Abstract

Turkish-Armenian relations have very long history. After sixteen frozen years, two countries tried to accelerate their relations in 2008. The improvements of the formal relations between Turkey and Armenia have affected by means of official and nonofficial diplomatic ties, by governmental and nongovernmental actors and by internal and external pressures on both states. After prolonged conflicts between the two states, mutual negotiations started at this year because of normalization effort between the two states.

Two countries started to talk even opening the borders, which closed for sixteen years. Both Armenia and Turkey are participants of major worldwide organizations and settlements on trade and transport. However, the potential of these instruments for enhancing cooperation between Armenia and Turkey has been undervalued and little investigated.

As strongly argued in the paper, the normalization of bilateral relations is not difficult for two sides, because of historical common ties between the two nations. In the normalization of relations between Turkey and Armenia, it is expected that Russian factor and the Eurasian Economic Union will have a significant position upcoming decades. It is also foreseen that the relations between these two countries will become stronger with the development of the Eurasian Economic Union in the following years.

Keywords: Turkish-Armenian rapprochement, Regional trade, Protocols on Reconciliation

JEL Classification Codes: F590, F150, N950

Introduction

Turkey and Armenia tried to accelerate their relations in 2008. After prolonged conflicts between the two states, mutual negotiations started at this year because of normalization effort between the two states. Two countries had also started to talk even opening the borders, which closed for sixteen years.

In this context, a critical question is that why have they started to discussed opening the borders after they perceived each other mutual enemies for a century? It is very difficult to answer this question. Because there have been many problems between these two nations; and these problems have so many dimensions, bilateral relations had tended to decrease at a minimum level. As well as not having any economic and political relations, the two countries have also closed mental borders for each other.

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This study tries to describe main characteristics of bilateral relations between these nations. It will focus on bilateral economic relations and will try to outline the factors both accelerating and limiting factors behind them. Finally, it emphasizes the possible impacts of opening borders for regional development. The first step of the study will be the brief historical background of the relations.

1. Brief History of Turkish Armenian Affairs After Post-Soviet Period

When Armenia became independent in 16 December 1991, Turkey was one of the first countries to recognize this newly country. Two countries share a 325 kilo meters long border, although they have not established any diplomatic relations so far. Despite the lack of formal relations and the Turkey’s closure its Armenian borders in 1993, official connections between two neighbors have begun to progress in the past few years and particularly since the November 2002 elections of Turkey. The improvements of the formal relations between Turkey and Armenia have affected by means of official and nonofficial diplomatic ties, by governmental and nongovernmental actors and by domestic and external pressures on both states. Bilateral affairs among the two states have generally been influenced the differences in political debates with respect to the common history in the early 20th century and continued the war over Nagorno-Karabakh in the early 1990’s. The struggle among the two South Caucasus states started in 1988 when Armenia made provincial entitlements against Azerbaijan. As an outcome of the ensuing war, in 1992 Armenian armed forces occupied 20 percent of Azerbaijan, plus the Nagorno-Karabakh field and seven neighboring districts. The 1994 ceasefire pact was tracked by peace talks. This triggered conflict negatively affected relations because of having close ties with Azerbaijan.

Furthermore, there are deep, unsolved and historical problems between the two countries. Probably some of these conflicts, such as Armenian genocide claim against Turkey as persisting state policy, problems resulting from Armenian Declaration of Independence (in Armenian Constitution, Article 13) will remain unchanged. Moreover, Armenian occupation on almost 20 percent of Azerbaijani territories still continuous and Turkey’s strategic relations with Azerbaijan necessitates supporting Azerbaijan’s thesis over this conflict. After the Azerbaijani-Armenian war, over than 1 million people have lost their homes (800 thousand Azerbaijanis and 300 thousand Armenians). Despite of the fact that refugee problem has negatively affected both countries, bilateral negotiations on the way of normalization have continued between Turkey and Armenia for two years.

3 Under the old Soviet central planning system, Armenia developed a modern industrial sector, supplying machine tools, textiles, and other manufactured goods to sister republics, in exchange for raw materials and energy. Armenia has since switched to small-scale agriculture and away from the large agro industrial complexes of the Soviet era. For more info. https://www.cia.gov/library/publications/the-world-factbook/fields/2116.html
5 One can see the Armenian official principles by visiting these links, http://www.president.am, and http://www.armenianforeignministry.com (15.05.2009).
In this process, the important cornerstone accelerated relations in the direction of normalization is the new foreign policy dimensions of Turkey, which includes “zero problem with the neighbors”. This policy especially became more important with the appointment to foreign ministry of Ahmet Davutoğlu. With this appointment on early May 2009, political environment in Turkey expected important implications beyond Turkey, especially on neighboring countries as well as Armenian policy of Turkey.\(^6\)

**Table 1. Turkish Officials Visit to Armenia in The Last Decade**

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>September 6, 2008</td>
<td>Turkish Leader Abdullah Gul visited Yerevan to watch a football game among the national players of Armenia and Turkey.</td>
</tr>
<tr>
<td>October 14, 2009</td>
<td>President of Armenia Serzh Sargsyan visited Bursa on a return visit to watch a football game between the national teams of Armenia and Turkey.</td>
</tr>
<tr>
<td>December 12, 2013</td>
<td>In the context of a session of the BSEC, the delegation supervised by Turkish Foreign Minister Ahmet Davutoğlu arrived in Yerevan.</td>
</tr>
<tr>
<td>August 28, 2014</td>
<td>Minister of Foreign Affairs of Armenia Edward Nalbandian become present the inauguration formality of newly-elected president of Turkey Recep Tayyip Erdogan.</td>
</tr>
</tbody>
</table>


Subsequently, Turkish-Armenian economic relations also became one of the most important problems during the process of normalization. Public opinion in both domestic and external side mostly interested in the economic consequences of opening border as well as political results of it. Despite of the fact that the borders are closed and economic ties are weak

between the states, Turkish-Armenian relations should be considered in this important historical turning point.

On the one hand, a new stage of Armenian-Turkish concerns was in improvement. As an outcome of this approach, on October 10 2009 in Zurich, the Ministers of Foreign Affairs of two states signed the “Protocol on the founding of political affairs among the Republic of Armenia and the Republic of Turkey” and “Protocol on progress of relations among of the Republic of Armenia and the Republic of Turkey”. Armenia’s point of view, However, after the signing protocols, Turkey sharply transformed its situation and vetoed to appliance the treaties on the normalization of the relations within a realistic timeframe and without any prerequisites, relating the ratification of the Protocols in the Grand National Assembly of Turkey to the settlement of the Nagorno-Karabakh conflict.

From the Turkish Officials perception, these attempts detected as follows. The Protocols were then give in to the Grand National Assembly of Turkey for agreement. In Armenia, however, the Protocols were directed to the Constitutional Court for having their constitutionality to be ratified. Even though finding the Protocols in conformity with the Constitution of Armenia, the issued grounds of the verdict of the Constitutional Court had prerequisites and protective requirements ruination the message and essence of the Protocols. The verdict damaged the very purpose for negotiating the Protocols as well as their vibrant purposes. Subsequently, over a message sent to Turkish Embassy in Tbilisi on 23 April 2010, the Armenian side stated that it put ratification process of the Protocols in a limbo. After that, President Sargsyan recalled the Protocols from the Parliament of Armenia in February 2015.

From the Armenian experts’ perspective, taking into consideration the state shaped by Turkey, as well as the demand of the Political Council of the parties-members of the governing coalition, on April 22, 2010 the President of the Republic of Armenia signed a verdict on the postponement of the process of ratifications of the Protocols. On February 16, 2015, the protocols were called back from the National Assembly, considering the degree signed by President of the Republic of Armenia.

As stated above, Turkish officials declares that Turkey sustains its preparedness to normalize its relations with Armenia. Henceforth, the Protocols are remaining on the agenda of the Turkish Parliament. Additionally, to show guarantee to establish decent neighborly associations with Armenia, Turkey announced plentiful unilateral confidence constructing measures to support restore assurance between Turkey and Armenia. Conversely, a parallel fruitful attitude was not perceived from the Armenian side. In addition, the Armenian officials enhanced their obloquy campaign against Turkey in 2015. Contrariwise, in the nonexistence of any progress in the Armenian-Azerbaijani associations, any improvement to be accomplished within the Turkish-Armenian normalization procedure by itself would endure deficient and would not be long-term and justifiable.

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7 See the details, Ministry of Foreign Affairs of Armenia, 2016 http://mfa.am/en/country-by-country/tr/
Turkey’s recognition regarding independence of Armenia in the late 1991 would have been the best starting point between the two states if Armenian-Azerbaijani conflict did not start. As well as recognizing Armenia as an independent state, Turkish officials also proposed it in 25 June 1992 to become founder member of the Black Sea Economic Cooperation (BSEC). Beside then, after the cease-fire on Karabakh issue, Turkey permitted Armenia to use its H-50 air corridor; and this corridor have opened since 1995. On one hand, in these years, some external powers and political blocks pressured for normalization of the relations; on the other hand, some NGO movements (like Turkish Armenian Business Development Council) and local governments (like Naif Alibeyoğlu, an old Kars Mayor) emphasized on opening border. For instance, Alibeyoğlu collected 50 thousand signatures in favor of opening border. Turkey’s desire in favor of normalization of the relations followed these attempts, especially during the rule of Justice and Development Party (JDP) government.

Armenia’s desire in favor of normalization started under the rule of Kocharyan and accelerated especially with the rule of Sargsyanyan government. Direct dialogues on bilateral normalization on negotiations have commenced since 2007 in Switzerland’s foreign policy institutions. Turkey also invited Armenia to the Caucasian Cooperation and Stabilization Platform (CCSP), which offered by Turkey to the regional countries including Russia after the August 2008 events in which a small war took place war between Russia and Georgia.

In addition to all these progress, previous Turkish Chief Abdullah Gül’s visit to Armenia in September 6, 2008 has been the top-level diplomatic connection between the two countries since 1991. During this crucial visit, a road map for normalization process also discussed. Turkey’s diplomatic attacks gave way to a series of positive results and Armenian President Sargsyanyan accepted return match in Turkey at October 14, 2009. In fact, Sargsyanyan demonstrated positive signals during normalization process when he said “... by pleasing President Gül to Armenia, we restated our situation that non-recognition by the Turkish side of the extermination is not an insurmountable issue to reconstruction of relations among our states”.

2. Factors Accelerating Economic Relations

Indeed, there have been many obstacles accelerating bilateral relations, such as common historical symbiosis, cultural similarities between Turkish-Armenian people, and the Armenian contributions to the Ottoman rule. A common history between the nations (excluding terrorist attacks of nationalist Armenian movements against the Turkish diplomats, so-called genocide thesis, and the post-Soviet occupying position of Armenian troops in Nagorno-Karabakh and around that region) could generate at least economic relations. If we consider the beginning of the post-Soviet period, one could easily understand the importance of economic relations between Turkey and Armenia. Because Turkey was in need a new market to export its manufactured goods and Armenia was seeking new trade partners and

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11 Armenia joined the WTO in January 2003. The state has made some progress in tax and customs issues in recent years, but anti-corruption measures have been ineffective. Armenia should pursue extra economic reforms and strengthen the rule of law for resetting economic growth and improve economic competitiveness and employment opportunities, especially given its economic isolation from two of its nearest neighbors, Turkey and Azerbaijan.
export markets; early post-Soviet conditions was offering new opportunities to both countries. This kind of trade links have not established yet, because of the reasons discussed above. Although trade connections and capital movements did not develop, regional trade opportunities and the reality of global trends closed these economies. Moreover, most of new opportunities lay the groundwork for transport and telecommunication networks.

First, Armenian territory provides Turkish trade flows at lower costs compared to Georgia and Iran routes. This is more rational for Armenia, which especially became important after Russian-Georgian War in August 2008. Moreover, regional projects in the South Caucasus (such as Baku-Tbilisi-Ceyhan (BTC) crude oil pipeline, South Caucasus Natural Gas Pipeline (SCNG), Kars-Tbilisi-Baku (KTB) railway project, and finally Nabucco natural gas pipeline project) increased regional opportunities, although all these trade links established outside of Armenian territory.

All regional projects- a significant few of them mentioned above- have both negative and positive impacts on Armenia. The KTB railway plan bypassing Armenian boundaries became a vital phase to boost regional cooperation, by including Armenia indirectly. Armenian policy makers diminished their so-called genocide claims against Turkey, because Armenia exempt from KTB (in addition to the BTC). Besides, they powerfully claimed that the Kars-Gümrü railway venture would comprehend again and highlighted that the KTB is presently an inefficient energy. Armenia, which chosen to be a closed economy, begun to follow lucid provincial policies particularly against Turkey. After extensive disapproval to this venture, Armenia has proclaimed that it is ready to contribute if Turkey unlocks its boundary with her. Armenian Deputy-Minister of Foreign Affairs Gegam Garibjanian said on 18 January 2007 that his state could join the project by regenerating a piece of railway that runs from the Turkish town of Kars to Akhalkalaki in Georgia via Armenia “the day after the boundary among Armenia and Turkey is opened.” Such a section could pointedly decrease carriage costs. The US and the EU, the influential supporters of such regional projects as the BTC and the SCNG pipelines, have failed to support the rail link since it excluded Armenia.¹²

Second, trilateral negotiations among Azerbaijanis-Armenians-Russians on the possible solutions of Karabakh conflict have increased for last months. Karabakh issue is the most important vulnerable factor behind regional security and cooperation. In this case, all regional countries refer that question which is still unsolved. With the contradictions of Karabakh issue, regional traffic accelerated on problem solving efforts. Beyond frozen conflicts, these efforts can include results that are more dynamic.

Third, existence of economic rationalism in Turkey necessitates developing bilateral relations. This rationalism urges also Armenians to reconsider pure-genocide based policies in their country and all over the world. Turkey and Armenia had been exploring the possibilities on direct trade since 1996. Existence of proper political environment in both countries (i.e. Erdoğan and Sargysyan governments) contributed to seeking bilateral solutions.

Fourth, global powers contribute to development of political and economic relations between two states. European Union has permanently criticized Turkey’s policies against Armenia in the yearly regular reports of European Commission that prepared for Turkey’s compatibility to the EU policies. US policy on the Southern Caucasus and its effects should be considered in this context. A new starting point in the US foreign policy includes Caucasus and burden Turkey further involvement in important regional conflicts.\textsuperscript{13}

Fifth, policies of Russian side increased costs for Armenia. It has been very crucial especially after August 2008 events. Armenia started to perceive that transportation and telecommunication links via Georgian, and Iran has limited its trade alternatives. Russian desire to punish Georgia after the last war was also the key element Armenia to seek alternative routes.

In addition to all this, Both Armenia and Turkey are participants of major worldwide organizations and settlements on trade and transport, such as World Trade Organization, Organization of Black Sea Economic Cooperation, Transports Internationaux Routiers, Convention on the Contracts for International Carriage of Goods by Road and European Conference of Ministers of Transport. However, the potential of these instruments for enhancing cooperation between Armenia and Turkey has been undervalued and little investigated. The dual causality of trade and transport is reflected in the transport situation of the region: on one hand, a good transport system smooths trade, and on the other, trade brings about the inevitability of advance of routes and services. Thus, the innovative transportation corridors discoursed in the study can be both the origin and the value of the market expansion and regional integration. The expansions in trade for the current era have exposed a perceptible necessity for founding of joint-ventures among Armenian and Turkish firms, particularly in the ground of goods and passenger carriage. Irrespective partisan arguments and limitations trade among Armenia and Turkey has create a confident efficient scope of action, principally through launching an exercise of semi-legal credentials. The base of this functioning exercise is the business ethics and shared trust among business representatives across the borders. Such alliance will produce a robust stage and expansion of business interests for bearable and irretrievable assistance within the South Caucasus province, thus turning it into a sole HUB for East-West transit from Fareast and Central Asia to Europe and Middle East, with a specific gain: each state will enjoy a exclusive role in this supportive HUB. Furthermore, open borders will deliver a better atmosphere for the two states to operate the prevailing and future international tools towards the fulfillment of their common welfares.\textsuperscript{14}

3. “Achilles' Heel”: Factors Limiting Cooperation

In Armenia, the most important bottleneck has been the official state policy against Turkey that includes so-called genocide thesis. Diaspora’s activities towards creating international pressure on Turkey over their thesis have also been limiting relations. Although two sides


seem more eager to establish new opportunities, political stabilization risk may emerge in Armenia and show its effects on existing government. Other than occupation of seven Azerbaijani cities by Armenian troops over Karabakh region, Armenia has not declared yet that they have recognized Turkish-Armenian border status.

On the other side, in Turkey, there has been the strong bias on “Turks had never made a mistake in the history”. From this point of view, Turkey has denied 1915 events and the consequences of exile on its own citizens. In addition to the historical problems and mentality reasons, if Turkey compare to its relations with Azerbaijan to Armenia, it could easily be argued that Azerbaijan is more crucial country than Armenia for it. Azerbaijani population living around Armenian border in Turkey and their opposition to opening border has also been limiting relations. Moreover, supporters of opening border had accused of being supporter of Armenia, like the former Mayor of Kars, Alibeyoğlu. There are negative opinions against Armenians in the mind of many Turkish citizens whose relatives suffered from Armenian rebellions during and before the World War I.

It is fact that historical and actual reasons preventing closer relations are more important for Armenian side. However, Turkey established a strong nation-state and emerged an absolute regional power in the 1990s; Armenia was a part of Soviet Empire and demonstrated weak economic development since the failure of the USSR. Diaspora Armenians had also lived all over the world and experienced loneliness. This kind of psychological background possibly affected this nation’s behaviors and influenced making friend-enemy divisions.

4. Possible Impacts of Opening Border: Effects on both Countries

Turkey closed its borders with Armenia in April 1993 by closing the Doğu Kapı which was making direct land connection (network) between the two countries. The closure of border has generated high economic costs to Armenia. Because Armenia is a landlocked country and surrounds its western and eastern borders with Turkey and Azerbaijan, its main exit routes from the country to the foreign markets faced more expensive routes via mainly Georgia and Iran.

On the one hand, possible opening of the Turkish border would contribute greatly Armenian socio-economic environment. Although some sectors in the Armenian economy might suffer heavily from external competition, which will be resulting from Turkish firms, the results of possible opening will absolutely be positive for Armenia. If we consider its economic integration problems in regional and global level, possible impacts of opening border will be very important for Armenia.15

On the other hand, Turkey had also lost significant economic benefits from the closure of border, although it became the one of the most important partner with Azerbaijan, which emerged the strong economic power in the Caucasus. Armenia could become a critical

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15 Armenia’s geographic isolation, a tight export base, and pervasive monopolies in important business sectors have made it particularly vulnerable to the sharp deterioration in the global economy and the economic downturn in Russia. For more info: https://www.cia.gov/library/publications/the-world-factbook/fields/2116.html
regional partner and market for eastern part of Anatolia. Despite stronger relations with Azerbaijan (see table 2), closure of border with Armenia have punished Kars and other eastern Anatolian provinces and port of Trabzon. Trade culture is relatively weak in Kars and its neighbors because of small trade facilities with Turkey’s neighbors (see table 6). Industrial development is also not efficient in Kars and its neighboring cities as well as their ranks by GNP per capita income. It is possible that opening the border would enhance Turkey’s role on transit route between east and west trade.

Besides, the opening would accelerate the establishment of normalization in diplomatic relations between Turkey and Armenia. Because Turks and Armenians have shared a common history for five centuries, this development may rediscover bilateral ties between countries. Another aspect may come from the EU and its interests that could contribute greatly to Turkey’s accession process with Turkey and generate Europe’s Neighborhood Policy (ENP). Furthermore, the EU would have to insert relevant conditionality in the ENP’s priorities for action with Armenia. This would necessitate EU’s insistence that Armenia recognizes officially its common borders with Turkey.

These determinants may evaluate broad possible effects of opening border. First, we should reemphasize the necessity of opening border. The length of Turkish-Armenian borders is 325 kilo meters long and there are two custom points. The border starts near Lake Çıldır, and extends to Dilucu, near Iğdır, running southwards following the Aras River. Between Digor and Tuzluca, which are small cities there exist close relations between Turkish and Armenian citizens. Similar relations have emerged so common nowadays. Even these preconditions require the benefits of normalization. Moreover, the only one highway connection to Gümrü from Turkey in Alican village longs only 20 km. Another connection consisted of a railway is far away 66 km from Kars province.

Regarding the cost of closed border for Armenia, one could think that the country’s access to Black Sea Ports via Georgia is limited because of lack infrastructure. Air transport costs higher than many closed or semi-closed countries; because trade links restricted to low-capacity rail and road networks with Georgia and its Black Sea seaports, and Iran via a sole way. High transportation expenses arise not only from boundary closures, but also from policy unpowered in the transport and communications systems. Operational problems make progress and shortage lessening policies become more complex. Armenia has practiced a severe drop in its trade done by air in current years, despite its blocked-in fauna and its oppression to a blockade by Turkey and Azerbaijan. The fee of air cargo in Armenia is higher than other landlocked states such as Kazakhstan, Kyrgyzstan, and Mongolia, or the semi-landlocked Turkmenistan. High expenses caused a proportional change toward road transport and even railways. Liberalizing air transport by increasing the contribution of several transporters could greatly augment export attractiveness in Armenia.17

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In this context, per calculations of American National Committee of Armenia (ANCA), the embargo resulting from Turkey and Azerbaijan costs Armenia 570-720 million dollars annually. If border opens, Armenian transportation costs will decrease 30-50 percent and exports will double. Armenia’s GNP will increase 35 percent per annum. A report published by the World Bank in 2000 suggests that if border opens, Armenian transport savings will increase 6-8 million dollars, energy savings will be 45 million dollars. Armenian exportation will raise 269-342 million dollars. Total benefit for Armenia will be 320-395 million dollars. At the same time, the complementary importations need to maintain this rise in exports would stand at around 100 million dollars. The resulting improvement in balance of payment would exceed 220 million dollars, or 38% of the trade deficit in current year. The potential new export size equals 15-19 percent of GDP. But exports are prospective to have a multiplier outcome on GDP. The rise in exports may lead to up to 30-38 percent of the GDP growth. Notable as it is, these approximations fall short of the extensive expectations about potential economic performance in the case of trade liberalization in the district. It has been encountered local experts and bureaucrats visioning doubling GDP. Without deep economic reform, these prospects have been barely accurate. Moreover, with opening the border, Armenia will gain a diplomatic success against Azerbaijan. Armenia will be a transit country between Turkey and Azerbaijan, and between Turkey and Central Asia. Armenia will integrate with the EU by using Turkey’s Black Sea ports, railways, and highways.

Economic impacts of opening border on Turkish economy are also very clear. Firstly, Turkey will explore new and formal export markets. Trade increase in goods and services, providing cheaper raw materials, lower transportation costs (almost 35%) will be main effects of opening the border on the Turkish economy. On the other hand, capital flows, direct investments (There still 12 Turkish firms exist in Armenia), joint ventures, and human capital flows will be other important instruments for Turkey influencing Armenian markets. In addition, alternative transport networks, railway (to Georgia and Azerbaijan) and highway (to Georgia and Azerbaijan) connections, new natural gas and oil pipelines (from Azerbaijan) will be signals of Turkey’s new role in the Caucasus. In another word, Turkey’s emerging regional role in Caucasus will be clearer and arise possible impacts on the solution of Karabakh conflict. This development affects the local economic profile of Turkey especially by making economic impacts on its Kars-Ardahan-Iğdır provinces (see, table 6,7 and 8).

As suggested above clearly, the socio-economic results of the possible re-opening of the Turkish-Armenian border will appear quickly and will lead a rapid development for both countries, but especially for Armenia, as a small and landlocked country. In status, Turkey exports goods to Armenia worth some 260 million dollars a year, whereas imports of Armenian goods to Turkey are worth only 1.9 million dollars (2008 data). In another word, the Armenian market is open for Turkish goods, while the opposite is not true, as Turkey applies a de-facto embargo to imports from Armenia. All export roads channeled through mainly Georgia. This shows the first possible benefit for Armenia once the de-facto embargo lifted. By lifting restrictions, the huge market in Turkey with 80 million populations would

become available for Armenian goods. Meanwhile, the current exportation of Armenia is mainly to relatively poor neighbor, Georgia. In practice, Azerbaijan and Iran markets are inaccessible for Armenia because of political reasons and high trade barriers. The opening border would enhance Armenia’s possible railroad traffic, as it has rail access through Georgia only. If Turkish railroads are open for Armenia, it can also access ferry transportation from Turkey, which is safer and cheaper than the ferries available at Georgian the ports of Poti and Batumi. Today, cargo shipment on ferry is the most. At the same time, because the EU markets and Russia are major trade partners, opening the border would bring economic benefits to Turkey as well. Turkey’s northeastern provinces are the least developed among the other provinces, with a GDP per capita rating lower highly than the average of Turkey (and lower than in Armenia). Therefore, the population of these provinces has expressed its support to the opening the border. These regions might also pose a serious challenge to Armenia as they have very high unemployment level.

Table 2. Turkish Trade with Southern Caucasus (2003–2007)

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Export</td>
<td>33</td>
<td>195</td>
<td>112</td>
<td>38</td>
<td>225</td>
</tr>
<tr>
<td>Import</td>
<td>-</td>
<td>107</td>
<td>83</td>
<td>-</td>
<td>183</td>
</tr>
<tr>
<td>Balance</td>
<td>33</td>
<td>88</td>
<td>29</td>
<td>38</td>
<td>42</td>
</tr>
</tbody>
</table>


Trade relations regarding opening the border have discussed by academic environment for a long time in both Turkey and Armenia. Per a survey conducted in January 2007, an econometric model showed that if the border is open, the import of agricultural goods from Turkey will increase by 4.6 times, chemicals by 3.4 times, machinery and transport equipment by 2.8 times, and overall import from Turkey will increase by 2.6 times. As to the change in export flows from Armenia to Turkey, results predicted 14 times increase of Armenian export to Turkey, which implies 3.73% growth of total Armenian export.

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21 Mher Baghramyan (2009), "Estimating the Change in Trade Flows between Armenia and Turkey if the Border is Open: Case Study Based on Georgia-Turkey and Armenia-Iran Trade", http://www.aiprg.net/UserFiles/File/Final%20Papers/Mher%20Baghramyan%20Paper%20Final.pdf (08.06.2009).
Table 3. Turkish Trade with Southern Caucasus (2008–2010)

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th></th>
<th>2009</th>
<th></th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AR</td>
<td>AZ</td>
<td>GE</td>
<td>AR</td>
<td>AZ</td>
</tr>
<tr>
<td>Export</td>
<td>1</td>
<td>1,667</td>
<td>997</td>
<td>1</td>
<td>1,398</td>
</tr>
<tr>
<td>Import</td>
<td>-</td>
<td>928</td>
<td>524</td>
<td>-</td>
<td>752</td>
</tr>
<tr>
<td>Balance</td>
<td>1</td>
<td>739</td>
<td>473</td>
<td>1</td>
<td>646</td>
</tr>
</tbody>
</table>


As we observe from Table 3-4 statistics, from 2008 to 2010, Armenian-Turkish bilateral trade volume keeps stable and then tightens from 2011 to 2013. The statistics of trade among this neighbor country barely equalized in 2014.

Table 4. Turkish Trade with Southern Caucasus (2011–2015)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th></th>
<th>2012</th>
<th></th>
<th>2013</th>
<th></th>
<th>2014</th>
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<th>2015</th>
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<tbody>
<tr>
<td></td>
<td>AR</td>
<td>AZ</td>
<td>GE</td>
<td>AR</td>
<td>AZ</td>
<td>GE</td>
<td>AR</td>
<td>AZ</td>
<td>GE</td>
</tr>
<tr>
<td>Export</td>
<td>0,2</td>
<td>2,064</td>
<td>1,092</td>
<td>0,24</td>
<td>2,587</td>
<td>1,253</td>
<td>0,4</td>
<td>2,960</td>
<td>1,2455</td>
</tr>
<tr>
<td>Import</td>
<td>0,1</td>
<td>262</td>
<td>314</td>
<td>0,22</td>
<td>339</td>
<td>180</td>
<td>0,08</td>
<td>333</td>
<td>201</td>
</tr>
<tr>
<td>Balance</td>
<td>-0,1</td>
<td>1,802</td>
<td>778</td>
<td>0,02</td>
<td>2,248</td>
<td>1,073</td>
<td>0,32</td>
<td>2,627</td>
<td>1,044</td>
</tr>
</tbody>
</table>


If we set focus to Turkey’s total import statistic ratio to exportation of Armenia, we can clearly see frozen affairs, after frozen protocols that attempts to be signed in 2009.

Table 5. Trade and Economic Relations among Turkey and Armenia (Million dollars)\(^22\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Export</th>
<th>Import (as per country of origin)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>1,1</td>
<td>177,6</td>
</tr>
<tr>
<td>2010</td>
<td>1,2</td>
<td>210,3</td>
</tr>
<tr>
<td>2011</td>
<td>1,0</td>
<td>240,2</td>
</tr>
<tr>
<td>2012</td>
<td>0,9</td>
<td>213,4</td>
</tr>
<tr>
<td>2013</td>
<td>1,5</td>
<td>210,7</td>
</tr>
<tr>
<td>2014</td>
<td>1,5</td>
<td>232,3</td>
</tr>
<tr>
<td>2015</td>
<td>1,3</td>
<td>110,7</td>
</tr>
</tbody>
</table>


\(^22\) Tracing the exact volume of trade between the two countries is very difficult as it occurs mostly through Georgia.
Based on the statistics that, Turkey’s main export goods are food products, products of textile and chemical industries, household goods, per the Ministry of Foreign Affairs of Armenia statistics. While exporting these goods, Turkey imports raw and processed leather, jewelry, various metal products from Armenia. Besides, Turkey exports goods to Armenia worth some 260 million dollars a year, whereas imports of Armenian goods to Turkey are worth a mere 1.3 million dollars (data of 2015). The Armenian market is open for Turkish goods, while the reverse is not true, as Turkey puts on a de-facto prohibition (not declared legitimately) to imports from Armenia. All this cargo transference is directed through third countries, mostly Georgia. This illustrates a conceivable advantage for Armenia if the de-facto embargo is lifted, too.

Table 6. Trade Performances of the Turkish Provinces Neighboring Armenia (2002–2006)

<table>
<thead>
<tr>
<th>Year</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Kars</strong></td>
<td>7</td>
<td>7</td>
<td>5</td>
<td>5</td>
<td>8</td>
</tr>
<tr>
<td><strong>Iğdır</strong></td>
<td>55</td>
<td>53</td>
<td>52</td>
<td>47</td>
<td>61</td>
</tr>
<tr>
<td><strong>Ardahan</strong></td>
<td>1</td>
<td>4</td>
<td>3</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>63</td>
<td>64</td>
<td>60</td>
<td>56</td>
<td>73</td>
</tr>
<tr>
<td><strong>Kars</strong></td>
<td>0.8</td>
<td>2.3</td>
<td>3.2</td>
<td>2.7</td>
<td>1.9</td>
</tr>
<tr>
<td><strong>Ardahan</strong></td>
<td>0.2</td>
<td>0.2</td>
<td>0.3</td>
<td>0.3</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Iğdır</strong></td>
<td>21.4</td>
<td>26.6</td>
<td>35.6</td>
<td>41.4</td>
<td>54.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>22.4</td>
<td>29.1</td>
<td>39.1</td>
<td>44.4</td>
<td>56.6</td>
</tr>
</tbody>
</table>

Source: Turkish Statistical Organization (TÜİK), 2008.

In almost all articles stressed that integrating the Turkish-Armenian economies via opening border would take economic welfares to Turkey as well. This would be an incentive for the regions of Turkey neighboring Armenia. These provinces, the regions hold Kars, Ardahan and Iğdır (Even for Erzurum and Ağrı), are the minimum developed among the regions of Turkey, with a GDP per capita rating lower than half of the average in Turkey (and, lower than in Armenia). For this reason, the residents of these depressive regions have frequently stated its sustenance to the idea of opening the Turkish-Armenian boundary. However, the fact that these provinces are underdeveloped might also pose a severe challenge to Armenia in the case of reopening the border. In specific, an open border can outcome in opening the Armenian market for jobless people from the neighboring country, a standpoint which is specifically

frightening during the existed global economy crisis. The other possible encounter which is often stated is the prevailing of Turkish imports in Armenia\(^\text{25}\) which could arise after opening the border. Since however, today the Armenian market is even now open for Turkish goods, it is questionable that this might entail thoughtful risks for the Armenian economy\(^\text{26}\).

Table 7. Trade Performances of the Turkish Provinces Neighboring Armenia (2007–2010)

<table>
<thead>
<tr>
<th>Year</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Export value (in million dollars)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kars</td>
<td>57</td>
<td>0.3</td>
<td>0.2</td>
<td>0.15</td>
</tr>
<tr>
<td>Ardahan</td>
<td>-</td>
<td>1.3</td>
<td>1.8</td>
<td>3.3</td>
</tr>
<tr>
<td>Iğdır</td>
<td>68</td>
<td>86.4</td>
<td>79.6</td>
<td>101.6</td>
</tr>
<tr>
<td>Total</td>
<td>125</td>
<td>88</td>
<td>81.6</td>
<td>105.05</td>
</tr>
</tbody>
</table>

**Source:** Turkish Statistical Organization (TÜİK), 2016.

In view of the fact that Armenia is a non-coastal country, which can contact the outside world through Georgia and Iran only, and the incapability to run straight trade with Turkey is a main justification behind the slow pace of economic advance in the country. But it is not lone the Armenians who get hurt. While Armenia might not be of tangible significance the Turkish economy in general, the nonappearance of direct access to the Armenian market is a key problem for Turkish provinces along the border. Turkey has two cities, Kars and Iğdır, bordering Armenia; and two others, Ardahan and Ağrı are only a few miles from the border. If we combine these four regions into one mug, these provinces resemble to one of the least developed parts of Turkey. They contribute to a mere 0.7% of Turkey’s total GDP, while more than 60% of the residents lives under conditions of scarcity. Cultivation and animal husbandry are the foremost foundations of income in the district, but being far away from the key town centers of the country and not able to conduct cross-border trade, these provinces face main blocks against economic progress\(^\text{27}\).

\(^{25}\) Armenia is particularly dependent on Russian commercial and governmental support and most key Armenian infrastructure is Russian-owned and/or managed, especially in the energy sector, including electricity and natural gas. Remittances from expatriates working in Russia are equivalent to about 20% of GDP and partly offset the country’s severe trade imbalance. For more info: [https://www.cia.gov/library/publications/the-world-factbook/fields/2116.html](https://www.cia.gov/library/publications/the-world-factbook/fields/2116.html)

\(^{26}\) Haroutiun Khachtarian (2016).

### Table 8. Trade Performances of the Turkish Provinces Neighboring Armenia (2011–2015)

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kars</td>
<td>1.1</td>
<td>3.2</td>
<td>0.63</td>
<td>0.41</td>
<td>-</td>
</tr>
<tr>
<td>Ardahan</td>
<td>1.5</td>
<td>1.9</td>
<td>0.5</td>
<td>1.2</td>
<td>1.05</td>
</tr>
<tr>
<td>Iğdır</td>
<td>98</td>
<td>84.6</td>
<td>140.3</td>
<td>123.4</td>
<td>132</td>
</tr>
<tr>
<td>Total</td>
<td>100.6</td>
<td>89.7</td>
<td>141.43</td>
<td>125.1</td>
<td>133.05</td>
</tr>
</tbody>
</table>

**Source:** Turkish Statistical Organization (TÜİK), 2016.

Therefore, Turkey has higher attractiveness in the face of border countries in perception of the export predominantly in the textile yarns and fabrics, clothing, fruit and vegetable, portable goods and handbags and tobacco goods. Specifically, Turkey should import alcoholic drinks and electric energy and raw rubber, if we directly focus to comparative advantages perspective. Yet, in the sale of live animals, animal yields, foods and oils, mineral oils, petroleum and other energy goods, it can be stated that border states have mostly relative benefit. In addition to all this, Turkey’s number of export good’s competitive advantage is less than disadvantageous good ones. To generalize this result, competitive disadvantage of export prevails Turkey’s and its border states foreign trade.

**5. Hard Power in South Caucasus: Anti-Russian Military Alliance or the Reverse?**

On 5th of May, 2016, subsequent a private trilateral summit in Qabala city, Azerbaijani Defence Minister, Colonel-General Zakir Hasanov, Georgian Defence Minister Tinatin Khidasheli and Turkish National Defence Minister Ismet Yılmaz approved to hold multiparty military exercises on augmenting the war readiness of the three countries armed forces to achieve the supplementary progress of trilateral collaboration on regional security. Simultaneously, the trilateral military activities, which arose huge apprehensions in neighboring Armenia, were principally targeted to develop trilateral synchronization on the supply security of oil, and natural gas pipelines, railway ventures, and the forthcoming New Silk Road project. The minister of defense Zakir Hasanov stated that newfangled military a memorandum would arise in a very short span of time. Regarding his opinion, this writ of execution, which is being prepared, will be the legitimate base of collaboration and permit trilateral activities to enter a new phase. Even though the disputes regarding the new memorandum have been postponed, Ms. Khidasheli transcripts that the trilateral

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29 Armenia joined Russia in the Eurasian Economic Union upon the bloc’s launch in January 2015, even though the ruble’s sharp depreciation in December 2014 led to currency instability, inflation, and a significant decrease in exports from Armenia to Russia. For more info: [https://www.cia.gov/library/publications/the-world-factbook/fields/2116.html](https://www.cia.gov/library/publications/the-world-factbook/fields/2116.html) (20.11.2016).
memorandum will be signed in the upcoming ministerial meeting in Batumi, in August of 2016.\(^3^0\)

It is apparent that the South Caucasus struggles back to the expansion of military enterprises creating armaments, ammunition, and other military qualities, the disproportionately large armies of the South Caucasus states, and the significant growth of interest toward arms procurement. The 2000’s were a period of fast militarization of the states. To begin with, militarization affected the national financial plan with Azerbaijan record-keeping the gigantic upsurge. Azerbaijan’s 2014 hard power budget was $3.8 billion, a rise from $3.6 billion in 2013 and $3 billion in 2012. In evaluation, Armenia’s 2013 defense budget was $447 million. In both countries, military expenditures are noteworthy shares of government budgets, which during those years become an average of a little over $23 billion in Azerbaijan, and $3 billion in Armenia. To grasp the scale of this growth over years, we can compare for instance the 2004 Azerbaijan expenses of around $150-170 million for its military requirements and Armenia expenses of around $100 million in 2005. The growth of military spending overlapped with a general increase in income but unrelatedly of this rise, throughout the 2000’s it was an important part of the funds of the two countries. The recent trend is that military expenditure will decline in Azerbaijan due to the failure in oil prices revenue, but it undoubtedly will still be relatively important.\(^3^1\)

Although there are statements that the trilateral military exercises will conduce to an anti-Russian military alliance in Caucasus, the possible contribution of Georgia and Azerbaijan in such a military alliance is very unconvinced. Neither Azerbaijan is having the aim of openly run afoul of with Russia in the region, nor Georgia, which worldwide recognized regions are illegitimately occupied by Russia. Seemingly, in retaliation to the trilateral military drills, Russia led Collective Security Organization launched large-scale drills for member states’ quick response police forces in “Baghramyan” exercise facility of Armenia. Formally, the key reason of the police drills is to create a concrete basis of countering global terrorism and extremism. But in truth the new trilateral cooperation is the source of alarm of the Kremlin backed CSTO, too.\(^3^2\)

To get a big picture, the militarization of the province brought attempts to recreate the security initiatives locally. Azerbaijan, whose Ministry of Defense Manufacturing was created in 2005-2006, chiefs in this field. Head of Ministry Yaver Jamalov argues that the variety of production rises every year. Azerbaijan hereditary from the USSR two dozen diverted military construction firms that did not endure the downfall of the Soviet Union. Presently, the businesses functioning under the Ministry of Defense Industry are engaged in the creation of numerous types of small arms, ammunition, as well as modernization and restoration of equipment. In contrast, Armenia and Georgia have not genetic noteworthy military-industrial initiatives from the Soviet Union. However, efforts to start some type of manufacture were started in these states as well. Georgia reached more noteworthy outcomes producing, in


\(^3^2\) Fuad Shahbaz (2016).
assistance with Israel, aircrafts, “Didgori” armored vehicles, the “Lasik” infantry fighting vehicle, small weapons, and other military attributes. It is apparent that the high militarization of the area creates to significant economic costs. However, it is questionable that efforts to produce diverse forms of weapons as part of their security industry will turn Azerbaijan or Georgia into noteworthy arms exporters. Militarization keeps all the civilizations under endless pressure and is the most observable symbol of regional crumbling. The conservation of large armies and the large-scale procurement of arms are expected to induce to new struggles and wars and do not subsidize to the images of nonviolent alteration of conflicts in the province.\(^{33}\)

It is generally believed that the trilateral military alliance is essential for authorized Baku to show an exposed note to neighboring Armenia. Eventually, the fresh trilateral partnership, being supported by NATO, is also required for three countries in the shadow of rising extremism and international terrorism endangerment. Therefore, the trilateral coalition will be the lone backer of the security in the South Caucasus.\(^{34}\)

The rules of the South Caucasus states pay far more consideration to the advance of the “security” industry that is serving struggles than to health care, edification, or the construction of maintainable systems of social assurances. The militarization of the area is mounting at the cost of quality of life, because collaboration in the military scope and trade in arms crowd outs important economic funds. All at once, struggles persist unsettled, while the funds required for their alteration are ending. We concede that regional integration as a path for struggle resolution appears to be part of a backbiting loop since frequently conflict resolution is a precondition for regional integration. The history of the past two and a half decades makes us think that integration for the South Caucasus is impossible in the near future due to the conflicts within and among the states, along with complex and sometimes strained relations with the big neighbors – Turkey, Iran, and Russia. Convinced that regional economic cooperation could be an important step towards conflict transformation, we suggest that the prospects of such integration be considered. Therefore, what follows is an attempt to assess the current situation, identify the most problematic and most promising areas of economic cooperation, and offer some recommendation.\(^{35}\)

6. **Turkish-Russian Rapprochement and Its Effects on Bilateral Affairs**

What’s next? On the basis of Russian-Turkish affairs, hard and soft power progress of this two countries can be seen as follows. The news in late June, 2016 that Russia and Turkey were making obvious moves toward restoring relations hurt last year when a Russian aircraft was crashed by Turkish air force along the boundary with Syria was overshadowed by a terrorist attack at the Istanbul airport on June 28. Discrete as the two actions were, the bulletin series quickly spun away from the political re-commitment between Ankara and Moscow. Recently, the relaxing of relations between the two states appears to have augmented subsequent the coup attempt in Turkey on July 15. To skim the details and tales about the

\(^{33}\) Pinar Sayan at all (2016).

\(^{34}\) Fuad Shahbaz (2016).

\(^{35}\) Pinar Sayan at all (2016).

coup attempt was a provocative yarn: the pilots involved in the shooting down of the Russian Su-24 on November 24, 2015 had misleadingly been among the coup-staging faction. On July 19, a Turkish expert told presses, “Two air force official who were part of the action to down the Russian Su-24 in November 2015 are arrested.” It can be inferred from that Russia-led policies towards Turkey can over-shadow Armenian relations of Turkey positively.

Indeed, The Turkish rule is conscious of the financial benefits of an open border. A new statement by SERKA, development agency in the district in question, proclaims that opening the boundary would benefit to upsurge boundary trade, progress tourism, turn the region into “Turkey’s opening into the Caucasus and Central Asia”, rise employment and renovate the district into a logistics hub. The cause why the border is shut is, however, not economic, but political. Last year, reacting to claims that the border might be opened soon, Turkey’s Ministry of Foreign Affairs detailed that it can be conceivable only if “Armenia shows its readiness to settle its disagreements with all of its neighboring countries and takes the required steps accordingly. “Opening the border between Turkey and Armenia will not be an easy task, and it surely won’t restore the wounds of the common history; but it can be a key step towards stabilization between the two countries. Reconciliation can be grounded on development at the general level, and advance bottom up from there. This past weekend’s events have revealed once more that a top-down resolution through political verdicts in what is by now a highly lobbied issue is not likely to occur in the imaginable future”37.

Besides all these, Brooking Institution’s - United States based think tank- approach and inference highlighted that till the beginning of 2016, For Turkey and Armenia, normalization and reconciliation can be comprehended as two edges of the same stick. A serious and feasible development would be the opening of the transnational boundaries and the launch of full diplomatic ties between the two states. However, significant progress at the inter-state level does not give the impression realistic in the immediate forthcoming given the heightened political sensitivities around the historic commemorations of the year, 2015. Even so, the experts argue that informal normalization is occurring. Across Turkish and Armenian societies, the “defrostation” is expanding and appears to be endorsed by both governments. For the profounder process of reconciliation, both countries should care smaller, symbolic efforts that allow for dialogue and understanding.

Furthermore, per this think tank’s inference from Thomas de Waal’s opinion, the official Turkish position, however, has moderated over the course of the last decade. In the words of Thomas de Waal, author of Great Catastrophe: Armenians and Turks in the Shadow of Genocide, a “Turkish thaw” is unfolding. Turkish civilization is progressively reconsidering “some of the dark leaves of its past, containing the repression of the non-Turkish populations of the late Ottoman Empire. As de Waal summaries, after a long era of collective amnesia during which Armenians were principally lacking from Turkish historical accounts, a flood of books has seemed focused on the legacy of Armenians in Turkey. Within the shared past of Turkey, there is increasing respect of the thousands of Islamized Armenians – those

Armenians, many of them young women, who were captured during the exiles by Kurds and Turks and taken into their families, and who adopted Islam to avoid maltreatment.\(^{38}\)

Going beyond the anniversary of 2015, however, become a noteworthy encounter. Armenian cynicism in Turkey’s intentions was intensified by the April 24th Gallipoli commemoration reorganizing and invitation. This inhibited progress in coming years. Once April 24th has passed, the issue of the Nagorno-Karabakh conflict sustained to outcrop Turkish-Armenian relations. As specialists in both Ankara and Yerevan admitted in the authors’ meetings, undervaluing Azerbaijan’s vicious oppositions to the 2009 Protocols was a “strategic mistake” for both sides. Azerbaijan’s feedbacks should be factored into any upcoming phases toward diplomatic normalization.\(^{39}\)

After the notable 2008 soccer diplomacy, Serzh Sargsyan make an exertion a slight political harmonizing act among the West (covering Turkey) and Russia: an approach named “complementarity.” The jeopardies of this tight-rope strategy were stressed subsequently the Protocols become unsuccessful in spring 2010. In July 2010, Yerevan presented the principal round of its discourses with Brussels to realize an EU Association Treaty, an introductory and vital point toward closer political relation and decisive economic integration with Europe. A month later, however, Yerevan also affianced a settlement extending Russia’s military occurrence and constructing rights in Armenia. In 2013, the procedure of complementarity hit a lifeless end, when Russian President Vladimir Putin insisted that Armenia should insignia on to the Moscow-led Eurasian Economic Union (EEU) along with Kazakhstan and Belarus. Succeeding an assembly among Sargsyan and Putin in summer 2013, and against the background of an upsurge of conflict in Nagorno-Karabakh, Armenia made an unforeseen strategy U-turn. Yerevan vetoed the Association Agreement and then legitimately signed the Eurasian Economic Union Agreement in October 2014. In discussions with Armenian bureaucrats and experts in Yerevan in this same timeframe, the authors’ interlocutors stressed that Armenia’s existential security worries about the escalating conflict with Azerbaijan had tipped the balance toward Russia. Armenia’s tight economic ties with Russia, including trade and financial flows, and its large diaspora in Russia, also forced Yerevan’s options for connecting formally with the EU. Armenian régime administrators agreeably self-proclaimed that the Sargsyan regime’s decision to join the EEU was forced by economic and security anxieties. It was a verdict driven by the three decades stretched blockade imposed on Armenia by Azerbaijan and Turkey, the followed-on economic dependency on Russia, and the escalating violence along the “contact line” between Nagorno-Karabakh and Azerbaijan. In short, it was a rational, beneficial move, not a “civilizational choice” to turn away from Europe and the West.\(^{40}\)

To place a major emphasis on, Armenia’s motion toward Russia and the Eurasian Union appeared to deal an extra blow to the projections of regularization with Turkey. Many had expected in Yerevan, Brussels, and Ankara, that with Armenia and Turkey both involved in

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\(^{39}\) Fiona Hill, Kemal Kirișiç, & Andrew Moffatt “Armenia And Turkey: From Normalization to Reconciliation” Turkish Policy Quarterly, 2015 (13)4.

\(^{40}\) Fiona Hill at all (2015).
talks for closer EU relations (or, in the situation of Turkey, for accession), new stages might expose for bilateral political interactions. However, even with these stages closed, regional legislators and specialists advised that some openings might still be on board, given the willingness on both sides to process a new relationship. In talks in Yerevan in October 2014, Armenian authorities mentioned the fundamental status of opening the border with Turkey and sustaining a semblance of liberation from Russia. As one academic put it: “lacking of opening the border with Turkey, we can’t go West.” Another expert claimed that normalization with Turkey was a path for Armenia to show that “it is not a vassal of Russia.” In assemblies in Ankara in November 2014, Turkish bureaucrats and foreign strategy experts subtly distinguished that the verdict in 1993 to break off the border dialogs with Armenia had not only left Yerevan entirely dependent on Moscow, it had also restricted Ankara’s own outreach to Georgia and Azerbaijan. Approval of the 2009 Protocols, in their view, might have facilitated to generate new geopolitical arrangements in the Caucasus. Besides, Turkish specialists realized that Turkey’s strategy of blockading Armenia since the 1990s had not influenced Yerevan to alternate its policy toward Nagorno-Karabakh in the ways that Turkish verdict makers had expected.

Behind schedule of this the political gamesmanship, the Armenian and Turkish rules endure to be helpful of civil society interactions. They have not interrupted trade and the movement of people among the two nations. Citizens of both states enjoy free travel through electronic visas or visas gotten at transnational border crossings. This practice was announced by Turkey in 2003 as portion of what was then the Turkish-Armenian Reconciliation Commission and eventually in return by Armenia. Between 2000 and 2004 the number of Armenian inhabitants entering Turkey increased from less than 5,500 to about 32,000. The quantity had more than doubled to 73,000 by 2013. Two private charter trips now run among Istanbul and Yerevan each week—and those flights will likely bring some associates of the Armenian diaspora to Yerevan for the so-called genocide remembrance. There are also periodic flights between Yerevan and Antalya and Bodrum. Efforts to introduce a Van-Yerevan air-route have been underway for some time, along with an ongoing project to open a new land border crossing between Turkey and Georgia that is much closer to the Armenian-Georgian border. This crossing would cut travel time for road transportation between Armenia and Turkey and significantly increase the capacity for handling Turkish goods transiting through Georgia into Armenia. These and other enterprises exemplify the reputation both margins credit to subsequent normalization.

Recently, TASS agency reported Oct. 14 mentioning Russia’s Foreign Minister Sergey Lavrov. His declaration claims that Turkey can produce a constructive step in the settlement of the Armenia-Azerbaijan Nagorno-Karabakh issue. Lavrov speech straight indicates Turkey to a key factor in this conflict. He asserts that “The fact that Turkey can play a positive role by ensuring Nagorno-Karabakh conflict’s settlement, ensuring normal economic cooperation in the region, is such an important factor that we always consider it.” And he additionally stated that “Our wisdom is that the progress in the Nagorno-Karabakh conflict’s settlement will be the key to Armenia-Turkey relations’ normalization. Formerly, Turkey’s Foreign Minister Mevlut Cavusoglu mentioned during his speech at the Parliamentary Assembly of the Council

41 Fiona Hill at all (2015).
of Europe (PACE) that the OSCE Minsk Group should deepen its resolution efforts to the Nagorno-Karabakh conflict.  

It is our understanding from the reports that, one such smaller assembly that could help recreating forward took place in Ankara in November 2014, under the supports of the Hrant Dink Foundation. The Foundation and the School of Political Studies of Ankara University introduced the “Sealed Gate: Prospects of the Turkey-Armenia Border” meeting, where Turkish officials and researchers, along with Armenian experts and worldwide representatives and specialists, involved in a series of debates on themes associated with opening the border and societal reconciliation. Thanks to such conferences that held in Ankara, other strategies were discoursed to shape continuation proceedings, with Turkish civil society efforts to witness, in some way, the forthcoming commemorations in Yerevan. These types of gatherings and approaches were surely what foundation had in mind when he considered the required stages toward Turkish-Armenian resolution. Dink was in favor of a systematic series of friendliness gesticulations, and improved collaboration. This is the way that both régimes also generally preferred before they adopt the 2009 Protocols. Small, figurative phases like the meeting at the School of Political Studies and an escalation of multilateral engagement at the societal level, along with the attempts to improve trade and communications, could benefit place Turkey and Armenia back on path toward political normalization— and, over time, toward reconciliation.

A one-sided act of statesmanship could also advance normalization as well as reconciliation. One offer is for the Turkish rule to gently open its side of the land boundary with Armenia. Earlier Turkish Diplomat to London, Ünal Çeviköz freshly proposed a game-changing phase along these positions in an discourse published in late 2014. A move like this would be close the Turkish Cypriot verdict in April 2003 to revitalization their age long limitations on crossing to the Greek Cypriot side of the isle. The struggle over the reunion of Cyprus has not been resolute in the decade since, but the pressure on the island has histronically lessened. Greater contacts across the divide in Cyprus keep the prospects of a peaceful resolution alive. A parallel step by Turkey would do the similar for certainties with Armenia, once both states have cope with their opposing remembrances of 1915.

Conclusions

In a nutshell, Turkish-Armenian relations have very long history. After the collapse of the Soviet Union, the historical relations and its consequences emerged again. However, Turkey recognized Armenia as an independent country and invited it common grounds (like BSEC), the exacerbation of the Nagorno-Karabakh conflict strained the bilateral negotiations and ultimately led to the entire closure of the Turkey-Armenia border. When the consequences of Armenian-Azerbaijani conflicts and problems of Azerbaijani refugees added to the bilateral historical problems, Turkey’s closure of its borders has been unavoidable.

On the other hand, Armenia’s landlocked position with the increasing transportation costs, Turkey’s new geopolitical face towards Caucasus after 2002 November elections, and other

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43 Fiona Hill, Kemal Kirisci, & Andrew Moffatt “Armenia And Turkey: From Normalization to Reconciliation” Turkish Policy Quarterly, 2015 (13)4.
regional and global urgencies (such as Turkey’s negotiation process with the EU and Obama administration’s new policies in the Middle East) opened new windows between these countries.

As strongly argued in the text, the normalization of bilateral relations is not difficult for two sides, because of historical common ties between the two nations. Different committees consisted of firm owners and academicians should consider especially for possible solutions of common debates. Despite the facts that will accelerate relations, there are many existing-problems. For example, if local dynamics and civil society lead for the solution of debates in both countries, they will call “non-patriot”, if state officials do the same, then this calls as “diplomacy”. This perception should change especially in two states. Accelerating bilateral official negotiations will play a key role in bilateral relations. Both countries will benefit from the normalization of relations. Because the concept of the enemy country has consisted of artificially and have harmed two sides for fifteen years, regional problems which are unsolved should be concluded as fast as possible (i.e. Karabakh conflict, recognition of common borders etc.).

The resolution of struggles, normalization of relations, and removal of economic restrictions render also the commencement of a regional integration conceivable. Developing regional cooperation has enormous importance for Armenia as a small-sized economy. With the normalization, economies of scale will create in the region; Armenia’s possible accession to the regional markets will provide, and the foreign direct investments will be stimulated. Armenia is expecting to profit most from the economic benefits of the peace because the enclosure of the state with Turkey and Azerbaijan harmed greatly the export capacity of the state and increased considerably the importation costs.

In the same way, Russia’s communication with both Turkey and Armenia continue a confusing aspect, with experts underlining that Ankara and Yerevan should make a severe step forward to Moscow that opening the gates would help Russia economically and politically. Many representatives and regional authorities proposed, as an outcome, that both states should concentrate on small, “under the radar” plans and casual interactions to lead for returning to the essential tenets of the 2009 Protocols. Turkey and Armenia should avoid large, conspicuous initiatives that might provoke antagonistic feedbacks from either Azerbaijan or Russia.

In July 2010, Yerevan presented the principal round of its discourses with Brussels to realize an EU Association Treaty, an introductory and vital point toward closer political relation and decisive economic integration with Europe. A month later, however, Yerevan also affianced a settlement extending Russia’s military occurrence and constructing rights in Armenia. In 2013, the procedure of complementarity hit a lifeless end, when Russian President Vladimir Putin insisted that Armenia should insignia on to the Moscow-led Eurasian Economic Union (EEU) along with Kazakhstan and Belarus. Succeeding an assembly among Sargsyan and Putin in summer 2013, and against the background of an upsurge of conflict in Nagorno-Karabakh, Armenia made an unforeseen strategy U-turn. Yerevan vetoed the Association Agreement and then legitimately signed the Eurasian Economic Union Agreement in October 2014. In discussions with Armenian bureaucrats and experts in Yerevan in this same timeframe, the authors’ interlocutors stressed that Armenia’s existential security worries about
the escalating conflict with Azerbaijan had tipped the balance toward Russia. Armenia’s tight economic ties with Russia, including trade and financial flows, and its large diaspora in Russia, also forced Yerevan’s options for connecting formally with the EU. Armenian régime administrators agreeably self-proclaimed that the Sargsyan régime’s decision to join the EEU was forced by economic and security anxieties. It was a verdict driven by the three decades stretched blockade imposed on Armenia by Azerbaijan and Turkey, the followed-on economic dependency on Russia, and the escalating violence along the “contact line” between Nagorno-Karabakh and Azerbaijan. In short, it was a rational, beneficial move, not a “civilizational choice” to turn away from Europe and the West.

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