

## **Nagorno-Karabakh Negotiations: Though the Prism of a Multi-Issue Bargaining Model**

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### **Abstract**

This article examines various phases in the Nagorno-Karabakh (NK) negotiations between Armenia and Azerbaijan using a *Multi-Issue Bargaining Model* – a modified version of the traditional bargaining model. It offers micro-level and phase-by-phase analysis of the negotiation process, mediation efforts and proposed mechanisms for the settlement of the NK conflict. Issues on the negotiation table and the evolution of the Azerbaijani and Armenian positions over time constitute a central focus of the article. The multi-issue model is applied to each negotiation phase in the NK conflict from 1994 until 2009.

### **Keywords**

Azerbaijan; Armenia; Nagorno-Karabakh; bargaining model; bargaining space; Aliyev; Ter-Petrosian; Kocharian; Sargsyan; negotiation; separatism

The Nagorno-Karabakh (NK) conflict between Armenia and Azerbaijan is an interesting case study for those who deal with international negotiations. Since the signing of the ceasefire agreement in 1994, the parties have witnessed interesting turns and shifts in their negotiation positions. The process itself evolved each time the negotiations were halted or collapsed as a result of domestic pressure, resignation of the head of the state, coup d'état attempts, interference of a third party or a shooting in the Parliament. Its gradual evolution provided important lessons for the mediators and researchers of the NK conflict. As there is no single formula to resolve all conflicts around the world, each conflict resolution and its negotiation process leaves its own particular mark on the study of international negotiation – so it is with the NK negotiations.

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Despite the fact that the actual hostilities ceased in 1994, the parties have yet to find a mutually acceptable solution to the conflict. Armenian forces have taken control over roughly 16 percent of Azerbaijan's territory. The conflict resulted in the ethnic cleansing of over a million civilians from their homes and villages on both sides. It continues to be in a stage of unstable peace. The cease-fire is maintained by Armenian and Azerbaijani military forces without the presence of international peacekeepers. However, every year, as result of sniper shootings or mines, several dozen soldiers and civilians die on both sides of the front line. Numerous attempts by the NK separatists to legitimize their claims of "unification with Armenia" or self-proclaimed "independence" have failed and the province remains *de jure* a part of Azerbaijan, albeit *de facto* under the control of the Armenian forces. Seven additional occupied regions of Azerbaijan adjacent to NK are kept "hostage" as a "security" or a "buffer zone."

Many articles on the NK conflict and its negotiation process have been policy oriented and focused primarily on the empirical side of the conflict. There has been very limited work done using theoretical models to examine the NK negotiation process more systematically. This article will attempt to analyze various phases in the NK negotiations using a version of the traditional bargaining model. It will start with a short description of the mediation efforts in the NK conflict and proposed mechanisms for settlement. It will state the known positions of the two "principal parties" to the conflict, the Republic of Armenia and the Republic of Azerbaijan, and the two "interested parties," NK Armenians and NK Azerbaijanis, on the disputed issues and provide descriptive analysis of various negotiation phases in the NK peace process through to 2009. It will then introduce the *Multi-Issue Bargaining Model* – a modified version of the traditional bargaining model – and apply this model to each negotiation phase from 1994 until 2009.

### **Mediation Efforts and Mechanisms for Settlement**

Since 1992, the conflict has been mediated under the auspices of what is today the Organization for Security and Co-operation in Europe (OSCE) and its Minsk Group, which consists of eleven member states and is currently co-chaired by representatives from three countries: France, Russia, and the United States. The mediation efforts began in March 1992 by the OSCE, then the Conference on Security and Cooperation in Europe (CSCE) in the midst of armed clashes that were taking place in the NK region of Azerbaijan. But the process itself was chaotic at best. Each time the mediators tried to initiate a meeting between the Armenian and Azerbaijani officials, one or the other region of Azerbaijan was occupied by Armenian forces. By mid-1993, the Armenian forces had gained important advantages and had taken over several regions of Azerbaijan that are

adjacent to the NK region. Between mid-1993 and mid-1994, several counter-offensive campaigns were launched by the Azerbaijani side to retake some of the lost territories, but they resulted only in marginal territorial gains and came at a heavy cost.<sup>1</sup> By mid-1994, the current line of contact was established, which resulted in the Armenian forces occupying Nagorno-Karabakh proper and an additional seven adjacent regions of Azerbaijan (De Waal 2003: 292–295).

Over the years that followed, the OSCE Minsk Group has circulated a number of proposals in efforts to resolve the conflict. Two of these proposals or methods, commonly discussed during the NK negotiations, are presented below.

The first method is called a “step-by-step approach,” which comprises several stages. The first stage consists of Armenia gradually pulling its troops from the surrounding Azerbaijani areas outside NK (except for the Lachin corridor that connects Armenia and NK). After this stage, certain security measures would be taken, including the deployment of peacekeeping forces, to allow Azerbaijani IDPs to return to the liberated lands and the two states and two communities to re-establish communication links. The proposal leaves the discussions on the final status of NK and the Lachin corridor to a later stage, after the implementation of the above steps are completed. The main idea behind the step-by-step proposal is to restore trust between Armenians and Azerbaijanis in hopes that this will lead to a commonly agreeable compromise on the question of the status of NK.

The “package approach,” on the other hand, is a proposal whereby all outstanding issues pertinent to the resolution of the conflict are addressed at once, which also includes determining the final status of NK before the Armenian forces are pulled out of the occupied territories.

### **Parties to the Conflict and Their Positions**

There are two “principal” and two “interested” parties in the NK negotiations. The two “principal parties” are Armenia and Azerbaijan, while the two “interested parties” are the Armenian and Azerbaijani communities of the NK region. Also referred to as the “Baker Rules,” this view of the parties to the conflict, which is shared by the OSCE Minsk Group today, was first proposed by U.S. Secretary of State James Baker in 1992 as a compromise solution between Armenia and Azerbaijan to the question of NK representation in the negotiations (Baguirov 2008: 19–20). It is important to note that up to 1998, when the former separatist leader of NK Armenians Robert Kocharian became President of

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<sup>1</sup> From Fall 1993 until Spring 1994, Azerbaijan was able to retake parts of the Agdam, Fizuli and Agdere (formerly Mardakert) regions, which were insignificant compared to the seven lost regions and NK. During the 1994 winter campaign, Azerbaijan suffered heavy casualties, losing almost 1,500 soldiers in an attempt to take back the Kalbajar region (De Waal 2003: 236–237).

Armenia, the views of the “interested parties,” particularly NK Armenians, had played a critical role in the negotiation process. Too often the views of NK Armenians, who held a rather uncompromising stance, diverged from the position of Armenia.

*Armenia (Also Represents the Interests of NK Armenians)*

Prior to 1998, Armenia had mostly favored a step-by-step approach to the NK conflict resolution. But because this approach was delaying the decision on the final status of the NK region, it ran counter to the position of the NK Armenians, who demanded either unification of NK with Armenia or full independence from Azerbaijan. Levon Ter-Petrossian, the former President of Armenia (1991–1998) and the initiator of this approach, was unable to convince his opponents and gather enough political support for the step-by-step resolution method. As a result of growing criticism and pressure from the NK “clan” within the Armenian leadership, he was ousted from his office in 1998. Since 1998, the positions of Armenia and NK Armenians have more or less overlapped due to the fact that the two subsequent Armenian presidents, Kocharian (1998–2008) and Serge Sargsyan (2008–present), were originally from the NK region; they have been representing the interests of NK Armenians in the negotiations under the auspices of the Republic of Armenia.

*NK Armenians vs. Armenia*

NK Armenians have primarily insisted on the “package approach,” which since 1998 has also been adopted by Armenia. Today, neither Armenia nor NK Armenians openly demand unification of NK with Armenia as they once did, and instead seek international recognition for the self-proclaimed and unrecognized NK republic. Armenia’s position on the package and step-by-step proposals has evolved as well. In 2005, the Armenian Foreign Minister Vardan Oskanian and the then Armenian Defense Minister and current President Serge Sargsyan, addressed the Armenian National Parliament about the possibility of moving to a step-by-step approach (Abasov and Khachatryan 2005).<sup>2</sup> However, the Armenian side still insists that NK cannot be vertically subordinated to official Baku. In other words, Yerevan and NK Armenians seem to consider both approaches as long as they both lead to *de jure* recognition of NK as an independent state outside of the jurisdiction of Azerbaijan.

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<sup>2</sup> Also see speeches of the former Armenian Foreign Minister Vardan Oskanian and the former Armenian Defense Minister and current President Serge Sargsyan, at the parliamentary hearings in March in Yerevan, *Armenpress*, March 29, 2005.

*Azerbaijan (Also Represents the Interests of NK Azerbaijanis)*

Azerbaijan's main position is based on the restoration of its territorial integrity, though this argument seems to have been in question between 1998 and 2001, when Baku and Yerevan were seriously discussing the possibility of territorial swaps. At various phases of negotiation, Azerbaijan favored either a step-by-step or a package approach depending on the implications of the proposed agreement. For a brief period (1998–2001), the conflicting parties considered territorial swaps, but later dropped this idea altogether. Azerbaijan's statements on granting NK the "highest level of autonomy" have not changed much. As long as the parties can find a commonly acceptable solution within the territorial integrity of Azerbaijan, Baku can agree to give as much self-rule to NK within Azerbaijan as the Republic of Tatarstan has within the Russian Federation.<sup>3</sup> As for the question of the Lachin corridor, which connects Armenia to NK, Baku believes that this issue could be resolved by obtaining similar access to a road connecting Azerbaijan proper with its enclave, Nakhichevan, via Armenia.

*NK Azerbaijanis vs. Azerbaijan*

The views of the NK Azerbaijanis are essentially identical to those of official Baku. The majority of the internally displaced population of Azerbaijan (570,000 in total) is from the seven occupied regions around NK and between 42,000 and 46,000<sup>4</sup> (Yunusov 1998) Azerbaijani IDPs are from the NK region itself (UNHCR 2005 and IDMC 2007). The primary demand of the Azerbaijani IDPs, including NK Azerbaijanis, is the liberation of all occupied territories

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<sup>3</sup> The idea of granting the NK region of Azerbaijan the equivalent status of Russia's Republic of Tatarstan was first voiced by the late President of Azerbaijan, Heydar Aliyev, during the first trilateral meeting between Aliyev, Ter-Petrosian and then Russian President Boris Yeltsin in 1994 in Moscow. When Aliyev said that Baku would consider granting NK the status equivalent to that of the Republic of Tatarstan, Ter-Petrosian was amused and asked in disbelief "Can you really grant the status of Tatarstan to Nagorno-Karabakh?" From a personal interview by the author with Vafa Quluzade, former senior advisor to Heydar Aliyev (March 2009).

<sup>4</sup> The 1979 Soviet census, which is considered to be the most reliable, puts the population of the NK region at 162,000 (123,000 Armenians (76%) and 37,000 Azerbaijanis (23%)). The last official 1989 Soviet census, which was disputed by Azerbaijan, puts the number of Azerbaijanis living in the NK region at about 42,000, constituting 23% of the total population of the region. The Armenian population was shown to account for 77% of the region. Azerbaijan disputed the result of this census based on the previous census statistics of 1939, 1959, 1970 and 1979, which showed a steady increase in Azerbaijani population and a gradual decline in Armenian population, from 88% in 1939 to 76% in 1979. In October 1990, Azerbaijan conducted another census which included all 51 major Azeri towns and villages inside the NK region. The new results declared the number of NK Azerbaijanis at about 46,000, representing 24% of the total population of the NK region (Yunusov 1998). Today, all 46,000 NK Azerbaijanis live as IDPs outside of the NK region and the more realistic number of NK Armenians living in the region is estimated between 60,000 and 80,000 (De Waal 2003: 285). For more information about the number of refugees and Internally Displaced Persons (IDPs) in Azerbaijan also see UNHCR (2005), available online at <http://www.unhcr.org/refworld/docid/442d369d4.html>, and IDMC (2007), available at <http://www.unhcr.org/refworld/docid/460bd4512.html>.

including the NK region. NK Azerbaijanis state that the final status of NK should take into account their views and, therefore, their return to the NK region should precede any talks about the final status of the region. This view also represents the official Azerbaijani position. Since 2003, Baku has firmly argued that all outstanding issues, including the determination of the final status of NK, can only be resolved gradually. In other words, today Baku considers the package proposal unattainable and favors the step-by-step approach so long as the solution of the conflict is within the territorial integrity of Azerbaijan, which is to say no *de jure* separation of NK from Azerbaijan.

### **Phases in the NK Negotiation Process**

Both step-by-step and package methods, as well as other proposals by the OSCE Minsk Group mediators, have been developed and evolved over time at various phases of negotiations. In general, the stages of the NK negotiations can be divided into a Pre-Negotiation Phase (1992–1994); First Phase (1994–1998); Second Phase (1998–1999); Third Phase (1999–2004); and Fourth Phase (2004–2009).

#### *Pre-Negotiation Phase: 1992–1994 (May) – Imitation of Negotiations*

The period from 1992 to 1994 was marked with an escalation of the conflict between Armenia and Azerbaijan. By the time the ceasefire was signed in May 1994, the Armenian forces were in control of some 16 percent of Azerbaijan, including the additional seven regions outside of NK. Nonetheless, the meetings between the Armenian and Azeri officials continued to take place even in the midst of full scale military operations.

In 1992, as clashes between Armenian and Azeri forces started to spread inside the NK region, the then Acting President of Azerbaijan, Yagub Mammadov, and the then President of Armenia, Levon Ter-Petrosian, met in Tehran in an attempt to sign a framework document for a peace deal. On May 9, 1992, the two presidents inked a document on the general principles of the peace accord. That very day, the major Azeri city inside of the NK region, Shusha, was occupied by the Armenian forces. This was a huge embarrassment for Ter-Petrosian, who seemed to want to end this conflict peacefully and as soon as possible (De Waal 2003: 180). There are divergent views as to why the meeting in Tehran ended in fiasco. One argument is that it was done to undermine Ter-Petrosian, who arguably was not in control of the situation inside of the NK region and allegedly parts of Armenia's military and intelligence apparatus.<sup>5</sup> Other views focus on the com-

<sup>5</sup> Quluzade claims that Ter-Petrosian did not have control over the NK Armenians, and some of his own military and intelligence units inside Armenia, which still received directions from Moscow, rather than Yerevan. From the interview with Vafa Quluzade.

peting mediator agendas and their conflicting interests, particularly of Russia, which tried “to establish a monopoly on the right to lead, mediate and control the peace process” (Zulfiqarov 2005:39). Hence, capturing the Azeri town of Shusha on the same day as signing the peace accord in Tehran may have been an attempt to undermine Ter-Petrosian’s position inside Armenia and the Iranian mediation efforts in general, by “teaching” the latter a lesson to stay out of the mediation process (De Waal 2003: 180).

Similar incidents took place during other meetings as well. The two sides would be discussing a ceasefire or a timetable for the withdrawal of the Armenian forces from recently occupied Azeri regions, and the news of fresh Armenian advancement would shock the attendees. This was the period of “imitation of negotiations.” While Baku and Yerevan may have had genuine interest in finding a settlement to the conflict, they nonetheless also took advantage to strengthen their negotiation positions with new territorial advancements on the ground (Interview with Vafa Quluzade). In addition, the OSCE mediation efforts were inconsistent and internal competition between the mediating parties made the process ineffective. As Ter-Petrosian later acknowledged, prior to 1996 the OSCE mediation “was simply a bluff [and] there was absolutely no peace process... [the mediators] competed among themselves more than they thought about the Karabakh issue” (De Waal 2003: 229–230).

### *Phase 1: 1994 (May) – 1998 (February) – A Missed Opportunity*

Serious negotiations started only after the Moscow-brokered ceasefire agreement entered into force at midnight on May 11–12, 1994, shortly after the parties agreed on the Bishkek Protocol, drafted on May 4–5 in Bishkek, Kyrgyzstan, which “called on all conflicting sides to heed again the voice of reason: to ceasefire at midnight on 8 to 9 May” (De Waal 2003: 238). The period from the signing of the ceasefire accord until the resignation of Ter-Petrosian in February 1998 was the time when two leaders, Ter-Petrosian and Heydar Aliyev, who was elected president of Azerbaijan in October 1993, started “a joint diagnosis of the common problem,” in an “effort to identify a formula to solve that problem” (Hopmann 1995: 41; Zartman and Berman 1983). An analysis of their behavior and statements shows that the two presidents adopted a problem-solving approach (Hopmann 1995) to the settlement of the Nagorno-Karabakh conflict.

Ter-Petrosian was in an advantageous position at the negotiation table. Armenia was in control of NK and the additional seven adjacent regions of Azerbaijan. Yerevan also managed to close the military gap with Azerbaijan, owing to Russia’s generous one billion dollars worth of arms shipments to Armenia between 1992 and 1994 (De Waal 2003: 199). The urgency for settlement and socio-economic pressure from some 800,000 internally displaced persons and refugees in Azerbaijan also played into the hands of Armenia.

Yet, two of Armenia's four international borders, with Turkey and Azerbaijan, were closed as a result of the war (the border with Iran and Georgia remained fully open). The economic situation inside the country was dire and Armenia was left out of ongoing energy projects in the region. In addition, Azerbaijan's moves on the diplomatic front started to pay off by gaining the support of international organizations, which complicated Armenia's position. Both sides had reached what Touval and Zartman call a "hurting stalemate" (Zartman 2008: 232).

During the OSCE Lisbon Summit in December 1996, the OSCE Chairman-in-Office outlined three main principles, later known as "the Lisbon Principles," which were to form part of the conflict settlement. These were:

- 1) Territorial integrity of the Republic of Armenia and the Republic of Azerbaijan;
- 2) Legal status of Nagorno-Karabakh defined in an agreement based on the principle of self-determination, which confers on Nagorno-Karabakh the highest degree of *self-rule within Azerbaijan* (emphasis mine);
- 3) Guaranteed security for Nagorno-Karabakh and its whole population, including mutual obligations to ensure compliance by all the parties with the provisions of the settlement (Abasov and Khacatrian 2005: Appendix 15).

In 1997, following the Lisbon Summit, the OSCE Minsk Group was re-organized and began to mediate with three co-chairs from France, Russia, and the United States. It was after that when the co-chairs came up with two proposals: the so-called "package deal" and a "step-by-step"<sup>6</sup> or "stage-by-stage" proposal. The former included a peace agreement between Armenia and Azerbaijan and a separate agreement on the status of NK, but based on the Lisbon Principles.<sup>7</sup> The latter envisaged a gradual settlement whereby, in the beginning, Armenia would pull out its troops from the six occupied Azerbaijani regions (except from the Lachin corridor that connects Armenia to NK), peacekeepers would be deployed in the conflict zone, IDPs would return to their homes, communications would be restored and confidence building measures would take place. Only after these steps were taken, would the parties move to the second stage and discuss issues related to the Lachin corridor, the return of Azeri IDPs to NK, the fate of the Azeri town of Shusha and the final status of NK.<sup>8</sup>

<sup>6</sup> In fact, the idea of a step-by-step or gradual settlement was first proposed before 1997 by Armenian President Levon Ter-Petrosian. Azeri President Heydar Aliyev responded positively to this call, though Baku may have played its oil card and at times opted for a package deal in hope that oil revenues would strengthen its negotiation position in the future.

<sup>7</sup> According to former Armenian Foreign Minister Vardan Oskanian, the package proposal in 1997 was based on the Lisbon principles and that is why the Armenian side rejected it. See the speech of former Armenian Foreign Minister Vardan Oskanian at the parliamentary hearings in Yerevan, *Armenpress*, March 29, 2005.

<sup>8</sup> See "OSCE Minsk Process on the Settlement of the Nagorno-Karabakh Conflict between Armenia and Azerbaijan" brief, available on the website of the Azerbaijan Embassy to Spain at [www.azembajada.es/](http://www.azembajada.es/).



There are different opinions among Armenian and Azerbaijani officials on the then positions of the two sides with respect to a package deal. Since the package proposal presented in May and July 1997 was based on the Lisbon Principles, Baku considered it an “acceptable starting-point” (Zulfuqarov 2005: 40). Later, it would also prefer a step-by-step proposal. Yerevan, on the other hand, mainly favored a step-by-step approach but had serious disagreements with NK Armenians on this issue, who favored a package deal where the status of NK must be an “independent state” and nothing less. Yerevan’s negotiation strategy was based on the return of the occupied territories in exchange for peace, which would provide strong security guarantees and self-rule for NK Armenians. This approach did not overrule a possible agreement within the territorial integrity of Azerbaijan. NK Armenians, on the other hand, based their position on a “territories for status” formula, which is to say the return of the occupied territories in exchange for *de jure* separation of NK from Azerbaijan (Libaridian 2005: 36).

The NK Armenians rejected the package proposal presented in May and July 1997 because it was not the package deal for which they were hoping, although both Baku and Yerevan thought it was acceptable with some reservations and could be improved with further negotiations (Zulfuqarov 2005; Libaridian 2005). In the absence of support from NK Armenians, the proposal failed to make any progress.

Following the package proposal, the OSCE Minsk Group came up with a step-by-step proposal in September 1997, which was acceptable to both Baku and Yerevan, but again not to NK Armenians who insisted on a package deal that would guarantee the separation of NK from Azerbaijan. Due to the controversial nature of the topic and as a compromise, Ter-Petrosian wanted to postpone the discussion on the final status of NK to a later stage, and the step-by-step proposal seemed to be the right mechanism to allow this to happen. By October 1997, he was ready to sign a peace deal envisaging a gradual settlement of the conflict. But Ter-Petrosian’s decision resulted in internal divisions within the Armenian political spectrum. Even his close allies, such as Yerevan Mayor Vano Siradeghian and the then Foreign Minister Alexander Arzumanyan, resigned and some 40 out of 96 delegates from the ruling party defected to the opposition (Croissant 1998: 123). Some members of his own cabinet started to demand his resignation, which he submitted on February 3, 1998.

In general, during the 1994–1998 period, the final status of NK was still viewed as a matter of self-determination and territorial integrity of Azerbaijan.<sup>9</sup> As Girard Libaridian, the former senior adviser to Ter-Petrosian, stated:

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<sup>9</sup> For example, the former Ambassador of Armenia to the United States often talked about the concept of territorial integrity and once stated that the solution to the NK conflict “should be based on the “right to self-determination and territorial integrity and should be an outcome of peaceful negotiations.” *The Washington Times*, December 9, 1995.

Ter-Petrosian sought a compromise where the Armenian side would concede that [NK] would be legally part of Azerbaijan; in return Azerbaijan would agree to a status above the nominal autonomy that the NKAO [Nagorno-Karabakh Autonomous Oblast/Province] had enjoyed until 1988, but a notch below independence (Libaridian 2005: 36).

Because the parties desired to find a compromise solution quickly, there was real bargaining space that could have led to a long-term peace in the region. However, the concept of territorial integrity was buried soon after Ter-Petrosian was forced to resign in February 1998. This was the end of an era of missed opportunities.

*Phase 2: 1998 (March)–1999 (October) – “Karabakhization” of Armenia’s Position*

The period after the resignation of Ter-Petrosian witnessed some major shifts in the negotiation positions of Armenia and Azerbaijan. In March 1998, Robert Kocharian, native of the NK region and the former secessionist leader, was elected President of Armenia. Kocharian’s coming to power was an indication that from there on the interests of NK Armenians at the negotiation table would be represented by Armenia directly.<sup>10</sup>

Unlike Ter-Petrosian, Kocharian refused to delay the decision on the final status of NK and insisted on adopting a package approach. Likewise, Kocharian changed the strategy in the negotiations, shifting it from a “problem-solving approach” to a “bargaining approach,” thus adhering to a more hard-line, maximalist position using distributive bargaining (Walton and McKersie 1965; Hopmann 1995: 27).

The major shift was related to the status of NK, which Kocharian insisted could not be left within Azerbaijan. As former Foreign Minister of Azerbaijan, Tofik Zulfugarov stated:

The basic premises of [Kocharian’s] standpoint [were] that: the liberation of part of the territories around [NK was] possible only after Azerbaijan’s agreement to the independence of [NK]; and the territory situated between... [NKAO-Nagorno-Karabakh Autonomous Oblast/ Province] and Armenia must be given to Armenia. This strategy [was] clearly intended to reduce Azerbaijan to capitulation, an outcome seen by the Armenian side as the logical consequence of its own military victory (Zulfugarov 2005: 41).

<sup>10</sup> Prior to the Lisbon Summit in December 1996, the representatives of both Azeri and Armenian communities of NK participated in the plenary Minsk Group discussions as “interested parties.” From thereon, Azerbaijan insisted that all negotiations should be based on the Lisbon principles and should be conducted directly between Baku and Yerevan without participation of interested parties. The broader format of talks, including the Azeri and Armenian communities, is envisaged at a later stage in the negotiations conditioned to the Armenian troop pullout from the occupied territories of Azerbaijan. From the personal interview by the author with Deputy Foreign Minister of Azerbaijan, Araz Azimov (March 2009).

Therefore, any proposals or options considering a solution within the territorial integrity of Azerbaijan became unacceptable to the Armenian side. It was during this time that Russia revealed the so-called “Primakov Plan” on a “common state” solution, which was proposed not only to Armenia and Azerbaijan but also to Georgia and Moldova (Zulfuqarov 2005: 41). The basic idea was that the secessionist units within Azerbaijan, Georgia (i.e. the proposal applied to Abkhazia only) and Moldova would form together with their respective host states a “single state” with internationally recognized borders. But this idea lived only for five months (March–December 1998) and was rejected by Baku (Zulfuqarov 2005: 41).

Yet, in 1999, Heydar Aliyev seemed to soften his position and made a controversial move that would be considered a radical shift in Azerbaijan’s negotiation strategy. The shift in Heydar Aliyev’s position became known to the public only a few years after the collapse of the 1999 negotiations. It was the time when the parties started to discuss the territorial swaps, also known as the Goble Plan, named after U.S. State Department regional expert, Paul Goble (De Waal 2003: 263). The plan suggested an exchange of corridors (Lachin and Meghri) that would link Armenia to NK and Azerbaijan to its Autonomous Republic of Nakhichevan.

While internally there had been some discussions about possible exchanges of equal sized territories between Armenia and Azerbaijan, this was by no means an exchange of that sort. The content and direction of negotiations envisaged the eventual political separation of NK from Azerbaijan – a painful concession that Aliyev had to make if he wanted to sign any potential agreement with Kocharian. In exchange, Armenia would liberate all occupied territories around NK (except for the Lachin corridor) and Baku would get a strip of territory in Armenia which would connect Nakhichevan with Azerbaijan proper (Interview with Vafa Quluzade). This was indeed a radical shift in Baku’s original position, which was to resolve the dispute within the territorial integrity of Azerbaijan.

The negotiations were taking place in strict secrecy and the two presidents were meeting regularly, often *tet-a-tet*, on their own initiatives. The plan was to sign a peace accord during the OCSE Summit in Istanbul in November 1999. But in October 1999, three senior Azerbaijani officials, including Aliyev’s long-time foreign affairs advisor Vafa Quluzade, the Foreign Minister Tofik Zulfuqarov, and the head of Aliyev’s secretariat, Eldar Namazov, resigned from their posts in apparent protest and disagreement with this move (De Waal 2003: 264). Aliyev was shaken but unmoved and still thought that a breakthrough would be possible during the OSCE Istanbul Summit in November. Quluzade did not share his optimism.<sup>11</sup> Soon everyone would understand why.

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<sup>11</sup> Vafa Quluzade was the first to resign followed by the resignations of Zulfuqarov and Namazov three weeks after. In his conversations with Heydar Aliyev, before and after his resignation, Quluzade stated

On October 27, 1999, a group of armed men entered the Armenian Parliament and shot dead eight people, including Prime Minister Vazgen Sargsyan and the Speaker of the Armenian Parliament, Karen Damirchyan. These two individuals were the most influential Armenian politicians at the time. Two of Kocharian's political opponents and potential challengers died, but so did the idea of signing a peace accord during the OSCE Istanbul Summit in November 1999.

As Defense and Prime Minister, Sargsyan's support was crucial for Kocharian if Baku and Yerevan were to sign any peace agreement on NK (De Waal 2003: 265–266). Sargsyan seemed to have agreed to support the agreement that was to be signed in November 1999. U.S. Deputy Secretary of State Strobe Talbott, who held discussions with Sargsyan in Yerevan just before the latter was assassinated, also confirms that “the deal was very much within reach.”<sup>12</sup> While some may have considered the idea of territorial swaps unworkable from the start, and no one knows what would have been the fate of an agreement proposing territorial exchanges, it is nonetheless important to acknowledge that the two parties were ready to sign such an agreement in November 1999.

Some Armenian and Azeri sources allege that the shooting in the Armenian parliament was orchestrated by the Russian security services to prevent the signing of the peace accord during the Istanbul OSCE Summit in November (Safaryan 2005).<sup>13</sup> While this assertion may lack clear evidence, it does show, however, how Russia is often perceived as a third party mediator in Armenia and Azerbaijan. As Hopmann notes “powerful third parties may attempt to influence the outcome of the negotiation to serve their own national interests rather than the interests of the disputed parties” (Hopmann 1996: 227). Losing the land connection to Iran via Armenia, as a result of territorial swaps between Armenia and Azerbaijan and fears of possible integration of both states into the Euro-Atlantic organizations may have appeared to be threatening Russia's regional and security interests at the time.<sup>14</sup> But as De Wall describes Moscow's involvement in the NK peace process, “The crux of the problem was that Russia was both involved in the conflict and also its only serious mediator” (De Waal 2003: 233).

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that some elements in the peace deal ran against the national interests of Azerbaijan. But more importantly, he believed that resolving a conflict between Armenia and Azerbaijan at the time was not in the interest of Moscow, hence, he always thought that the signing of this agreement would not take place. From the interview with Vafa Quluzade.

<sup>12</sup> On October 27, 1999, U.S. Deputy Secretary of State Strobe Talbott was in Yerevan meeting with Armenian officials, including Vazgen Sargsyan. Talbott states that he believed “the deal was very much within reach, and that Sargsyan's apparent willingness to support it, indicated in that meeting, was crucial.” From the author's personal communication with Strobe Talbott (May 2009).

<sup>13</sup> In his paper, Safaryan refers to Col. Aleksandr Litvinenko who claimed that the shooting was allegedly organized by the Russian security services to prevent the signing of the peace deal. See also (Zyberk 2007). From the interviews with Vafa Quluzade and a senior Armenian official who held a key government post in Armenia at the time.

<sup>14</sup> Security of Russia's southern flank or its perceived interests in the South Caucasus may have demanded to keep the status quo and both Armenia and Azerbaijan insecure.

In general, this was the period when both sides seemed to have made some fundamental shifts in their previous positions and came close to signing an agreement, the implementation and success of which was very much in question.

### *Phase 3: 1999–2004 – Moving to Stalemate*

The consequences of the October 1999 shooting in the Armenian parliament had serious implications for the subsequent negotiations. Kocharian was less cooperative referring to the fragile security situation inside Armenia.<sup>15</sup> He also retreated from the initial idea of exchanging the land corridors, downgrading it only to the right of access. Meanwhile, Heydar Aliyev started to experience serious health problems and began to think about succession issues.

The most serious talks between Kocharian and Aliyev were held in Paris and Key West, Florida in 2001. With the help of the US Secretary of State Colin Powell, the two presidents had the “most high-profile and intensive negotiations ever on the dispute” in Key West in April 2001 (De Waal 2003: 267). Aliyev seemed to compromise on some of the issues regarding NK’s status, but probably understood that it would be impossible to sell this deal domestically. Not long after his return from the Key West, Aliyev denounced any compromises. All hopes for a possible agreement were demolished when he died at the age of 80 in December 2003.

### *Phase 4: 2004–2009 – Back to Territorial Integrity: Prague Process and Basic Principles*

The last or present phase of the NK negotiations began with Ilham Aliyev, son of the late President Heydar Aliyev, who became the President of Azerbaijan in October 2003. Contrary to his father the younger Aliyev embarked from a more traditional position based on the supremacy of international law and inviolability of Azerbaijan’s territorial integrity. He stated many times that Azerbaijan was willing to wait and restore its territorial integrity by any means, including using force, if necessary. He denounced any Key West documents that had been discussed between his father and Kocharian, promised only the highest level of autonomy to the NK region, and tried to internationalize the conflict, moving the discussion into the UN General Assembly format.<sup>16</sup>

The new phase in negotiations started in April 2004 when the Foreign Ministers of Armenia and Azerbaijan met in Prague to re-start the talks. Following the initial meeting in Prague, the two ministers as well as the two presidents had

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<sup>15</sup> Interview with Araz Azimov.

<sup>16</sup> In the 59th UN General Assembly, Azerbaijan introduced a resolution on the issue of illegal resettlement of Armenians in the occupied territories controlled by the Armenian forces. Later, as a compromise, the parties agreed to send the OSCE fact-finding mission to the conflict zone to determine the number of illegal settlements and resolution was withdrawn.

conducted a series of major talks in 2004 and 2005. This process became known as the Prague Process (Mehdiyev 2005). In August 2005, the Minsk Group co-chairs introduced another concept of “interim status,” or what Azimov calls an “interim regime.”<sup>17</sup> Finally, in 2007, a new proposal called the “Basic Principles for the Peaceful Settlement of the Nagorno-Karabakh Conflict” was introduced (OSCE 2007; OSCE 2008).

The most recent phase in negotiations was structured to tackle more general issues first and then move to discuss more complex topics and specific details, what Zartman calls moving from “formula to detail” (Zartman and Berman 1983: 135–138, 146–149). This approach is a combination of a package approach and a step-by-step approach. In other words, if Baku and Yerevan can agree on “Basic Principles” of the settlement, which includes agreeing on all contentious issues, including how to determine the final status of NK, the agreement could be implemented in phases.

As in the previous talks, the major issues on the table now are the same except for the two new concepts of an “interim regime” and a “popular vote” or “referendum.” Other issues include a gradual withdrawal of Armenian forces from seven occupied regions of Azerbaijan (except for a transit corridor/road in Lachin), the demilitarization and deployment of peacekeeping forces to the conflict zone, the return of IDPs to liberated territories, the restoration of communications and transportation links between the parties, and other confidence building measures (Interview with Araz Azimov).

The concept of an “interim regime” or an “interim status” refers to a temporary status that could be granted to NK until its final status is determined. The concept of a “popular vote” or “referendum” implies a public vote inside NK at some future point in time, where both Armenian and Azeri communities would vote to determine the final status of NK (Interview with Araz Azimov). The positions of Baku and Yerevan vary significantly on these two concepts. Yerevan wants to make sure that the “interim status” for NK would be “international,” similar to the one granted to Kosovo before the province declared its independence. Baku, on the other hand, views this timeframe as an “interim” or “temporary” regime rather than an “international status” (Interview with Araz Azimov). Similarly, Armenia demands a “referendum” inside NK whereby only Armenian residents of NK could vote on NK’s final “political” status, which may include an independence option as well. Azerbaijan, however, demands the *return* (not “the right of return”) of Azeri IDPs to NK prior to any popular vote,

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<sup>17)</sup> This concept is based on the idea that Azerbaijan could recognize the *de facto* present-day situation in NK until the final status of the region is determined in exchange for Armenia liberating several occupied Azeri territories outside of NK. Azimov states that this “interim regime” or “interim status” by no means refers to “interim *international* status” and that by the final status Baku means “legal” and not “political” status of NK. Yerevan has its own interpretation of this interim regime, which might be different from the one above. From personal interview with Deputy Foreign Minister Araz Azimov.

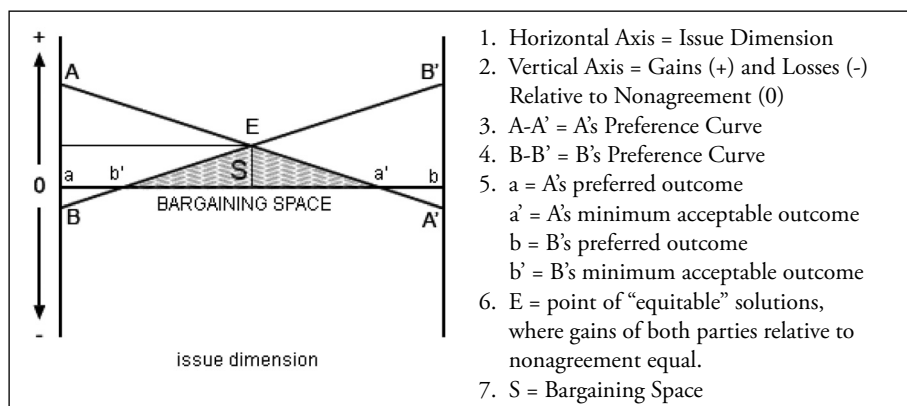


Figure 1. A traditional two-party bargaining model.

which can only determine the “legal status” of NK within Azerbaijan and not a “political” one. In short, Yerevan seeks independence for NK, even if a delayed one, while Baku insists on a resolution of the conflict within the territorial integrity of Azerbaijan.

### Traditional Bargaining Model vs. Multi-Issue Bargaining Model

To visualize the above descriptive analysis of the NK negotiation process since 1994 and better understand the positions of the parties and the issues on which they agreed and disagreed, a modified version of the traditional bargaining model will be used – a Multi-Issue Bargaining Model. A Traditional Bargaining Model (Hopmann 1996: 55) (see Fig. 1) is used to illustrate the positions of the two negotiating parties on a particular issue with their preference curves, preferred and minimum acceptable outcome points, and gains and losses relative to nonagreement. If the range of mutually acceptable agreements overlaps, it creates a “bargaining space” for mutually acceptable agreement. If not, there is no “bargaining space,” and hence no agreement can be achieved.

The traditional bargaining model is helpful in demonstrating the maximum and minimum positions of the parties, their gains and losses, and whether or not there is a bargaining space which could result in an agreement. But many times the negotiations are conducted around multiple issues which together form a single agreement. If there is no bargaining space and the parties cannot come to a mutually acceptable agreement, one cannot really examine what were the particular issues that led to the collapse of the potential agreement, if any. In other words, the traditional bargaining model is limited in representing the disputed issues on the negotiation table and the level of difficulty or contention between the parties with regards to a particular issue. Hence, a revised model is used to

illustrate all outstanding issues in the negotiations, the level of difficulty/contention of each issue, and on which issues the parties have had a mutually acceptable agreement (bargaining space) during various phases of negotiations (see Fig. 2). The bargaining space in this multi-issue bargaining model does not imply that the parties have already agreed on the issues within the space, but rather that these issues are not seen as non-agreeable by both sides and both parties have had mutually acceptable agreements concerning these issues during various stages of negotiations. It is also possible to show a preference curve of more than two negotiating parties in this model, which will be demonstrated below.

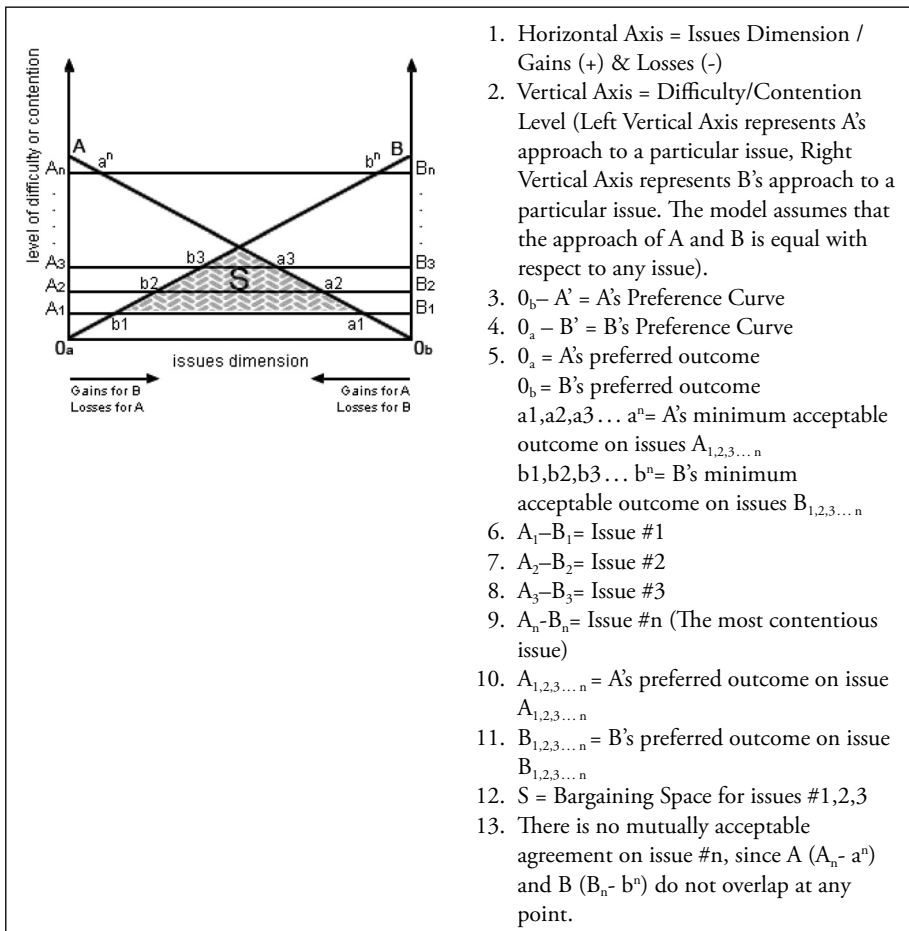


Figure 2. A simple multi-issue bargaining model.



## A Multi-Issue Bargaining Model

### *Applying the Model to the NK Negotiations*

The multi-issue model will be applied to the NK negotiations in phases and it will reflect the changes in the positions of the parties and their gradual evolution. But prior to using this model for the NK negotiations, it is important to define the issues that have been the subject of negotiations since 1994.

For the purpose of better demonstrating the availability or lack of bargaining space, the model assumes that “the level of difficulty or contention” on any issue is equal for both parties. However, it is possible to illustrate that particular issues are more critical or contentious for one party than for the other. The difficulty level for an issue listed below will be shown by a number assigned to each letter. For instance, the parties have more chances to come to a mutually acceptable agreement on the issue ( $A_1-B_1$ ) than on the issue ( $A_7-B_7$ ). Because it is difficult to assign the exact weight for each issue and some issues may be interlinked and have similar difficulty or ease, these representations are only relative and approximate. If an issue is assigned an additional small letter to the number (i.e.  $A_{3b}-B_{3b}$ ), it means this particular issue was not on the negotiation table during a certain phase and was introduced later on as a change in negotiation tactics. It is also essential to acknowledge that some issues like security guarantees, the make-up of peacekeeping forces, blockades and severed communication links, demilitarization of the conflict zone, and others, while important, have been nonetheless discussed in conjunction with other more central issues and have not been viewed as very contentious. Thus, they are either shown under a single category or presumed to be a part of another issue listed in Table 1 below.

The list of selective issues used in the model for various phases of NK negotiations is as shown in Table 1.

### *Phase 1: 1994 (May) – 1998 (February)*

As previously discussed, Phase 1 of the NK negotiations was probably the most encouraging in terms of the opportunities and the problem-solving approach that both sides had with respect to urgent resolution of the conflict. Fig. 4 shows that both Armenia and Azerbaijan had a common understanding on all issues on the negotiation table.

Even on the most contentious issues like the status of NK ( $A_6-B_6$ ), the return of Azeri IDPs to NK ( $A_5-B_5$ ) and the status of the Lachin corridor ( $A_5-B_5$ ), the two sides held common ground whereby they were willing to consider a step-by-step approach to rebuild the trust between Armenians and Azerbaijanis and gradually pave the way for a long-term peace in the region. The preference curve of the Armenian separatists in NK (Line C (NK)), however, differed significantly. The NK Armenians were only willing to compromise on issues of the six

Table 1. Selective Issues in the NK Negotiations

<b>A<sub>1</sub>–B<sub>1</sub> – Issue #1:</b>	Security Guarantees (including peacekeeping force) and Demilitarization of the Conflict Zone
<b>A<sub>2</sub>–B<sub>2</sub> – Issue #2:</b>	The return of Azerbaijani IDPs to six regions outside of NK (except for Lachin)
<b>A<sub>3</sub>–B<sub>3</sub> – Issue #3:</b>	The pullout of Armenian forces from six regions of Azerbaijan outside of NK (except for Lachin)
<b>A<sub>3a</sub>–B<sub>3a</sub> – Issue #3a:</b>	The pullout of Armenian forces from five regions of Azerbaijan outside of NK (except for Lachin and Kalbajar)
<b>A<sub>3b</sub>–B<sub>3b</sub> – Issue #3b:</b>	The status of Kalbajar region
<b>A<sub>4</sub>–B<sub>4</sub> – Issue #4:</b>	The status of the Lachin corridor and the return of Azerbaijani IDPs to Lachin
<b>A<sub>4a</sub>–B<sub>4a</sub> – Issue #4a:</b>	The status of the Meghri corridor
<b>A<sub>5</sub>–B<sub>5</sub> – Issue #5:</b>	The return of Azerbaijani IDPs to Shusha and NK
<b>A<sub>6</sub>–B<sub>6</sub> – Issue #6:</b>	The final status of NK

\* This list may not include all of the issues in the NK negotiations, but it does list most of the outstanding issues discussed by the parties during various phases of the NK negotiations. It could be expanded if needed.

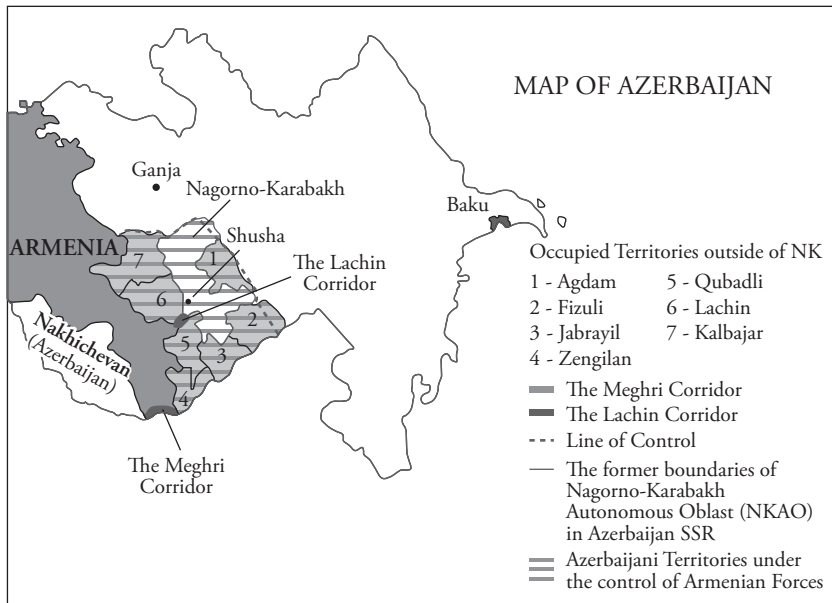
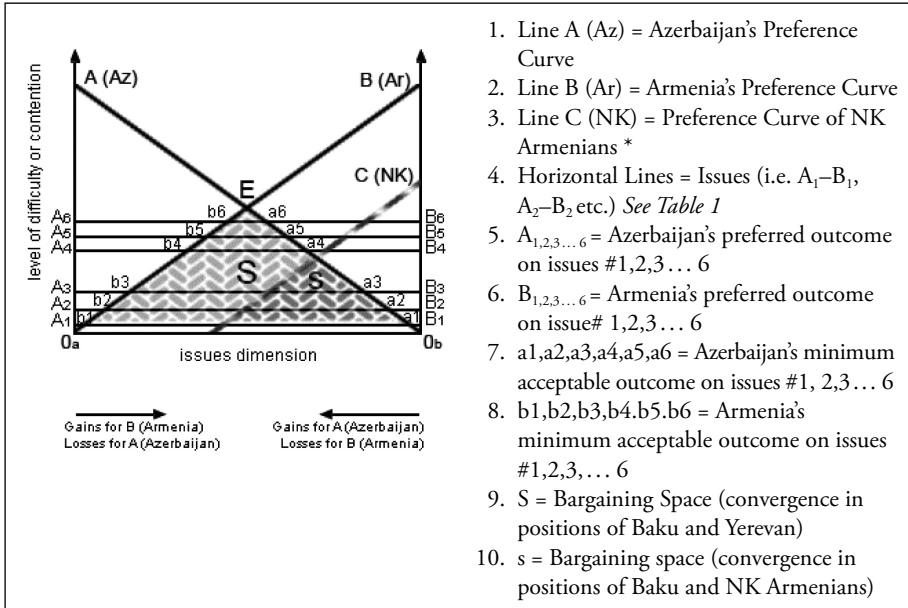


Figure 3. Map of Azerbaijan.



\* Because the interest of NK Azerbaijanis were represented by official Baku, their preference curve is presumed to be the same as Azerbaijan's (Line A (Az))

Figure 4. A multi-issue bargaining model in Phase 1.

occupied Azerbaijani territories around NK (A<sub>3</sub>-B<sub>3</sub>), the return of Azeri IDPs to these regions (A<sub>2</sub>-B<sub>2</sub>) and agreeing on stationing peacekeeping forces in the conflict zone (A<sub>1</sub>-B<sub>1</sub>). But all these issues were linked to the final status of NK (A<sub>6</sub>-B<sub>6</sub>). And because NK Armenians insisted on a direct link between Armenia and NK, the question of returning Lachin (A<sub>4</sub>-B<sub>4</sub>) was non-negotiable. The NK Armenians were only willing to offer a minority status to Azeri IDPs from NK (A<sub>5</sub>-B<sub>5</sub>), as the former were in the majority in the region. In other words, the approach of NK Armenians was independence in exchange for the occupied Azerbaijani territories. As Libaridian states while differentiating between the positions of Yerevan and NK Armenians:

Ter-Petrosian's focus was the continued secure and free existence of the Karabakh Armenian population in their historic land. The basic formula for a negotiating strategy would be the return of territories for peace. [NK], on the other hand, by and large opted for a 'territories for status' formula... (Libaridian 2005: 36)

Thus, while Azerbaijan had a common agreement on all issues (S) with Armenia, Baku could have agreed only on three issues (s) with NK Armenians. The divergence in views of Armenia and NK Armenians was the most crucial element of the collapse of this phase of negotiations. It was primarily NK Armenians,

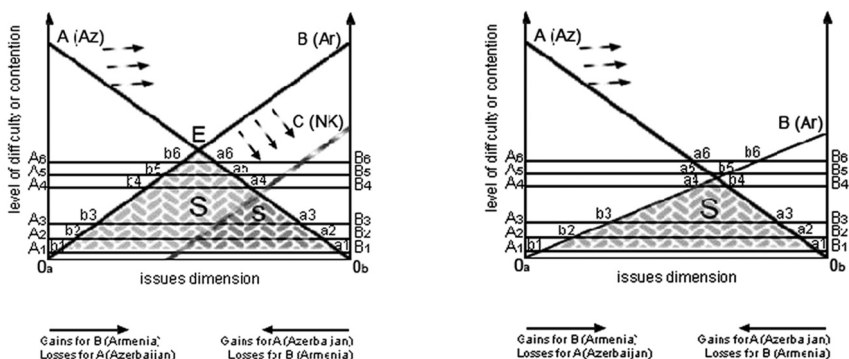


Figure 5. A multi-issue bargaining model in Phase 2 Figure 6: Armenia’s position toughens

brought to the Armenian government by Ter-Petrosian himself, including Kocharian, who forced Ter-Petrosian to resign in February 1998.

*Phase 2: 1998 (February)–1999 (October) – “Karabakhization” of Armenia’s Position*

Kocharian’s rise to power in March 1998 meant that the position of Armenia would differ and be closer to that of NK Armenians. Fig. 5 illustrates the gradual shifts in the positions of the two parties. Armenia would toughen its position and move its preference curve (Line B (AR)) closer to the preference curve of NK Armenians (Line C (NK)) (see Fig. 6). From this time on, the positions of NK Armenians were represented by Armenia.

Toughening Armenia’s position would have resulted in a stalemate if Azerbaijan was to stick to its original position. A commonly acceptable agreement on all issues (*S* – bargaining space) could only be created if Baku was willing to satisfy some of Yerevan’s tough demands and soften its initial position. To ease this process, the parties introduced another issue of territorial swaps – exchanging the Meghri corridor in Armenia (*A*<sub>4a</sub>–*B*<sub>4a</sub>) for the Lachin corridor in Azerbaijan. This, however, meant that the final status of NK would suit the demands of the Armenian side (gains for (B) Armenia and losses for (A) Azerbaijan) (see Figure 7).

By October 1999, despite several setbacks among his own supporters, President Aliyev of Azerbaijan and President Kocharian of Armenia seemed ready to sign a peace agreement at the OSCE Istanbul Summit in November 1999. But the agreement was never signed and the deal was called off shortly after the shooting in the Armenian Parliament in October 1999.

*Phase 3: 1999–2004 – Moving to Stalemate*

After the October 1999 killing in the Armenian Parliament, Yerevan backtracked on the idea of giving Azerbaijan the Meghri corridor in exchange for the Lachin corridor and downgrading it to a “right of access” (see Fig. 8).

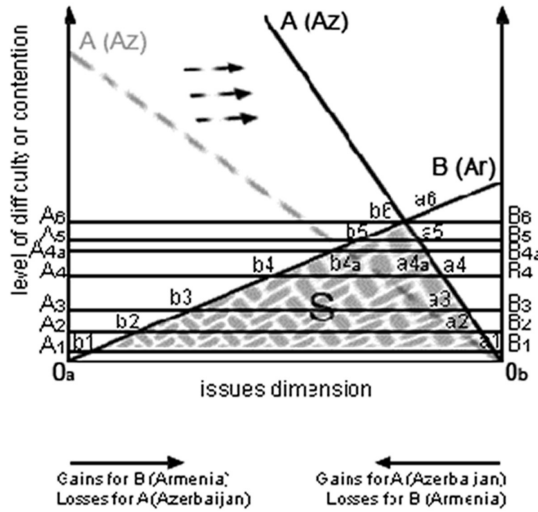


Figure 7. Azerbaijan softens its position.

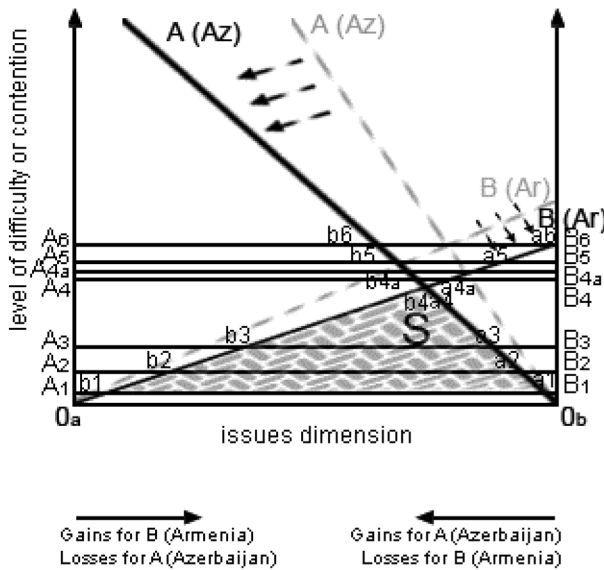


Figure 8. Backtracking: towards a stalemate.

The Meghri corridor was the major carrot that encouraged the Azeri president to consider accepting the status of NK that would satisfy the Armenian side. Without the Meghri option there was no incentive for a compromise. Moreover, understanding that such a peace deal would be political suicide, especially during a period of political succession, Heydar Aliyev backed down (see Fig. 9). This led to a stalemate in the NK negotiations that lasted until 2004.

#### *Phase 4: 2004–2009 – Back to Territorial Integrity*

Since 2004, the two parties and the OSCE Minsk Group mediators have opted for a “formula-detail” approach, trying to agree on sets of issues from the “Basic Principles” framework. In our model, this would be a “maximization of bargaining space,” trying to work with positions of each party and bringing them to a commonly acceptable agreement on as many issues as possible. In general, this period has witnessed some shifts in the positions of the two parties and also changes in their negotiation tactics. The first shift was in Baku’s position, which reverted to its initial formula of resolving the NK conflict only within the territorial integrity of Azerbaijan. There was a brief stalemate after the newly elected president of Azerbaijan met with his Armenian counterpart and proposed to restart the negotiations, as he was not going to follow the same negotiation strategy as his father. Soon the parties restarted the negotiation process, first on the level of foreign ministers and then on a presidential level. The idea of agreeing on a framework of the settlement was appealing to both sides because this document would only be complete if both parties found a mutually acceptable agreement to *all* of the outstanding issues in the document.

During this process, Yerevan softened its position, but also added a new issue to the negotiation table, which was the status of Kalbajar ( $A_{3b}$ – $B_{3b}$ ). Kalbajar is another Azerbaijani region outside of NK, which, like Lachin, is located between Armenia and NK. Yerevan insisted that it is a strategic region that should be left to Armenia along with Lachin. This also meant that the discussions on the pull-out of Armenian troops from the seven Azerbaijani regions adjacent to NK would be downgraded to five regions instead of six ( $A_{3a}$ – $B_{3a}$ ). Nonetheless, over the course of the negotiations, the parties seem to have come to a mutually acceptable understanding on the timetable of the pullout of Armenian forces from all seven regions, including Kalbajar. The issue of the Lachin corridor ( $A_4$ – $B_4$ ) is still being formulated and there are encouraging signs that the parties are likely to find a common solution to this issue as well. The two remaining issues that have not yet been agreed upon, the return of Azeri IDPs to NK ( $A_5$ – $B_5$ ) and the final status of NK ( $A_6$ – $B_6$ ), are in fact interlinked. The Azeri position is that all Azeri IDPs from NK should return to NK prior to any popular vote on the final status of the province, which is viewed by Baku only as a “legal status” within the territorial integrity of Azerbaijan. Armenia and NK

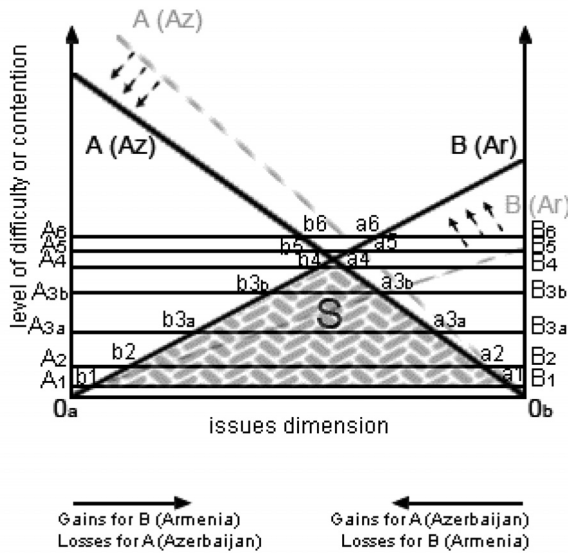


Figure 9. Maximizing the bargaining space.

Armenians resist the idea of the return of Azeri IDPs and just offer the right of return. They also call on a referendum that could allow NK Armenians to separate *de jure* from Azerbaijan. These are the two most contentious issues that remain outside of the range of the bargaining space for now.

### Conclusion

The multi-issue bargaining model is a useful tool to illustrate the issues on the negotiation table, the positions of the parties, the level of agreement on particular issues and shifts in the positions that occurred during various phases of the NK negotiations. In analyzing all four phases of the NK peace process, the first phase (1994–1998) stands out as a particularly important period when the two sides used a problem-solving approach to come to a mutually acceptable resolution. Here, the position of NK Armenians played a critical role, which resulted in the collapse of the negotiations when Ter-Petrosian was forced to resign in 1998. While there was a bargaining space between Baku and Yerevan, the position of NK Armenians differed significantly, which prevented the parties from signing any agreements.

When Kocharian came to power in March 1998 and started the second phase of the NK negotiations (1998–1999), he effectively erased the existing bargaining range and turned the conflict into a zero-sum situation. Yet, despite his uncompromising position on the question of the final status of NK, Kocharian considered the option of territorial swaps that created another bargaining space.

During this period, the parties seem to have reached a mutual agreement that they planned to sign in November 1999, but one doubts whether it would have succeeded in the end. The subsequent phase (1999–2004) involved backtracking from initial compromises and the hardening of positions.

In the final phase (2004–2009), the parties adopted a formula-detail approach, which is a combination of the step-by-step and package proposals. While most of the issues on the negotiation table have been agreed upon, the two most contentious issues – the final status of NK and the return of NK Azerbaijanis to the region – remain unresolved.

Although useful in adding a multi-issue dimension to the analysis of the negotiations, the multi-issue model has some constraints. The model does not explain why exactly the parties shifted their positions or how and under what conditions this shift occurred. It is also limited in illustrating third party interventions that have been crucial in the NK peace process. In some cases, third party intervention did not result in successful resolution of a hurting stalemate, but led to one.<sup>18</sup> Nonetheless, the model does help to visualize the bargaining range in the negotiation and the issues to which the parties have found or could find mutually acceptable agreement. It is useful in drawing some lessons from past negotiation phases and focusing on the most contentious issues for future negotiations, trying to identify the intractable components of the conflict and find a better formula acknowledging areas of mutual agreement.

Compared to the traditional bargaining model, the multi-issue model could be used to analyze issues individually and in conjunction with other issues. This would allow a better understanding of the importance of each issue to one or the other party and could explain the occurrence of stalemates and deadlocks in negotiations, albeit retrospectively, which are sometimes hidden in the issue dynamics. Overall, this multi-issue model could enrich our understanding of the negotiation process as a whole.

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<sup>18)</sup> For example, Russia too often played a role of spoiler in the negotiations between Armenia and Azerbaijan, particularly in the 1990s. It suggested proposals that did not necessarily aim to break through the stalemate, but rather reflected the interests of Moscow. The so-called “Primakov Plan” of a “common state” solution in 1999 was one of such proposals, which aimed to secure Russia’s influence in Azerbaijan, Georgia and Moldova.



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