

POLITICAL CRISIS IN ARMENIA

Armenia faces its first major post-Soviet leadership change

By Hrach Tchilingirian *

Weeks of political crisis in Armenia took a sharp turn when President Levon Ter-Petrosian announced his resignation on February 3. Forces opposed to Ter-Petrosian's compromise stance on Nagorno-Karabakh appear set for ascendancy in Armenia for some time.

The roots of the dispute which led to Levon Ter-Petrosian's resignation as president lie in his decision last autumn to back the proposals of the OSCE Minsk Group for a resolution of the conflict over Nagorno-Karabakh. The Minsk Group proposes a 'phased' solution, which calls for the Karabakh Armenians' immediate withdrawal from those Azerbaijani territories outside Nagorno-Karabakh which they currently occupy, prior to any discussion of Nagorno-Karabakh's political status.

These proposals are unacceptable to the Karabakh Armenians, who argue that:

- acceptance of the Minsk Group plan would increase the prospects for renewed hostilities, by disrupting the current military balance between the Armenian and Azerbaijani forces and failing to require security guarantees from Baku;
- Baku would have no incentive to make concessions to Nagorno-Karabakh once Azerbaijani control of the occupied territories is restored and might be tempted to re-start hostilities; and
- Azerbaijani promises to grant maximal autonomy to Nagorno-Karabakh are questionable, given that Azerbaijan is a unitary state.

The Karabakh Armenians and their allies in Armenia insist instead on a 'package' solution, whereby all issues pertaining to the resolution of the conflict are discussed at once without preconditions. The Karabakh Armenians also reject any subordination of Nagorno-Karabakh to Azerbaijan.

When Ter-Petrosian appointed Robert Kocharian, formerly the president of the unrecognized Republic of Mountainous Karabakh, as Armenian prime minister last March, Ter-Petrosian appeared to be adopting a tough line on the issue in order to shore up his domestic position. However, by autumn, Ter-Petrosian appears to have concluded that the damage being done to Armenia's economic development and international standing by the continuing stalemate over Nagorno-Karabakh required Armenia to make concessions. Ter-Petrosian's reversal brought him into conflict with Kocharian, who is backed by a formidable coalition comprising the 'power ministers' (especially Defence Minister Vazgen Sarkisian), opposition factions and the Karabakh leadership.

ESCALATION OF CRISIS

The anti-Ter-Petrosian political avalanche gained momen-

tum after the January 7-8 meeting of the Security Council, which was attended by leading Karabakh officials. Subsequent to the Security Council meeting, the exacerbated differences over Nagorno-Karabakh were exposed to the public. Tensions rose further when two senior security officials and a pro-Ter-Petrosian deputy were attacked in separate incidents. Yerevan Mayor Vano Siradeghian -- who leads the ruling pro-Ter-Petrosian Armenian Pan-National Movement (ANM) -- implied that the Kocharian government may have been behind the attacks. For his part, Defence Minister Sarkisian alleged that the ANM had staged the incidents to create a pretext for Kocharian's sacking. On January 28, Sarkisian said that Ter-Petrosian should change his Karabakh policy or a new leader would be found.

A wave of rapid developments escalated the situation into a political crisis:

-- All major opposition parties called for Ter-Petrosian's resignation, including the Communist Party, National Democratic Union, the banned Armenian Revolutionary Federation (Dashnaks);

Self-Determination Union, Constitutional Rights Union, and the Union of Armenian Intellectuals.

-- A new National Council, comprising over 500 prominent intellectuals and public figures, urged Ter-Petrosian's immediate resignation and the holding of early presidential elections.

-- Several of Ter-Petrosian's key allies resigned, including Siradeghian, Foreign Minister Alexander Arzumanyan and Central Bank chief Bagrat Asatryan.

-- The leader of the paramilitary 'Yerkrapah' parliamentary faction, Armenia's most influential political fac-

tion, said that its forces had switched their support from Ter-Petrosian to Kocharian.

-- Forty of the pro-Ter-Petrosian 'Republican' bloc's 96 deputies defected to pro-Kocharian groupings, leaving Ter-Petrosian with 56 votes in the 190-seat parliament.

-- The security forces arrested over 25 armed militiamen suspected of involvement in the assassination attempts, heightening the conspiratorial mood.

Nevertheless, Ter-Petrosian's resignation came sooner than expected. He said that he had decided to resign in order not to destabilize the country. Sacking Kocharian would have threatened to make Armenia ungovernable. However, beyond the Nagorno-Karabakh dispute, Ter-Petrosian's political weakness stemmed from, and the movement against him built upon, several longer-term factors:

-- Ter-Petrosian never recovered political legitimacy after the 1996 election, despite recent efforts to regain public confidence and widen his support base. In addition, corruption among government officials is believed still to be rampant, despite promises to curb it.

-- Economic growth has been slowing, inflation rising and



Levon Ter-Petrosian

SPECIAL ENGLISH SECTION

dependency on foreign aid and loans increasing. Social conditions remain poor for much of the population, heightening popular dissatisfaction with Ter-Petrosian and compounding the impression of national weakness created by his stance on Nagorno-Karabakh.

ELECTION OUTLOOK

Ter-Petrosian's resignation was approved by parliament, in accordance with the constitution, by 111 votes to 36 on February 4. Deputies also accepted the resignation as parliament speaker of Babken Ararktsian, another Ter-Petrosian loyalist. In Ararktsian's absence, Kocharian was named acting president, pending presidential elections expected on March 16.

Ter-Petrosian's speedy resignation and the subsequent constitutional conduct of all actors have prevented any clashes or internal destabilization. While the political situation remains tense, the country is likely to be able to move to early elections without a major crisis. Kocharian has given assurances that the polls will be free and fair. In the short term, Kocharian is likely to seek to restore popular confidence in the government, probably by reinstating the ARF-Dashnak Party, releasing political prisoners and opening dialogue with all political factions. Economic reform efforts are likely to continue. However, a non-compromising position on Nagorno-Karabakh will ensure that the economically damaging Turkish and Azerbaijani blockades of Armenia remain in place. Moreover, prospects for foreign participation in Armenia's latest privatization drive may be undermined by the existing political situation.

Nagorno-Karabakh will be the most important election issue. It provides a popular and unifying theme for an opposition which has otherwise failed to develop a significant agenda. Only candidates who share the Nagorno-Karabakh policy of Armenia's new leadership are likely to have a chance of electoral victory.

Kocharian appears unlikely to be able to run, as his Armenian citizenship is questionable and he fails to meet the constitutional ten-year residency requirement. Instead, Kocharian seems likely to ally with Manukian, who on February 5 confirmed his intention to stand. An alliance with Kocharian would boost Manukian's already-good prospects of winning the office he believes has rightfully been his since 1996. Kocharian and Manukian have worked together in the past and could possibly form a strong governing team. Manukian seems likely to face Communist leader Sergei Badalian, plus possibly Pariur Hairikian and -- if the party is reinstated and its prisoners released -- a ARF- candidate, probably Vahan Hovanissian. Ter-Petrosian has indicated that he will not seek re-election.

NAGORNO-KARABAKH IMPASSE

Both Acting President Kocharian and Azerbaijani President Heydar Aliyev have expressed their continued support for the ceasefire in Nagorno-Karabakh and efforts to find a peaceful settlement to the conflict. Interested international parties have also expressed hopes that the political turmoil in Armenia will not disrupt the peace process. However, a meeting of the Minsk Group co-chairmen scheduled for February 4 was postponed.

There are Armenian fears that Baku might use the current crisis to launch military action, not least because it was a leadership crisis in Azerbaijan that allowed major Armenian

advances in 1993. Aliyev may also be tempted to step up his nationalist rhetoric in advance of Azerbaijan's October presidential election. However, the factors that have maintained a 'cold peace' since 1994 -- the balance of military power and Baku's need to maintain conditions conducive to international oil deals -- continue to hold. Moreover, since last August Armenia has a mutual defence treaty with Russia.

A peaceful transition of political power currently appears likely. The new leadership may bring more democratic politics to Armenia. However, domestic politics in both Yerevan and Baku will probably ensure that the Nagorno-Karabakh peace process is effectively stalled until at least late this year.

7 February, 1998

* *Hratch Tchilingirian is a researcher in sociology, London School of Economics and Political Science.*

PRESIDENT OF THE REPUBLIC OF ARMENIA RESIGNS

At 9:50 p.m. Tuesday evening, 3 February, 1998, the President of the Republic of Armenia, Levon Ter-Petrosian appeared on state television of Armenia and announced his resignation from the office of president.

The following is the full text of President Levon Ter-Petrosian's resignation announcement.

Dear Compatriots,

Well-known bodies of power demanded my resignation. Taking into account the fact that the fulfilment of the president's constitutional duties under the current situation is fraught with a real danger of destabilization in the country, I accept that demand and announce my resignation.

I refrain from any comments or assessment, in order not to aggravate the situation. I just think it necessary to note that the speculations over the Karabakh problem was just a cause in the crisis of power. The problem is much deeper and is connected with the fundamental concept of statehood and the alternative between peace and war.

The time will show who did what for Karabakh and who is indeed selling it. Nothing extraordinary happened. Simply the party of peace and decent accord has lost. Let us not burst into complexes. The party of peace has suffered defeats in more developed societies, like Israel. But both in Israel and Armenia all this is transient. Just a temporary retreat. However, sooner or later peace will pave its own path.

I call on you to display restraint, keep the order in the country and run legal, civilized elections of the new president. That will be a manifestation of the maturity of the state we have formed together during the last eight years, and a guarantee for the country's credibility abroad.

I wish the new president success for the good and welfare of the Armenian people. I am very grateful to you for the trust and support displayed all these years.

I also like to thank all my allies who have constantly and unconditionally stood by me. Believe me, that my decision to resign, means that I consider the alternative to be more dangerous for our state. If I have done anything good, I do not expect any gratitude, and please forgive my mistakes and things I did not do.

All my best wishes to you.