.¹²² In Iranian case ideological interest also could be mentioned; newly independent states, especially Azerbaijan, were seen as an "appropriate" area for the spread of Iranian Revolution.¹²³ The rising interest of Iran in the region was also the result of its security interests. Nagorno-Karabakh conflict was seen from the Iranian perspective as a direct threat for its security framework. First of all, conflict bears the threat of spill-over, second, the two states involved in the conflict are both neighbors of Iran and in case of escalation of the conflict Iran is the most likely to be stretched into it. More specifically, the fact of being a regional power that borders both Armenia and

¹²⁰ Minasyan, Sergey. "Nagorno-Karabakh after Two Decades of Conflict: Is Prolongation of Status Quo is Inevitable?" Yerevan, Caucasus Institute, (2010)

¹²¹ Cornell, Svante. "The Nagorno Karabakh Conflict"

¹²² Chitadze, Nika. "Geopolitical Interests of Iran in South Caucasus and Georgian-Iranian Relations". Journal of Social Sciences 1(2) (2012)

¹²³ Zarifian, Julien. "Iran and its Two Neighbors Armenia and Azerbaijan: Resuming Relationships under America's Suspicious Eyes". Iran and the Caucasus. (2009)

Azerbaijan and its vast Azeri population could become a factor of instability, consequently security threat concern for Iran.¹²⁴ It is worth noting, however, that since the conflict erupted into war in 1992 Iran to certain degree used the conflict to chase its foreign policy goals. By supporting Armenia, Azerbaijan tried to extend its influence on Azerbaijan. Thus, the Iran's interest in the involvement with the South Caucasian conflicts, especially Nagorno-Karabakh conflict, was driven by its national interests, dominated by security concerns.

From the discussion above it can be deduced that not always the peaceful settlement of conflicts is the most important item on the agenda of external actors. This is not to say that they are not interested in peace, they are, but most of the time settlement of the conflicts is called to serve their "other" interests. Namely, Russia tried to maintain and strengthen its strategic monopoly over the Caucasus, and it used its political levers in order to influence the course of conflicts in the region in a direction most compatible with its interests. The same happened with other key player as well. All these are obstacles that the EU has to take into account before involvement in the region in general, and in the process of the conflict resolution in particular. From that perspective, the EU needs to clearly identify its own interests and concerns in the region. Is it interested in peace promotion or it has energy and power related interests? How do its interests interlock with those of other external actors? These are the questions that need to be answered as the basis for its conflict resolution policy towards the regions' conflicts.

European Union

For unfolding the EU's interest in engagement with the South Caucasian conflicts discourse analyses will be conducted below. Through the discourse analyses of the Council Conclusions and European Parliament Resolutions on South Caucasian conflicts, the research aims to identify whether the EU's engagement with the conflict resolution policy in the South Caucasus is based on its peace promotion value or it is because of energy and power related

¹²⁴ Cornell, Svante. "The Nagorno Karabakh Conflict"

interests. Additionally, through the analyses it strives to identify whether the chosen descriptors are intertwined with the conflict resolution or not. Moreover, provided table of “cause/effect” seeks to disclose 1) is there a correlation between conflict resolution and specified descriptors? 2) is there a correlation between the conflict resolution and EU’s values/ norms (peace, liberty, democracy, human rights and rule of law), or it is about conflict resolution and EU’s interests (energy, economy/ trade, terrorism, organized crime). The justification and the explanation of the findings will be provided taking into account the political context of that particular period and the statements of the EU officials, since their words express what the EU interests, objectives and priorities are.

European Parliament Resolutions

Descriptors	Mean
Peace	4,25
Liberty	2
Democracy	6
Rule of law	4
Human rights	4,5
Energy	4,75
Economy/trade	4,3
Terrorism	2
Organized crime	2

Scrutiny of the European Parliament Resolutions on South Caucasian conflicts reveals the scale which induces democracy, rule of law, respect of human rights and peace promotion as the main priorities for the EU’s engagement with the conflict resolution process. “The principal objectives of the EU in the region are to encourage the development of the South Caucasus countries into open, peaceful, secure and stable states, able to contribute to good neighborly relations in the region and to regional stability and ready to share European values and to

develop institutional and legal interoperability among themselves and with the EU”.¹²⁵ In other words, the initial interest of the EU in the region is the promotion of democracy.

Scale deduced 4,75 mean for the energy. In order to have an insight and understand why the mean for energy is higher than the mean of peace, political context of that period have to be taken into account. The energy in EP resolutions claimed as the highest priority in 2010.¹²⁶ A year before, in 2009, January 7 Russia cut off delivering natural gas to Ukraine, causing shortages in more than 20 European countries.¹²⁷ This gave the EU sense of urgency to improve its energy security efforts and find ways for EU’s energy diversification. Immediately, after energy crisis Solana claimed that the EU will look at its “infrastructure needs, such as inter-connections between the EU member states, the building of LNG terminals and a Southern Gas Corridor towards the Caspian region”.¹²⁸ Thus, this event refers to the change of the priority which, however, should be discussed and explained taking into account the political context of the particular period.

European Parliament Resolutions

<u>Frequency</u>	<u>Cause</u>	<u>Intermediate variable</u>	<u>Effect</u>
2	<i>Frozen conflicts</i>		<i>No Economic and social development</i>
1	<i>Conflict resolution</i>	<i>Peace and stability in the region</i>	<i>Diversification of energy routes</i>
3	<i>Respect of human rights</i>		<i>Conflict resolution</i>
2	<i>Financial support/</i>	<i>Confidence building/</i>	<i>Conflict resolution</i>

¹²⁵ European Parliament Resolution. “A more effective EU policy for the South Caucasus: From Promises to Actions” 2007/2076 (INI) (2008):4

¹²⁶ European Parliament Resolution on the need for an EU strategy for the South Caucasus (2009/2216 (INI)) 20 May 2010

¹²⁷ Andres, Richard and Kofman, Michael “European Energy Security: Reducing Volatility of Ukraine-Russia Natural Gas Pricing Disputes”. Center for Strategic Research (2011)

¹²⁸ Interview of EU High Representative for Common Foreign and Security Policy Javier Solana to “Interfax” and “Novaya Gazeta” 12 February 2009

	<i>Economic cooperation</i>	<i>democratization process</i>	
1	<i>Trade and investment</i>	<i>Political stability and development</i>	<i>Energy supply</i>
4	<i>Functioning democracy (respect of human rights, rule of law, primacy of international law, economic reforms)</i>		<i>Conflict resolution</i>

Table uncovers the correlation between the norms and conflict resolution. More specifically, it can be deduced that most of the time the existence on functioning democracy as a whole and its elements (human rights, rule of law) in particular, is seen as a valuable precondition for resolution of the conflicts. Javier Solana states that “a vibrant democracy protects the rights of all individuals and groups which will be crucial in any conflict settlement”.¹²⁹ Therefore, it can be perceived that the EU by diffusion of its norms/values and promotion of them in the South Caucasus, wants through the “logic of appropriateness” bring the South Caucasian conflicts closer to resolution. Trade and investment are mentioned as incentives for democratic reforms and confidence building measures, which in its turn may led to the security of energy supply routes. Here, one should see the correlation of conflict resolution and EU interests. This correlation seems natural, since the energy supply pipelines pass through the instable South Caucasus. The inclusion of national interests in its conflict resolution policy is not unexpected, what is “interesting” is how the EU defines its’ interests. Javier Solana (2008) states

¹²⁹ Solana, Javier “The Role of the EU in Promoting and Consolidating Democracy in Europe’s East” Vilnius, 4 May 2006:3

that the concept of national interests has changed in globalized world, meaning, interests have become global. That is, the same energy security is not the peculiar interest of the EU.

Interest in energy security does not mean the abolition of values. The case is that in the EU values matter as much as interests, since the values are the core of the EU’s external actions and an expression of European collective identity. As Solana puts it “We promote them because of who we are, but also because it is our interest to do so”.¹³⁰ Consequently, this attitude justifies the EU approach abroad which is characterized by the primacy of international law, the search for consensual solutions and the commitment to democratize the institutions.

Council Conclusions

Descriptors	Mean
Peace	3
Liberty	0
Democracy	4,75
Human rights	4
Rule of law	
Energy	2
Economy/trade	4,75
Terrorism	0
Organized crime	0

As it can be deduced from the scale, along with democracy and the peace promotion, the economy also is mentioned as one of the priorities for the EU. In order to have an insight, one has to know that the economy became a priority because in 2009 EaP initiative was launched, which aims to enhance the EU relations with the Eastern ENP countries. The EaP has brought in particular a perspective of new enhanced bilateral framework agreements- Association Agreements – between the EU and its Eastern Neighbors. Association Agreements were designed to put significant emphasis on peaceful settlement of the conflicts and further strengthen of the EU’s conflict resolution capacity. In case of Armenia it would have been the

¹³⁰ Solana, Javier. “National Interests and European Foreign Policy” Berlin, Stiftung Wissenschaft und Politik. 7 October, (2008):2

inclusion of confidence-building measures into EU’s commitment to making substantial progress towards the resolution of the Nagorno-Karabakh conflict.

Council Conclusions

<u>Frequency</u>	<u>Cause</u>	<u>Intermediate variable</u>	<u>Effect</u>
1	<i>Financial Support</i>		<i>Peace and Security</i>
1	<i>Conflict resolution</i>		<i>Economic development</i> <i>Regional Cooperation</i> <i>Security of European</i> <i>Continent</i>
1	<i>Confidence building</i>		<i>Security and stability</i> <i>Democratic reforms</i> <i>Economic investment</i>

The analyses of Council Conclusions reveal almost the same picture as the analyses of EP resolutions. Financial support here also has seen as a precondition for the establishment of peace and stable environment. One should also pay attention to the fact that confidence building measures have been seen as a prerequisite for implementing democratic reforms, establishment of security and stability in the region. Thus, unlike the EP resolutions that see the confidence building as an intermediate variable, here it is seen as cause, that is, the region would be stable and secure, in case of trust and regional cooperation. It seems that both of the EU institutions are for use of “civilian power” in resolution of conflicts. Namely, democracy, trade, financial aid and investments have been perceived as incentives for the establishment of peace and security. Thus, the outcome of analyses confirm that the EU plays the role of Peace builder in the conflict resolution process.

Official statements by High Representatives of the Union for Foreign Affairs and Security

Policy Javier Solana and Catherine Ashton

Descriptor	Mean
Peace	6,4
Liberty	1,3
Democracy	2,4
Human rights	2
Energy	1,9
Economy	1,05
Terrorism	1,8
Organized crime	1,8

Both Javier Solana and Catherine Ashton in their speeches, interviews and official statements welcome the international interest towards the South Caucasian unresolved conflicts, however at the same time underline that the use of peaceful means of resolution is imperative. The EU stresses the importance of finding a peaceful settlement to the conflicts in the South Caucasus and calls for strong commitment by all concerned parties in this respect. From the EU's perspective, Catherine Ashton underlines the significant role that EU Special Representative for the South Caucasus plays, in particular in Georgina conflicts. As regards Nagorno Karabakh conflict EU continues to support the mediation efforts of the OSCE Minsk Group. Moreover, Catherine Ashton almost in all her speeches suggest the conflict parties and regional and international actors concerned about the conflict resolution to avoid actions and rhetoric that could raise tension in the region and lead to escalation of the conflict. High Representatives see the implementation of confidence building activities as the prerequisite facilitating further steps towards the establishment of peace in the region.

To conclude, international and regional actors have different interests with the engagement of South Caucasian conflicts. Occasionally, those interests coincide, like in the case of US and Turkey. For both of them the driving force for the engagement with the conflicts was energy (pipeline protection). Russia had its hegemonic and power related interests, while Iran

looked for security. The results of discourse analyses showed that the EU's interests differ. The EU's main concern is the creation of zone of peaceful and stable countries on its borders and through it contribute to conflict resolution. This peace building model may be a long term process of course, but this is the "European Way"¹³¹ of contributing to stable peace in the South Caucasus.

¹³¹ Solana, Javier. "Europe in the World" Kennedy School. Boston, 18 September 2009

Chapter 3

Theoretical Framework

The EU's conflict resolution policy and Liberal theories of International relations

There could be different theoretical explanations as to why the EU has become engaged with conflict resolution policy in the South Caucasus. Discourse analyses revealed that liberal theories of International Relations are the most useful in explaining the EU's engagement with the South Caucasian conflicts. Moreover, this thesis also acknowledges the significance of constructivist-oriented ideas that may serve as an umbrella for explanations of the liberal theories.

Liberalism is an ambitious ideology. Its core arguments are about two levels of individual liberty: freedom and fairness in the political and economic realms. There is a belief that this dual approach to individual autonomy will realize human potential and overcome inter-human conflict.¹³² Liberals believe, that it is the states' role to bring security, order and fairness and to guarantee social progress in the internal workings of the state.¹³³ However, to bring order and justice to the "outside" is much more difficult, but liberals assert that it is possible to "export" domestic liberty to the international arena to help bring conditions of inter-state peace.¹³⁴

Classical liberalism and liberal internationalism

Classical liberalism emerged from the coincidence of the Enlightenment, the industrial revolution and the 17th and 18th century political revolutions.¹³⁵ The beginning of modern Western philosophy derives from the Enlightenment, an 18th century "intellectual movement". During this period, major European and American philosophical developments occurred. In

¹³² Burchill, Scott. "Theories of International Relations" (2nd ed.) Basingstoke: Palgrave (2001):29

¹³³ Ibid

¹³⁴ Dunne, Tim. "Liberalism" in Baylis, John and Smith, Steve (eds.). *The Globalization of World politics: An Introduction to International Relations*. Oxford University Press. (2001):163

¹³⁵ Lamy, Steven. "Contemporary mainstream approaches: neo-realism and neo-liberalism" in Baylis, John and Smith, Steve (eds.). *The Globalization of World politics: An Introduction to International Relations*. Oxford University Press. (2001):188

particular was the “rights of man” and the individual’s struggle against the arbitrary rule of the state.¹³⁶

A leading contributor to liberalism was English philosopher John Locke. Locke provided the foundations for liberal individualism through a number of 17th century publication such as the *Two Treatises of Government*. Locke focused on the three essentials to individual rights: “life, liberty and estate”.¹³⁷ He provided a government of free individuals defending law and property. A contributing ideology is commercial liberalism, 18th and 19th century belief that the spread of markets, free trade and economic interdependence will create “human progress” (in case of this thesis peace and prosperity). Commercial liberalism has many advocates including Richard Cobden, John Stewart Mills and Immanuel Kant,¹³⁸ the latter whom laid the foundations for subsequent deliberation: liberal internationalism.

18th century philosopher Immanuel Kant proclaimed that humans in a “state on nature” are “rational autonomous agents” possessing moral goodness. By closely following traditional liberalism, Kant sought to bring the ideas of individual rights, free markets and democratic institutions together.¹³⁹ Complementing Kant became the 19th century work of Jeremy Bentham. He focused on the need for a common tribunal to mediate international disputes, but defied the need for a world government. Kant and Bentham, inspired by Scottish economist Adam Smith, led the liberal internationalist ideal during the Enlightenment. Smith’s moral philosophy suggested that individuals provide goodness to society through the “invisible hand”. However, progress in the domestic sphere was not realized in inter-state relation, which Smith regarded as “barbaric”. Kant and Bentham responded by stating that inter-state harmony is achievable through liberal internationalism, where “natural harmony” could deliver international freedom

¹³⁶Burchill, Scott. “Theories of International Relations”. (2001):41

¹³⁷ Baylis, John and Smith, Steve. “The globalization of World Politics: An introduction to international Relations”. New York: Oxford University Press. (1997):317-318

¹³⁸ Dunne, Tim. “Liberalism” (2001):165-166

¹³⁹ *ibid*

and justice, and thus made plans for the “coming peace”¹⁴⁰ The liberal internationalist vision of a confederation of republican states suggest that these states will act collectively- through economic and military means- to constrain or deter “illiberal” or non-conforming states. In this light, the proposition was for a league of nations to apply “natural and rational” international laws with universal authority at their core: these laws would replace powerful state actions.¹⁴¹ These mode of thoughts marks the beginning of the democratic peace thesis- peace among liberal republics and end to all wars.¹⁴²

A final classical liberalist is British diplomat Richard Cobden. Cobden, writing in the mid-19th century, argued that humankind’s problems are a result of state intervention in the natural liberal order. He suggested that individual liberty, free trade and interdependence will bring a peaceful and prosperous society as the “natural order”. Cobden’s pacifist stance opposed states’ use of “excessive, arbitrary power”, while suggesting that freedom could arise through the maintenance of peace, spreading commerce, education and diffusion powers.¹⁴³

Thus, classical liberalism, with a focus on Kant’s liberal internationalism, but also through the work of others like Locke and Cobden, helped lay the foundations for 20th century liberal thought. The liberal argument, that state behavior needs to center on self-restraint, compromise and peaceful coexistence are fundamental to create a peaceful and prosperous international order. Without doubt, classical liberal assumptions on self-restraint, compromise and peaceful coexistence amongst states has been realized particularly in the current international climate.

Liberal institutional theory argues that through institutional cooperation, by seeking mutual goals, inter-state harmony is possible. Finding common interests, especially among states

¹⁴⁰ McLean, Iain and McMillan, Alistair. “Oxford Concise Dictionary of Politics” (2nd ed). Oxford: Oxford University Press. (2003):289-290

¹⁴¹ Doyle, Michael and Ikenberry, John. *New Thinking in International Relations Theory*. Boulder, Colo: Westview Press (1997):19

¹⁴² Burchill, Scott. “Theories of International Relations” (2001):40

¹⁴³ Dunne, Tim. “Liberalism” (2001):179

with geographic proximity, inspired liberal thinkers. Trade and economic cooperation were seen as key developments to help ensure peace and prosperity.¹⁴⁴ Neoliberal institutionalism provides new wave of institutionalism.¹⁴⁵ Neoliberal institutionalism rejected state-centrism to suggest that international politics is no longer an exclusive area of states. The theory expanded upon institutionalism to explore how the forces of economic modernity- namely globalization, transnationalism and interdependence- affect the state. Interdependence, for example, means that national economies are closely tied into one another, creating a form of mutual dependence.¹⁴⁶

Prominent thinkers like Robert Keohane and Joseph Nye suggested that the prominence of diverse interests groups, transnational corporations and international organizations (especially IGOs) were having a huge impact on global politics.¹⁴⁷ Along with these arguments, the authors sought to explain why the states cooperate under anarchy. Like realists argue, anarchy remains constant, but alternative views suggest that interdependence and mutual interest have led states to a condition of cooperation and away from pursuing self-help strategies.¹⁴⁸ In a similar light, with specific focus on the role of IGOs as helping to facilitate cooperation, multilateral approaches to international problem solving are likely to increase.¹⁴⁹ Thus, the rise of the EU is clearly consistent with much of the neoliberal institutional theory as outlined. Moreover, with the end of the Cold War and the list of many liberal advancements, gives a powerful insight to current international order, especially vis-`a-vis the role of the EU as a peaceful institution.

With the Western liberal model at its core, neoliberal internationalism is regarded as “one of the big ideas” of the 1990s. The approach derives from Kant’s democratic peace thesis.¹⁵⁰ Fukuyama’s post-Cold War End of History publication claims that the liberal triumph over other

¹⁴⁴ Ibid, p.170

¹⁴⁵ Reus-Smit. “Constructivism” in Burchill, Scott (ed). *Theories of International Relations*. (2001):211-212

¹⁴⁶ Keohane and Nye “Power and Interdependence: World Politics in Transition”. Boston: Little and Brown (1977)

¹⁴⁷ Kegley and Wittkopf. “World Politics: trend and transformation” (10th ed.) Belmont, CA: Thomson Higher Education (2006):45

¹⁴⁸ Keohane, Nye And Hoffmann. “After the Cold War International institutions and State Strategies in Europe, 1989-1991”. Cambridge, Mass: Harvard University Press (1993):4

¹⁴⁹ Burchill, Scott. “Theories of International Relations” (2001):31

¹⁵⁰ Fukuyama(1989) in Dunne, Tim (2001)3-18

ideologies was because liberal states are more stable and passive and therefore, provides a disincentive for war as they recognize each other's legitimacy. Fukuyama's belief in the supremacy of the Western liberal-democratic model and the unchallenged theory of liberal capitalism, signals that the rest of the world will follow.¹⁵¹ Fukuyama restarted the neo-international theme by suggesting the need to export liberal values to all states.¹⁵² This leads to the question on what the best means are to export liberal values to "illiberal" states and to convert them into the "liberal zone of peace". A leading idea is the "dual-track" approach. Track one is defensive by seeking to uphold the liberal community by creating strong alliances with like-minded states. Track two is expansionist: to enlarge the liberal zone through a range of economic or diplomatic means. The EU follows this track in its policy towards the South Caucasian conflicts. Track two has three potential outcomes: aspiration, intervention or instigation. Aspiration is the hope that citizens of illiberal regimes will resist their government by demanding liberal reform. Intervention proposes the use of external force by liberal states if the population of the regime shows widespread disaffection with their government or when basic rights are abused. Instigation is a provision of liberal-directed peace-building and economic restructuring from the liberal to the illiberal zones. The main economic restructuring approach called conditionality is the use of soft power to promote Western (liberal) values as Western states provide economic benefits in return for the receiving states to reform and liberalize parts of their economy.¹⁵³

As described, a lead neoliberal internationalist theme is the expansion of democracy. Democratic promotion was incorporated into the Treaty of the European Union (TEU) in 1993.¹⁵⁴ Indeed, the framework of liberal theories helped to explain the very nature of the EU interests in engagement with the South Caucasian, that to "export" its domestic norms and values to the

¹⁵¹ Doyle (1999) in Dunne, Tim (2001):172

¹⁵² Cooper, Robert. "Hard Power, Soft Power and the Global Democracy" in Koenig-Archibugi (Ed.). In *American Power in the 21st Century*. (2004)

¹⁵³ Youngs, Richard. "The European Union and the Promotion of Democracy" Oxford; New York: Oxford University Press. (2001):1-3

¹⁵⁴ Cooper, Robert. "Hard Power, Soft Power and the Global Democracy"

international arena to help the conditions of peace to become a reality. However, a question raises: Where does that interest of “exporting” its liberal values come from? In order to answer this question, the thesis has to dwell on constructivist theory. Constructivists argue that understanding how non-material structures condition actors’ identities is important because identities inform interests and, in turn, actions. Rationalists believe that actors’ interests are exogenously determined, meaning that actors, be they individuals or states, encounter one another with a pre-existing set of preferences.¹⁵⁵ Neo-realists and neo-liberals are not interested in where such references come from, only in how actors pursue them strategically. Society- both domestic and international- is thus considered a strategic domain, a place in which previously constituted actors pursue their goals, a place that does not alter the nature or interests of those actors in any deep sense. Constructivists, on the other hand, argue that understanding how actors develop their interests is crucial to explaining a wide range of international political phenomenon that rationalists ignore. To explain interest formation constructivists focus on the social identities of individuals or states.¹⁵⁶ In Alexander Wendt’s words, “Identities are the basis of interests”¹⁵⁷

In order to be clearer, let the thesis to bring an analogy: being an “academic” gives a person certain interests, such as research and publication, likewise, being a liberal democracy today encourages an intolerance of authoritarian regimes and a preference for free-market capitalism. Thus having in its very creation the pacifist stance the EU criticizes the conflicts and has an interest in its peaceful resolution. The thesis will sum up this chapter with the quoting Javier Solana “The European Union started as a peace project among Europeans. Through enlargement we spread the zone of peace and stability. A big task for today and the future is to contribute to promoting peace and functioning politics around the world. It is 10 years since we started doing foreign and security policy in the European Union in a more serious way. Not everything is perfect. But we are making a difference where it matters. We are promoting peace and protecting

¹⁵⁵ Reus-Smit. “Constructivism”

¹⁵⁶ Ibid.

¹⁵⁷ Wendt (1992) in Reus-Smit. “Constructivism”

the vulnerable in the Balkans, Africa, the Middle East and elsewhere. More than 70,000 people, from soldiers to policemen to rule of law experts, have been deployed in more than 20 crisis management operations. These missions are important. They save lives. They bring stability. But these are also an expression of Europe's ambitions and identity. We do crisis management the European way."¹⁵⁸

¹⁵⁸ Solana, Javier "Europe in the world"

Conclusion

Twenty three years after the collapse of the Soviet Union, South Caucasian states still struggle with the conflicts - Abkhazia, South Ossetia and Nagorno-Karabakh - that erupted in the late 1980s and early 1990s. Due to their seemingly dormant condition and the failure of the parties to achieve a final settlement, these conflicts have been referred to as “frozen” conflicts. Despite the efforts of the Organization for Security and Cooperation in Europe (OSCE), the United Nations (UN), the European Union (EU) and other international and non-governmental organizations to peacefully handle the situation, Armenia, Azerbaijan and Georgia have not yet come up with a security framework that will satisfy all the three states. The EU’s engagement with the South Caucasian conflicts traces back to 1990s. Through various mechanisms and instrument the EU’s has tried to contribute to conflict resolution process. The thesis aimed to find out the reasoning behind the EU’s engagement in the conflicts. To return to research question: Is the EU acting in the South Caucasus through conflict resolution to promote peace democracy or it is circumvented by energy and power related interests?

The framework was divided into four distinct but interrelated chapters. The important task to draw links between each one was made in order to build the conclusion. Chapter one analyzed the EU’s engagement with the South Caucasian conflicts, trying mainly to answer the “how” question. That is, display the framework through which EU showed its commitment to South Caucasian conflicts. Moreover, mechanisms and incentives that have been used by the EU for contributing the conflicts also were under analyses. The aim was to get the in-depth understanding of how the EU acts in its neighborhood through conflict resolution. Additionally, EU’s actives analyzed under specific roles (mediator, peace builder, provider of confidence building measures and the role of aid was not underestimated). Thus, in order to pass to the second chapter and reveal the interests of EU’s engagement, before it was needed through discussing the implemented activities unfold the substance of the EU and come up with the

conclusion of what type of actor the EU is acting through South Caucasian conflicts and what kind of role it may play. Thus, chapter one revealed that the EU acts as civilian/ normative power, that is promotes its normative goals of peace and stability in South Caucasus through its civilian power, meaning, via humanitarian aid and technical assistance. Discussion showed that the EU cannot or is not willing to play a role of mediator; it is more intended to contribute to ongoing negotiations initiated by other international organizations (OSCE, UN). In contrast to this, it revealed that ongoing activities give an impetus to perceive the EU as a peace builder. Consequently, after getting the understanding of the EU's substance, incentives, mechanisms and implemented activities, it is time to understand and to answer to "why?" question. Second chapter before uncovering the EU's interests in conflict resolution process, based on the discussion of the secondary literature finds out the interests of other regional and international actors. It was done in order 1) to get the perception about the South Caucasus security complex, 2) to see whether the EU's interests overlap with one of those others. The outcome of the discourse analyses showed that the EU's main interest in engagement with the South Caucasian conflicts is peace and democracy promotion. As far as the EU wants to have secure, stable and prosperous neighbors, it through diffusion of its norms (democracy, human rights, rule of law), aims to resolve the South Caucasian conflicts. Since only with the establishment of peace would be possible to boost the progress of the region. This discovery led the research to the third chapter, which analyses the issue through the lenses of Liberal theories. However, the research also recognized the importance of the constructivist theory which explains that particular interests come from the particular identity. Thus, it is the EU's identity that pushed it to get engaged with the South Caucasian conflicts and through liberal values contribute to the peaceful resolution of the conflicts. Thus, this analyses enable the research to accept **H1** (Peace promotion is the EU's interest for the engagement with South Caucasian conflicts) and to reject **H2** (The EU acts in the South Caucasus through conflict resolution because of its energy and power related interests)

since the EU's interest in engagement with the South Caucasian conflicts is peace and democracy promotion.

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