Armenia and Azerbaijan on the brink of war

Armenia and Azerbaijan are bitterly opposed over Nagorno-Karabakh, an Armenian-backed separatist territory that international law recognises as part of Azerbaijan. The fighting, which began in September 2020, is the worst since 1994, when a ceasefire ended a two-year bloody war. With Turkey openly backing Azerbaijan, there are fears that this could trigger conflict with Russia, Armenia’s main ally.

Historical background

Tensions between Armenia and Azerbaijan have mostly concerned Nagorno-Karabakh, a mountainous region inhabited by ethnic Armenians but recognised under international law as belonging to Azerbaijan. Part of Russia since the 19th century, Nagorno-Karabakh was incorporated by the Soviet Union into Azerbaijan in 1923. Under Soviet rule, tensions were mostly subdued, but as repression eased under Mikhail Gorbachev in the 1980s, Karabakh Armenians became increasingly resentful of what they saw as forced ‘Azerification’ of the region. This led to protests and, in 1988, demands for unification with Armenia. Clashes between Karabakh Armenians and Azerbaijanis became increasingly violent. In 1990, Armenia declared independence from the Soviet Union, followed by Azerbaijan one year later, leading Nagorno-Karabakh in turn to secede from Azerbaijan. The result was a bloody war that lasted two years, killed between 20 000 and 30 000 people and displaced around one million more from their homes. By the time a Russian-mediated ceasefire took hold in May 1994, Karabakh forces backed by Armenia had repelled Azerbaijan’s much larger army from most of the territory, as well as capturing adjacent areas of Azerbaijan. Together with Nagorno-Karabakh, these areas amount to around one-sixth of Azerbaijani territory outside Baku’s control.

A frozen conflict

The situation since 1994 has been more or less frozen, periodically heating up due to border clashes. Armenia has not recognised Nagorno-Karabakh’s independence, but it provides the province – which it refers to as Artsakh – with military and economic support, contributing half of its budget. The Minsk Group, which was set up by the Organization for Security and Co-operation in Europe (OSCE) in 1992 to mediate between the two sides and is co-chaired by France, Russia and the United States, has not managed to find a political settlement. In 2007, it presented the six Madrid principles, revised in 2009, as a basis for negotiations. The main elements of these are: a guaranteed interim status for the region, pending a legally binding referendum on its final status; the return of all occupied territories outside Nagorno-Karabakh to Azerbaijani control, with the exception of a corridor connecting to Armenia; and the right of all displaced persons to return to their former places of residence. However, Armenia and Azerbaijan have not been able to agree on these principles, or on how they would be implemented. Since 1994, hardly a year has gone by without violence along Armenia’s and Nagorno-Karabakh’s borders with Azerbaijan. The worst violence to date was in 2016, when a brief but intense episode claimed around 350 lives, according to a US estimate. In 2018, Nikol Pashinyan became prime minister of Armenia after a ‘Velvet Revolution’ toppled his predecessor Serzh Sargsyan. Pashinyan showed signs of willingness to settle the Nagorno-Karabakh conflict after his
first meeting with Azerbaijani President Ilham Aliyev, the two leaders agreed to work on reducing tensions and to set up a direct hotline between them. However, since then Pashinyan’s rhetoric has hardened: in August 2019, he called for unification between Karabakh and Armenia.

The latest clashes
A July 2020 border skirmish triggered massive protests in Baku, with thousands of demonstrators calling for the country to go to war with Armenia. Renewed hostilities, which each of the two sides blames the other for starting, began on 27 September in Nagorno-Karabakh. As of 5 October, the official (probably understated) death toll had already reached nearly 250, the highest number since 2016. Fighting is also more intense than in previous clashes, with tanks, fighter planes, helicopters and heavy artillery. Civilian targets have come under fire in Stepanakert, the capital of Nagorno-Karabakh. Although most of the fighting is in and around Karabakh, Azerbaijan claims that Armenian forces shelled Ganja, its second largest city, while Armenia says that it intercepted Azerbaijani drones close to Yerevan. Azerbaijan, Armenia and Nagorno-Karabakh have all declared martial law and started to mobilise their troops.

Whereas Armenia has expressed willingness to engage in OSCE-led peace talks, Azerbaijan insists that a ceasefire is only possible once Armenia has withdrawn from Karabakh and all other occupied areas. Baku, which has a much larger and better equipped army, claims that it has already captured several villages, and may be hoping for further gains; however, the 1992-1994 war shows that significant advances against fierce Armenian resistance into Karabakh’s rugged terrain will be difficult.

International implications of the Nagorno-Karabakh conflict
Although pipelines bringing Azerbaijani oil and gas to Europe pass not far from Armenia, analysts have downplayed the threat of disruption to energy markets. On the other hand, there is a more serious risk of the conflict embroiling the two main regional powers, Turkey and Russia. Russia is Armenia’s military ally (both countries are members of the Collective Security Treaty Organisation, CSTO) and main weapons supplier; since the 2016 clash, deliveries of Russian weapons (which are sold to Yerevan at a discounted rate) have increased substantially. Armenia also hosts 3300 Russian soldiers at a base less than 10 kilometres from the Turkish border. However, Moscow also exports weapons to Azerbaijan (which has purchased five times more than Armenia since 2010). Although Baku has resisted joining Russian-led structures such as the CSTO and the Eurasian Economic Union, good ties with Moscow are key to its efforts to build a balanced foreign policy. Traditionally, Russia has played the role of mediator, for example through the Minsk Group.

While Russia and practically the entire international community – including the United Nations Security Council – have called on the two sides to immediately stop fighting and return to the negotiating table, Turkey has fully aligned itself with Azerbaijan’s position that Armenia first needs to withdraw from Nagorno-Karabakh. For nearly a century, Ankara’s relations with Yerevan have been poisoned by the Armenian genocide; on the other hand, Azerbaijan is close to Turkey as a Turkic-speaking nation, energy supplier and defence partner; in August 2020, the two countries held a major joint military drill. Turkey denies being directly involved in the conflict – for example, rejecting Yerevan’s claims that it downed an Armenian warplane – but it has also said that it will do ‘what is necessary’ to back Azerbaijan. There is evidence that Turkey may have sent Syrian rebel fighters to fight alongside Azerbaijani forces. According to French President Emmanuel Macron, who also denounced Ankara’s ‘warlike rhetoric’ as unacceptable, 300 jihadists transited Turkey on their way to Nagorno-Karabakh.

Nagorno-Karabakh has now become a third theatre of war – together with Syria and Libya – where Turkey and Russia back opposing sides. So far, the two countries have managed to compartmentalise their relations. For example, a February 2020 incident in which 33 Turkish soldiers were killed by Russia-backed Syrian government forces did not significantly strain ties. With Turkey looking to balance its increasingly difficult relations with the West, and Russia keen to broaden its influence in the Middle East, broader geopolitical interests still outweigh such differences in overall Turkey-Russia relations. However, that could change if the conflict escalates and Russia feels that its strategic interests are threatened by Turkey.

EU position: On 27 September, High Representative of the Union for Foreign Affairs and Security Policy/Vice-President Josep Borrell called on the two sides to stop fighting immediately and return to negotiations within the Minsk Group. The High Representative is due to make a statement to the European Parliament on 7 October.