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THE DEPUTY SECRETARY: S/NIS/RC:BLPASCOE EUR/RUS:GKROL

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IMMEDIATE MOSCOW

S/NIS/RC:PNREMLER:PNR

10/28/97, 7-9116

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VIENNA FOR USDEL OSCE

E.O. 12958: DECL: 10/31/07

PREL, AM, AJ, RS TAGS:

REPLY TO PASTUKHOV LETTER SUBJECT: NAGORNO-KARABAKH:

REF: MOSCOW 27347

Classified by: the deputy secretary, Department of

State. Reason: 1.5 (b, d).

- 1. (c) Embasssy should deliver at earliest opportunity para 2 letter from the deputy secretary to Pastukhov (or Yukalov) in reply to reftel letter.
- 2. (c) begin text:

Dear Boris Nikolayevich:

Thank you for your letter of October 27, outlining your concerns about the peace process in Nagorno-Karabakh. share many of your conclusions, especially your conviction that our principal task is to motivate the Nagorno-Karabakh leadership to accept our proposals as

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the basis of negotiations, and to do so in the shortest possible space of time. Here is how I see the current situation:

Both Armenia and Azerbaijan have accepted our proposals as the basis for negotiation. Armenia's President Ter-Petrossian has even told us that he believes our proposal is the basis for a solution, although, he said, he is not in a position to say so publicly. We take this as evidence that the reservations Armenia has advanced are not basic to the Armenian position, but are instead bargaining chips to be used in negotiations. I suspect that Azerbaijan has advanced its reservations with the same end in view. I am therefore confident that, if it were up to Aliyev and Ter-Petrossian, serious negotiations would soon produce a document very similar to our proposals.

Certainly, neither Armenia nor Azerbaijan would consider accepting our proposals without negotiation; at the very least, it would be seen by public opinion as inadequate defense of the national interest. President Ter-Petrossian, especially, has put himself in considerable difficulty by his very positive comments on September 26. He has been attacked by virtually every segment of the political spectrum, and has had no defenders whatsoever. President Ter-Petrossian would view as political suicide the acceptance of our proposal without even a pretense of negotiation. Were we to push him to do so, prudence would dictate that he retreat behind the formula that Armenia wil accept "whatever Nagorno-Karabakh will accept," and we would be, as we say, back to Square One.

Which brings us back to our original problem: convincing the Karabakh leadership to negotiate on the basis of our proposals. Mr. Ghukasyan recently gave an interview to a Russian journal which, from the excerpts we have seen, grossly distorts our proposal. For example, he says we have proposed "two administrations;" presumably a reference to the old Azerbaijani demand for a separate Azerbaijani administration in Shusha, but far indeed from the reality of our proposals. We are unable to judge the origins of this behavior, since a publication of our proposals would immediately show the inaccuracy and meaninglessness of Mr. Ghukasyan's statements. One optimistic interpretation is that he is exaggerating the "threat" from the Minsk Group, the better to claim victory after a compromise.

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Whatever their motivations, the leaders of Nagorno-Karabakh are the key to the peace process. As I said, I agree with you that convincing them to participate is our chief task, and I strongly believe this can best be accomplished by working on them directly, rather than through indirect pressure. Certainly, President Ter-Petrossian's pressure is essential, but that pressure will not gain in efficacy by being perceived as a surrender to outside powers. We need to do our part, and do it directly with Mr. Ghukasyan and his allies inside Armenia. Armenian Government officials have pleaded for a visit to the region by the Minsk Group Co-Chairs for just this purpose.

To help accomplish this, I would be willing to consider a trip to the region along with you and Jacques whenever it makes sense. My sense is that we need to do more work at the Minsk Group level first, to learn more about the ways in which we can approach the Nagorno-Karabakh They have said they have ideas, but have been leaders. unwilling to share them. The Minsk Group Co-Chjairs should call Mr. Ghukasyan's bluff, demanding specific proposals while pointing out the sterility of the outmoded dialectic that Mr. Ghukasyan employs instead. I suspect that if the Minsk Conference Co-Chairs were to visit the region before we have done adequate preparation, the Karabakh leaders would perceive it as a reward for their recalcitrance and would stage an unproductive show for the benefit of their domestic public opinion.

As to scheduling, Jim Collins' successor as Ambassador-at-Large for the New Independent States, Stephen Sestanovich, will be in Yerevan and Baku on November 2-4, at the end of a trip to Central Asia and the Caucasus which he began October 25. Our Minsk Group Co-Chair, Lynn Pascoe, will join him for the Caucasus leg of the trip. I suggest that Lynn remain in the region; the Minsk Group Co-Chairs could visit Yerevan, Stepanakert and Baku later that week.

Boris Nikolayevich, I believe we have accomplished a great deal in our efforts so far, and that we are capable of accomplishing much more, and without any delay. Our greatest strength has been the close cooperation among the Co-Chairs. Our unity has convinced the Parties, including Nagonro-Karabakh, that

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they have no room to maneuver among us, and that the proposals we present are the very best the international community has to offer. I cannot do justice to the splendid efforts of Yuri Alekseyevich and Valentin Vadimovich in building a consensus of the Co-Chairs and making our joint efforts effective. If we continue to act as one, I am convinced that we can reach our initial goal of convincing the Karabakh leadership -- as we have already convinced the Armenian and Azerbaijani leaders -- and our ultimate goal of achieving a durable resolution of this tragic conflict. Moreover, we will continue to demonstrate to the world a model of cooperation among three major powers to advance our common interests.

With very warm personal regards,

Strobe Talbott

End Text. YΥ

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SUBJECT: NAGORNO-EARABAKH: REPLY TO PASTUKHOV LETTER

REF: MOSCOW 27347

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Strobe Talbott

End Text.
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SOURCE: KODAKC.290149

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APPROVED BY: THE DEPUTY SECRETARY:

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EUR/CACEN: BDONAHUE EUR/RPM: WREID (INFO)

S/NIS:VNULAND S/S-O:SAHUBLER

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