RUSSIA VS GEORGIA: THE FALLOUT

Europe Report N°195 – 22 August 2008

International Crisis Group
WORKING TO PREVENT CONFLICT WORLDWIDE

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EXECUTIVE SUMMARY AND RECOMMENDATIONS

The Russia-Georgia conflict has transformed the contemporary geopolitical world, with large consequences for peace and security in Europe and beyond. Moscow's initial moves into South Ossetia as large-scale violence broke out there on 7-8 August were in part a response to a disastrous miscalculation by a Georgian leadership that was impatient with gradual confidence building and a Russian-dominated negotiations process. But Russia's disproportionate counter-attack, with movement of large forces into Abkhazia and deep into Georgia, accompanied by the widespread destruction of economic infrastructure, damage to the economy and disruption of communications and movement between different regions of the country, constitutes a dramatic shift in Russian-Western relations. It has undermined regional stability and security; threatened energy corridors that are vital for Europe; made claims with respect to ethnic Russians and other minorities that could be used to destabilise other parts of the former Soviet Union, with Ukraine a potential target; and shown disregard for international law.

Russian actions reflected deeper factors, including pushback against the decade-long eastward expansion of the NATO alliance, anger over issues ranging from the independence of Kosovo to the placement of missile defence systems in Europe, an assertion of a concept of limited sovereignty for former Soviet states and a newfound confidence and aggressiveness in foreign affairs that is intimately linked with the personality and world view of Russia's predominant leader, Prime Minister Vladimir Putin.

Georgia, too, has mishandled its relationships with Russia, South Ossetia and Abkhazia since 2004, abandoning real confidence building and often following confrontational policies towards the conflict regions. With patience it might have demonstrated that the regions would be better served by enjoying extensive autonomy within an increasingly prosperous and democratising Georgia. Instead, President Mikheil Saakashvili and a small inner circle of bellicose officials used menacing and arrogant rhetoric that made the dispute with Moscow and the conflict regions bitter and personal. All sides bear responsibility for the humanitarian consequences of the violence, as tens of thousands of civilians in South Ossetia, Abkhazia and the rest of Georgia have been displaced amid disturbing reports of atrocities.

Western nations must eschew the worst of the Cold War mentality that would further isolate Russia, but engagement, as UK Foreign Secretary David Miliband has put it, has to be "hard-headed". Russia cannot be allowed to maintain a military force in Georgia except as part of an international peacekeeping mission with non-Russian command, with a clear and mutually acceptable mandate in South Ossetia and Abkhazia. The ceasefire signed on 15-16 August must be respected, and Russian troops must return promptly to the positions they held on 7 August, honouring the spirit of a loosely worded agreement. International monitors should be deployed in Georgia proper to observe Russian withdrawal and return of displaced persons (IDPs) and then serve as an interim measure to help maintain the ceasefire in South Ossetia and Abkhazia until a peacekeeping mission can be created.

Russian participation is probably necessary as a practical matter in the peacekeeping mission, although serious questions should be raised about the motives of the Russian forces that Moscow describes as peacekeepers. Command and composition should be genuinely international. All Georgian and Ossetian civilians displaced since 7 August need to be immediately allowed to return to their homes. The Russians and Georgians should agree to and cooperate with investigations to establish responsibility for human rights abuses during the conflict, including by the International Criminal Court (ICC) and perhaps the Organization for Security and Co-operation in Europe (OSCE).

None of this will be easy or even possible without a combination of significant pressures and pragmatic incentives to gain essential Russian approval. Moscow must be made to understand the advantages for its prestige, power and economy of being a partner in ensuring security in Europe rather than an outlier, subject to threats of exclusion from such institutions as the G8 and World Trade Organization (WTO).

The crisis also reflects serious mistakes by the U.S. and the European Union (EU) in Georgia since 2004, most significantly failing to adequately press President Saakashvili to abandon a quick-fix approach toward restoring Georgian control over South Ossetia and Abkhazia. The Georgian army was trained and sold weapons without ensuring that these would not be used to recover the conflict territories, and Russia's anger over these actions and other perceived post-Cold War slights was misread. Instead of concentrating on democratic institutions and rule of law, the U.S. too often focused its support on Saakashvili personally, even as he engaged in reckless and authoritarian behaviour. As the long-frozen conflicts in South Ossetia and Abkhazia began to heat up, Georgia's partners did too little to encourage it to engage more substantially in confidence building and dialogue with the de facto authorities and Russia.

With regard to NATO, the division evident at its Bucharest Summit in April 2008 on whether to approve a membership action plan (MAP) for Georgia has been exacerbated. Those countries, led by the U.S., who support Georgia's accession are pointing to the Russian attacks as clear proof that Georgia needs the protection of NATO security guarantees; those that oppose it believe that NATO dodged a bullet by not committing itself to go to war against Russia in defence of a capricious and reckless government in Tbilisi. A decision on MAP or membership status should not be taken in the heat of the current crisis. It will be difficult to finally resolve the membership issue, in relation to both Georgia and other potential members, without addressing the larger question of NATO's future role as a security organisation.

At the broader level, the crisis raises significant questions about the capacity of the EU, the UN and NATO to address fundamental issues. While European leaders stepped forward to achieve the ceasefire agreement, their inability to put forward a forceful response to the Russian action reflects a lowest common denominator approach that discourages stronger and more innovative policies. Similarly, the UN Security Council, divided by whether to include references to Georgia's territorial integrity in either a resolution or statement, has issued nothing on the conflict since it began to boil over on 7 August. In an unhappy reminder of the Cold War years, the conflict has called into question the Council's capacity to address any issue over which P-5 members have significantly different interests. And in the process of seeking justification for its actions, Russia has also misstated and distorted the UN-approved principle of "responsibility to protect".

RECOMMENDATIONS

To the Russian and Georgian Governments and the De Facto South Ossetian and Abkhazian Authorities:

1. Implement immediately and fully the six-point ceasefire agreement signed on 15-16 August 2008.
2. Assist monitoring of compliance by a strengthened OSCE Georgia Mission, with full freedom of movement throughout the country, until a more permanent and substantial international peacekeeping mission can be authorised and deployed.
3. Allow and support the immediate return of all newly displaced persons and refugees to their homes, provide unrestricted access for humanitarian aid, facilitate the exchange of prisoners and detainees, halt belligerent rhetoric and the issuing of false press reports, assist with the determination of the fate of the missing and cooperate with the International Committee of the Red Cross (ICRC) and humanitarian airlifts, as well as with the International Criminal Court (ICC) and other investigating authorities.

To the Russian Government:

4. Withdraw all military and related personnel from Georgia, except initially for the numbers authorised as peacekeepers before 7 August 2008 in South Ossetia and Abkhazia, and subsequently for any who are entitled to serve in an international peacekeeping mission in South Ossetia and Abkhazia that may be authorised by the UN Security Council.

To the De Facto South Ossetian and Abkhazian Authorities:

5. Halt and desist from violence against ethnic Georgians, destruction of property or forced displacement.

To the Georgian Government:

6. Sign a non-resumption of hostilities agreement with the de facto authorities of South Ossetia and Abkhazia.
7. Pursue and consistently implement without status preconditions measures to gradually build confidence with South Ossetians and Abkhaz, including by providing full protection to South Ossetian and Abkhaz minorities throughout Georgia.

To the Member States of the UN Security Council:

8. Negotiate rapidly a resolution that:

   a) acknowledges and welcomes the ceasefire signed 15-16 August 2008 and addresses the territorial integrity issues by confirming that it does not affect the legal situation that existed in the concerned area on 7 August 2008;

   b) welcomes the dispatch of observers to serve as interim monitors of the ceasefire;

   c) authorises for an initial period of one year the formation and operation of a peacekeeping mission, which may be, as appears most practical and expeditious, either a traditional UN mission or the mission of another appropriate international institution such as the OSCE, and is commanded on the military side by a senior soldier from outside the region and on the political side by a senior diplomat from outside the region. Russian participation in such a mission should be fully integrated into the international command structure and not form a separate force within the main force. This force should be mandated to:

      i. ensure respect for the ceasefire signed on 15-16 August 2008;
      ii. offer such assistance as may be deemed useful by the de facto South Ossetian and Abkhazian authorities to develop their institutions; and
      iii. encourage contacts between the Georgian government, Georgian institutions and individuals and the de facto authorities of South Ossetia and Abkhazia, their institutions and individuals; and

   d) establishes a forum in which the concerned parties, facilitated by the UN, as well as interested neighbouring states and international organisations such as the OSCE and EU, can urgently explore practical measures to improve the humanitarian and economic situation, as well as the possibility of more far-reaching political measures to achieve, ultimately, a resolution of the underlying problems that have produced conflict between Georgians, South Ossetians and Abkhazians, including regarding status.

9. Request that the Secretary-General, after consultations with all parties to the conflict and with relevant international organisations such as the OSCE, appoint an independent panel to conduct an investigation documenting August events in South Ossetia and Abkhazia as well as other parts of Georgia in which Russian forces established temporary presence. The purpose of the investigation should be to provide an accurate and complete accounting of what occurred in order to promote reconciliation and make it possible to ensure future accountability for any atrocity crimes.

To the European Union and its Member States:

10. Organise an emergency donors conference, in coordination with the international financial institutions (IFIs) and bilateral donors, for the purpose of obtaining funds to assist the repair of war damage in the affected areas and support economic stability.

11. Rapidly send interim observers to monitor the ceasefire as part of the OSCE mission, reinforce the office of the European Union Special Representative (EUSR) and the Border Support Team (BST) and take the necessary measures to dispatch a European Security and Defence Policy (ESDP) team to assist in a peacekeeping mission authorised by the UN Security Council.

To NATO and its Member States:

12. Do not seek to resolve Georgia's MAP or membership status until the present crisis has cooled. Consider other appropriate means of satisfying Georgia's legitimate security concerns pending any progress on its NATO application.

To European Union and NATO Member States:

13. Advise Russia at the most senior level that if it cooperates in implementing and maintaining the ceasefire signed on 15-16 August 2008 and negotiating and implementing the UN Security Council resolution described above, they are prepared to explore common security interests on a wide range of global issues, including possible ways to bridge differences with respect to Georgia's relationship to NATO, the expressed Russian interest to consider whether there might be some utility in a forum to draft a new instrument on aspects of European security and otherwise generally to deepen dialogue and cooperation.

14. Advise Russia at the most senior level that if it does not cooperate in implementing and maintaining the ceasefire signed on 15-16 August 2008 and negotiating and implementing the Security Council resolution described above, they are prepared to adjust relations accordingly, including to:

a) suspend further consideration of Russia's membership in the World Trade Organization (WTO) and its participation in the activities of the G8; and

b) request through national committees the International Olympic Committee (IOC) to seek assurances from Russia that appropriate international cooperation is in place with respect to Abkhazia by 1 January 2009, so that there can be confidence the 2014 Winter Games will be prepared adequately and conducted safely and there is no need to review the decision to award those Games to Sochi.

15. Advise Georgia at the most senior level that if it cooperates in implementing and maintaining the ceasefire signed on 15-16 August 2008 and works constructively with regard to the processes to be set in motion by the Security Council resolution described above, every effort will be made to increase aid appropriate to the needs for reconstruction of the economy and infrastructure and to facilitate its EU integration.

Tbilisi/Brussels, 22 August 2008

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I. CHRONOLOGY OF THE VIOLENCE

Close to midnight on 7 August 2008, a senior Georgian military official announced that Tbilisi had decided to restore "constitutional order" in South Ossetia.[1] The Georgians had declared a unilateral ceasefire several hours earlier, after another day of fighting between Georgian and Ossetian forces in and around the region's capital, Tskhinvali. But Georgia's defence ministry said South Ossetian militias had nevertheless continued into the evening to heavily shell Georgian villages and positions. By 1:00am on 8 August, Georgian troops had launched a large-scale military offensive on Tskhinvali, supported by artillery, and advanced quickly.

At approximately 1:30am, tank columns of the Russian 58th Army started crossing into Georgia from the Roki tunnel separating North and South Ossetia.[2] Apparently, the Russians had anticipated, if they did not actually entice, the Georgian move.

Prior to these opening events of 7-8 August, the security situation in South Ossetia had deteriorated sharply. In July, four Georgian soldiers serving in the Joint Peacekeeping Force (JPKF) [3] were detained by the South Ossetian de facto authorities.[4] They were released after an ultimatum by Georgian President Mikheil Saakashvili, but shortly thereafter, Russian warplanes flew over Georgian territory in an open warning to Tbilisi.[5] The South Ossetians and Georgians reinforced their forces and weaponry in the zone of conflict, in violation of ceasefire agreements.[6]

In the past months, Russia also had been bolstering its position in both South Ossetia and Abkhazia.[7] Starting in March, talk of war – an attack on the southern part of Abkhazia – had been rife in Tbilisi. A senior European diplomat said that U.S., German and European

[1] "'Georgia decided to restore constitutional order in S.Ossetia' – MoD official", Civil Georgia, 8 August 2008, available at http://civil.ge/eng/article.php?id=18941&search.

[2] "Russian military hardware is moving towards Roki tunnel", Ossetian Radio and TV website, 8 August 2008, 1:27am, available at www.osradio.ru; and "'Hundreds' of fighters infiltrate into S.Ossetia from Russia – Georgia says", Civil Georgia, 8 August 2008, available at http://civil.ge/eng/article.php?id=18943&search.

[3] The June 1992 "Agreement on the Principles of the Settlement of the Georgian-Ossetian Conflict between Georgia and Russia" (also "Sochi agreement") produced a ceasefire and created the Joint Peacekeeping Forces (JPKF) and a Joint Control Commission (JCC). The trilateral JPKF, with Georgian, Russian and Ossetian units, was mandated to restore peace and maintain law and order in the zone of conflict and security corridor, as well as in districts and villages not in the zone of conflict. A common misperception is that the JPKF is quadrilateral, including both South and North Ossetian sides, but there is only one Ossetian battalion. It is under the command of a North Ossetian officer, but most troops as well as officers are from the South Ossetian militia. For detailed background on the history of the South Ossetia conflict, including the JPKF and JCC, see Crisis Group Europe Reports N°183, *Georgia's South Ossetia Conflict: Make Haste Slowly*, 7 June 2007; and N°159, *Georgia: Avoiding War in South Ossetia*, 26 November 2004.

[4] "Tbilisi confirms four soldiers held in S.Ossetia", Civil Georgia, 8 July 2008, available at http://civil.ge/eng/article.php?id=18721&search.

[5] As early as April 2008, there were increasingly frequent shootouts, mortar attacks, car bombings and other violent incidents between the Georgian and South Ossetian forces. Amid reports Georgia had planned an operation to rescue the detained peacekeepers, Russian fighter jets (four in total, according to the Georgian defence ministry) briefly flew over sovereign Georgian airspace in South Ossetia on the evening of 8 July, in what appeared to be an attempt to test both Georgian and, more importantly, Western reaction, but which Moscow said was an effort to "cool hot heads in Tbilisi and to prevent a military scenario from unfolding". "Russian MFA information and press department commentary concerning the situation in South Ossetia", 10 July 2008, available at www.un.int/russia/new/MainRoot/docs/off_news/100708/newen3.htm.

[6] In addition to its 500 peacekeepers in the region, Georgia also had military police there, and irregular forces were present in the approximately 30 per cent of South Ossetia that Georgia controlled. Both the Georgian and South Ossetian sides also had covert forces in the region.

[7] South Ossetia and Abkhazia are both internationally recognised as part of the Republic of Georgia. They fought bloody wars with Georgia in 1990-1992 and 1992-1993. With the signing of the Sochi and Moscow peace agreements, peacekeeping and negotiations formats were established which maintained stability but did not resolve the conflicts.

Union (EU) leaders had on repeated occasions talked Saakashvili out of launching an attack. Each conversation worked for "about two weeks", the official said.[8]

A South Ossetian told Crisis Group in late July that Russian advisers and military officers had recently arrived in the town of Java. They hired local Ossetians at salaries of €1,000 a month – huge by local standards – to help construct military buildings. Russia also sent extra "peacekeepers" into Abkhazia in April and army railway workers on 30 May. Georgia denounced these moves as illegal occupation. But in two months the railway crew repaired the rail link from Sukhumi to the city of Ochamchire which had been broken for years. Moscow insisted that was for "humanitarian" purposes, but only a few weeks later, at least a portion of the 9,000 Russian troops who went into Georgia via Abkhazia travelled with their hardware via the railway.[9]

On 1 August, five Georgian police were injured in car bombings in South Ossetia. That night, heavy fighting between Georgians and South Ossetians left six Ossetians dead and fifteen wounded in Tskhinvali, as well as seven casualties in ethnic Georgian villages. In the increasingly insecure environment, South Ossetian officials evacuated more than 800 people to North Ossetia, the Russian region across the border. International representatives expressed increasing concern about the violence.[10] On 6 August new hostilities left eighteen South Ossetians and two Georgian peacekeepers wounded.

More fighting broke out the following afternoon, 7 August, and President Saakashvili made an appeal for urgent negotiations. A senior U.S. diplomat, Assistant Secretary for European and Eurasian Affairs Daniel Fried, accused South Ossetia of instigating the crisis, urged Russia to restrain Tskhinvali and spoke optimistically about a new U.S.-Russian effort to encourage political dialogue.[11] Georgia announced a unilateral ceasefire, but at 10:15pm local time reported bombardments against all its positions near Tskhinvali. Soon thereafter, Fried received a call from the Georgian foreign minister, who told him her country was under attack and would have to respond.[12]

From 11:30pm on 7 August until mid-morning 8 August, Georgian artillery shelled Tskhinvali, eventually taking control of most of the city and several ethnic Ossetian villages. Georgia's small air force bombed Russian tank columns advancing through the Roki tunnel in an effort to slow their advance, but by the morning of 8 August, the tanks were engaging the Georgians in and around Tskhinvali. According to a Western military observer who visited the area on the afternoon of 8 August the Georgians withdrew their forces from inside Tskhinvali before a ceasefire between 3:00pm and 6:00pm. Clashes between Georgians, Russians and Ossetians continued, with the Georgians using artillery to shell Tskhinvali, where Russian and South Ossetian forces had taken up positions.[13] The Georgian military says it withdrew its last troops from all of South Ossetia at 5:00am on 11 August.[14]

To justify the Russian operation, Prime Minister Vladimir Putin accused Georgia of a "genocide" against Ossetians, and the Russians spoke of 1,500-2,000 dead in Tskhinvali.[15] Human Rights Watch sub-

[8] Crisis Group interview, senior European official, July 2008. The risks of any Georgian overreaction to Russian or local provocation were also emphasised in a nearly hour-long meeting between Crisis Group President Gareth Evans and President Saakashvili in Yalta on 11 July 2008.

[9] "Nine thousand Russian paratroopers and 350 units of armoured hardware entered Abkhazia", Echo Moskvi radio station website, 11 August 2008, available at www.echo.msk.ru/news/533166-echo.html.

[10] "OSCE Chairman-in-Office condemns Georgian-Ossetian conflict zone violence, reiterates invitation for dialogue", OSCE press release, 2 August 2008; "Statement on South Ossetia", Estonian foreign ministry, 4 August 2008, available at www.vm.ee/eng/kat_138/9978.html?arhiiv_kuup=kuup_2008; and "Statement by the Presidency of the Council of the European Union following recent events in South Ossetia (Georgia)", 5 August 2008, available at www.ue2008.fr/PFUE/cache/offonce/lang/en/accueil/PFUE-08_2008/PFUE-05.08.2008/PESC_Ossetie_Sud;jsessionid=D2D68B9CD5D9CC3146C091D6692149C2.

[11] Fried also said, "there's no evidence that the Russians are pushing them". "U.S., Russia making S.Ossetia peace effort", Reuters, 7 August 2008.

[12] "After mixed U.S. messages, a war erupted in Georgia", *The New York Times*, 12 August 2008. Fried reportedly warned her that this was a mistake, and Georgia should not fall for a "provocation". But the minister said her country had no choice but to protect its people.

[13] Crisis Group telephone interview, international observer, August 2008.

[14] Crisis Group telephone interview, official, Georgian ministry of interior, August 2008.

[15] "Путин: происходящее в Южной Осетии- – это геноцид осетинского народа" ["Putin: what's happening in South Ossetia is a genocide of the Ossetian people"], Interfax, 9 August 2008, available at www.interfax.ru/news.asp?id=26152. Russian media later reported officials saying that 10 per cent of Tskhinvali's buildings had been totally destroyed and a further 30 per cent had suffered damage "of varying severity". See "Масштаб разрушений в Цхинвали: 10% домов разрушено, еще 20% – повреждено" ["The extent of destruction in Tskhivali: 10 per cent of homes destroyed,

sequently reported that on the basis of its research on the ground in South Ossetia, it was able to document fewer than 100 civilian deaths.[16] On 20 August, the Russian prosecutor general's investigators reported only 133 civilian deaths in South Ossetia, while the de facto authorities still maintained a total of 1,492.[17] Human Rights Watch confirmed that many areas of Tskhinvali had been badly damaged, most probably in bombardments by the Georgian forces before they entered the city. Georgian officials insist that most of the damage was caused by Russian shelling, when Moscow's forces engaged the Georgians and drove them out. Civilians interviewed in Tskhinvali claimed Georgians in some cases had thrown grenades into cellars where residents were hiding. A few days later when South Ossetian militias took control of ethnic Georgian villages, they torched several, looted and forced Georgians to flee.[18]

Also on 8 August, at 6:00am local time, Abkhaz forces joined the fighting, heading for the only part of their territory still under Georgian control, the rugged Kodori Gorge. Assisted by Russian planes, they bombed it for three days, forcing the flight of some 3,000 ethnic Georgians.

Within days, Tbilisi officials said more than 20,000 troops had crossed the border from Russia, not only into South Ossetia, but also by land and sea into Abkhazia. Thousands of Russians deployed via Abkhazia and crossed the administrative border to enter western Georgia. They occupied Georgian military bases and systematically destroyed infrastructure. On the first day (8 August) of the Russian incursion alone, the Georgians claim, their airspace was violated 22 times; airfields were a frequent target, but Russian SU-25 planes also struck a police post as well as residential areas in Gori. There is evidence that Russian planes dropped cluster bombs on Gori's central square.[19]

Russian units sank several Georgian naval vessels in the port of Poti in the following days and, perhaps most crucially, blew up a vital railway bridge linking Tbilisi and the west of the country, in effect cutting Georgia in two and potentially severely disrupting its economy. European diplomats have expressed fears of a humanitarian crisis caused by the attacks on civilian infrastructure. There have been many reports of looting by Russian troops, as well as cases of similar behaviour by South Ossetian militia who marched into some areas behind them.[20]

Fighting was often intense. On 19 August, a Georgian government official reported a total of 215 killed on the Georgian side, including 133 defence ministry personnel, thirteen interior ministry personnel and 69 civilians. He also reported nearly 1,500 wounded, both civilian and military, and 70 soldiers missing. The Russians claim that 64 of their forces were killed and 323 injured.[21] There is no verifiable figure for South Ossetian casualties, although initial Ossetian and Russian reports of up to 2,000 civilian deaths have been significantly reduced.

Mediation by French President Nicolas Sarkozy produced a six-point ceasefire document on 12 August. It was agreed to first by Russia, then by Georgia, and, with U.S. help, was signed on 15-16 August in Tbilisi and Moscow. It calls for both sides to withdraw their troops so as to reestablish the status quo ante, but certain elements of the withdrawal are vague, and, as this report went to press on 22 August, Russia had not yet started a substantial pullback. There is a real concern it may want to retain newly minted "peacekeepers" in parts of Georgia outside South Ossetian and Abkhazia.

As of 18 August, the UN High Commissioner for Refugees (UNHCR) said, the conflict had displaced 30,000 ethnic Ossetians from their homes, almost all to Russia's North Ossetia republic. A further 85,000 ethnic Georgians were displaced, including 15,000 from South Ossetia and 3,000 from Abkhazia (Upper Kodori).[22] Many of the remaining Georgian displaced are from the central city of Gori (45,000) and Zugdidi (7,000).[23]

20 per cent damaged"], News.ru.com, 17 August 2008, available at www.newsru.com/world/17aug2008/blank.html.

[16] "Georgia/Russia: update on casualties and displaced civilians", Human Rights Watch, 10 August 2008, available at http://hrw.org/english/docs/2008/08/10/georgi19581.htm.

[17] "Russia Scales Down Georgia Toll", BBC, 20 August 2008; and "Следствие недосчиталось трупов" ["The investigation is short on corpses"], *Kommersant*, 21 August 2008, at www.kommersant.ru/doc.aspx?DocsID=1013890&ThemesID=301.

[18] "Georgian villages in South Ossetia burnt, looted", Human Rights Watch, 13 August 2008, available at http://hrw.org/english/docs/2008/08/13/georgi19607.htm.

[19] "Georgia/Russia: use of rocket systems can harm civilians", Human Rights Watch, 12 August 2008, available at http://hrw.org/english/docs/2008/08/12/georgi19594.htm.

[20] "Georgian villages in South Ossetia burnt, looted", op. cit.

[21] "Уточненные потери и неучтенные могилы" ["Adjusted casualties and unaccounted graves"], Interfax, 20 August 2008, at www.interfax.ru/politics/txt.asp?id=28225.

[22] Crisis Group telephone interview, UNHCR official, 16 August 2008.

[23] Before the security situation began to deteriorate several months ago, South Ossetia's population was estimated as at most 60,000-70,000. Crisis Group interview, OSCE head of

In some areas, basic foodstuffs are becoming scarce, and local governments are struggling to cope. Serious domestic tensions may follow when the economic situation worsens, casualties are fully reported and the extent of the humanitarian disaster and displacement sinks in. Tbilisi's schools and public buildings are crammed with displaced. Prospects for return are uncertain, even once the ceasefire firms. The Russian foreign ministry downplayed a statement by South Ossetian leader Eduard Kokoity that ethnic Georgians from South Ossetia would not be allowed to return, but nevertheless said the process was bound to be lengthy.[24] While the right of return must be upheld, multi-ethnic cohabitation of South Ossetia and Abkhazia will now be more difficult.

There are widespread reports of war crimes and other atrocities against civilians by all sides, though most are as yet unverifiable or unsubstantiated. But the violence and reports of alleged atrocities that circulate among both Georgian and Ossetian communities have brought to the surface deep ethnic hatreds and war traumas from the conflicts in the 1990s. The media has often spread unsubstantiated rumours of blood-curdling violence. Sophisticated hackers have infiltrated many official and media email sites. As described below (Section VI), a credible and impartial investigation and, where appropriate, prosecution of perpetrators are essential for long-term, sustainable reconciliation. Confidence building will take years. Meanwhile, additional security guarantee mechanisms will be needed for both zones of conflict. For the moment, however, the priority is securing the ceasefire, withdrawal of Russian troops, access to humanitarian aid and return of the internally displaced persons (IDPs) and refugees.

II. MONITORING THE CEASEFIRE AND KEEPING PEACE

The ceasefire agreement signed on 15-16 August 2008 is terse in the extreme: "(1) no resort to the use of force; (2) cessation of military actions for good; (3) free access to humanitarian aid; (4) return of Georgian military forces to their places of permanent deployment; (5) return of Russian military forces to their pre-conflict positions; awaiting an international mechanism, Russian peacekeeping forces will undertake additional security measures; and (6) opening of international discussion on the modalities of security and stability in Abkhazia and South Ossetia".

A side-letter from President Sarkozy on 16 August clarified that point 5 means that such "security measures" can be taken only in the area around South Ossetia and only several kilometres beyond the administrative border between South Ossetia and the rest of Georgia, such that no significant urban centre is included, including Gori; called for steps to guarantee the free circulation along all road and rail routes in Georgia; stated that security measures are to be taken in the form of patrols and only by Russian peacekeeping forces at the level authorised by the existing arrangement, with other Russian forces withdrawing to their pre-7 August positions; and concluded that all these measures have a temporary character, awaiting as quickly as possible the international mechanism, the nature of which is already being discussed at the OSCE, EU and UN in particular.[25]

Even with the side-letter, this is all about as vague as it could be on specifics, including on the separation and withdrawal of forces and the monitoring of implementation, all loopholes which strengthen Russia's position. Indeed, it is much vaguer than its Sochi and Moscow predecessors from earlier fighting, which regulated the Russian peacekeeping presence in the breakaway territories. The agreement provides that the Georgian military should withdraw to its usual bases, yet does not refer to the pre-7 August Georgian peacekeeping troops and whether they will be able to return to South Ossetia. Point 5 potentially gives the Russian military authority to stay in Georgia proper until an international verification mechanism has been established, as well as to stay in South Ossetia in undetermined numbers to implement tasks beyond their original peacekeeping mandate. It also omits any reference to the Abkhaz forces which have assumed con-

mission, Tbilisi, May 2007. See Crisis Group Report, *Georgia's South Ossetia Conflict: Make Haste Slowly*, op. cit., p. 3. But estimates vary widely. In 2007, the JPKF commander said there were up to 50,000 Ossetians and approximately 10,000 Georgians; Tskhinvali authorities said there were up to 82,000 Ossetians, many of whom move between Tskhinvali and Russia; and Dimitri Sanakoev, leader of the Tbilisi-supported alternative de facto South Ossetian authority, said there were 40,000 Ossetians and 35,000 Georgians. Ibid. The territory resembled a checkerboard, with ethnic Georgian and Ossetian villages side by side. Georgian forces controlled roughly 30 per cent of the region, the Ossetians the rest, though many areas are uninhabited high mountain ranges. For further information on ethnic Georgian and Ossetian populations and displacement before and after the 1990-1992 war, see Crisis Group Report, *Georgia: Avoiding War in South Ossetia*, op. cit., pp. 5-6.

[24] "Russia rules out immediate return of Georgian IDPs", Civil Georgia, 18 August 2008.

[25] The full text of the ceasefire agreement and side-letter in the French original are at Appendix B below.

trol of the Kodori Valley, the Russian presence in Abkhazia and Russia's naval blockade of Georgia's Black Sea coast.

President Medvedev pledged on 16 August that Russian forces would start withdrawing from Georgia proper on 18 August, but only token movement was visible at the time this report went to press on 22 August.[26] Russia has also said that it will only fully pull back when the security situation is stabilised[27] and is signaling that it wants to maintain its presence at least in the "security zone" – a 14-km band of territory divided evenly on both sides of the administrative border of the former South Ossetian Autonomous Oblast.[28] How it would do this – for example by constant military manoeuvres throughout the areas or with a permanent, forward "peacekeeping" presence – is unclear.[29] How or if it envisages this being monitored is even more uncertain.

By calling its troops "peacekeepers", Russia may be seeking a long-term presence in Georgia proper. This would undermine Georgia's statehood and should be strongly rejected by Western states as guaranteed to keep the dispute at boiling point, with negative ramifications for wider East-West relations.[30] Western states should press the Russians at the highest levels to accept the common understanding of the ceasefire agreement and leave Georgia proper rapidly.

To monitor the withdrawal until more permanent and weighty peacekeeping mechanisms can be agreed, impartial international observers should be deployed. On 13 August the EU decided to strengthen the OSCE's capabilities for this purpose.[31] On 19 August, the OSCE Permanent Council agreed to send up to 100 personnel to Georgia to monitor compliance with the ceasefire and withdrawal.[32] Twenty monitors had arrived as of 21 August, and the remaining 80 should be deployed within the next week. Asked about their official duties, the OSCE Chairman in Office, Finnish Foreign Minister Alexander Stubb, noted: "We just need to get them in right now; then we will worry at a later stage what the mandate and scope will be".[33]

Russia is insisting on very restricted deployment conditions reflecting the current reality on the ground and for monitoring to occur in territories immediately adjacent to South Ossetia.[34] With this limited mandate, the OSCE mission will find it difficult to monitor withdrawal, support return and facilitate the necessary impartial aid assessment and documentation of alleged human rights violations by Russians, Georgians, Abkhaz and North and South Ossetians.

The Permanent Council decision should still be seen as a step forward, and OSCE member states should now press for a bigger mission with a wider mandate. Russia had always rebuffed past attempts to strengthen the OSCE monitors incrementally, particularly to allow them to function outside the limited South Ossetia conflict zone at the strategic Roki tunnel.[35] This time Russia acquiesced to provide some

[26] "The pull-out of peacekeeping forces started today", said Colonel-General Anatoly Nogovitsyn, deputy chief of the general staff of the Russian armed forces, during a daily briefing on Monday, 18 August. See "Troops show no signs of leaving Gori despite Russian promises", *The Guardian*, 18 August 2008, available at www.guardian.co.uk/world/2008/aug/18/georgia.russia3?gusrc=rss&feed=networkfront.

[27] On 19 August the "Russian military have claimed Georgia was defying its commitments under the ceasefire accord and was undertaking measures aimed at 'restoring combat capabilities' of its armed forces….Preparations are underway for carrying out subversive actions against the Russian forces". See reporting on a news conference of Colonel-General Anatoly Nogovitsyn in Moscow, "Russia claims Georgia violates ceasefire accord", Civil Georgia, 19 August 2008, at www.civil.ge/eng/article.php?id=19204.

[28] The security corridor, together with a zone of conflict, was defined in Protocol 3 of the 1992 JCC agreement. The JCC is a quadrilateral body with Georgian, Russian, North and South Ossetian representatives, plus participation from the OSCE. For more, see Crisis Group Report, *Georgia: Avoiding War in South Ossetia*, op. cit.

[29] Crisis Group interview, U.S. official, Washington DC, August 2008.

[30] German Chancellor Angela Merkel on 17 August 2008 said, "I expect a very fast, very prompt withdrawal of Russian troops out of Georgia". On the same day President Sarkozy warned Medvedev of "serious consequences" in Moscow's relations with the EU if Russia did not comply with the ceasefire. If Russia did not "rapidly and totally" implement the deal, he said, he would call an extraordinary meeting of the EU Council "to decide what consequences to draw". "West increases pressure on Russia over Georgia withdrawal", *The Telegraph*, 18 August 2008.

[31] See Conclusions of the General Affairs and External Relations Council (GAERC), 13 August 2008, available at www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/gena/102338.pdf.

[32] The mission to Georgia had some 200 staff but less than ten in South Ossetia.

[33] "OSCE to send 100 monitors to Georgia", Reuters, 19 August 2008.

[34] Crisis Group telephone interview, OSCE staff, Vienna, 19 August 2008.

[35] The Roki tunnel is outside the zone of conflict where OSCE has a mandate to monitor. On 29 July 2004, Georgian Foreign Minister Zurabishvili made a special presentation to the OSCE Permanent Council, calling for a greater monitoring presence, in particular at Roki. Russia termed the request for more OSCE observers and their deployment on the border with Russia at the tunnel "deliberately unrealistic". At a meeting between de facto President Kokoity and Georgian

international legitimacy to the withdrawal process and possibly assuage some EU member states. But the OSCE's room for manoeuvre is likely to be limited. When its monitors sought to enter Gori over the weekend of 16-17 August, Russian troops repeatedly denied them access. Russia also has significant oversight of the OSCE mission's reporting, which is generally treated as confidential, for member states only. Even a numerically increased OSCE monitoring mission, therefore, will not have the scope much less the enforcement capabilities Georgia hopes for.[36]

Russia will be even more averse to accepting a true international peacekeeping mission in South Ossetia and Abkhazia, even one that accords it a significant role.[37] Until recently and in addition to the OSCE monitors in South Ossetia, the UN Mission in Georgia (UNOMIG) had 142 monitors for the some 2,000-strong Commonwealth of Independent States Peacekeeping Force (CIS PKF) in Abkhazia. In a best case scenario, Russia would pull back its troops completely from South Ossetia and Abkhazia, with the likely exception of the peacekeepers it had there before 7 August, and allow an international peacekeeping mechanism to ensure compliance with the ceasefire and replace the JPKF and CIS PKF.

Any change of the Moscow and Sochi agreements, which regulate peacekeeping in Abkhazia and South Ossetia respectively, and deployment of a new peacekeeping mission would require a UN Security Council resolution. Georgia formally quit the Moscow-led CIS earlier this month, putting in question the presence of any Russian peacekeepers under a CIS format in Georgia. A UN Security Council resolution could mandate a traditional UN mission or authorise another organisation such as the EU or the OSCE to take up the task. The question of which organisation could best carry out the mission and in what precise format should be based largely on a determination of which could move fastest. But there are many more real world hurdles. Russian dominance on the ground in the breakaway territories, militarily, politically and economically, is so great that there is limited incentive for Moscow to accept any oversight of its activities.

If a peacekeeping mission is to be put in place, it will need Russia's full agreement. Moscow sees itself as advancing a number of important strategic interests in its Georgia operations, including defending the rights of its citizens, resisting NATO expansion, reaffirming hegemon status around its sensitive borders and reclaiming its place at the high table of great powers.

Western states do have some disincentives they could bring into play if Russia is too uncooperative, such as reconsideration of its participation in the G8 and WTO, and even, perhaps, the future of the 2014 Winter Olympics that have been awarded to Sochi, just a handful of miles from the conflict zone in Abkhazia. Russia believes it is holding all the cards, but it is jealous of its international standing, keen to be involved in international bodies – to sit at the top table, as its officials often say. Warnings that it will be marginalised and the prospect that every international gathering it attends will feature denunciation of its conduct in Georgia could just possibly influence it to moderate its behaviour. It has to be persuaded that its long-term interests for security and prosperity lie in being accepted as a partner for rather than an obstacle to, resolving regional and global issues.

Despite its actual position as a party to the conflict, Russia will demand to be accorded a prominent role in all aspects of the exercise; its troops would have to continue to wear peacekeeper helmets and be a prominent part of the overall force, though every effort should be made to keep their numbers to what they were before 7 August and to obtain a senior third-country general as military commander. The Russian contingent in any such mission should be completely integrated in the international command structure. The peacekeeping mission commander should have the explicit right to assign Russian peacekeepers to such areas as the command sees fit. Russian components should not form a separate force within the main force. Moscow would nonetheless also have to be part of the political side of the mission, though the overall head of that side of the operation should be a senior third-country diplomat.

Prime Minister Zhvania on 5 November 2004, the Georgian side proposed a plan consisting of: ceasefire implementation, full demilitarisation and increasing monitoring of the Roki tunnel. See Crisis Group Report, *Avoiding War in South Ossetia*, op. cit., pp. 19, 22.

[36] "Saakashvili described the response by the U.S. and the EU as 'appeasement' of Russia and said that the ceasefire 'makes no sense' without verification on the ground. Georgia's Foreign Minister, Eka Tkeshelashvili, told reporters in Brussels later that she was 'disappointed' by the EU's reaction to the crisis". "Georgia emergency meeting highlights rifts within EU", *European Voice* (online), 13 August 2008, at www.europeanvoice.com/article/georgia-emergency-meeting-highlights-rifts-within-eu/62016.aspx.

[37] "There are no signs of the Russians letting in anyone else. I don't really see it happening – at the moment the Russians are firmly in control", said Swedish Foreign Minister Carl Bildt on 13 August. "EU backs plan to monitor Georgia truce", Reuters, 13 August 2008, at www.reuters.com/article/GCA-Georgia/idUSLC20155020080813?pageNumber=2&virtualBrandChannel=0.

III. IMPLICATIONS FOR GEORGIA

Since 8 August 2008 the conflict is no longer between Georgia and the ethnic Ossetians or Abkhaz, but clearly between Georgia and Russia. Since 2004 Saakashvili has sought to internationalise the two conflicts and demonstrate that Russia cannot be a neutral peacekeeper or negotiator.[38] He has now succeeded in both these objectives – but has badly miscalculated the consequences, overestimating the ability of Georgia's army to establish new facts on the ground and the willingness of the U.S. and EU to confront Russia.

Reaction to the recent fighting has shown the paucity of EU and U.S. leverage over Russia, not least as a direct consequence of the deterioration of their relations with Moscow over NATO enlargement, Kosovo independence and missile defence. Georgia has received substantial high-level attention since 8 August, but the practical responses from the West have been rhetorical and humanitarian. They demonstrate the limitations of Georgia's internationalisation strategy and of Western pledges to defend democracy, stability and security in the former Soviet Union.

As Crisis Group reporting has argued consistently, Saakashvili, by focusing almost exclusively on Russia, lost opportunities to engage with the Abkhaz and South Ossetians. Despite his pro-peace rhetoric, the president and hawks in his administration torpedoed real confidence building and often followed confrontational policies towards the conflict regions. This limited contacts for the Abkhaz and South Ossetians other than with Moscow and deepened their separation from Tbilisi. The current Georgian government badly mishandled both situations since it came into office, forfeiting almost from the beginning the opportunity to persuade especially the Abkhaz that it was different from the hated predecessor regime of former Soviet Foreign Minister Eduard Shevardnadze.

With patience it might have been possible to show Abkhazia that it would be better served enjoying the highest possible autonomy within an increasingly prosperous and democratising Georgia, where its people would have special status and privileges, instead of being swallowed up by a giant Russia in which they likely would quickly lose their identity among more than 100 minority groups. Instead of reaching out to fellow countrymen, Saakashvili and his team staged military parades and often used menacing rhetoric. Worse still, the president frequently went out of his way to irritate the Russians, and most particularly Vladimir Putin, with bellicose talk that turned the dispute with Moscow into one that was bitter and personal.

With South Ossetia, the result was even more tragic. When Saakashvili came to power, twelve years had passed since the Ossetian-Georgian war. The incompetent and corrupt Shevardnadze government had virtually ignored the territory, but its indifference had the advantage of causing Ossetians and Georgians to begin to forget the past. Trade flourished between the ethnic groups.[39] But the new Georgian government put the cart before the horse, insisting on resolving thorny political status issues first, rather than building ties gradually and showing Ossetians life would be better in a relatively democratic Georgia than in an authoritarian Russia. Most damagingly, it provoked an armed clash in 2004 that regained no territory and left twenty of its soldiers dead.[40] The situation deteriorated badly from there. Especially since spring 2007, Tbilisi's assertive push to change the status quo, in the negotiations and on the ground, by supporting an alternative Ossetian administration further contributed to tensions.

A. TERRITORIAL INTEGRITY

What started as a war over South Ossetia and Abkhazia, is fast becoming one over Georgia's sovereignty. In the second week since fighting broke out, and despite pledges to pull back, the Russian army – as this report went to press on 22 August – had barely begun a meaningful withdrawal and is still deep in Georgia. The immediate priority for the shaken Saakashvili administration has become to free Georgia proper from occupation. Russia seems tempted to retain control over at least two of the largest cities, Gori and Zugdidi, with 70,000 inhabitants each and some 25km and 10km from the Ossetian and Abkhaz conflict zones respectively, as well as parts of the main east-west highway and railway and Poti, a major

[38] This has been the main aim of the Georgian administration since 2004. For more on this, see Crisis Group Europe Reports N°193, *Georgia and Russia: Clashing over Abkhazia*, 5 June 2008; N°189, *Georgia: Sliding towards Authoritarianism?*, 19 December 2007; *Georgia's South Ossetia Conflict: Make Haste Slowly*, op. cit.; and N°179, *Abkhazia: Ways Forward*, 18 January 2007. The EU foreign ministers council (GAERC) on 13 August spoke for the first time in regard to the South Ossetian or Abkhaz situation of an "open conflict that has broken out between Russia and Georgia". See GAERC Conclusions, 13 August 2008, op. cit.

[39] In 2004 Georgia closed the Ergneti market, a move that Crisis Group criticised heavily. See Crisis Group Report, *Georgia: Avoiding War in South Ossetia*, op. cit., pp. i, 9-10.

[40] Ibid.

port and Georgia's naval headquarters.[41] President Medvedev has not publicly retreated from his 19 August pledge to President Sarkozy that Russian troops will leave by 22 August, with a limited number remaining in the "security zone" of 14km outside South Ossetia.

An important part of the conflict's background and wider relevance stems from Kosovo's independence declaration on 17 February 2008 and subsequent recognition by 45 states, developments substantially engineered and defended by the U.S. and most EU member states. At the time of that independence, then-President Putin warned: "The Kosovo precedent is a terrifying precedent. It in essence is breaking open the entire system of international relations that has prevailed not just for decades but for centuries. And it without a doubt will bring on itself an entire chain of unforeseen consequences".[42]

Soon after, Russia strengthened its support of the de facto authorities in Abkhazia and South Ossetia by withdrawing from the sanctions regime originally imposed on Abkhazia by the CIS; establishing official links to both entities; and deploying additional troops in Abkhazia.[43] Significantly, it did not recognise either entity as an independent state, as it had threatened to do in the past, presumably because it would be reluctant to enshrine the right of a compact minority to secession based on gross violations of human rights, a right that could potentially undermine Russia's own territorial integrity, in Chechnya, other parts of the North Caucasus, Tatarstan and beyond. It is reasonable to assume that had events not been brought to a head by the Georgian attack on 7-8 August, the Kosovo example in itself would not have been enough to precipitate Russian military action in South Ossetia and Abkhazia.

Nevertheless, for both domestic and international audiences, Moscow is now making direct parallels between South Ossetia and Kosovo, between Georgia and Serbia. It argues that its military actions were a justifiable response to "ethnic cleansing and genocide" perpetrated by the Georgians.[44] Asserting parallels to what NATO undertook with respect to Kosovo and Serbia in 1999, it has rejected accusations that its actions, regardless of possible initial justification, were disproportionate.[45] Senior officials have said – again in a mirror image to what Western states said about Kosovo in 1999 and subsequently – that without "prejudging" the future status of South Ossetia and Abkhazia, "after what has happened on the night of 7-8 August, it is difficult to imagine South Ossetia and Abkhazia as part of Georgia in the future".[46] And they have stressed the inevitability of a "future status process" for the two entities,[47] the underlying rationale for which – again identical to Kosovo – is that the populations have suffered too much to make a return to the status quo ante possible immediately, if at all.[48]

[41] See deputy head of Russia's General Staff, Anatoly Nogovitsyn, quoted in "Russian general says troops fortifying Georgia 'buffer zone'", *Georgian Daily*, 20 August 2008, at http://georgiandaily.com/index.php?option=com_content&task=view&id=6281&Itemid=65.

[42] Putin further warned that the decision would "come back to knock them on the head". "Putin warns Kosovo will 'come back to knock' the West, as NATO envoy lashes out", Associated Press, in *International Herald Tribune*, 22 February 2008, available at www.iht.com/articles/ap/2008/02/22/europe/EU-GEN-Russia-Kosovo.php.

[43] For more on this see Crisis Group Report, *Georgia and Russia: Clashing over Abkhazia*, op. cit., pp. 2-3.

[44] See below, Section IV.A, and multiple statements, including by Medvedev and Putin, available at www.kremlin.ru/eng/events/details/2008/08/08_205064.shtml.

[45] At the UN Security Council, Russian Ambassador Vitaly Churkin said that "when such an operation is conducted, places are targeted not only within the immediate zone of conflict….If we look at Kosovo, nobody there limited themselves by any definitions of what Kosovo was", Security Council debate, 10 August 2008, available at www.un.org/Depts/dhl/resguide/scact2008.htm.

[46] Statement by Sergey Mironov, Chairman of the Council of the Federation, 11 August 2008, available at www.council.gov.ru/print/inf_ps/chronicle/2008/08/item7945.html.

[47] Medvedev, 12 August 2008 press conference with President Sarkozy. See "Kremlin Press Statement following Negotiations with French President Nicolas Sarkozy", 12 August 2008, available at www.kremlin.ru/eng/speeches/2008/08/12/2100_type82912type82914type82915_205208.shtml. Lavrov said that not talking about future status in current situation "is simply impossible". See "Transcript of Remarks and Response to Media Questions by Minister of Foreign Affairs of the Russian Federation Sergei Lavrov", 13 August 2008, available at www.mid.ru/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/6b874c737d1abd87c32574a6002a2abb?OpenDocument.

[48] "What is sovereignty? It is the supremacy of central government. Does Russia recognise Georgia's sovereignty? Without any doubt it does, just as it recognises the Georgian government's independence from any other governments. But this does not mean that a sovereign state has the right to do whatever it pleases. Even sovereign states have to answer for their actions. Regarding the issue of territorial integrity, this is a separate concept. Sovereignty is based on the people's will and on the constitution, but territorial integrity is generally a reflection of the real state of affairs. On paper everything can look fine but the reality is far more complex. Territorial integrity is a very complicated issue that cannot be decided at demonstrations or even in parliament and at meetings of leaders. It is decided by people's desire to live

Most recently, President Medvedev argued that South Ossetians and Abkhazians must decide whether they want to remain part of Georgia[49] and said Russia would be supportive: "This is something that must take place in strict accordance with international law, though over these last years international law has given us numerous very complicated cases of peoples exercising their right to self-determination and the emergence of new states on the map. Just look at the example of Kosovo".[50] The logic is decidedly less than perfect, since Russia has loudly and consistently rejected the appropriateness of the Kosovo process. But the point, stripped of the high-sounding references to international law, appears to be that Moscow reserves the same right to rule on the claims made against a small country by an even smaller people that it believes the U.S., EU and NATO exercised with Kosovo.

Until recently, Russia insisted it supported Georgia's territorial integrity, but this language is no longer to be heard. Prime Minister Putin was the first to state, on 9 August, that "a fatal blow has been inflicted on the territorial integrity of Georgia itself, and … its own sovereignty".[51] Foreign Minister Sergei Lavrov similarly said on 14 August, "one can forget any talk about Georgia's territorial integrity".[52] Meanwhile, Georgia has lost control of almost all South Ossetian[53] and Abkhaz territory, and the ethnic Georgian population of both entities has been forcibly displaced from all areas except the Gali district in Abkhazia.

A new cycle of hate and vengeance divides Ossetians and Abkhaz from ethnic Georgians. Regardless of whether or not there were mass atrocities in South Ossetia, the perception among Ossetians there is that Georgia sought to destroy their nation when its troops marched in.[54] Wounds, which did not fully heal in the fifteen years of frozen conflict, have become much rawer. Any prospect of Georgia restoring its territorial integrity militarily has been destroyed (somewhat paradoxically easing Abkhaz and South Ossetian security concerns about Tbilisi's intentions).[55] As part of the ceasefire agreement, Georgia has also promised to sign a non-resumption of hostilities agreement, which South Ossetians and Abkhaz had been demanding before the recent outbreak of fighting.

The immediate priorities in South Ossetia and Abkhazia are to reestablish security, distribute humanitarian and rehabilitation assistance and ensure the rapid return of displaced persons. This is not the time for discussion about status, which should be reserved for a broad international process with a new negotiating format and, inevitably, a long timeline. The de facto separation from Georgia of both entities, has, of course, become a stronger fact of life. International agreement to a formal change of status soon, however, would in effect reward Russia for its disproportionate military measures in Georgia and could tempt it to use similar measures in other parts of the former Soviet Union where there are dissatisfied ethnic minorities – especially ethnic Russians in the Baltic States, Ukraine and even Central Asia.

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in one country". See "Kremlin Press Statement following Negotiations", op. cit.

[49] "Meeting with the President of South Ossetia Eduard Kokoity and President of Abkhazia Sergei Bagapsh", Kremlin website, 14 August 2008, available at www.kremlin.ru/eng/speeches/2008/08/14/1708_type82912type82914_205321.shtml. During the meeting Medvedev said: "And finally, what I wanted to say, last but not least. You know about the sixth principle – I just mentioned this – the issue of status. I would like you to know and to convey to the people of South Ossetia and Abkhazia that the position of the Russian Federation will not change: we will support any decision taken by the peoples of South Ossetia and Abkhazia in accordance with the United Nations Charter, international conventions of 1966, and the Helsinki Act on security and cooperation in Europe. And we will not only support these decisions but will guarantee them in the Caucasus and in the world".

[50] "Kremlin Press Statement following Negotiations", op. cit.

[51] "Путин: Грузия нанесла смертельный удар своей территориальной целостности" ["Putin: Georgia inflicted on itself a fatal blow"], Vesti.ru, 9 August 2008, at 8:17pm, available at www.vesti.ru/doc.html?id=199795.

[52] See "Russia: Forget Georgian territorial integrity", Associated Press, in *International Herald Tribune*, 14 August 2008, available at www.iht.com/articles/ap/2008/08/14/news/Russia-Georgia.php.

[53] Akhalgori, a predominantly Georgian populated town on the east side of South Ossetia, which was under Georgian control ever since the start of the conflict, was captured without fighting by South Ossetian militia on 17 August, a day after the signing of a ceasefire agreement. Many of the residents have reportedly fled, however no looting or killings were reported. See "South Ossetian martial law creates a no man's land", *The New York Times*, 20 August 2008; "Tanks and Katyushas bristle round isolated Tbilisi", *The Guardian*, 18 August 2008; and "Ossetian rebels seize areas previously held by Georgia", Dow Jones, 21 August 2008.

[54] "I would like to note that when you talk to Tskhinvali residents today they name the figure published by Russian mass media. They speak about thousands of killed and wounded people, they name the figures named by mass media, and they will always have it in their minds that they were attacked and that thousands were killed. And this knowledge will impede resolution of the conflict", interview with Tatyana Lokshina, director of Human Rights Watch Moscow office, in *Caucasus Press*, 14 August 2008.

[55] Crisis Group has previously reported about plans of elements in the Georgian administration to take back at least part of Abkhazia belligerently. See Crisis Group Report, *Georgia and Russia: Clashing over Abkhazia*, op. cit., pp. 8-9.

Ideally all parties should agree to an international political process which focuses on confidence building, security, human rights protection and refugee return and which only moves to talks on status – and these without deadlines – when significant practical progress has been made, and the situation is fully normalised. Postponing status determination would give Tbilisi time to put forward a good-faith, internationally backed effort to make a renegotiated unity attractive.

Russia's acquiescence to the process is essential, but extremely difficult to achieve. However, Moscow has up to now not been in any hurry to countenance South Ossetian or Abkhaz independence, and "independence" language has been rarely heard in Moscow since 8 August. South Ossetia will always be a net drain on the Russian budget, while until the past few months the recognition of Abkhazia has seemed to be too controversial a step to take. Time may be running out for this approach, however.

Russian President Medvedev has already assured the South Ossetian and Abkhaz leaders that he would support whatever decision they would take about their status, as long as it is consistent with international law. They have already called on Russia to recognise their independence. The Russian parliament will meet to discuss this on 25 August. If the Duma, which is totally subservient to the will of Prime Minister Putin, for any reason temporizes, the international community should move fast to persuade Moscow to accept new, open-ended international peacekeeping and status determination exercises. Moscow might accept this, provided it is fully involved in the exercises and implicitly recognised as first among international equals. It would be an opportunity to reassert regional and global political influence in the guise of peacemaker, after the Kosovo experience in which it felt that its national interests were blatantly disregarded by the U.S. and EU.

Once set in motion, such an enterprise would be far from guaranteed success. But it would have more potential ultimately both to maintain Georgia's territorial integrity and to help resolve the bilateral Tbilisi-Moscow problems honourably than verbal insistence on territorial integrity without a political strategy for achieving it. An international process can only work, however, if the Abkhaz and South Ossetians also engage.[56] Due to the entity's integration into Russian economic, infrastructure and political structures and the lack of any genuine attributes of a state, South Ossetia is likely to strengthen its de facto integration with Russia's North Ossetia republic, with which it enjoys close ethnic ties.

Abkhazia is a different case and may have a real interest in participating fully in an international process that would not only assure its security but also bring in economic aid and investment, help strengthen its institutions and rebuild links to Georgia. It is strategically, economically and politically much more important than South Ossetia. Abkhazia has made real attempts to establish institutions, develop an economy based on tourism and such crops as hazelnut, citrus and tea and can make claim to significant autonomy, based on current capacities and economic potential.[57] Between 40,000 and 60,000 ethnic Georgians displaced during the early 1990s fighting subsequently returned to the Gali district and have not been targeted in the recent violence.

If a deal for such an international process were struck, Georgia would gain an opportunity, probably the only one that is feasible, to win back its lost territories by patient state and confidence building over a long time. To help it withstand the further immediate shocks, and help it become attractive to South Ossetia and Abkhazia, its Western friends should be prepared to give it major economic and financial assistance, and to support substantial confidence-building efforts.

B. NATO MEMBERSHIP

The question of NATO's expansion and character is fundamental to understanding the fighting in Georgia. Russia aims to punish one nation for its NATO ambitions; to warn others, especially Ukraine, not to go down the same route; and to humiliate NATO by showing it to be indecisive and ineffective. Georgia's push into South Ossetia allowed Russia to demonstrate to wavering NATO members Tbilisi's recklessness; Russia's own willingness to use overwhelming force against any perceived threat to its fundamental interests; and the dangers of a membership route for any former Soviet republic.

[56] This is a significant part of the challenge. The current conflict has further reinforced the conviction in Tskhinvali and Sukhumi that there is no shared future with Tbilisi. They had not been hard-pressed to enter into negotiations even before this confrontation, but with Moscow's further backing and their positions strengthened militarily and politically, their motivation for negotiations is now even lower. The Abkhaz and South Ossetian sides have also, over the past years, lost confidence in the motivations and impartiality of the EU and U.S., whom they rightly view as unconditional supporters of Georgia's territorial integrity.

[57] See Crisis Group Europe Report N°176, *Abkhazia Today*, 15 September 2006, pp. 15 and following.

Russia has long been deeply opposed to NATO's eastward expansion, which it considers a flagrant breach of its view that President Bush senior pledged that NATO would not expand to take in former Soviet countries – a view that the U.S. claims stems from a "misunderstanding" by Mikhail Gorbachev.[58] Having been forced, through its weakness at the time, to acquiesce in incorporation of the Baltic States and one-time Warsaw Pact allies in what it regarded as an abrogation of that undertaking, an increasingly resurgent and assertive Russia wants to draw a line at Ukraine and Georgia. Its objections are hardened by those countries' strategic positions on its borders.[59]

Georgia, by contrast, sees NATO membership as one of the few ways to guarantee its security against its assertive giant neighbour. NATO membership has been a policy priority for Saakashvili since coming to power, one to which he has devoted significant resources[60] to upgrade Georgia's military capabilities to ensure interoperability with alliance forces.[61] He has championed Georgia's credentials as a candidate at every opportunity – even holding a referendum in conjunction with the most recent presidential election in 2008, in which 77 per cent of the electorate voted in favour of NATO membership.

The U.S. has been Georgia's principal champion within NATO. It applied heavy pressure to other member states at the Bucharest Summit in April 2008 to approve MAP status for both Georgia and Ukraine. Having failed to overcome reservations from France and Germany in particular, it negotiated an outcome document that promised "that these countries will become members of NATO" at some time in the future and that their MAP status applications would be further considered in December 2008. As Crisis Group outlined in its June 2008 report,[62] Russia stepped up manipulation of the South Ossetia and Abkhaz conflicts after Bucharest, bringing war with Georgia closer. The NATO membership pledge, and the way it was made, was considered by then-President Putin as a personal slap in the face. With hindsight, analysts now describe Russia's detailed planning for its operation in Georgia as beginning after the NATO summit.[63]

All parties regard the events of early August as validation of their Bucharest positions. Georgia claims that failure to offer it MAP status at Bucharest invited Russian aggression. In an emotional press conference with U.S. Secretary of State Condoleezza Rice in Tbilisi on 15 August, Saakashvili declared:

> [W]hen in April in Bucharest Georgia was denied the membership action plan by some members of NATO, I warned Western media that it was asking for trouble. Not only [did] they deny us [a] membership action plan, but they specifically told the world that they are denying Georgia … because of

[58] Michael R. Gordon, "The Anatomy of a Misunderstanding" *The New York Times*, 25 May 1997, available at http://query.nytimes.com/gst/fullpage.html?res=9A06E3D8113BF936A15756C0A961958260&sec=&spon=&pagewanted=2.

[59] Putin's objections to states on Russia's periphery joining Western alliances is rooted firmly in Russian history and strategic thinking. Strategic thinkers at least as far back as the nineteenth century argued that the Russian Empire was particularly vulnerable to attack because it lacked natural geographical barriers. It needed, therefore, a *cordon sanitaire* around its Russian heartland to provide greater protection. This was considered particularly true of its western border, which is a reason why any threat to Ukraine raises special concern. Some observers argue that Putin, though deeply irritated by Georgia, wishes to use the present conflict in part at least as an example and warning to Ukraine.

[60] The 2007 military budget was almost $1 billion. After the November 2007 political protest demonstrations, it should have dropped in 2008, but on 24 June the government unexpectedly proposed a $202 million increase. For more on the military budget, see Crisis Group Report, *Georgia and Russia: Clashing over Abkhazia*, op. cit., p. 9.

[61] In a 15 March 2008 speech at a military base in Gori, Saakashvili gave the following description of the armed forces: 33,000 professional servicemen and 100,000 reservists; dozens of NATO-standard state-of-the-art, self-propelled artillery guns; double the number of warplanes; three times the number of helicopters; and a ten-fold increase in tanks. He did not specify the period of comparison, but he probably was referring to what had been done in his presidency. See "Saakashvili Says 'No' to Treaty on Non-Use of Force", Civil Georgia, 15 March 2008, available at www.civilgeorgia.ge/eng/article.php?id=17362. See also Crisis Group Report, *Georgia and Russia: Clashing over Abkhazia*, op. cit., p. 9.

[62] Crisis Group Report, *Georgia and Russia: Clashing over Abkhazia*, op. cit.

[63] At the end of July 2008, 8,000 troops, plus aviation and elements of the Black Sea Fleet, took part in Caucasus 2008 exercises, partially in North Ossetia. Billed as a counter-terror exercise, it involved 700 tanks. Military operations included a forced march to the Daryal Pass, the historic gates to the Caucasus. More practically, they involved operations in Roki district, the key transport route from South Ossetia to Georgia proper. Source: "это наши горы" ["These are our mountains"], *Krasnaya Zvezda*, 30 July 2008, available at www.redstar.ru/2008/07/30_07/1_06.html. Col. Gen. Serge Makarov, commander of the North Caucasus Military District, said that among other things the troops would practice assistance to Russian peacekeepers stationed in Abkhazia and South Ossetia. The Georgians protested. "Georgia protests Russian military drills in North Caucasus", RIA Novosti, 16 July 2008, available at http://en.rian.ru/world/20080716/114126411.htmlWorld.

existing territorial conflicts in Georgia, basically inviting the trouble.[64]

Georgia and the U.S. are still arguing that NATO membership is the only real protection against Russian aggression. Meanwhile, some Western states opposed to Georgian membership are breathing sighs of relief that by not giving MAP to Georgia in April, they were more plausibly able to stand back from a conflict with Russia four months later. There is significant anger in many Western capitals over Saakashvili's recklessness in giving Russia the excuse it sought to flex its muscles in the Caucasus and a determination to ensure that they will not be held hostage in future to his intemperate actions. Paris, Berlin and like-minded capitals are confirmed in their views that Georgia cannot join NATO anytime in the foreseeable future.[65] The jury is still out on Ukraine.

At an emergency meeting on 19 August, NATO foreign ministers agreed to establish a new forum, the NATO-Georgia Commission, to strengthen ties with Tbilisi, and send fifteen experts in civil emergency planning to Georgia to help the authorities assess damage to the civil infrastructure. But there was no fundamental reassessment of the Bucharest conclusions.

Decisions on Georgian membership, or MAP status, should not be taken in the heat and anger of the current crisis. It will clearly be difficult to finally resolve the membership issue, in relation to both Georgia and other potential members, without addressing the larger question of NATO's future role as a security organisation, and on that there are likely to continue to be very significant differences of view among NATO members. There are at least three broad directions in which such a rethink of NATO's future could lead. NATO could retreat into full Cold War mode and remain essentially a transatlantic regional defence alliance concerned above all about threats from the east, willing to embrace new members committed to democratic, market-oriented values but unable to even conceptualise Russia itself as a member. At the other extreme it could be transformed into an organisation with geographically open-ended membership focused essentially on working with the UN Security Council to provide multilateral and cooperative security and global military resources. Alternatively, an intermediate but still adventurous position, it could become a primarily region-focused inclusive security arrangement, but one willing as necessary to play a global role, with membership open to all those committed to its basic values, including potentially Russia itself should it return to the path of democratic reform and responsible international behaviour.[66]

Significant delay in considering Georgian membership could be accompanied by some consideration by NATO of a limited security pledge to Georgia against aggression on Georgian territory outside the separatist regions. This could help ensure that the extended delay in considering Georgia's membership bid is not viewed as appeasement or a reward for Russian aggression. Such an arrangement might become part of the informal package suggested above to make possible UN Security Council authorisation of an international peacekeeping mission in South Ossetia and Abkhazia. By definition such a pledge could not be as robust or binding as that contained in Article 5 of the NATO Treaty, as it would otherwise encounter the same Russian objections. But it could ensure enough ambiguity in Russia's mind to raise decisively

[64] "Saakashvili lashes out at West's 'muted reaction'", Civil Georgia, 16 August 2008, available at www.civil.ge/eng/article.php?id=19162.

[65] On 17 August 2008 in Tbilisi, Chancellor Merkel stated, "Every free, independent country can together with NATO members discuss when it can join NATO. In December we will have a first evaluation of the situation, and we are on a clear path in the direction of NATO membership". Some analysts interpreted this as a shift in the German position on NATO membership, but she did not in essence pledge anything new as confirmation of eventual NATO membership and the first assessment of MAP prospects was already promised in Bucharest. "Russia says it will start pulling troops from Georgia", Reuters, 17 August 2008.

[66] More specifically, this third model might involve a structure with three concentric circles: an inner ring, with transatlantic members wholly committed to existing standards of democracy, human rights, good governance and mutual defence; a second circle of partners – including Russia – with whom the inner ring could work on conflict and crisis prevention (and who could be admitted into the inner ring if they satisfy the kinds of conditions being demanded of other former Soviet bloc countries); and an outer ring of more distant partners and allies who share inner-circle values and goals – like Japan and Australia – with whom the inner circle could promote general stability and potential coalitions-of-the-willing and stabilisation operations. In a climate where punitive measures are essentially the only steps being put forward to address Russian behaviour, a strategy that would involve welcoming Russia into NATO architecture at some point in the future and holding out the possibility of entry into the "inner circle" if it satisfied important political and military criteria could perhaps move the process ahead, but there are always those who will regard this kind of approach as too accommodating. These approaches are discussed in Gareth Evans, *The Responsibility to Protect: Ending Mass Atrocity Crimes Once and For All* (Brookings Institution Press, 2008, forthcoming), pp. 192-193; the "concentric circles" model is a refinement of that proposed in Naumann and others, *Toward a Grand Strategy for an Uncertain World* (Noaber Foundation, 2007).

the risk to it of another military strike on the territory of Georgia proper, while not giving Georgia enough confidence to pursue reckless or provocative actions.[67]

To make the bitter pill of delay somewhat more palatable to Tbilisi, and regardless of whether NATO is prepared to offer a pledge respecting the territory of Georgia proper as discussed above, Georgia might be given strengthened forms of cooperation with the EU, such as the invitation to begin discussing a stabilisation and association agreement. This would reverse current EU policy and provide a softer and less provocative potential security guarantee than NATO membership but one with very tangible ancillary benefits. The EU and others, including the U.S., should give it the increased economic and financial aid it will in any event need to recover from the war and that can be used to help it carry out the essential reforms to become a closer EU partner.[68]

C. DOMESTIC ECONOMIC AND POLITICAL IMPLICATIONS

1. Energy

Georgia is an important transit country for oil and gas[69] and the only significant route for taking Caspian oil to world markets that does not pass through Russia.[70] Oil produced in Azerbaijan is transported by the Baku-Tbilisi-Ceyhan (BTC) pipeline, the Baku-Supsa pipeline and railcars to Georgian ports.[71] The Baku-Tbilisi-Erzurum pipeline takes gas produced in Azerbaijan to the Turkish city of Erzurum.[72] Georgia also imports gas from Russia and transits Russian-sourced gas to Armenia.[73] It imports about 12 per cent of its electricity from Russia and Armenia, and much of its electricity network is owned by Russian companies.

Initially the BTC pipeline was shut down because of an unrelated blast on 5 August in Turkey's Erzincan province.[74] BP, the operator of the Baku-Supsa and Baku-Supsa pipelines, shut them down shortly after the conflict began as a "precautionary measure". The rail route seemed to function until 16 August, when a blast occurred on the key east-west railway line halting traffic.[75] In addition, the Georgian port of Poti, just 15km north of Supsa and a terminus for some rail exports, was blockaded by Russian forces. On 14 August BP renewed the flow of gas in the Baku-Supsa pipeline, though because of flow already in the pipeline and sufficient pressure, deliveries at Erzurum had never been halted.[76]

The war's consequences will be most acutely felt by Georgia and Azerbaijan in the short run. Energy transit is an important contributor to Georgia's economy (fees, facilities, employment) and helps it obtain the oil and gas that it needs for its own consumption. For Azerbaijan, the shutdown of its three main transit routes simultaneously has severe effects. Its other options –

[67] One formulation is that used in the Security Treaty between Australia, New Zealand and the U.S. ("the ANZUS treaty"), the key provisions of which provide: "Article III – The Parties will consult together whenever in the opinion of any of them the territorial integrity, political independence or security of any of the Parties is threatened in the Pacific". "Article IV - Each Party recognizes that an armed attack in the Pacific Area on any of the Parties would be dangerous to its own peace and safety and declares that it would act to meet the common danger in accordance with its constitutional processes. Any such armed attack and all measures taken as a result thereof shall be immediately reported to the Security Council of the United Nations. Such measures shall be terminated when the Security Council has taken the measures necessary to restore and maintain international peace and security".

[68] For discussion of EU-Georgian relations, including the absence of EU interest to date in serious consideration of possible Georgian membership, see Section V.A below.

[69] About 1.4 per cent of world oil production (1.2 million barrels per day (bbl/d)) flows through Georgia.

[70] When the final stage of the Kazakhstan-China pipeline is complete in 2009, it will be possible to pump oil from the Caspian to the Chinese border. Some oil from the Caspian can also be shipped to the Iranian port of Neka.

[71] The Baku-Supsa pipeline has a capacity of about 155,000 bbl/d. Rail transit is variable but recently has been taking as much as 120,000 bbl/d of oil from Kazakhstan that was shipped to Azerbaijan and then taken by rail to the Georgian port of Batumi. Some Azeri oil is also taken by rail to Kulevi (near Poti). The BTC pipeline is the most important oil pipeline, with capacity of about 1 million bbl/d, and flows of about 850,000 bbl/d before the recent interruption.

[72] The South Caucasus pipeline has a capacity of about 8.4 billion cubic metres (Bcm) per year, with flows of only about half that.

[73] Armenia imports about 1.7 Bcm per year via Georgia, with Georgia obtaining under 1 Bcm from Russia as a transit fee, and Russia to provide additional gas to Georgia if Azeri-sourced gas is insufficient for all consumption.

[74] The cause of the blast has been attributed to the Kurdish insurgent group PKK, which itself claimed responsibility, though the Turkish government denied that the blast was caused by sabotage.

[75] Alex Lawler, "BP says Azeri oil exports by rail to Georgia halted", Reuters, 18 August 2008. Kazakh oil exports via rail had already been halted by decision of the operator of the Kazakh field using the route, but Azerbaijani exporters had been using the rail route to make up for lack of available pipeline transit.

[76] Daniel Fineren and Margarita Antidze, "BP resumes gas flows to Turkey, oil pipeline shut", Reuters, 14 August 2008.

to use a pipeline through Russia to the Black Sea port of Novorossisk or to ship to the Iranian port of Neka – are politically and financially less palatable and cannot provide enough capacity to make up for what has been lost with BTC and the Georgian ports. As there are tight limits on the storage capacity of its terminal, the capacity of domestic refineries and the size of the Novorossisk pipeline, Azerbaijan has had to substantially reduce its oil production.[77] This is enormously costly for the government and oil producers there.

If the ceasefire holds, the BTC pipeline could reopen and most of Azerbaijan's production be restored before the end of August, when repairs in the Turkish section are expected to be completed.[78] Georgian Railways announced on 17 August that the damaged tracks would be repaired within ten days, though it is unclear whether exports would resume so quickly. Some gas transit to Armenia was reduced at one point but already appears to have returned to normal. It is unclear whether electricity imports from Russia have been interrupted, but consumption has likely decreased, since electricity infrastructure has been damaged in places where fighting occurred, such as Gori.

The conflict may well have wider ramifications. Georgia is attractive as a transit country to reduce dependency on Russia for energy coming from Central Asia. Russia has now shown that it can affect those transit routes, raising perceptions of political risk and potentially chilling further energy investment in Georgia and the region. The EU, via the Nabucco project that it supports, has looked to Azerbaijan and Central Asia as new sources of gas to increase supply and diversify sources.[79] This gas, according to plans, would transit Georgia, skirting the other options of Russia or Iran. Azerbaijan and Kazakhstan are expected to increase their oil production in the near future and will need increased transit capacity, which has been expected to be met in part by Georgia.

Russian interests will benefit if Georgia can no longer serve as a key energy transit route.[80] Attacks and blockades on Georgian oil ports far from the conflict in South Ossetia suggest that Moscow at least took advantage of the situation. Still, much of the anticipated energy transport needs are likely to materialise only after a number years: for example, it is expected to be five years before the large production of Kazakhstan's super-giant Kashagan oil field in the Caspian comes online. This would provide ample time for a restoration of investor confidence if security in the region can be assured.

2. Economy

Assuming no further damage, direct harm to civilian infrastructure in Georgia (not including South Ossetia) has been estimated at up to $400 million.[81] Pre-conflict forecasts of economic growth between 7.5 and 9 per cent in 2008 have been sliced by 2.5 to 5 percentage points.[82] Georgia is particularly dependent on foreign direct investment (FDI) to finance its large current account deficit, and a decline in investor confidence is likely to have a sharp impact on the currency (the lari), especially given the government's limited foreign exchange reserves. If depreciation is severe, it will cause real problems for those who have borrowed in foreign currency-denominated loans, including major banks, large businesses and the government. An international aid package by the International Monetary Fund (IMF) or foreign governments (such as a standby loan facility) may avert this. Clearly, the quicker stability can be restored, and displacement reversed, the lesser the long-term impact will be.

[77] Precise production levels have not been made public, but the mainstay of the BTC pipeline, the ACG fields, reportedly reduced production from 850,000 bbl/d to 250,000 bbl/d.

[78] Turkish Energy Minister Hilmi Güler stated on 18 August 2008 that BTC would resume functioning within a few days, though the BTC consortium pointed to 27 August as the likely date. "Turk minister: no sabotage on BTC, flow due to resume", *Hurriyet English*, 18 August 2008. BP has already decided to restart the South Caucasus pipeline, and BTC's path follows very close to that of the South Caucasus pipeline. BTC started working on a test mode on 20 August.

[79] The U.S. has highly favoured this as a way to reduce Russian leverage in both Europe and Central Asia.

[80] Russia certainly would prefer that energy transit from Central Asia and Azerbaijan not use the Caucasus as an alternative for several reasons: 1) Russia loses potential transit fees if non-Russian routes are used; 2) the more energy transit Russia controls, the more leverage it has with the Central Asian republics and Azerbaijan; 3) if Russia can restrict supply growth coming from its neighbours, it can keep energy prices higher and make more money on its own exports; and 4) Gazprom would like to be able to purchase gas at large price differentials from European market prices, thus making a larger profit and reducing its need to invest in Russia's own stagnant gas output. If Central Asia were to export some of this gas through non-Russian routes, however, this option could be lessened.

[81] A senior Georgian official's preliminary estimate of the value of civilian infrastructure damage was already $300 million on 12 August 2008. Crisis Group email communication, international organisation representative, August 2008.

[82] Ibid.

This economic hit comes against the backdrop of widespread poverty, high unemployment and the virtual absence of state-run social services. More than 40 per cent of Georgians lived on or below the poverty line in 2007.[83] While prices in Tbilisi have gone up only slightly and all staples are still available,[84] some villages, particularly in the west, are short of basic commodities, including bread.[85] As usual, the most vulnerable populations will be hardest hit.

Severe internal strife could develop. Economic concerns were already high among the grievances that led to protests and political unrest in autumn 2007. While the Georgian nation is now strongly united against Russia, many are asking bitter questions about the suitability of Saakashvili's policies towards Moscow and the conflict regions, especially as the human costs of the conflict are becoming known. Some say Saakashvili's policies were rash and irresponsible.[86] Others blame him for triggering a spiral of violence they fear could throw the country back into the poverty and chaos of the early 1990s, just when it was starting to achieve stability and prosperity, and for miscalculating his international support and exaggerating the army's preparedness to defend citizens.[87]

Media and civil society should provide forums in which to debate what has happened and the country's future, but these channels have been weakened under Saakashvili.[88] The authorities must allow the peaceful protests and redress of grievances. In the rebuilding stage, donors should redouble their support to civil society, institution building, media freedom and the rule of law [89] and their pressure on the government to abandon its increasingly authoritarian tenor.

3. Politics

With thousands of Russian troops still occupying his country, Saakashvili is for now – despite the signs of unrest just described – in a strong domestic position, benefiting from outrage over Moscow's attacks and a rally-round-the-flag atmosphere. Even figures often bitterly opposed to the president acknowledge this. "The society is fully united in repelling the Russian aggression", said Paata Zakareishvili, an analyst and former opposition parliamentarian. "Campaigning against Saakashvili at this time would serve to further shake up Georgian statehood".[90]

But hawks inside the ruling elite who were more inclined to risk a military confrontation with Russia will likely be pushed aside once the feeling of solidarity wanes. Though many of them expected Russia to intervene, they did not expect the massive scale of its incursion. Relative moderates advocated a more careful line and will likely benefit, but only if the government survives, which is far from assured.

But opposition groups also say that, ultimately, Saakashvili's government will have to explain how it allowed itself to be lured into a direct confrontation with Russia.[91] "I'm afraid it will not be very easy for the government to answer all these tough questions", said the former parliament speaker, Nino Burjanadze. "It was impossible to imagine that Russian tanks would be 20-25 minutes drive from Tbilisi, that we would have so many refugees and displaced persons and so many casualties among civilians".[92]

Burjanadze, a former close ally of Saakashvili, quit her parliament speaker post in late 2007. Part of a pre-election campaign dispute, this was also seen as an effort to distance herself from the authorities as their popularity was on the wane. She started her own political movement and is widely viewed as a viable replacement should Saakashvili lose power. On 18 August, she gave notice of a possible political comeback, stating "I am more than sure that right now I have to play a very active political role in the country".[93]

Saakashvili won re-election to a second five-year term in January 2008 with 53 per cent of the vote, narrowly avoiding a second round. Opposition groups claimed fraud tainted the results. The International Election Observation Mission said that the election was largely consistent with democratic standards but that there were "significant challenges" with the

[83] Crisis Group Report, *Georgia: Sliding towards Authoritarianism?*, op. cit., p. 14.
[84] Crisis Group observations, Tbilisi, August 2008.
[85] Crisis Group telephone interview, Tbilisi resident hiding in West Georgian villages, August 2008.
[86] Crisis Group telephone interview, Georgian civil society representative, August 2008.
[87] Crisis Group email exchange, former Georgian politician, August 2008.
[88] See Crisis Group Report, *Georgia: Sliding towards Authoritarianism?*, op. cit., pp. 24-25.
[89] As Crisis Group recommended in Crisis Group Report, *Georgia: Sliding towards Authoritarianism?*, op. cit. See also William Horton Beebe-Center, "Limited leverage: Eurasia and the West", *The International Herald Tribune*, 17 August 2008.
[90] Crisis Group interview, Paata Zakareishvili, political analyst, Tbilisi, August 2008.
[91] Crisis Group interview, political analysts, Tbilisi, 20 August 2008.
[92] "Saakashvili to face 'tough questions'", Civil Georgia, 18 August 2008.
[93] Ibid.

process that needed to be addressed urgently.[94] Saakashvili's ruling National Movement easily won parliamentary polls in May, defeating a loose coalition of opposition groups by 59 per cent to 18 per cent. Many opposition deputies refused to take up their seats in protest over what they said was more fraud. But the opposition remains highly fragmented.

The chances for an openly pro-Russian figure to emerge, should the government collapse, are remote. None have any appreciable public support beyond their own clan-based networks.

IV. IMPLICATIONS FOR RUSSIA

The intervention in Georgia is a turning point for Russia's relations with both its neighbours and the broader international community. It has been marked by self-confidence and aggressiveness, a willingness to push confrontation to the limit and disregard for international opinion. Buoyed by the rapid oil-driven growth in its national wealth,[95] Russia believes that it should exercise a decisive influence on global processes.[96] For nearly two decades, the Kremlin expressed interest in cooperation and integration with Western institutions largely on their terms, but it is now returning to the more characteristic great power behaviour of insisting on playing by special rules. There is a strong risk that it is prepared to accept a degree of international ostracism and confrontation if it deems these the costs necessary to achieve its goal of re-creating a security zone around its borders, in which its neighbours accept or are forced to accept limitations on their choice of relations with the EU and the U.S.

Officials conversant with the workings of the Russian government say Prime Minister Putin alone is taking "both tactical and strategic" decisions in the current campaign.[97] Once Russian forces crossed into Georgia proper, one said, there was an element of "improvisation", but the destruction of Georgian military and militarily significant infrastructure was almost certainly a "core element" of the whole operation.[98] Given Putin's central involvement, it is unlikely that there will be much flexibility on the question of engaging international peacekeepers. In Chechnya, where the Russian army crushed a would-be secessionist enclave with a loss of life that far exceeded the Georgia campaign, Putin rejected any involvement of foreign peacekeepers, asserting that a state that agreed to in-

[94] "Statement of Preliminary Findings", International Election Observation Mission (IEOM), 5 January 2008. The IEOM comprised representatives from the OSCE, the Council of Europe and the EU Parliament.

[95] In 2007 the economy grew by 8.1 per cent, mainly due to high oil prices, and it is set to grow further. "The World Bank in Russia: Russia Economic Report, June 2008", The World Bank, June 2008, available at http://siteresources.worldbank.org/INTRUSSIANFEDERATION/Resources/rer16_Eng.pdf.

[96] See for example First Deputy Prime Minister Ivanov, "Where is Russia heading? New vision of pan-European security", presentation at the Munich Conference on Security Policy, 10 February 2008, available at www.securityconference.de/konferenzen/rede.php?sprache=en&id=217.

[97] Crisis Group telephone interview, 16 August 2008.

[98] Crisis Group telephone interview, 16 August 2008.

ternationalise a conflict by accepting such assistance was abdicating part of its own sovereignty.[99]

Though he helped negotiate the details of the ceasefire agreement with French President Sarkozy, President Medvedev's distinctly secondary power role has been confirmed. Putin took the lead in issuing the first strongly worded warning to Tbilisi on 8 August from Beijing,[100] while Medvedev was "holding consultations" in Moscow. Putin two days later flew to the North Ossetian capital, Vladikavkaz, to express solidarity with the victims of the initial Georgian offensive and assess needs on the ground. His tone has been harsh, for example accusing the U.S. in particular of a cynical effort to "present the aggressor as the victim of an aggression and to place the responsibly for the effects on the victims".[101]

The domination Putin is displaying over foreign and security policy with respect to Georgia and its characteristics match the direction of domestic policy, notably the tough line he has taken against BP and the coal and steel giant Mechel.[102] This demonstrates not only the prime minister's power, but also the influence of his close supporters within the security services (the *siloviki*), from whose ranks he rose. Senior members of the South Ossetia de facto government are also former Russian security officials.[103] That security elements continue to play a key role in Russian politics was made most evident when Deputy Commander of the General Staff General Anatoliy Alekseevich Nogovitsyn virtually contradicted Medvedev, stating that "Russian forces will continue their reconnaissance activities following the ceasefire",[104] after the president had declared the end of the Russian operation on 12 August.

A. RUSSIAN MOTIVATIONS BEYOND GEORGIA

Russia's actions in Georgia have been a warning to all other former Soviet republics, amounting to pursuit of a doctrine of limited sovereignty with respect to countries it views, because of history and geography, as within its natural sphere of influence. Ukraine, with its Western predilections and NATO ambitions, is potentially vulnerable to this doctrine. Russia has considerable leverage, of which it has already made some use: the Crimea was for a time Russian; the eastern part of the country has a large ethnic Russian population and close cultural ties to Russia; the economy has more than once been targeted by energy blackmail.[105] Putin reportedly told President Bush at NATO's Bucharest Summit in April 2008: "You understand, George, that Ukraine is not even a state! What is Ukraine? Part of its territory is Eastern Europe, and another part, a significant one, was donated by us!"[106]

[99] The deployment of peacemakers in Chechnya is "out of the question" (исключено), Putin noted in a book-length series of interviews in early 2000. It would only be possible if Chechnya's independence was recognised, and that was something he made clear would never happen. Source: www.kremlin.ru/articles/bookchapter9.shtml.

[100] Putin said on 8 August that Georgia's "aggressive actions" in South Ossetia might trigger retaliatory measures. "Putin Warns Georgia over S.Ossetia", Civil Georgia, Tbilisi, 8 August 2008, available at www.civilgeorgia.ge/eng/article.php?id=18956.

[101] "Vladmir Putin attacks the West's 'cynical support' for Georgia", *Times Online*, 11 August 2008, available at www.timesonline.co.uk/tol/news/world/europe/article4507031.ece.

[102] Mechel was accused of improper pricing practices and forced to lower its prices. The BP-TNK affair pushed the firm's chairman, Robert Dudley, to essentially "flee" Russia, leading Western fund managers to conclude: "The last train carrying the optimists out of Russian equities has just left the station". "Russia reaches investors' tipping point after BP affair sours", *The Telegraph*, 31 July 2008, available at www.telegraph.co.uk/money/main.jhtml?xml=/money/2008/07/27/ccbp127.xml.

[103] Some analysts argue that Russia's support to South Ossetia is part of a large money-laundering scheme benefiting the *siloviki*. Yulia Latynina, "South Ossetia Crisis Could Be Russia's Chance To Defeat Siloviki", RFE/RL, 8 August 2008, available at www.rferl.org/content/Article/1189525.html.

[104] "Российские военные после прекращения огня продолжат разведку на территории Грузии" ["Russian military continue reconnaissance on Georgian territory after ceasefire"], Interfax, 12 August 2008, available at www.interfax.ru/news.asp?id=26723.

[105] This does not excuse Ukraine's provocative statements vis-à-vis Russia such as the 14 August statement by foreign ministry official, Victor Semenov, that deploying the Black Sea Fleet against "third countries" could provoke terrorist acts against Fleet installations and personnel on Ukrainian territory. "Ukrainian MFA: participation of the Russian Black Sea fleet in Georgian-Ossetian conflict may lead to unforeseen terrorist acts in Crimea", *Echo Moskvy*, 14 August 2008, available at http://echo.msk.ru/news/533939-echo.phtml.

[106] Quoted in the respected Russian paper *Kommersant*. The paper also noted that Putin "hinted transparently that if Ukraine is accepted all the same into NATO, this state can simply cease to exist". "Блок НАТО разошелся на блок-пакеты" ["The NATO bloc broke up into blockpackets"], *Kommersant*, 7 April 2008, available at www.kommersant.ru/doc-rss.aspx?DocsID=877224. There have been abundant and explicit Russian threats against Ukraine's territorial integrity in the past year. Moscow Mayor Yuri Luzhkov, a close Kremlin ally and senior member of the ruling United Russia party, has been at the forefront of demands for Crimea to be returned to Russia. See: "Мэр Москвы, лидер московского списка кандидатов "Единой России" Юрий

The Baltic States have the protection of membership in the EU and NATO but also the vulnerability of large ethnic Russian populations. Moscow's claim that the rights of those populations are abused has taken on a more ominous tenor in the wake of its post-7 August assertions with regard to its constitutional obligations and interpretation of responsibility-to-protect (R2P) claims in the Georgia case.[107]

In Russian official circles, as well as some of the media and the minds of many ordinary Russians, the conflict in Georgia is not so much between Russia and Georgia as between Russia and the West.[108] Similar expressions are plentiful in the Western media. It is very much in the interests of all to contest a slide into a new Cold War mentality. If that is to be avoided, the first responsibility lies with the Kremlin, which, now that it has administered a bloody nose to its bête noir, Saakashvili, and shown off its new assertiveness, must decide between cooperation or further confrontation over Georgia.

Within the former Soviet bloc, the Russian-Georgian conflict is clearly strengthening dividing lines between those countries that want close ties to the U.S. and EU, and those that remain within Russia's sphere of influence. In a 9 August joint statement the presidents of the three Baltic States and Poland called upon the EU and NATO to stand against Russia's "imperialist and revisionist policy in the East of Europe".[109] On 14 August, Poland and the U.S. signed a deal on the establishment of an anti-missile base in Poland.[110] The quick signature, after eighteen months of negotiations, was defended by the Polish foreign minister as the result of "a new international situation".[111] Ukraine has said it is ready to make its missile early warning systems available to European nations following Russia's conflict with Georgia.

But Russia appears willing to respond in kind. Colonel-General Nogovitsyn, deputy chief of the Russian General Staff, declared that "by accepting the missile-defence battery Poland is exposing itself to a strike…. Such targets are destroyed as a first priority".[112] Deployment to South Ossetia in recent days of short-range ballistic missiles (SS-21) may be in part a further symbolic response to the darkening climate.[113]

Other former Soviet republics watching the past week's developments are unimpressed by the U.S. and EU inability to back up their political support, and rhetoric about peace and democracy values, with military actions or tangible sanctions. "Russia is now showing its real face….We will only become really independent when their economy weakens", a CIS official said days after Russia entered Georgia.[114] The lesson learned is the need to maintain a balanced for-

Лужков считает необоснованным передачу Крыма Украине" ["The mayor of Moscow and leader of the Moscow list of United Russia Yuri Luzhkov considers the transfer of Crimea to Ukraine to be unfounded"], Censor.net.ua, 21 November 2007, available at http://censor.net.ua/go/offer/ResourceID/68553.html; and "Потомки не простят Если Севастополь и Крым не вернутся России, убежден Юрий Лужов" ["Our descendants will not forgive us if Sebastopol and Crimea do not return to Russia, Yuri Luzhkov is convinced"], Rossiiskaya Gazeta, 25 July 2008, available at www.rg.ru/2008/07/25/luzhkov.html.

[107] Referring to Baltic states celebrating the beginning of World War II, Medvedev said, "and those same states are the ones who have become ultra-nationalist in their policies, harassing national minorities and denying rights to the so-called 'stateless' citizens in their countries….in many cases we are talking about abuses against Russians and Russian-speaking populations. And protection and defending those rights is obviously one of our responsibilities". Medvedev, "Speech at the meeting with Russian Ambassadors and Permanent Representatives to International Organizations", 15 July 2008, available at www.kremlin.ru/eng/speeches/2008/07/15/1121_type82912type84779_204155.shtml.

[108] See for example the impressions of the Russian Army and irregulars in South Ossetia. "Georgia: Russian military entrench themselves deeper", *The Telegraph*, 17 August 2008.

[109] "Joint Declaration of Estonian, Latvian, Lithuanian and Polish Presidents on the situation in Georgia", 9 August 2008, at www.president.ee/en/duties/press_releases.php?gid=116987.

[110] Gabriela Baczynska, "U.S and Poland sign missile shield deal", Reuters, 14 August 2008, available at http://africa.reuters.com/world/news/usnWAR007218.html.

[111] Ten sites are to be opened by 2012, with the aim to intercept long-range missiles. "Poland, U.S. close in on Missile Deal", Agence France-Presse, 15 August 2008. "Initialing of an agreement between the government of the Republic of Poland and the government of the United States of America regarding the placement in Poland of anti-ballistic defensive interceptor missiles", Polish foreign ministry, 15 August 2008, available at www.mfa.gov.pl. Following the deal, a Russian official stated: "Seeing the speedy decision, and the conditions in which this deal was signed, it is once again obvious that this project has nothing to do with the Iranian threat but is directed against Russia". "U.S./Poland missile deal seen aimed at Russia", Reuters, 15 August 2008.

[112] Quoted in Edward Luttwak, "Georgia conflict: Russia has blown away soft power", *The Telegraph*, 16 August 2008, available at www.telegraph.co.uk/news/worldnews/europe/georgia/2571274/Georgia-conflict-Moscow-has-blown-away-soft-power.html.

[113] Michael R. Gordon, "Pledging to leave Georgia, Russia tights its grip", *The New York Times*, 17 August 2008.

[114] Crisis Group interview, diplomat, CIS country, Brussels, August 2008.

eign policy approach vis-à-vis Russia and the U.S.-EU. Though Azerbaijan is a close Georgian ally and has been losing significant energy revenue since 8 August, its president has failed to make any statement about the Georgian-Russian conflict. In Central Asia there is very likely to be a new amenability on the part of Turkmenistan and Kazakhstan to doing deals with Gazprom, possibly even a willingness by Kyrgyzstan to close the U.S. airbase in Manas and by Uzbekistan to end the American use of the Termez base, as well a general strengthening of the Shanghai Cooperation Organisation (SCO), in which Russia has a major role.

But Russia is also interested in revising the wider framework of European security.[115] President Medvedev called in two major speeches in July 2008 for negotiation of a new Treaty on European Security to create a "truly open and collective security system".[116] This was needed, he said, because "Atlanticism as a single basis for security has exhausted itself. We must at the present time discuss [the concept of] a single Euro-Atlantic space from Vancouver to Vladivostok".[117] The Russian ambassador to NATO, Dmitri Rogozin, has said that Russia would like to convene an international forum including the OSCE, NATO, the EU, the CIS and the Collective Security Treaty Organization118 to discuss the proposal.119 It is a vague concept and one that should be approached with corresponding caution, but if Moscow moves away from confrontation, there is no reason why this and other broad security themes and issues cannot be discussed and if necessary reworked to the general good, just as the old Soviet idea of a European Security Conference was transformed into the Helsinki process.

All these matters – from response to the Georgia case and possible threats to other former Soviet republics through dialogue on wider aspects of security – need extensive preparatory discussion among the like-minded before they can be taken up with Moscow. A good way to start would be to convene a Contact Group among the EU and its member states and the U.S. and other NATO member states, to analyse and develop policies. Again, whether the dominant theme of those deliberations is crisis management or new, cooperative impulses, will depend primarily on choices in the Kremlin about how Russia should views its true interests. For the West, however, the preference for engagement with Russia rather than attempts at its isolation should be clear.

B. POINTS OF LEVERAGE WITH RUSSIA

The EU and the U.S. are now openly criticising Russia for disproportionate response. "We will have to determine if the Russian intervention against its Georgian neighbour was a brutal and excessive response", President Sarkozy wrote in *Le Figaro*. "In which case, if this demonstrates Moscow's new hard-line against its neighbours and the entire international community, there will be inevitable consequences for its relations with the European Union".[120] Members of the Bush administration have gone much further in urging Russia to withdraw and stating: "Russia's international reputation and what role Russia can play in the international community is very much at stake here".[121] President Bush claimed its actions "substantially damaged Russia's standing in the world" and "jeopardised its relations" with the United States and Europe.[122]

The EU and U.S. have few levers with which to compel the Kremlin to change course on Georgia against its will, but there remains hope that Russia still wants to be seen as a mature, constructive contributor to the resolution of global challenges and to work, albeit more on its terms than in recent years, with key Western institutions. If Russia fails to implement the ceasefire, accept international monitoring or otherwise not assist in resolving the current crisis, some of its current forms of association with the EU, NATO and their member states might be suspended – although it would be a mistake to close channels of communication, as opposed to specific areas of coop-

[115] See, for example, First Deputy Prime Minister Ivanov, "Where is Russia Heading?", op. cit.
[116] Medvedev's speech, meeting with Russian ambassadors, op. cit.
[117] Medvedev, "Speech at meeting with German political, parliamentary and civic leaders", 5 June 2008, available at www.kremlin.ru/eng/speeches/2008/06/05/2203_type82912type82914type84779_202153.shtml.
[118] The Collective Security Treaty Organization consists of Russia, Belarus, Armenia, Kazakhstan, Kyrgyzstan and Tajikistan.
[119] Judy Dempsey, "Russian proposal calls for broader security pact," *The New York Times*, 28 July 2008.
[120] President Sarkozy, "La Russie doit se retirer sans délai de Géorgie", *Le Figaro*, 18 August 2008, available at www.lefigaro.fr/politique/2008/08/17/01002-20080817ARTFIG00202-la-russie-doit-se-retirer-sans-delai-de-georgie-.php.
[121] Condoleezza Rice, quoted in "US cancels joint military exercise with Russia", *The Financial Times*, 13 August 2008, available at http://us.ft.com/ftgateway/superpage.ft?news_id=fto081320080434125318.
[122] "U.S. may seek to punish Russia for Georgia conflict", CNN News, 12 August 2008, available at http://edition.cnn.com/2008/WORLD/europe/08/12/georgia.us/.

eration. Russia's candidacy to become a member of the World Trade Organization (WTO) is already blocked, because Georgia suspended bilateral talks that are an essential part of that process.[123] In the current situation it is inconceivable that Georgia will reverse that step, or that the U.S. Congress will waive application of the Jackson-Vanik Amendment.[124]

Some pressure to mute Putin's assertive policies may eventually emerge from within. However much the Russian prime minister may argue that his nation is forging its own identity and following its own logic, it is intimately linked with the outside world in terms of trade and economic relations. The Russian business sector does not share the *siloviki* enthusiasm for foreign muscle-flexing. The Russian market and the economy in general reacted with considerable anxiety to the war with Georgia.

The stock market fell abruptly at the start of the intervention, only partly recovered the following week, and then plummeted again after the NATO emergency meeting on 19 August, and as of 21 August had fallen 6.5 per cent since 7 August.[125] Finance Minister Aleksei Kudrin noted that on 8 August, $6 billion left the country; another $1 billion left within the next week.[126] Overall, foreign investors have withdrawn their money from Russia at the fastest rate since the 1998 ruble crisis.[127] Foreign currency reserves fell by over $16.4 billion for the week starting 8 August.[128] Domestic ruble bond yields have increased by up to 150 basis points in August.[129]

The 2014 Winter Olympic Games might also be utilised as leverage to encourage Russia to accept international cooperation to resolve the Georgia crisis. Those Games are a major source of pride and prestige for the Kremlin. Putin worked hard and personally to win them for Sochi. That city, however, is only some 40km from the Georgian border.[130] Access, including access over the intervening years to do the extensive preparatory work necessary to bring the site up to Olympic standards, is dependent on stability in Abkhazia.

A threat to the success of those Games would be taken seriously by the Russians, but Olympic boycotts have a mixed and mostly unhappy history. The International Olympic Committee can be faulted for awarding the games to a site so vulnerable to an unsettled conflict, but its record indicates it would not be willing to reverse that decision on the basis of what has happened to date in Georgia. On the other hand, having witnessed the return to hot war in the region, its members may now be more sympathetic to the argument that Russia needs to do more and do it quickly to assure it that the Games will not fall victim to the conflict.

A cautionary shot across the bow would be for concerned governments to urge their national committees to press the IOC to express unease to the Russian Olympic Committee at the present instability and its potential implications for preparation of the Sochi Games. The message conveyed should be that the IOC will require a status report by a certain date, say 1 January 2009, and that if it then finds cause for concern regarding preparations, including concern that there remains a serious conflict risk in the neighbourhood – failure of the Security Council to agree on international cooperation to cope with the present crisis, for example – it may need to reconsider its decision to award the Games to Sochi.

Russia also needs to be conscious of the potential economic fallout from its actions – both in terms of making it a less attractive investment destination due

[123] Russia has finalised bilateral agreements with the U.S. and EU. The EU, as its biggest trade partner, has an interest in Russian membership. Other than the Georgia agreement, Russia needs only a bilateral agreement with Saudi Arabia to enter the multilateral negotiations which can finalise its membership.

[124] Part of the U.S. 1974 Trade Act, the Jackson-Vanik amendment denies most favoured nation (MFN) status to certain countries that have non-market economies and restrict emigration. Until it is waived or deemed inapplicable to the Russian case by the U.S., it stands in the way of Moscow's acceptance into the WTO.

[125] The Russian RTS stock market index is now down about 25 per cent for the year.

[126] "Отток капитала из России из-за войны в Южной Осетии составил 7 млрд долларов" ["The outflow of capital from Russia because of the South Ossetia war amounted to $7 billion"], News.Ru.Com, 17 August 2008, available at www.newsru.com/finance/17aug2008/war_price.html.

[127] Charles Clover, "Investors quit Russia after Georgia war", *Financial Times*, 21 August 2008.

[128] Ibid.

[129] Ibid.

[130] An agreement was signed in May 2008 by de facto President Bagapsh and the governor of Krasnodar region, Tkachov, on the use of Abkhaz construction materials for Sochi development. Moscow Mayor Yuri Luzhkov said in 2007 that it was difficult to imagine holding the Olympics in Sochi without the participation of "such a kind neighbour as Abkhazia". "Georgia: Sochi Winter Olympics Could Impact Frozen Conflicts", *Eurasia Insight*, 7 November 2007, available at www.eurasianet.org/departments/insight/articles/eav071107.shtml. An international organisation operating in Abkhazia is, according to its head, starting to lose human resources to the Olympic preparations. Crisis Group interview, Tbilisi, May 2008.

to its increasingly tense relationships with the West, and as a result of any measures the West may take to slow or reverse its integration into the world economy.

Despite real GDP growth that has averaged 7 per cent in the years 2000-2007, Russia's is still a small economy compared to those of the U.S., EU, Japan or China, and dependent on those much larger ones to buy its primary export products, oil and natural gas.[131] It is overly dependent on oil and gas production, which in 2007 made up two thirds of export revenues and over 15 per cent of GDP. Oil alone provided about 29 per cent of government revenue.[132]

The drop in the stock market, foreign currency reserves, foreign investment, and the increase in the domestic bond yield all show that Russia's economy is vulnerable to global market sentiment in reaction to Moscow's decisions. In particular, the reduction in investor confidence makes it more difficult for Russian companies to raise debt and equity finance, as Russian companies are dependent on foreign sources of long-term capital.[133]

In the medium term, if physical volumes of energy production and exports stagnate as expected and oil prices stabilise, energy exports will not be able to sustain high levels of economic growth. Other sectors must improve their competitiveness, which will require substantial foreign investment.[134] Prerequisites for that investment include not only a more secure environment for foreign investors from predatory actions of the Russian government, but also from the political risk associated with conflict with its neighbours and subsequent political and economic isolation.

[131] Russia's 2007 nominal GDP in billions of purchasing power parity U.S. dollars was 2,096, compared with 13,807.6 for the U.S., 7,181.2 for China, 14,827.2 for the EU, and 4,289.2 for Japan. Source: Global Insight.

[132] International Monetary Fund, 2007 Article IV Consultation, 23 October 2007. If mining is added to export revenues, and gas and mining to government revenue, the economy's and government's dependence on the commodities sector is yet more apparent.

[133] Charles Clover, "Investors quit Russia after Georgia war", *Financial Times*, 21 August 2008.

[134] In 2007, about 50 per cent of foreign investment went to the energy sector, reflecting the need for high returns to match the high risk of the Russian business environment.

V. IMPLICATIONS FOR THE EU AND U.S.

A. THE EU APPROACH

The European Union, and most particularly its Presidency, acted quickly and decisively to broker the ceasefire. While there is ample scope for questioning the vague and loose language in the ceasefire, the shuttle diplomacy of French President Sarkozy and Foreign Minister Kouchner showed that when it has dynamic leadership, it can play an important international political role. Chancellor Merkel's follow-up visits to Russia and Georgia on 15-17 August demonstrated close Franco-German cooperation on the issue. Cooperation between the EU Presidency and the OSCE Chairman in Office, Finnish Foreign Minister Stubb, has also been tight.[135]

Member states are thoroughly behind the six-point ceasefire, which they approved in an emergency council session of foreign ministers (GAERC) on 13 August. They affirmed that any peaceful and lasting solution to the Georgian conflict should respect the principles of independence, sovereignty and territorial integrity (implicitly of Georgia) and obtain UN Security Council backing.[136] They agreed to rapidly reinforce the OSCE's capabilities to monitor the ceasefire and pledged political support to move the process forward within that organisation. While not indicating whether they would deploy a new European Security and Defence Policy (ESDP) mission, they also agreed to "commit … including on the ground, to support every effort, including those of the UN and OSCE".

But despite this rapid reaction, subsequent developments have shown the limitations of EU "soft power", especially in the context of the lack of a clear, unified policy on relations with eastern neighbours – Russia and Georgia alike.

To avoid divisions and retain a focus on the ceasefire, the French Presidency postponed discussion on the effect of recent developments on EU-Russia relations to an informal meeting of foreign ministers, 5-6 September.[137] In the middle of summer holidays, EU

[135] Finland, partly due to historical and geographic experience, has many excellent specialists on Russia and other parts of the former Soviet Union.

[136] "Council Conclusions on the situation in Georgia", 13 August 2008, Brussels, op. cit.

[137] As suggested by UK Foreign Secretary Miliband. See "EU backs plan to monitor Georgia truce", Reuters, 13 August 2008. The informal meeting ("Gymnich" in EU parlance),

leaders were not prepared to address the difficult issues which they had been skirting for some time: enlargement to new parts of the former Soviet Union, relations with Georgia (and by extension Ukraine), ties with Russia, and how to increase influence and leverage in their own backyard.

Beyond the immediate crisis, EU member states are divided over how to respond to Georgia and interact with Russia. While some policymakers may have expected a Georgian incursion into South Ossetia, few would have predicted the extent of the Russian backlash. The EU is ever more split[138] between sharp critics of Russia – the Baltic States, Poland and Sweden – and those advocating a "middle of the road approach" – France, Germany, but also Greece and other southern countries.[139] A day after the visit of five presidents and prime ministers from member states that formerly were Soviet republics or allies to Tbilisi on 11 August to express solidarity with Georgia,[140] the EU foreign ministers' conclusions criticised neither Georgia nor Russia.[141]

The EU lacks a clear policy on Georgia. Over the past several months, it made stronger and more frequent common statements in support of Georgia and critical of Russia, and Javier Solana, its High Representative for the Common Foreign and Security Policy, demonstrated interest in supporting conflict resolution in Abkhazia and South Ossetia by making his first trip to Tbilisi and Sukhumi in June 2008.

Tbilisi is interested in EU membership, but Brussels has hitherto stated that it has no membership perspective in the near term. Georgia is implementing a European Neighbourhood Action Plan (ENAP) under Brussels' European Neighbourhood Policy (ENP). Whether it will eventually be offered the chance to negotiate a Stabilisation and Association Agreement (SAA) like its Balkans neighbours is far from certain.[142] In the meantime, Georgia has done its best to tailor the ENAP to meet its conflict resolution goals in South Ossetia and Abkhazia. The ENP has supported confidence building in the two conflict zones but never had the political dimension Georgia has sought.[143]

In the post-Cold War period, membership and the prospect of membership have repeatedly proved to be the EU's most effective foreign policy tools for advancing toward what was often called the goal of a Europe whole and free. The prospect of membership, large-scale EU financial and political engagement, and robust ESDP missions, has helped bring peace and stability over the past decade to the Western Balkans.[144] For an EU sceptical of further expansion,[145] new thinking among member states is required to pre-

held twice a year – once in each presidency – will also discuss proposals of the EU High Representative Solana for further EU engagement on the ground to support the international conflict settlement. See "Council Conclusions on the situation in Georgia", 13 August 2008, Brussels, op. cit.

[138] See Crisis Group Report, *Georgia and Russia: Clashing over Abkhazia*, op. cit., pp. 16-17.

[139] Crisis Group interview, EU ambassador, Brussels, 13 August 2008.

[140] From Poland, the three Baltic republics. See also "Statement by the Presidents of Estonia, Lithuania, Poland and the Prime Minister of Latvia on the further conflict resolution in Georgia", 13 August 2008, available at www.president.lt/en/news.full/9500. President of Ukraine Victor Yushchenko travelled to Tbilisi on 12 August to show his support for Georgia. See "President of Ukraine urgently leaves for Tbilisi", Ukrainian News Agency, 12 August 2008, available at www.unian.net/eng/news/news-266659.html.

[141] Statements of the foreign ministers arriving at the GAERC meeting indicated strong diverging opinions. See "EU backs plan to monitor Georgia truce", Reuters, 13 August 2008; and "EU wants peacekeepers 'on the ground' in Georgia", *EUobserver*, 14 August 2008, available at http://euobserver.com/9/26606.

[142] A new comprehensive agreement with Georgia might instead be an "Association" agreement, as with Israel or Egypt, also ENP countries. EU foreign ministers agreed on 22 July that Ukraine will get an "Association" agreement, the details of which are set to be discussed at the 9 September EU-Ukraine Summit in Evian. See "EU to offer Ukraine 'association' agreement", *European Voice*, 23 July 2008, available at www.europeanvoice.com/article/2008/07/2127/eu-to-offer-ukraine-"association"-agreement/61811.aspx.

[143] For more on Georgia and the ENP see Crisis Group Europe Report N°173, *Conflict Resolution in the South Caucasus: The EU's Role*, 20 March 2006.

[144] Balkans integration began in 1997 with the definition of a EU Regional Approach for the Western Balkans, in which the EU set out to help with the implementation of the Dayton Peace Accords and Erdut agreements and bring basic stability and prosperity to the region. Today, all the countries of the Western Balkans have the prospect of future EU membership as explicitly endorsed by the European Council in Feira in June 2000 and confirmed by the European Council in Thessaloniki in June 2003.

[145] After the rejection of the Lisbon Treaty by the Irish electorate on 9 June, President Sarkozy and Chancellor Merkel said that there will be no further enlargement without new institutional basis. "Merkel Remains Confident EU Will Implement Lisbon Treaty", *Deutsche Welle* (online), 24 July 2008 at www.dw-world.de/dw/article/0,2144,3508701,00.html. The enlargement report adopted by a large majority in the European Parliament on 10 July states that for future enlargements "the EU must make efforts to strengthen its integration capacity and that this capacity should be fully taken into account". "MEPs move to make EU enlargement harder", *EUobserver*, 25 June 2008, available at http://euobserver.com/15/26387/

vent and resolve conflict in the South Caucasus where instability can have a direct effect on EU states' interests. Responding to Georgia's expressed interest in eventual membership with economic and financial assistance and political encouragement can only be a start. The EU, like NATO, needs to rethink its enlargement process and the union's future role in its immediate neighbourhood.

A common policy towards Russia is difficult to establish because member states have clearly divergent interests. Big countries like France and Germany have tended to prioritise their bilateral relations with Moscow, rather then subordinate them to a comprehensive EU approach. Russia, they suggest, is just too important to hand over the policy lead to the Council Secretariat or the European Commission. Moscow plays member states off against each other, applying what two analysts of the European Council on Foreign Relations (ECFR) call an "asymmetric interdependence" strategy.[146] Several EU states are highly dependent on Russia for their energy supplies, to the point where they may be susceptible to Moscow's political influence.[147] Greece, for example, receives 75 per cent of its gas needs from Russia, is an active member of the South Stream gas pipeline project, and prior to the recent fighting blocked the appointment of EU border liaison officers to Abkhazia and South Ossetia.[148]

If member states could agree on common policies, they could more rapidly strengthen instruments they already have in Georgia and devise new ones. Discussions regarding deployment of a new ESDP mission or use of the new incident assessment mechanism (IAM) in Georgia have been ongoing for several months.[149] But at the 13 August emergency council, ministers were able only to request Solana to prepare proposals for their informal (Gymnich) meeting on 5-6 September. Member states subsequently agreed on 19 August to reinforce the European: Union Special Representative (EUSR) presence in Georgia,[150] with up to ten new political, military, refugee and police specialists.

They should go a step further and modify the mandate of the Border Support Team (BST), which has been monitoring the Georgian-Russian border (except in Abkhazia and South Ossetia) since 2005, to allow it to work more comprehensively with Georgian authorities on monitoring, provision of humanitarian assistance and IDP return.[151] A new ESDP monitoring or humanitarian mission, based on a Georgian invitation and Brussels joint action decision, could be another step forward, but there is reluctance to do this until military withdrawal is complete.

If member states eventually agree on an ESDP mission, it is extremely doubtful that it would be given an enforcement mandate, and they would almost certainly insist that deployment be made dependent on an appropriate Security Council resolution. Experience with its rule-of-law mission in Kosovo (EULEX) also demonstrates that unless the EU obtains full Russian backing, mission deployment is likely to be time consuming. Again as in Kosovo, EU member states would probably not be willing to deploy a large ESDP mission in Georgia without having access to South Ossetia and Abkhazia, because this would increase the perception of Georgia's partition and reduce the mission's effectiveness. Another problem is that the capacity of member states to find the several thousand monitors a robust ESDP mission would need is severely limited by existing commitments in Kosovo, Chad, and Bosnia-Herzegovina.

Unable to define its political role and to put boots quickly on the ground, the EU has focused on providing humanitarian assistance, though the European Commission's pledge of a maximum of €11 million in such aid for Georgia's post-war rehabilitation[152] is

[146] See Mark Leonard and Nicu Popescu, "A Power Audit of EU-Russia Relations", European Council on Foreign Relations, 2008, p. 23.

[147] Germany is Russia's leading trading partner; Italy is its third. "Russia", Economist Intelligence Unit, January 2008.

[148] Leonard and Popescu, op. cit., pp. 28-29.

[149] For more details, see Crisis Group Report, *Georgia and Russia*, op. cit., p. 17. On 5 June 2008, the European Parliament called on foreign ministers to consider deployment of an ESDP border mission and suggested that member states take a more active role in a revised UNOMIG. See European Parliament resolution of 5 June 2008 on the situation in Georgia, available at www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P6-TA-2008-0253+0+DOC+XML+V0//EN&language=EN.

[150] "Council Joint Action for amending and extending the mandate of the European Union Special Representative for the South Caucuses" 2008/132/CSFP, 18 February 2008, available at http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:043:0030:0033:EN:PDF.

[151] See Crisis Group Report, *Conflict Resolution in the South Caucasus*, op. cit., pp. 24-25.

[152] There will be more funds for proper post-war reconstruction. This figure does not take into account member states' contributions. Enlargement Commissioner Rehn said at the post GAERC press conference: "Further funds could be released. First up to €3 million, if needed, up to €10 million." See video footage of the press conference on 13 August 2008, available at http://ceuweb.belbone.be/archivevideo.php?sessionno=1864&lang=EN#; and European Commission press release, 10 August 2008, available at http://europa.eu/

dwarfed by Russia's promise of $420 million for South Ossetia.[153] Eleven member states – Austria, the Czech Republic, Denmark, Estonia, Finland, France, Greece, Latvia, Lithuania, Poland and Sweden – are also providing assistance through the EU's Civil Protection Mechanism,[154] which was activated on 12 August 2008. The EU is now sending an assessment mission to calculate more substantial reconstruction and economic support needs. Italian Foreign Minister Frattini has recommended that a stabilisation conference for the South Caucasus be held in Rome on 13 November[155] but an earlier donors conference is needed well before the difficult winter months.

The EU even more clearly lacks the leverage and instruments to affect Russia's policies toward its neighbours. It could suspend the negotiations launched in June[156] for a new comprehensive bilateral agreement to replace the 1994 Partnership and Cooperation Agreement (PCA),[157] but Russia seeks only a vague document, while the EU wants a legally binding treaty that includes trade and energy.[158] It could also consider halting long-term discussions on visa- free travel or suspending, partially or fully, the reciprocal visa facilitation agreement that entered into force in June 2007.[159] On 27 June, the EU-Russia Summit agreed on seven joint cross-border cooperation programs, worth at least €429 million, which could also be suspended or delayed.[160] However, the co-funding as well as the cooperation between Russia and some of the EU's more sceptical members such as Estonia and Poland that these programs involve is seen as a political success that Brussels would be loathe to sacrifice.

The 15-16 September foreign ministers council and the European Council (heads of state and government) a month later are opportunities at least to issue clear and unified messages about EU relations with Russia and Georgia. But ultimately the EU needs a coherent energy policy that would allow it to stand up to Moscow when necessary without fear of energy blackmail. The Lisbon Treaty that is blocked by Ireland's recent negative referendum vote could provide a legal basis (Article 194) for developing common energy security. However, such a policy would also be

rapid/pressReleasesAction.do?reference=IP/08/1256&format=HTML&aged=0&language=EN&guiLanguage=fr.

[153] "Putin announces $420 million in aid for war torn S.Ossetia", RIA Novosti, 10 August 2008.

[154] "The main role of the Community Mechanism for Civil Protection is to facilitate co-operation in civil protection assistance interventions in the event of major emergencies which may require urgent response actions". http://ec.europa.eu/environment/civil/prote/mechanism.htm. See also 21 August 2008 European Commission press release, "Georgia: EU continues to deploy assistance to the conflict-stricken area", at http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/1269&format=HTML&aged=0&language=EN&guiLanguage=en.

[155] See "This is how we convinced the Russians and dampened Washington's wrath", interview with Foreign Minister Frattini, *Il Messaggero*, 14 August 2008, available at www.esteri.it/MAE/EN/Stampa/Sala_Stampa/Interviste/2008/08/20080814_frattini_messaggero.htm.

[156] The start of negotiations was already delayed in part because of Lithuania's requirement that a point on the "frozen conflicts" emphasising Georgian territorial integrity be included. For more, see Crisis Group Report, *Georgia and Russia*, op. cit., p. 16.

[157] The new agreement is intended to provide a legally binding framework for EU-Russia relations covering political cooperation; the perspective of deep economic integration; a level playing field for energy relations based on the principles of the Energy Charter Treaty; and closer relations in the fields of freedom, security and justice as well as the mutual opening of the educational and scientific systems. See "Joint statement of the EU-Russia summit on the launch of negotiations for a new EU-Russia agreement", 27 June 2008, available at www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/er/101524.pdf; and "EU-Russia: first round of negotiations for the new Agreement", European Commission press release, 3 July 2008, available at http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/1099&format=HTML&aged=0&language=EN&guiLanguage=en.
The 1994 PCA is automatically and annually extended, unless either party withdraws. See "Agreement on partnership and cooperation establishing a partnership between the European Communities and their Member States, of one part, and the Russian Federation, of the other part", available at http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:21997A1128(01):EN:HTML. The Baltic republics, Poland, Sweden and the UK are already calling for a suspension of talks.

[157] See Crisis Group Report, *Conflict Resolution in the South Caucasus*, op. cit., pp. 24-25.

[158] The EU hopes that the new agreement will translate into "a 'grand bargain' in which Russia agrees to open up its energy market (at least a bit) and in return [for the EU offering] deeper economic integration through a free trade agreement", while "Russia wants a broad, basic agreement, primarily aimed at creating 'real equality' between the partners.… Details on energy, transport, visas and so forth should be left to sectoral agreements, to be concluded at a later stage". K. Barysch, "The EU's new Russia policy starts at home", CER Briefing Note, June 2008, available at www.cer.org.uk/pdf/russia_bn_kb_24june08.pdf.

[159] See "EU-Russia visa facilitation and readmission agreements enter into force today", press release of the EC Delegation to the Russian Federation,1 June 2007, available at www.delrus.ec.europa.eu/en/news_914.htm

[160] See "Joint statement of the EU-Russia Summit on cross border cooperation", 27 June 2008, available at www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/er/101525.pdf.

possible in the existing legal framework if there was sufficient political will.

B. THE U.S. POLICY OPTIONS

U.S. policy toward Georgia now has three objectives: first, Russia's compliance with the ceasefire so as to restore the status quo ante, with its forces out of Georgia proper and reverting to their former South Ossetia and Abkhazia peacekeeping status; secondly, to reassure Ukraine and other states bordering a more assertive Russia that they are not being abandoned; finally, to design a policy with its European allies that convinces the Kremlin its excessive response to Saakashvili's own rashness was a serious mistake in terms of its own long-term strategic interests.[161] Ultimately, Washington believes that its interests are best served by U.S./European engagement with Russia on global issues, but not at the cost of accepting unilateral military actions to change borders or intimidate neighbours.

U.S. officials acknowledge that their own embrace of Saakashvili, despite the tarnish accumulating on his democratic credentials and his increasingly aggressive behaviour toward South Ossetia and Abkhazia, likely encouraged him to believe that he would receive support if he engaged in military adventures. They insist that they have consistently opposed any military attempt to regain either South Ossetia or Abkhazia and communicated this message both during Secretary of State Rice's 7-10 July visit to Tbilisi, which focused particularly on Abkhazia,[162] and in the days leading up to the Georgian attack on 7 August.[163] Nevertheless, the U.S. apparently never insisted on explicit commitments that the extensive military equipment it was supplying to Georgia would not be used in such an effort, a position often adopted in similar situations around the world.[164]

Further, U.S. officials privately acknowledge that a series of perceived and real slights over the past decade – from the way the anti-missile shield was put forward, to Central Asian military bases, NATO expansion and Kosovo independence – undoubtedly helped those in the Kremlin who argue that Russia had to show the West "we're not taking it any more".[165] Still, they profess surprise over the "extraordinary nature of what Russia has done in open defiance of international norms" and stress that the global response to its current occupation of major parts of Georgia proper must be strong enough to reassure Ukraine and others. They claim that they have limited instruments with which to achieve their objectives, especially if Russia does not care about being considered a responsible and cooperative international actor. Their hope is that many Russians – though many of these may not be closely aligned to Prime Minister Putin – do not believe their country's interests would be well served by isolation.[166]

Since a military response is not in the cards, the U.S. is examining diplomatic actions that would show it is not business as usual. Secretary Rice's decision not to visit Moscow as the fighting was still going on was one reflection of this, although officials also say they do not know what she could have discussed beyond Russian compliance with the ceasefire. They note, for example, that the question of the status of the breakaway territories is in effect postponed well beyond the term of the Bush administration. In other arenas, even if there is not a formal suspension of Russia's participation in the G-8, at least for a while it is likely to be the G-7 organising meetings, thus sidelining Russia. Similarly while there are no plans to immediately shut down the NATO-Russia Council, it is doubtful that it will meet until after Russian troops have left Georgia proper. Again, much depends on Russian actions over the next days and weeks, but Washington considers it likely that Ukraine will move faster toward MAP as a result of the events of the past two weeks.[167]

Two other actions are also likely. First is an extensive European/U.S. effort to help Georgia reconstruct its infrastructure and to support it in reasserting citizen security in the towns and villages damaged by the

[161] Crisis Group discussions, U.S. diplomats, Washington DC, 13-19 August 2008.
[162] "We have had very good discussions here. I want to again affirm that the United States remains committed to the territorial integrity of Georgia, to its democratic development. It is extremely important that the conflicts in Abkhazia and South Ossetia be resolved on the basics – basis of principles that respect that territorial integrity, that respect the need for them to be resolved peacefully. We have noted concerns that violence should be – should not be carried out by any party. And we, through the Friends process, will do everything that we can to help resolve those conflicts". Condoleezza Rice, "Remarks with Georgian President Mikhail Saakashvilli", 10 July 2008, available at www.state.gov/secretary/rm/2008/07/106912.htm.
[163] Crisis Group discussions, U.S. diplomats, Washington DC, 13-19 August 2008.
[164] Ibid. See also "After mixed U.S. messages, a war erupted in Georgia", *The New York Times*, 12 August 2008.
[165] Crisis Group discussions, U.S. diplomats, Washington DC, 13-19 August 2008.
[166] Ibid.
[167] Ibid.

fighting. Second is a determination to support Georgia in rebuilding its security forces, not least since it appears that much of its capacity to deal with criminal violence, including smuggling and contraband on its coasts, has been devastated by the physical destruction of its naval and coast guard forces.[168]

Russia clearly wants to pose a stark choice to the U.S. Foreign Minister Lavrov asserted on 13 August that Washington had to chose between an "illusory project [with Georgia] or a real partnership" with Russia.[169] But U.S.-Russian relations are now significantly damaged and are likely to remain that way well into the first year of the next administration. If Russia does not withdraw from Georgia proper, the U.S. will urge its allies to review all ties. Meanwhile the question of what do about Russia has become part of the U.S. presidential campaign, although both Senators McCain and Obama are treading carefully. Neither wants to be seen as undermining rapidly moving diplomatic initiatives, but each is trying to communicate an image of strength and determination in the face of Russia's disproportionate response to Georgia's blunder.[170]

[168] Ibid.
[169] See "Georgia-Russia shaky cease fire", ABC News, 13 August 2008. Condoleezza Rice responded: "Georgia is a democratic government in the Caucasus that has elected its leaders. To call it a project of any place, of anybody, perhaps belies more about the way Russia thinks about its neighbors than the way it thinks about U.S. policy". Condoleezza Rice "Recent Events in Georgia", press conference, 13 August 2008, available at www.state.gov/secretary/rm/2008/08/108194.htm.
[170] See Barack Obama, "Obama's Statement on Georgia", 11 August 2008, available at www.realclearpolitics.com/articles/2008/08/obamas_statement_on_georgia.html; and John McCain, "John McCain's Weekly Radio Address", 16 August 2008, available at www.standardnewswire.com/news/526033209.html.

VI. IMPLICATIONS FOR THE UN AND INTERNATIONAL LAW AND PRACTICE

A. THE UNITED NATIONS

The Georgian-Russian conflict has exposed how ill-equipped the UN, and in particular the Security Council is to respond effectively to crises that divide the "permanent five" (China, France, Russia, UK, U.S.), especially when one of them is directly engaged. As noted above, Russia came to the Council on the evening of 7 August, seizing the initiative to respond to the Georgian entry into South Ossetia and prior to its own massive movement of forces. Moscow urged a Council press statement criticising the Georgian action and calling for an agreement to be signed on non-resumption of hostilities. It was rebuffed by the U.S., UK and others, who insisted on a country's right to defend itself against aggression and sought to include language that reaffirmed Georgian sovereignty and territorial integrity. There has still been no presidential statement or resolution from the Council on the post 7 August conflict.

Within the Council, the dispute is now reminiscent of bad Cold War days, with meetings, especially on 8 August and 10 August, degenerating into name-calling and mutual charges of ethnic cleansing and other abuse of civilians. Low points included Russia's permanent representative, Vitaly Churkin, accusing "a number of Security Council members of connivance"[171] in blocking Council action in response to Georgia's "treacherous attack on South Ossetia",[172] and the U.S. permanent representative, Zalmay Khalilzad, revealing the contents of a confidential phone call between Lavrov and Rice, in which the Russian foreign minister reportedly insisted to his American counterpart that Saakashvili "must go".[173]

Secretary-General Ban Ki-moon has been issuing statements to no effect calling for ceasefires, withdrawal of forces, respect for territorial integrity and return to negotiations. The sense of Security Council

[171] "Security Council hears conflicting Russian, Georgian views of worsening crisis as members seek end to violence in day's second meeting on South Ossetia", Security Council SC/9418, 8 August 2008, available at www.un.org/News/Press/docs/2008/sc9418.doc.htm.
[172] Ibid.
[173] "Security Council holds third emergency meeting as South Ossetia conflict intensifies, expands to other parts of Georgia", Security Council SC/9419, 10 August 2008, available at www.un.org/News/Press/docs//2008/sc9419.doc.htm.

impotence and even irrelevance recalls the debates over Kosovo (1999) and Iraq (2002-2003), both occasions when a P-5 member or members took military action in the absence of a resolution. At one point, Churkin declared the Council unable to deal with the crisis, stating "I am not sure we are now at the point when the Security Council can pass a document or even a press statement which would be meaningful".[174]

On 19 August, the U.S. and EU member states on the Council, with France in the lead, introduced a short text to translate the ceasefire into a resolution. The draft[175] demanded "full and immediate compliance with the cease-fire agreement" and "the immediate withdrawal of Russian forces to the lines held prior to the outbreak of hostilities". It also reaffirmed Georgia's territorial integrity and sovereignty, though not in the operative paragraphs.[176] Russia said it would not support the draft, insisting that all six principles of the accord have been endorsed in their entirety and restating its position that Georgia's territorial integrity would need to be reconsidered, subject to the outcome of a "future status" process for both Abkhazia and South Ossetia.

Russia tabled its own short draft the following morning, which "recalled" all previous UN Security Council resolutions, thus skirting the issue of Georgia's territorial integrity, and endorsed in full the Sarkozy plan.[177] It conspicuously omitted mention of Sarkozy's letter of clarification and portrayed Russia as a facilitator, rather than as an active party to the conflict.[178] The U.S. immediately objected, stating that Georgia's territorial integrity "must be affirmed" and that the Russian text "is intended to rubberstamp a Russian interpretation [of the plan] that we do not agree with".[179] On 21 August, the Russians put their draft in "blue", meaning that as of the afternoon of 22 August, they can call for a vote on it. If forced to a vote, an American veto is extremely likely. Intensive informal consultations among the most invested UN Security Council members were taking place, as Western powers were scrambling to avoid the embarrassment of declining to support the Russian draft – a potential move likely to be interpreted by Russia and others as backing away from the Sarkozy plan.

The Security Council should endorse the Sarkozy agreement, which contains no mention of Georgia's territorial integrity, only if the latter is specifically reaffirmed. If Russia threatens to veto such a draft, Western members of the Council should then strive for a minimalist text to secure the ceasefire through authorisation of greater international participation in peacekeeping efforts. The West must be careful that any text which fails to reaffirm Georgia's territorial integrity does not at the same time specify a prospect of "future status" talks on South Ossetia and Abkhazia.

The EU considers that a new resolution is also needed to provide legitimacy for the greater role it is willing to play – including possibly the deployment of an ESDP mission. Russia is signalling, however, that it does not think a resolution is necessary,[180] in effect putting pressure on the EU and U.S. to trade off the point on territorial integrity for acquiescence to some

[174] "UN Security Council Deadlocked over South Ossetia Truce call", *The People's Daily* (Online), 10 August 2008, available at http://english.peopledaily.com.cn/90001/90777/90856/6471093.html.

[175] See "Text-Draft U.N. Security Council resolution on Georgia", Reuters, 19 August 2008, available at www.alertnet.org/thenews/newsdesk/N19314365.htm.

[176] Territorial integrity and sovereignty of Georgia is only mentioned in the introductory, preambulatory paragraphs. If such a text is adopted, it would be the first time the Council has failed to reaffirm Georgia's territorial integrity and sovereignty in the operative paragraphs of a relevant resolution. The most recent example of such a reaffirmation is Resolution 1808 (15 April 2008), "Security Council extends mandate of Georgia observer mission until 15 October, unanimously adopting Resolution 1808 (2008)", available at www.un.org/News/Press/docs/2008/sc9299.doc.htm.

[177] See "Text-Russian draft Security Council resolution on Georgia", Reuters, 20 August 2008, available at www.alertnet.org/thenews/newsdesk/N20409517.htm.

[178] During the 19 August UN Security Council debate, UK ambassador John Sawyers had rightly argued that Russia, having formally invoked Article 51 of the UN Charter, cannot be considered as anything but a party to the conflict. See verbatim record of the 19 August UN Security Council meeting on Georgia, available at www.un.org/Depts/dhl/resguide/scact2008.htm.

[179] Comments to the UN press corps by Alejandro Daniel Wolff, Deputy Permanent U.S. Representative to the UN, 20 August 2008, viewable at http://webcast.un.org/ramgen/ondemand/stakeout/2008/so080820am3.rm.

[180] Medvedev allegedly told Sarkozy that "the most important thing now for ensuring the success of efforts to restore the region to normalcy is not a UN resolution or some sort of declaration, but rather an agreement signed by the South Ossetian and Georgian sides, based on the principles already outlined. Russia, the EU and OSCE will guarantee the agreement's implementation". See "Dmitry Medvedev had a telephone conversation with President of France Nicolas Sarkozy", Kremlin press release, 13 August 2008, available at www.kremlin.ru/eng/text/news/2008/08/205291.shtml. See also remarks to press by Russian Ambassador to UN Vitaly Churkin on 19 August, at http://webcast.un.org/ramgen/ondemand/stakeout/2008/so080819pm4.rm. Churkin said Russia is "not desperate" to have a resolution, though "we believe this is the right thing for the UNSC to do; this is what the UNSC is about".

kind of international peacekeeping or monitoring mechanism.

B. RUSSIA'S R2P JUSTIFICATION

The Russian government has argued that its military operations in Georgia were justified by the principle of "responsibility to protect" (R2P); that is, that the perpetration or imminent threat of atrocity crimes against South Ossetians compelled it to step in militarily. President Medvedev, Prime Minister Putin and UN Ambassador Churkin have described Georgia's actions against populations in South Ossetia as "genocide". Foreign Minister Sergey Lavrov explicitly argued that Russia's use of force was an exercise of its responsibility to protect.

> [U]nder the Constitution [the President] is obliged to protect the life and dignity of Russian citizens, especially when they find themselves in the armed conflict. And today he reiterated that the peace enforcement operation enforcing peace on one of the parties which violated its own obligations would continue until we achieve the results. According to our Constitution there is also responsibility to protect – the term which is very widely used in the UN when people see some trouble in Africa or in any remote part of other regions. But this is not Africa to us, this is next door. This is the area, where Russian citizens live. So the Constitution of the Russian Federation, the laws of the Russian Federation make it absolutely unavoidable to us to exercise responsibility to protect.[181]

However, the responsibility to protect norm, as embraced by the UN General Assembly in the 2005 World Summit, does not provide a legitimate basis for Russia's military actions in Georgia, for a number of reasons.

In the first place, the primary ground stated for intervention – "to protect Russian citizens" – was not in fact an R2P rationale. The statement by Foreign Minister Lavrov blurs the distinction between the responsibilities of a state to protect its populations inside its borders, and the responsibilities that a state maintains for populations *outside* its borders. R2P is about the responsibility of a sovereign state to protect populations within its *own* borders, and of other states to assist it to do so, but also to take appropriate action if it is manifestly failing to do so; it does not address the question of an individual country taking direct action to protect its nationals located outside its own borders.

When such action has been taken in the past – as it often has been – the justification has been almost invariably advanced in terms of "self-defence" (since 1945, under Article 51 of the UN Charter). How credible such a justification is will depend on a number of factors: when a country first confers its citizenship on a large number of people outside its borders, and then claims that it is entitled to intervene coercively to protect them, there has usually been some skepticism.

Secondly, even if the the R2P norm were applicable here, no compelling case has been made by Russia that the threat to the South Ossetian population was of a nature and scale as to make necessary or legitimate the use by it of military force. A number of criteria are relevant here, and it is not clear that any of them were satisfied:

- *Seriousness of threat*. It is not at all clear whether "genocide, war crimes, ethnic cleansing or crimes against humanity" were being committed, or imminently about to be, by Georgia against South Ossetians. Claims and counter-claims abound, and – while Georgia's actions in attacking Tshkinvali might well be thought to be an unjustified overreaction to the provocations it cites – the available evidence is not of the weight or clarity that is needed to justify a conclusion that it was "manifestly failing" to protect its population from these atrocity crimes, in a way that would prima facie justify the use of coercive military action by others in response. Early evidence in these situations is often fragmentary, and there will not always be the time or opportunity to mount any kind of proper impartial investigation, but there has to be something more than the bald assertions made here by Russia.
- *Primary purpose*. While one purpose of the Russian military intervention may have been to protect South Ossetian civilians under attack, it is highly questionable whether that was the primary motive: others appear to have been to establish full Russian control over both South Ossetia and Abkhazia (in the latter of which there was not even claimed to be a threat of mass atrocity crimes); to dismantle Georgia's entire military capability; to scuttle its NATO ambitions; and to send a clear signal to other former parts of the Soviet Union as to what would and would not be tolerated by Moscow.

[181] "Interview by Minister of Foreign Affairs of the Russian Federation Sergey Lavrov to BBC", Moscow, 9 August 2008, available at www.ln.mid.ru/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/f87a3fb7a7f669ebc32574a100262597?OpenDocument.

- *Last Resort.* While there is not always time in fast-moving situations to fully work through alternative strategies – as distinct from making a reasonable judgment as to whether they would or would not likely be effective – an immediate Security Council call for Georgia to cease its military action does not seem to have been out of reach and would have placed Tbilisi under great pressure to comply. Russia did urge the Security Council on the evening of 7 August to call for a ceasefire, but disagreement over whether the statement should refer to Georgia's territorial integrity led to Council inaction: with a little more flexibility on all sides, this issue could probably have been finessed, given the concern with which Georgia's military action was regarded by U.S. and other Council members. Russia's position on the "last resort" issue is weakened by its later attack on Georgian territory outside South Ossetia and Abkhazia, after Georgia had already signed a ceasefire agreement presented to it by the OSCE mediators.
- *Proportionality.* The introduction of some 20,000 troops and 100 tanks not only into South Ossetia but also into Abkhazia and Georgia proper appears manifestly excessive. The Russian naval blockade in the Black Sea as well as aerial bombings of Gori, Poti, the Zugdidi region and an aviation plant in Tbilisi went well beyond the necessary minimum.
- *Balance of Consequences.* This is very difficult to argue here on the present state of the evidence about refugee outflows and unrestrained reprisal actions by South Ossetian separatists against Georgians, quite apart from concerns about wider implications for regional and global stability.

Thirdly, in the absence of UN Security Council approval, there is no legal authority for an R2P-based military intervention. The 2005 General Assembly Outcome Document makes it clear beyond argument that any country or group of countries seeking to apply forceful means to address an R2P situation – where another country is manifestly failing to protect its people and peaceful means are inadequate – must take that action through the Security Council. Very difficult situations can arise in practice where action widely thought appropriate or necessary in the fact of actual or threatened mass atrocity crimes is blocked by one or more vetoes in the Council. But this was not the case here: no effort was made by Russia to seek Security Council approval.

The Russia-Georgia case highlights the dangers and risks of states, whether individually or in a coalition, interpreting global norms unilaterally and launching military action without UN Security Council authorisation. The sense of moral outrage at reports of civilians being killed and ethnically cleansed can have the unintended effect of clouding judgment on the best response, which is another reason to channel action collectively through the United Nations. The Russian references to similar action by other P5 members in other theatres may reinforce doubts about those other instances but does not justify the Russian actions in Georgia. Indeed they reinforce the dangers of vigilante justice across borders.

C. ENSURING ACCOUNTABILITY

There is an immediate requirement for an independent investigation to document precisely what has happened since the beginning of August and for efforts to make it possible to hold those responsible for any atrocity crimes to account.[182] These are separate but complementary tasks. They serve multiple purposes, not the least of which is to correct misinformation on the scale and nature of atrocities, when appropriate, so as to reduced the likelihood of revenge violence and to promote longer-term reconciliation.

For the independent investigation, the scope should extend beyond the extremely serious alleged crimes to encompass the political and military actions of all sides. An accurate and complete accounting of what occurred is necessary to help design the way forward. To make sure any such investigation is neutral and authoritative, it should be conducted by a panel of experts appointed – after consultation with all parties – by the UN, or the UN working in conjunction with the OSCE or another intergovernmental organisation such as the Council of Europe.[183] The findings should be made public and information shared with authorities

[182] Crisis Group uses the term "atrocity crimes" advisedly, to refer to serious war crimes, crimes against humanity and genocide. The type of crime that mass atrocities amount to in any particular case is best left to prosecutors and judges. See Gareth Evans, "Genocide or crime? Actions speak louder than words in Darfur", *European Voice*, 18 February 2005; also David Scheffer, "How to bring atrocity criminals to justice", *The Financial Times*, 2 February 2005.

[183] The Parliamentary Assembly of the Council of Europe (PACE), for instance, has already expressed its interest in establishing the responsibilities of each of the parties involved in the conflict and made requests to them for detailed information about what happened. See "PACE President welcomes the peace agreement, but declares that human rights violations must not go unpunished" PACE press release, 13 August 2008, available at http://assembly.coe.int/ASP/Press/StopPressView.asp?ID=2066.

investigating alleged crimes and human rights abuses, with appropriate measures for witness security.

The basic responsibility for ensuring accountability for atrocity crimes, and addressing broader issues of community reconciliation, lies with both Moscow and Tbilisi – especially to stop a new spiral of hate from dividing Georgians, Ossetians, Abkhaz and Russians for generations to come – but the International Criminal Court (ICC) may also play a useful role. Georgia is a state party to the Court's Rome Statute, giving the ICC jurisdiction to investigate and prosecute those most responsible for genocide, war crimes and crimes against humanity committed by Georgians or anyone else on its territory. Russia is not a party, but its nationals could be prosecuted for crimes in Georgia.

The ICC prosecutor's office has already confirmed that it is carefully "monitoring all information on the situation in Georgia since the outbreak of violence in South Ossetia in early August" and specifically reviewing "information alleging attacks on civilians".[184] It also stated it had met with a Georgian official and that Russia has been formally providing the office with information.[185] The prosecutor's office can open a formal investigation on its own initiative, with approval by the trial judges, but could also do so at Georgia's request.[186]

If the prosecutor does proceed further, it is incumbent on Georgia and Russia to cooperate, Georgia because of its legal obligation under the Rome Statute and Russia because it has called on the Court to address South Ossetians' grievances and should respect the legal process it submitted its troops to by sending them across the border. To start, both sides should provide, or continue to provide, any evidence they collect to the ICC prosecutor. This should occur alongside robust domestic investigations and prosecutions. If an investigation by the ICC eventually leads to the indictment of specific Georgian or Russian nationals (including Ossetians or Abkhaz), continued cooperation by both sides within the framework of the Rome Statute is essential.

Tbilisi/Brussels, 22 August 2008

[184] "ICC Prosecutor confirms situation in Georgia under analysis", press release, 20 August 2008. The prosecutor is also conducting such analyses in at least Colombia, Afghanistan, Chad, Kenya and Côte d'Ivoire.

[185] Ibid. Russia had earlier confirmed that it was collecting evidence of alleged crimes and stated that it will assist South Ossetians and Abkhaz to prepare statements to submit to the ICC. See "Генпрокурор Чайка поможет жертвам войны добиться правосудия" ["Prosecutor General Chayka will help the victims to get justice"], Interfax, 12 August 2008, available at www.interfax.ru/txt.asp?id=26795&sec=1484; and "Russia launches genocide probe over S.Ossetia events", RIA Novosti, 14 August 2008, available at http://en.rian.ru/russia/20080814/116026568.html, reporting that the Russian prosecutor general's investigation committee "initiated a genocide probe based on reports of actions committed by Georgian troops aimed at murdering Russian citizens – ethnic Ossetians – living in South Ossetia" based on an order by President Medvedev on 10 August 2008.

[186] Georgia may choose not to make such a referral to the ICC, especially because there is no way to limit the investigation to particular allegations – the prosecutor has the authority and indeed the duty to pursue those most responsible for all crimes that fall within the Court's jurisdiction. But Tbilisi already filed an application before the International Court of Justice (ICJ), which hears suits between states as opposed to criminal prosecutions of individuals, seeking to hold Russia responsible for ethnic cleansing, including by South Ossetian and Abkhaz forces, between 1993 and August 2008. See "Georgia institutes proceedings against Russia for violations of the Convention on the Elimination of All Forms of Racial Discrimination [CERD]", ICJ press release, no. 2008/23, 12 August 2008. As a basis for the ICJ's jurisdiction, Georgia invoked Article 22 of the CERD, and it reserved its right to invoke as an additional basis for jurisdiction the Genocide Convention. Georgia and Russia are parties to both.

APPENDIX A

MAP OF GEORGIA

APPENDIX B

15-16 AUGUST CEASEFIRE AGREEMENT AND SIDE-LETTER

Council Conclusions on the situation in Georgia

GENERAL AFFAIRS and EXTERNAL RELATIONS Council meeting

Brussels, 13 August 2008

The Council adopted the following conclusions:

"1. The Council recalls that the Union had expressed its grave concern at recent developments in Georgia, and the open conflict that has broken out between Russia and Georgia. Military action of this kind is not a solution. This war has caused the loss of many human lives, inflicted suffering on the population, resulted in substantial material damage and further increased the number of displaced persons and refugees.

A peaceful and lasting solution to the conflict in Geor gia must be based on full respect for the principles of independence, sovereignty and territorial integrity recognised by international law and UN Security Council resolutions.

2. In this context, the absolute priority is to stop the suffering and bring the fighting to an end. In this respect the Council welcomes the agreement subscribed to by the parties yesterday on the basis of the mediation efforts carried out by the Union.

The principles to which the parties have subscribed are as follows:

(1) Not to resort to force;

(2) To end hostilities definitively;

(3) To provide fr ee access for humanitarian aid;

(4) Georgian military forces will have to withdraw to their usual bases;

(5) Russian military forces will have to withdraw to the lines held prior to the outbreak of hostilities. Pending an international mechanism, Russian peace-keeping forces will implement additional security measures;

(6) Opening of international talks on the security and stability arrangements in Abkhazia and South Ossetia.

The Council calls on the parties to honour all these commitments, beginning with an effective ceasefire, and to ensure that they are implemented effectively and in good f aith both on the ground and in the relevant fora. The international mechanism should be set up rapidly.

3. The Council emphasises the Union's commitment to contribute actively to effective implementation of these principles. They will be embodied in a UN Security Council resolution as soon as possible.

Rapid reinforcement of the OSCE's observer capabilities on the ground is crucial. The Union will take action along to this effect at the OSCE. The Council urges the parties not to obstruct the observers' activities.

The Council also considers that the European Union must be prepared to commit itself, including on the ground, to support every effort, including those of the UN and the OSCE, with a view to a peaceful and lasting solution to the conflict in Georgia. It asks the SG/HR, in liaison with the Commission, to prepare proposals on the matter with a view to the informal meeting in Avignon on 5 and 6 September.

4. The Council stresses the humanitarian emergency and the Union's resolve to provide vital assistance to the population. An outline has been given of initial measures undertaken, both by the Commission and by the Member States. The Council requests the Commission, in liaison with the Presidency, to continue to coordinate European assistance and to encourage pooling arrangements designed to enhance its effectiveness and relevance.

   It is essential that all parties undertake to respect international humanitarian law and to facilitate the unimpeded deliver y of humanitarian assistance to all the population groups affected, without discrimination.

   In addition, in view of the destruction caused by the conflict, the Council emphasises the need to identif y reconstruction requirements as of now and to prepare to make a significant contribution to meeting those requirements at Union level. It invites the Commission to report back to it on this matter before its next meeting."

Paris, le 16 août 2008

COMMUNIQUÉ

La Présidence de la République, dans un souci de transparence, souhaite rendre publique la lettre qui établit précisément les modalités de mise en œuvre du point 5 de l'accord de cessez-le-feu en six points, telles qu'elles ressortent de l'entretien du Président de la République Nicolas SARKOZY avec le Président Dimitri MEDVEDEV le 12 août. Cette lettre a été adressée le 14 août au Président Mikhaïl SAAKACHVILI.

== début de citation ==

Monsieur le Président,

S'agissant du point 5 de l'accord en six points auquel vous avez –après le Président Medvedev- donné votre accord le 12 août dernier lors de notre rencontre à Tbilissi, et qui prévoit que « les forces militaires russes devront se retirer sur les lignes antérieures au déclenchement des hostilités » et que « dans l'attente d'un mécanisme international, les forces de maintien de la paix russes mettront en œuvre des mesures additionnelles de sécurité », je souhaite vous faire part des précisions suivantes :

- Ainsi que je l'ai précisé lors de notre conférence de presse conjointe à Tbilissi, ces « mesures additionnelles de sécurité » ne pourront être mises en œuvre que dans l'immédiate proximité de l'Ossétie du Sud, à l'exclusion de toute autre partie du territoire géorgien ;

- Plus précisément, ces « mesures » ne pourront être mises en œuvre qu'à l'intérieur d'une zone d'une profondeur de quelques kilomètres depuis la limite administrative entre l'Ossétie du Sud et le reste de la Géorgie, de façon à ce qu'aucun centre urbain significatif n'y soit inclus –je pense en particulier à la ville de Gori- ; des arrangements particuliers devront être définis pour garantir la liberté de mouvement et de circulation le long des axes routiers et ferroviaires de la Géorgie ;

- Ces « mesures additionnelles de sécurité » prendront la forme de patrouilles effectuées par les seules forces de maintien de la paix russes aux niveaux autorisés par les arrangements existants, les autres forces russes se retirant sur leurs positions antérieures au 7 août conformément au protocole d'accord ;

- Ces « mesures » auront un caractère provisoire, en attendant l'établissement dans les meilleurs délais du « mécanisme international » dont la nature et le mandat sont d'ores et déjà en cours de discussion dans différentes enceintes internationales, en particulier l'OSCE , l'Union européenne et les Nations Unies.

Fort de ces précisions, je vous demande de bien vouloir confirmer l'accord que vous m'avez donné et que vous avez annoncé publiquement à Tbilissi, en apposant votre signature au bas du protocole d'accord en six points que j'ai moi-même signé en tant que témoin et garant au nom de l'Union européenne. Le Président Medvedev m'a assuré hier que votre signature conduirait au retrait des forces russes conformément à l'accord conclu.

Je vous prie de croire, Monsieur le Président, à l'assurance de ma très haute considération.

Signé : Nicolas SARKOZY

== fin de citation ==

La Présidence de la République souhaite ajouter les 3 précisions suivantes :

– Dans la lettre accompagnant le document relatif au cessez-le-feu, le territoire mentionné se comprend comme l'immédiate proximité de la zone de conflit, telle qu'elle est définie par les arrangements antérieurs, à l'exclusion de toute autre partie du territoire géorgien. Les mesures définies par ce document ne pourront être mises en œuvre qu'à l'intérieur d'une zone d'une profondeur de quelques kilomètres, autour Tskhinvali dans la zone de conflit.

– En aucune manière les mesures mentionnées dans la lettre ne pourront limiter ou mettre en danger la liberté de mouvement et de circulation le long des axes routiers et ferroviaires de la Géorgie.

– D'autres aspects du processus de résolution du conflit seront discutés ultérieurement.

APPENDIX C

ABOUT THE INTERNATIONAL CRISIS GROUP

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Crisis Group's approach is grounded in field research. Teams of political analysts are located within or close by countries at risk of outbreak, escalation or recurrence of violent conflict. Based on information and assessments from the field, it produces analytical reports containing practical recommendations targeted at key international decision-takers. Crisis Group also publishes *CrisisWatch*, a twelve-page monthly bulletin, providing a succinct regular update on the state of play in all the most significant situations of conflict or potential conflict around the world.

Crisis Group's reports and briefing papers are distributed widely by email and printed copy to officials in foreign ministries and international organisations and made available simultaneously on the website, www.crisisgroup.org. Crisis Group works closely with governments and those who influence them, including the media, to highlight its crisis analyses and to generate support for its policy prescriptions.

The Crisis Group Board – which includes prominent figures from the fields of politics, diplomacy, business and the media – is directly involved in helping to bring the reports and recommendations to the attention of senior policy-makers around the world. Crisis Group is co-chaired by the former European Commissioner for External Relations Christopher Patten and former U.S. Ambassador Thomas Pickering. Its President and Chief Executive since January 2000 has been former Australian Foreign Minister Gareth Evans.

Crisis Group's international headquarters are in Brussels, with advocacy offices in Washington DC (where it is based as a legal entity), New York, London and Moscow. The organisation currently operates eleven regional offices (in Bishkek, Bogotá, Cairo, Dakar, Islamabad, Istanbul, Jakarta, Nairobi, Pristina, Seoul and Tbilisi) and has local field representation in sixteen additional locations (Abuja, Baku, Bangkok, Beirut, Belgrade, Colombo, Damascus, Dili, Dushanbe, Jerusalem, Kabul, Kathmandu, Kinshasa, Port-au-Prince, Pretoria and Tehran). Crisis Group currently covers some 60 areas of actual or potential conflict across four continents. In Africa, this includes Burundi, Central African Republic, Chad, Côte d'Ivoire, Democratic Republic of the Congo, Eritrea, Ethiopia, Guinea, Kenya, Liberia, Rwanda, Sierra Leone, Somalia, Sudan, Uganda and Zimbabwe; in Asia, Afghanistan, Bangladesh, Indonesia, Kashmir, Kazakhstan, Kyrgyzstan, Myanmar/ Burma, Nepal, North Korea, Pakistan, Phillipines, Sri Lanka, Tajikistan, Thailand, Timor-Leste, Turkmenistan and Uzbekistan; in Europe, Armenia, Azerbaijan, Bosnia and Herzegovina, Cyprus, Georgia, Kosovo, Serbia and Turkey; in the Middle East, the whole region from North Africa to Iran; and in Latin America, Colombia, the rest of the Andean region and Haiti.

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