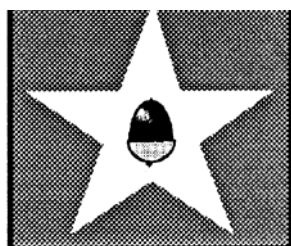


Conflict Studies Research Centre

Dr M A Smith

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in the Transcaucasus**

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GEOPOLITICAL CHALLENGES TO MOSCOW IN THE TRANSCAUCASUS

Dr M A Smith

Russia's main concern is to ensure the security of her southern borders. Instability in the Northern Caucasus makes this problem all the more acute. Moscow desires good relations with the three Transcaucasian states as she believes this will enhance her ability to maintain stability in the Northern Caucasus. She is concerned about the possibility of anti-Moscow forces in the Northern Caucasus receiving support or being able to seek refuge across the border in the Transcaucasian states. In September 1999 the Russian Foreign Ministry warned Georgia and Azerbaijan against transferring money or weapons to "bandit formations" in Chechnya.¹ Russian planes aiming at targets in Chechnya have accidentally bombed villages in Georgia, so illustrating how conflict in the Northern Caucasus can affect Russia's relations with her Transcaucasian neighbours.

Russia would ideally like to see Armenia, Azerbaijan and Georgia as part of a Russian sphere of influence. One of her key concerns is the extension of foreign, particularly western influence into Transcaucasia, as this weakens and could ultimately remove Russian influence over these states. Russia is especially concerned about any possible western military presence in Transcaucasia. Russia also desires to play a key role in attempts to resolve the ethno-territorial disputes in Transcaucasia. She is again anxious to ensure that these disputes are not resolved in any way that is detrimental to Russian interests. The possible involvement of western states in the settlement processes could concern Russia, if this involvement is perceived to undermine Russian influence in the region. It was for this reason that Russian foreign minister Igor Ivanov stated when he visited Georgia in September 1999 that the Russian dominated CIS peacekeeping force in Abkhazia should not be withdrawn.

Russia wishes to participate in the development of the region's oil and gas resources. She does not wish to be a bystander, and is concerned about the possible development of pipeline routes from the Caspian that could bypass Russia. She is keen to maintain the Baku-Novorossiysk oil pipeline route, and is therefore concerned about the possible development of the Baku-Ceyhan route. Furthermore, as the Baku-Novorossiysk route runs through Dagestan and Chechnya, Moscow's need for stability in the Northern Caucasus becomes all the more apparent.

In Moscow's view there are two principal geopolitical challenges to Russia: the expansion of NATO influence in the region and the drift away from Moscow. Both these challenges are seen as interrelated. The expansion of NATO influence encourages the drift away from Moscow, and the drift facilitates NATO expansion.

THE EXPANSION OF NATO INFLUENCE IN THE REGION

An official Russian view of NATO policy towards the region was given by the then head of the fourth section of the CIS department of the Ministry of Foreign Affairs (MFA) Stanislav Chernyavskiy in September 1998.²

Chernyavskiy argued that the competition between oil companies for control of the energy resources of Transcaucasia and Central Asia, and the ownership of future strategic pipeline routes were attracting the interest of NATO states to Transcaucasia. He contended that Russia's inability to make significant financial investments in Transcaucasia resulted in her competitors putting the emphasis on economic penetration. He believed that an offensive was being conducted under the slogan "freedom of competition", with the formal rejection of pre-agreed "spheres of influence."

In July 1999 he wrote³ that Transcaucasia was the main priority for the USA in the former Soviet space, and stated that Washington wished to gain control of the energy resources of the Caspian. Chernyavskiy felt that the USA was aiming to become the regional "arbiter" in Transcaucasia, by using oil and the attempts to settle the various ethno-territorial conflicts in the region. He also saw the USA as supporting Turkish attempts to become a regional super power and export pan-Turkism into Transcaucasia and the Northern Caucasus. He noted that the USA does not rule out future NATO membership for the Transcaucasian states.

Chernyavskiy notes that both Georgia and Azerbaijan desire close association with NATO, and accepts that their disappointment with the ability of the CIS to help resolve the regional conflicts on their territory has increased their interest in the Atlantic Alliance. He recognises that Baku and Tbilisi welcome NATO's interest in the energy resources of the region, and see themselves as part of the new Europe and desire to integrate with it, regarding NATO as a foundation stone of the European security system. They also see themselves as a "connecting link of the Euro-Asiatic space", which also motivates them to seek closer ties with NATO.

Chernyavskiy sees Azerbaijan as the state in which NATO has the greatest interest in the region, as due to her economic potential, size and population, she is the most powerful state in the Caucasus.

Azerbaijan's strategic position in the centre of the Caspian region determines her growing significance in the system of American foreign policy priorities. Baku's key role in the realisation of projects of exploitation and transportation of Caspian energy resources, the clear line in establishment of alliance relations with Turkey and the West makes Azerbaijan an attractive candidate to the USA as regional leader, and a prospective base point for the strengthening of American influence in the region.⁴

Both the USA and Turkey have extended considerable assistance to Azerbaijan in the development of her armed forces, and Baku cooperates with NATO through the PFP and through individual cooperation programmes. Azerbaijan is extremely interested in developing close ties with NATO, and in June 1998 at a meeting of the Euro-Atlantic Partnership Council, the Azeri defence minister Safar Abiev called for closer ties and said NATO should give priority to Azerbaijan over Georgia and Armenia. There has been much official discussion in Azerbaijan about the possibility of either the USA or Turkey acquiring military bases in Azerbaijan.⁵

There has also been speculation that Baku might request the closure of the Russian early warning station at Gabalinskya. The existence of a close political and military relationship between Russia and Armenia, plus the presence of Russian military bases in Armenia, have been cited as a justification for Azerbaijan desiring NATO bases. The deployment of NATO forces in Azerbaijan would be a major concern to Moscow, particularly as the Nagornyy Karabakh conflict remains unresolved.

According to Chernyavskiy, Georgia is second in importance to Azerbaijan to NATO in the Caucasus.⁶ Chernyavskiy states that Georgia has, within the framework of the PFP, stated its readiness to adapt its air-defence system to NATO standards, and to permit NATO to use airfields, training areas and ports. Georgia also desires to apply the NATO experience in peacekeeping in Bosnia to Abkhazia (this would presumably imply the deployment of a peacekeeping force from NATO states similar to SFOR in Bosnia). The current peacekeeping force in Abkhazia is from the CIS, and dominated by Russian forces, although the UN Observer Mission based in Abkhazia has representatives from other nations, including NATO members. Chernyavskiy suggests that Georgian interest in NATO peacekeeping operations signifies effective support for NATO widening. Presumably Chernyavskiy believes that Tbilisi may desire NATO involvement also in peacekeeping operations in Abkhazia and South Osetia. In July 1999 Georgian President Eduard Shevardnadze was reported as saying that he favoured UN participation in peacekeeping in Abkhazia, and opposed the Russian peacekeeping presence there.⁷ The visit of US Defence Secretary William Cohen in August 1999, when he spoke of the possible accession of Georgia to NATO in the foreseeable future is also likely to be seen by Moscow as a sign of a further decline in Russian influence.⁸

THE DRIFT AWAY FROM MOSCOW

The drift away from Moscow is the other side of the coin. Georgia and Azerbaijan both stated earlier in 1999 their desire to leave the CIS Collective Security Treaty. This is a considerable blow to Russia as it further diminishes her ability to influence the foreign policies of the former Soviet states in the southern regions. Uzbekistan withdrew from the Treaty in March 1999, and so the emulation of her decision by Baku and Tbilisi added to Moscow's difficulties. These actions raise doubts about the whole future of the CIS. None of the three desires to contribute to its military potential. In May 1999, the Council of CIS defence ministers met in Yerevan, and the Georgian and Azerbaijani defence ministers were both absent.⁹ Neither state wishes to form part of a CIS air defence system, and this is a serious challenge to Russian interests.

The strivings of Georgia and Azerbaijan to move away from Moscow's orbit are having geopolitical repercussions beyond the Caucasus. Uzbekistan's moves noted above weaken Moscow's influence in Central Asia. Furthermore, similar tendencies are being displayed by Ukraine and Moldova, so that one can speak of almost the entire southern part of the former USSR as being outside of Russia's sphere of influence. Turkmenia, Azerbaijan, Georgia, Ukraine and Moldova now all stand outside the framework of the CIS Collective Security Treaty, and form an unbroken belt of states in the south of the CIS. They all oppose the strengthening of the CIS. One Russian analyst notes that there is a high degree of cooperation and concord between these six states, to the extent that one can speak of an informal alliance of "the Six."¹⁰ It is also noted that US diplomacy has played a major role in strengthening integration processes between these nations. US support for

Uzbekistan in particular is seen as crucial in encouraging Tashkent to leave the CIS Collective Security Treaty. The same analyst concludes that

'the fate of the CIS will be resolved not by those countries which still remain within the Commonwealth, but by the participants of "the Six". The participants of the new alliance under Washington's patronage could create a powerful economic organisation, which will finally bury the CIS and change the further path of military-political and economic reforms on the southern flank of the post-Soviet space.'

THE EMERGENCE OF GUUAM

It has also been argued that two military political blocs are forming in the CIS.¹¹ The first was that of Russia and the other states that decided to continue the CIS Collective Security Treaty, and the second was a grouping of five states known as GUUAM (Georgia, Ukraine, Uzbekistan, Azerbaijan, and Moldova). Russia's military presence in Tajikistan and Armenia runs counter to the geopolitical interests of these states. The Russian presence in Tajikistan keeps the Rakhmonov regime in power, and makes it more difficult for Uzbekistan to encourage the advent to power of any pro-Tashkent grouping in Tajikistan. The GUUAM states are interested in the development of the TRACECA transport corridor, which is intended to transport goods along the route Tashkent-Turkmenbashi-Il'ichevsk (a port near Odessa in Ukraine). Furthermore in October 1998, Georgia, Azerbaijan and Uzbekistan signed with Kazakhstan and Turkey the Ankara Declaration, which includes the transport of oil from Central Asia and the Caspian on the Baku-Tbilisi-Ceyhan route. The significance of these transport routes is that they completely bypass Russia. Both these routes require stability in Armenian-Azeri relations, and for this reason, the Russian military presence in Armenia arouses disquiet among GUUAM. From Moscow's perspective, the formation of GUUAM is a geopolitical challenge, as it intensifies the erosion of Russian influence in the region.

GUUAM denies that it will assume any military dimension, but the presence of these states at NATO's jubilee summit in April 1999 is seen by Moscow as a possible indication otherwise.¹² Their interest in cooperation with NATO through the Euro-Atlantic Partnership Council and PFP confirms in Moscow's eyes the possibility that GUUAM may also pursue military goals. In April 1999 Georgia, Ukraine and Azerbaijan held military exercises, without Russian participation, in Georgia. The exercises were aimed at protecting the TransCaspian oil pipeline that runs through Azerbaijan and Georgia. GUUAM was also reported in January 1999 to be setting up a peacekeeping battalion.¹³ From Moscow's standpoint, GUUAM places great emphasis on NATO's support, and the failure of these states (apart from Ukraine) to condemn NATO's intervention in Kosovo has probably not gone unnoticed in Moscow, along with their non-opposition to NATO's new strategic concept. Russia might fear that GUUAM's pro-NATO orientation is creating pre-conditions for possible future NATO intervention in the post-Soviet space. This perception is rather fanciful, but it may well take hold in the minds of Russian military planners.

RUSSO-ARMENIAN STRATEGIC PARTNERSHIP

The one exception to the decline of Russian influence in the Caucasus is the development of the Russo-Armenian relationship. This has become a close politico-

military partnership, which is prompted partly by Armenia's need for a protector against Azerbaijan and Turkey, and partly by Armenia's need for an economic partner. Armenia is an enthusiastic supporter of the CIS Collective Security Treaty. Armenian forces participated in air defence exercises near Astrakhan in August 1999, underlining Yerevan's commitment to a CIS air defence system, which she joined in April 1999.¹⁴

Armenia could not survive without Russia's protection, and the three Russian bases in the country underline Russia's commitment to Armenia's security. This gives Russia an opportunity for a foothold in the region, and in some ways counters the decline of Russian influence elsewhere in the Caucasus. It makes it impossible for Russia to be ignored both by those states such as Georgia and Azerbaijan that desire greater distance from Moscow and also by western powers (particularly the USA).

OTHER RUSSIAN ACTORS

The Russian MFA is not the only actor involved in the formation of Russian foreign policy towards the Caucasus region. The oil company, Lukoil, and the gas company, Gazprom, have interests in the region. Other actors are the Russian military in the region, whose interests may not necessarily coincide with the official position of the Russian political leadership, or even the MOD in Moscow. When the Abkhaz conflict flared up in 1992, local Russian units in Georgia may have been giving support to Abkhaz separatists quite independently of Moscow. These, sometimes competing, interests often mean that conflicting Russian policies exist. For example the Russian military supported Armenia even to the extent of secretly (and illegally) sending to Yerevan massive arms supplies,¹⁵ while Lukoil and the Ministry of Fuel and Energy backed the 1994 "Contract of the Century" to develop Azerbaijan's off-shore Caspian oil reserves, despite the opposition of the MFA.¹⁶ The involvement of various actors means that Russian policy is unlikely to be consistent.

CONCLUSIONS

The shift away from Moscow in Transcaucasia is quite marked, and indeed extends beyond this region to embrace other states (eg Ukraine, Uzbekistan) on the southern flank of the former Soviet Union. This is a challenge to Moscow's geopolitical position. In many respects this development is only to be expected. The emergence of independent sovereign states inevitably removed the control that existed during the Soviet era, and by opening up the region to relations with other states, also inevitably diluted Russian influence.

The weakness of the Russian economy means that Russian companies are unable to compete effectively with their western counterparts and so the level of direct investment from Russian firms is low and level of trade with Russian firms has declined since 1991 in comparison with western investment and trade. Russia's economic influence is therefore weaker. Western economic interest in the area (particularly in the energy sector) creates western interest in the security of the region, hence NATO's interest in encouraging cooperation with the Transcaucasian states. Russia's inability to deter either these states or the West from developing politico-military ties means that again Moscow has had to accept a loss of political

and military influence. Furthermore this tendency has increased since the early 1990s. When Shevardnadze came to power in Georgia in 1992 and Aliev in Azerbaijan in 1993, they replaced strongly anti-Moscow leaderships and were initially inclined to pursue foreign policies more congenial to Moscow. However in the latter half of the 1990s, they have become more confident in displaying their independence from the Russian Federation. If Georgia ever decides to close the three Russian military bases on her territory and if Azerbaijan insists that the early-warning radar at Gabalinskaya is closed down, then Russia would suffer a further substantial blow to her geopolitical interests. These developments are currently unlikely, and if they were to occur, they would cause major crises in Russia's relations with these states. It would make little sense for Baku and Tbilisi to antagonise Moscow over these issues.

It is therefore a mistake to regard Russia as irrelevant to the region. Her geopolitical interests do face formidable challenges, and the western political, economic and military presence is likely to be of indefinite duration. Nevertheless, Russia still has a military presence in the region, and could in a worst-case scenario use its military power in covert ways to destabilise hostile states in Transcaucasia. The desire to avoid overly antagonising Russia in this region is likely to be a factor that will influence the foreign policy of both the states of Transcaucasia and of western states. Russia will therefore continue to be a factor in the region for the foreseeable future, even if her presence is much reduced in comparison with the Soviet period and immediate post-Soviet period.¹⁷

Russian policy towards Transcaucasia since 1991 has been motivated by the desire to maintain a political, economic and military presence in the region. When Russian foreign minister Igor Ivanov visited Georgia in September 1999, he refused to close down the Russian military bases there, a clear indication of Russia's desire for a regional presence. She is also partly motivated by the fear that both local actors and external actors (ie some Moslem states and the West) are trying to push her out of the Caucasus. To be pushed out of the Caucasus would also reduce her potential for influence in the Middle East, which is another area where Russia wishes to play a key role. Russian policy has consisted of two trends, the first being the desire to control the region as much as possible; this is an attempt to reverse the consequences of the break up of the Soviet Union by controlling the successor states. The second trend accepts the emergence of the new independent states and seeks to work with them and develop normal inter-state relationships. These trends sometimes conflict with each other. The second trend has become more prominent in the latter half of the 1990s, although the first trend still remains important.

The West, Georgia and Azerbaijan are likely to encourage the second trend, and to do what they can to discourage the first trend. They are therefore likely to avoid policy measures that would provoke or humiliate Russia, in view of her military presence in the area, and the West's desire for a stable Russia that pursues a non-aggressive foreign policy. The challenge for the West and her allies in Transcaucasia is to pursue policies that will enhance the independence of the newly independent states, without creating what Moscow would perceive as an attempt to encircle and contain Russia.

ENDNOTES

- 1 SWB 23 September 1999, SU/3647, B/12.
- 2 S Chernyavskiy, 'Yuzhnyy Kavkaz v planakh NATO', Mezhdunarodnaya Zhizn', 9, 1998, p102-108.
- 3 S Chernyavskiy, Zakavkaz'ye v planakh NATO, Svobodnaya Mysl', 7, 1999, p57.
- 4 Ibid.
- 5 This possibility was mentioned by Vafa Gulzade, state adviser to the Azeri president on foreign policy in January 1999. See Asya Gadzhizade, 'Will there be an American military base in Apsheron?', Nezavisimaya Gazeta, 20 January 1999. See also the interview with Gulzade 'If Azerbaijan joins NATO, then do not blame us', Nezavisimaya Gazeta, 27 February 1999, and the article by Gleb Naumov, 'Azerbaijan leaves the treaty on collective security', Nezavisimaya Gazeta, 25 February 1999. For details of Turco-Azeri military cooperation and discussion of the possibility of Turkish bases in Azerbaijan, see Mekhman Gafarly, 'Military alliance of Baku and Ankara', Nezavisimaya Gazeta, 23 February 1999.
- 6 See fn. 2, p105.
- 7 Igor Rotar, 'Abkhaz scenario for Kosovo', Nezavisimaya Gazeta, 13 July 1999.
- 8 Vladimir Georgiev, 'Russia gives up its borders', Nezavisimaya Gazeta, 4 August 1999.
- 9 However, Sergey Borisov, 'Yugoslavia on the Volga Steppes', Nezavisimaya Gazeta, 25 August 1999 reports that Azeri military leaders and a Georgian representative would be present at the next meeting of the CIS Council of Defence Ministers in Astrakhan on 27 August.
- 10 Gleb Naumov, 'A new alliance is being created in the south of the CIS', NG-Sodruzhestvo, 2, in Nezavisimaya Gazeta, 24 February 1999.
- 11 Andrey Korbut, 'Crisis of the system of collective security', NG-Sodruzhestvo, 5, in Nezavisimaya Gazeta, 26 May 1999.
- 12 For a discussion of GUUAM's ties with the West, see Fedor Olegov, 'Why GUAM gets yet another letter "U"', NG-Sodruzhestvo, 5, in Nezavisimaya Gazeta, 26 May 1999.
- 13 Asya Gadzhizade, 'New peacekeepers', Nezavisimaya Gazeta, 26 January 1999. This was formed by GUAM, that is, Georgia, Ukraine, Azerbaijan and Moldova, before Uzbekistan joined this formation.
- 14 Aleksandr Dobryshevskiy, Sergey Sokut, 'Moscow and Yerevan strengthen joint defence' Nezavisimaya Gazeta, 19 February 1999, and Sergey Borisov, 'Yugoslavia on the Volga Steppes', Nezavisimaya Gazeta, 25 August 1999.
- 15 For details of the Russian arms supplies, see C W Blandy, 'The Caucasus Region and the Caspian Basin: "Change, Complication and Challenge"', CSRC, S36, April 1998, p8-9.
- 16 Edmund Herzig, The New Caucasus: Armenia, Azerbaijan, and Georgia, London, RIIA, 1999, p106.
- 17 See the discussion in Edmund Herzig, ibid, p107-108.

The Conflict Studies Research Centre

Directorate General Development and Doctrine
Royal Military Academy Sandhurst
Camberley
Surrey
GU15 4PQ
England

Telephone : (44) 1276 412346
Or 412375

Fax : (44) 1276 686880

E-mail: csrc.dgd&d@gtnet.gov.uk
<http://www.ppc.pims.org/csrc>