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E.O. 12356: DECL:OADR  
TAGS: MOPS, PREL, ASEC, AM, AJ, PINR  
SUBJECT: NAGORNO-KARABAKH: THE VIEW FROM YEREVAN

1. C - ENTIRE TEXT.

SUMMARY

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2. RECENT CONVERSATIONS WITH ARMENIAN GOVERNMENT OFFICIALS  
HAVE PROVIDED THE FOLLOWING SNAPSHOT OF THE CURRENT POLITICAL  
AND MILITARY SITUATION SURROUNDING THE WAR IN NAGORNO-KARABAKH AS  
SEEN FROM YEREVAN:

-- GENERAL CONSENSUS ON BASIC POLICY TENETS HOLDING THAT  
AZERBAIJAN MUST TAKE THE FIRST STEP TOWARD PEACE BY CEASING  
HOSTILITIES, OTHERWISE ARMENIA WILL SUPPORT "AUTONOMY" FOR  
NAGORNO-KARABAKH TO THE BITTER END;

-- THE EXISTENCE OF INTRIGUING UNDERCURRENTS OF OPPOSITION ON  
THE NAGORNO-KARABAKH ISSUE THAT WILL BEAR FURTHER EXPLORATION;

-- A MILITARY SITUATION THAT IS IN FLUX, WITH ADVANTAGES ACCRUING  
TO BOTH SIDES IN THE SHORT TERM BUT IN AZERBAIJAN'S FAVOR IN THE

REVIEW AUTHORITY: Robert Homme, Senior Reviewer

MEDIUM TO LONG TERM, PROBABLY RESULTING IN HOSTILITIES SPILLING FURTHER INTO ARMENIA AND OTHER PARTS OF THE REGION;

-- DISMAY AT THE CIS/RUSSIAN UNWILLINGNESS TO IMPOSE A CEASE-FIRE, AND SUSPICION WITH REGARD TO THE MOTIVES OF IRAN AND ESPECIALLY TURKEY;

-- CONSENSUS ON THE NEED FOR INTERNATIONAL SANCTIONS OR A PEACE KEEPING FORCE AS THE ONLY HOPE FOR A SETTLEMENT.

THE PROSPECT OF INTERNATIONAL HOSTILITIES IN THE REGION POSES A DIRECT CHALLENGE TO U.S. INTERESTS IN PROMOTING DEMOCRACY AND FREE MARKET SYSTEMS IN ARMENIA AND NEIGHBORING CIS STATES, AND COULD PROMPT THE NEED TO EVACUATE THE EMBASSY BEFORE THE YEAR IS OUT.

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END SUMMARY

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3. FOLLOWING OBSERVATIONS ARE BASED PRIMARILY ON CHARGE'S MEETINGS FEBRUARY 28 AND MARCH 2 WITH GERARD LIBARIDIAN, ADVISER TO THE PRESIDENT; SOUREN ZOLYAN, SECRETARY OF THE KARABAKH (ARTSAKH) COMMITTEE OF THE ARMENIAN SUPREME COUNCIL; ALEKSANDR AGHAMALYAN, INFORMATION DIRECTOR, CENTER FOR REGIONAL PROBLEMS, STATE ADMINISTRATION FOR SPECIAL PROGRAMS (KARABAKH SUPPORT UNIT ATTACHED TO COUNCIL OF MINISTERS); DAVID VARTANYAN, CHAIRMAN, FOREIGN RELATIONS COMMITTEE, ARMENIAN SUPREME COUNCIL; AND RUBEN SHUGAROV, ADVISER TO THE PRESIDENT. CERTAIN POINTS WERE CONFIRMED IN MARCH 4 MEETING WITH DEPUTY PRIME MINISTER VIGEN CHITECHIAN TO DISCUSS U.S. ASSISTANCE PROGRAMS IN ARMENIA.

I. TENETS OF ARMENIAN POLICY: "WE HAVE COMPROMISED ENOUGH"

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4. VIRTUALLY ALL OF THESE CONTACTS SHARED THE SAME EXPLICIT OR IMPLICIT ASSUMPTIONS REGARDING POLICY ON THE NAGORNO-KARABAKH (NK) ISSUE. FIRST, THE ISSUE NO LONGER CONCERNS (AS IT ONCE DID) TERRITORIAL ANNEXATION OF NK INTO ARMENIA. THE ARMENIAN POSITION NOW SEEKS TO PORTRAY NK AS AN AUTONOMOUS OR LEGALLY INDEPENDENT ENTITY AT WAR WITH AZERBAIJAN OVER THE QUESTION OF SELF-DETERMINATION. "WE HAVE COMPROMISED ALREADY ON TERRITORY," SAID LIBARIDIAN-- "WE HAVE COMPROMISED ENOUGH." THE FOCUS IS, HENCE, ON ESTABLISHING NEGOTIATIONS DIRECTLY BETWEEN REPRESENTATIVES OF NK AND AZERBAIJAN.

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5. SECOND, ALL HERE SEE AZERBAIJAN AS SINGLE-MINDEDLY DETERMINED TO PURSUE A MILITARY SOLUTION. ARMENIANS ARE CONVINCED THAT AZERBAIJAN'S LEGAL CASE FOR "CUSTODY" OF NK IS WEAK, AND THAT AZERBAIJAN KNOWS THIS AND THEREFORE HAS NO INTENTION OF PURSUING SERIOUS NEGOTIATIONS. INDEED, ZOLYAN CLAIMED THAT AZERBAIJAN BENEFITS FROM A PLETHORA OF MEDIATION EFFORTS BEHIND WHICH IT CAN MASK ITS TRUE BEHAVIOR, KNOWING THAT OUTSIDERS "WILL NOT SEE THE FOREST FOR THE TREES." THE "KEY," ACCORDING TO LIBARIDIAN, IS WHETHER AZERBAIJAN WILL NOW CHANGE ITS POLICY OF FOCUSING ON A MILITARY APPROACH.

6. THIRD, ARMENIAN OFFICIALS EMPLOY THE CONSTANT REFRAIN THAT THEY CONTROL THEIR DOMESTIC POLITICAL CONSTITUENCY, WHILE AZERBAIJAN DOES NOT. ARMENIANS ARE PORTRAYED AS MORE OR LESS UNANIMOUSLY (SEE SECTION II BELOW) BEHIND THE GOVERNMENT'S CURRENT APPROACH, WHEREAS AZERBAIJANI PRESIDENT MUTALIBOV IS DEPICTED AS A CORK IN THE ROUGH SEA OF AZERI POLITICS. LIBARIDIAN AND SHUGAROV EACH NOTED THAT THIS LEAVES ARMENIA UNSURE AS TO WHO BEST TO NEGOTIATE WITH IN THE AZERI CONTEXT. SEVERAL OFFICIALS FORSAW THE POSSIBILITY OF A "GEORGIAN OPTION" IN AZERBAIJAN, WITH MUTALIBOV FORCED TO DEPART THE SCENE-- BUT RATHER THAN HELPING NK'S CAUSE, THEY SUSPECTED THAT THIS MIGHT MAKE THINGS WORSE (MUTALIBOV MAY ACTUALLY BE A RESTRAINING FACTOR ON AZERI BEHAVIOR).

7. FOURTH, THE "KARABAKHTSY" ARE DETERMINED TO STAY IN NK AND, IN VARTANYAN'S WORDS, "FIGHT TO THE END" IF NECESSARY. IN PRACTICAL TERMS, ARMENIANS SAY THEIR BLOCKADE- AND EARTHQUAKE-WEAKENED ECONOMY CANNOT SUSTAIN THE BURDEN OF AN ADDITIONAL 200,000 REFUGEES. IN MORAL TERMS, THEY SAY ARMENIA WILL TOLERATE "NO MORE DEPORTATIONS, NO MORE MASSACRES" OF ITS PEOPLE. ZOLYAN QUOTED HITLER AS ASKING "WHO REMEMBERS THE ARMENIAN GENOCIDE?" AS

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HE FORMULATED HIS OWN FINAL SOLUTION. LIBARIDIAN MADE CLEAR THAT "ARMENIANS IN NK MUST DECIDE HOW MUCH TO FIGHT, BUT IF THEIR EXISTENCE IS THREATENED, ARMENIA MUST INTERVENE."

8. FIFTH, ARMENIA IS DETERMINED TO AVOID VISIBLY BELLICOSE ACTIONS, IN AN EFFORT TO PAINT AZERBAIJAN AS THE AGGRESSOR. ARMENIA IS UNDERTAKING PREPARATION FOR A LARGER WAR, LIBARIDIAN SAID, BUT IT IS DOING SO QUIETLY, AND IS KEEPING THE PUBLIC FOCUS ON THE GOAL OF A MEDIATED SETTLEMENT. OFFICIALS MADE CLEAR THEY DO NOT WANT TO FORM A NATIONAL ARMY ALTHOUGH, IN SHUGAROV'S WORDS, "IF THERE IS ANOTHER AGHDAM, WE WILL HAVE TO NATIONALIZE THE SEVENTH ARMY."

II. UNDERCURRENTS OF DEBATE

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9. THE ARMENIAN POSITION IS NOT ENTIRELY MONOLITHIC, EVEN AMONG PEOPLE IN GOVERNMENT, AND VARIOUS STRANDS OF THOUGHT WILL BEAR FURTHER INVESTIGATION. FOR EXAMPLE, WHEREAS EXECUTIVE BRANCH OFFICIALS SUCH AS LIBARIDIAN AND SHUGAROV REFER TO THE NEED FOR NK TO ACHIEVE "AUTONOMY," MEMBERS OF PARLIAMENT SUCH AS VARTANYAN AND ZOLYAN REFER TO NK "INDEPENDENCE" AS A LEGALLY ESTABLISHED FACT AWAITING INTERNATIONAL RECOGNITION. VARTANYAN PRESSES A COMPARISON TO YUGOSLAVIA, WITH NK THE CROATIA OR SLOVENIA RESISTING SUBJUGATION AT THE HANDS OF THE "FEDERAL" TYRANT. ZOLYAN SAID HE WAS "NOT REVEALING STATE SECRETS" WHEN HE TOLD CHARGE THAT A "SHARP DEBATE" WAS BREWING WITH REGARD TO GOVERNMENT POLICY IN NK-- SUGGESTING THAT A MORE MUSCULAR POLICY WAS DESIRED BY SOME.

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10. THE INDEPENDENT DAILY "GOLOS ARMENII" ON MARCH 3 REPORTED THAT A DEMONSTRATION WAS HELD EARLY THIS WEEK IN SUPPORT OF KARABAKH (OR "ARTSAKH," AS IT IS CALLED HERE). SOME OBSERVERS WERE SURPRISED TO NOTE THAT, FOR THE FIRST TIME, A SLIGHT NOTE OF CRITICISM HAD CREPT INTO THE PAPER'S COVERAGE OF THE NK ISSUE (THE PURPOSE OF THE DEMONSTRATION WAS NOT TO CRITICIZE THE CURRENT GOVERNMENT'S POLICY, "ALTHOUGH IT DESERVES THIS."). COMMENTING ON THIS, AN AIDE TO SUPREME COUNCIL CHAIRMAN BABKEN ARARKTSYAN TOLD CHARGE THAT THE PRINCIPAL THRUST OF GRIEVANCES WAS OVER THE COMMATOSE DOMESTIC ECONOMY, BUT HE ACKNOWLEDGED THAT SOME ARMENIANS ("A FEW") WOULD LIKE TO SEE THE GOVERNMENT ADOPT A MORE OVERT STAND IN SUPPORT OF NK.

### III. THE COURSE OF MILITARY OPERATIONS

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11. ARMENIAN OFFICIALS DESCRIBE CONSIDERABLE FLUX IN THE COURSE OF MILITARY OPERATIONS, WITH TOWNS IN NK CHANGING HANDS TWO OR THREE TIMES OVER THE PAST FEW DAYS. THE BULK OF NAGORNO-KARABAKH APPEARS TO BE IN ARMENIAN HANDS, HOWEVER. ALTHOUGH SPORADIC CLASHES HAVE OCCURRED ALONG THE ARMENIAN-AZERI BORDER, MOST MILITARY ACTIONS HAVE BEEN IN EASTERN NK FROM STEPANAKERT TO THE AZERI TOWN OF AGHDAM. MORE THAN HALF OF STEPANAKERT IS SAID TO BE IN RUINS, AND REPORTS OF SIZEABLE NUMBERS OF CIVILIAN CASUALTIES AND INSTANCES OF EXECUTIONS OF POWS, POINT TO THE DESPERATE NATURE OF THE COMBAT BEING WAGED ON BOTH SIDES. VARTANYAN SAID THAT THE TOWN OF ASKERAN MAY NOW BE AT RISK.

12. THE FORCES OF EACH SIDE ARE STILL CHARACTERIZED AS "SELF  
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DEFENSE FORCES" OR "NATIONAL GUARDS" RATHER THAN FULL-FLEDGED MODERN ARMIES. AZERBAIJAN'S MOBILIZATION IS DESCRIBED AS A "POLITICAL" MOBILIZATION DESIGNED TO ENHANCE PRESIDENT MUTALIBOV'S WEAK STANDING, RATHER THAN A MILITARILY SIGNIFICANT ACT. (IN THIS VEIN, LIBARIDIAN TOLD CHARGE ARMENIA SUSPECTS THE AZERI ATTACK ON AGHDAM MAY NOT HAVE BEEN AUTHORIZED BY MUTALIBOV.)

13. WHAT IS CHANGING THE CURRENT EQUATION, HOWEVER, IS THE APPARENT WITHDRAWAL OF CIS FORCES FROM NK, INCLUDING THE 366TH MOTORIZED RIFLE REGIMENT BASED IN STEPANAKERT. AGHAMALYAN TOLD CHARGE THAT PARATROOPERS ("DESANTY") HAD BEEN DEPLOYED TO COVER THE WITHDRAWAL FROM STEPANAKERT, WHICH MAY TAKE SOME TIME TO ACCOMPLISH. HE SAID CIS TROOPS HAD BEEN ORDERED NOT TO RESPOND TO SHELLING, AND THAT FOURTH ARMY DEPUTY COMMANDER SHKICHENKO (PHON) HAD BEEN DISPATCHED TO STEPANAKERT TO ENSURE THAT RESTRAINT WAS OBSERVED. GENERALS GROMOV AND GRYEKO ARE SAID TO BE IN CHARGE OF CIS FORCES. THERE IS ONE UNCONFIRMED REPORT THAT THE COMMANDER OF THE 366TH RECENTLY RESIGNED AND HAS NOT BEEN REPLACED. AGHAMALYAN CHARGES THAT RUSSIA AND THE CIS WILL BE RESPONSIBLE FOR THE "MASSIVE BLOODSHED" THAT WILL ENSUE ONCE CIS FORCES DEPART NK. (REGARDING CHARGES THAT ARMENIANS MASSACRED CIVILIANS AT KHOJALY, AGHAMALYAN RESPONDED THAT MOST CIVILIANS HAD IN FACT LEFT THE TOWN BEFORE THE BATTLE, AND THAT ACTUAL CASUALTY FIGURES WERE 60 AZERIS AND 8 ARMENIANS.)

14. ARMENIANS SEE THE DEPARTURE OF CIS TROOPS AS LOSS OF "THE LAST" RESTRAINING ELEMENT ON AZERI BEHAVIOR. THEY ALSO CLAIM THAT CIS WITHDRAWAL IS RESULTING IN THE TRANSFER-- INTENTIONAL OR OTHERWISE-- OF HUGE QUANTITIES OF MODERN  
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HEAVY WEAPONS INTO AZERI HANDS. THE AGHDAM SEIZURE ALONE IS SAID TO HAVE NETTED AZERBAIJAN "EIGHT MEGATONS" OF FIREPOWER. ARMENIAN OFFICIALS CLAIM THE AZERIS WILL SEIZE ADDITIONAL CIS TANKS AT LENKERAN. VARTANYAN AND AGHAMALYAN WERE ALSO CONFIDENT THE AZERIS WOULD EVENTUALLY TAKE CONTROL OF CIS SU-25 AIRCRAFT AT THE SITALCHAI AIR BASE 30-40 KILOMETERS FROM BAKU, AND WOULD EASILY "HIRE" THE PILOTS NEEDED TO FLY THESE ADVANCED AIRCRAFT.

15. ARMENIANS APPEAR TO HAVE THE SHORT-RUN ADVANTAGE IN TERMS OF LIGHT WEAPONS AND CLOSE COMBAT "PARTISAN"-STYLE OPERATIONS. THEY ARE DEFENDING THEIR HOMELAND, IT IS FREQUENTLY POINTED OUT. NEW FIGHTERS ARE APPARENTLY BEING RECRUITED FROM AMONG THE HALF-MILLION ARMENIANS LOCATED THROUGHOUT THE FORMER SOVIET UNION. VARTANYAN CONCEDED THAT THE ARMENIANS HAVE OBTAINED SOME "GRAD" SYSTEMS. THE AZERIS, ON THE OTHER HAND, ARE VIEWED AS HAVING THE OVERWHELMING LONG-RUN ADVANTAGE IN TERMS OF HEAVY FIREPOWER (ARTILLERY AND "GRAD").

16. BORDER SKIRMISHES CONTINUE TO OCCUR, AND CIS GENERAL V.A. NEVEROV, DEPUTY COMMANDER OF THE SEVENTH ARMY, HAS INDICATED THAT ROAD TRAVEL THROUGH NORTHEASTERN ARMENIA IS NOT SAFE. NEVERTHELESS, ARMENIAN OFFICIALS DOWNPLAY THE CURRENT LIKELIHOOD OF A MAJOR AZERI STRIKE AGAINST ARMENIA IN GENERAL OR YEREVAN IN PARTICULAR. TERRORIST ACTIONS AGAINST ARMENIAN TARGETS CANNOT BE RULED OUT. VARTANYAN OBSERVED THAT THE AZERIS COULD HAVE "A GOOD ARMY" IN A FEW MONTHS: "IF THEY DO, AND ARMENIA DOES NOT HAVE ONE, THEY WILL ATTACK."

IV. ROLE OF KEY NEIGHBORS

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17. RUSSIA: ARMENIAN OFFICIALS LONG FOR A MORE DETERMINED RUSSIAN/CIS MILITARY ROLE IN NK, AND VOICE SOME BITTERNESS AT YEL'TSIN'S "PUBLIC RELATIONS STUNT" MEDIATION EFFORTS. WRITING IN THE MARCH 3 "GOLOS ARMENII," ZOLYAN CASTIGATES THE "DOUBLE-STANDARD OF RUSSIA'S POSITION" AND CLAIMS THE CIS' UNWILLINGNESS TO DEAL WITH THE NK SITUATION IS EVIDENCE OF THE COMMONWEALTH'S "CHIEF OBJECTIVE," NAMELY TO PRESERVE EACH STATE'S TERRITORIAL INTEGRITY AND "SET AN EXAMPLE" FOR ANY SUB-NATIONAL ENTITY SEEKING INDEPENDENCE FROM A CIS MEMBER STATE. ANOTHER LINE OF THOUGHT EXPRESSED HERE IS SUMMED UP IN AN ARTICLE BY PAVEL FEL'GENGAUER REPRINTED FROM "NEZAVISIMAYA GAZETA" (NO. 35) IN THE MARCH 3 "GOLOS ARMENII." THE ARTICLE SUGGESTS THAT RUSSIA HAS DECIDED TO FOCUS EXCLUSIVELY ON INTERNAL PROBLEMS, IN EFFECT LEAVING THE TRANSCAUCASUS FOR NEIGHBORING IRAN AND TURKEY TO COMPETE OVER. VARTANYAN CALLED THIS COMPETITION FOR INFLUENCE IN THE REGION "DANGEROUS" FOR ARMENIA.

18. TURKEY: ARMENIAN OFFICIALS VOICE UNANIMOUS SUSPICION OF TURKEY'S MOTIVES. LIBARIDIAN FEARS TURKEY IS BEING "PUSHED INTO THE ROLE OF REGIONAL SUPERPOWER," AND INDICATED ARMENIA IS "ALMOST CERTAIN" TURKEY IS SUPPLYING WEAPONS TO AZERBAIJAN. PRIME MINISTER DEMIREL'S MARCH 1 STATEMENT WAS VIEWED HERE AS DEMONSTRATING LAUDIBLE RESTRAINT, BUT THE CONSENSUS REMAINS THAT IF PUSH COMES TO SHOVE, TURKEY WILL FEEL OBLIGED TO INTERVENE ON BEHALF OF AZERBAIJAN.

19. IRAN: ARMENIANS CONVEY A SENSE THAT, DESPITE THE MIXED PICTURE REPRESENTED BY IRAN, THEY ARE RELUCTANTLY BEING FORCED TO CONSIDER CLOSER TIES WITH THAT COUNTRY. ALTHOUGH

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SOME IRANIANS ARE BELIEVED TO BE FIGHTING WITH THE AZERIS, IRAN IS ALSO ACKNOWLEDGED TO HAVE PROBLEMS REGARDING ITS OWN "INTERNAL AZERIS." LIBARIDIAN NOTED THAT IF THE SITUATION DETERIORATES FOR ARMENIA, "WE MAY HAVE TO LOOK FOR ALLIANCES TO THE NORTH AND TO THE SOUTH" (HE MADE CLEAR HE WAS ALLUDING TO IRAN). FONMIN VELAYATI'S FEB. 28-29 VISIT TO YEREVAN FAILED TO PRODUCE PROGRESS ON NAGORNO-KARABAKH, BUT DID PROVIDE INDICATIONS (ACCORDING TO THE JOINT COMMUNIQUE RELEASED AFTER THE VISIT) THAT BILATERAL TIES IN THE AREAS OF TRANSPORT AND COMMUNICATIONS WILL IMPROVE. AT THE SAME TIME, VARTANYAN MADE CLEAR THAT FOR CHRISTIAN ARMENIA, CLOSER LINKS WITH SHIITE IRAN REPRESENT A CHOICE OF LAST RESORT. "IT IS NOT BY COINCIDENCE THAT IRANIAN INTEREST IN NK HAS GROWN" OF LATE, HE SAID.

#### V. MEDIATION EFFORTS AND PROSPECTS FOR SETTLEMENT

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20. ALTHOUGH ARMENIAN OFFICIALS FORMALLY HOLD OUT THE HOPE THAT THE RUSSIAN/KAZAKH MEDIATION EFFORT CAN BEAR FRUIT, THE PRIVATE CONSENSUS IS THAT THAT EFFORT HAS "FLOPPED" (IN SHUGAROV'S WORDS). THE IRANIAN EFFORT WAS MISGUIDED IN THAT VELAYATI CAME WITH "THE WRONG PREMISE," NAMELY THAT THE CONFLICT WAS AN ARMENIAN-AZERI (RATHER THAN NK-AZERI) ONE. (ONE LOCAL VIEW HAS IT THAT THE AZERIS DELIBERATELY BROKE THE CEASE FIRE BECAUSE THEY DID NOT WANT VELAYATI TO SEE HOW MUCH DAMAGE THEY HAD DONE TO STEPANAKERT.) THE CSCE VISIT WAS "TOO SHORT" TO BE MEANINGFUL. THE FRENCH PROPOSAL IS SEEN AS HAVING MERIT IN TERMS OF "HUMANITARIAN CORRIDORS" BUT OFFERS NO MECHANISM FOR A GENUINE CEASE-CONFIDENTIAL

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FIRE. ARMENIA HAS FELT COMPELLED TO PROPOSE ITS OWN "MECHANISM" FOR A CEASE-FIRE, CONTAINED IN THE PUBLIC APPEAL DELIVERED IN MOSCOW ON FEBRUARY 28 (MOSCOW 5901), BUT THE FACT THAT THE CEASE-FIRE IS CONTINGENT ON THE AZERIS STANDING DOWN FIRST APPEARS TO MAKE THE PROPOSAL A NON-STARTER.

21. ARMENIAN OFFICIALS ARE LOOKING FOR A BENEVOLENT OUTSIDE FORCE TO STEP IN AND IMPOSE A CEASE-FIRE SO THAT NEGOTIATIONS TOWARD A SETTLEMENT CAN BEGIN. THEY UNANIMOUSLY ACCUSE THE INTERNATIONAL COMMUNITY OF BEING "TOO PASSIVE" ON THE NK ISSUE. THEY CRITICIZE THE CIS FOR TOLERATING SO MUCH BLOODSHED IN ITS "OWN" BACK YARD. DRAWING COMPARISONS TO YUGOSLAVIA, THEY CALL FOR SANCTIONS AGAINST AZERBAIJAN AND INTERNATIONAL OBSERVERS OR PEACE-KEEPERS TO IMPOSE A CEASE-FIRE. SOME WOULD LIKE TO SEE AN INTERNATIONAL CONFERENCE ON NK UNDER U.N. AUSPICES. VARTANYAN WARNED THAT IF THE WORLD WAITS UNTIL THE SITUATION HAS TRULY BECOME "A YUGOSLAVIA," THEN IT WILL BE "TOO LATE" FOR THE ARMENIANS

IN NAGORNO-KARABAKH. SHORT OF INTERVENTION BY AN OUTSIDE FORCE, PROSPECTS FOR SETTLEMENT OF THE NK DISPUTE APPEAR FROM THIS PERSPECTIVE TO BE NIL.

VI. IMPLICATIONS FOR THE U.S.

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22. U.S. INTERESTS IN PROMOTING DEMOCRACY AND FREE MARKET ECONOMIC SYSTEMS IN THE STATES OF THE FORMER USSR ARE THREATENED BY ARMED CONFLICT THAT DESTABILIZES NASCENT POLITICAL STRUCTURES AND DESTROYS FRAGILE INVESTMENT CLIMATES. THE PROSPECT OF FULL-SCALE WAR BETWEEN ARMENIA AND  
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AZERBAIJAN IN THE COMING MONTHS POSES PRECISELY THIS CHALLENGE TO U.S. INTERESTS IN ARMENIA AND THE TRANSCAUCASUS REGION AS A WHOLE. TO THE EXTENT CURRENT U.S. EFFORTS IN SUPPORT OF RUSSIAN, CSCE OR OTHER MEDIATION ATTEMPTS FAIL TO REDUCE TENSIONS, WE WILL BE FORCED TO CONSIDER TAKING THE LEAD IN SEARCH OF A SETTLEMENT, PERHAPS VIA THE U.N.

23. IN THE MEANTIME, WE WILL HAVE TO CLOSELY MONITOR THE SECURITY SITUATION FOR U.S. TEAMS TRAVELLING IN ARMENIA IN SUPPORT OF "PROVIDE HOPE" AND OTHER WESTERN ASSISTANCE ACTIVITIES. WHILE TRAVEL TO YEREVAN AND MOST OF ARMENIA IS RELATIVELY SAFE AT THE CURRENT TIME, TEAMS SHOULD NOT SEEK TO TRAVEL TO THE BORDER REGION BETWEEN ARMENIA AND AZERBAIJAN.

24. LIKEWISE, IN TERMS OF THE U.S. DIPLOMATIC PRESENCE IN ARMENIA, THE POSSIBILITY THAT FULL-SCALE HOSTILITIES BETWEEN ARMENIA AND AZERBAIJAN COULD BREAK OUT IN THE NEXT FEW MONTHS OR SOONER MEANS THAT WE WILL HAVE TO BE PREPARED, IF NECESSARY, TO PUT ON HOLD PLANS TO FULLY STAFF THE EMBASSY, AND WILL NEED TO DEVELOP REALISTIC EVACUATION OPTIONS FOR EMBASSY PERSONNEL.

NORLAND

NOTE: NOT PASSED TO ABOVE ADDRESSEE(S)  
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