

Elections and the European Neighbourhood Policy in Armenia

Kimana Zulueta-Fülscher,
Researcher
Democratisation Programme, FRIDE

After the Armenian presidential elections on 19 February 2008, the opposition organised mass demonstrations against the government, accusing it of rigging the vote. Violence on 1 March in which 10 people were killed led the outgoing President, Robert Kocharian, to declare a national state of emergency. Kocharian's ally, Prime Minister Sergh Sarkisian, was then proclaimed President. Despite Armenia having become a partner state within the European Neighbourhood Policy (ENP), the EU's reaction to these political machinations was weak. This essay assesses the shortcomings of the EU's commitment to democracy in this often overlooked ENP partner.

The uncertain road from the elections to democracy

The presidential elections have confirmed that the country's progress in democratisation is fragile.¹ The relative optimism felt within the EU on account of the formal and legal advances made by Armenia in line with the European Neighbourhood Policy "road map"² has been dampened by the events which took place before, during and, above all, after the recent elections. It has been made abundantly clear that the instability which arises as a result of a country's transition to democracy can in turn lead to severe repression or violence which cannot easily be contained by the forces of law and order.³ Only a greater commitment to democratic values, from both government and the relevant elements of civil society, can lead to any improvement in this situation.

The OSCE (Organisation for Security & Cooperation in Europe) and the European Council considered the parliamentary elections held in May 2007 to have shown progress in comparison to previous elections. According to the preliminary report subsequent to the vote, the elections had, broadly speaking, been held in line with international standards.⁴ This amounted to a public relations coup for the governing party and the country's President, the legitimacy of both receiving a significant boost. In any event, the Armenian parliament enjoys only limited power, as is the case in almost all of the (presidential) republics of the former Soviet Union, when compared to the office of President (consequently, "free and fair" parliamentary elections are

¹ See also "Implementation of the European Neighbourhood Policy in 2007: Progress Report Armenia", Brussels, 3rd of April 2008, SEC(2008)392

² Michael Emerson, Germana Noutcheva & Nicu Popescu, classified Armenia as one of the "willing" states, in contrast to "passive" states such as Azerbaijan, Lebanon or Egypt. See "European Neighbourhood Policy Two Years On: Time indeed for an 'ENP plus'", CEPS Policy Brief, No. 126, March 2007, p. 10

³ See news published on Eurasianet.org, from February 20th until April 2008

⁴ See "Armenian party of power wins parliamentary elections", in Eurasia Daily Monitor, Vol. 4, no. 96, 16th of May 2007; and also "Armenia backs pro-presidential parties", in The New York Times, 20th of May 2007. Also see the "Statement of preliminary findings and conclusions", 13th of May 2007, in http://www.osce.org/documents/html/pdftohtml/24424_en.pdf.html.

no guarantee that presidential elections will enjoy the same fate). Coercion, threats and even kidnapping and beatings of opposition supporters and sympathisers were the order of the day during the presidential elections.

In the September 2007 elections, no serious rival was expected to challenge the then Prime Minister Sergh Sarkisian, who would go on to succeed President Robert Kocharian. (Both are members of the majority Republican Party in the parliament, the latter having already served both of the five-year terms the Armenian Constitution allows). In October of that same year, however, former President Levon Ter Petrossian decided to stand as a candidate. He had led the country after independence from the former Soviet Union (1991), and in the war against Azerbaijan over the disputed territory of Nagorno Karabakh (1988-1994). The politician was forced to resign in 1998 on account of a deep economic recession and, above all, his willingness to negotiate the status of Nagorno Karabakh with Azerbaijan, something which earned him the tag of traitor.⁵ Here was a candidate - leaning more to the West than to Russia - who seemed to have a real chance of winning the Armenian presidential elections. Yet the outcome of the vote, partially vouchsafed by the OSCE and the EU in its preliminary report, attributed a mere 20.5 percent of the vote to him, compared to the 52.8 percent which Sarkisian obtained, making a second round of voting unnecessary. In that first report, the OSCE noted that the elections had, in the main, complied with OSCE and Council of Europe standards. Despite great efforts by the administration, certain improvements were still required, however.⁶

It is curious that the post-electoral observer de-briefing took place some days after the official declaration by the ODIHR and the EU. In fact, many of the complaints made by the observers in this meeting were subsequently included by the OSCE through the ODIHR (Office for Democratic Institutions & Human Rights), in the Post-Electoral Report of 7 March 2008 and the Final Report of 30 May 2008. These made reference to a series of procedural shortcomings in both the recount and in the post-electoral complaints procedures which put the legitimacy of the elections in doubt.⁷ It would perhaps be preferable if the ODIHR and the EU held back from making formal declarations in future elections until all the available evidence had been collected. That would avoid, at least in part, a country's government and opposition forces making a political reading of the declaration.

The demonstrations,⁸ led by Levon Ter Petrossian, which took place following the elections, led to ten fatalities, with one member of the security forces and nine civilians losing their lives. This was followed by a massive wave of arrests of opposition supporters and representatives of Ter Petrosian, and even the suspension of many foreign service diplomats from their posts in other countries.⁹ On 1 March, in the wake of this eruption of violence, a national state of emergency was declared which lasted until the 21 March and the country was subject to an information blackout. And so what might have been relatively free and fair elections, like those recently held in Serbia where the pro-European candidate won, instead became a Russian-style succession between President and Prime Minister, with democratic packaging being applied to quite unconvincing effect.

⁵ Both men formed part of the highest echelons of power in Nagorno-Karabakh until they became part of the Armenian government. Both were born in NK, and defend a hard line with respect to the Azeri territory with its majority Armenian population.

⁶ "Statement of Preliminary Findings and Conclusions on the 19 February 2008 Presidential Elections in Armenia", http://www.osce.org/documents/html/pdftohtml/29775_en.pdf.html.

⁷ "Post-Electoral Interim Report on the 19 February 2008 Presidential Elections in Armenia", http://www.osce.org/documents/html/pdftohtml/30090_en.pdf.html. See also Final Report: http://www.osce.org/documents/odihr/2008/05/31397_en.pdf

⁸ This is the European Parliament's description in its Resolution of March 13th 2008, P6_TA-PROV(2008)0104.

⁹ See Iskanian, Armine, "Democracy contested: Armenia's fifth presidential elections?" 4th of March 2008, in www.opendemocracy.net.

The European Neighbourhood Policy and conditionality

Obviously these elections ought to be a source of concern for Brussels and its Neighbourhood Policy. At the time of writing, complaints are piling up as the Armenian authorities continue to arrest and lock up political opponents who have voiced opposition to the government. The European Union, through the European Parliament and the Parliamentary Assembly of the Council of Europe, has made its concern clear, and has urged all political prisoners who have not taken part in violent acts to be released, as well as calling on the government to sit down at the negotiating table with opposition leaders.¹⁰

However, these events have not led to the European Union reconsidering its aid to Armenia. As has been noted within the Commission,¹¹ the Millennium Development Funds which Armenia receives from the USA are subject to compliance with a series of conditions, whilst EU funds are targeted at fulfilling the conditions themselves, and so are not linked beforehand.

In the annual report regarding the implementation of the European Neighbourhood Policy (or ENP) Action Plan for Armenia, published in April 2008, a distinction was made between the implementation of the plan and the political and economic situation the country finds itself in. In the report, attention is drawn to the fact that although the situation looks bad and improvements are hard to discern, progress on the ground is still being made. According to the report, progress has been made in reform of the judiciary, the running of elections and the Ombudsman Institution. It goes on to note, however, that adopted legislation has still to be implemented and that there is still room for improvement on human rights issues.

Whilst the report supposedly evaluates progress from November 2006 until December 2007, it would seem that despite the positive results of the parliamentary elections of February 2008, the presidential elections have dashed hopes that Armenia was on course for a transition to fully fledged democracy. To quote the report: "Reforms led to improvement of the legislative framework regarding inter alia the separation of powers..., the independence of the judiciary, the Human Rights Defender (HRD) and freedom of the media".

Events during the electoral period have shown that the separation of powers is not as real as it may seem on paper, because the executive dominates the legislative and judiciary, and besides, civil society observes the workings of the judicial system with distrust. As for freedom of the press, it was drastically curtailed in the run-up to the election and especially during the state of emergency which followed. Similarly, despite the availability of other media in the country, television is the way most people consume information and is guilty of bias in favour of the government. Finally, in spite of the efforts and diligence of the HRD, arrests of political opponents have continued unchecked since the elections.¹²

According to a report by the Open Society Institute (OSI), the Action Plan is weak in terms of conditionality. The report mentions that although countries are obliged to carry out their commitments and move towards Western political and economic models, no clear blueprint is provided as to what improvements are required and how to go about putting them in place. Nor are there legal sanctions to address non-implementation of the commitments contained in the ENP Action Plan. Non-implementation would lead to political consequences (with respect to the general relation) and/or financial ramifications (with respect to the aid packages for specific policy areas), though to date no sanctions of any kind have been imposed by the Commission or the Council of Europe. In addition, the incentives for reform are limited for countries in the

¹⁰ See, for example, European Parliament Resolution on Armenia, March 13th 2008, P6_TA-PROV(2008)0104, and also "Declaration by the Presidency on behalf of the EU on the situation after the Presidential elections in Armenia on 1st March 2008", 4th of March 2008, http://www.eu2008.si/en/News_and_Documents/CFSP_Statements/March/0403MZZ_Armenia.html.

¹¹ Interview in the European Commission 18th of April 2008.

¹² See Commission Staff Working Document: "Implementation of the European Neighbourhood Policy in 2007, Progress Report Armenia", Brussels, 3rd of April 2008, SEC(2008)392.

European Neighbourhood Policy because the action plans lack an accession perspective. The price to pay for complete alignment with the EU model of government may seem too costly for some regimes when compared to the benefits it brings.¹³ It should also be taken into account that Russia is involved in these states, defending them and representing them, not to mention maintaining them. Why change the model?

European promotion of democracy and human rights

The Partnership and Cooperation Agreement (PCA) that was concluded in 1996 and came into force in 1999 constitutes the legal basis for relations between the EU and Armenia.¹⁴ This agreement is based on respect for democracy, the principles of international law, human rights and the fundamentals of the market economy. In the General Affairs Council held in February 2001, the EU confirmed its desire to play a more active role in the South Caucasus and its intention to find ways of supporting efforts geared towards conflict prevention and resolution in the region. In July 2003, Ambassador Heikki Talvitie was named by the Council of the EU as Special Representative for the South Caucasus,¹⁵ being succeeded by Peter Semneby in February 2006.

The European Instrument for Democracy and Human Rights (EIDHR) has promoted its activities by supporting NGOs in Armenia since 2003, with the goal of promoting and protecting human rights and democratisation along with conflict prevention and resolution. In theory this instrument is not dependant on the bilateral relations between the Armenian government and the EU. Given that it directly finances organisations within Armenian civil society, critics argue that programmes and projects are often limited in scope, either as a result of self-limitation or unofficial control by the government, however.

In June 2004, Armenia was made part of the European Neighbourhood Policy. And on 14 November 2006 the EU/Armenia Action Plan¹⁶ was agreed which served to establish the agenda and the reference points for advancing relations between the EU and Armenia (as well as Georgia and Azerbaijan, with Action Plans being signed for both countries). In these Action Plans, the need for the democratisation of the Armenian political system was stressed (without mention of future elections to be held after the date of the agreement). This fact is important because the EU was previously unaware of election rigging in Armenia, not to mention the lack of press freedom and other issues.¹⁷

The disheartening news is that nobody knows the details of the ENP or the Action Plans. Civil servants, members of parliament, civil society and the media at large all remain in the dark.¹⁸ A more aggressive and consistent PR campaign by the EU in line with its interests in the country and the region, if not a reconsideration of those interests, could prove beneficial. In addition, there seems to be a marked divergence between the government's perception of the need to keep up good relations with the EU and the relative indifference of Armenian civil society in the same regard. This is not necessarily a bad state of affairs. The crucial question is whether Armenia is in fact moving towards the EU or if, on the contrary, it is merely posturing and paying

¹³ See Emerson, M., Noutcheva, G., y Popescu, N., "European Neighbourhood Policy Two Years on: Time indeed of an 'ENP plus'", in CEPS Policy Brief, No. 126, March 2007, p. 6.

¹⁴ See "Partnership and Cooperation Agreement, The European Union and the Republic of Armenia", http://64.233.183.104/search?q=cache:SOuzqBT8rpEJ:ec.europa.eu/external_relations/ceeca/pca/pca_armenia.pdf+Partnership+and+Cooperation+Agreement+Armenia&hl=es&ct=cln&cd=1&gl=es&client=firefox-a.

¹⁵ Commission staff working paper, Annex 10, "European Neighbourhood Policy", Country Report: Armenia, [COM(2005) 72 final], Brussels, 2.3.2005, SEC(2005) 285/3.

¹⁶ "EU/Armenia Action Plan", http://www.armeniaforeignministry.com/perspectives/061114_armenia_enp_ap_final_en.pdf

¹⁷ It is also worth mentioning the order of priorities of the Action Plans for Armenia (8 priorities) & Azerbaijan. Whilst the first priority in the Azeri Plan is to "contribute to a peaceful solution of the Nagorno-Karabakh conflict", in the case of Armenia it is its seventh priority, the first being the "strengthening of democratic structures, of the rule of law, including reform of the judiciary and combat of fraud and corruption". See the Action Plans of the European Neighbourhood Policy for Armenia & Azerbaijan at: http://ec.europa.eu/world/enp/documents_en.htm#2

¹⁸ See Freizer, Sabine (Director of the Caucasus Project of the International Crisis Group), "Responding to South Caucasus conflicts in the European neighbourhood", European Parliament, Committee of Foreign Affairs, View of the South Caucuses, 22nd of February 2006.

lip service to the idea of change in the hope of persuading the EU its intent is real.

Aid to democracy and human rights

There are three EU instruments which serve to promote democracy and human rights. These are the European Neighbourhood and Partnership Instrument (ENPI), the EIDHR (European Instrument for Democracy and Human Rights) and the so-called "Governance Facility" which, in the context of the European Neighbourhood Policy, offers an annual prize of €50 million for positive democratisation and human rights reforms.¹⁹ After the government crackdown on opposition rallies in the aftermath of the elections, it was decided that Armenia was not eligible for the prize.

The main donors to Armenia besides the European Community are the World Bank, the UNDP, USAID, EBRD, and individual countries within the EU such as France, Germany, Italy and Greece.²⁰ In total, Armenia has received the following funds from Official Development Assistance (ODA):

Year	Amount in \$ millions
2000	216
2001	198
2002	293
2003	249
2004	254
2005	193
2006	213

¹⁹This is the so-called "governance facility" instrument, with which the European Commission aims to target a total of €300 million during the period 2007-2013, to members of the ENP which have made the most significant progress in the implementation of the governance priorities of their respective Action Plans. See Barbé, E. & Johansson-Nogués, E., "The EU as a modest 'force for good': the European Neighbourhood Policy", in *International Affairs*, No. 84:1, 2008, p. 87. Also see the speech "Remarks on Democracy promotion", by Benita Ferrero-Waldner, in the conference "Promotion of Democracy: the European Way", Brussels, 7th of December 2006. Ukraine and Morocco were beneficiaries of this aid in 2007.

²⁰ See "European Neighbourhood and partnership instrument", Armenia, Country Strategy Paper, 2007-2013, p. 15

As can be seen in the following table, Official Development Assistance from the majority of EU member states (along with Norway) is always less than the ODA of the USA, with the exception of the year 2005.²¹

Donor country	1999	2000	2001	2002	2003	2004	2005	2006
Austria	0.29	0.58	1.57	2.3	3.06	3.38	1.73	0.36
Belgium	..	..	..	..	..	0.13	0.29	0.95
Denmark	0.43	0.14	0.25	0.22	0.41	0.06	0.16	0.94
Spain	0.06	0.04	0.11	0.45	0.08	1.42	0.39	0.29
Finland	0.2	0.09	..	0.01	..	..	0.07	0.25
France	2.04	2.53	4.12	3.84	3.03	4	25.19	14.11
Germany	6.86	8.92	16.8	19.94	13.92	18.72	29.98	16.65
Greece	2.19	3.26	1.58	2.37	2.86	2	1.98	1.47
Ireland	..	..	..	0.08	0.12	0.06	0.2	0.25
Italy	0.77	0.36	0.9	0.31	1.55	0.17	1.24	0.05
The Netherlands	5.23	4.7	7.86	7.18	9.91	9.22	11.64	8.49
Norway	2.35	2.11	2.43	3.28	3.35	3.34	5.18	5.22
Sweden	0.29	0.71	0.86	1.05	1.61	2.32	1.57	2.32
United Kingdom	1.33	2.75	2.38	1.67	3.15	6.56	6.22	8.39
Total	22.04	26.19	38.86	42.7	43.05	51.38	85.84	59.74
United States	47.9	103.06	77.95	114.3	74.19	73.14	53.26	64.88

The amounts donated by European Union member states for democracy promotion, good governance and human rights are more difficult to establish and quantify. For example, in 2006 Sweden spent (in ODA and other expenses) €490,152 in Armenia in this budgetary line from a total of €1,792,117. In the case of Georgia, meanwhile, the amount came to €3,356,318 from €7,369,522, and in the case of Azerbaijan, it was €214,490 from €453,558. Germany is one of the few donors which dedicated more to democracy and strengthening civil society in Armenia (€6.5 million in 2005, and €4 million in 2006) than in Azerbaijan (€1.8 million in 2005, and €1.7 million in 2006) or, even more surprisingly, Georgia (€2.7 million in 2005, and €1.8 million in 2006). In 2007, however, Armenia no longer appeared in this budget line.

The EU's financial support to Armenia is principally based on the European Neighbourhood Partnership Instrument adopted at the end of 2006 (ENPI),²² which replaces the MEDA and TACIS programmes,²³ as their budgets have been steadily exhausted since 2007. For the period from 2007-2010, ENPI aid will provide €92 million for Azerbaijan, €98.4 million for Armenia, and €120 million for Georgia. In the case of Armenia, the areas where this bilateral aid will be centered are the strengthening of democratic structures and good governance (€29.52 million), regulatory reform of administrative capacity development (€29.52 million), and efforts towards poverty reduction (€39.36 million).²⁴ The country strategy of this instrument covers the period from 2007 through until 2013. Besides this, Armenia will also benefit from the regional ENPI

²¹ Figures taken from the statistics page of the OCDE, in \$ millions, <http://stats.oecd.org/wbos/Index.aspx?usercontext=sourceoecd>.

²² "Europe's neighbourhood policy: a first step towards Armenia's European integration?", www.insideeurope.org. See also: <http://ec.europa.eu/europeaid/where/neighbourhood/country-cooperation/Armenia>.

²³ The TACIS programme is the Technical Aid to the Commonwealth of Independent States, http://ec.europa.eu/external_relations/ceeca/tacis/index.htm, and MEDA refers to a Financial Instrument for the Implementation of the Euro-Mediterranean Partnership http://ec.europa.eu/external_relations/euromed/meda.htm.

²⁴ See "European Neighbourhood and partnership instrument", Armenia, National Indicative Programme 2007-2010, p. 4.

²⁵ See "European Neighbourhood and partnership instrument", Armenia, Country Strategy Paper, 2007-2013, p. 4.

programme and the Black Sea Programme (CBC).²⁵

Other EU aid programmes for Armenia are shown in the table below:

EC Programme	Amount envisaged
TACIS 2002-2009	€65,764,764
TACIS-REG 2002-2010	€20,698,000
ENP 2007-2010	€98,400,000
FOOD SEC 2002-2007	€33,086,000
NGO co-financing 2004-2009	€23,850,45
EIDHR 2004-2009	€2,561,438

Between 1991 and 2004, the European Community directed more than €1.2 billion in aid to the three countries of the South Caucasus, roughly €400 million going to each.²⁶ The Twinning²⁷ and TAIEX²⁸ programmes contribute especially to areas of regulatory reform and administrative capacity development, and also to supporting the ENP. In addition, Armenia is eligible for the regional programmes the EU implements in the South Caucasus. However, it does not receive funds through the Stability Instrument, which could be targeted at the Nagorno-Karabakh conflict, or from the Instrument for Humanitarian Aid, which is only employed in sporadic emergency situations.

The EIDHR is different to other donor funds principally because donations are made to non-governmental organisations and CSOs which protect and/or promote human rights and democracy on the ground. The approval or implication of the authorities of the country in question are not required. The EIDHR is an instrument which complements those programmes carried out *with* local governments, such as CARDS, TACIS, MEDA, ALA, EDF, etc.²⁹ This programme is not part of the ENP, but instead works independently under the auspices of the Commission. The EIDHR donated a total of €500,000 to Armenia for micro-projects in the period from 2001-2004, whilst in the same period Georgia received €1,935,000. The amount of EIDHR funds for the years 2005 and 2006 in Armenia was €1,557,299, of which €1,091,006 was targeted exclusively at fostering human rights and democracy, out of a total of €207 million. The total budget for the period 2007-2013 reaches €1.104 billion. In the period 2000-2006, Eastern Europe and the South Caucasus received €47,842,180 in total aid from EIDHR. EIDHR and ENPI can choose to act in tandem or not.

²⁶ "Troika visit to South Caucasus 4-6 February: Ferrero-Waldner to open full-fledged EC Delegation in Armenia and Azerbaijan", IP/08/172, 1st of February 2008.

²⁷ Twinning is an instrument of the "tool box for enlargement", which allows civil servants from member states of the EU (central or regional) to work with their counterparts in the administration of another member state and the implementation of EU acquis in a particular industry.

²⁸ TAIEX is an instrument which aims to provide political and legal advice in the context of legislative alignment EU acquis, usually by means of sending an expert from one EU member state to help in a ministry or local government in a partner state with a specific reform task.

²⁹ European Initiative for Democracy and Human Rights (EIDHR), Programming for 2005 and 2006, p. 5.

Important factors in the situation in Armenia

In spite of the efforts to lead the country to full democracy, Armenia is caught in a highly complicated geo-strategic situation. The two main factors which affect its democratisation process are its dependence/relationship with Russia and the “frozen conflict” of Nagorno-Karabakh (NK). Both factors are inter-related. Its foreign policy, based on “multidirectional complementarity” may be an additional obstacle, because stagnation in resolving the NK conflict prevents regional cooperation in the South Caucasus. The situation is further complicated by Armenia’s desire to maintain good relations with Russia, the USA and Iran. Despite the USA being the major donor in per capita donations, its aid could shrink due to Armenia’s relations with Iran. And Armenia’s sluggish progress along the path towards “Western values”, and its dalliance with Russia, may also contribute to a reduction in US aid, as seems to have been confirmed by the aftermath of the recent presidential elections.³⁰

After the war over NK, an area populated mostly by Armenians and situated within Azerbaijan, two of Armenia’s borders were closed - to the east with Azerbaijan, and to the west with Turkey. This left Armenia with only the small southern border with Iran, and the northern boundary with Georgia, which is its only land route to Russia, providing overland access to the outside. Russia’s stormy relations with Georgia, its control of Armenia’s scant energy resources, and its lack of will to resolve the conflict in NK (in order to prevent the region developing in a way which might not be in its interests), only prolong this unsustainable situation.

Armenia currently occupies NK and the surrounding land which separates it from the enclave. Democratisation is cited by some as the reason or excuse why a definitive solution to Armenia and Azerbaijan’s “fragile peace” is not found. Others meanwhile regard it as a goal that will be achieved only as a result of stabilising relations between the two countries. The EU could have a crucial part to play in the resolution of this conflict, but it would have to get involved in a more serious and long-term way in the volatile South Caucasus region, not to mention embroiling itself in a geo-strategic conflict with Russia. Azerbaijan is quickly re-arming thanks to the money which its energy exports are bringing in, whilst Armenia is doing the same at a much slower pace. Another war between the two countries could deal a fatal blow to one of Europe’s energy policy options.³¹

Both the EU and Russia require stability in the region. Yet the European Union, with the exception of its united support of the Minsk Group,³² is not seriously seeking a resolution of the conflict in NK. Perhaps it might think about reducing direct support for the Nagorno-Karabakh authorities and increasing aid directed at the enclave’s civil society.³³ Investing in national and, above all, regional projects which involve both countries, along with a profound restructuring and promotion of free trade between the EU and actors in the region, would be positive steps. Along with financial cooperation, preventing Azeri misgivings is important in order to spur development projects in the region, above all in NK. Perhaps a multinational force (including Russia) could even be deployed to observe and lead the transition. The latter option was already agreed on during the last attempt to resolve the conflict. Lastly and most importantly, a serious debate about the options available to resolve the conflict should be initiated. These include (a) supporting a government also backed by Russia, which would seem to make a resolution difficult;

³⁰ Blagov, Sergei, “Armenia seeks stronger ties with Russia”, Eurasia Insight, 27th of March 2008, <http://www.eurasianet.org/departments/insight/articles/eav032708a.shtml>.

³¹ On the dangers of Azerbaijan rearming in relation to its gas and petrol output, see the International Crisis Group report, No. 187, of November 14th 2007, entitled “Nagorno-Karabakh: risking war”, at <http://www.crisisgroup.org/home/index.cfm?id=5157&l=1>.

³² Group created by the OSCE EU acquis in 1992 to negotiate peace between Armenia and Azerbaijan in relation to the conflict over Nagorno-Karabakh. The group is co-chaired by France, the USA & Russia.

³³ According to Tigran Mkrtchyan, Executive Director of the Armenian International Policy Research Group (AIPRG), a resolution of the NK conflict requires the democratisation of the enclave. The widening of aid to Armenia and Azerbaijan and NK could have political relevance in the short term, but it could also be part of the long-term solution. For the time being, however, it looks as if policy is targeted at the recognised states in the region: Azerbaijan, Armenia and Georgia, and not at their *de facto* independent states. See Mkrtchyan, Tigran., “Democratization and the Conflict of Nagorno-Karabakh”, in Turkish Policy Quarterly, Autumn 2007, <http://www.turkishpolicy.com/images/stories/2007-03-caucasus/TPQ2007-3->

or (b) supporting a pro-Western government with the consequential alienation of Russia.

If the EU considers peace and stability in the Caucasus to be of real interest, then it ought to implicate itself a great deal more, putting more emphasis on conflict prevention in its Action Plans. Besides this, it also has to take a more active role in the Minsk Group, supporting and augmenting its mandate.³⁴ The establishment of the Neighbourhood Policy supposedly indicates a mutual interest in stability, security and wellbeing, and these are indeed the terms mentioned in the European Security Strategy. And yet, is there a real willingness within the EU to confront Russia over Armenia and a resolution to NK, even if it means flying in the face of its own cooperation policy with the energy giant? Does the EU understand that a resolution of the conflict in NK would favour a real regional policy, allowing for some of the ties with Russia to be broken and benefitting democratisation in the three states of the South Caucasus?

Conclusion

There seem to be certain overarching or geo-strategic reasons why the European Union is inclined to be somewhat lenient with respect to the shaky democratisation process in Armenia.

First of all, we must presume the Armenian government knows perfectly well what steps are required to move towards democracy, as the formal reforms it has carried out amply demonstrate this. However, the lack of EU incentives combines with a difficult geo-strategic situation and an almost total dependence (or friendship depending on how one interprets it) on Russia, both economic and political. Russia has always been the security guarantor of Armenia's existence.

Secondly, this political dependence on Russia is unmistakably reflected in its total support of the current Armenian government. Considering the hard line adopted by the Armenian government with respect to NK, and the lack of any kind of will on the part of the Kremlin to resolve the conflict, despite forming part of the Minsk Group, one can see two sides of the same coin. There are two reasons why Russia doesn't want to resolve the conflict in the enclave; the consequent regional alliances that might develop as a result, along with the knock-on effect of the loss of its last bastion in the South Caucasus. For the Armenian government, it could lead to a loss of relative power, even if only temporarily.

From the European perspective, Armenia is a small and mountainous country in a highly volatile part of the world with scarcely any energy resources. Despite Armenia providing a cheaper transit route for energy resources, the price that Europe would have to pay in the shape of potential ill-will in Azerbaijan, Russia and even Georgia – which would lose its role of protagonist vis-a-vis the West – means it is not a viable option.

Besides all of this, if we look at the total development aid from EU member states and compare it to the ODA the USA dedicates to Armenia, we can see its relative importance for donor countries. In any event, member states can excuse their lack of commitment on the grounds that bilateral relations with the South Caucasus region and Armenia itself are, in the main, a job for the EU. And yet, on the other hand, the amount of EU aid relative to ENP is only loosely linked to the promotion of democracy. The incentive to fully embrace democracy, therefore, is manifestly weak.

³⁴ See Freizer, Sabine (Director on the Caucus International Crisis Group), "Responding to South Caucasus conflicts in the European neighbourhood", European Parliament, Committee of Foreign Affairs, View on the South Caucasus, 22nd of February 2006.

FRIDE's Comments provide a brief and concise analysis of current topics in international affairs in the fields of peace and security, democratisation, human rights, and humanitarian action and development. Further information about FRIDE, as well as its publications can be found at www.fride.org

The views expressed by the authors of the documents published on this website do not necessarily reflect the opinion of FRIDE.
If you have any comments on the articles or any other suggestions, please email us at comments@fride.org

Fundación para las Relaciones Internacionales y el Diálogo Exterior
C/ Goya, 5-7 pasaje 2ª - 28001 Madrid - Telf: 91 244 47 40 - Fax: 91 244 47 41 - E-mail : fride@fride.org
www.fride.org