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Russia and the South Caucasus: A Situation the U.S. Cannot Ignore

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While the U.S. and NATO are focused on Russian activity in Central and Eastern Europe, there are three developments in the South Caucasus that merit closer attention: (1) recent political instability in Georgia; (2) possible Russian annexation of Georgian breakaway territories; and (3) increasing tensions between Armenia and Azerbaijan over the Armenian-occupied Azerbaijani territory of Nagorno-Karabakh. In all three developments, Russia's influence can be detected behind the scenes. Although the South Caucasus is geographically distant from the U.S., events there can have serious ramifications for the transatlantic community. Events in the South Caucasus can impact regional security, and by extension, America and Europe's security. Therefore, it is in America's national interests to keep a close eye on developments in the region.

A Strategic Crossroads

The South Caucasus sits at a crucial geographical and cultural crossroads and has been strategically important for military and economic reasons for centuries. This is particularly true for the U.S. and Europe. The region, especially Georgia and Azerbaijan, has played a major role in NATO's Northern Distribution Network for resupplying troops in

Afghanistan. Important pipelines transit the region carrying oil and gas to European markets. As Europeans try to become less dependent on Russian energy sources these pipelines will become increasingly important. However distant the region might seem, it is important and cannot be ignored.

Political Instability in Georgia

On November 4, Georgia's pro-Western defense minister, Irakli Alasania, was fired by Prime Minister Irakli Garibashvili after speaking out publicly against the Georgian prosecutor's office for charges of corruption brought against officials in the Ministry of Defense. Alasania, who enjoys huge popularity in Georgia, suggested that the charges were politically motivated. After his dismissal, Alasania removed his party, the Free Democrats, from the ruling Georgian Dream coalition. This led to other prominent Free Democrats in government resigning their ministerial posts—including Georgia's Foreign Minister.

Due to the divisive nature of coalition governments, and the increasingly fractured political situation in Georgia, it is likely that Alasania's dismissal was, at least in part, politically motivated. Alasania's dismissal follows a string of charges by the Georgian prosecutor's office against former government officials and ministers, including the former Georgian president, Mikheil Saakashvili. The U.S. State Department has expressed "concerns about political retribution, particularly when legal and judicial institutions are still fragile."¹ Even though Prime Minister Garibashvili has maintained that Georgia is firmly committed to Euro-Atlantic integration, Alasania's dismissal is a blow to those who seek closer ties with the West.

This paper, in its entirety, can be found at
<http://report.heritage.org/ib4307>

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Another Annexation by Russia?

South Ossetia and Abkhazia declared independence from Georgia in 1990 and 1999, respectively. Since the 2008 Russian invasion of Georgia, Russia has occupied both with military forces. Today, Russia is one of only four countries that recognize their independence (the others being Venezuela, Nicaragua, and Nauru). By contrast, many European countries and the United States recognize the Russian presence in South Ossetia and Abkhazia as an illegal occupation.

In November, Russia and Abkhazia signed a treaty on “alliance and strategic partnership”—written by officials in Moscow. Among other things, it calls for a coordinated foreign policy, the creation of a “common security and defense space” between Russia and Abkhazia, and the implementation of a streamlined process for Abkhazians to receive Russian citizenship.² The Georgian Foreign Ministry criticized the treaty as a step toward “annexation of Georgia’s occupied territories.”³ South Ossetia and Russia reportedly agreed to a similar document in November.⁴ These agreements are the first step in a process of Russian annexation of both breakaway regions—both of which are still internationally recognized to be part of Georgia. Considering Russia’s illegal annexation of Crimea, Georgians have a cause for concern.

Nagorno–Karabakh Conflict Heating Up

The current Nagorno–Karabakh conflict started in 1988 when Armenia made territorial claims to Azerbaijan’s Nagorno–Karabakh autonomous oblast. Even though there have been multiple calls from the international community for them to withdraw their forces, Armenia and Armenia-backed militias continue to occupy 20 percent of what is internationally recognized as part of Azerbaijan’s territory. A cease-fire agreement was signed in 1994 but the conflict remains unresolved.

In the past several weeks, fighting in the region has been increasing. More than 20 soldiers have been killed since August alone—15 of whom were Azerbaijani. On November 12, a Karabakh attack helicopter was shot down by Azerbaijani forces. This was the first time a military aircraft has been shot down in the Nagorno–Karabakh region in at least 20 years. If these cease-fire violations turn into a full-blown war, the spillover effect could disrupt oil and gas pipelines—which at their closest point are only eight miles from the cease-fire line—and bring instability to neighboring Georgia.

Instability in the Nagorno–Karabakh region benefits Moscow because it allows the Russian regime to leverage its influence—especially in Armenia. Armenia’s coziness with Moscow is worth noting. Armenia has recently expressed interest in joining the Russian-led Eurasian Economic Union. In 2010, Armenia renewed an agreement to host a large Russian military base until 2044, and Russian troops patrol Armenia’s borders with Turkey and Iran. Armenia even voted with Russia in the U.N. General Assembly regarding the annexation of Crimea. Regarding the Nagorno–Karabakh conflict, in 2013, the commander of Russian forces in Armenia said in an interview: “If Azerbaijan decides to restore jurisdiction over Nagorno–Karabakh by force, the [Russian] military base may join in the armed conflict in accordance with the Russian Federation’s obligations within the framework of the Collective Security Treaty Organization.”⁵

The Region Needs Stability

Due to the geostrategic importance of the South Caucasus, and Russia’s new role in the region, the U.S. cannot afford to ignore the latest political and security developments there. The U.S. should:

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1. “Officials Comment on U.S. Concerns over Saakashvili’s Summoning for Questioning,” *Civil Georgia*, March 24, 2014, <http://www.civil.ge/eng/article.php?id=27068> (accessed November 18, 2014).
 2. “Moscow, Sokhumi Endorse Final Text of New Treaty,” *Civil Georgia*, November 22, 2014, <http://www.civil.ge/eng/article.php?id=27841> (accessed November 24, 2014).
 3. “Tbilisi Condemns Russia’s Move to Sign New Treaty with Sokhumi,” *Civil Georgia*, November 22, 2014, <http://www.civil.ge/eng/article.php?id=27842> (accessed November 24, 2014).
 4. “Novorossiia and South Ossetia: BFF,” EurasiaNet.org, November 20, 2014, <http://www.eurasianet.org/node/71046> (accessed November 24, 2014).
 5. Joshua Kucera, “Russian Officer: We Would Intervene in Karabakh Against Azerbaijan,” EurasiaNet.org, November 1, 2013, <http://www.eurasianet.org/node/67712> (accessed November 18, 2014).
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- **Encourage Georgia to stay on the path to joining the transatlantic community.** The U.S., working with allies in Europe, should continue to show Georgia that its future is brighter in the transatlantic community than it is with Russia. Irakli Alasania's dismissal from the defense post, and his withdrawal of the Free Democrats from the Georgian Dream coalition, is a serious setback to Georgians who support closer ties with the West.
- **Increase targeted economic sanctions if either Abkhazia or South Ossetia is annexed by Russia.** The U.S. should make it very clear to Russia that annexation of either of the breakaway provinces will trigger stronger economic sanctions that target key Russian officials. The U.S. should start now to develop a strategy with its European partners to prepare for this eventuality.
- **Monitor the situation in Nagorno-Karabakh and Armenia's close ties with Russia.** Peace talks over Nagorno-Karabakh have been stalled for years and there is very little the U.S. can do to bring the parties back to the negotiating table. However, remaining silent on the matter offers implicit approval of the status quo. The U.S. should continue to call for a peaceful solution to the conflict that includes the withdrawal of Armenian forces from all Azerbaijani territories.

The U.S. Cannot Ignore the South Caucasus

Moscow continues to take advantage of ethnic divisions and tensions in the South Caucasus to advance pro-Russian policies that are often at odds with, or even worse threaten, America or NATO's interests in the region. While the South Caucasus might seem distant to many American policymakers, any spillover from ongoing and potential conflicts in the region can affect the United States and its security interests. The U.S. ignores the South Caucasus at its own peril.

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