

THE NEW CONTAINMENT



IS RUSSIA'S CONTAINMENT STILL POSSIBLE?

Case-study on the South Caucasus

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Since 2014, the containment of Russia has been one of the most popular topics within the expert community dealing with Geopolitics and Geostrategy. This term has been actively used by the Western political circles, including high level state officials and senior leaders of NATO. The Russian officials also use this term to describe Western, and, in particular, US policy towards Moscow. The events in Ukraine and the establishment of the Eurasian Economic Union have produced a lot of research arguing that Russia's strategic goal is to resurrect the Soviet Union, and exercise full control over the former soviet republics excluding the Baltic States. The Russian

military involvement in the Syrian conflict, and its intrusive measures in the Balkans, including an alleged participation in an October 2016 Montenegro plot, have widened the scope of the Russian outreach far beyond the borders of the former Soviet space. However, while contemplating the necessity to contain Russia, the main focus is still on Russia's immediate neighborhood.

The South Caucasus is a part of the former Soviet Union. Two regional states – Azerbaijan and Georgia, have direct land border with Russia, while Armenia hosts a Russian military base and border troops, and is a member of the Russian-led Eurasian Economic Union and Collective Security

Treaty Organization. The region has three unresolved conflicts – Abkhazia, South Ossetia and Nagorno-Karabakh. Russia recognized Abkhazian and South Ossetian independence in 2008 and has deployed military bases in both entities. As for Nagorno-Karabakh, Russia is providing one of the three OSCE Minsk Group Co-Chairs tasked with mediating efforts towards finding a solution. Russia is also the main supplier of weapons to Armenia and Azerbaijan thus keeping effective leverage on both sides.

Moscow controls large parts of Armenia's economy through state- and state-affiliated companies. Despite the 2008 Russia – Georgia war, some Russian companies are operating in Georgia, and Moscow has also developed some cooperation with Azerbaijan in the energy sphere.

The South Caucasus borders Iran and Turkey and could serve as a bridge to bringing Central Asian energy resources to the EU circumventing Russia. These factors increase the geopolitical importance of the region within Eurasia.

Currently, the US and Russia are facing the lowest level of mutual relations since the end of the Cold War. The new US national security strategy defines Russia as a power challenging American influence and attempting to erode American security, and Russia in its 2015 National Security Strategy and 2016 Foreign Policy Concept accused US and its allies of implementing a policy of containment against Russia.

Given the significance of the South Caucasus in Eurasian geopolitical games,

the region's possible transformation into one of the focal points of US – Russia competition shouldn't come as a surprise. Moscow is making steps to solidify and institutionalize its influence in the post-Soviet space, including in the South Caucasus, to create a reliable buffer against alleged Western efforts to weaken or even dismember Russia. Conventional wisdom implies that the West, and the US in particular, should make active efforts to thwart those Russian attempts, and this policy should apply also for the South Caucasus.

However, the root cause of Russian influence in the South Caucasus is based not only on hard power - military bases, control over some tangible economic assets- or soft power tools such as propaganda and manipulation of the large communities of Armenians, Azerbaijanis and Georgians living in Russia. The key asset for Russia are the mechanisms of the state system inherited from the Soviet past. The main elements of that system are the lack of transparency and accountability, the concentration of economic power in the hands of a handful of people (usually called oligarchs) with a myriad of connections to the state, and the very low level of protection of private property. Almost all medium and large-sized businesses have both connections with the state and are dependent on it, lest they lose their property.

Not surprisingly, the political and business elites are keen to protect the domestic status quo. The Russian state shares similar features, and partner relations with Russia are perceived in those post-Soviet states as a

guarantee for keeping the status quo. Some may argue that the West, and in particular the US, maintain strategic relations with such autocratic regimes in other parts of the world – Pakistan, Egypt, Middle East monarchies, as well as some countries from Latin America and Africa. However, in the post-Soviet space the West has very little chances to successfully compete with Russia in overtaking the role of guarantor of the domestic status quo. Since the end of the Cold War, the West has pushed a public institutions' modernization and reform agenda, which has been perceived as a challenge *per se* to the state system from the post-Soviet space. The domestic elites are implementing reforms only to the extent they didn't threaten their grip on power.

Thus, the viable option to weaken Russian influence in the post-Soviet space, and in particular in the South Caucasus, is the push towards genuine and systemic reforms and not the demands towards Russia to withdraw its military bases or diminish its economic involvement. Moscow has understood this danger, and it has negatively approached any developments which may bring this scenario to reality. This may explain Kremlin's tough rhetoric against Georgia, as of late 2004, when president Mikhail Saakashvili launched an ambitious reforms agenda, and Moscow's relatively calm reaction at the beginning of the Rose revolution. It might be also worth mentioning that Russia supported Saakashvili's efforts to oust Aslan Abashidze the former leader of Adjara and bring this region back under the control of Tbilisi.

However, it is very unlikely that the West applied strong pressure on South Caucasian domestic elites to implement ambitious reforms. The West has its own domestic problems and its focal point in the post-Soviet space is the conflict in Ukraine. A harder push towards reforms might bring instability in the region, and currently both EU and the US are keen to avoid destabilizing the South Caucasus. The European Neighborhood Policy (ENP) review in 2015 clearly prioritized regional stability over the dissemination of EU values and norms, and the US approach of "principled realism", outlined in the new national security strategy, leaves little room for "democracy and value promotion". We have a situation where both domestic elites and the West have little if any incentive to push forward reform agendas, which may change the way the post-Soviet states are functioning. In mid 2000s, Georgia might be considered as an exception, but currently Tbilisi faces both domestic and external challenges and uncertainties, which put breaks on the speed of its reforms too.

Thus, despite emphasizing the necessity to contain Russia in the post-Soviet space, including in the South Caucasus, little if anything is being done to change the geopolitical status quo. Most probably, the Russian influence will hardly diminish as a result of Western or domestic actions. This might only happen if Russia faced economic decline and domestic turmoil, a scenario which the South Caucasus witnessed in 1917, and then in 1990–1991.