Russia’s New Model for the Annexation of Abkhazia

What did the Russian Federation and the de facto Sukhumi regime agree on?

In the previous article, we talked about rather “energetic” political events that we were presented with at the end of 2020. We touched upon topics such as the US elections, ongoing developments in Belarus, and the second war in Karabakh. Everyone observing all these from Georgia knew that each event, individually and collectively, would have a significant impact on the country. And indeed, even though the processes are still unfolding, we can already hear their echo. This time, we will talk about yet another step taken by Russia towards the annexation of Abkhazia and try to analyze its significance and potential extension.

Aslan Bzhania, President of the occupation regime in Abkhazia, elected in March 2020, held yet another meeting with the President of the Russian Federation in Sochi in November of the same year. The details of the discussion are for the greater part unknown. However, the outcome of the meeting is known: "The
program for the formation of a common social and economic space between the Russian Federation and the Republic of Abkhazia," drafted for 2021-2023.

Let us first look at the issues addressed by the signed document between Russia and Sukhumi to get a picture of what type and scale of work is envisaged and what will the completion of the plan yield. In addition, we will go into further details around some issues.

1. The first on the list of issues relates to settling the problem of dual citizenship of Abkhazia and Russia. 90% of the population of Abkhazia (excluding the population of the Gali district) are already dual citizens of the Russian Federation and Abkhazia. We assume that the essence of “settling” the issue will therefore concern the simplification of acquiring Abkhazian citizenship by the citizens of the Russian Federation. The answer to an obvious question as to why a Russian citizen would want an Abkhazian citizenship is quite simple: As of now, purchasing real estate in Abkhazia is largely prohibited to foreign nationals. Thus, it seems that the plan is to steer clear of the painful issue for Abkhazians – the possibility of the expropriation of real estate will remain restricted. Instead, it shall become easy for Russian citizens to obtain an Abkhazian citizenship. Thus, on the one hand, the interest of Abkhazians of disallowing foreign citizens to purchase real estate will seem to be maintained as an idea, although Abkhazia will receive a number of dual citizens who will be in a good position to purchase real estate in the region with no obstacles ahead. On the other hand, it is noteworthy that the agreement between Russia and Abkhazia will allow only Russian citizens to obtain dual citizenship, which will close the real estate market of Abkhazia for everyone but the dual citizens of Russia and Abkhazia. As such, Georgian citizens will still not be able to purchase real estate in the region.

2. Avoidance of double taxation, mutual protection of investments and other issues, which in reality only serve the purpose of entry of Russian business into Abkhazia and its protection. These include a separate issue of creating a legal framework to attract investment into the Abkhazian energy sector. Here, we will see yet another point of Abkhazia's obligation to adopt legislation that will simplify the rules for living, doing business, and working in Abkhazia for Russian investors. Thus, Abkhazian real estate and the energy market will become exclusively Russian.

3. The program pays special attention to the need to create rules that will allow Russian banks to enforce property rights in Abkhazia through simplified rules. This will in the first place intensify the operation of banks in the Abkhazian market; secondly, allow Russian banks to finance the purchase of real estate in Abkhazia by Russians; and thirdly, allow Russian banks to easily acquire real estate in Abkhazia. Hence, any theoretical possibility for the existence of Abkhazian commercial banks will simply vanish.

4. The harmonization of the customs and tax legislation of Abkhazia with the customs and tax legislation not only of Russia but also of the Eurasian Economic Union holds a separate and special role. Moreover, the program directly envisages the introduction of standards and certification rules by Abkhazia that are also in line with the rules of Russia and the Eurasian Economic Union.

5. Under the program, Russia is directly invading Abkhazia's healthcare, education, and social security sectors. Thus, it is likely that the citizens of Abkhazia will directly receive Russian social security and insurance packages and education will become entirely Russian, which will include the establishment of branches of Russian educational institutions.
6. In the program, we will highlight a separate package of issues that are not of "intergovernmental" importance per se, but we assume that they serve the interests of specific individuals and businesses. Such issues are: Abkhazia's obligation to create leasing legislation; introduce intellectual property protection legislation; regulate non-governmental organizations and "foreign agents" in the same way as in the Russian Federation and introduce legislation on cryptocurrency mining. And yes, due to the cost and vast availability of electricity, this issue has also been relevant in Abkhazia.

Before we move on with the discussion, let’s recall some of the types of agreements and treaties that Russia and Abkhazia have had in place since 2008. Here are some of them: agreement on border protection of Abkhazia, establishment of a joint military base, scientific-technical and cultural cooperation, visa-free travel, cargo turnover, and direct rail traffic.

![Image 1: Banner: "Abkhazia and Russia – Together Forever!"]()

**The context and need for an agreement – Bzhania’s explanation**

Statements made by the de facto leader of Abkhazia in November-December are disappointing amid the positive messages made by him earlier this year regarding dialogue with Tbilisi. It should also be noted that his messages did not receive any response from the central government. So maybe the frustration is mutual.

Aslan Bzhania explained yet another step towards rapprochement with Russia through several factors:

First, there is the Karabakh war and its aftermath. He noted that Georgia still considers Abkhazia as its own territory, which is backed by a number of countries, and given that Georgia has not made a commitment to the non-use of force against Abkhazia, there are still significant risks to Abkhazia’s security. Here it seems that the Russian leadership has made it clear to Abkhazia that without its assistance
and full subordination, Abkhazia can share the same fate as the so-called Artsakh. In other words, Russia's refusal to provide assistance to Armenia has also meant to Abkhazia that Russia's support is not guaranteed and only those who fully pursue Russia's interests deserve it.

The second thing the de facto president pointed out was that there seemed to be no alternative to establishing allied relations with Russia (he brought this information to the Abkhaz public as if, just recently at a meeting, the Russian president had disclosed some information to Bzhania that was previously unknown to him). In this context, Bzhania mentioned the European Union and said that a similar alliance of states would not pose any threat to their sovereignty and therefore he does not see any risk for Abkhazia if it establishes allied relations with Russia (and others). Additionally, he mentioned the need for rapprochement with Belarus.

Now let's look into what all these mean together.

On the one hand, we see that Abkhazia has surrendered its position and is rapidly relinquishing its already non-existent "sovereignty": As Abkhazia is not recognized as a state it has no foreign policy. Its limited recognition is enforced only by Russia. In other words, Abkhazia has no sign of sovereignty from the foreign point of view. From a military point of view, the Abkhazian military is integrated into the Russian military. Sukhumi cannot defend its de facto borders either – sovereignty is ceded to Russia in this part as well. Abkhazia's economy is not independent. Its budget depends on Russian subsidies and revenues from Russian tourists and exports to Russia. Abkhazia does not have its own social protection – this is done by the Russian Federation for the citizens of Abkhazia (who also happen to be Russian citizens as well). Abkhazia has neither an independent healthcare nor an education system – it either does not exist or has been Russified. Although Abkhazia has a nominal unit of currency (the apsari), Russian rubles are used there. If there was one thing "Abkhazian", it was border and customs control over Psou and the power of the "Abkhazian" passport, which was a real lever to keep the real estate in Abkhazia in the hands of the "citizens" of Abkhazia. Now, this part is gone as well. It now becomes very difficult to understand what element of "state attribute" or "sovereignty" Sukhumi retains. We think that the list is quite small and does not exceed the powers of the subjects of the Russian Federation.

On the other hand, there are active references to allied relations with Russia. Belarus is also mentioned in this context. Note that Belarus and Russia have created an allied state, which is a mixture of elements of the federal state and the international community. A common political, economic, military, customs, currency, legal, humanitarian, and cultural space is gradually being formed within this framework. When we talk about Abkhazia, the Russian Federation, the rapprochement of Abkhazia with Belarus, allied states, and the EU model, it is logical to conclude that we are talking about at least the integration of Russia, Belarus, and Abkhazia into one space. For this to happen, naturally, it is necessary for Belarus to recognize the independence of Abkhazia. It is impossible not to recall the discussions held in August-September this year about what Russia demanded in exchange for Lukashenko's support (bear in mind that Belarus had been in a political crisis for several months already, and the results of the Belarusian presidential election had not been recognized by many leading countries). Among such probable issues was the question regarding recognition of the independence of the occupied regions of Georgia. This assumption is plausible because in earlier times the president of Belarus had openly recalled how he was requested to make such recognition in the past. A joint analysis of the events makes it possible to assume that this issue has already been raised to some extent by the Russian Federation to Belarus. We also note that Russia and Belarus may
agree on a mixed approach: To accept Abkhazia as a member of the allied powers, but with associated status. This does not seem to change anything substantially, although it is possible that Belarus will become an associate member without the need for direct recognition of Abkhazia. This scenario, of course, is "better" than the version of a direct violation of Georgia's territorial integrity by an otherwise friendly state (Belarus).

Image 2: Wreath ornamentation ritual of the Tomb of an Unknown Soldier. Against the background of Georgievsky ribbons, the President of Belarus A. Lukashenko, the de facto president of Abkhazia A. Bzhania, President of the Russian Federation V. Putin.

**Who else can be an ally of Russia and Abkhazia?**

While one can say that any comparison drawn between the EU and the Russian Union with its satellites is not serious, it is still worthwhile to briefly consider which other states may be involved in such a formation. We think we should look for them among the members of the Collective Security Treaty Organization, the Commonwealth of Independent States, and the Eurasian Economic Union. Hence:

The three CIS states that are not members of the other two organizations are Uzbekistan, Moldova, and Azerbaijan. We think that the involvement of Uzbekistan in the allied state is unlikely, while the involvement of Azerbaijan and Moldova is almost impossible. Moreover, we believe that for obvious reasons (the problem of territorial integrity), none of these will agree to accept Abkhazia into any organization of which they are members.

The only member of the Collective Security Treaty Organization that is not a member of the Eurasian Union is Tajikistan. Due to the relatively low degree of integration, even in this case, Tajikistan is unlikely to become a member of a directly allied state.

The more "threatening" zone is from the member states of the Eurasian Union: Kyrgyzstan, Kazakhstan, and Armenia. This number will no longer include Belarus, which we have already discussed. The approach of the mentioned states towards the issue is difficult to guess, because they, on the one hand, have a desire to maintain sovereignty, and, on the other hand, are quite closely integrated with the Russian Federation. We do not think that Armenia should be considered a member of the alliance at this stage, and it is even
less likely that Armenia will directly or indirectly recognize the independence of the occupied region of Georgia (which would significantly complicate relations between the two countries). In light of the events in October-November 2020 in Kyrgyzstan, it is not yet possible to assess the situation. As for Kazakhstan, there are risks, but the threats are not immediate, especially since Kazakhstan is a friendly country to Georgia and so far, we have not detected any threat of Kazakhstan recognizing the occupied regions.

Probably, this is exactly why, at this stage, in the context of the allied state discussed by Bzhania, there only appears the issue concerning Abkhazia, the Russian Federation, and the "need for rapprochement with Belarus". Russia is likely to increase pressure on the most independent and vulnerable states in the coming years to push for a higher level of integration (i.e., greater concessions of sovereignty).

**What kind of risks does this development create?**

Both the Georgian and the international community have been monitoring the occupation of Georgian territories by the Russian Federation for years. It has been repeatedly mentioned that by recognizing the occupied regions of Georgia, Russia has partially lost a lever of influence over Georgia, because it has already done the worst – it has waged an aggressive war against Georgia, carried out an occupation, and recognized the independence of the regions. In fact, many of us do not let go of the unpleasant expectation that Russia will not be limited to the occupation and may fully annex the mentioned regions. We consider every decision, action, or agreement aimed at the integration of the occupied regions into the Russian space as part of an annexation. However, as we can see, there are more brutal, albeit less likely, and more cooperative and realistic scenarios of annexation.

The first scenario is the joining of Georgian regions as the direct subject of the Russian Federation, as has already happened in Crimea’s case. The second version is exactly what we have discussed above – maintaining the game of independence of the regions of Georgia and accepting them as "independent" entities as part of a union state. Russia may even choose a hybrid model – play the first scenario in the fully obedient Tskhinvali region, where they have repeatedly "voted" to join Russia, and the second model to work with Abkhazia, which has a relatively high degree of independence. Can either of these two models be preferred by Georgia? It is probably very difficult to talk about it here, but the "better" is still the second of the two most difficult versions, as it leaves slightly more room for returning the occupied territories, as restoring Georgian jurisdiction over the Russian Federation will be a much harder task.

We believe that Russia will avoid the direct annexation of the regions of Georgia, as in this case it will leave nothing more for Georgia to lose or to discuss further with Russia. On the other hand, we do not rule out the scenario that, at some point, Russia will take Georgian regions as independent entities into an allied state and then offer Georgia entry into the allied state as well, allowing Georgia, only as a member state, to formally regain control of its own regions. We have already seen the scenario though when Georgia was fully "integrated" within the Russian Empire.

**The experience of being conquered taught us...**

Russia has experience of annexing Georgia both partially (19th century) and in its entirety (20th century). In turn, this is an experience for Georgia as well. After all, the conquest of Georgia at different times was conditioned by its internal instability, disintegration, lack of strong allies, insignificant international role, lack of military capabilities and, in general, the lack of signs of statehood or its disruption.
Thus, given this experience, we think that Georgia's main weapons of defense now should be:

- strengthened political, economic, and military ties with our strategic partners (US, NATO, EU); strengthening regional ties with land (Turkey, Azerbaijan) and sea (Ukraine, Romania, Bulgaria) neighbors;
- implementation of such additional logistics and energy projects in Georgia, which will serve the interest of many influential countries (gas pipelines, oil pipelines, railways, roads, sea corridors);
- economic development of the state; strengthening institutions and political stability;
- strengthening military capabilities, including through the creation and acquisition of air defense and other means necessary for the conduct of modern defensive warfare in general.

Only with this and by choosing the right time (which history gives us, on average, twice a century) will the Georgian state be able not only to cease the occupation and the current partial annexation, but also to reverse the process.