

Armenia and Azerbaijan Should Return Each Other's Exclaves

A Land Swap is Not the Best Policy Option

Tabib Huseynov

On 24 May 2024, Armenia [returned](#) four non-exclave border villages to Azerbaijan, in what was a landmark achievement in the peace process between the two South Caucasus neighbors. This marked the first time Armenia handed back territory it had captured from Azerbaijan in the early 1990s not through military coercion—as was the case during and immediately after the 2020 Second Karabakh War—but through bilateral negotiations.

The peaceful handover of these villages was carried out in accordance with a [protocol signed on 19 April 2024](#), in which the two countries agreed for the first time on the delimitation and demarcation of certain sections of their de jure border along the Gazakh district in Azerbaijan and adjoining Tavush province in Armenia. As a result, Armenia and Azerbaijan delineated a 12.7 km-long section of their nearly 1,000-km-long international border, which—although an important diplomatic achievement—highlights the scale and scope of the work yet to be accomplished as part of further delimitation efforts. Azerbaijan also reclaimed 6.5 sq. km of its territory, including the “residential areas” of the now defunct and de-populated border villages of Baghanis Ayrim, Ashagi Askipara, Kheyrimli, and Gizilhajili. Of note, the reference in the April 2024 protocol to “residential areas” denotes that some areas of these villages designated as “non-residential” were excluded from the deal and are yet to be delineated.

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Following this development, attention will now shift to the fate of the four Azerbaijani exclave villages—Karki, Sofulu, Barkhudarli, and Yukhari Askipara—that remain under Armenian control, as well as the Armenian exclave village of Artsvashen (also known as Bashkend) inside Azerbaijan. In this context, the question of a possible land swap is likely to be raised, both in negotiations and in the public domain.

While a land swap has been [Armenia’s preferred solution](#) to the issue of exclaves, this approach has been viewed with aversion in Azerbaijan. However, there have been a few tentative statements from prominent voices suggesting that such an option could be considered. Thus, in June 2023, Adalat Verdiyev, a well-known Azerbaijani military expert, [said](#) that Azerbaijan could exchange its exclave of Yukhari Askipara with Artsvashen. In April 2024, Rasim Musabeyov, an MP and an esteemed Azerbaijani political analyst, [fleetingly suggested](#) a land swap would be a “more favorable” outcome, given the difficulties of accessing the exclaves from the mainland. Thus, despite overwhelming public sentiment in Azerbaijan opposing the cession of exclaves to Armenia, this position should not be treated as immutable and needs to be defended with proper rationalization.

In this IDD Analytical Policy Brief, I argue that Azerbaijan should reject any territorial swap deals beyond minor border adjustments as part of ongoing delimitation works. Accordingly, this policy course requires that Armenia returns the four exclave villages to Azerbaijan, while Azerbaijan cedes the exclave of Artsvashen back to Armenia. In defense of this policy course, I rely on two sets of arguments. First, a strategic-realist argument that focuses on the importance of the exclave villages for achieving Azerbaijan’s long-term strategic policy objectives concerning regional connectivity, as well as practical considerations related to constitutional and domestic constraints. Second, a normative (values-driven) argument that emphasizes the potential for the exclaves to serve as bridgeheads for future peaceful co-existence in the region, as well as the importance of national-ethical values associated with the full restoration of Azerbaijan’s territorial integrity.

Strategic-Realist Argument

The main rationale used by the proponents of the land swap option is the sheer complexity inherent in achieving a resolution along different criteria, which would entail the return of the exclaves to their de jure owners.

Indeed, the return of exclave villages would require more than just the withdrawal of occupying forces. It would necessitate a complex set of agreements between Armenia and Azerbaijan encompassing mechanisms for the seamless movement of people, goods, and services between the mainland and the exclave territories; the establishment of essential infrastructure and public utility systems (water, gas, electricity, etc.) linked to their respective mainlands; and agreement on security arrangements to ensure border control and policing in the exclaves. It was in recognition of these complexities that Baku [agreed](#)

to discuss modalities for the return of exclave villages separately as part of a joint expert group, while demanding the immediate and unconditional return of the four non-exclave border villages that are contiguous with mainland Azerbaijan.

And yet, a land swap involving only the exclaves is practically impossible, given that the economic and strategic importance of Azerbaijani exclaves within Armenia is far greater than that of the Armenian exclave within Azerbaijan. Most of Armenia's domestic and international passenger and freight transport is conducted through motorways that pass through or near these exclaves, including M2/E117, the country's strategic north-south highway and principal trade route with Iran. The M16/H26 highway, a major route between Yerevan and Tbilisi, crisscrosses territories of the partly delineated Azerbaijani border villages of Kheyrimli and Ashagi Askipara and passes close to the exclave of Yukhari Askipara. Even the heavy floods in northeastern Armenia that took place on 26 May 2024, as this brief was being drafted, exposed Armenia's dependence on motorways passing through or near the Azerbaijani exclaves. To wit: the alternative route between Yerevan and the town of Noyemberyan that was announced by the Armenian authorities to circumvent flood-affected areas [passed](#) through the territory of the occupied Sofulu-Barkhudarli exclave, as well as segments of the M16/H26 highway crisscrossing the de jure Azerbaijani territories. This speaks to the point that Azerbaijan is highly unlikely simply to agree to a straightforward land swap involving the exchange of its three exclaves (four villages) to one Armenian exclave.

As I have previously [argued](#), Armenia's heavy reliance on the aforementioned transport routes gives Azerbaijan a strategic advantage. If leveraged effectively and constructively, this advantage would enable Baku to secure unimpeded transit rights connecting mainland Azerbaijan and Nakhchivan via what it calls the "Zangezur Corridor," while simultaneously ensuring mutual respect for both the sovereignty of Armenia and Armenian reciprocal passage rights.

The second realist argument against a potential land swap deal is rooted in the constitutional-domestic constraints in both countries. According to the Constitution of both Armenia (Article 205) and Azerbaijan (Article 3), any alteration of state borders must be resolved by a nationwide referendum. Accordingly, any delimitation that would go beyond minor border adjustments and involve a de jure transfer of any exclaves to one side by the other, and vice versa, would necessarily have to be approved by national referenda in both Armenia and Azerbaijan to be considered legitimate. This statement is not merely an analytical assessment: it constitutes the official stance of Azerbaijan's Constitutional Court, as [expressed](#) in late-April 2024 in response to an inquiry from Azerbaijan's public television network.

Given the current political climate, it is unlikely that either Baku or Yerevan would choose to conduct referenda to resolve their border issues. In Azerbaijan, where historical traumas associated with territorial losses throughout the twentieth century blend with a present-day sense of confidence stemming from recent military victories, any discussion

of ceding de jure territories to Armenia—even as part of a land swap deal—would likely cause significant societal polarization and, potentially, be exploited to destabilize the internal political landscape.

In Armenia, concern for regime stability manifests itself much more prominently, given that Prime Minister Nikol Pashinyan is [confronted](#) with a well-organized and well-funded [radical opposition](#) led by the Armenian church, ultra-nationalist parties, and former pro-Russian elites. This opposition, while currently presenting no immediate threat to Pashinyan’s power, would likely garner significant public support in case of a hypothetical land swap scenario, whereby Armenia would agree to cede its territory to Azerbaijan—likely extending well beyond Artsvashen—as compensation for retaining the three Azerbaijani exclaves under its control. As such, Pashinyan would be wary of holding a referendum on a land swap, fearing its possible rejection and the subsequent overthrow of his government. Yerevan’s aversion to the referendum option is also evidenced by [his](#) and [his administration’s repeated statements](#) in recent weeks that ongoing delimitation talks seek to reestablish the de jure borders, rather than produce a new inter-state border.

Last but not least, in a highly emotional and politicized negotiation environment, where the parties dispute even a [few meters](#) when discussing delimitation, it is more feasible and practicable to adhere to de jure borders, rather than to attempt to bargain over every meter in a process characterized primarily by the drawing of new boundary lines. Thus, adhering to internationally-recognized de jure borders appears to be the most viable and pragmatic approach for both sides from a realist standpoint.

Normative Values-Driven Argument

The exclaves do not have to be regarded solely through the prism of political-territorial standoff, however. They can also be understood to serve as bridgeheads for building trust and confidence between Armenia and Azerbaijan. By agreeing to return each other’s exclaves and creating the necessary conditions for former residents to return to their homes, the two states would gain more opportunities for political, security, and economic cooperation in a post-settlement era.

In fact, the reciprocal return of former residents to the exclaves could serve as a measure of mutual security assurance, intertwining the political and security interests of both states. [Past research](#) has shown that both Armenian and Azerbaijani forces have typically exercised greater restraint in border areas where civilian settlements from both sides are situated close to each other (most notably, in the Gazakh-Tavush segment of the border) in order to mitigate risk to their respective civilian populations. While exclaves in the Armenia-Azerbaijan context have been [described](#) as “territorial anomalies inherited from the Soviet Union,” there are positive precedents for how the presence of exclave/enclave territories facilitated peaceful coexistence and economic cooperation provided there is “[a minimum of goodwill and mutual understanding](#).” As noted by

scholar Evgeny Vinokurov in his [book](#) *A Theory of Enclaves*, one strategy for mitigating the adverse effects of enclave territories “is reaching such a level of integration between the mainland state and the surrounding state that the presence of the enclave is no longer problematic. [...] Integration between the mainland and the surrounding state can soften the issue of transit between the exclave and the mainland, or even remove it altogether, fostering interdependence and creating new opportunities for cross-border collaboration.” Instances such as Llívia (Spain/France), Mahdah (Oman/United Arab Emirates), and the Baarle-Nassau/Baarle-Hertog enclaves (Netherlands/Belgium) serve as practical examples of such integration.

In a similar way, ensuring the return of civilian populations to the exclaves may contribute to a more stable security environment. It would help Armenia and Azerbaijan to move beyond purely realist state-centric paradigms of ensuring security and benefit from more human-centric approaches and “[normative engagement frameworks](#)” for a shared vision of the future. Such approaches could entail reciprocal free passage and transit rights for both communities, shared infrastructure projects (e.g. a local gas pipeline providing natural gas to both Armenian border villages and Azerbaijani exclaves), joint environmental projects, and other similar measures. They would “civilize” and “humanize” relations at the inter-state and inter-community levels, bind the interests together, and facilitate cross-border dialogue and cooperation.

The second normative, values-driven argument revolves around the national-ethical imperative for the full restoration of territorial integrity. In his famed 1966 poem “I’m the Son of Azerbaijan” (*Azərbaycan Oğluyam*), Bakhtiyar Vahabzade, a prominent Azerbaijani poet, wrote:

In someone else’s land,
My gaze shall not wander; let the world know,
A speck of my soil,
To a stranger, I shall not bestow.

Azerbaijani politicians, including President Ilham Aliyev, have repeatedly paraphrased and referred to this poem’s message over the years—[before](#), [during](#), and [after](#) the Second Karabakh War—to express Azerbaijan’s national consensus on territorial integrity. In September 2023, Aliyev [said](#) “We must ensure that the other side [i.e. Armenia] does not live with revanchist ideas, and they must also rest assured that we do not have sights for their land. We recognize their territorial integrity and have declared it.”

Indeed, the restoration of Azerbaijan’s territorial integrity has been a keystone of Azerbaijani national identity and state-building since regaining independence. Due to historical experiences—and particularly the Armenian aggression and occupation of its territories—the pursuit of independence, sovereignty, and territorial integrity has been deeply ingrained in the political, cultural, and ideological fabric of the Azerbaijani people.

Despite asserting a historical heritage within the present-day borders of Armenia, Baku has never made territorial claims on Armenia. Statements by certain pro-nationalist

politicians and experts calling for Azerbaijan to claim territory within Armenia have largely been either political posturing and pressure tactics, or expressions of fringe viewpoints, not representative of the overwhelming majority of the Azerbaijani public or the government.

Integral to Sustainable Peace

In conclusion, notwithstanding minor border adjustments as part of delimitation efforts, the preservation of de jure borders is crucial for locking in long-term peace between Armenia and Azerbaijan. It is through this preservation and continuity that these inter-state borders will re-acquire and retain their legitimacy for generations to come.

The return of the exclaves is an essential element for durable and sustainable peace between Armenia and Azerbaijan. By restoring and respecting their de jure borders, both states would lay the groundwork for political, security, and economic cooperation in a post-settlement era, which would end regional fragmentation in the South Caucasus, facilitate the region's effective integration into the global economy, and, thus, pave the way for peaceful co-existence and economic prosperity.