

## **Georgia's hypothetical neutrality: a regional perspective**

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### **Introduction**

Regional actors, including Georgia, do not view Georgia's potential neutral status as merely its way of positioning itself in the international arena, but as a contextually determined opportunity, however hypothetical, for Georgia to normalize its ties with Russia.

Because Georgian-Russian relations have been problematic ever since the collapse of the USSR, Georgia tried to compensate by building ties to Western countries. As Georgia built its foreign policy on a confrontation with Russia, and went knocking on NATO's door, Russia's reaction became increasingly neurotic. Bilateral relations ran into the ground after the 2008 Russia-Georgia war.

Georgia's NATO accession is not even a remote possibility, leaving Georgia in an impasse. One way out of the impasse would be for Georgia to achieve an intermediate status similar to that of some small European countries during the Cold War. By deciding to stay out of alliances, Georgia could hope to normalize relations with Russia. It could also transform the whole region.

In the almost thirty years of its post-Soviet development, the South Caucasus has created a multilayer configuration of interactions among recognized, partially recognized and unrecognized countries and entities, adapted to existence in the conditions of a stable instability of the conflicting interests of regional players and external powers.

Given the contradictory orientations and diverging interests, the region has elaborated a mode of interaction, which, on the one hand, prevents the breakdown of the regional balance that would turn the region into another Afghanistan or Syria, and on the other hand, interferes with full-fledged regional development that would involve Europeanization based on the model used by the former socialist countries of Eastern Europe and Black Sea region.

The region is oversaturated with conflicts, closed borders, and in some cases armed confrontations on the contact lines. However, there are projects that ignore borders and conflicts, such as the joint operation of the Inguri Hydroelectric Power Station, or informal trade between Armenian and Azerbaijani small and medium businesses in Georgia. As a matter of fact, even conflicts themselves are forms of interaction that also contributes to the conservation of the status quo. Negotiation formats such as the OSCE Minsk Process help conserve conflicts, preventing them from escalating.

Geographically, Georgia is the central country of the South Caucasus, the only country in the region that borders on the EU via the Black Sea, and the only one that has normal relations with both regional neighbors. Its communication value is inestimable. Nevertheless, its tense relations with the Russian Federation complicate the interaction of regional countries with external powers.

For Armenia, the Georgia-Russia impasse leads to lack of reliable communications in the north. For the de facto entities that seceded from Georgia, the status quo leads to isolation

from development opportunities outside the Russian political and economic field; in a sense, these entities exist in the North Caucasus, not in the South Caucasus, not geographically, but politically, as regions subsidized by Russia because they are cut off from their own development potential.

Georgia is of great importance for Azerbaijan as its main window to the West outside the Caspian region. In short, the importance of Georgia is huge, but for each regional country, Georgia plays a different role.

How would the hypothetical neutrality of Georgia affect the recognized and unrecognized entities of the South Caucasus? One way to answer this question stems from a vision of the region as a transit zone which is too divided to function to its full capacity.

### **Armenia**

Armenia is probably the only country in the region for which Georgia's neutrality would be beneficial in almost every sense. First of all, this concerns communication. Approximately 70% of Armenia's trade with the outside world passes via Georgia. Russia is Armenia's largest economic partner, to which it communicates exclusively via the Georgian Military Road, an unreliable highland route that crosses the Greater Caucasus Range and often closes in winter.

Georgia's neutrality cannot work without normalization, or at least progress, in the situation around its breakaway states, Abkhazia and South Ossetia. Actually, this is the key problem for Georgia; once it is resolved, the format of relations with Russia can change. Neutrality could be a step in this direction. For Armenia, this would open up two new routes to Russia: the motorway via the Roki Tunnel in South Ossetia and the railway via Abkhazia. Technically, both projects are easily feasible; obstacles to their implementation are purely political.

Politically, Armenia would also benefit from Georgia's neutrality, or rather, from the normalization of its ties to Russia. Georgia and Armenia, as neighbors, have problems in their political interaction due to tensions between Georgia and Russia. Armenia cannot ignore Russia's interests; any interaction with Georgia is complicated many times over due to the Russian factor. Armenia, due to the Karabakh conflict, CSTO membership and troubled relations with Turkey, which is a member of NATO, will need to interact with Russia in the realm of security for years to come, and would therefore prefer to see Georgia neutral and on friendly terms with Russia.

### **Azerbaijan**

Arguably, Azerbaijan's perspective mirrors that of Armenia. Similarly to Armenia, Azerbaijan is in a difficult geographical position: sandwiched between Iran and Russia, Azerbaijan is connected via Georgia to the West, where its main exports go. Exporting mainly energy, Azerbaijan does not rely on Russian goods, unlike Armenia, and anyway it is connected to Russia by rail and road, and does not depend on Georgia in this regard. However, it is via Georgia that Azerbaijan is connected with Turkey, its strategic ally. The exclusion of Russia from the regional balance of its foreign policy makes Georgia dependent on Azerbaijan and Turkey, not just financially because of the exports but also politically, because Azerbaijan's ally Turkey is also the only NATO country bordering the South Caucasus. This configuration allows Azerbaijan to claim the key place in the region, at least in the long term. However, should Georgia normalize its relations with Russia by becoming a neutral country, it will

reduce its dependence on Azerbaijan and Turkey and will be able to claim leadership in the South Caucasus, thus ousting Azerbaijan into the Caspian region.

### **Unrecognized and partially recognized entities**

In the case of Abkhazia, and especially South Ossetia, the picture is more complicated because of their unrecognized or semi-recognized status but also because of their size and convoluted history of conflict with Georgia.

#### **Abkhazia**

The Abkhazian elite has no reason to welcome the neutrality of Georgia. And it's by no means just that it is extremely difficult to implement. Any improvement in relations between Georgia and Russia lowers the importance of Abkhazia for the Russian Federation, on which Abkhazia depends for almost everything. This includes Abkhazia's economy, the potential of its resorts on which most of its economy depends, and also its security in its standoff with Georgia. The presence of Russian military bases on Abkhazian territory guarantees its security; tourism to this unrecognized country is only possible from Russia; financial injections into the economy of Abkhazia are almost entirely Russian. Most citizens of Abkhazia hold Russian passports and receive Russian pensions and allowances. Mitigation of the confrontation between Georgia and Russia may reduce the importance of Abkhazia for Russia, and even create new risks.

The ethnic Georgians who now live in Abkhazia are disfranchised; as a result of normalization of ties to Georgia, this might change, and the number of Georgians in Abkhazia might increase. A considerable number of refugees from Abkhazia live in territories adjacent to Abkhazia; some may wish to return. The ethnocratic structure of Abkhazian elites may be at risk.

Politically, the power structure of Abkhazia (and South Ossetia) is unique. With economies relying almost entirely on subsidies from Moscow, the political freedom of their elites is much greater than that of the heads of Russian regions, and domestic policies in these unrecognized countries have some autonomy from Russia.

However, neither the subsidies nor the security umbrella solve any long-term problems; arguably, in the long-term, they inhibit Abkhazia's development. In Abkhazia, there appear to be civil society actors and even wider social groups who want it to choose a different development avenue, but they have no leverage over decision-makers. A wider societal discourse about sustainable development might lead to an understanding of the futility of isolation, but this would require a lot of time and effort.

#### **South Ossetia**

In South Ossetia, the situation is even more complicated. There has never been a truly secessionist movement in this secessionist entity; from the very beginning, the South Ossetians' aspirations were irredentist, directed towards a merger with North Ossetia, a Russian region. Unlike Abkhazia, South Ossetia has no prospects for independent economic survival. Surrounded on three sides by Georgian-controlled territory, South Ossetia has a population of twenty-five to forty thousand and a one hundred per cent dependence on Russian subsidies. The regime in this de facto entity is tougher than in Abkhazia; there is no political opposition, at least in matters relating to Georgia; discourses about ways to break the isolation cannot exist.

It is, however, obvious to the people and elites of South Ossetia that it cannot survive independently but can exist solely as a transit zone between Georgia and Russia provided relations between the two countries are normalized. The neutrality of Georgia could spell the end of the confrontation, of which the ethnopolitical conflicts are just a part. The situation in Georgia's breakaway states is thus not hopeless because normalization is in their long-term interests. Two factors exacerbate it: the first is the position of the elites, to whom any change is objectively harmful, and the second is the ethnophobia that remains as a legacy of the wars. While a lot, almost everything in fact, depends on Georgia, still, reducing the tension in Georgian-Russian relations may create new prospects for changes in unrecognized countries.

### **Nagorno-Karabakh**

Nagorno-Karabakh does not have a pronounced foreign policy towards Georgia. It is different from the other two de facto states of the South Caucasus: it does not border Russia and is not recognized by Russia. As its patron country, it has Armenia which is incomparable with the Russian Federation in its power and resources. Nagorno-Karabakh does not have a policy towards Georgia that differs from that of Armenia; it does, however, maintain special, even though infrequent, contacts with Georgia's breakaway states, mostly based on a shared problem with international recognition. Economically neutral Georgia will be beneficial to Nagorno-Karabakh as well as Armenia, because economically they are a joint space. As to political lobbying for Nagorno-Karabakh, it relies on the Armenian diaspora and happens far beyond the region.

### **Conclusion**

By its geographical nature, the South Caucasus is a transit region: a bridge connecting Central Asia with Europe, and the Middle East with Russia. Relatively small in territory and population, the region is surrounded by large countries – Iran, Turkey and Russia – and located between two seas. Geographically, it is meant to unite, not to divide.

However, the region is divided into itself and therefore cannot unite anything. The main borders inside it are blocked due to confrontations among regional players and also with surrounding countries. Faced with confrontations inside the region, its countries look for allies outside it; contradictions among external allies then lead to new problems within the region. This vicious circle can only be broken by abandoning the rivalry model and seeking neutrality. For a country squeezed between Iran and Europe, Russia and Turkey, this may well be the only working model. Such change is difficult to achieve, the confrontational inertia is huge, but so are the benefits that these changes can bring about.