

Chatham House, 10 St James's Square, London SW1Y 4LE T: +44 (0)20 7957 5700 E: contact@chathamhouse.org.uk F: +44 (0)20 7957 5710 www.chathamhouse.org.uk

Charity Registration Number: 20822

REP BN 08/03

The Paradoxical Regional Implications of Russia's Actions in Georgia

S. Neil MacFarlane

September 2008

Chatham House is independent and owes no allegiance to government or to any political body. It does not hold opinions of its own; the views expressed in this text are the responsibility of the author. This document is issued on the understanding that if any extract is used, the author and Chatham House should be credited, preferably with the date of the publication. Several issues arise from Russia's actions in Georgia that are relevant in the larger Caucasus region.¹ Taking the North Caucasus first, arguably one Russian motivation for military action in South Ossetia was to address its security concerns in the North Caucasus. This has at least two dimensions. First, substantial flows of refugees from South Ossetia into North Ossetia risked the destabilization of the delicate relationship between North Ossetia and Ingushetia (specifically the Prigorodnyi Raion²). The near-war between North Ossetia and Ingushetia in 1992 was in part a product of refugee movements from South Ossetia into areas populated by Ingush in this region. The dispute has never been fully settled. A similar movement of people risks generating a return to violence at a time when the situation in the North Caucasus region as a whole remains parlous.

Russia's action against Georgia may also have had a useful (for Russia) demonstrative effect in the region. The use of force against Georgia indicates quite clearly Russia's resolve to maintain, if not to strengthen, its influence in this region. Just as importantly, it demonstrates Russia's capacity to do so and the unwillingness of external actors to contest Russia's policy in any serious way. There is a message there for groups in the North Caucasus who might wish to challenge the status quo.

Paradoxically, however, Russia's recognition of the statehood of South Ossetia and Abkhazia may have an opposite effect. There have been separatist tendencies in many of the subject jurisdictions of the Russian Federation, not just in the North Caucasus. Russia's support for the principle of territorial integrity and the indivisibility of states had been categorical. In its recognition of the sovereignty of entities that – in international law – are unequivocally part of Georgia, it loses the high ground on this issue; some may ask why – if separation is permissible in the case of ethnically based jurisdictions in Georgia – it is not in the case of similar jurisdictions in the Russian Federation.

Turning to the South Caucasus, Russia's defence of an autonomous entity in Georgia and its subsequent recognition of the independence of that territory may have some impact on the other Caucasian 'frozen' conflict. It risks emboldening the leaderships of both Armenia and the enclave of Nagorno-

¹ This term refers both to the three states of the Southern Caucasus and to a lesser extent to the North Caucasian subjects of the Russian Federation.

² The Prigorodnyi Raion was originally a part of Ingushetia, but was transferred to North Ossetia when the Ingush were deported to Central Asia during the Second World War. The Ingush were later permitted to return but the territory in question was not retroceded to Checheno-Ingushetia.

Karabakh and complicating the already complicated effort to craft a negotiated settlement of that dispute.

That one might expect an opposite effect in Azerbaijan presents a second paradox. Baku has spent considerable effort and money to develop its operational military capabilities and has reserved the option of force to resolve the Karabakh question if negotiations fail. In principle, Russian action in Georgia would alter the Azerbaijani calculus of risk, making Baku more amenable to a compromise settlement. It is not surprising that Azerbaijan's reaction to the events in Georgia has been notably subdued.

The Azerbaijani reaction (or lack of it) is related to energy production and export in the region. Azerbaijan depends on Georgian transit routes for its oil and gas. There seems little reason to believe at the moment that these existing routes are jeopardized by the use of force in Georgia. However, the action may affect attitudes of investors as they contemplate expansion of these routes. Wars tend to deter investment. This deterrent effect may have significant implications for planned expansion of energy transit arising, for example, from Transcaspian shipment of Turkmen natural gas, or increases in volumes of Kazakh oil handled either by rail or by pipeline through Georgia. The EU is directly implicated in the former, in view of the Nabucco proposal.

On the other hand, the tepid reaction of Central Asian states to Russia's quest for support from the organization suggests that the invasion of Georgia has unsettled them. This may make them more positive to the development of alternative export routes than they might have been in the absence of Russian action.

Finally, stability in the Caucasus and also the region's future development are critically dependent on stability in Georgia itself. One cannot escape, therefore, a brief comment on the implications of Russian use of force for Georgia itself. Here, in my view, there are grounds for caution, if not pessimism. The Georgian state has taken a very serious blow. Its territory has been violated with impunity; its military has been substantially damaged and demoralized; its infrastructure has incurred substantial damage; a substantial number of people have been uprooted from their homes and now rely on humanitarian assistance. The nation's objective of reunification, while perhaps attainable before August 2008, is probably now gone. So too, for the time being, are its prospects (always small) for membership in NATO.

Unsurprisingly, the reaction of the Georgian populace to this unmitigated disaster has been to pull together around the flag. As Salome Zurabishvili put it recently, there is no such thing as government and opposition; 'it is just

Georgia'.³ However, at some stage, the mood is likely to turn more critical. If internally displaced persons, political elites, the military, parliament, and the opposition, or indeed the citizenry as a whole, begin to ask more critically who is responsible, there are clear risks for President Saakashvili. External commentary is focusing to an increasing extent on poor, if not rash, decision-making in Tbilisi. If the domestic discussion turns in this direction, the situation could unravel.

Neil Macfarlane is Head of Department and Professor of International Relations at St Anne's College, University of Oxford

³ As cited in 'Zurabishvili: Georgia is "Facing a Simple, Yet Tragic, Question",' Radio Free Europe/Radio Liberty Caucasus Report (September 10, 2008). Available at: <u>http://www.rferl.org/Content/Zurabishvili Georgia Is Facing A Simple Yet Tragic Question/11</u> <u>97914.html</u>.