



SPECIAL REPORT

2301 Constitution Ave., NW • Washington, DC 20037 • 202.457.1700 • fax 202.429.6063

ABOUT THE REPORT

As the Ukraine crisis escalated, staff at the U.S. Institute of Peace (USIP) with experience in the region mobilized for a comprehensive conflict analysis with the aim of identifying plausible conflict scenarios and the forces and factors that propel them, ultimately pinpointing potential approaches that might prevent, mitigate, or resolve violent conflicts in the regions neighboring Russia. Using scenario analysis, facilitated by Alan Schwartz, Policy Futures, LLC, this report provides a framework for understanding emerging conflict dynamics in post-Soviet countries and identifies conflict prevention and mitigation opportunities.

ABOUT THE AUTHORS

Dr. Lauren Van Metre is a director in USIP's Center for Applied Research on Conflict, which conducts evidence-based research to improve practice in conflict-affected countries. She holds a PhD in Russian Studies and has spent significant time working in St. Petersburg and conducting research throughout Russia's regions. Viola Gienger is a senior writer for USIP, reporting and writing on issues related to the Institute's work in the United States and abroad. A career journalist, she previously covered foreign policy and national security for Bloomberg News and earlier spent seven years in Eastern Europe and the former Soviet Union training and consulting for independent media. Dr. Kathleen Kuehnast is director of the Center for Gender and Peacebuilding at USIP, which focuses on the gendered effects of conflict and postconflict transition on both men and women. Her regional expertise is Central Asia, where she has written extensively on the impact of the post-Soviet transition on Muslim women. Garret Mitchell, an MA student at George Washington University, focusing his studies on Russia, contributed to this report.

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Lauren Van Metre, Viola G. Gienger, and Kathleen Kuehnast

The Ukraine-Russia Conflict Signals and Scenarios for the Broader Region

Summary

- Russia's annexation of Crimea and the military operations in eastern Ukraine have overturned the post-Cold War norms that provided stability and development for the former Soviet—now sovereign—countries bordering Russia.
- Neighboring countries are recalculating their security and foreign policies through the lens of Ukraine, assessing their own security and conflict dynamics based on Russia's newly aggressive policies and practices in Ukraine and the West's response.
- To understand these newly emerging trends and dynamics, the U.S. Institute of Peace (USIP) led a scenario analysis, taking a medium-term, regional outlook to identify the forces and factors propelling the potential for further conflict. This analysis yielded a set of compelling narratives that provide a useful structure for understanding emerging conflict dynamics in this region.
- Ukraine has become a signal case, with the conflict there leading to reactions throughout the countries on Russia's border.
- Countries in the region are actively testing the new contours of Russian and Western engagement, regional alliances and relationships, and regional conflict dynamics. In the context of the regions' frozen conflicts, these stress tests are risky and could ignite further violence.
- The Georgia-Russia war in 2008 and the annexation of Crimea are emblematic conflicts and demonstrate a strategic pattern to Putin's interventions. This archetypal constellation of factors—a destabilizing conflict that halts democratic consolidation, the presence of an ethnic Russian population to justify intervention, strategic geopolitical location—has implications for other vulnerable areas along the periphery, such as Transdniestria and western Kazakhstan.

Introduction

The Ukraine crisis escalated in early 2014 with the annexation of Crimea and the occupation of key government buildings in the country's east by pro-Russian separatists. This fits into

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a larger trend. From support for separatists in Moldova to the now seemingly emblematic war in Georgia, President Vladimir Putin's tactics regarding the sovereign nations of the former Soviet Union appear to reflect a larger pattern of destabilization begun more than a decade ago. With Ukraine now in the throes of violent conflict, its effects are reverberating across the globe. This raises the question of where Ukraine and other stressed areas in former Soviet republics may be headed—and what an international community interested in stabilizing the situation may be able to do about it.

Two USIP workshops held during the summer of 2014 sought to outline potential drivers of conflict, sketch plausible scenarios that could lead to violent conflict on a major scale, and pinpoint opportunities for peacebuilding. The USIP conflict analysis team then scrutinized each scenario with a range of specialists and stakeholders, including many regional civil society activists and American and European experts. This scrutiny resulted in some changes to the scenarios but, at the same time, broadly reinforced the identified drivers of conflict and underlined the urgency of comprehending and addressing the full scope of the potential for violent conflict across the region and beyond.

Scenario Analysis

Scenario analysis is an analytical approach for describing possible futures in situations of high uncertainty and complexity that make accurate forecasts impossible. Such an analysis seeks to establish plausible outcomes by first identifying trends and dynamics that will interact to drive future events, in this case, in the next three to five years.

Participants in June 2014 identified multiple drivers contributing to conflict in Russia's neighboring regions. Grouped into larger categories, these coalesced into four critical drivers.

First is the extent of instability, whether indigenous or externally provoked. Some places might invite intervention because they are already unstable or on the precipice of conflict; Russia may also simply consider them valuable or important enough to intervene. A succession crisis following the death of a longtime autocratic leader (as is possible in Kazakhstan or Uzbekistan), an increasingly authoritarian regime that manipulates conflict dynamics and suppresses dissent to consolidate power (as appears likely in Azerbaijan), or a large ethnic Russian population with real or imagined grievances (as is true in Ukraine) could all foment instability.

A second driver is Russia's own regime stability and internal support for Putin. The Kremlin itself could drive or impede Russia's motivation and capacity to intervene in a conflict. Presumably, Putin's ability or desire to intervene would be based in his comfort that Russia's key constituencies support an intervention. Weakness in his leadership might compel an intervention that would stoke Russian nationalist sentiment and support for the Kremlin.

The Western response to Russian action and how it is perceived regionally is a third driver. A weak Western response to potential conflict might embolden Russian adventurism. A weak response to conflict also might make peacebuilding more difficult.

Finally, Putin's goals and objectives are a key driver. Whether conflict occurs or grows, and how and where it might develop, in part depends on what Putin is seeking to achieve. The range of possible goals includes, but is not limited to, changing national borders, creating frozen conflicts to weaken one or more countries, protecting crucial natural resources, extending spheres of influence for trade and political purposes, increasing Russia's international stature, deterring Western involvement in countries important to Russia, and hindering the success of the Maidan model in Ukraine so that it has no attraction for the Russian populace and countries that Moscow seeks to retain in its sphere of influence.

In applying these drivers to the situation in the broader region, and thinking about how they might interact in the next three to five years, several conflict scenarios emerged in a July 2014 session. The regions' frozen conflicts, such as in South Ossetia and Abkhazia or Nagorno-Karabakh, could reignite. There could be succession struggles in Uzbekistan and Kazakhstan. Regional instability could spill out of conflict in Russia's north Caucasus. In exploring these scenarios, several key narratives surfaced:

- How all the factors played out in Ukraine will be seen in neighboring countries as determinative and highly relevant to their own conflict dynamics and policy responses.
- As countries proactively test and assess the new contours of regional relations, the region's frozen conflicts will become focal points for dynamic and risky interaction.
- Putin's consistent tactic of creating instability in multiple places to maintain overall strategic control risks overreach and miscalculation. How many instabilities can Moscow manage?
- Based on Russian operations in Georgia and eastern Ukraine and its annexation of Crimea, there is a consistency to Putin's worldview, strategy, and tactics that clearly identifies other at-risk regions.

This analysis narrowed the focus to three scenarios focused on Ukraine, Nagorno-Karabakh, and Kazakhstan as emblematic of the tensions faced across the former Soviet Union. Exploring these three scenarios further does not imply that they are the only possible scenarios, but they do illuminate key driving forces and narratives, which must be monitored and applied proactively to track the potential for violent conflict and corresponding opportunities for preventive action.

Ukraine: A Constant Boil

The 2014 Ukraine-Russia crisis simultaneously reflects the pattern of trouble stirred in the past decade across the former Soviet Union—the 2007 cyberattacks on Estonia and the 2008 war in Georgia, for example—and sets the stage for the next three to five years. The unrest in Ukraine has become a signal case, as actions lead to reactions across the post-Soviet independent states and beyond. Governments, civil society, and other players from the Baltic states, down through Moldova, across to Georgia, Armenia, and Azerbaijan, and on to Kazakhstan and Kyrgyzstan are watching the instability in Ukraine closely for its potential effects on their own territories. As an example, leaders of Belarus and Kazakhstan, which are members of the Russian-constructed Eurasian Economic Union, withheld endorsement of the Crimea annexation, signaling their concern over President Vladimir Putin's actions toward Ukraine in light of their own domestic and external vulnerabilities.

In the USIP analysis, the plausible scenario that emerges for Ukraine in the medium term is largely that of the status quo: a constant boil of instability roiled by internal volatility magnified by external provocations, shaped by Putin's goals and objectives and the strength of his regime, and modulated based on the effectiveness of the West's response. Propelled by these four crucial drivers, the current trends in Ukraine are significant and determinative, and the crisis continues to reverberate across the region, becoming emblematic of how similar dynamics could play out elsewhere. So while the effect of Putin's actions—a state of constant conflict in Ukraine as outlined in this scenario—may be acceptable to the West in the medium term, the impact has severe implications across Eastern Europe, the Central Caucasus, and Central Asia, as illustrated in the subsequent scenarios involving Nagorno-Karabakh and Kazakhstan.

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Background

The Maidan protests that began in Ukraine in 2013, however constructive their intent in demanding alignment with the more prosperous West and an end to rampant government corruption, quickly provided an opening for Putin to apply external provocation to exacerbate indigenous instability in pursuit of his goals of greater regional and global influence. Putin's annexation of Crimea and incursion into eastern and southeastern Ukraine caught the West off guard, setting off a scramble to construct a response from the United States, the European Union, and a North Atlantic alliance inclined to retrench after more than a decade at war in Afghanistan.

The West's eventual response—diplomatic condemnation, economic sanctions, nonlethal military assistance, and shoring up of military forces along the eastern flank of the North Atlantic Treaty Organization (NATO)—drew outrage and derision from Russia, which cranked up its propaganda and other messaging tactics to suppress or at least confuse erstwhile opponents at home and abroad. The Russian military stepped up its “exercises” near the Ukraine border. NATO reported repeated surges of Russian equipment and personnel over the border and into contested areas. The Western sanctions, amplified by a sudden drop in world oil and gas prices in the autumn of 2014, hit the Russian economy hard but failed to change Putin's approach. Whatever influence the penalties might have had on Russia's financial power brokers and the Russian public was blunted by the regime's propaganda and suppression techniques.

In Ukraine, the October 2014 elections reinforced the pro-European, pro-reform forces in the parliament, and attention turned to the urgent need to reduce corruption and reform the country's economy to implement its association agreement with the European Union and to collect the international financial support necessary to survive the economic crisis. The elected reformers, including civic activists of the Maidan, had a basis from which to work: More than two hundred experts, civil society organizers, and human rights defenders crafted the Reanimation Package of Reforms earlier in 2014, proposing specific measures to address corruption, make procurement more transparent, and overhaul taxes and the judiciary. Now embedded in the parliament and committed to making good on the goals of the movement, they can carry out those reforms. They are buttressed by Ukrainians' heightened awareness of their monitoring responsibilities and the consequences of failure.

The Scenario

Putin's Goals and Objectives

However haphazard and opportunistic in appearance, Russian actions in Ukraine continue to play out as strategic, albeit relatively short-term, maneuvers to achieve Putin's goals: maintaining constant conflict, keeping Ukraine off-balance internally, ensuring it remains undesirable to the West, and, more broadly, flaunting Russian might in the face of a measured U.S. and EU response. In the scenario for the next three to five years, Russia opts for a persistent state of hostilities and makes no attempt to implement a meaningful peace agreement. Cease-fire violations continue despite the Minsk agreements.

Externally Provoked and Indigenous Instability

A central problem for Kyiv—and the West—is that it is easier for Russia to destabilize Ukraine than it is for the Ukrainian government, even with Western help, to build a more stable and secure state. Putin has matched any heightened Ukrainian military pressure on separatist-held areas with increased Russian military support to pro-Russian fighters, making it impossible for Ukrainian forces to retake the occupied areas of the Donbas region in

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its east. Even if fighting ceases, the three-year period of autonomy the Minsk agreement originally granted to the pro-Russian enclave there equates to a de facto frozen conflict. Provocations elsewhere in Ukraine, such as mysterious explosions that seem designed to stir fear that violent conflict might spread, signal the capacity to inflame tensions more widely as well.

In this scenario, Russia's incursions combine with indigenous stresses as the Ukrainian government yields to pressure from its public and the West to undertake serious governance and financial reforms. Ukraine has adhered to its International Monetary Fund program, allowing the currency to float and to gradually raise the prices of heating and home energy to cover the costs of production and distribution. It now has embarked on reforms of key systems and institutions, such as pensions, banking, the judiciary, and the civil service—measures that will determine the government's popularity and Ukraine's trajectory. In the medium term, the reform efforts continue to test the administration and the parliament as the country's elites—oligarchs in particular—waffle about how much they are willing to concede and citizens rebel against the pain of higher costs. Reforming Ukraine's state gas monopoly, Naftogaz, a bastion of corruption and inefficiency, becomes a crucial test.

The question of national identity also continues to loom large for Ukraine in the scenario, as it does for many post-Soviet countries. Russian aggression has served as a rallying point for Ukrainian national unity. But the lack of attention by leaders to building, solidifying, and sharpening a national identity that most Ukrainians can embrace leaves citizens floating in a dangerous state of ambiguity and internal tensions. Russia can capitalize on that ambiguity with a steady injection of divisive propaganda.

The degree of internal instability can be mitigated to a certain extent by Ukrainian civil society's effectiveness in steering a range of conflicting issues and reforms, even as it is buffeted by the war in the east and by Russia's political, economic, and military maneuvers. Civil society in Ukraine draws on the hard lessons of the failures of the 2004–05 Orange Revolution as a motivator: Success or failure this time has huge implications for civic activists and higher-level political calculations in Ukraine, as well as in other nations of the former Eastern Bloc, the Caucasus, and Central Asia.

The West's Response

The constant boil in Ukraine is partly driven by the willingness and ability of the United States and European powers, such as Germany, Italy, France, and the United Kingdom, to support Ukraine and motivate Russia to end its aggression. In the scenario, international financial aid for Ukraine continues to be conditioned on speedy reforms, straining the society's ability to absorb a war and an economic crisis. On the military front, the scenario has the United States delivering increasing levels of training and other military assistance and NATO continuing to expand cooperation with Ukraine on defense reform.

But American and European leaders still demur on stronger measures against Russia over its Ukraine intervention in the hopes of retaining Russian help on other major issues, such as the Iran nuclear talks or an ever-elusive resolution of the war in Syria. Other sovereign countries of the former Soviet Union and beyond are eyeing the Western response, its attention span, and the strength of its engagement. That, in turn, affects calculations regarding alliances and behavior, such as decisions about diversifying energy sources and trade.

Russian Regime Stability

The influence of Western sanctions on Russia depends partly on how much influence the affected business and economic interests wield over Russian leadership—or whether Putin controls them. The effects also pivot on how much pain the Russian people are prepared to

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tolerate in the service of policies political leaders promote as being in the national interest and elevating Russia's standing in the world.

In the scenario, Russian leaders continue to manipulate nationalist fervor to maintain popularity. A climate of fear within Russia thwarts challenges to government policies and practices. At the same time, the public indulges conspiracy theories that feed a clamor for national pride and identity. Both factors embolden the leadership for further aggression abroad, not only in Ukraine.

However, the cumulative effects of the economic sanctions in the medium term could erode public support. Moscow is negotiating energy supply deals with Beijing and other trade agreements to reassure the Russian public and plant doubt in Western minds about the ability to isolate Russia and prevent it from offsetting the sanctions with backing from other quarters. At the very least, Russian alliances with others benefit the regime by muddying perceptions at home and abroad regarding the effects of the sanctions.

At the same time, Russia's extended and stepped-up interference in Ukraine over the time period of the scenario limits Moscow's capacity to control dynamics or foment trouble elsewhere. A significant escalation in Russian military interference in Ukraine could risk a robust response, including partisan or guerrilla tactics, and might spur a degree of Western backing. The resulting costs in attention and resources will strain Russia's political and financial reserves and its foreign-policy capacity.

Indicators and Opportunities

Indicators that should be monitored intensively to gauge the direction of events in Ukraine include the pace of financial and governance reforms in Ukraine; the unity of reformers and public support for them; internal financial conditions in Ukraine and Russia; Russian military moves against and within Ukraine; Russian rhetoric toward the West and Ukraine; changes in Russian policies, such as a move to implement its Minsk requirements; the status of Ukraine-Russian gas negotiations; the actions of political and economic elites in Ukraine and Russia; and the import and export restrictions on all sides.

The scenario suggests a host of potential opportunities for the international community to help shore up and ultimately restore stability to the country without sacrificing the dignity of a sovereign Ukraine. Among them, the international community could:

- provide strong international financial and technical assistance to the Ukrainian government to avert a financial meltdown;
- deliver meaningful and urgent international technical assistance to Ukraine on anticorruption and institutional reform efforts to strengthen public confidence;
- develop, provide, and otherwise support technology to strengthen the Ukrainian government and civil society initiatives that advance reforms and transparency and contribute to internal stability;
- offer trade incentives to strengthen Ukraine's economy;
- back small- and medium-sized enterprises, including with low-interest loans, to rapidly develop the legitimate private sector and boost the economic recovery;
- support civil society organizations and independent media for public education, information, and media literacy to empower Ukrainian citizens and counter the effects of Russian propaganda;
- apply Western values actively and consistently, without shying from criticism of rights violations in Russia or corruption in Ukraine;

- supply advanced and accelerated military assistance to Ukraine to blunt externally provoked instability;
- maintain persistent diplomacy with high-level meetings engaging all legitimate parties, including leaving the door open for Russia to negotiate a meaningful settlement;
- maintain or increase international sanctions on Russia to change its calculations and shift its goals and objectives;
- strengthen the role of relevant international support institutions, such as the Organization for Security and Cooperation in Europe (OSCE), that struggle with their membership to strengthen the West's response;
- analyze the degree to which the West really does depend on Russian assistance regarding Iran and Syria to accurately weigh the factors that weaken the West's response on Ukraine.

Nagorno-Karabakh: Overreach and Miscalculation

Russia's neighboring countries, such as those in the South Caucasus, are recalculating their security and foreign policies as they gauge Russia's policies and the West's responses in Ukraine. In Armenia and Azerbaijan, the aftershocks of the Maidan revolution and Russia's response are rippling through a situation that, in the last few years, can best be characterized as a creeping aggression by both sides.

Armenia and Azerbaijan are actively testing the new contours of Russian and Western engagement. Civil society members and experts from the region have described the uptick in violence since the summer of 2014 on the Line of Contact and shared borders as tests of Russia's capacity to deter a violent outbreak over the territory of Nagorno-Karabakh. Russia's defense forces, committed by treaty to defend Armenia against external aggression, will also be instrumental for keeping Ukraine at a constant boil. Russia's ability to deploy its military forces throughout the region will be assessed and tested against its cumulative operations in Ukraine. In dynamic conflict situations, these stress tests risk fatal miscalculation.

Background

The bloody 1988 war between Azerbaijan and Armenia over the status of Nagorno-Karabakh killed thirty thousand people and left Nagorno-Karabakh and seven contiguous territories of Azerbaijan under Armenian control. The war ended in 1994 with a cease-fire that was supposed to create the basis for a peace settlement, but the OSCE-sponsored Minsk Group peace negotiations have remained inconclusive—more a routine than a robust undertaking.

One of the strong points of the Minsk Group process was the shared commitment of its cochairs—the United States, Russia, and France—that resulted in a Document of Basic Principles. This holds the status of Nagorno-Karabakh for a future decision while parties work on other issues, such as the occupied territories and security guarantees. The principles adopted in 2009 remain no more than a basic sketch for an eventual peace settlement. They do not have the color and fine points needed to guide a legitimate peace process.

Many analysts have characterized elites in Azerbaijan and Armenia as protecting the current status quo to preserve their political and economic assets. In the last few years, however, the situation has become quite fluid. Azerbaijan's emergence as an oil and gas producer has brought it new prominence in the international arena, with strong relations with Russia and the West. Its oil revenues have also allowed it to purchase increasingly sophisticated

weapons systems. Likewise, Armenia has engaged in an ambitious arms buildup. Russia has been shrewdly arming both sides, a policy meant to provide security equilibrium, but at ever-rising levels of lethality. Access to advanced weaponry is allowing both sides to adopt more aggressive postures—in Armenia’s case, preventive strikes and disproportionate retribution, and in Azerbaijan’s case, an emphasis on a military solution to the conflict.

Deaths along the Line of Contact, established in the 1994 cease-fire agreement, occur every year as a result of sniper fire and skirmishes involving opposing military units dug in, at some points with only forty feet of contested no-man’s-land between them. In August 2014, the worst clashes in many years occurred along the line of conflict, leaving fifteen soldiers dead. These battles have continued throughout the fall and winter. Much of the aggressive posturing also occurs through Armenian and Azerbaijani media outlets, which exploit public attitudes on the conflict as directed by the political elites who control them. Weak civil societies in both countries often align with elite interests on Nagorno-Karabakh, further acting as conduits for the hardened and hardening conflict rhetoric.

The Scenario

How do the driving factors of regional instability, Putin’s calculations and regime stability, and the West’s response play out in the next three to five years in the South Caucasus? If Russia robustly maintains its strategy of destabilizing Ukraine in the medium term, Azerbaijan may continue to test Russia’s defense commitment and deterrent resolve, but ineffectively, invoking a strong Russian counter-response. On the other hand, if Russia becomes militarily bogged down in Ukraine, with domestic, economic, and social turmoil as a consequence, its deterrent capacity will be spread too thin, encouraging more incursions by Azerbaijan. If the West further enhances its military and political support for Ukraine’s territorial integrity, Azerbaijan will, in the absence of a constructive peace process, leverage Western policy in Ukraine in a bid to regain its lost territories and to partially or fully establish its territorial integrity.

Armenia will be engaged in its own calculus. If it is faced with increasingly aggressive military forays by Azerbaijan, a growing arms imbalance favoring Baku, and deteriorating Russian military capability, Armenia’s escalatory defense posture may become its military’s operational reality. The Azerbaijani government’s continued repression of civil society exacerbates the above tensions. The only officially acceptable release valve for the pressures of societal discontent is the Nagorno-Karabakh crisis. The mounting loss of life from Azerbaijan’s testing of Russia’s deterrent capacity, and counter demonstrations by Armenia of its willingness to escalate, leads to public outcry and rising pressure for full-scale armed conflict. Azerbaijan’s Aliyev government, feeling no alternative and seeking to preserve public support for the regime, could miscalculate and launch a broader military operation to recover Azerbaijan’s lost territory. Armenia, committed to a policy of escalation, could respond.

In attempting to manipulate the levers of the Nagorno-Karabakh conflict through both arming and peacemaking, Russia may have overestimated its ability to manage multiple instabilities on its periphery, from Ukraine and Moldova to South Ossetia and Abkhazia.

Indicators and Opportunities

In the tensions between Armenia and Azerbaijan, several indicators should be monitored intensively to gauge the direction of events and detect opportunities. These indicators include increasing violence on the Line of Contact; increasing societal pressure on the governments in both countries for revenge killings; meetings with Minsk cochair countries that fail to yield concrete actions toward peace; the Azerbaijani government increasing its lobbying for Western support for its territorial integrity, tied to strengthened Western support

for Ukraine; societal manipulation by elites in both countries; and Russian military capacity becoming thinner, undermining its defense commitment to Armenia.

With conflict rising on the Line of Contact and on the borders of Armenia and Azerbaijan, it is crucial to consider immediate opportunities to head off the threat of conflict escalation over Nagorno-Karabakh. The international community has several avenues of approach.

- Focus Track 1, 1.5, and 2 dialogues to more greatly emphasize prevention. Engage civil society and political leaders on both sides on discussions of what war looks like and the hard realities of what conflict will do to both countries' current economic and social development.
- Actively use NATO-Azerbaijan defense relationships developed during the support for operations in Afghanistan to seek moderation and de-escalation by military forces and leadership.
- Engage Western businesses in Azerbaijan to deliver frank messages on the costs of escalating conflict.
- Establish funds to offset the effects of Russian sanctions in Armenia and build effective Western political and economic leverage points with Yerevan.
- Actively support Ukrainian civil society and its constructive role in Ukraine's political development to undermine the current regional narrative that civil society there is inherently destabilizing.
- Encourage a diplomatic offensive by regional leaders in Georgia and Kazakhstan to pressure Armenian and Azerbaijan leaders at every level to make progress on the Basic Principles.
- Ensure and support effective external monitoring of government-controlled media in Armenia and Azerbaijan to draw attention to their persistent patterns of fomenting conflict.

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Kazakhstan: Cascading Instability

Within Central Asia, the driving factors identified in the two previous scenarios are also germane to Kazakhstan, the region's largest and most economically successful country. Kazakhstan's proximity to Russia makes it unique in Central Asia. Unlike Uzbekistan or Kyrgyzstan, which also maintain links to Russia, Kazakhstan's status as a buffer state and partner in the Eurasian Economic Union necessarily raises the prospect of Russia's desire to maintain balance across its shared border.

Background

Domestic instability in Kazakhstan is the most plausible reason for Russia to intervene. The unanticipated political departure or sudden death of President Nursultan Nazarbayev is the largest determinant of Kazakhstan's domestic stability over the next three to five years. As minority groups, including the many Kazakh Russians who live there, view the president as the guarantor of an acceptable status quo, the potential for a rise in ethnic tensions after Nazarbayev's exit is real. The Kazakh president is also one of the few regional leaders said to garner Vladimir Putin's respect, something Nazarbayev's eventual successor is not assured to inherit.

The current leadership is hesitant to significantly change the Kazakh relationship with Russia, including its status in the Moscow-led Eurasian Economic Union. Nevertheless, Nazarbayev has clearly become more wary of Russian intentions since the latter's incursions

into Ukraine, and Kazakhstan's standing as a stalwart Russian ally could change if the country's economic prosperity were significantly threatened as a result of this allegiance. Like many of its neighbors, Kazakhstan's lack of transparency and undefined mechanisms for power transfer make a concrete prognosis difficult, yet the end of Nazarbayev's rule portends ethnic issues, interregional tensions, or a shift in the country's economic orientation.

The Scenario

Kazakhstan's western region bordering the Caspian Sea is home to vast oil reserves and significant industrial assets, which are controlled by local oligarchs with limited central government oversight. With Nazarbayev as the linchpin of political stability, in the next three to five years, a muddled succession could compel local oligarchs in western Kazakhstan to grab greater autonomy, at the same time making these same business elites vulnerable to Putin's interests.

The effects of sanctions and the resulting drop in international oil and gas markets could drive Putin to more aggressively pursue Russia's position in the Caspian Sea with the aim of eliminating any Western military and economic presence in the region. The western region of Kazakhstan could prove especially enticing to Putin, given its natural resources, its potential for boosting Russia's economic and geostrategic position, and the presence of an ethnic Russian population that provides a patina of legitimacy for a Russian incursion. Closing western Kazakhstan to U.S. business interests, while gaining control over the holdings of local oligarchs, would solidify Russia's Caspian Sea position.

Western business concerns in Kazakhstan, while significant, are not backed by diplomatic and military commitments from western capitals. The geographic position of western Kazakhstan, reminiscent of the Crimean Peninsula in terms of its strategic assets, historic association with Russia, and the presence of an ethnic Russian population, could be seized by the Russian military and government with similar tactics and strategies. That would leave Astana, in the midst of transition, incapable of mounting a significant response.

Indicators and Opportunities

A number of internal and external factors could indicate trouble for Kazakhstan's future stability. The appearance and perpetuation of several warning signs should be carefully observed to determine the most appropriate response. Signs within Kazakhstan might include changes in legal protections for the use of the Russian language; increased repression of religious groups; greater frequency of violent acts against central government authorities; increases in provincial, economically-based protests; statements by Kazakh leadership expressing a desire to withdraw from the Eurasian Economic Union that elicit strong condemnation from Russia; calls by local business elites in the Caspian region to rebel against central authorities; and calls by Western energy companies for Kazakh military or international protection of assets following domestic disturbances. External indicators might include Russian reports of oppression in Kazakhstan after receiving requests from ethnic Russians asking for Moscow's protection, Russian claims about the need to recapture "lost" territory or declarations of Kazakhstan's lack of historical validity, and statements from Moscow that Kazakh instability or the introduction of foreign troops in the Caspian Sea will be met with appropriate response.

While Washington's influence in Kazakhstan and Central Asia lags behind Moscow's and Beijing's, a number of efforts could be explored to prevent conflict or minimize the effects of an outbreak of hostilities. These include:

- Consistent U.S. rhetoric about Central Asian territorial integrity and enhanced diplomatic and economic cooperation with regional governments

- Efforts to increase technical education exchange programs
- Exploring methods by which Kazakh authorities could spread hydrocarbon wealth more evenly
- Support for younger generations within Kazakhstan to encourage smooth power transitions when older generations leave political life
- Exploring opportunities for common ground among Western and Chinese interests in Central Asia
- Greater efforts to disseminate information about Central Asia to Western stakeholders and more regional research

Central Asia is part of Russia's larger reach. It shares with Russia language, history, culture, and trade relations and is a primary audience for Russia's highly controlled media through television and radio, as very few other outlets are available in the five Central Asian countries. Given these many linkages, Kazakhstan emerges as the key country where the spillover effects of the Ukraine-Russian conflict may have the most plausible effects.

Conclusions and Recommendations

Putin will continue to leverage conditions and enabling tactics to manipulate the key drivers of conflict—regional instability, Russian regime stability, the West's response, and his own goals and objectives—to maintain Russian hegemony:

- *The legacy of Moscow's control over regional relations.* A driver of violent conflict following the breakup of the Soviet Union was the newly independent countries' inability to engage bilaterally to resolve interstate and intrastate tensions that Moscow brokered previously. The Putin regime today is seeking to retain or reassert its role as regional power broker to maintain hegemony.
- *Monopolization of the conflict narrative.* Moscow has successfully harnessed support for the war in Ukraine by turning the Mайдan narrative on its head, arguing that Ukraine's political transition was a strategic move by the West to make Russia more vulnerable. This revisionist account of current events has allowed Russia to monopolize the conflict narrative throughout many neighboring countries. Governments with an already authoritarian bent have seized on that narrative to crack down on civil society, arguing that the West is manipulating popular movements to destabilize the region.
- *Closing of civil society space.* The space for civil society to operate and mature is rapidly closing in Russia and most neighboring countries. This strategy affects conflict dynamics in the region by closing societal outlets for dissent and government engagement. Without diverse social perspectives on many of the region's unresolved conflicts, autocratic regimes control the conflict narratives, hardening societal opinion against their resolution to deflect any focus on internal issues.

To mitigate the risk and reality of violent conflict—the primary threat to the region's democratic consolidation—and to offer foreign assistance within the limitations of new regulations on civil society activity in many countries of the region, Western strategies should aim to degrade Russia's ability to create the conditions that foment regional conflict.

- *Create civil society space.* Create regional hubs in countries with vibrant civil societies, such as Georgia, Ukraine, Kyrgyzstan, and Moldova, to provide within-region assistance, counteract Russia's attempts to direct regional relations, and challenge the narrative that civil society is a Western imposition by demonstrating that it is organic to the region.

- *Encourage civic participation.* Where the space is closing for civil society, first, organize educational exchange programs in those spheres that are still open, such as technical education (e.g., engineering, public administration, environmental science) for young professionals; second, in these educational programs, incorporate curricula on establishing and managing participatory processes; and third, nurture concepts, methodologies, and habits of civic engagement, which still remain at a minimum in many post-Soviet countries.
- *Diversify regional economies.* Many of Russia's neighbors rely on remittances from citizens working in Russia. With Russia's economic downturn, migrants will be sent home, and many sectors in neighboring countries that rely on strong trade relations with Russia will be hit hard. It will be necessary to provide economic diversification programs to vulnerable communities. At the same time, provide conflict resolution and peacebuilding skills to manage dislocations. In the process, influence the narrative about Western sanctions by minimizing their effects on Russia's neighbors and help stave off unrest that might result from economic stresses.
- *Change Russia's narrative.* Erode Russia's narrative about the region and Russianness, as well as its monopoly of the media in Russia and in Russian enclaves in other countries. Create alternative Russian-language broadcasts and internet-based outlets with Russian-speaking journalists from the near abroad. Emphasize respect for the diversity of Russian cultures in the broader region and create new definitions of being culturally and socially Russian. Undermine Moscow's triangulation of regional communications by establishing regional broadcast communication networks. Encourage connections among these communities and other ethnicities or language groups and vigorously socialize the advantages of diversity.
- *Support Ukraine.* If Ukraine is the lens through which neighboring countries gauge relations with Russia, treat their own civil society, and evaluate the region's frozen conflicts, then it is necessary to position Ukraine for stability and success, especially in ways that resonate regionally. Initiate civil society-centered peace dialogues on crucial issues including decentralization, language rights, support for internally displaced persons, anticorruption measures, and reforms to take place in regions that remain under threat of pro-Russian agitation, such as Odessa, Dnipropetrovsk, Kharkiv, Mariupol, and Mikolayev. Expand these dialogues to regions in Ukraine's west and center, sharing perspectives with compatriots in the east and south to help foster peace and unity through a national dialogue. If or when occupied Donbas and Crimea are reintegrated to Ukraine, launch peace dialogues in those regions.
- There is broad agreement—within Ukraine and among its international partners—that corruption has made Ukraine weak and vulnerable to Russian predation. To help shine a light on what is working and what is not, convene a civil society working group with independent analysts inside and outside Ukraine to create and maintain a system to rigorously monitor and evaluate Ukraine's anticorruption efforts and assist with recommendations as needed.

Expert Consultations

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- *Preventing Violent Extremism in Kyrgyzstan* by Jacob Zenn and Kathleen Kuehnast (Special Report, October 2014)
- *The Constitutional Process in Ukraine: Issues in Play* by Dominik Tolksdorf (Peace Brief, May 2014)
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**United States
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2301 Constitution Ave., NW
Washington, DC 20037

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