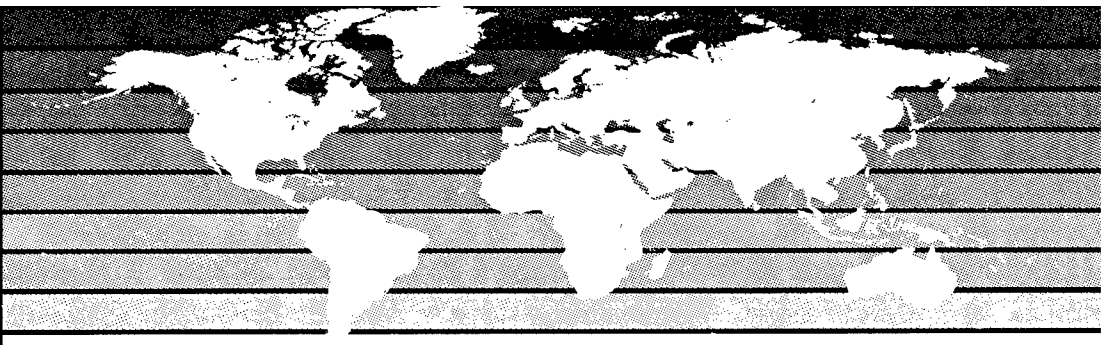

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CHALLENGES AND OPTIONS IN THE CAUCASUS AND CENTRAL ASIA

Pavel K. Baev

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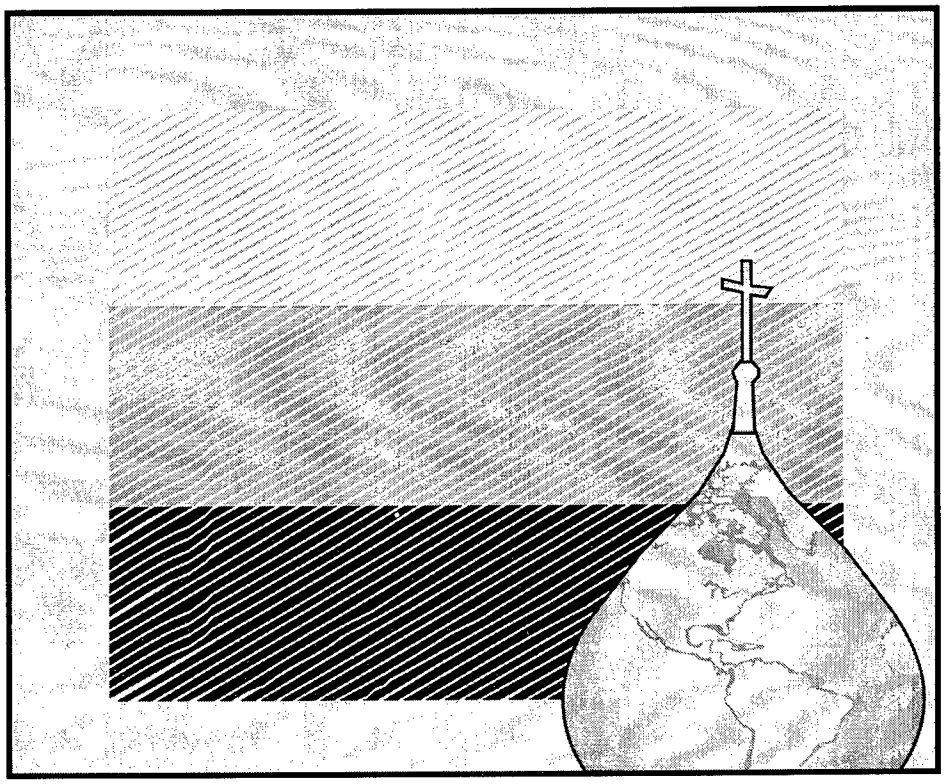

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CHALLENGES AND OPTIONS IN THE CAUCASUS AND CENTRAL ASIA

Pavel K. Baev

April 22, 1997

Complete citations for abbreviated references located in the text and endnotes can be found in the References section at the end of this report.

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FOREWORD

In April 1997, the U.S. Army War College held its Eighth Annual Strategy Conference. This year's topic was "Russia's Future as a World Power." The author of the following monograph, Dr. Pavel K. Baev, a senior researcher at the International Peace Research Institute in Oslo, Norway, discusses the disintegration of order along Russia's southern border. Following a brief overview of the evolution of Russian policies in the Caucasus and Central Asia in the immediate post-Soviet period, Dr. Baev evaluates the impact of the Chechen war and then analyzes the growing role that petroleum plays in the political equation.

Dr. Baev concludes that the growth of nationalism among the states in the Caucasus and Central Asia has combined with the decline in capability of the Russian Army to encourage many of the states to seek greater autonomy from Russian influence. While Russia is in strategic retreat, the political forces acting upon President Yeltsin are so intense as to increase the possibility that hasty and unwise decisions may be forthcoming.

Turbulence in the so-called near abroad and political weakness at home plagued Russia at the turn of the century, forcing Tsar Nicholas II to turn to his more conservative and autocratic advisors for advice and policy. A fledgling move toward democratization was weakened even before Russia found itself embroiled in World War I. As this century turns, the course of Russian democracy again hinges, to a degree, on events on Russia's periphery. This makes Professor Baev's analysis that much more germane to those concerned with Russia's future.

RICHARD H. WITHERSPOON
Colonel, U.S. Army
Director, Strategic Studies Institute

BIOGRAPHICAL SKETCH OF THE AUTHOR

PAVEL K. BAEV is a Senior Researcher, International Peace Research Institute, Oslo (PRIO) and Editor of *Security Dialogue*. After graduation from Moscow University in 1979, he worked in a research institute for the USSR Ministry of Defense. In 1988, Dr. Baev joined the newly created Institute of Europe within the Soviet Academy of Sciences. In autumn 1992 he took a sabbatical to move to PRIO where, from 1994 through 1996, Dr. Baev held a NATO Democratic Institutions Fellowship. His recent books, *The Russian Army in a Time of Troubles* (1996) and *Russia's Policies in the Caucasus* (1997), are available from Sage Publications and Brookings Institution, respectively.

CHALLENGES AND OPTIONS IN THE CAUCASUS AND CENTRAL ASIA

Introduction.

That Russia has vital strategic interests in the Caucasus and Central Asia can be taken as an established political fact. What is remarkable about this fact is that the nature of these interests as well as the nature and intensity of challenges to them have changed quite drastically during Russia's 5 years of existence as a post-Soviet state. It is no wonder that Russian policymakers are permanently agonizing over reassessment of these interests and are now nowhere close to producing a coherent strategy of their advancement. This monograph will argue that Russia's ability to meet the challenges from the South is a major factor in determining its future as a world power.[1]

There is no doubt that the Caucasus and Central Asia are two separate regions in the turbulent post-Soviet geopolitical space, with different political dynamics and plenty of internal diversities and conflicts. Even looking from Moscow, it is obvious that these differences are of such a scale that no single integrated strategy could possibly embrace both regions; two essentially different policies are required and were, in fact, pursued. Still, the author attempts to take these two regions together, seeking to trace interplay among Russia's economic, political and strategic interests and to discover parallels in Moscow's past, current and possible future activities.

This paper will first take a brief look at the evolution of Russia's policies in the Caucasus and Central Asia in 1992-94; then the impact of the Chechen War will be evaluated. This is followed by the analysis of the growth of the economic interests (first of all related to oil) and the increase in influence of the regional processes in Russia itself. Finally, an attempt to distinguish between the real

and misperceived security challenges for the near future will be undertaken.

Evolution of Russia's Policies in 1992-94.

The point of departure for Russia's policies in the Caucasus and Central Asia was President Yeltsin's breathtaking initiative (co-authored by Leonid Kravchuk from Ukraine and Stanislav Shushkevich from Belarus) on the dissolution of the USSR launched on December 8, 1991. Not that he was able to foresee all the consequences of that decision, but Yeltsin was perhaps ready to take all the risks as long as his obsessive goal of unseating Mikhail Gorbachev was achieved. The thinking in Yeltsin's entourage (Gennady Burbulis and Sergei Shakhrai were the key figures) was essentially about taking control over real power even if within a substantially reduced space; but Yegor Gaydar, who as Prime Minister, took major responsibility for the economic reform, and calculated that elimination of subsidies for the "backward periphery" would help to stabilize the rouble and reduce the pain from his "shock therapy." He was proved to be wrong but the expectations that Russia would benefit from "marketization" of economic relations with other newly independent states remained an important political factor during most of that period.

It was left to Foreign Minister Kozyrev to formulate guidelines and establish priorities for Russia's policy vis-à-vis other newly (and, in many cases, unexpectedly) independent states. His solution was remarkably simple and quite in line with Gaydar's economic separation and Yeltsin's lack of interest: disengagement and retreat. The key idea of Kozyrev's foreign policy was "Go West," so the area which he nicely labeled "Near Abroad" remained deliberately neglected. The warnings of academic experts that the new geopolitical realities had made it essential and even necessary to concentrate on building new ties with Ukraine, Belarus, and Kazakhstan, and on meeting security challenges emerging in the South (see "Strategy for Russia," 1992) were ignored and dismissed.

The emptiness of Kozyrev's statements on the "belt of good-neighborliness" around Russia was obvious for many, but it was the military for whom they seemed just incomprehensible. Russian garrisons were besieged in Azerbaijan and Georgia, the 14th Army was stationed virtually on the line of fire in Transdniestria, officers were harassed daily in Tajikistan, the wave of public protests against Russian bases was rising high in the Baltic states, and the only political guideline the generals in Moscow were able to get was to remain "neutral." During spring 1992, the top echelon of the Army was quite disorganized by the collapse of the Soviet military structures, but in a matter of weeks after the Russian Defense Ministry was established in May 1992, the essential chains of command and control were restored.

Defense Minister Grachev (whatever his later blunders) deserves credit for his efforts to arrest the disintegrative trends; he quite quickly came with a pro-active strategy which combined massive military withdrawals and selective interventions. As far as the Southern direction is concerned, it was certainly the Caucasus that attracted the main attention from Russian "top brass," since the risk assessments there were particularly alarming.[2] The key guidelines were to stay away from the Nagorno Karabakh quagmire and to concentrate on consolidating the military presence in Georgia, while beefing up the military muscle in the North Caucasus. Accordingly, Azerbaijan saw a massive military withdrawal which involved some 60,000 Russian troops (completed by May 1993) but Georgia, which demanded a similar withdrawal, saw instead the Russian military backing rebellions in South Ossetia and Abkhazia (Allison, 1994). As for the North Caucasus, the Ministry of Defense (together with other "power ministries") wisely preferred to stay out of Chechnya for the time being but with few doubts moved into a conflict next door, giving support to North Ossetia which expressed willingness to have as many Russian troops and bases on its territory as necessary.[3]

As Russian military policy became increasingly centered on the Caucasus, the Foreign Ministry agonized over the decision on how to handle the conflict in Tajikistan. Andrei Kozyrev felt the need to prove that the Tashkent Treaty on Collective Security was not just another paper agreement; he also heard insistent invitations to intervene from the leaders of Kazakhstan, Kyrgyzstan, and Uzbekistan–and he made certain that the West had no objections against Russia taking defenses against the "Islamic threat" in a far-away corner of the world. Therefore, the decision to intervene militarily in Tajikistan was a result of political calculations in Moscow, the bottom line of which was to prove to the West that Russia was a valuable partner.[4]

By the end of 1992, the gap in Russia's policy between the pro-active military course and the low-profile diplomacy had become quite yawning. Not only was it problematic to stretch the "benign neglect" attitude so as to cover all the cases of interference in internal conflicts, but the political agendas behind these interventions were rather shocking: Russia had backed militarily three secessions (Transdniestria, South Ossetia, and Abkhazia), participated in one appalling case of ethnic cleansing (North Ossetia), and sided with tribal Communists in a civil war (Tajikistan). Kozyrev finally saw that complaints about "the party of war" would bring him nowhere and quickly adjusted his sails to the new winds.[5] But it was President Yeltsin himself who decisively shifted the main direction of Russia's foreign policy.

The new key political guideline was to assume the role of "security guarantor" in the Commonwealth of Independent States (CIS) and to turn the "Near Abroad" into Russia's sphere of influence. The driving forces behind this shift and its dynamics are well-analyzed,[6] but what is relevant here is that since it was the Caucasus where the military activities and the foreign policy were most obviously at odds, it was exactly here that the political course was altered most visibly. Two conflicts–Abkhazia and Nagorno Karabakh–saw an increased attention from Moscow, and, in both, Russian diplomacy and the military now worked hand-in-hand seeking to manipulate the

parties in order to advance their own interests. By mid-1994, some success was achieved in Nagorno, Karabakh, where Defense Minister Grachev negotiated a stable cease-fire, but the plan to deploy Russian troops remained blocked (Fuller, 1994). Abkhazia appeared to be even more of a success story: not only was a Russian peacekeeping operation (with a CIS mandate) launched there in June 1994, but the crucially weakened Georgian government had to make serious political concessions and agree on basing of Russian troops on Georgian territory.[7] Central Asia generally received much less political attention from Moscow, despite the increasingly obvious military dead-end in Tajikistan (Blagovolin, 1993) and the failure to organize a meaningful burden-sharing in the CIS (Kreikemeyer & Zagorski, 1996).

Three new features in Russia's policies towards the Caucasus and Central Asia appeared by the end of the third year of the post-Soviet period. First, the economic interests, which had been quite poorly pronounced in 1992 and 1993, became a major factor in policy-making. Various lobbies and interest groups, first of all linked with the oil and gas business, acquired a higher profile in the Kremlin corridors–and the issue of the Caspian Sea oil gradually emerged as one of the top priorities in Russia's foreign policy (Forsythe, 1996; Razuvaev, 1996). Second, the High Command of the Russian Army became increasingly aware of the limits of the available "military capabilities." Faced with a "peacekeeping overstretch" (Orr, 1994), the Defense Ministry and the General Staff turned more cautious and even reluctant to get involved in any new open-ended "peace" operations.[8] Third, the self-assertive political rhetoric in Moscow had itself become a driving force. The pressure to deliver something on numerous ambitious statements was mounting and overwhelming the economic pragmatism and the military prudence. The leaders sought for a small and successful war–and arrived at Chechnya.

The Impact of the Chechen War.

The origin and the disastrous outcome of the Chechen War should be a topic for a separate paper; what is the issue here is the impact of that conflict on the broader agenda of Russia's policies in the Caucasus and Central Asia. The very uncertain pattern of relations between Moscow and quasi-independent Chechnya at the moment makes it impossible to measure this impact with accuracy–the disaster is still in the making; but even the preliminary estimates could be illuminating.

Where the direct consequences of the 20 months of fighting were most devastating was probably in the Russian Army itself. Besides heavy losses, it suffers now from sharp decline in morale and debilitating "defeat syndrome," which aggravates the effects of the old "Afghan syndrome."[9] The Army had to mobilize all available strength in order to conduct the war, but the failure also brought a sharp decline in its political influence–so now the state flatly refuses to provide resources to compensate for the waste (Lambeth, 1995). The military reform, which had been overdue even before the war, has become an imperative for the very survival of the Army–but currently in the Kremlin there is no political will to push forward a comprehensive project, and in the state budget there is no money to finance even a modest downsizing (Kokoshin, 1996).

The bottom line is that Russia can no longer rely on its ability to project power since the military component of this power (which traditionally was the most useful and used instrument) is broken beyond repair. Therefore, the pattern of military involvement in the Caucasus and Central Asia is unsustainable, and a new round of troop withdrawals is forthcoming (Baev, 1997b). Another side of the same problem is that the neighbors' perceptions of Russia as the dominant and omnipotent military power have visibly changed, so their security calculations are now more flexible and independent.

One of the sources of the war quite obviously was the inability of the central government in Moscow to design and

implement a sound federal policy for such a turbulent area as the North Caucasus (Hill, 1995). Against many expectations, the war did not spill over from Chechnya (in fact, it did not spread through its whole territory, yet many new seeds of instability were planted). The ending of the war did not immediately ease the tensions inside this region; on the contrary, new political demands for the split of Kabardino-Balkaria, the pressure from the Terek Cossacks for taking Naursky and Shelkovsky districts out of Chechnya and returning them to Stavropol *kray*, the crime-related bombings and assassinations in Daghestan–all confirmed that major factors of instability were at work. Moscow still has nothing resembling a coherent approach to the complex problems in this region. It is also unable to invest significant financial resources in stabilization projects, and nobody in the Kremlin so far has produced any idea of how to solve the problem of the status of Chechnya, which according to the peace settlement has been postponed until autumn 2001.[10] One quite safe assumption here is that Moscow's uncertain control over and reduced military presence in the North Caucasus will affect Russia's relations with the three Transcaucasian states.

The beginning of the Chechen War had produced a rather varied impact here. Russia's relations with Azerbaijan had visibly deteriorated, and the border between the two states was closed from the Russian side for long periods of time (despite objections from Daghestan) which caused significant economic damage to Azerbaijan and slowed down the implementation of several oil-related projects. Georgia, on the contrary, was the only CIS state that openly supported Russia's intervention, though the real issue here was not Chechnya but Abkhazia. Eduard Shevardnadze perhaps assumed that the war would break the link between Abkhazia and Chechnya and also create a precedent for a "military solution" of a secession-type problem. Therefore, he was keen to develop military cooperation with Russia, seeking to build a military force capable of performing a blitzkrieg. Armenia was also in favor of keeping Russian troops on its territory, seeing them as a security guarantee against possible new escalation in

Nagorno, Karabakh. The ending of hostilities in Chechnya has hardly brought any improvement in Russian-Azerbaijanian relations, but Georgia has turned quite disappointed with Russia's ambivalence towards Abkhazia and quite annoyed with Russian military bases on its territory. It seems only to be a matter of time (and perhaps rather short time) when Shevardnadze will feel himself confident enough to demand the withdrawal of both Russian bases and Russian peacekeepers, and this would put under question Russian military presence in Armenia as well.

As for Central Asia, the on-going conflict in Tajikistan for Moscow was overshadowed by the Chechen War, but much less so for Alma-Ata, Bishkek, and Tashkent. The leaders of these three states remained careful to avoid any interference in "Caucasian" affairs, but Russia's military defeat in Chechnya confirmed their growing suspicion that the "peacekeeping" operation in Tajikistan could soon be discontinued. Disillusionment in Russia's ability to project power in the region and to act as a stabilizing force has led to skepticism about security cooperation in the CIS.[11] This was best illustrated by Uzbekistan's flat refusal to accept another Russian general as the Chief of the CIS Military Coordination Staff in late October 1996. The Uzbek leadership certainly has reasons to perceive Russia's agreements on "deeper integration" with Kazakhstan and Kyrgyzstan (signed in early 1996 but not much elaborated during the first year) as preparation of a "retreat position" for withdrawal from Tajikistan.

In general, the Chechen War has greatly accelerated (though by no means caused) the erosion of Russia's military power which traditionally–well before the Bolshevik revolution–was the main instrument of keeping this huge state together and spreading influence beyond its borders. It means that Russia now must consider other elements of power in meeting the security challenges coming from and exploiting the opportunities emerging in the Caucasus and Central Asia.

Economic Transformations and Regional Developments.

Of all the new features in Russia's foreign policy of President Yeltsin's second term (whether he will make it or not), the rapid increase of economic interests and steady growth of regional interactions produce the strongest overall impact. These two phenomena are partly overlapping and bring a variety of interplays; the Caucasus and Central Asia show many differences in this respect. One common effect is the general diversification and decentralization of foreign policy which objectively undermines the efforts of Foreign Minister Primakov to consolidate control.

In the economic sphere, one issue that now dominates the agenda and actually brings the Caucasus and Central Asia closer together is the Caspian Sea oil (Razuvaev, 1996). The two key states with tremendous oil resources in their land and territorial shelf are Azerbaijan and Kazakhstan, and Russia currently pursues quite different policies towards them. Kazakhstan launched its projects for development of the Tengiz oil field as early as 1992, and Russia initially demonstrated a quite sanguine attitude while efficiently building obstacles for any practical developments, particularly as far as oil transportation through its pipelines was concerned (Roberts, 1996). During 1996, two important changes were achieved by Moscow: a new framework for political cooperation with Alma-Ata was fixed (as a part of the quadruple agreement among Russia, Belarus, Kazakhstan, and Kyrgyzstan), and Russian oil companies secured for themselves a much better share in the oil development projects and in the transportation arrangements.

The situation with Azerbaijan appears to be much more controversial. Baku had finalized its oil projects with the International Consortium only by autumn 1994, just a few weeks before the Chechen War started.[12] Russia took a highly ambivalent attitude to this "deal," issuing a series of official protests but also participating through its oil

companies (LUKOil is the champion) in the activities of the consortium. After bitter quarreling, a compromise decision was reached in autumn 1995 regarding the transportation of Azerbaijan's "early oil," which by late 1997 should start to flow through two pipelines: Southern (going via Georgia to Poti) and Northern (via Daghestan, Chechnya, Stavropol, and Krasnodar *kray* to Novorossiisk).[13] Immediately after setting the peace accord with Chechnya, Russian officials rushed to Grozny in order to iron out the technicalities concerning the functioning of the Northern pipeline, but the chances for securing a stable oil transit through Chechnya seem rather slim.

What seems more possible in this situation is Russia's attempts to play Kazakhstan against Azerbaijan, by giving priority to development of the Tengiz oilfield and slowing down the implementation of Baku's oil projects. Nursultan Nazarbaev, President of Kazakhstan, visiting Azerbaijan and Georgia in mid-September 1996, sought to build a common ground vis-à-vis Russia, but Moscow will continue to keep some key levers in its hands.[14] It remains quite feasible for Russia to instrumentalize the conflicts in Nagorno Karabakh and Abkhazia in order to block completely all alternative ways for transportation of the Azerbaijanian oil (particularly since Iran is a non-option for the International Consortium).

Russia's non-oil economic interests in both the Caucasus and Central Asia are quite obviously in decline. The three Transcaucasian states used to be extremely dependent on economic links with Russia and so suffered from an unprecedented crisis in 1992-93 (Georgia's GDP by 1995 shriveled to about one-tenth of its size in 1989). In 1995 and particularly in 1996, they all saw the beginning of economic recovery to which the stabilization of national currencies (with the help of the IMF loans) contributed greatly. And all three now see the perspectives for stable economic growth primarily in expanding interactions with the West and Turkey, but not with Russia which continues to sink into a prolonged economic depression. As for Central Asia, the economic trends in this region vary significantly, but

numerous agreements on cooperation with Russia have hardly brought any noticeable fruit.[15]

Regional developments are a phenomena which are rapidly transforming the whole political landscape of Russia.[16] The redistribution of political and economic powers from Moscow to the republics and *oblasts* was further accelerated by the regional elections in autumn 1996-winter 1997, which have provided for consolidation of many local elites. In the Caucasus, regional factors in 1992 already played an important role in framing Russia's policy. Thus, Russia's readiness to launch a peacekeeping operation in South Ossetia was determined by the links between this rebellious Georgian province and North Ossetia, which is a part of the Russian Federation. The conflict in Abkhazia involved thousands of volunteers from the republics of the North Caucasus (first of all Chechnya) and Russia did very little to stop them from defeating Georgian troops. According to Ruslan Aushev, President of Ingushetia, one of the key arguments for the decision to invade Chechnya was a letter to President Yeltsin from the leaders of seven regions in the North Caucasus in November 1994.[17]

At present, Moscow is no longer able to buy loyalty of the regional leaders by generous budget subsidies and taxation privileges (federal taxes are simply not paid). Nor can it rely on military muscle which could hardly be rebuilt anytime soon after the debilitating defeat.[18] Moscow will perhaps continue to give priority to relations with North Ossetia which has become its key strategic ally in the region. It could also try to play on various controversies between the regional leaders in order to prevent revitalization of the Organization of Caucasian Peoples with its straightforward anti-Moscow course. What also seems possible is a new priority to building various Cossack organizations (including para-military) which are expected to protect the Russian population against "Caucasian" threats, although the controllability of the Cossacks is quite problematic.

As far as Central Asia is concerned, it is only Kazakhstan where regional factors play a significant role. Southern

Siberian and Southern Urals regions of Russia traditionally are involved in extensive cross-border contacts with regions of Northern Kazakhstan populated mostly by ethnic Russians and other "Russian-speakers." The national policy of Kazakh leadership (while rather cautious and pragmatic) leads to increasing migration of the Russian population, which more and more perceives itself as a discriminated minority, and gradual building of ethnic tensions.[19] This leads to the growth of irritation and even hostility towards Kazakhstan in the neighboring Russian regions. The appointment of Aman Tuleev, former leader of the Kemerovo *oblast*, as Minister for the CIS Affairs could make Moscow more attentive to these regional attitudes. Again, it could be the Cossack organizations both in South Siberia and Northern Kazakhstan that spearhead the trouble for which the social base already has been created.

In general, the combination of oil-related economic interests and regional developments creates some new opportunities for Russian foreign policy in the Caucasus and Central Asia but also brings new challenges and risks for which Russia is not particularly well-prepared.

Challenges and Opportunities for Tomorrow.

The internal political situation in Russia itself generates the most serious risks for the state, but the challenges coming from the south could overlap and create new instabilities with disproportional resonance. There are also a few misperceptions about these challenges that need to be clarified.

The first one concerns an "Islamic threat" which Russia allegedly is facing on its southern borders. It is quite commonly referred to in broad "Huntingtonian" terms but sometimes "Islamic" arguments are specifically applied to the "peacekeeping" in Tajikistan as well as to the war in Chechnya. Indeed, some groupings of the Tajik opposition attempt to exploit Islamic slogans, and some figures in the present Chechen leadership (including former President Yandarbiev) proclaim adherence to the Islamic values, but

neither case constitutes a real ideological campaign with significant public support. On the other hand, the apparent growth of Islamic culture in many newly independent states and in Russia itself (Daghestan, Tatarstan) has nothing to do with fundamentalism or extremism and is rather related to new identity-building. In fact, if Islamic movements could possibly constitute a political threat to anybody, it is rather to the present regimes in such states as Azerbaijan or Uzbekistan which could then push them to closer cooperation with Moscow (Malashenko, 1993). One evidence of that was the emergency meeting of Central Asian leaders and the Russian Prime Minister on October 4, 1996, in Alma-Ata to discuss the situation in Afghanistan after the major offensive of the Taliban, which is often perceived as an embodiment of the "Islamic threat." Still, Moscow's efforts to consolidate its leadership and forge a common "front" against this "threat" has so far paid a meager dividend; Turkmen President Niyazov, for instance, quite successfully maintains a bilateral peace accord with the Taliban.

A different geopolitical (as well as "civilizational") argument postulates an inevitable clash between Russian and Turkish interests in Central Asia and the Caucasus. For such a distinguished persona in the Russian political arena as Vladimir Zhirinovsky, the "Turkish threat" is obviously a personal obsession,[20] but many (otherwise quite sane) strategic analysts switch instantly to such categories as "eternal hostility" or "creeping aggression" when dealing with Turkey. Perhaps in 1992 some politicians in Ankara expressed certain "Pan-Turcic" ambitions and several corresponding political projects were indeed launched, but by 1995-96 the limits of Turkey's abilities and resources were well-recognized (Olcott, 1996, pp. 26-27). Turkey also maintained some links with the Chechen separatists, but their victory by no means could be attributed to the Turkish support (in fact, very cautious and reserved). There are quite sharp controversies between Moscow and Ankara concerning the oil pipelines (as well as the tanker traffic through the Bosphorus), but they need not be interpreted in geopolitical terms. In general, Turkey in the near future will

probably remain too internally troubled, particularly by the triangular confrontation among the Islamists, the military, and the Kurds, to constitute anything like a fundamental threat to Russia.

Another misperception involves Russia's concerns (often loudly proclaimed) about the fate of ethnic Russians and other "Russian-speakers" in the Caucasus and Central Asia. To start with, none of the three Transcaucasian states has a significant Russian community, and all those who were interested and able to move to Russia have already done so. Several Central Asian states indeed have rather numerous Russian populations (Uzbekistan in 1989 had 1.65 million Russians and Kyrgyzstan about 900,000), but Moscow demonstrates remarkable indifference to their problems.[21] It is widely expected that sooner or later Russians will move out of Central Asia (as they have hit the road from Tajikistan) and, taking into consideration the negative natural growth of its population, Russia could even be interested in receiving this migration. The only state where the status of ethnic Russians is a potentially explosive problem is Kazakhstan, but Russia hardly is taking sufficient measures to defuse this mine.[22]

There is also a perception that Russian oil companies are involved in a deadly struggle with Western oil corporations for the development of the Caspian Sea oil, which hardly corresponds with reality. There is a certain amount of competition, but generally LUKOil and other Russian companies are only trying to secure their share in joint projects where the participation of Western partners is crucial for capital investment and delivery of modern technology. In fact, it is in the oil development and transportation where Russia has the most promising opportunities for increasing its influence in both regions, but an efficient "oil diplomacy" will require much better coordination and fine-tuning than it currently has. And the remarkably quick construction of the gas pipeline linking Turkmenistan with Iran (after a railway connection was opened in 1995) is a reminder that some opportunities could be lost if not taken quickly.

All this does not mean that Russia is not facing any real security challenges from the South. Perhaps the most urgent ones are the challenges of two military retreats: from Tajikistan and from Georgia. The dead-end of Russian military intervention in Tajikistan became visible perhaps as early as the summer of 1993, when a border post on the Tajik-Afghan border was assaulted and destroyed, leaving some 30 Russian soldiers dead. The attempted solution was to beef up the 201st Motor Rifle Division and to arrange a burden-sharing effort with the Central Asian states inside the CIS. The first part of that solution was indeed implemented (the division had the strength of about 18,000 by summer 1994), but the second part failed completely–so there was no solution. The disaster of the Chechen War and the rapidly increasing debilitation of the Russian Army have left the division with only 10,000 men and with very limited capability for backing the Border Troops. And all the discussions about the military cooperation among the Central Asian states (most recently focused on the so-called "Centrasbat" with a peacekeeping profile) have so far borne very little fruit (Kasenov, 1997). The internal situation in Tajikistan shows limited progress towards stabilization; hostilities now involve not only the opposition groupings based in Gorny Badakhshan and Afghanistan but also various factions inside the ruling coalition.[23] The hostage drama in February 1997 which involved U.N. observers was just another indication that normalization is nowhere close. While Russia insists that its political commitment to Tajikistan remains solid, the severe shortage of military resources makes the "peacekeeping" unsustainable–but withdrawal will be an extremely difficult operation. One way to proceed could be to redeploy the 201st Division to Kyrgyzstan, which is obviously interested in Russian security guarantees. Retreat from Tajikistan could also make Kazakhstan more interested in practical military cooperation with Russia, particularly due to recent unrest in the neighboring Xinjiang region of China.

The withdrawal from Georgia does not seem to be impending. Indeed, Eduard Shevardnadze was the only CIS leader who openly and unequivocally supported the Russian

invasion of Chechnya (Shevardnadze, 1995). Behind the scenes of that war, Russia managed to finalize the agreements concerning its three military bases and the status of Border Troops in Georgia. It is no secret that the real issue here was Abkhazia–a conflict which Shevardnadze is determined to resolve, if possible, by political means, but if necessary, by force. By 1997, the Georgian leadership has become quite disappointed in cooperation with Russia, which has been unable to put real pressure on the Abkhazians and has done very little in modernizing and training of the Georgian Army. Russian troops are perceived now primarily as an unwanted reminder of the crisis of autumn 1993 when Georgia was on the brink of complete disintegration. Following the elections in the autumn of 1995, the ruling elite successfully consolidated its positions and has become irritated by the Russian military presence. The decision to denounce the military agreements and to demand the withdrawal of Russian troops is politically well-prepared and depends only on developments around Abkhazia. In summer 1996, a series of assertive statements and military maneuvers indicated that the Georgian leadership was moving closer to a military solution, but the end of the Chechen War brings back the possibility of defeat, since thousands of seasoned fighters could arrive quickly enough to repel a Georgian *blitzkrieg*. Whatever line of thinking would prevail in Tbilisi, few opportunities are left for Russia to maintain its military presence–and the withdrawal (while technically not that difficult) would leave it with very little political influence in the Transcaucasus.[24]

Chechnya will certainly remain a major security challenge to Russia–and not only because of the unresolved issue of its status but much more because of the permanent risks of destabilization. While the elections in Chechnya in January 1997 could lead to internal reconciliation around the moderate leadership, they could also become a part of the problem, leaving such extremist leaders as Shamil Basaev disappointed and their supporters in the mountain villages alienated against the "collaborationist" lowland districts (Yakov, 1997). This traumatized and heavily armed

society could easily slip back into the chaos of the summer of 1994 with a spill-over into neighboring regions. And in Moscow one can hardly find any strong inclination to draw political or military lessons from that disaster; so the learning curve remains fairly shallow.

A potential security challenge of tremendous proportions is internal unrest in Kazakhstan, which could lead to the disintegration of this problematic state along ethnic lines. There are few obvious current indicators warning about such a development, but the political trajectory of Kazakhstan is determined by a single factor: the balanced course of President Nazarbaev, who single-handedly keeps in check numerous clashes and conflicts–and such political systems are unstable by definition. While Russia is poorly prepared to engage this looming challenge, it well could try to take advantage of it and secure its oil interests, which would mean advancing into several predominantly Kazakh-populated regions. A common political sense tells that Russia's ill-preparedness should warn against attempts to provoke and instigate a crisis in Kazakhstan, but the quality of leadership in Moscow at present is such that the common sense approach often comes at the bottom of the list of possible actions.

In general, Russia's space for maneuver in the Caucasus and Central Asia is becoming more limited as the states in these regions assert their independence and as the resource base for Russia's own policy is diminishing. A number of security challenges in these regions are currently of such a scale that Russia faces the necessity of strategic retreat, first of all as far as military presence is concerned. At the same time, the political pressure in Moscow to conduct a more pro-active course remains high and the highly complicated process of succession to Boris Yeltsin further increases the possibility of unbalanced, poorly thought through, and incomprehensible actions.

ENDNOTES

1. This paper builds on the analysis presented in my book (Baev, 1996) (see the References section that follows these endnotes beginning

on p. 21) and in several recent publications focused on Russia's policies in the Caucasus (Baev, 1997a) and on Russia's experience in conflict management and peacekeeping (Baev, 1997b).

2. Colonel Petrovsky from the General Staff told about several alarm-setting memorandums in autumn 1991 in which the experts from the General Staff predicted the eruption of armed conflicts in the Caucasus in case of the dissolution of the USSR and argued for urgent withdrawal of armaments from the region ("Where the Arms," 1993).

3. For a good background on that conflict see Chapter 8 in Valery Tishkov's recent book (Tishkov, 1997). He was the Head of the Russian State Committee on Nationalities and resigned in October 1992 in protest over the biased federal policy in the Ingush-Ossetian conflict.

4. A different interpretation is also possible: Moscow's decision to support the Leninabadis and the Kulyabis was also an important nail in the coffin of the romantic Westernizing interlude in Russian foreign policy (Neumann and Solodovnik, 1996, p. 91).

5. His last attempt to warn the world about the evils of Russian "neo-imperialism" was the famous speech at the CSCE Ministerial meeting in Stockholm in December 1992 (Safire, 1992). In a matter of weeks, Kozyrev turned into an ardent supporter of a new self-assertive policy.

6. Suzanne Crow deserves credit for an early diagnosis (Crow, 1993) as well as for further elaboration (Crow, 1994). The most ambitious analytical blueprint produced in Moscow is Migranyan (1994).

7. For an accurate description of internal developments in Georgia, see Aves (1996).

8. I analyzed this military pragmatism in much detail in Baev (1994).

9. A good account of the performance of the Russian military in Chechnya can be found in Novichkov, *et. al.* (1995). My analysis, focused on the role of the air force, is in Baev (1997c).

10. Yeltsin's directive from mid-February 1997 concerning relations with Chechnya was more a reminder that he still was in charge than a guideline for settling the problem.

11. It is hardly possible any longer to refer to "the irreducible reality of preponderant Russian power" (Menon, 1995, p. 150).

12. Many analysts are inclined to make a casual link here. See Holoboff (1995).

13. I am indebted to Willy H. Olsen, Project Director, STATOIL, for several enlightening discussions of related problems.

14. The ideas about a "transit corridor" could seem quite attractive, but in reality Russia not only has the only functional oil terminal in Novorossiisk, but effectively controls the main transport routes for delivery of heavy drilling and other machinery to both regions.

15. An accurate overview can be found in Shireen Hunter's recent book, particularly in Chapter 4 on "Economic Revitalization and Reform" (Hunter, 1996).

16. One of the best perspectives on this phenomenon is the voluminous anthology *Post-Soviet Puzzles*, produced by the *Stiftung Wissenschaft und Politik* (Segbers and De Spiegeleire, 1995). See particularly Volume 2 on "Emerging Geopolitical and Territorial Units."

17. That letter, signed by the leaders of four republics (Adydey, Kabardino-Balkaria, Karachaevo-Cherkessia, and North Ossetia) and three regions (Krasnodar, Rostov, and Stavropol *kray*), proposed to "restore the constitutional order" in Chechnya. See *Izvestia*, December 10, 1996.

18. Thus, the 205th Army Brigade after withdrawal from Chechnya in December 1996 was stationed in bare steppes outside Budennovsk, Stavropol *kray*, and went through a sharp decline in combat readiness (Gritchin, 1996).

19. See Chapter 8 in a highly informative book produced by the Institute of Ethnology and Anthropology, Moscow (Tishkov, 1996).

20. In a recent article, Zhirinovsky (1996) argued that it was downright stupid to go into hysterics about NATO enlargement when the real threat was the Turkish expansion, for which Chechnya had been a spearhead.

21. The agreement with Turkmenistan on dual citizenship was achieved in December 1993, but Moscow essentially wanted to create a precedent and was not particularly interested in the well-being of the 300,000 Russians residing there.

22. For a solid analysis, see Kolstoe (1995, pp. 244-258).

23. Thus, in January 1997, Colonel Khudoiberduev attacked Tursunzade with his "special brigade" in order to take control over the

aluminum plant which produces some 200,000 tons of aluminum a year (though it is only 40 percent of its capacity) for export. See Shermatova (1997).

24. A clear symptom of Russia's growing uncertainty about its positions was the nervous reaction concerning NATO Secretary General Solana's visit to Armenia, Azerbaijan, and Georgia in February 1997.

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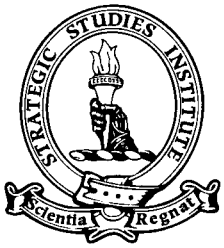
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