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Assumptions and Prospects of Russia's Policy Towards Georgia

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Russia's strategic goals regarding Georgia are to block its NATO and the EU membership and limit its role in the transit of non-Russian gas and oil to Turkey and later to European countries. These aims are fostered by the improvement of relations between Moscow and Tbilisi, chaos in Georgian domestic policy and the distant prospect of integration with the Euro-Atlantic alliance. Diversification of energy supply sources to the EU requires support for Georgia's economic development and energy independence.

Asymmetric Normalisation. Russia is directing the rebuilding of relations with Georgia, 10 years after the end of the war between these countries. Diplomatic relations have not been resumed, but since 2012 there has been dialogue at the special envoy level, between Abashidze, special representative of the prime minister of Georgia for relations with Russia, and the Russian deputy minister of foreign affairs Karasin. However, this rarely touches upon the divisive issue of regulation of the situation in the separatist regions of Abkhazia and South Ossetia.

In 2013, as part of the normalisation process, Russia abolished the embargo on Georgian goods, becoming the top individual importer in 2017 (15.9%). Furthermore, 450,000 Georgians living in Russia were the largest source of foreign remittances (33% of the total). Russian tourists in Georgia also spent more than any others (€403 million). Tourism is the most important sector of the Georgian economy, accounting for 31% of its GDP.

However, Georgia stands more to gain from closer ties with the EU. There are approximately three times fewer Georgian employees in the EU than in Russia, but the value of their remittances (31%) is almost the same. The EU is also 10 times more popular as a destination for Georgians workers. The EU's total share of Georgian exports (29%) exceeds that of Russia. Thus, the continued dependence of the Georgian economy on Russia requires Moscow to prevent further integration with the EU.

Russian Soft Power. Russia also uses its influence in Georgian society. Organisations and media promoting Eurasian ideas and opposing NATO membership, which have become more visible in Georgian public debate. Pro-Russian parties, although in conflict, might count on approximately 10% of votes in an election. In 2014, the Georgian government allowed Russian TV stations to be broadcast.

Russia's soft power in Georgia is strengthened by the Orthodox Church in both countries and criticism of liberalism, which is presented as further from the Christian values of Georgian society. The Church in Georgia has an 81% trust rating, and influences public opinion significantly. Moreover, its hierarchs maintain contacts with the Russian authorities. The Russian Church agreed to the autocephaly of the Abkhazian Church, which formally remains under the jurisdiction of the Catholicos-Patriarch of All Georgia.

As a result, although almost half of Georgians believe that their government should continue efforts to integrate with NATO (41%) and the EU (45%), 77% support economic cooperation with Russia.

The instability of Georgia's internal politics is beneficial for Russia. In May and June there were demonstrations against the brutal actions of special forces and nepotism within state organs. The protests caused the dismissal of the government, but the new cabinet perpetuated previous irregularities and failed to quell social resentment. This gives Russia the opportunity to fuel street protests and support pro-Russian groups.

Gas and Oil Transit. It is in the interests of the Russian economy to take over or limit the role of Georgia's transport pipelines, which may undermine the domination of Russian supplies to Europe.

The Baku-Tbilisi-Ceyhan pipeline allowed Azerbaijan to compete with Russia in the Turkish market, where it is the second oil supplier after Iraq. The Baku-Supsa pipeline currently supplies Azeri oil to Georgia, but its extension would enable oil transport to the EU via the Black Sea. Therefore, Russia took over part of this pipeline (1.6 km long) in 2016, as a result of the "borderisation" of South Ossetia.¹ This relies on moving the demarcation lines with Abkhazia and South Ossetia into Georgian territory. "Borders" are then surrounded by barbed wire and guarded by Russian patrols.

The greatest threat to Russia's interests is the Georgian South-Caucasian gas pipeline. This is part of the Southern Corridor, a project supported by the European Commission, which could diversify gas supplies to the EU from Azerbaijan through Turkey. Despite Russia's attempts to the contrary, it will be probably launched in 2020. Additionally, the EC plans to finance the inclusion of Turkmenistan and Kazakhstan within the project, and the extension of the gas pipeline to Austria, Germany, France, the United Kingdom, Bulgaria, Croatia, and Bosnia and Herzegovina. The completion of construction will divest Russia of part of the EU market, to which it sells almost all of its gas exports.

Military Pressure. The Russian National Security Strategy defines NATO enlargement (including potentially Georgia) as a threat to state security. The status of Abkhazia and South Ossetia, which declared independence in 2008, is used to block Georgian accession to the Alliance. These regions are integrated with the Russian system of border control, defence, order protection, customs and social policy, and most residents have Russian passports. Their security forces are integrated with the FSB and the Russian armed forces. This gives Russia the option of armed intervention in Georgia on the pretext of protecting its citizens, thus provoking incidents with Georgian forces.

Russia has installed military bases in Abkhazia and South Ossetia, with approximately 4,000 troops in each region, along with S-300 missile system units covering part of the territory of Georgia, Turkey and Azerbaijan. This limits NATO's operational capabilities in the Black Sea and secures the Russian gas pipelines running along the seabed.

The current status of Abkhazia and South Ossetia effectively blocks Georgian accession to NATO. The territorial conflict not only sustains political and socio-economic destabilisation, but is also a formal obstacle to Georgian membership.

Conclusions and Recommendations. Russia imposed a model of normalisation that brings minimum benefits to Georgia and perpetuates the violation of its territorial integrity. Moscow has succeeded in blocking Georgian integration with the EU and NATO, but failed to eliminate Georgia from European energy initiatives. Hence, further Russian activity should be expected in this area.

The Southern Corridor is a threat to the Russian economy, as 40% of its budget is based on gas and oil sales. Thus, Russia may fuel ethnic conflicts, use political and economic pressure, provoke terrorist attacks on the Georgian pipeline system or try to take it over using "borderisation".

EU energy security needs Georgia to be a transit country. Poland, as an advocate of the Energy Union, can lobby for broader use of the Eastern Partnership (EaP) programme for the development of Georgian energy infrastructure. EaP Technical Assistance Trust Fund and the European Investment Bank contributions are insufficient. The Energy Platform, established at the EaP Summit in 2017, focuses on climate issues and renewable energy sources.

It would be appropriate to devote more of the European Neighbourhood Instrument funds to Georgian economic development. A key element of support from the EU countries would be opening the labour market to Georgian citizens. This would reduce the Georgian economy's dependence on Russia. Without such a move, agreements between the EU and Georgia on association and free trade will not raise Georgians' standards of living, which could lead to support for integration with the EU declining in favour of cooperation with Russia, Turkey and Azerbaijan.

It would be valuable to continue Polish efforts to establish Georgia's NATO Membership Action Plan, and to deepen its defence reforms and further integration with Alliance forces within the framework of the NATO-Georgia Commission and the Annual National Programme. NATO cooperation with the Georgian armed forces

¹ K. Zasztowt, "Russia in the South Caucasus: Conflict Management and Business with Oligarchs," *Bulletin PISM*, no 76 (808), 24 August 2015.

would speed up military modernisation and help those forces adapt to threats such as cyberattacks, terrorism, information warfare and separatism, increasing Georgia's security in the long term.