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# Turkey-Armenia : A Thriving Trade Despite Tensions, Closed Border

mmorning.com - 17/9/2007

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Barreling along at breakneck speeds, Turkish trucks loaded with goods are a common sight on the winding highways of Armenia, showing that for many Armenians the desire for a bargain outweighs historic hatred.

"What's important for me are the quality and the price of the goods, not where they come from", said 32-year-old Yerevan resident Souren, who recently bought a Turkish-made washing machine.

Turkish goods are flooding into Armenia despite a long history of antagonism between Armenians and Turks, closed borders and major diplomatic tensions between Ankara and Yerevan.

Only 25 kilometers from the Turkish border, Yerevan should be a short drive for the truckers. But with Armenia under a Turkish trade embargo and the border sealed, they instead have to follow a long, circuitous route through neighboring Georgia to bring home appliances, building materials and other goods to Yerevan.

Turkey banned exports to Armenia and closed the border in 1993 in a show of solidarity with its close ally Azerbaijan, which was at war with Armenia-backed separatists over the territory of Nagorno-Karabakh.

Also angered by Armenia's campaign for international recognition of mass killings of Armenians under the Ottoman Empire as genocide, Ankara has also refused to establish diplomatic ties with Yerevan.

Yet at the main border crossing between Armenia and Georgia, the queue of Turkish trucks headed for Yerevan can often stretch for more than a kilometer.

To get around the embargo, the goods officially change hands in Georgia, through middlemen or shell companies established by Turkish exporters.

"There is a big quantity of Turkish goods today in Armenia", said Gagik Kocharian, the head of the trade department at Armenia's Ministry of Trade and Economic Development.

Home appliances, building materials, household goods, clothes and paper products are the most common Turkish items sold in Armenia, he said, and sales of those goods rose 40 percent in 2006.

Many consumers, Kocharian said, are indifferent to whether the goods they are buying are Turkish.

"People buy brands and very often are not interested or do not know where a product is made", he said.

Many business leaders on both sides are urging the Armenian and Turkish governments to work to end the embargo and re-open the border.

"There is great interest from companies on both sides in doing business with each other. It would be very beneficial for both countries to re-open the

border", said Kaan Soyak, the Turkish co-chairman of the Turkish-Armenian Business Development Council.

Re-opening the frontier would not only give Armenian exporters easier access to Western markets, but also add to export routes for Turkish companies targeting Azerbaijan and Central Asia, he said.

"Unfortunately, the political establishments on both sides benefit from the status quo", he commented.

Analysts said it's doubtful either side will give ground soon.

Winning international recognition of the mass killings as genocide is one of Armenia's top foreign policy goals. Armenians say up to 1.5 million of their kinsmen died in deportations and systematic killings on the territory of present-day Turkey in 1915.

Turkey categorically rejects the genocide label and argues that 300,000 Armenians and at least as many Turks died in civil strife in what was then the Ottoman Empire during World War I.

Turkey is also unlikely to end its staunch support for Azerbaijan in the dispute over Nagorno-Karabakh, an ethnic Armenian enclave that broke away from Azerbaijan in the early 1990s and now has de facto independence.

Azerbaijan has imposed its own economic embargo on Armenia and Kocharian said there are virtually no Azerbaijani goods on sale in Armenia.

Despite repeated meetings, Armenian and Turkish diplomats have failed to break the deadlock.

At a meeting in Istanbul in June, Armenian Foreign Minister Vardan Oskanian urged Turkey to open the border, but Turkey responded that the dispute over Karabakh would have to first be resolved. Turkish Foreign Minister Abdallah Gul also called on Armenia to support a Turkish proposal to set up a joint committee of Turkish and Armenian academics to study the genocide allegations. And not all Armenians are willing to set political tensions aside in the name of commerce.

"I do not buy Turkish or Azerbaijani goods and I absolutely don't understand people who don't care where goods come from", said Robert Sanasarian, an elderly Armenian living in Yerevan. "Why can't people just buy locally-produced goods, helping Armenian businesses instead of our opponents?"

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