



## **Getting to Yes: Prospects for the Armenian-Turkish Dialogue**

**Opportunities, Project Ideas, Advocacy Messages**

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## **Abstract**

This paper seeks to develop ideas and input to generate a sense for new opportunities, project initiatives and advocacy messages capable of stimulating further dialogue between Armenia and Turkey and the respective societies in the two countries. It is based on the liberal assumption that civil society dialogue can exert a meaningful impact on international affairs and on relations between countries. The paper is largely based on interviews held in Armenia and Turkey in the spring of 2011, when the borders between the two countries continued to be closed. It provides a comprehensive overview of some of the propositions put forward by key stakeholders from civil society to continue and move the dialogue forward, without disregarding the risks involved.

## **About the Author**

Sven Behrendt is a free lance international consultant specialized in corporate strategy and political risk management. He was a Visiting Scholar at the Middle East Center of the Carnegie Endowment for International Peace in Beirut, Lebanon. Before his appointment, Behrendt served at the World Economic Forum in various management positions, making a substantial contribution turning the Forum into a global knowledge-based multi-stakeholder platform. He also possesses extensive research experience, and worked with the Bertelsmann Foundation's think tank, the Bertelsmann Group for Policy Research while facilitating dialogue between leaders and political decision makers from the U.S., Europe, and the Middle East. This resulted in a number of diplomatic breakthroughs.

Behrendt holds a Diploma in Public Administration and Policy and a PhD in International Relations from the University of Konstanz in Germany. He pursued his graduate studies at the London School of Economics and Political Science majoring in International Relations and International Political Economy. Behrendt is an author of a number of publications, including a book on the Secret Israeli-Palestinian Negotiations in Oslo. His work has been referenced in the Financial Times, the Economist, the Wall Street Journal, the Times, Middle East Economic Survey, and the National. Behrendt is a member of the International Institute for Strategic Studies in London.

## **Foreword from EPF**

A regional meeting between a representative group of Armenian and Turkish partners in Yerevan in November 2011 launched the “Support to Armenia-Turkey Rapprochement” (SATR) project supported by the United States Agency for International Development (USAID) and implemented by the Consortium of the Eurasia Partnership Foundation, Yerevan Press Club, International Center for Human Development and the Union of Manufacturers and Businessmen (Employers) of Armenia.

The meeting identified an urgent need for an outside consultancy given that the official Armenia and Turkey negotiations had been at hold since mid 2010. An idea was formulated to study, via desk research and personal interviews, the opinions of both the governmental and non-governmental stakeholders in the dialogue process, in order to determine what can be the motivating messages to restart the official process, as well as what can be the ideas that can be implemented even if the official process is frozen or inactive.

The consultancy took place in February-April 2011. The consultant, Mr. Sven Behrendt, possesses vast experience in research and relationship brokering with Carnegie Endowment for International Peace, Bertelsmann Group, World Economic Forum and has written extensively on a variety of topics in professional journals, reports and other publications. The paper which resulted from his research represents a fresh perspective on opportunities for dialogue. Because of the seeming ease of Armenia-Turkey interaction, and the recurrence of issues and problems, practitioners rarely apply the theoretical and value frameworks of conflict transformation paradigm to it. Rather it is a common practice to regard these relations under the light of realpolitik. Mr. Behrendt’s paper challenges that practice, giving civil society a chance to look at the situation in a different way. The ideas expressed here informed the follow up tactical steps within the SATR project. I hope that they will be useful also for others who want to understand what can and should be done in order to address this difficult issue.

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## **Introduction**

The objective of this paper is to identify specific aspects of Turkish-Armenian relations that may move the process of dialogue, normalisation and reconciliation of the two countries and respective societies forward. The purpose is to develop a sense for new opportunities, joint project ideas and advocacy messages to the stakeholders that could provide the conceptual underpinnings for sustained dialogue.

For some months in late 2009 and 2010, there were hopes that the relations between the two countries would improve. On 10 October 2009, the Armenian and Turkish foreign ministers signed two diplomatic Protocols: the first Protocol laid out a process for the establishment of diplomatic relations between the Republic of Armenia and the Republic of Turkey, while the second Protocol focused on the overall development of relations between the two countries. This second Protocol offered the promise of the opening of the closed border two months after the entry into force. It also suggested a number of policy initiatives on a wide range of issues, including a dialogue on the historical dimension of the relations between the two nations, cooperation in the areas of transport, communication, and energy infrastructure and networks, as well as bilateral work in the legal framework, science and education, trade tourism, and economic and trade cooperation between the two countries.

Perhaps the most symbolic of these issues was the opening of the border, promising to provide fresh impetus to both normalisation and an eventual reconciliation. However, the ratification of the Protocols was delayed in both parliaments, frustrating the good will of actors on both sides. The Turkish-Armenian border has remained closed.

What role can dialogue play in that situation? There is merit in referencing some very basic assumptions about civil progress in international affairs. The academic world has held a long and winding debate concerning the actors and factors that matter in international affairs and that can make a difference. Proponents of the realist school of thought may argue that in the end, it is states represented by their governments that will make a difference. Liberals have instead been less concerned with governments, but have rather focused on societal actors as political agents influencing the decisions of their governments and eventual countries. In terms of the international space they also serve as important interlocutors between respective societies, eventually paving the way for governments to more successfully address conflict.

This perhaps rather philosophical approach does hold some very precisely defined consequences for understanding the potential of dialogue between Turkey and Armenia. If one indeed supports the realist approach, then bilateral relations are only as active or inactive as the governments of the two countries themselves decide. If one is indeed a proponent of a liberal approach, then civil societies on both sides have very active roles to play in addressing the conflict between respective societies, and eventually their countries.

This paper is written with the liberal perspective in mind, without losing sight of the realist agenda. The frozen political situation provided the backdrop for the research on which this paper is based. It is based on a series of interviews with members of civil societies in Turkey and Armenia which were held in Istanbul and in Yerevan in the spring of 2011. Although considerable effort was devoted to ensuring the diversity of input by engaging different stakeholder groups throughout the interview process, the limits on time resources were a constraining factor, preventing any possibility to substantially increase the sample of interviewees.

The author of this paper is not an expert on the relations between Turkey and Armenia and their respective societies. Given the complex nature of the relations, this paper also does not provide any single conceptually consistent approach to the subject matter or offer one consistent narrative as a basis for possible policy options. However, it does provide some thoughts about possible avenues to move a dialogue process between the respective societies and governments forward. Some of the recommendations of the report are inspired by the vast literature on international relations and conflict resolution and some of the suggestions may, therefore, overlap or even contradict each other. But rather than presenting a consistent roadmap, it is hoped that this report presents a considerable diversity of constructive ideas.

### **Recognise Each Other As Equal Partners Despite Geopolitical Imbalances**

Perhaps one of the largest hurdles to pursuing dialogue between these two countries in a meaningful way is the profound structural imbalance of their geopolitical positions, largely due to their geographical location and size.

Turkey is endowed with considerable exposure to Europe and pursues a proactive perspective towards its eventual membership in the EU over the long run. In the past several years, Turkey has also been proactively engaged in Middle Eastern affairs, mediating between

various conflicting parties and serving as a bridge from Europe into the Middle East. It is seen by many in the Arab world as an example of a democratic and economically successful Muslim country. It continues to play a role in the Central Asian region as well. In other words, Turkey has been preoccupied with a number of substantial foreign policy issues that have left the issue of relations to Armenia as less than a priority. As many interviewees mentioned, it “is difficult to build a lobby in Turkey for the Armenian file.” Also, “in Turkey, things are swinging back after the protocols have not moved forward.” On the other hand, Armenia, given its size and its position as a land-locked country enjoys much less geopolitical influence.

Although these observations may be trivial, they indicate some fundamental difficulties in the establishment of a dialogue between the two countries and indeed societies. Interviewees repeatedly argued that Turkey “has a lot on its plate,” and that relations with Armenia are not necessarily a priority. These imbalances negatively affect the incentive for Turkey to pursue a meaningful dialogue at all. To be sure, the reasons for that do not need to be linked to a genuinely antagonistic nature; rather, they are motivated by the very structure and the unequal nature in the balance of power between the two countries. “Turkey does not need Armenia, but Armenia needs Turkey,” as one interviewee put it.

The default strategy for Armenia, with a realist perspective in mind, is to seek international alliances that can contribute to balancing and overcoming some of the disparities between the two countries. A more equal and balanced relationship would inspire Turkey to engage more proactively in dialogue. Assessing the viability of such an approach goes beyond the scope of this contribution, however.

A second, perhaps more promising, approach is to ground the dialogue on the basis of reference points that are not driven by existing power relationships, but rather, based on principles and universally shared values. There is an argument to be made for Turkey to maintain good relations with each of its neighbours, regardless of their geopolitical relevance. Some interviewees also raised the point that Turkey and Armenia are both equal parties to multiple international agreements and as such, meet as equal members of the international community. Multilateral fora, such as the World Trade Organisation (WTO), and others could be used to advance issue-based engagement.

The disregard for balance of power relationships is the preeminent reason why dialogue formats that are driven forward by respective members of civil society are more successful

and at that stage perhaps also more promising than those on a governmental level. There are a number of dialogue formats involving members of civil society from Turkey and Armenia advancing on the basis of equality. People meet each other eye to eye, as students, artists, journalists, academics or as business professionals. These processes appear to advance astonishingly smoothly and productively. Recognition of the other as a legitimate actor is the foundation upon which these dialogues are built.

If one assumes that the governments of Armenia and Turkey need to engage more actively and constructively in dialogue, then more thought needs to be given to create situations in which both sides can meet as equals. These might be created through issue-based informal conversations, or conversations in the context of broader international settings.

### **Create Shared Reference Points and a Sense of Empathy**

There are two more important elements regarding the deeper meaning of dialogue between societies. One relates to the reference points of a dialogue. The other speaks to the relevance of empathy.

Without any doubt, shared history, at least for the time being, is the overriding reference point for relations between Armenia and Turkey. Some interviewees argued that the issue of the Genocide must be addressed comprehensively for the relations between the two countries and their societies to move forward. Also, with time, there may be a window of opportunity to address the Genocide in a constructive manner. Many interviewees suggested that for decades, people in Turkey did not know what happened in 1915. But in recent years, society is discovering its own history; “there is a form of societal awakening,” as one interviewee defined it. There was a fundamental recognition amongst interviewees that for the past few years, a fundamental process of historical awareness has been underway. People have begun to more constructively address their history and learn about past events. One interviewee suggested that there are “two million Turks whose Armenian roots were revealed only in the past years.”

To be sure, this position was voiced amongst interviewees in Turkey and Armenia alike. Some suggested that Turkey needed to recognise that “we have a problem, or rather, that we have a problematic history.” Past events should be documented and Turkey should come to terms with its history. “Sooner or later, the Turkish government will have to face the issue of

the Genocide,” as one interviewee suggested. Others suggested that societies should be confronted with their respective histories on a grass roots level.

With this in mind, arguments were also made that Armenian national identity was predominantly, if not exclusively, framed by a reference to the history of the Genocide. In the end, Armenia was only a very young state, and reference to historical suffering had been the default strategic option to develop its national narrative and identity.

Interviewees were divided about using these historical references as a basis for future dialogue. “There is the risk that addressing the Genocide more vigorously could also deepen the conflict,” one interviewee argued. Others echoed that concern: “All of us are afraid of a compromise. We have disproportionate expectations.” “Do not shoot the dialogue with the Genocide,” another interviewee remarked, highlighting the risks. Other voices added that, currently, “holding conversations about the Genocide is not on the Turkish agenda.”

There are strong suggestions to create or become more aware of alternative reference points. These may include historical references that predate 1915, stressing the positive elements of a shared history. Some interviewees stressed that Armenia is spending little time on rediscovering the common, shared history between societies in Turkey and Armenia.

But collective reference points can also be placed into the future. Other processes have benefited from reference points that spelled out, for example, a joint economic future for conflicting parties. At these occasions, the shadow of the future, and not the shadow of the past, informs the behaviour of actors and, hopefully, results in more cooperative outcomes.

This is also where the element of empathy comes into play. For a true dialogue to progress, the parties need to be in the position of willing to see things through the eyes of the other. In Turkey, an increasing number of people recognise the Armenian trauma. This, as many interviewees suggested, is an important step towards a process of acknowledgement, apology and forgiveness, and an important step towards constructive engagement. To facilitate this process, a language of moderation needs to be found in Armenia and a feeling for the political dynamics in Turkey developed.



## **Deepen and Widen the Dialogue**

In the past several years, members of civil societies and others have made substantial progress deepening the dialogue between communities, addressing a substantial number of policy issues, thereby laying much of the conceptual foundations for future work. Those involved in any one of the various dialogue formats confirmed the very positive dynamic that unfolded once more personal relationships were established. One interviewee suggested that “perhaps the political level is now silent, that is not at all true for civil society.”

Based on these strong foundations, there is now a growing interest in making the process more inclusive. Most, if not all interviewees, stressed their observation that the number of people involved in the dialogue activity for the time being is fairly limited. One interviewee remarked that for the time being, “fifty people on each side are having an intense conversation about these issues,” which is rather limited. Others have confirmed that view, arguing that “the same faces” are meeting at the same occasions. One interviewee also observed that “we are still a fringe movement; there are 20 million young people living in Turkey. They do not know much about their identity.” One interviewee argued that “there are no independent thought leaders. We lost Hrant Dink, and there is, for the time being, no immediate candidate to fill that gap. In Armenia too, there are no prominent voices, no figureheads that support the dialogue.”

This suggests that the dialogue needs to be deepened and widened. Deepening in this context refers to more specific projects and programmes that make a meaningful impact in the daily lives of people, and/or changes in policy in a meaningful way. Widening refers to the scale of the projects already underway and involving an ever growing number of actors into the process.

Engagement should be advocated on all levels. Some interviewees stressed that the principle of dialogue should also be more actively advocated on the grassroots levels. The younger generation might be more open and curious to these approaches. A substantial number of interviewees suggested that the dialogue for the time being is very much focused on Yerevan and Istanbul and suggested to carry it into the Eastern parts of Turkey. One interviewee remarked that in the Van-Diyabakir-Kars triangle, the exchange and dialogue between communities is very much an unknown. There were also strong suggestions to move the dialogue beyond academic circles. Some interviewees suggested that the dialogue has been

pursued by progressive intellectual forces, but now needed to move beyond theoretical debates.

### **The Regional Dimension**

There is a strong case to be built to develop closer communication arrangements concerning the regional political dimension of Turkish-Armenian relations. The more fundamental discussion of the evolving nature of regional affairs and the modalities of interacting within a broader international environment can provide a profound platform for parties to explore new opportunities and identify common ground. Developing a better understanding of the regional dimension of Turkish-Armenian relations offers the opportunity to identify benefits that might otherwise be overlooked.

One of the avenues that could be taken forward is to further explore alternative scenarios for the future of the South Caucasus, involving Turkey. The South Caucasus at the beginning of the 21<sup>st</sup> century represents a very fragmented region with conflicts among and within states preventing constructive engagement and cooperation. This has motivated external actors to leave their mark in the region, which may or may not be helpful. Scenario work would explore the various geopolitical and geo-economic trends that the South Caucasus is going to be exposed to, and eventually identify unexplored opportunities for future collaboration. Such scenario processes could subsequently benefit from the involvement of actors from outside the region, i.e. Russia, the European Union (EU), and the United States, but also players from the Middle East.

Interviews focusing on the geopolitical dimension of Turkish-Armenian relations also emphasised the nature of the relations of Armenia with Azerbaijan, and the future of Nagorno-Karabakh. Interviewees in Armenia reinforced the position that any movement on that issue would, for the foreseeable future, be inconceivable. Interviewees in Turkey re-emphasised the relevance of Turkish-Azerbaijani relations. “One cannot separate Baku and Ankara. The two are interlinked,” “the main problem is Karabakh,” one interviewee in Turkey observed. Another interviewee stressed that the Turkish government might have underestimated the Azerbaijani resistance to the Protocols and therefore had to backtrack. Given the diplomatic stalemate both in Turkish-Armenian and in Armenian-Azerbaijani

relations, there may be merit in exploring if there are any possible policy options that could advance conflict resolution.

One interviewee also made a strong case to address a phenomenon that is also known as a “security dilemma” in international affairs. A security dilemma is a situation in which a military defensive move by one country is perceived as an offensive one by an opponent. Although this paper does not suggest in any form that Armenia and Turkey are indeed military opponents, there is merit in addressing “lighter” versions of a security dilemma by involving the military personnel from the two sides in a more strategic dialogue, sharing information and perceptions.

Finally, there may also be merit in exploring the exposure of Turkish-Armenian relations to an increasingly dynamic Middle East. The Arab world is going through an important phase that challenges the regional status quo, for better or worse. At the same time, the Gulf region has benefited tremendously from the strong demand for oil and associated revenues. Iran and its nuclear programme continue to trouble the international community. These are all factors that might have an impact on Turkish-Armenian relations, since both countries maintain strong ties with the region. How these might play out in the future may be worth exploring.

The analysis and debate of future Turkish-Armenian affairs within a broader regional and international context offers a promising avenue to convene the active think tank community in both countries, but also to engage academic and think tank communities from other countries and regions relevant to Turkish-Armenian affairs. Exercises like these enable conflicting parties to think outside the box and develop and consider alternative and innovative policy options.

### **Learn How to Do Track Two Diplomacy**

Addressing the regional dimension of Turkish-Armenian relations could also provide an impetus for reinvigorating second track diplomacy. Second track dialogue processes, mostly pursued by academic think tank communities, have become an eminent tool in fostering international reconciliation and supporting international diplomacy. Second track channels are created where mistrust and misconception between governments prevail and block the progress of formal or official negotiations.

On numerous occasions, second track exercises have made powerful contributions to unlock stalled conflict resolution processes or to help restart formal negotiations. They are particularly meaningful when governments do not want to engage in formal negotiations for one reason or another, but require a limited form of policy coordination. They make substantial contributions to conflict resolution as they enable involved parties to explore opportunities that governments can not put on the negotiation table for various political reasons, and as such, enable the parties to explore the entire set of options for a negotiated settlement.

In the Armenian-Turkish context, there is a general appreciation of the contributions that think tanks make to move second track processes forward. There are, however, a number of issues that need to be addressed in order to make second track efforts more productive.

The first issue is to allow second track processes. There is a perception, in particular on the Armenian side, that the opportunity for second track dialogue has exhausted itself after the signing of the Protocols and the stalled ratification processes. There is a feeling of frustration and insistence that the first move must come from the formal inter-governmental level and the ratification of the Protocols must come before any other dialogue formats can be moved meaningfully forward. Linked to this perception is one assessment that think tanks involved in dialogue processes did not have the necessary contacts with the political decision-making bodies in order to have an impact on governments. Without government support, track two efforts are not going to accomplish anything, said one interviewee.

There were also concerns expressed over the ability of the think tank community to identify the space to manoeuvre. Governments appear to have an overwhelming hold over think tanks. In Armenia, the authority of the state is still a reminder of the country's Soviet and authoritarian history; in Turkey, the strong "étatist" ideology has had the same consequences on the ability of think tanks to manoeuvre more freely.

Despite these reservations, given the political climate between the governments of the two countries, there is a strong need to continue second track processes. Even if they do not yield immediate returns, the dialogue between academic and intellectual thought leaders will contribute a dynamic that in the end may have a positive spill-over effect on both governments. The think tank dialogue today should focus on the broader strategic questions that need to be addressed to create shared strategic value, which will subsequently move governments forward on the path of normalisation and cooperation. To fulfil that function,

think tanks should create the space for themselves to address issues without taboos and without the need for self-censorship under the pressure of formal government positions.

### **Respect the Diversity of the Other**

Neighbouring countries that have not maintained deeper political relations and social interactions for some time tend to hold monolithic perceptions of each other, very much like unitary actors whose internal processes but also domestic conflicts are not obvious for the outside observer. The interests of governments and their respective societies appear to be very much aligned which further create unproductive stereotypes.

In line with this assumption, there is considerable overemphasis regarding the cohesiveness of the societies in Armenia and Turkey respectively. The rather fragmented nature of respective societies is rather under-appreciated, although clear divisions exist in each country regarding the urban/rural divide, disparities in economic development, education, ethnic and religious diversity, etc.

Although there is a popular understanding in Armenia about the cohesiveness of a perceived “Turkish society,” other analysts in Armenia do recognise that Turkey is only in the process of developing its own national identity. Nation-state building based on a strong national identity has not yet been successful to supersede the identities of the minorities in Turkey, including Kurds, Circassians, Bosniaks, Albanians, Georgians, Arabs, and other minorities. The multiethnic society in Turkey had to incorporate migrants and as such still has to become more inclusive.

Also, very diverging interpretations of the nature of the Armenian Diaspora prevail. Armenian interviewees stressed their perspectives that the Turkish government would perceive the Armenian Diaspora as well-connected with the Armenian government. But perceptions in Turkey about the Diaspora representing an instrument for the Armenian government to extract concessions from the Turkish government were misguided. This perspective might be informed by the Turkish approach to its own migrants who have left Turkey to work in other countries; the Turkish government continues to nurture and maintain the loyalty of migrant workers to their home country.

Armenian interviewees instead referred to a substantial degree of fragmentation within the Diaspora community(ies) and pointed out that the interests and political motivations of the Diaspora may not necessarily be aligned with the government or with the societies within Armenia. Instead, many interviewees in Armenia argued, that the Diaspora occasionally puts too much pressure on members of the international community to recognise the Genocide, which may be counterproductive as the process of normalisation and eventual reconciliation progresses.

The diverging interpretations about the role of the Diaspora in Turkish-Armenian relations suggests that not only the dialogue between Turkish and Armenian stakeholders living in Armenia should be advanced, but that the Diaspora should be more systemically involved in the dialogue process. As one interviewee suggested, “there should be a Diaspora-domestic dialogue.”

### **Building the Economic Dimension of Cooperation**

Closed borders and the continuation of conflict result in economic costs. In the Turkish-Armenian context, these costs have a detrimental effect on the economic development potential of the eastern part of Turkey and on Armenia. For the time being, eastern Turkey remains largely underdeveloped. In Armenia, incomes are stagnating and there is growing competition with Georgia for investment, which features less corruption and a more attractive tax regime and attracts an increasing number of companies moving from Armenia to Georgia.

Interviewees saw the development of more stable political relations as an important step towards economic development; already, the business communities in Turkey and Armenia have been agile enough to develop ever more robust ties that were able to circumvent political obstacles. Trade today is conducted via Georgia, and although red tape and longer travel distances for cargo substantially reduce the full potential of Turkish-Armenian trade, a substantial number of households in Turkey and Armenia now depend on it. Interviewees on both sides highlighted a number of sectors that would be particularly promising given a more hospitable political environment.

One is energy and energy security. Energy security in the past has become a function of the ability of consumers of energy to develop ever more diversified sources of supply. Turkey’s growing economy and, therefore, growing energy demand, but also its eminent position as a

transit state or energy exports to Europe makes it essential for it to develop alternative sources of supply. One interviewee suggested that Turkey should develop an interest in improving relations with Armenia to diversify its energy supply channels and transit routes. Turkey, for example, is the world's largest importer of coal. To meet its demand, Ankara will have to develop better commercial relations with Russia, which is the world's largest producer and exporter of coal. Turkey would benefit from opening the borders with Armenia, which in turn, would eventually facilitate trade in coal.

Energy security also becomes an issue for Armenia after the events at the Fukushima nuclear site in Japan, as the world reconsiders the trade off between nuclear safety and energy security. At the time of writing this report, a team of experts from the International Atomic Energy Agency (IAEA) conducted a series of "stress tests" at Armenia's Metsamor power plant, which produces some 40 percent of Armenia's electricity consumption. It may be useful to explore what benefits closer political relations could bring to increase energy security, but also in terms of greater nuclear safety in the region.

Furthermore, there is also a substantial potential for tourism. Armenians would appreciate to move freely across the border. Turkish citizens, in particular from the Eastern part of the country, would enjoy travelling to Yerevan. The market for international tourism is substantially underdeveloped. This segment would benefit from open borders and easy access to historical places and sights of interest.

Turkish investors could also benefit from labour price differentials. The Armenian minimum wage is around \$100 compared to a minimum wage in Turkey of \$400. Mandatory social security contributions and insurance are much higher in Turkey than in Armenia. One interviewee argued that \$50 million investment in the textile industry would result in the creation of 10,000 jobs in Armenia. An additional aspect is Armenia's free access to Russian markets. Turkey's exports are subject to a 30 percent import tax, but goods and services exported via Armenia would lower import costs for Turkish products.

A key concern for the Turkish business community is the absence of diplomatic relations. "We do not travel where we have no consular protection. It is not safe," is a common conception that prevents Turkish business from engaging with Armenian counterparts in a more proactive manner. Investments are only protected in as much Armenian law applies, which is seen as insufficient. Armenian business organisations and personal contacts can help

to ease Turkish investments into Armenia. But absent any diplomatic relations, investments are not protected via bilateral investment agreements.

All in all, the economic benefits from cooperation appear to be substantial and multifaceted. Or, in other words, there are economic opportunity costs from the continued closure of the border. However, although the business communities in Turkey and in Armenia have done pioneering work to unlock some of that potential and build new bridges, the business community can only play an accompanying role facilitating relations between the two countries.

## **Conclusion**

This contribution is based on the conviction that the dialogue process between Armenia and Turkey and their respective societies needs to be based on a long-term perspective. The dialogue may be able to make substantial contributions to the political process; but it appears to be most promising not to make its very *raison d'être* overly dependent on political developments. Dialogue, normalisation and reconciliation will have a long-term effect on societies and over time, will change political preferences as the basis for more cooperative outcomes. Participants in the dialogue processes, and not least, agencies and organisations providing the material resources for moving dialogue further will need to demonstrate the necessary degree of patience to see a positive impact while a positive outcome is not guaranteed.

Perhaps a useful way to understand the current state of the dialogue is to view it as part of a three-step process.

The first phase of the process was designed to build on the political momentum of the signing of the Protocols. Proponents of dialogue, also motivated by political entrepreneurship, began to more systematically establish meaningful dialogue partners and established cross-border contacts, mobilised necessary resources and developed an initial public awareness campaign for cross-border issues. This first phase has now come of age. A second phase should now more consistently assess the growth potential for dialogue, very much along the lines of the suggestions made in this paper, assessing the prospects for deepening and widening the dialogue. It would also be meaningful to begin having conversations about the third phase of the dialogue, which could be called “cruising altitude,” i.e. about the long-term sustainability,



stability and reach of the dialogue, but also about the long-term political resonance that the dialogue shall have on political and social affairs between Armenia and Turkey. The Turkish-Armenian dialogue today appears to be at the end of the “start-up” phase.

Based on the findings of the report, the following key messages will contribute to the growth of the dialogue:

- 1) Acknowledge geopolitical imbalances between Turkey and Armenia and innovatively develop the instruments that enable dialogue beyond these imbalances;
- 2) Develop trust and empathy for the perspectives of the dialogue partner. Although historical experiences weigh heavily on relations between the societies in Armenia and Turkey, they can, but should not necessarily, constitute the reference point for engagement;
- 3) Deepen and widen the dialogue. Begin to move it beyond Istanbul and Yerevan and develop outreach strategies in particular to engage younger generations;
- 4) Acknowledge societal fragmentations and internal political conflict within Turkey and Armenia. Do not exploit these for tactical gain, but use them to develop a more differentiated perspective of the dialogue partner;
- 5) Develop a notion for the economic opportunity costs of closed borders and wherever possible create business linkages between communities;
- 6) Appreciate the regional dimension of Turkish-Armenian relations and engage in a dialogue about future regional scenarios to identify mutually beneficial policy outcomes.