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**AFTER THE 2008 RUSSIA-GEORGIA WAR:
IMPLICATIONS FOR THE WIDER CAUCASUS
AND PROSPECTS FOR WESTERN INVOLVEMENT
IN CONFLICT RESOLUTION**

by Nona Mikhelidze

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Introduction

Following the war between Georgia and Russia in August 2008 and the ensuing Russian recognition of independence of South Ossetia and Abkhazia, the Caucasus has risen again on the Euro-Atlantic security agenda. First, the war highlighted that the “frozen” nature of the South Caucasus conflicts was a chimera, even if the war may have entrenched further the frozen nature of peace processes in the region. Second, the crisis generated new sources of instability for the entire post-Soviet space, not only because it highlighted a new form of Russian revisionism but also because it brought to the fore the limits of Western policies in what Kremlin views as its sphere of influence. The war brought to the forefront the colliding foreign policy agendas of the major external actors in the region. Not only in the run-up to the war, but also in the months and years preceding it, the American and European responses to Russia have been firm in rhetoric but compromising in reality. Russia made it clear that it has its own claims over the South Caucasus, it demonstrated its readiness to embark on military confrontation in order to achieve its goals, and through the war it wished to make crystal clear to the international community that Moscow is the only game in town. Third and related, the war exposed the inability of the West to prevent Russia from moving aggressively to restore its primacy over the former Soviet Union’s territory. Thus the August war posed new implications and challenges not only for Georgia, but also for the wider Caucasus and beyond. This new context has induced the West to react and redefine its strategy towards the region and its relations with Russia, it has raised the urgency to engage in conflict resolution issues, and it has highlighted further the need for energy diversification.

Even if the long-term repercussions of the Russian-Georgian crisis are not clear yet, this article seeks to analyse the main implications and challenges for the countries and entities in the region as well as for the major external powers involved in Caucasian-Central Asian affairs. In the wider Caucasus we include Georgia, Armenia, Azerbaijan, the secessionist entities Abkhazia, South Ossetia and Nagorno Karabakh, as well as the autonomous republics of the North Caucasus within the Russian Federation. In the wider region we also include Kazakhstan, Turkmenistan and Turkey, as these states are closely linked with the Caucasus in strategic, economic-energy and communication terms.

The article will analyse new realities in the Caucasian-Caspian region emerged after the August war by tackling the following issues: the current political landscape in Georgia and new developments around the secessionist conflicts; implications for some Central Asian countries in defining their foreign policy priorities; the Turkish proposal for a Caucasus Stability and Cooperation Platform and the Declaration between Azerbaijan, Armenia and the Russian Federation; and tensions in the North Caucasus. The argument is not that developments in the wider region are the direct product of the

Georgian-Russian war, but rather that this conflict opened the door to more demands for independence and thus new challenges for neighbouring countries and the international community. Before the Russian-Georgian war the question was whether the West and in particular the EU could or should play a more significant role in the South Caucasus. The urgency of the crisis and its implications has turned that question into how the EU and the US could engage with the region more intensively. Strengthening Euro-Atlantic policies in the Caucasus requires a redefinition of a strategy not only towards the eastern neighbourhood but also towards Russia. Many European states share with Russia common interests and thus are not willing to sacrifice these even at the cost of further destabilization in the South Caucasus. In this context, this article analyses the limits and leverages of the international community to handle together with Moscow conflict issues in the Caucasus.

1. Georgia after the August war

1.1. Domestic political developments

Had Russia fought the Georgian army strictly within the confines of South Ossetia, Saakashvili today would most likely not be Georgia's president. Yet Russia opted for an invasion into Georgian-controlled areas, thus transforming Saakashvili into the victim of an aggression. In the post-war period the focus in Georgia remains on damage-assessment, foreign aid and rehabilitation. However having passed the first few months of post-war shock, the Georgian mishandling of the situation in South Ossetia in the run-up to the war has become the subject of intense discussion, with growing sectors of the public questioning how and why Saakashvili allowed himself to fall into a war he could never hope to win. How much the president will pay for his miscalculations remains unknown.

During the crisis all Georgians rallied around their President. The opposition groups announced "a moratorium on confrontation" with the authorities arguing it would be "incorrect" to demand the President's resignation over the coming months. Opposition leaders tended to avoid harsh remarks during the Russian aggression, fearing to be labelled as "traitors and Russian agents", or that the Kremlin itself might profit from an ensuing destabilisation in the country. Therefore almost all opposition parties, as well as former parliamentary speaker, Nino Burjanadze, announced that Russian troop withdrawal was a priority, while admonishing that the government would face "tough questions" thereafter.¹ Indeed in October 2008 Burjanadze drafted no less than 43 questions to the government covering pre-war developments, the launch and conduct of military operations, the post-war situation, as well as the question of responsibility for the overall consequences of the war.² Burjanadze demanded "a serious investigation" into whether it would have been possible to avoid the military confrontation. She also apologized for the events of 7 November 2007, when the government, in which as parliament speaker she held the second highest post, violently broke-up anti-government demonstration. The apologies however struck only a few chords amongst the Georgian public, having come only after the speaker of parliament had lost her post.

¹ "Saakashvili to Face "Tough Questions," Civil Georgia, www.civil.ge/geo, Tbilisi, August 18, 2008

² "Burjanadze Demands Answers," Civil Georgia, www.civil.ge/geo, Tbilisi, October 1, 2008

Further declarations made by Nino Burjanadze suggest her possible comeback on the political stage.³ Some voices in Moscow have also mentioned her name as an acceptable alternative to Saakashvili. Indeed in November 2008 she launched a new opposition centre-right party – the Democratic Movement-United Georgia – and may run for president in 2013, even if the party is calling for early elections and government change through “constitutional means”. On her way to the presidency she has three possibilities: to go ahead with her own political party; make an alliance with other opposition groups (e.g., the Republican Party); or find allies in Saakashvili’s circle and divide the government from within. At the time of writing, Burjanadze does not exclude cooperation with other opposition groups, foremost with the Republican Party and New Rights Party.

Meanwhile the Republicans and New Rights party signed a cooperation agreement and called for Saakashvili’s resignation and early presidential and parliamentary elections on the grounds of the government’s alleged dishonesty over the assessment of the war’s outcome. Their desired leader of the alliance is former ambassador of Georgia to the UN Irakli Alasania, who recently resigned from his post calling for early elections and denouncing Saakashvili’s refusal to sign an agreement with Abkhazia and South Ossetia on the non-resumption of hostilities as one of the triggers of the August war. Alasania is considered by many as a respectable presidential candidate, including by the Abkhaz authorities, with whom Alasania has established contacts and dialogue. “Alasania is a man we can talk to,” *de facto* Abkhaz Foreign Minister S. Shamba announced recently.⁴ Alasania is a pro-western politician who underlines the importance of Georgia’s ambition to integrate in the Euro-Atlantic institutions, while at the same time recognizing that it is essential to achieve peace with Russia through “pragmatic and principled diplomatic steps”.⁵ However it remains uncertain whether Alasania will become a leader of the opposition alliance and run for the presidency.

In response to these critiques and accusations, President Saakashvili reiterated that he assumed “full responsibility for what happened before the [Russian] intervention and rebuilding Georgia’s future”⁶ and declared his readiness to conduct a transparent investigation. He also provided a detailed report of how the war was provoked and concluded that he had little choice but to respond. Saakashvili proposed to set up a parliamentary commission to investigate the reasons for the outbreak of hostilities and an “anti-crisis council” to monitor foreign aid coming into Georgia, including participation from the opposition, civil society and war victims. While welcomed by some, others consider the proposed anti-crisis plan to represent an attempt to coopt adversaries in order to silence “tough questions”. The parliamentary commission investigating the causes of the war instead completed its work in December, unsurprisingly laying responsibility exclusively on the Russian authorities and failing to criticise the Georgian government in any respect.⁷

³ During the August 2008 war she announced: “I’m more than sure that right now I have to play a very active political role in the country”, in “Saakashvili to Face “Tough Questions”.

⁴ “Georgia: Ex-UN Envoy Opts for Opposition?”, Eurasianet, www.eurasianet.org, December 8, 2008

⁵ “Georgia: Another Saakashvili Friend Turns Foe,” Eurasianet, www.eurasianet.org, December 26, 2008

⁶ “Burjanadze Calls for Probe, Saakashvili Says He is Ready,” Civil Georgia, www.civil.ge/geo, September 12, 2008

⁷ “War Commission Releases Report”, Civil Georgia, www.civil.ge/geo, December 18, 2008

Moreover, the president used the outcome of the war to his favour, arguing that Georgian institutions under his leadership have passed the severest test to date. Indeed state institutions, the police and banks continued operating even in the most difficult moments when east-west highway of Georgia was destroyed; the Georgian currency – the Lari (GEL) – remained stable; and energy supplies were uninterrupted in all but the occupied areas. Moreover, Russian policies also helped strengthen Saakashvili: Medvedev’s statement describing the Georgian president “as a political corpse” and a person “burdened with a mass of pathologies,” who “takes narcotic drugs” only reinforced Saakashvili’s standing within Georgia,⁸ as aptly pointed out by former Georgian foreign minister S. Zourabishvili.⁹

In the aftermath of the war, Georgia’s democratic credentials are being scrutinised more accurately, as the country finds itself on the frontline of confrontation with Russia. According to the 2008 State Department report on Georgia, the respect for freedom of speech, the press and assembly in Georgia worsened during the 2007.¹⁰ According to Freedom House Georgia’s public broadcasting is friendlier to the government and lacks political debate about ongoing processes. Ratings on political rights have also declined since November 2007.¹¹ Georgia is characterized by an unbalanced system of governance where the executive dominates over other state bodies and the freedom of the media is restricted. In light of these reports as well as the release of a highly critical report of the Georgian ombudsman concerning President Mikhail Saakashvili’s authoritarianism, the President has launched a new reform programme aiming at strengthening the oversight prerogatives of parliamentary commissions towards the government; simplifying procedures for parliament to dismiss the government; resuming public financing for extra-parliamentary parties; and establishing a public-affairs television channel for the live coverage’s of all the political parties’ activities, debates, and conferences. In the framework of the so called “new wave of democratization” President Saakashvili also proposed a draft constitutional amendment which makes it almost impossible for the President to dissolved parliament and increases parliamentary power over the cabinet,¹² a draft law restoring state funding for six opposition parties, and established a foundation for the financing of opposition groups. Yet the overall implementation of reform initiatives has been hindered by ongoing political instability, with two governments taking office in the course of a mere two months in the fall of 2008.

After the August war and in view of the ongoing global financial crisis, Georgia faces also new economic problems including the reconstruction of damaged military and civil infrastructure, a decline in FDI, social problems with an increased number of refugees and internally displaced people (IDPs), maintaining stability of the Georgian

⁸ “Russia’s President Dismisses Georgia’s Leader as a ‘Political Corpse,’” The New-York Times, www.nytimes.com, September 2, 2008

⁹ “Barack Obama Will Demonstrate His Fidelity to Principles in Relation to Georgia,” Interview with S. Zurabishvili, The Georgian Times, www.geotimes.ge, November 24, 2008

¹⁰ “News Media Feel Limits to Georgia’s Democracy,” The New-York Times, www.nytimes.com, October 7, 2008

¹¹ Freedom House: Nations in Transit – Georgia (2008), www.freedomhouse.org

¹² “Constitutional Amendments Presented,” Civil Georgia, www.civil.ge/geo, December 29, 2008

currency,¹³ preventing a rise in inflation, as well as challenges for the successful transition to the free-trade regime proposed by the US and the EU. In order to overcome all these problems Georgia seeks to develop further its economic ties with neighbouring states. Recently the governments of Georgia and Armenia established common consortium to attract foreign funding for a new highway from Armenia to the Georgian Black Sea coast. Ties with Azerbaijan are also being strengthened with the Azerbaijani oil company SOCAR agreeing to supply natural gas to Georgia for five years. In this case 85% of Georgia's natural gas supplies would come from Baku, decreasing significantly Georgia's dependence on Russia.

1.2. Developments around the secessionist conflicts

After the Russian recognition of Georgia's secessionist entities, the *de facto* president of South Ossetia E. Kokoity announced that South Ossetia seeks "unification with North Ossetia within the composition of Russia",¹⁴ whereas the *de facto* president of Abkhazia S. Bagapsh said that the Abkhaz people supported independence while entering the Commonwealth of Independent States (CIS) and join Russia and Belarus in their "Union State". Unlike Abkhazia, South Ossetia has little chances to survive as an independent state and is far more likely to be absorbed into the Russian Federation. Recently the Russian President has signed friendship, cooperation and mutual assistance treaties with Georgia's breakaway regions. The agreements state that Russia will help the republics protect their borders and gives the Kremlin the right to establish military bases on their territories. Moscow is now set to keep 7600 soldiers in these regions, more than twice the number present before the war.¹⁵ The State Duma voted unanimously the ratification of the treaties, which will formalize diplomatic, military and economic ties between Russia and Georgia's secessionist entities. The Russian recognition of independence of South Ossetia and Abkhazia and its signature of new treaties with them counters the six-point agreement, which stated that Russia should withdraw to its position held before the 6 August.¹⁶ However as rebuked by Putin: "Russia will not consult Western nations or Georgia when deciding how many troops to post in South Ossetia and Abkhazia".¹⁷

In October 2008 at the CIS summit in Bishkek, Moscow formally ended the CIS peacekeeping mission in Abkhazia¹⁸ and suspended Georgia's membership in the

¹³ The US\$4.5bn allocated to Georgia by donor groups in Brussels 2008 will help prevent a further devaluation of the Lari, see Papava, V., "Post-war Georgia economic challenges," Diplomatic Traffic: Access to the World of Leaders, www.diplomatictraffic.com, 2008

¹⁴ "What's next for South Ossetia and Abkhazia?" RadioFreeEurope, RadioLiberty, www.rferl.org, August 26, 2008

¹⁵ "EU Hurries to Deploy Beefed-Up Georgia Mission," RadioFreeEurope, RadioLiberty, www.rferl.org, September 22, 2008

¹⁶ During the August crisis Russian and Georgian President signed by France brokered cease-fire agreement which calls for the withdrawal of troops from both sides to their positions as of August 7. This entails that Russia should not exceed its 3,500 troops present on the ground before the outbreak of hostilities. See. General Affairs and External Relations, Extraordinary Meeting, Press Release, Council of the European Union, Brussels, August 13, 2008, 12453/08 (Presse 236), http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/gena/102338.pdf

¹⁷ "Putin Defiant on Caucasus Troops," BBC News, www.news.bbc.co.uk, September 21, 2008

¹⁸ Even though the CIS mission had always been composed exclusively of Russian troops.

organisation.¹⁹ Russian peacekeepers in Abkhazia are now stationed in the regions under the above-mentioned friendship, cooperation and mutual assistance treaties. The military base in Gudauta and the ex-Soviet naval base in Ochamchire will become fully operational in 2009,²⁰ although back in 1999 under the Treaty on Conventional Forces in Europe Russia had committed to closing its base in Gudauta and the EU never seriously confronted Russia on this matter. From Russia's perspective the Black Sea area is critical for the Russian naval force, allowing it to expand its influence into the Mediterranean. The importance of the Abkhaz coast increased further after Ukraine's decision not to prolong the permission of stay for Russian naval forces in Sevastopol after 2017.

After the August war the future role of UN observers in the conflict zones remains unclear. In October 2008 the UN Security Council approved a four-month extension of the UN mandate. The Kremlin calls for a separate mission in Abkhazia, which will not be linked with UNOMIG headquarters in Tbilisi. However, according to Crisis Group senior Abkhaz officials have privately told Western diplomats that they would like the UN observers "to stay on in some capacity, so they are not left solely with Russian troops."²¹ The OSCE mission's mandate also expired on 31 December 2008. Russia called upon the OSCE to either to recognize South Ossetia and establish a separate mission there which would collaborate with the Ossetian government, or to leave the region. Following the OSCE's predictable refusal, Russia vetoed the extension of the OSCE mandate in Georgia and in January 2009 the OSCE mission in Georgia started its winding-down procedures. Hence both Abkhazia and South Ossetia risk remaining without international monitoring. As for the 200 EU-observers, the deployment of which was approved by the EU following the French-brokered six-point ceasefire agreement, they cannot operate within the conflict zones. They are mandated to monitor the situation on the ground as well as the respect for human rights and the return of IDPs in the areas affected by the conflict but not within South Ossetia and Abkhazia itself. Within this situation, Russia has failed to ensure security in the conflict zones as well as the buffer zone, whereby in the fall of 2008 numerous civilians were attacked, killed or harassed. The EU monitoring mission reports regularly on shooting along the administrative border between South Ossetia and Georgia and tensions persist also along the Georgian-Abkhaz border.

Meanwhile international peace negotiations have been launched in Geneva, with the participation of representatives from Georgia, Abkhazia and South Ossetia, the Abkhaz government in exile and the South Ossetian provisional administration, as well as Russia, the EU, the UN and the OSCE. The talks have not witnessed progress to date. The first meeting was suspended because of Russia's request that Abkhaz and South Ossetian representatives should participate on an equal status with others. The second and third rounds of the talks covered principally two main issues: stability and security in the region and the return of refugees on the basis of internationally recognized principles. Of the 133,000 IDPs, 37,600 have not been able to return to their homes.²²

¹⁹ Although Georgia itself took the initiative to leave the CIS during the August war and denounced Russian troops in Abkhazia and South Ossetia as "occupational forces".

²⁰ "Georgia to Stop its CIS Membership from August", Itar-Tass News Agency, www.itar-tass.com, October 9, 2008

²¹ "Georgia: The Risks of Winter," International Crisis Group, Europe Briefing No.51, Tbilisi/Brussels, November 26, 2008

²² "Georgia: The Risks of Winter."

Mingrelian residents in Gali (in Abkhazia) have also been confronted with the choice of remaining in Abkhazia as second-class citizens or becoming IDPs in Georgia. The same can be said of Georgians citizens in South Ossetia, who, up until the war, had been under the control of Georgian authorities. At the third round of the talks the Georgian side raised the issue of Russia's non-fulfilment of the six-point agreement in view of Russian military presence in Akhgori, Parevi and the Kodori Gorge. Status questions have not been tackled to date.

2. The wider Caucasus after the Georgian-Russian crisis

2.1. The Caucasian-Caspian region

Since the August 2008 war a new geopolitical reality has been emerging in the Caucasus-Caspian region. Beyond Georgia, the Georgian-Russian crisis posed challenges to other states in the region and to the region in general. The former Soviet republics did not back Russian actions and recognize the independence of the secessionist states: the Central Asian republics, alongside Azerbaijan and Armenia called for consultations with Russia, Kazakhstan stressed the importance of the implementation of the six-point agreement, the Ukraine and the Baltic States backed Georgia's territorial integrity, and Belarus affirmed the need for peace negotiations. However, the New Independent States, faced with Russian revisionism and Western passivity, wonder whether it is worth complicating their relations with Moscow for the sake of limited or uncertain support from the West. Besides, almost all have their own minority and border issues that could render them potentially vulnerable vis-à-vis Russia. The August war underlined also the fragility of the Black Sea region. GUAM, the security alliance uniting Georgia, Ukraine, Azerbaijan, and Moldova, failed to react to the aggression towards one of its members. Only Ukraine denounced Russia's military actions, whereas Baku and Chisinau kept silent. Indeed all these states have reasons to fear Russia, and thus opt for neutrality in such situations.

All of the Central Asian republics, first and foremost Kazakhstan and Turkmenistan, may also become more careful in defining their foreign policy orientations. Astana understands that its security depends on relations with Moscow and will thus avoid taking clear positions in Caucasian affairs while seeking to balance its pro-Western and pro-Russian stance. Astana's economic ties with Georgia remain unclear. On the one hand after the war Kazakhstan began withdrawing its investments from Georgia, while on the other the Kazakh oil company announced its intention to proceed with the plan to participate in the Baku-Tbilisi-Ceyhan (BTC) pipeline with ensuing investments in Georgia's Batumi oil export terminal.²³ Indeed Kazakhstan pursues its economic interests in Georgia, owning a 50% share of the KazMunaiGas national Oil Company at the Batumi terminal, which was threatened by military clashes in Georgia. Furthermore the Baku Energy Summit's final declaration signed by 15 countries and the European Commission confirmed the intention to "support further the policy of diversification of oil and gas supplies from the Caspian region to ... European markets;" thus to support Nabucco, the Interconnector (Turkey-Greece-Italy) and the Odessa-Brody-Plots-Gdansk pipeline projects. According to the agreement between

²³ "Business Confidence Returning to the South Caucasus Transport Corridor," Eurasia Daily Monitor, Vol.5, Issue 186, 29 September, 2008

Azerbaijan and Kazakhstan, the daily capacity of oil from the Kashagan field to the BTC pipeline will increase. Energy resources will be shipped to Europe via the Georgian Black Sea ports of Batumi, Poti and Kulevi. Russian officials and industrialists did not attend this summit.²⁴

Meanwhile Russia is deepening its military ties to Kazakhstan. In September 2008 the two countries conducted their largest joint military exercise since the collapse of the Soviet Union. The joint military exercise coincided with the Collective Security Organization (CSTO) summit, which agreed to a more rapid deployment of forces in Central Asia. Even if potential enemies were not identified, the statement calls on NATO “to consider the consequences of the eastward expansion of the North Atlantic Alliance”.²⁵ Moscow has also manifested its interest in the Ayni military airfield in Tajikistan as a possible base for Russian air forces. Also Kyrgyzstan favours military cooperation with Russia. According to the results of an opinion poll conducted by 24.kg news agency in Kyrgyzstan, the majority of respondents (46%) see Russia as the most important military ally, while the US scored less than 4% and is considered as an enemy.²⁶ Cooperating with Moscow in the military domain is indeed far easier for the Central Asian authoritarian regimes than cooperating with Western powers which condition cooperation to reforms in these countries.

Russia also seeks to strengthen its position as a transit country of Caspian energy resources. Recent discoveries of gas reserves in Turkmenistan have altered the geopolitical and geo-economic importance of this country and consequently the importance of transport routes from the Caspian Sea to Western markets. According to Gaffney’s audit report Turkmenistan holds the second largest gas reserves in the world, guaranteeing the supply of the Nabucco pipeline.²⁷ From 2009 onwards Russia intends to increase its purchases of Turkmen gas in order to maintain a monopoly in this field. Furthermore a preliminary agreement was signed between Medvedev and Nazarbayev on the construction of a transport corridor linking Russia with Western China via Kazakhstan. Even if Kazakhstan has an ambiguous position, it can be regarded as an important ally for Russia in Central Asia. And in the absence of strong Western action, Astana and Ashgabat may be better served by turning to China in order to secure diversity in their energy exports, aware of the fact that energy resources and international projects alone do not guarantee their countries’ security.

During the Georgian-Russian crisis, when the BTC pipeline was frozen, Azerbaijan diverted its oil supplies to Russia via the Novorosijsk pipeline and to Iran via the Neka port. After the war, Baku continued its supplies through these routes. Furthermore Russia has offered to buy the entire volume of gas available for export from Azerbaijan. Hence, the development of the Nabucco- and Odessa-Brody projects is no longer certain. Azerbaijan’s uncertain foreign policy orientations can hinder Europe’s direct access to Caspian resources. It seems also that Azerbaijan does not intend to take sides in the US-Russia rivalry in the region and will maintain balanced relationships with Moscow and the Euro-Atlantic Alliance. Baku considers that ignoring

²⁴ “Energy summit in Baku Advances Regional Energy Cooperation,” www.eurasianet.org, November 24, 2008

²⁵ “South Ossetia tests Kazakhstan’s Foreign Policy Priorities,” Eurasia Daily Monitor, Vol. 5, Issue 180, September 19, 2008

²⁶ “По мнению большинства из опрошенных читателей ИА «24.kg», союзником Кыргызстана является Россия, а врагом – США”, Бишкек – ИА «24.kg», www.24.kg, October 8, 2008

²⁷ “Audit Firm Confirms Huge Turkmen Gas Reserves,” Associated Press, www.ap.org, October 14, 2008

Russian interests in the Caucasus can only cause destabilization, as the events in August demonstrated. Moreover this conflict demonstrated that European and American actors do not have sufficient means (or sufficient willingness to use these) to protect the South Caucasus from Russia. Regarding the Nagorno-Karabakh conflict, Azerbaijan has already declared that the EU cannot pursue a unanimous policy on the issue and can thus not be considered as a peace broker. In view of the currently blocked status of peace talks on Nagorno-Karabakh, the Minsk-Group process led by Russia, France, and the US can also be viewed as dead or dying. Hence, the likelihood of a persisting stalemate in the Nagorno-Karabakh peace process, a likelihood which increased further in light of the Russian-Georgian war.

During the August war Armenia also maintained its neutrality, despite its damage from the war amounting to over \$670m. The losses would have been greater had Armenia not maintained “constructive relations” with Georgia, as Armenia’s prime minister stated.²⁸ Armenia is greatly dependent on Georgia in so far as Georgian ports represent Armenia’s main gateways to foreign trade (approximately 70% Armenian trade takes place through this corridor).²⁹ After the war, Yerevan appears to have recognized its need for economic access and thus the normalization of relations with Turkey and Azerbaijan have become the priority of Sargsyan’s foreign policy. “Armenia is ready to establish bilateral relations without any preconditions and we are expecting the same from the Turkish side”,³⁰ affirmed Armenian Foreign Minister E. Nalbandian. After the meeting between the two countries’ foreign ministers, talk about reconciliation has been prominent. Furthermore on 19 November Serz Sargsyan met with the leaders of several Armenian political parties and announced he was ready to arrange referendum on a compromise peace agreement on Nagorno-Karabakh, although it is unlikely that Armenians will vote for compromise in a referendum. Some political analysts suggest that Sargsyan’s new policy towards Turkey and Azerbaijan may generate divisions within the government.³¹ Some nationalist groups have already launched a new movement called Miatsum (Unification) rejecting the return of the “liberated territories” to Azerbaijan. The Armenian Revolutionary Federation (ARF), an influential nationalist party within Sargsyan’s coalition, rejected Sargsyan’s initiative also.³² Nevertheless Turkish-Armenian relations seem to be entering into a new stage that was marked first by the “soccer diplomacy” in September and later with the meetings between officials in New-York.³³

Finally, the August war also posed implications for Ankara, as Russia tries to regain control over pipeline routes to Turkey. Ankara is an important actor in the South Caucasus, presented as a neighbour and a strategic and economic partner which

²⁸ “Премьер-министр Армении: “По-настоящему “жизненно важный вопрос” – это установление добрососедских отношений со всеми странами региона и прежде всего с Азербайджаном”, www.day.az, October 7, 2008

²⁹ “Armenia in Need of an Alternative Export-Import Route,” Eurasia Daily Monitor, Vol.5, Issue 195, October 10, 2008

³⁰ “Armenian Foreign Minister Urges Turkey to Reopen Border,” RadioFreeEurope, RadioLiberty, www.rferl.org, November 24, 2008

³¹ “Peace on the Moscow Horizon?: Russian President calls Caucasus Leadership to Kremlin for Negotiations,” www.armenianow.com, October 31, 2008

³² “Armenia Debates an Elusive Peace with Azerbaijan,” Eurasia Daily Monitor, Vol. 5, Issue 226, November 25, 2008

³³ In September 2008 Turkish President Abdullah Gul visited Armenia and attended a football match between the two historic confronted parties becoming the first Turkish leader to set foot in Armenia since the end of Nagorno-Karabakh conflict.

provides military assistance to Georgia and Azerbaijan in the field of training and equipment. Besides, Turkey is an important link for the EU to the South Caucasus and Central Asia. Ankara is a strategic partner for both the EU and US, and is developing closer relations with Russia in terms of trade and energy. Indeed Turkey's closer ties with Russia are also linked to the resistance Ankara is facing from the EU in its accession process. The Georgian-Russian crisis placed Turkey in a difficult position not only between neighbouring partner-countries but also in the wider confrontation between the US and Russia. In view of this, Ankara stayed out of the conflict, neither defending its regional partner Georgia nor making official statements on the matter. Erdogan admitted that "it would not be right for Turkey to be pushed towards any side. Certain circles want to push Turkey into a corner either with the United States or Russia after the Georgian incident. One of the sides is our closest ally, the United States. The other side is Russia, with which we have an important trade volume. We would act in line with what Turkey's national interests require."³⁴ Despite Turkey's participation in BTC, two-thirds of its gas comes from Russia. Hence, Ankara's careful juggling between Moscow and the US and its Caucasian partners.

2.2. New initiatives and developments in Caucasian conflicts

2.2.1. The Turkish Caucasus Stability and Cooperation Platform (CSCP)

In the aftermath of the Georgian-Russian war, the Turkish Prime Minister Recep Tayyip Erdogan launched a new proposal for a "Caucasus Stability and Cooperation Platform" (CSCP). The main goal of the proposal is conflict resolution in the South Caucasus through developed regional cooperation. Back in the late 1990s a similar plan was proposed by Ankara as a conflict prevention strategy in the region. However this initiative was never implemented. Also in this case there are some fundamental points, which make the success of the new Turkish proposal doubtful. The CSCP aims to bring together all three South Caucasus countries, as well as Turkey and Russia and thus to create a new regional security framework. Ethnic conflicts would be resolved on the basis of regional cooperation.

Armenia has been cautiously enthusiastic about this initiative and in view of its interest in normalizing relations with its neighbours, has declared its readiness to cooperate without preconditions, while underlining that "the resolution of the Nagorno-Karabakh conflict is possible only if Azerbaijan recognizes the right of the people of Nagorno-Karabakh to self-determination and if Nagorno-Karabakh has a land border with Armenia".³⁵ Baku, by contrast, has greeted this proposal with scepticism, complaining "Turkey wants to push Azerbaijan towards compromise and also make sure Armenia plays a more pragmatic role."³⁶ Azerbaijan continues to reject any collaboration between Ankara and Yerevan and fears that Turkey will use this initiative as a pretext to open its borders with Armenia. Baku in fact uses the border issue as an

³⁴ "Turkey and the Crisis in the Caucasus," Commentary, Center for Strategic & International Studies, Washington DC, September 9, 2008

³⁵ "Russia to Host Talks Between Armenian, Azerbaijani President," RadioFreeEurope, RadioLiberty, www.rferl.org, November 1, 2008

³⁶ "Responding to Georgia Crisis, Turkey Seeks New Caucasus Security Initiative," Eurasia Daily Monitor, Vol. 5, Issue 161, August 22, 2008

instrument to exert pressure on Yerevan regarding Karabakh and the liberation of the adjacent occupied territories. The Turkish-Armenian border was closed during the war in Karabakh and the relationship between the two countries have been tensed further by Ankara's continuing refusal to accept that the massacres of ethnic Armenians during the Ottoman Empire constituted a genocide. In short, Azerbaijan declared that it would not participate in the CSCP and rejects the inclusion of Armenia in regional projects unless the issue of Karabakh is resolved. "Karabakh will never be independent... Azerbaijan will never recognize it, neither in 5 years, nor in 10 or 20",³⁷ announced Ilham Aliyev during the inauguration of his second presidential term.

Cooperation on such platform seems unlikely also for Tbilisi and Moscow. Georgia considers Russia as a party to its conflicts and asserts that the Kremlin will maintain the status quo. Tbilisi affirms further that it will not collaborate with Moscow until Russian forces remain on Georgian territory. On its side, Russian Foreign Minister Sergey Lavrov declared that Moscow will not negotiate with Saakashvili as he is "part of a special US project".³⁸ Another shortcoming of the Turkish initiative is the fact that its proposed members do not share a common objective and vision about resolving their problems. First and foremost Russia has no interest in promoting regional cooperation and economic development of the South Caucasian countries, which would in turn facilitate their integration into Euro-Atlantic institutions. Also the involvement of the secessionist regions in this pact is unclear. They surely would like to participate on equal terms in this initiative, yet the metropolitan states are bound to reject the inclusion of the *de facto* republics in any kind of initiative on equal terms.

It is highly unlikely that Ankara failed to see these obstacles. Indeed Turkey may not have illusions about the success of its initiative, but may rather be simply trying to maintain the status quo and avoid major complications in the region imperilling the Caspian-Caucasian pipelines. The initiative is also a means to retain neutrality in the conflict configurations, trading carefully with Moscow while not offending the US and the Caucasian partners. Indeed Russia and Armenia have been rather favourable to the Turkish proposal. Furthermore, to Russia's satisfaction, Turkey's proposal keeps Western actors at arm's length in the South Caucasus, as interestingly both the EU and the US are excluded from this initiative.

2.2.2. The Declaration by Azerbaijan, Armenia and the Russian Federation

Russia has also taken the initiative to move forward the peace process on Nagorno-Karabakh. On 2 November 2008 President Dmitry Medvedev hosted an official meeting between the Azerbaijani President Ilham Aliyev and his Armenian counterpart Serzh Sargsyan. The result of this event was a Joint Declaration over Nagorno-Karabakh. As far as the declaration is concerned, expectations and intentions are harder to discern than in the CSCP. The declaration does not contain any specific approach but only underlines the need for negotiations between the confronted parties. Point 1 of the document specifies that a political settlement should be based on the principles and norms of international law; point 2 reaffirms support for the ongoing

³⁷ "Ilham Aliyev: "Azerbaijan will get its occupied lands back," Topix, www.topix.com, October 26, 2008

³⁸ "Lavrov: "Saakashvili Is Not Sane as a Negotiator," Russia Profile.org: Unwrapping the Mystery Inside the Enigma, www.russiaprofile.org, August 15, 2008

mediation by the Minsk Group and for further discussions on the Madrid principles.³⁹ Point 3 underlines the need for post-settlement security guarantees for the people of Nagorno-Karabakh. Point 4 and 5 emphasize the readiness of the parties for a peaceful settlement and confidence building measures.⁴⁰ The declaration does not contain any specific approach or activity to proceed along these lines. Without offering any action-oriented prospective, the declaration risks remaining on paper. Hence rather than genuinely favouring conflict resolution, this latest Russian initiative appears to be aimed more at preserving its influence on Armenia and extending it further on Azerbaijan. The declaration can also be understood as the Kremlin's attempt to restore its reputation as a mediator in the region's conflicts after the war with Georgia.

2.3. Tensions in the North Caucasus

The August war destabilized the situation also in the North Caucasus, exacerbating longstanding tensions in some republics, creating new threats to stability in others and possibly inducing new secessionist impulses. Russia's recognition of Abkhazia and South Ossetia in fact may create a dangerous precedent in this region, where borders are bitterly disputed. A Pandora's box of ethnic and territorial claims could emerge in the North Caucasus: the Ossetian-Ingush conflict over the Prigorodny District of North Ossetia; the Chechen-Laks conflict over the Aukhov District; the Avar-Chechen conflict over territory in the Khasavyurt District (Dagestan) and mountainous Cheberloy (Chechnya); the Cossack-Chechen conflict along the Terek River; the Kabardin-Balkar conflict over the lands around Nalchik; the Nogai-Dagestani conflict over the lands in the Nogai Steppe; the Nogai-Chechen conflict over territory in the Shchelkov District; the Nogai-Cossack conflict in the Stavropol Territory; the Kumyk-Dargin conflict over the Kumyk Plain; the Kumyk-Laks conflict over resettlement of the Laks in the Makhachkala District; the Karachay-Cherkess conflict over ethnic representation in local government; the Cossack-Adyg conflict over the Cossack's overrepresentation in government; the Cossack-Shapsug conflict in the Sochi District; and the unresolved "Lezgin question", an ethnic group divided between Russia and Azerbaijan.

According to the analyst I. Sukhov, Moscow's belief it controls the situation in the North Caucasus may be mistaken. The Kremlin's control over Chechnya, for example "was measured by the control of Vladimir Putin over Ramzan Kadyrov", but now "young people have started going into the mountains again".⁴¹ Chechnya remains more or less stable, but violence has increased in Ingushetia and Dagestan. In general the Islamic resistance movement and Islamic communities ("jama'ts") are consolidating their presence in the whole of the North Caucasus. Thus to reach stability in this region in the wake of the winter games in Sochi is hardly imaginable. According Federal

³⁹ The Madrid Principles presented by OSCE Minsk Group in November 2007 stipulate the withdrawal of Armenian forces from Nagorno-Karabakh and its adjacent regions, including the district of Kelbajar and the strategic Lachin corridor that links Armenia to Nagorno-Karabakh; the demilitarisation of these territories followed by the deployment of international peacekeeping forces there; arrangements for IDPs to return safely; and a referendum among the population of Nagorno-Karabakh to determine its future status.

⁴⁰ "Декларация Азербайджанской Республики, Республики Армения и Российской Федерации", Московская область, замок Майендорф, www.kremlin.ru, November 2, 2008.

⁴¹ "Юг с признаками Севера: Кризис в Закавказье угрожает стабильности северокавказских республик России," www.vremya.ru, August 12, 2008

Security Service (FSB) Director A. Bortnikov more than 69 terrorist acts have been prevented so far this year alone, several of which were set to take place in the vicinity of Adler and Sochi.⁴²

The rebel movement of the North Caucasus has been critical of Russia's military actions in Georgia and claimed that a large column of Russian tanks had transited from Chechnya into North Ossetia at the beginning of the war. "Ingushetia.ru" confirmed this information on 8 August. According to the statement of the leader of the rebel movement M. Udugov, North Caucasian rebels had yearned for the Georgian government to ask for military help, which they would have contributed in order to be recognized as a political movement and not just a terrorist group. However on 13 August the Kavkaz-center website posted a video statement by the two leaders of rebel movement, D. Umarov and S. Abduleaev, which while not offering direct support for Georgians called all Caucasian peoples to unite against Russia.⁴³ According to Kavkazsky Uzel, surveys of residents on the streets of Grozny (Chechnya) showed unanimous support for Georgia.⁴⁴

The Georgian-Russian conflict has created challenges foremost for Ingushetia, which is on the brink of war as it currently faces refugee flows from Chechnya and North Ossetia and disputed borders with these autonomous republics; as well as internal challenges by "The People's Assembly of Ingushetia" and armed opposition groups. The Memorial Human Rights Group reported that kidnappings, shootings, murders and government violence in the North Caucasus are "daily" occurrences.⁴⁵ According to the Ingush Jamaat, which enjoys a positive reputation amongst citizens, in September 2008 alone insurgents carried out 22 attacks in Ingushetia. Combat losses on the Russian side included a number of high-ranking officers from the FSB and the Interior Ministry.⁴⁶

The escalation of the situation came after the opposition website Ingushetia.ru was shut down with the accusation of extremism and the founder of the website M. Yevloev killed. According to OSCE Freedom of Media Representative M. Haraszti, Yavloev's death was "the culmination of an orchestrated campaign by the authorities of Ingushetia to silence the only critical voice in the region".⁴⁷ After Yevloev's murder, the Ingush opposition decided to pursue independence. According to Ingushetia.ru the unrecognized People's Parliament of Ingushetiya provided the collection of signatures calling for independence.⁴⁸ The head of the committee that collected more than 80,000 signatures announced on Ekho Moskvyy that Ingushs will call Europe and America to support their secession from the Russian Federation, adding that "the genocide of the Ingush people" must be stopped.⁴⁹ At this point the main demand of the opposition

⁴² „Бортников: „В 2008 году российские спецслужбы пресекли 69 терактов“, www.lenta.com.ru, October 14, 2008

⁴³ „Rebels Call on Caucasus Not to Support Russia in its War With Georgia,“ North Caucasus Weekly, Vol. 9, Issue 32, August 15, 2008

⁴⁴ „В момент обострения ситуации в Южной Осетии многие в Чечне симпатизируют Грузии“, <http://www.kavkaz-uzel.ru>, August 7, 2008

⁴⁵ „ПЦ „Мемориал“: на Северном Кавказе похищения и обстрелы продолжают практически ежедневно“, <http://kavkaz-uzel.ru>, September 11, 2008

⁴⁶ „Заявление командования Ингушского Фронта Вооруженных Сил Имарата Кавказ“, kavkazcenter.com, October 20, 2008

⁴⁷ „Ingush Opposition, Rights Groups Call Yevloev Killing a Political Murder“, North Caucasus Weekly, Vol. 9, Issue 33, September 5, 2008

⁴⁸ „УБИЙСТВО ПО ПОЛИТИЧЕСКИМ МОТИВАМ“, www.caucasustimes.com, August 31, 2008

⁴⁹ „В Ингушетии оппозиция впервые ставит вопрос об отделении от России“, www.news.ru.com, August 31, 2008

groups to the Kremlin is to replace the head of the republic Murat Zyayikov. Russian President D. Medvedev accepted, signing a decree ordering an early resignation of Ingushetia's president. However the situation in Ingushetia remains tense, as assassinations, intimidation and kidnappings, especially those of ethnic Russians, persist.⁵⁰ In order to resolve the Ingush question, the Kremlin is internally debating whether to unify Ingushetia with Chechnya.

Moscow's decision to recognize Abkhazia and South Ossetia found echo also in Bashkortostan, where the national movements issued a declaration stating that Moscow, while supporting Georgia's secessionist states, ignores the basic rights and demands of the Bashkir people. "The Kremlin does not give the Bashkirs the full opportunity to develop their language as the state language of the Republic of Bashkortostan. Having eliminated the regional component in education, Moscow has shown that it wants to transform the Bashkirs into a faceless crowd with families or clans" further argues the appeal.⁵¹

Similar trends can be detected in Daghestan where several armed groups are forming without a clear leadership in command. These groups tend to be defined according to ideological as opposed to purely ethnic terms. After the assassination of the Dagestan Jamaat commander A.I. Machiev, the situation escalated. This event was followed by military clashes between rebel groups from Dagestan (consisting in the Azeri minorities such as the Lezgins, Avars and Kumyks) and Azeri forces. There are reports that Russian passports are being issued in Azerbaijan's northern region bordering Daghestan and populated by Lezgins, an explicit warning Moscow may be sending to Baku. On its side the Lezgins have already expressed their desire to form some kind of political entity, suggesting that Azerbaijan not only has the pending Karabakh conflict to solve, but may well face new tensions in its northern border with Russia.

The Abkhaz and South Ossetian precedents are likely to increase separatist sentiments in the North Caucasus, although these independence movements cannot pose a meaningful challenge to Russian armed forces in short- and medium run. Furthermore, despite the violence in the North Caucasus and mostly in Chechnya in recent years, there has been little or no international response to Russian abuses. In the aftermath of the war in Georgia, it seems even less likely that the West will react to instability and human rights violations in the North Caucasus.

3. EU and US engagement with the South Caucasus: limits and leverage towards Russia

During the duration of the August war, the international community was gravely concerned with the unravelling situation. The West considered Russia's military action as "unacceptable" and criticized the Kremlin for using disproportionate force during the

⁵⁰ „Жену заместителя главы администрации станицы Орджоникидзовская в Ингушетии расстреляли из автомата,“ www.ingushetia.org, October 24, 2008; „Среди похищенных в Ингушетии людей могут быть три сотрудника МВД Чечни“, <http://www.kavkaz-uzel.ru>, October 24, 2008; „В станице Орджоникидзевская неизвестные захватили группу местных жителей,“ www.ingushetia.org, October 24, 2008

⁵¹ Goble, P., "Non-Russians Will Jointly Press for Self-Determination, Bashkirs Say," WINDOW ON EURASIA, 5 September, 2008

conflict; further it condemned Russia's decision to recognise the independence of Georgia's secessionist regions and called for a peaceful solution of the conflicts. However the EU avoided sanctions or negative conditionality towards Moscow. As admitted by EU's special envoy to the South Caucasus Peter Semneby "the European Union recognises Georgia's territorial integrity within the internationally recognized borders. That is the basic parameter within which further measures have to be taken"...yet "it is clear that we have all failed. One of our main immediate objectives was to prevent the tensions that existed in Georgia and in the conflict regions from running out of control and from developing into a war. In this sense, we did fail."⁵²

The Caucasus and its conflicts were never the priority for the West, and foremost for the EU. The US and EU accepted Russia's "peacekeeping" monopoly in the region, although they could have demanded an internationalization of peacekeeping and administration in the secessionist regions (i.e., temporary protectorates). Furthermore the US and the EU failed to elaborate a realistic strategy to counter Moscow's ambitions and ensuing military aggression. Finally the American and European recognition of Kosovo's independence also triggered the crisis in Georgia and legitimised Russia's ensuing recognition of the two republics' independence. Even if the West continues to argue that Kosovo is a "unique case", Russia appeals to this precedent, regardless of the differences between these cases,⁵³ and of its accusations of the West of violating international law while doing likewise through its recognition of Georgia's breakaway regions.

The EU now finds itself at a loss, with a weakened stance in its eastern neighbourhood and thus weakened access to Central Asian natural resources, reducing its ambitions to secure energy diversification and reduce its energy dependence on Russia.⁵⁴ This crisis demonstrated that 27 EU-member states lack a common position regarding the eastern neighbourhood. One set of member states calls for soft containment (led by the Baltic States, the eastern members and the UK) while another for engagement (led by France and Germany). Following the war, the EU established a commission headed by former UN Special Representative to Georgia Heidi Tagliavini and consisting in ten "recognized experts" to evaluate the facts around the Georgia-Russian war. The main objective of this enquiry is to find out the "truth", regarding the causes and triggers of the war, apportion responsibility and thereafter present the conclusions of the report to the OSCE.⁵⁵ In all likelihood the report will fail to come up with a conclusive answer, blaming both sides for the events and possibly lifting some responsibility from the Kremlin not least to justify Europe's passivity towards Moscow.

Indeed interestingly the establishment of this commission coincided with the re-opened talks on a new strategy treaty between the EU and Russia, which was suspended in the aftermath of the war; despite Russia's recognition of independence of the two republics and its troop presence in Georgia (Parevi, Akhagori and Kodori) in contravention to the "six-point agreement". At the EU-Russia summit in Nice on

⁵² "It's Clear that We Have All Failed", says EU's South Caucasus Envoy," RadioFreeEurope, RadioLiberty, www.rferl.org, September 07, 2008

⁵³ In the case of Kosovo, Kosovar Albanians were subject of ethnic cleaning; whereas in the case of South Ossetia and Abkhazia, as a result of the wars in the early 1990s it was Georgians who were forcefully displaced.

⁵⁴ "Summit Tests EU's Capacity to Oppose Russia's Reexpansion," Eurasia Daily Monitor, Vol. 5, Issue 165, August 29, 2008

⁵⁵ "EU Launches Probe to Find Truth Behind Georgia-Russia War," Deutsche Welle, www.dw-world.de, December 2, 2008

November 14, the EU kept silent about Moscow's military actions in Georgia and only the Lithuanian President noted that "resuming the talks now would expose the EU's weaknesses for all to see," allowing Russia "once more to trample over European values". Later Lithuania's Deputy Minister of Foreign Affairs Z. Pavilionis added: "we are questioning the timing and we're questioning this U-turn of our (EU) positions. ... Is it the right signal to send to Kiev, to Moldova, to Belarus, even to the Baltic States today, that by military force you can change borders? This is a way to legitimize occupation, and we are concerned about the powerful effects of this message to all neighbouring countries and to Russia itself."⁵⁶

3.1. Limits to Western leverage towards Russia

EU and US policies towards the South Caucasus are interwoven with relations with Russia. Therefore Western policies were and remain limited, by the limited European leverage over Russia. True, Russia has high stakes in its relations with the EU in view of its economic and financial ties to European markets. Russia is also dependent on Western markets to acquire technologies for its energy development and military build-up as well as to buy firms or raise capital.⁵⁷

Yet on the other side of the coin, the EU is dependent on trade and energy from Russia, and imposing economic sanctions would harm Europe itself. Hence the prospect of isolating Russia, with its size, natural resources, nuclear weapons and UNSC veto right was and remains unlikely, particularly for the sake of the Caucasus. The German and French position at the NATO summit in April 2008 and later in December – not to grant Georgia and Ukraine the Membership Action Plan (MAP) – was clear demonstration of this.

The US also needs Russia, to cooperate on such issues as Iran's nuclear affairs, counterterrorism, and non-proliferation. As noted by Kissinger and Shultz, the US should decide "whether to deal with Russia as a possible strategic partner or as a threat to be combated".⁵⁸ Furthermore, lack of understanding and juxtaposed interests continues to complicate relations. For example, after the August war Poland agreed to deploy a missile defence system on its territory and boosted its military ties with the US. Washington also agreed to deploy a Patriot anti-craft missile (PAC-3) battery in Poland capable of neutralizing Russian missiles. Medvedev affirmed that the US decision would "naturally lead to Russia's response," that is the deployment of the Iskander missile system in Russia's Baltic exclave of Kaliningrad. "A fundamentally new geopolitical situation has taken shape. The August crisis merely precipitated the moment of truth. We demonstrated in practice, to those who sponsored Georgia's present regime, that we are able to defend our national interests,"-added the Russian president.⁵⁹ According to the head of the Moscow-based Military Forecast Centre, the deployment of Iskander systems with a range of 500km would make the entire Polish territory as well as parts of Germany and the Czech Republic within Russia's range.⁶⁰

⁵⁶ "EU Overrides Lithuania to Re-start Talks on Russia Deal," www.expatica.com, November 11, 2008

⁵⁷ Cohen, A., "Dealing with Russia," www.arielcohen.com, September 9, 2008

⁵⁸ Kissinger, H., Shultz, G.P., "Building on common ground with Russia," www.washingtonpost.com, October 8, 2008

⁵⁹ „Послание Федеральному Собранию Российской Федерации,“ Москва, Большой Кремлёвский дворец, www.kremlin.ru, November 5, 2008

⁶⁰ 9K720 Iskander-M (SS-26 Stone), www.globalsecurity.org, November 11, 2008

By contrast, the major areas of US-Russia cooperation include multilateral initiatives such as the six-party talks on North Korea, the P5-plus-one-group on Iran, the Middle East Quartet, initiatives to combat nuclear terrorism and Russia's WTO accession. The Iranian question remains the major domain of dispute, with Russia vetoing proposed sanctions against Tehran, deciding to develop cooperation with Iran and launching a new initiative for the creation of an OPEC-style cartel on natural gas together with Qatar. In this context, the West has limited leverage to intervene in the Georgian-Russian conflict and Russia can quietly ignore Western warnings.

3.2. Potential courses of EU action

The EU is currently developing its relations with Georgia in the framework of the Eastern Partnership, including visa facilitation measures and the establishment of a comprehensive free trade area. In this context, the EU also pushes for regional cooperation in the framework of the "Black Sea Synergy". The US instead decided to supply Georgia with aid for reconstruction of damaged civil and military infrastructures and to deepen bilateral relations with Tbilisi. On 9 January 2009 the US and Georgia signed a new US-Georgia Security Pact, covering areas such as democracy, defence and security, economic, trade and energy, and cultural exchanges. "Deepening Georgia's integration into Euro-Atlantic institutions is a mutual priority, and we plan to undertake a program of enhanced security cooperation intended to increase Georgian capabilities and to strengthen Georgia's candidacy for NATO membership,"⁶¹ states the pact. The US administration affirms however that the Charter is not "a security guarantee" and that "security guarantees will come along with NATO membership."⁶²

Beyond these initiatives and in light of the existing power balances and inter-dependencies, a set of measures could still be implemented aiming to alter Russian incentives and actions in the Caucasus:

- The EU could delegitimize the Russian recognition of Georgia's secessionist regions by affirming that it would stop the funding countries that recognizing Abkhazia and South Ossetia;⁶³
- Insist on the fulfilment of the six-point agreement by Russia and in particular Russia's redeployment to the 6 August lines;
- Establish EU peacekeeping in Georgia and expand its civil observer mission.⁶⁴
- Continue aid flows to Georgia under democracy and reform conditionalities;
- Finalize the EU-Georgia free trade agreement in order decrease Georgia's export dependence on Russia;
- Renounce participation in the 2014 Winter Olympics in Sochi;

⁶¹ "United States-Georgia Charter on Strategic Partnership," Civil Georgia, www.civil.geo/ge, January 9, 2008

⁶² "Georgia, U.S. Sign Strategic Partnership Charter," Civil Georgia, www.civil.geo/ge, January 9, 2008

⁶³ "What the European Union Can Do about Georgia After the Russian Invasion", Eurasia Daily Monitor, Vol. 5, Issue 166, August 30, 2008

⁶⁴ Georgia has already called for this expansion and was rejected by the EU. Javier Solana declared clearly "we have a full fledged monitoring mission now, the monitoring mission, which is on the ground; that is the agreement we had with Russia at the beginning and with Georgia always, and we don't have in for the moment to move beyond that level." "EU Cements Arms-Length Partnership in South Caucasus," RadioFreeEurope RadioLiberty, www.rferl.org, December 9, 2008

- Delegitimize the Russian policy of “pasportizatsiya” among ethnic minorities within post-soviet republics in order not to replicate the Georgian precedents elsewhere.

All these measures would need to be conceived within a new coherent strategy towards the whole region. The EU strategy could cover different areas: conflict resolution and dialogue with Russia on Caucasian matters; enhancement of regional cooperation in the framework of the Black Sea Synergy; energy security and serious engagement with the Caspian region. In doing so the EU would have to confront a new reality: whereas before the august crisis the EU was considered by Russia as an unbaked broker in the Caucasus, now Moscow may start viewing Europe as a rival in the region. In any event the EU should define a common strategy with the US for acting in the wider Caucasus and find a common approach in dialogue with Moscow in order to create a win-win situation. The EU should also not foreclose the long-term EU ambitions of the Caucasian countries, given the power of the “European dream” for both the metropolitan states and the secessionist entities to reform their governing structures.⁶⁵ Furthermore the EU should find a way to collaborate directly with the *de facto* governments and help them overcome their isolation and exclusive dependence on Russia.

4. Conclusions

This article has outlined and analysed the short-term outcomes of the Georgian-Russian crisis in Georgia as well as the wider region. The political consequences for Saakashvili’s carrier are unknown. Much depends on whether Georgian president implements the recently announced reforms. Furthermore the opposition is likely to overthrow Saakashvili only if it succeeds in forming a new, appealing and alternative vision for the country and coalesce around one leader. The West bears significant responsibility and leverage to induce Georgia into pursuing a democratic path. Indeed now that the military conflict is over, the international community should press the Georgian government to promote the rule of law, thus creating an independent judiciary, strengthening decentralization and local authorities, guaranteeing property rights, and abolishing state control over the media.

The resolution of the conflicts has instead become less likely following the war. True, the new 2009 Georgian draft budget calls for a significant reduction in defence spending, as opposed to the major shares allocated to defence in recent years. However this decision came too late. Since his rise to power, Saakashvili tried to demonstrate he could regain the secessionist regions by military means, thus harbouring profound mistrust by Abkhazians and Ossetians. Georgian militaristic rhetoric as well as the military clashes in South Ossetia in 2004 conclusively persuaded the secessionist regions that reintegration into Georgia would threaten their security. Saakashvili has thus done little to shed memories of Georgia’s ultra-nationalistic past. Furthermore, the Georgian interpretation of the conflict as one between Georgia and Russia has ignored the aspirations and motivations of the Abkhaz side. The ultimate mistake was in the summer of 2008 when Saakashvili fell into the Russian trap and allowed himself to be

⁶⁵ Triantaphyllou, D., Tsantoulis, Y., “Looking Beyond the Georgian Crisis: The EU in Search of an Enhanced Role in the Black Sea Region,” International Centre for Black Sea Studies (ICBSS), Policy Brief No. 8, October 2008

provoked, responding by military means and demonstrating the excessive concentration of power in his hands and the weakness of Georgia's democracy.

While the Geneva negotiations have created a forum for dialogue between all parties, they have come too late to meaningfully affect the outcomes of the conflicts. The integration of the secessionist entities into the Russian Federation is unlikely to happen in short-run, but may occur in the long-run when the russification of these entities will be complete. Considering Western limits in handling Russia in the post-soviet space, specifically with respect to Russian military withdrawal and an expansion of the EU-observers' mission, Georgia cannot count on the international community to resolve its conflicts. Tbilisi has to elaborate a new concept of relations with Russia and become more realistic about its accession in NATO. It is true that neither Georgia nor Ukraine comply with the democratic conditionalities of NATO membership, but even if Georgia were to meet all requirements, several NATO members are likely to continue objecting to Georgian membership on Russian grounds and in view of the pending conflicts.

The Turkish Caucasus Stability Pact and the Russian declaration are unlikely to change the situation. Moscow and Tbilisi on the one hand and Baku and Yerevan on the other are unlikely to collaborate on such platforms in the foreseeable future. It is also doubtful that Ankara will succeed in improving its relations with Yerevan to such an extent that it is able to influence Armenia to make compromises acceptable for Azerbaijan. What is more likely is that these initiatives will represent further steps in maintaining the status quo in a manner that is acceptable to Russia. Although timid steps forward may be possible in Turkish-Armenian relations, as Turkey is slowly beginning to realise that its economic isolation of Armenia has borne no fruits, Turkey's dependence on Moscow has increased and Armenia remains far more tied to Russia than any other regional actor. Therefore only Moscow can push Yerevan to compromise and it is unlikely to do so. One positive by-product of the war is however be that Azerbaijan may have shed ideas of regaining lost territories through military means, despite the declared rise in Azerbaijan's defence budget.⁶⁶ In this respect, notable was the Russian veiled warning to Azerbaijan that in the event of renewed armed hostilities it would interfere in the conflict in so far as Armenia (and not Azerbaijan) is a member of a Russian-led CSTO.⁶⁷ In other words, the key to conflict resolution in the Caucasus remains in the Kremlin's hands and Turkey's initiative may be read as a further step in this direction.

Moscow's decision to recognize South Ossetia and Abkhazia can have far-reaching consequences. Even if the situation in the North Caucasus has not reached the brink, it may have a domino effect for Russia. This said, two Chechen wars resulting in 200,000 deaths demonstrated that the North Caucasian peoples cannot count on Russian tolerance or Western reactions and we are unlikely to see a renewed massive insurgence and open conflict against Kremlin. By contrast, Moscow may feel emboldened to pursue military actions in the North Caucasus. Considering that international community was unable/unwilling to stand up against the invasion of sovereign country as Georgia it is unlikely to react to a Russian military escalation in the North Caucasus.

⁶⁶ "Nagorno-Karabakh: Risking War," International Crisis Group Report No. 187, November 14, 2007

⁶⁷ "Transcript of Remarks and Response to Media Questions by Russian Minister of Foreign Affairs Sergey Lavrov at Joint Press Conference of Foreign Ministers from CSTO Member States and of the CSTO Secretary General," Moscow, www.in.mid.ru, September 4, 2008

These trends are reinforced by the EU's implicit acceptance of the status quo. However, in the long-run only the economic development of the metropolitan countries, their genuine democratisation and their real prospects of becoming anchored in Euro-Atlantic structures, alongside effective confidence building measures between the parties, could induce the secessionist regions to rethink their future status. In this context, Georgia should concentrate on democracy building, economic and social development, in order to become an attractive country in which ethnic Abkhaz or South Ossetian citizens might wish to live in. Only democratic Georgia can convince the Abkhaz and Ossetians that their individual and collective rights will be respected within Georgia.

ANNEX:

Ethnolinguistic Groups in the Caucasus Region



Source: Perry-Castañeda Library, Map Collection: Russia and the Former Soviet Republics Maps

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