

Caucasus City Falls to Armenian Forces

Special to The New York Times
BAKU, Azerbaijan, Aug. 23 — The Azerbaijani Defense Ministry acknowledged today that Azerbaijani forces had been forced to withdraw from the crucial city of Fizuli in the face of continued Armenian pressure from the disputed territory of Nagorno-Karabakh.

The loss of Fizuli, which is south of Karabakh and controls roads into southwestern Azerbaijan, is the most recent setback for the oil-producing former Soviet republic and threatens to send more refugees across the Aras River, the frontier between Azerbaijan and Iran.

The total number of Azerbaijanis displaced by the five-year war between Armenia and Azerbaijan over Nagorno-Karabakh is now approaching one million, according to United Nations officials. A half million Armenians have been displaced by the conflict, which pits self-determination of minorities against territorial integrity of existing states. The war has left up to 10,000 civilians and soldiers dead.

Peace Efforts Fail
 Repeated international efforts to negotiate a settlement have failed, most recently because the Karabakh Armenians have taken advantage of internal political turmoil in Azerbaijan to pursue independence and eventual union with Armenia.

After driving all Azerbaijanis from the territory in 1992 and early 1993, the Karabakh Armenians, openly backed by Armenia despite hardships there caused by an Azerbaijani embargo, began attacks on Azerbaijani territory, creating waves of new refugees.

The first region to fall was Lachin, between Karabakh and Armenia, in May 1992. This was followed last April by the fall of Kelbajar, a finger of Azerbaijan extending between Karabakh and Armenia from the north; its



Azerbaijan fears an exodus of refugees after its loss of Fizuli.

capture in effect stitched Karabakh to Armenia from north to south.

That also resulted in the first international condemnation of Armenian aggression against Azerbaijan, summed up by United Nations Resolution 822, which demanded an immediate Armenian withdrawal.

Campaign of Depopulation
 Rather than comply, however, the Armenians of Karabakh continued forcibly depopulating areas of Azerbaijan to the north, east and now south of the territory.

Despite promises made by the political leadership in the Karabakh capital, Stepanakert, to abide by a series of internationally brokered cease-fires in June and July, the military leadership of Karabakh has continued the campaign. In July, Armenian forces forced out the defenders of Agdam, Azerbaijan, looting and burning the city. That created 100,000 more refugees.

Officials in Armenia and Karabakh

continue to deny that their forces ever entered Agdam. According to them, Armenian forces have not entered Fizuli either, but have remained on the high ground around the strategic town.

Fizuli, a city of some 50,000 residents in normal times but reduced to a ghost town before its fall, controls access to a swath of southwestern Azerbaijan with about 300,000 residents. The city was virtually surrounded by Armenian forces over the last month. Fighting between the Armenians and the poorly equipped Azerbaijani defenders led to the evacuation of civilians last month.

'Nightmares About Situation'
 "As an official of the United Nations, I can say that we are doing all we can," said Mahoud al-Said, the representative in Azerbaijan of the United Nations Secretary General, Boutros Boutros-Ghali. "As a human being, though, I have nightmares about the situation we are currently facing."

Mr. Said and a group of foreign diplomats toured the stricken region last week and were shot at on two occasions by Armenian forces. One attack was near Fizuli and the other near Zengeilan — which was controlled not by forces from Karabakh but by the Armenian Army.

The group described regional centers and smaller towns emptied of people and tens of thousands of refugees gathered in fields and along roads. A Western diplomat in the group described defenses as nil.

"It is not a matter of whether the Armenians can take the region, but when," the diplomat said.

Pro-Iranian Is Ousted
BAKU, Azerbaijan, Aug. 23 (AP) — Demonstrators ousted a pro-Iranian warlord today from the capital of a "republic" he had proclaimed in southern Azerbaijan, Acting President Hey-



An Azerbaijani soldier, wounded in fighting in Fizuli, being helped to a helicopter for evacuation to a medical center. Troops were forced to withdraw in the face of Armenian pressure on the strategic town.

dar Aliyev said. Hospitals reportedly were inundated with casualties from the fighting between supporters and opponents of Alikram Gumbatov, a retired Army colonel who had declared the Talysh-Mugan Autonomous Republic.

Mr. Aliyev said in a television speech that Mr. Gumbatov had fled Lenkoran, a city of 126,000 on the Caspian Sea about 130 miles south of Baku, the

capital. His whereabouts were unknown. An estimated 10,000 protesters gathered over the weekend outside Mr. Gumbatov's headquarters in Lenkoran to demand his ouster. Mr. Aliyev said Mr. Gumbatov's gunmen opened fire on the crowd, which stormed the building and forced him to flee.

The Azerbaijani Popular Front, a coalition of political parties that organ-

ized the protest, said there were many casualties. But neither the Popular Front nor officials in Baku gave a specific toll.

Mr. Gumbatov proclaimed the region a republic within Azerbaijan on Aug. 7. Although he is a former Communist Party official, he reportedly was allied with the Islamic fundamentalist Party of God; most Azerbaijanis are moderate Muslims.

Russia-Lithuania Talks Over Troops at Impasse

By STEVEN ERLANGER
 Special to The New York Times

MOSCOW, Aug. 23 — Russian officials reacted calmly today, with only a touch of nationalist bravado, after President Algirdas Brazauskas of Lithuania canceled a visit to Moscow. Mr. Brazauskas announced the cancellation Sunday in a modulated protest over Russia's decision to suspend talks on withdrawing its last 2,500 troops from Lithuania.

Russia, scheduled to pull out the last of those troops by Aug. 31, now says it will withdraw the troops "at a time convenient to the Russian Federation."

Western diplomats suggested that Moscow's timing might not alter very much. But if the last of the withdrawal is unilateral, they suggested, Russia will not have to negotiate any compensation to the Lithuanians, which might set an awkward precedent for Moscow.

Good Ties With Moscow Sought
 Mr. Brazauskas, a former Communist Party boss who replaced Vytautas Landsbergis, the Lithuanian leader who led the country to renewed independence, is eager to keep good relations with Moscow. His Foreign Minister, Povilas Gylys, said today that Lithuania would continue to press for a negotiated solution with Russia "without considering so far the option of tough responses."

Mr. Gylys stressed that the views of Mr. Landsbergis, "who rejects any compromise with Russia and insists on

in Izvestia today, "doesn't want to create a precedent of compensation because it would spark off a wave of claims going too far back in the past."

Flexibility on Talks

Russian newspapers — and the Russian Foreign Ministry — have quoted a Lithuanian claim of some \$140 billion in compensation, but Lithuanian officials say the figure is imaginary and ridiculous. Mr. Brazauskas's spokesman, Nerijus Malukevicius, has said that any talks on compensation can be held at some later date.

Eastern European countries like Czechoslovakia finally abandoned requests for compensation and accepted a form of apology from Moscow instead.

Mr. Brazauskas's problem is essentially democratic. In a referendum on June 14, 1992, 90.8 percent of the Lithuanians who voted supported the inclusion of a demand for compensation in troop withdrawal talks with Moscow. The same referendum also demanded that Moscow complete the troop withdrawal by the end of 1992.

Speaking on television Sunday night, Mr. Brazauskas criticized Moscow for seeking "various pretexts to suspend the troop withdrawal." But he himself criticized the Lithuanian delegation at the talks, saying it "did not show flexibility."

To keep the pressure on Vilnius to drop the compensation issue, Russia says it cannot withdraw completely without a formal agreement. Speaking to the Itar-Tass news agency, the commander of Russian troops in the Baltics, Col. Gen. Leonid Mayorov, said any further delay in signing a formal agreement could lead to a delay in the troop withdrawal, meaning no final pullout "even before the end of 1994."

'Russia Did No Damage'

As for compensation, General Mayorov said, "Russia did no damage." And he complained that clauses about Lithuania's obligations to Russian servicemen had been deleted from a draft agreement.

In his speech, Mr. Brazauskas raised the possibility that a third country or an international organization might be invited to mediate the issue. Mr. Kostikov rejected that idea today, saying: "Unjustified claims of the Lithuanian authorities against Russia, their desire to bring pressure to bear through third countries, can only provoke a response in kind."

The foreign policy of a democratic Russia, Mr. Kostikov went on, does not mean that Moscow will "ignore facts of history or its national interests." In these statements, Mr. Kostikov is also playing with symbols, as the Yeltsin Government tries to define a kind of Russian Gaullism that will go some way to appease essentially moderate nationalists and conservatives.

But Moscow must also worry about a third-party intervention that has already occurred. In an amendment to the Russian foreign-aid package passed in October 1992, the American Government is required to cut off all aid to Russia if by Oct. 6, 1993, Russia has not withdrawn all of its forces from the Baltics or agreed to a precise timetable for their withdrawal.

U.S. Expresses Regret

WASHINGTON, Aug. 23 (AP) — The State Department expressed regret today over Russia's decision to suspend its troop withdrawal from Lithuania. The department also voiced concern over the cancellation of the planned visit to Moscow by the Lithuanian President.

"Direct, high-level contacts between Russia and Lithuania are critical to resolve this problem," the State Department spokesman, Mike McCurry, said.

Pullout of troops is a stubborn issue for Yeltsin and Lithuanians.

a hard line, is not an official Vilnius position and can be ignored."

Today is the 54th anniversary of the Molotov-Ribbentrop Pact between Nazi Germany and the Soviet Union, which handed the Baltic republics to Moscow, giving the squabble special resonance.

But there is a symbolic cast to the entire argument, given that Moscow has fewer difficulties with Lithuania than with Latvia and Estonia over the rights of ethnic Russians, and that only 2,500 Russian troops out of an original 30,000 remain in Lithuania. Latvia is estimated to have more than 20,000 Russian troops remaining, and Estonia more than 5,000.

Russia's Deputy Foreign Minister, Vitaly I. Churkin, said today, "We do not think relations between Russia and Lithuania are in a critical state."

Compensation Is Key Issue

The sticking point between the two countries is whether Russia will pay compensation to Lithuania for the physical damage done by the presence of Soviet troops since 1940. Russia rejects the idea. Vyacheslav V. Kostikov, President Boris N. Yeltsin's press secretary, said today that a new democratic Russia was not responsible for Stalinism or the policies of the Soviet Union, and was itself a victim.

But Mr. Yeltsin is also eager to show his patriotic stripes while he is advertising a major political battle to come next month with Russia's holdover Parliament and its Speaker, Ruslan I. Khasbulatov, who have allies in the Russian military.

Mr. Yeltsin has made much noise about the rights of ethnic Russians in the Baltics at other moments of political difficulty. And the treatment of Russian troops in the Baltics is a sensitive topic for military leaders, who are trying to withdraw from what they still regard as strategic territory with their dignity intact.

Russia, as Nikolai Lashkevich wrote

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