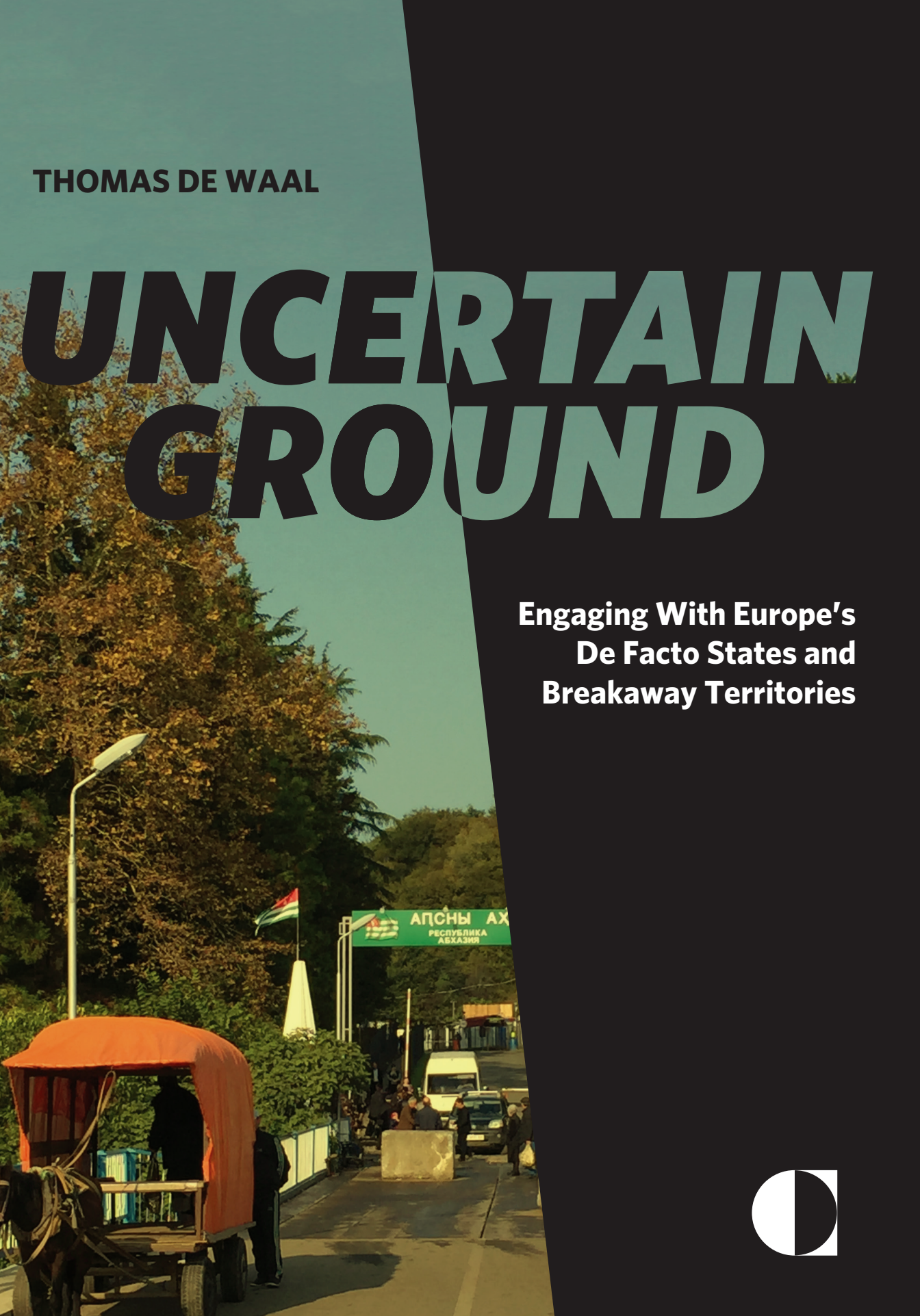# THOMAS DE WAAL

UNCERTAIN GROUND

Engaging With Europe's De Facto States and Breakaway Territories

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and Breakaway Territories**

**CARNEGIE
EUROPE**

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ABOUT THE AUTHOR

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He is the author of numerous publications about the region. The second edition of his book *The Caucasus: An Introduction* (Oxford University Press) was published in 2018. He is also the author of *Great Catastrophe: Armenians and Turks in the Shadow of Genocide* (Oxford University Press, 2015) and of the authoritative book on the Nagorny Karabakh conflict, *Black Garden: Armenia and Azerbaijan Through Peace and War* (NYU Press, second edition 2013).

From 2010 to 2015, de Waal worked for the Carnegie Endowment for International Peace in Washington, DC. Before that he worked extensively as a journalist in both print and for BBC radio. From 1993 to 1997, he worked in Moscow for the *Moscow Times*, the *Times of London*, and the *Economist*, specializing in Russian politics and the situation in Chechnya. He co-authored (with Carlotta Gall) the book *Chechnya: Calamity in the Caucasus* (NYU Press, 1997), for which the authors were awarded the James Cameron Prize for Distinguished Reporting.

ACKNOWLEDGMENTS

SUMMARY

INTRODUCTION

Abkhazia, Transdniestria, and northern Cyprus, three unrecognized statelets in Europe that arose during conflicts in the twentieth century, have endured for decades. Despite many problems, they are self-governing and stable, and they show no signs of collapsing. They exercise internal sovereignty, even as they have no prospect of getting international recognition. This qualifies them as de facto states.

While these territories still have problems of poor regulation and impunity from international justice, in many other regards, they seek respectability and try to cleave to European norms. This distinguishes them from the breakaway territories in eastern Ukraine. Concerns in the recognized states that greater engagement will lead to "creeping recognition" of the territories is not borne out by legal opinion, which concludes that recognition is a conscious act and cannot be conferred by accident.

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benefit all sides. It should give citizens of the de facto states greater opportunities to be integrated into the world. It should benefit the recognized states who generally have a de jure claim over the territories (the "parent states") by building bridges across the conflict divide. It should have a wider benefit by ensuring that these places are more compliant with international norms.

ABKHAZIA

Abkhazia is in a peculiar international situation, being both stable and internationally isolated. Russia's recognition of Abkhazia (and South Ossetia) in 2008 following its war with Georgia gave the territory more security and resources but has also led to its de facto integration with Russia and reduced international engagement.

In 2009, the EU adopted a Non-Recognition and Engagement Policy (NREP) for Abkhazia and South Ossetia. Its two elements were designed to be mutually reinforcing, reassuring Georgia of the EU's support for its territorial integrity while promoting enhanced engagement with Abkhazia. Yet the policy suffers from a lack of visibility while the EU's assistance program to Abkhazia has been dwarfed by much greater Russian support. As the EU-Georgia bilateral relationship has blossomed, Abkhazia has fallen down the agenda in Brussels.

As an international presence in Abkhazia has fallen away, some now talk of the territory's self-isolation. But there are still some opportunities to explore engagement especially with regard to trade.

TRANSDNIESTRIA

The dispute over Transdniestria is more benign than its counterparts. It lacks an ethnic dimension and constitutes more a clash of elites. There are plenty of people-to-people contacts and a high level of de facto integration between the two sides across the Dniester River. Russia also plays a different role. While supporting Transdniestria financially and militarily, it does not recognize the territory as independent.

Incremental progress has been made since 2016, with several confidence-building measures being adopted thanks to mediation by the Organization for Security and Cooperation in Europe. Transdniestria also looks to Europe for trade, having entered the EU's Deep and Comprehensive Free Trade Area (DCFTA) for Moldova.

There is a limited international presence on the ground in Transdniestria, and people there are still suspicious of the EU and the West in general. However, an EU economic assistance program would be welcomed by the business community, and international actors can offer more direct support to the higher education and health sectors.

NORTHERN CYPRUS

Northern Cyprus is more open to the outside world than the other de facto states, receiving tens of thousands of foreign tourists and students each year. Turkish Cypriots participate in the global marketplace via Turkey. Yet, relations with the patron in Ankara are complicated. Turkish Cypriots are entitled to be EU citizens, and at least 100,000 of them have taken Republic of Cyprus EU passports. EU engagement with the de facto authorities is more limited. Three regulations were adopted in 2004 with the express aim to end the Turkish Cypriot community's isolation. Yet, due to objections from the Greek Cypriot side, these have only been partially implemented, as have other confidence-building initiatives.

Better engagement in northern Cyprus requires greater cooperation with the de facto authorities. The EU can expand funding and assistance in the 2004 regulations to prepare the northern part of the island for the acquis communautaire.

EASTERN UKRAINE

In 2014, two breakaway territories formed in eastern Ukraine with Russian military assistance. The Donetsk People's Republic and Lugansk People's Republic are very different from the three other case studies, but there some important parallels.

Ukraine's breakaway territories are much larger than the other territories in this report. They are criminalized and hostile to international engagement. The de facto leaders lack authority, and Moscow controls domestic affairs directly. However, as in the other disputes, separation is creating new realities and deepening alienation from Kyiv. A blockade imposed by the Ukrainian government in 2017 has cut economic links. Authorities on the rebel-controlled side have taken over businesses there.

There is still a good chance for the territories to be reintegrated into Ukraine, but there is also a danger in inaction. More active humanitarian links, improved trade ties, and strengthened people-to-people contacts will help facilitate this process.

CONCLUSION

The real goals of the de facto states are probably more modest than their declared ambitions. Most aspire less to formal independence and more to self-government within an international framework.

International actors must coordinate closely with the governments in parent states, but they also have their own intrinsic interests in resolving the conflicts. They can adopt policies from a large toolkit within a framework of nonrecognition. Engagement can be broadened

Cooperation with de facto authorities is controversial but inevitable. Its scope can be defined by developing new rules of engagement.

in unrecognized states on a case-by-case basis to more sectors, such as education and healthcare. Cooperation with de facto authorities is controversial but inevitable. Its scope can be defined by developing new rules of engagement.

Additionally, a presence on the ground in the form of liaison offices would increase international leverage in these territories. A stronger presence could be used both to deliver more assistance and to demand commitments from the de facto authorities in the shape of cooperation on legal and criminal issues.

INTRODUCTION

THE STRANGE ENDURANCE OF DE FACTO STATES

We live in a world of states, but some territories and the people who live in them fall between the cracks. From Palestine to Somaliland to Taiwan, there are a number of disputed lands that formed as a result of conflict and do not fit neatly into the established global order. Millions of people live in places not generally recognized as states within the international system.

The former Soviet space has an especially high number of these statelets, which were born during and after the messy breakup of the Soviet Union in 1991. Turkish-run northern Cyprus, where the conflict dates back half a century, is an even older example. The challenge of meaningful international engagement with three such de facto states that have little or no recognition—Abkhazia, Transdniestria, and northern Cyprus—and of how this engagement can assist the resolution of conflicts, is the subject of this report. Lessons learned from years of different types of international interaction with these three entities can help mediators tackle the consequences of the still-developing conflict in eastern Ukraine, which will also be considered here. The research here draws on fieldwork and interviews carried out in all four conflict regions from 2016 to 2018. Unless otherwise noted, quotations are sourced from these trips.[1]

"Meaningful engagement" here means interaction with those who inhabit and run an unrecognized territory. With regard to Abkhazia, Transdniestria, and northern Cyprus, this requires parting company with an outdated paradigm: the expectation that they are about

to collapse. Despite many differences in history and geography, these statelets have all survived as self-governing entities for more than a quarter of a century and look set to endure for the foreseeable future. They show few signs that they are about to be folded back into the "parent states" of which the world regards them as being a de jure part, respectively Georgia, Moldova, and the Republic of Cyprus. (The Russian-backed breakaway territories of eastern Ukraine, by contrast, have not shown the same capacity for endurance and may yet fall back under Ukrainian government control.)

These statelets and their associated conflicts have slipped down the international agenda. If they still attract international interest it is often only as bizarre curiosities, as "places that don't exist."[2] All have invested heavily in the symbolic paraphernalia of statehood in an apparent effort to over-compensate for their lack of recognition. They proudly exhibit their flags, crests, stamps, and national anthems. For example, Transdniestria has the Transdniestrian rouble and produces plastic coins of different shapes, making them easy for blind people to identify. Tourists in the capital, Tiraspol, marvel at its statues of Vladimir Lenin and other Soviet symbols.

> **These statelets were born out of conflict and sustain themselves with a narrative of injustice and the belief that they have won statehood amid adversity.**

Yet a more banal process may be at work. These places now strike visitors with their normality, a fairly successful impersonation of being a regular state. Although less sophisticated than the neighboring recognized states, each statelet delivers public services and has won a certain domestic legitimacy. Each has a government, a police force, and education and healthcare systems. In Sukhumi, Tiraspol, and northern Nicosia, children go to school and businessmen pay taxes. Motorists stop at red traffic lights or traffic police fine them for failing to do so. In terms of internal governance, these places closely resemble recognized states, albeit states with many flaws in their behavior toward their citizens.

The de facto states fall short in their foreign relations and international status. Crucially, a patron provides all of them with vital financial and military support: Russia for Abkhazia and Transdniestria and Turkey for northern Cyprus. Their development has come with a price tag—the patron state's close involvement in domestic affairs.[3]

For most Georgians, Moldovans, and Greek Cypriots, the key factor is the patron state and its military presence on their territory. Undoubtedly, these conflicts will never be resolved without settling this central geopolitical and security issue. That is necessary but not sufficient. If Russia or Turkey suddenly reduced its support, it is highly unlikely that these territories would merely capitulate to the demands of Georgia, Moldova, and the Republic of Cyprus, respectively. The local causes and powerful ideas that helped ignite the conflict

have not gone away. These statelets were born out of conflict and sustain themselves with a narrative of injustice and the belief that they have won statehood amid adversity. To a large degree, they still see the parent state as an aggressor and the patron state as a protector.

A national idea on the other side of the conflict divide also sustains the existence of these territories. The three recognized states considered here have developed as nation-states over the years, and much of the public is lukewarm to reintegrating a breakaway territory inhabited by a large minority community. Opinion polls in Cyprus and Moldova routinely show that the public does not consider the unresolved conflicts to be worthy of daily attention, as opposed to unemployment or low incomes.[4] In Georgia, the number of people surveyed who say that territorial integrity is an important issue for them has halved over the last decade, to 30 percent.[5] This does not mean the public wants the breakaway territory to secede altogether. That view is still highly unpopular. It does indicate, however, that both sides are perpetuating the deadlock.

Inside the de facto states, there is understandable frustration that hundreds of thousands of people in Europe have effectively become second-class world citizens in many regards. They struggle to do things that citizens of recognized states take for granted: making bank transfers, traveling abroad with a recognized international passport, studying in a foreign university. In many ways, including citizens of unrecognized states into these activities gets harder as the world adopts new standards and regulations—trade rules, banking regulations, biometric passports, the Erasmus scheme for higher education—that do not cover these territories. The challenge of living in a de facto state is summed up by the drop-down box on an internet form that asks which country a person lives in. If Abkhazia or Transdniestria is not listed, the person faces an immediate problem. As the world becomes more interconnected and Europe's borders open up, this situation seems even more anomalous.

This is not necessarily an issue of "human rights" as many in the unrecognized territories assert. Nor is the problem always the fault of the outside world. The de facto states must also play a role in finding status-neutral measures to overcome these problems. Abkhazia has recently attached strings to some offers of cooperation, leading it to what some have called "self-isolation" as international engagement is withheld.[6] Yet there can be no argument that poor healthcare, substandard education, and limited chances to travel abroad do not make for a healthy society. These deficiencies both hurt the societies of the unrecognized states and hamper their capacity to engage properly with their neighbors.

Intractability and stasis should not be an excuse for inaction. While the fundamental status issues caused by the conflicts remain unresolved, both the parent state and other countries can deploy bolder and more intelligent engagement as an interim policy. This enhanced engagement should be clear-eyed and should meet three criteria: it should improve the lives of ordinary people in the de facto states; it should not privilege them over residents of their parent states on the other side of the conflict divide; and it should not pre-judge final status decisions.

Inguri River, between Abkhazia and Samegrelo region of Georgia. Border post on the bridge, manned by Abkhaz and Russian border guards, now the only crossing point into the Georgian-controlled territory.

(Photo courtesy of the author.)

THE GROUND RULES

A study of this uncertain territory calls for clear ground rules and terminology. To write about the issue is to enter a linguistic and conceptual minefield. Otherwise straightforward words such as "border" and "government" can become controversial. The leaders of the breakaway territories and their allies always use vocabulary that seeks to normalize their status by referring to their territories as countries with presidents, ministries, and embassies. The states that contest their status, generally backed by international organizations, tend to attach qualifiers to these words like "so-called" or "quasi" or simply add quotation marks. To live in an unrecognized state, observe Rebecca Bryant and Mete Hatay, scholars of Cyprus, is to have a "life in quotation marks." In this report, the term "de facto" will generally be used to square this circle.[7]

There is now a rich academic literature on de facto states. Eiki Berg, Laurence Broers, Rebecca Bryant, Nina Caspersen, Giorgio Comai, Bruno Coppieters, James Ker-Lindsay, and Donnacha Ó Beacháin have all contributed important work. Much less has been written for policy practitioners, a gap this report aims to fill. Perhaps the last significant large-scale study with policy recommendations was Dov Lynch's *Engaging Eurasia's Separatist States*, published in 2004.[8] For international practitioners in 2018, this is a difficult and inhospitable field. The sheer inaccessibility of the places concerned is a deterrent. Most European and U.S. officials face difficulties in even physically setting foot in Abkhazia, for example, because of restrictions on both sides of the conflict line.

This report uses three terms borrowed from the academic literature: de facto state, parent state, and patron state. Abkhazia, Transdniestria, and northern Cyprus will be called de facto states. The term refers to a place that exercises internal sovereignty over its citizens but is not recognized by most of the world as the de jure legal authority in that territory. In each case, the de facto state broke away from a parent state that is internationally recognized and still claims sovereignty over it: Abkhazia has broken away from Georgia, Transdniestria from Moldova, and northern Cyprus from the Republic of Cyprus.[9] A patron state is the powerful military protector that supports and finances the de facto state. Russia protects Abkhazia and Transdniestria, while Turkey safeguards northern Cyprus.

The characteristics of endurance and capacity for self-government qualify Abkhazia, Transdniestria, and northern Cyprus as de facto states.

The characteristics of endurance and capacity for self-government qualify Abkhazia, Transdniestria, and northern Cyprus as de facto states for the purpose of this report. This distinguishes them from other territorial entities, which are also unrecognized and outside the international system and which come in many forms. There are two other categories, broadly understood, that will go unaddressed. One

group comprises what could be called "ephemeral states," the barely functional entities controlled by armed groups currently found in Libya and Syria, for example. These are more comparable to the quasi-states, such as the Kuban People's Republic or the Gilan Soviet Republic, that briefly flickered into existence during previous global crises and then disappeared into history.

This category is also a better fit for the Donetsk People's Republic (DNR) and Lugansk People's Republic (LNR), the entities that have since 2014 administered territory in eastern Ukraine. Those two territories may coalesce into something akin to de facto states under certain circumstances, but currently their divergences from Abkhazia, Transdniestria, and northern Cyprus are more striking.

A second pair of post-Soviet unrecognized entities, Nagorny Karabakh and South Ossetia, also fall outside this report's consideration. They have elements of being de facto states, however, in terms of their economy, security, and civil documentation, both are much more internationally isolated and more closely integrated into their patron states, Armenia and Russia, respectively. The Nagorny Karabakh Armenians declared unilateral independence in 1991, but three years before, in 1988, they had begun their political movement by demanding unification with Armenia—which is still a popular option there. The South Ossetian leadership also aspires to join their bigger neighbor, North Ossetia, and, by extension, Russia. In both cases, isolation and de facto integration with the patron state go hand in hand—for Nagorny Karabakh, a hardline policy in Azerbaijan to internationally isolate the territory also drives the process. Thus, international engagement with these entities is so minimal that—for better or worse—there is currently little to say on the subject.

FIGHTS FOR LEGITIMACY

In the years after the guns stopped firing, the conflicts around these territories have become contests for international legitimacy. Resolutions put by the parent states to international organizations, such as the United Nations (UN) or Council of Europe, ask that these breakaway entities be condemned as illegal. Pamphlets and blogs published in the de facto states assert the territories' right to independence and separation.

The international consensus around this almost universally supports the claims of the parent state over the breakaway territory. There are plenty of common sense reasons for this—but it needs to be stressed this is more of a normative political judgment than one definitively decreed by international courts. According to many criteria, the unrecognized entities can call themselves "states" in that they exercise real control over their own territories. "There has long been no generally accepted and satisfactory legal definition of statehood," candidly asserts James Crawford, the author of the definitive work.[10] The legal literature on what constitutes statehood grapples with the issue that states existed long before there was a concept of international law or diplomatic recognition. This ambiguity gives little solace

to most de facto states, however. Diplomatic recognition is absolutely key, providing the entry ticket to the international club of states. Lack of recognition leaves the de facto states outside the door.

The legal literature affirms that international recognition is a conscious political act. This should allay the constant concerns in the capitals of the parent states that lay de jure claim to these territories—in Tbilisi, Chişinău, and Nicosia—that greater engagement with a de facto state confers legitimacy on an illegitimate regime or amounts to a policy of "creeping recognition" that will set back the cause of reunification. These fears lead parent states to restrict certain kinds of international engagement with the breakaway territories. For example, in 2010, Thorbjørn Jagland, secretary general of the Council of Europe, said that Georgian officials had told his officials not to visit Abkhazia or South Ossetia: "The Georgian authorities are afraid that if we begin to travel directly to South Ossetia and Abkhazia, that will be creeping recognition."[11] In Moldova, some have objected to measures giving Transdniestrians access to international education or travel abroad with official Moldovan documents different from those used by citizens in the recognized state, on the right bank of the Dniester River. In 2016, a group of Moldovan nongovernmental activists and experts published a letter objecting to the granting of "statehood elements of secessionist Transnistrian region."[12] These assertions speak to a fear that even halfway measures are legitimizing de facto authorities.

Yet international legal experts are clear that this is not how state recognition works. Political scientist James Ker-Lindsay writes that "various acts could well be misinterpreted as recognition. In such instances, intent is crucial. To put it crudely, there cannot be accidental recognition. As long as a state insists that it does not recognize a territory as independent, and does not take steps that obviously amount to recognition—such as the establishment of formal diplomatic relations through the appointment of an ambassador or the establishment of an embassy—then it does not do so."[13]

INTERNATIONAL LAW AND ITS LIMITS

The three territories considered here are Janus-like in their approach to the international legal order, looking both ways. On the one hand, existing outside international legal space offers some benefits. In the past, all were havens for criminal activity and smuggling—even if the more lurid allegations about them (for example, that Abkhazia was a conduit for smuggling nuclear materials) are overblown. Criminality still finds more fertile ground to flourish in an unrecognized territory. For example, northern Cyprus is a location for human trafficking and an abusive sex industry. Transdniestria had a fearsome reputation for criminality in the 1990s and is still a source of counterfeit goods and a center for smuggling—although this illegal trade continues with the active collusion of powerful figures in right-bank Moldova and Ukraine.

Impunity from justice is a big concern. If a citizen of a de facto state commits a crime and has his government's protection, he has a good chance of getting away with it. An unrecognized territory is a good place to take refuge from justice. Arguments over alleged criminal suspects are still a major headache between Tiraspol and Chişinău. The suspicious deaths of two Georgians, Giga Otkhozoria in Abkhazia in 2017 and Archil Tatunashvili in South Ossetia in 2018, and the failure to punish anyone has understandably enraged the Georgian public.

Yet these territories also aspire to respectability. In recent years, all three de facto states have signaled that they want to legitimize themselves in the eyes of the wider world. All are subject to the normative processes in Europe—none of them employ the death penalty, for example.[14] They want business, tourism, and—in the case of northern Cyprus—international students. To improve their lot, the de facto states strive to shed their outlaw reputation, and in some—but not all—areas they have incentives to help fight illegal practices in their territory. This craving for respectability is leverage that the international community has so far failed to use effectively.

International courts often struggle to give clear-cut judgments when asked to adjudicate on cases in de facto states. A key issue is whether the actions of a de facto state affect one of its own citizens—its internal sovereignty—or of an outsider living beyond its borders—its disputed external sovereignty.

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When outsiders living beyond the territory assert their claims, international courts have pinned responsibility on the patron state in order to win them effective redress. In a series of judgments on northern Cyprus and Transdniestria, the European Court of Human Rights (ECHR) placed the legal responsibility for human rights abuses on Turkey and Russia, respectively. Notably, in the landmark 1996 case of *Loizidou v. Turkey*, the ECHR ruled that the Greek Cypriot Titina Loizidou had been unjustly deprived of her home in northern Cyprus and that because the state of Turkey has exercised "effective control" over northern Cyprus since 1974, it was required to pay her compensation. This set a precedent for tens of thousands of other displaced Greek Cypriots who had also lost their property in the north because of the conflict.[15] In Transdniestria, the ECHR's 2004 case *Ilaşcu and Others v. Moldova and Russia* reached an analogous judgment for a group of men detained in the de facto state, although the court apportioned some responsibility to Moldova as well as to Russia.[16]

However, residents of these territories also have rights. Several international court judgments have reflected this by ruling that de facto states exercise legal and political authority over their own citizens in everyday matters. British case law, for example, has established a

precedent of recognizing the law of an unrecognized state when it comes to "private rights, or acts of everyday occurrence, or perfunctory acts of administration." In a case concerning northern Cyprus in 1977, known as *Hesperides Hotels v. Aegean Turkish Holidays Ltd.*, Lord Denning asserted, "I would unhesitatingly hold that the courts of this country can recognise the laws or acts of a body which is in effective control of a territory even though it has not been recognized by Her Majesty's Government…: at any rate, in regard to the laws which regulate the day to day affairs of the people, such as their marriages, their divorces, their leases, their occupations, and so forth."[17]

This judgment is in line with the Namibia opinion issued by the International Court of Justice in 1971, the most comprehensive international ruling on this topic to date. The opinion recommended a posture of collective nonrecognition of South Africa's illegal seizure of Namibia, saying that countries should suspend international treaties with Namibia and have no diplomatic relations with the territory. However, the court also ruled that the policy should not disadvantage individuals living in Namibia: "In particular, while official acts performed by the Government of South Africa on behalf of or concerning Namibia after the termination of the Mandate are illegal and invalid, this invalidity cannot be extended to those acts, such as, for instance, the registration of births, deaths and marriages, the effects of which can be ignored only to the detriment of the inhabitants of the Territory." On the basis of this judgment, the UN encourages parent states such as Georgia and Ukraine to accept certificates issued in Sukhumi or Donetsk as grounds to give civil documents to the Abkhaz or Ukrainians from non-government-controlled regions.[18]

The Namibia opinion still leaves gray areas as to where responsibility lies for the actions of a de facto state. One such ambiguity covers economic relations with an unrecognized entity and the use of sanctions. The opinion declared there is an "obligation to abstain from entering into economic and other forms of relationship or dealings with South Africa on behalf of or concerning Namibia which may entrench its authority over the territory." The recommendation was for economic punishment not of the de facto state but of the patron state; in the cases considered here, the de facto states have tended to be economically targeted, rather than their patrons.

BETTER ENGAGEMENT REQUIRED

The discussion above shows that the lawyers have left space for the politicians when it comes to dealing with de facto states. There is no legal bar to clear-eyed and constructive engagement with these territories.

But what does engagement mean? It is a capacious term. All international actors engage, to some degree, with territories they do not recognize. The spectrum is very wide: from full-scale business dealings with Taiwan, a member of the World Trade Organization, to very limited negotiations over hostages with extremist groups holding territory in the Middle East.

Tiraspol, Transdniestria. The de facto foreign ministry building, displaying the flags of other unrecognized territories, including Abkhazia.

(Photo courtesy of the author.)

The phrase "nonrecognition and engagement" describes the European Union's (EU) position on the post-Soviet breakaway territories. The two concepts are explicitly coupled and reinforce each other. Peter Semneby, who devised the European Union's Non-Recognition and Engagement Policy for Abkhazia and South Ossetia, explained in 2011: "Non-recognition without engagement is sterile and counterproductive; engagement without a firm line on non-recognition is a potential slippery slope."[19]

This framework leaves open many policy options. "Nonrecognition takes many forms," notes Robert Cooper, a former EU diplomat who negotiated intensively with Kosovo and Serbia. He points to a wide difference in approach among the five EU countries who have not recognized Kosovo's independence. On one side is Greece. It maintains a "liaison office" in Pristina through which it conducts bilateral diplomatic relations with Kosovo in all but name. On the other side is Spain, whose uncompromising line led it in 2018 to decline to invite weightlifters from Kosovo to its territory. As a result, Spain forfeited its right to host a contest for the European Weightlifting Federation.[20]

All international actors engage with territories they do not recognize: from full-scale business dealings with Taiwan to limited negotiations over hostages with extremist groups holding territory in the Middle East.

When international engagement is pursued with an unrecognized entity, there are three recurring challenges, all of which demand great diplomatic skill and nuance. One is the degree to which an international actor coordinates policies with the government of the parent state. Naturally, there is a bias toward a recognized nation-state, which is a partner in many other policy areas. But coordination does not entail a full overlap of policies. This distinction is important because the international actors are also conflict mediators. They need to be able to maintain a critical distance and have the trust of both parties in a dispute.

These actors also have their own intrinsic interests in reaching across disputed borders to tackle transnational threats. As Semneby said in 2011, "The EU cannot afford white spots to develop on the map of its immediate neighborhood." The territories are potential sources of security threats, and environmental threats also do not stop at recognized borders. Poor environmental regulation is acute in these regions and often affects their neighbors as well. In Abkhazia, limited international access to the territory compounds contamination of the Black Sea due to poor environmental controls. Transdniestria's large and aging industrial plants cause air and water pollution. In northern Cyprus, unauthorized building work has wrecked many beautiful spots, as tourist infrastructure has been built without checks or consideration for the environment.

A second challenge for international actors is the issue of not just *what* to engage with but *who*—in other words, how to interact with de facto authorities. The recognized states gen-

erally urge against formal cooperation on the grounds that this legitimizes authorities they regard as illegitimate. Many projects focus only on civil society partners. However, some kind of contact and coordination is inevitable with the de facto masters of these territories.

There is an international consensus that the de facto authorities are to be treated as partners in negotiations on conflict resolution. The main negotiations in Cyprus take place between the Greek and Turkish Cypriot leaders and their representatives. In the Transdniestria conflict, Tiraspol is accepted as one of the two sides with Chişinău. The Abkhaz authorities are signatories to ceasefire agreements, thus endowing them with certain responsibilities. After the 2008 war with Russia, the Georgian authorities sought to reframe the conflicts over Abkhazia and South Ossetia as being Georgian-Russian conflicts. Yet they continue to talk to the Abkhaz and South Ossetians at the last remaining international forum on the conflict, the Geneva International Discussions.

There are big differences in approach, however, on the issues of elections and legitimacy. The leader of northern Cyprus is accepted as the "head of the Turkish community" and therefore treated as an elected official. So on April 28, 2015, Jean-Claude Juncker, president of the European Commission, publicly congratulated Mustafa Akıncı on his victory in the Turkish Cypriot presidential election, albeit in language that avoided the words "election" or "president." Juncker wrote, "I would like to congratulate you for your success in becoming the new leader of the Turkish Cypriot community."[21]

This is done with the consent of the Greek Cypriots. In 2015, Greek Cypriot President Nicos Anastasiades also congratulated his Turkish Cypriot counterpart (Anastasiades used the word "selection" rather than "election" in his congratulatory tweet). Support for the legitimacy of Akıncı and his predecessors was also framed as contributing to the negotiations.

In Abkhazia and Transdniestria, as well as South Ossetia, a precedent has been set and is unlikely to change the fact that most of the world does not regard their elections as legitimate. As Donnacha Ó Beacháin and others have recorded, these elections are often well-organized and competitive, but that is not a mitigating factor for the international community, which routinely denounces them as invalid.[22] Following the parliamentary elections in Abkhazia in 2017, for example, the European External Action Service commented, "In view of the reports about the so-called 'elections' that took place on 12 March in the Georgian breakaway region of Abkhazia, we recall that the European Union does not recognize the constitutional and legal framework within which these elections have taken place."

International officials acknowledge in private that the issue of who is in power in a de facto state is an important consideration for them. One such official expressed frustration that, following the 2004 elections in Abkhazia, there was no latitude to reward the victor, Sergei Bagapsh, for his conduct—"He has behaved impeccably but I have no way of thanking him!"[23] When internationals are seen to have stepped over a line, they suffer a backlash. In 2017, reporters heard then European Union special representative for the South Cauca-

sus and the crisis in Georgia Herbert Salber congratulating South Ossetian leader Anatoly Bibilov on being elected to his post. The brief comment was seized on.[24] South Ossetians welcomed Salber's words while some Georgian officials called for Salber's resignation, and he did indeed step down earlier than anticipated.

The EU could frame its response to elections in Abkhazia or South Ossetia as it does those in Cyprus, by welcoming the choosing of a "leader of the Abkhaz (or South Ossetian) community"—without implying that the person was elected to a state structure. This would incentivize those leaders to work more constructively with the international community. However, a precedent has been set and is unlikely to change.

A third challenge is how and where international assistance should be provided in unrecognized states. Parent states frequently raise the objection that international aid must not contribute to capacity building as this amounts to de facto state building. (In a more polemical tone, some warn internationals against funding criminal activity or funding separatism.) As a result, the consensus is that international aid to de facto states should be solely directed only to civil society and business as well as to humanitarian purposes. This issue is especially vexing in Cyprus, where the EU has a mandate to prepare the northern part of the island for the acquis communautaire.

In practice, it is hard to draw the line between what is governmental and what is nongovernmental, especially in a small society where individuals move between the two sectors. Foreigners cannot avoid doing business with de facto officials on matters of substance as they require permission to enter and work in a territory and nongovernmental projects require official authorization on the ground.

Transdniestria provides the most positive model. Many issues are resolved behind the scenes, and status disputes are avoided.

Transdniestria provides the most positive model. Many issues are resolved behind the scenes, and status disputes are avoided. Yet even here progress is very slow. Seemingly small problems are politicized, become currency in negotiations, and take years to overcome. Efforts have failed to secure a single mobile phone roaming network in Cyprus, to combat the stink bug in Abkhazia and western Georgia, or to protect a water filtration plant in eastern Ukraine. With goodwill and creativity, most conflicts can begin to be resolved—but unfortunately these are usually lacking. Outsiders must keep trying.

Top map labels:

Krasnaya Polyana

RUSSIAN FEDERATION

KRASNODAR

KARACHAEVO-CHERKESIA

Sochi

Adler

Gagra

A B K H A Z I A

Upper Kodori Gorge

Kodori R.

S V A N E T I

KABARDINO-BALKARIA

Pitsunda

Gudauta

Sukhumi

Gulripshi

Tkvarcheli

Inguri R.

Ochamchire

Gali

Zugdidi

G E O R G I A

Senaki

Kutaisi

Poti

Black Sea

International boundary

Administrative border

0   25   50 Kilometers

0   25   50 Miles

Batumi

A J A R I A

T U R K E Y

Bottom inset map labels:

RUSSIAN FEDERATION

Mount Elbrus

Nalchik

Sochi

Terek R.

Grozny

Makhachkala

D A G E S T A N

Caspian Sea

A B K H A Z I A

Vladikavkaz

NORTH OSSETIA

INGUSHETIA

CHECHNYA

Sukhumi

Zugdidi

Mount Kazbek

SOUTH OSSETIA

Georgian Military Highway

Black Sea

Kutaisi

Poti

Tskhinvali

Kura R.

Telavi

G E O R G I A

Tbilisi

Sheki

Quba

Batumi

AJARIA

Akhaltsikhe

Mingechaur Reservoir

Gyumri

Vanadzor

Ganja

A Z E R B A I J A N

Baku

Trabzon

Kars

Lake Sevan

Kura R.

A R M E N I A

NAGORNY KARABAKH

River Araxes

Yerevan

Stepanakert

Lachin

ZANGEZUR

T U R K E Y

Erzerum

Mount Ararat

NAKHICHEVAN (AZER.)

River Araxes

Lenkoran

Zone under Armenian military control

Line of Contact

0   50   100 Kilometers

0   50   100 Miles

Lake Van

Tabriz

Ardebil

I R A N

CHAPTER 1

ABKHAZIA: STABLE ISOLATION

Abkhazia finds itself in a peculiar situation. It is a self-governing territory, a de facto state that is relatively stable and certainly not on the verge of collapse. However, it is internationally isolated with its main route to the world going through Russia.

Abkhazia today is very different from the war-ravaged place it was ten years ago. Government buildings, hotels and roads have been reconstructed. The capital, Sukhumi, has attractive shops, cafes, and pedestrian crossings. In many ways it looks like a functioning state. There is an economy of sorts, linked to the Russian banking system. Locals even use a special debit card named Apra, accepted only within Abkhazia, to do their shopping.

The material improvement comes thanks to Russia, which recognized it as an independent state in 2008, stations around 4,000 troops there, covers about two-thirds of the government budget, and provides vital tourist revenue. Russia's dominant presence is

> *In many ways Abkhazia looks like a functioning state. Yet Georgia effectively holds the keys that would grant it access to the wider world.*

symbolized by a huge new embassy building in the middle of Sukhumi that is much larger than the presidential offices. Yet, the Abkhaz elite shows no desire to become part of Russia and pushes back against various Russian efforts to assume more control. Many Abkhaz still aspire, rather forlornly, to be part of Europe, although no one expresses a desire to be part of Georgia.

It is hard to see a route for Abkhazia back to rule by Georgia, for the foreseeable future at least. While recognized by most of the world as a de jure part of Georgia, Abkhazia has been effectively apart from it for more than twenty-five years, dating back to when both were inside the Soviet Union. Every passing year further divides Abkhaz and Georgians, most of whom do not even share a language.

Yet Tbilisi effectively holds the keys that would grant Abkhazia access to the wider world. Not only is its de jure claim backed by most of the world, but it makes the moral case that almost half of Abkhazia's prewar population consisted of ethnic Georgians. According to the last Soviet census in 1989, there were 240,000 Georgians among a total population of 525,000 people, most of whom were violently displaced or fled at the end of the war in 1993. Currently around 50,000 Georgians remain in the Gali region of eastern Abkhazia—around one-fifth of the population of Abkhazia—but they are in many ways second-class citizens, who also travel back and forth to the western Georgian region of Samegrelo.[25]

Abkhazia has effectively earned Russia's recognition in exchange for greater international isolation and de facto integration with Russia. Tbilisi has mostly eschewed the policies of full isolation it pursued after the war of 1992–1993, but in practice Georgia's 2008 Law on Occupied Territories constrains international access to Abkhazia. The Abkhaz contribute to their own isolation by showing less flexibility on status issues than, for example, the Transdniestrians.

Even environmental and cultural cooperation suffers from status disputes. For example, Sukhumi's aging sewage system and unmonitored ammunition dumps have not received international funding. In 2013, an Abkhaz children's dance group failed to take part in an International Children's Festival in Turkey because of a political dispute. Initially the troupe was announced as participating on behalf of the "Republic of Abkhazia." When the Georgian government objected, the designation was changed to "Abkhazia Autonomous Republic-Georgia." The Abkhaz side opposed this, and in the end the children did not perform at all.[26]

No one benefits from Abkhazia's isolation—including, arguably, Russia, which pays a financial and diplomatic price for its position on the territory. There is a demonstrable need for better engagement with Abkhazia by both Georgia and other parts of the international community, a situation that would improve the lives of those in Abkhazia (including its Georgian minority) and keep open options for a future resolution to the conflict and all its associated legal claims. However, even that modest goal has proved hard to achieve.

BACKGROUND

The Abkhaz are a distinct ethnic group, related to the Circassians of the North Caucasus. Their homeland, Abkhazia, occupies a much-coveted beautiful strip of the Black Sea coastline, with several resort-towns that were favorites of the Soviet elite. The port city of Sukhumi (Sukhum for the Abkhaz, Sokhumi in Georgian) was long a cosmopolitan center with a mixed Abkhaz, Georgian, Greek, Russian, and Turkish population.

In Soviet times, Abkhazia had the status of being first a "treaty republic" in association with Georgia and then an autonomous republic inside Georgia. In the 1930s, Soviet leader Joseph Stalin and his Georgian henchman, Lavrenti Beria, decimated the Abkhaz elite with arrests and executions. A Georgian script was imposed on the Abkhaz language and tens of thousands of ethnic Georgians resettled in the republic, changing the demographic balance—by 1989, the Abkhaz comprised only 18 percent of the population. In the late Soviet period, however, they enjoyed certain privileges as the titular nation in their republic.

The dispute in its modern form dates to 1989, when Soviet Georgia began to demand more independence from Moscow while the Abkhaz in turn wanted more autonomy from Tbilisi and to preserve the Soviet Union. War broke out in August 1992 when Georgian defense minister Tengiz Kitovani led a violent assault on Sukhumi on a flimsy pretext. The conflict ended in October 1993, when the Abkhaz, backed by elements of the Russian security forces and North Caucasian volunteers, won a military victory. Moscow brokered a cease-fire agreement in 1994 that established a Russian-led peacekeeping force and a small UN monitoring mission.

> *No one benefits from Abkhazia's isolation— including, arguably, Russia, which pays a financial and diplomatic price for its position on the territory.*

The traumas of the conflict have not disappeared. As much as 5 percent of the ethnic Abkhaz population was killed or wounded in the conflict. A large majority of the ethnic Georgian population fled or was displaced. The war devastated Abkhazia, and its situation worsened in 1996 under a Commonwealth of Independent States sanctions regime, supported by Russia, with some caveats.

The two sides came close to a peace deal in 1997–1998, mediated by Russian foreign minister Yevgeny Primakov. The Georgian side rejected the plan. Sergei Shamba, who served as Abkhazia's de facto foreign minister, says the Abkhaz side agreed to a status deal that fell short of independence. However, he asserts, the Georgians "were always late" in offering compromises to the Abkhaz side.[27] In the wake of these events, the Abkhaz held a referendum followed by a declaration of independence in October 1999. No one, including Russia, recognized the vote as legitimate.

Sukhumi, Abkhazia. Street in the city center leading to the parliament building, burned at the end of the war in 1993 and still not restored.

(Photo courtesy of the author.)

Looking back at the 1990s, one former Georgian official laments, "it should have been possible to solve a lot when the traces [of the conflict] were still warm." Yet both sides lacked institutional capacity while, as one expert asserts, "the West was absent intellectually." Russia filled the gap.[28] The Abkhaz negotiating team was small and strongly dependent on one individual, war-time leader and president Vladislav Ardzinba.[29] Georgia was more sophisticated, having, in Eduard Shevardnadze, an experienced statesman as its leader. However, Shevardnadze's Georgia was deeply divided politically and still struggling to accommodate around 200,000 people displaced by the conflict.

Many economic and infrastructural connections remained open for a while, but Tbilisi defaulted to a policy of isolation. The Georgian government kept the railway line closed—as it has to this day, disrupting a major transport route between Russia and the South Caucasus. It also declared Abkhazia's seaport and airport closed. One former Georgian official says of the time, "with one hand you are inviting the Abkhaz side, with the other you cultivate isolation." The dominant view, he said, was "squeeze the Abkhaz till they capitulate and crawl back to Georgia." Abkhazia was indeed in a miserable state. Crime was rife, the country lacked a basic economy, and smuggling was widespread. If their Soviet passports expired, people had no valid travel documents. Yet, the Abkhaz did not push to return to rule by Georgia.

In 2002, Russian President Vladimir Putin took advantage of this uncertain situation. As the Soviet passports were about to lose their validity on July 1, the Russian government gave the Abkhaz permission to receive Russian passports in the city of Sochi, and an estimated 150,000 took the opportunity. Abkhazia had taken the first step toward de facto integration with Russia—angrily opposed by Georgia.

The early and mid-2000s saw a more dynamic environment. An active dialogue process brought experts and nongovernmental activists from the two sides together. The two war-time leaders in Tbilisi and Sukhumi, Shevardnadze and Ardzinba, both left the scene. Ardzinba's successor, Sergei Bagapsh, displayed a more conciliatory attitude and a willingness to stand up to Moscow. Georgia's new leader, Mikheil Saakashvili, approached issues with dynamism but swung between conciliation and aggression toward the breakaway regions.

In 2006, relations with Russia deteriorated and the Georgian-Abkhaz negotiating process broke down. Both Georgia and Russia began building up their militaries. Saakashvili and Putin stoked fires that resulted in war in August 2008. The main theater of the Five-Day War was South Ossetia, not Abkhazia. However, the spotlight moved to the Abkhaz by the end of August, when Russia declared it was recognizing both Abkhazia and South Ossetia as independent states.

ABKHAZIA, RUSSIA, AND EUROPE

The Abkhaz elite harbors ambivalence toward Russia. In a relationship that has parallels with both Transdniestria and northern Cyprus, the patron state is both welcomed and resented. Local leaders both praise the "big brother" in Moscow and try to demonstrate, more subtly, a critical distance. There is a fear that Abkhazia will succumb to what some call "Ossetianization," reflecting the de facto absorption of South Ossetia into Russia.

In 2014, the Abkhaz were disappointed that Russia did not open up the territory for the Winter Olympics in nearby Sochi. Later that year, Moscow proposed new "integration treaties" for both Abkhazia and South Ossetia, formalizing its role in running the security forces and giving it full control of their borders. South Ossetia accepted its treaty, but Abkhazia resisted the first draft of the treaty. A second version, re-titled "Union Relations and Strategic Partnership," left many competences with Abkhazia's de facto authorities, on paper at least.

One important point was removed that Moscow had wanted in the treaty: a provision for Russians to have a fast track to acquire Abkhaz citizenship, which would give them the right to acquire property in Abkhazia—which noncitizens are currently denied. The fear in Abkhazia is that if Russians are allowed to buy property, then the country's prime real estate will quickly be snapped up and Russia will become the legal owner of Abkhazia. A leaked cache of emails by and to Vladislav Surkov, the Kremlin's chief strategist on Abkhazia and author of the 2014 treaty, reveals that the property issue was a key concern in Moscow. It also shows that Moscow was frustrated it could not control the Abkhaz elite and had speculated about how to buy or win their favors.[30]

Many in the Abkhaz elite have nurtured rather unrealistic hopes of opening up to Europe, independently of Georgia. This was public policy for a brief period in the mid-2000s. In an interview in March 2006, Sergei Bagapsh said, "We have one aspiration—to be in Europe. We want to live in a European house. And we want openness and dialogue from the EU." Bagapsh promoted a plan entitled "Key to the Future." Although it reads rather incoherently, it expressed an ambition that has since been largely forgotten—for Abkhazia to seek independence within an European context.[31]

> *Many in the Abkhaz elite have nurtured rather unrealistic hopes of opening up to Europe, independently of Georgia.*

At the time, the EU sought to engage more actively in Abkhazia. There were many EU-funded projects, and European ambassadors based in Tbilisi visited the republic regularly. Plans were hatched to open an EU information center in Sukhumi. Yet the war of 2008 abruptly ended Abkhazia's European moment and firmly made the Inguri River a geopolitical boundary. Many Georgian-Abkhaz dialogue projects and forums for discussion were curtailed or halted. UNOMIG, the UN observer mission in Abkhazia,

shut down over disagreements between Georgia and Russia on its status and name. The Abkhaz and Russians did not allow the new EU postwar monitoring mission to enter Abkhaz territory. Georgia changed its terminology, declaring Abkhazia and South Ossetia to be "occupied territories," thereby affording the Abkhaz less agency in the negotiations.

At the same time, the EU and United States affirmed much stronger support for Tbilisi and gave it a multi-billion-dollar assistance program to cope with the aftermath of the 2008 conflict. They also embarked on a strong and mostly successful campaign to resist Russia's efforts to secure further recognition of Abkhazia and South Ossetia.[32] Notably, Russia's closest ally, Belarussian leader Alexander Lukashenko, declined to recognize the two territories after he was lobbied by Brussels.[33] As of 2018, the only other states to recognize Abkhazia and South Ossetia were Russian allies with no stake in the region (Nicaragua, Venezuela, and Syria) and a tiny Pacific island state notorious for putting its acts of recognition up to the highest bidder (Nauru).[34]

The EU Special Representative for the South Caucasus Peter Semneby pressed ahead with defining a policy he had devised before the conflict but in a much less auspicious environment. After protracted negotiations in Brussels and EU capitals, this culminated in the endorsement in December 2009 by the Political and Security Committee (PSC) of the Council of the European Union of the Non-Recognition and Engagement Policy (NREP) toward Abkhazia and South Ossetia.

The twin pillars of the policy were designed simultaneously to reassure Georgia of the EU's support for its territorial integrity while promoting enhanced engagement with Abkhazia. (Although the policy also mentions South Ossetia, the de facto authorities there rejected European involvement there after the 2008 war.) "One pillar is not thinkable without the other," Semneby explained in 2011. He made the case that the EU had its own intrinsic interest in engagement, as "the unresolved conflicts in Georgia remain a serious security threat to the EU."[35]

The document outlining the policy on Abkhazia and South Ossetia presented to the PSC was never published. That allowed for different approaches and interpretations among EU member states and institutions while keeping the EU unified in its Georgia policies under a general formulation. However, it also deprived the policy of visibility at the same time the Georgian government advocated a different strategy. The policy suffers from this lack of visibility to this day: as there is no public document to refer to and institutional memory has not always been preserved, the NREP is sometimes forgotten in policy discussions. Some Georgian officials in particular speak as though it is historical rather than—as is the case—the framework that still guides EU actions in Abkhazia.

The only public document spelling out the NREP was an analytical paper by Sabine Fischer of the EU Institute for Security Studies of 2010 that had the blessing of Semneby and his team. Fischer's paper sets out ambitious goals to achieve the "de-isolation and transfor-

mation" of Abkhazia and South Ossetia through this policy instrument and declares that "if adapted to other conflict situations it could become a model for the EU's conflict resolution policy in the neighborhood."[36]

There are many recommendations:

- actively engaging with civil society organizations;
- completing the plans to open an EU information office in Abkhazia;
- creating opportunities for travel with a "smart policy on granting visas to inhabitants of Abkhazia and South Ossetia";
- fostering "economic interaction across conflict lines" through projects including support for the reconstruction of the railway line connecting Abkhazia and western Georgia;
- offering the Abkhaz higher education scholarships in EU countries, on the principle that "in a society as small as Abkhazia, 80 or 100 scholarships could make a significant difference"; and
- finally, holding a policy debate on "how to involve the two entities in the EU approximation process."

Almost a decade on, it is striking how little of this has been achieved. The EU has lost most of the leverage it had in Abkhazia. Its special representatives—who also act as co-chairs in the Geneva International Discussions, the only remaining international forum on the conflict—continue to visit the region. However, the number of European officials actively dealing with the region has dwindled. Very few of the projects envisaged in Fischer's paper have come to pass. Between 2008 and 2016, the EU spent about $40 million on Abkhazia, supporting local nongovernmental organizations (NGOs) and dialogue projects, improving healthcare and education, repairing water facilities, and rebuilding houses in the Gali district. Though not insignificant, this is a smaller sum than that allocated for Abkhazia before 2008. It is also dwarfed by Russian financial assistance. Moscow's spending on pensions alone was more than ten times the EU's aid program.[37]

> **The EU's aid to Abkhazia has been dwarfed by Russian financial assistance. Moscow's spending on pensions alone was more than ten times the EU's aid program in 2008–2016.**

Perhaps the most successful EU-funded project in recent years has tackled the painful issue of missing persons buried in unmarked graves from the 1992–1993 conflict. The International Committee of the Red Cross (ICRC) has worked to exhume bodies from both sides for reburial.[38] In May 2016, the ICRC reported that between 2013 and 2015, its forensic

experts had recovered 162 sets of human remains, and that they had so far identified half of these and handed them over to the families of the deceased. This process healed many lingering psychological wounds from the conflict. Notably, although the project was funded by the EU, it was perceived as a Red Cross project in Abkhazia. The EU also funds much of the work of the most active international agency in Abkhazia, the United Nations Development Programme (UNDP). Lacking EU officials on the ground and publicity for work that it funds, the EU has lost the chance to raise its profile in Abkhazia.

It is probably no coincidence that the EU has lowered its profile in Abkhazia as its bilateral relationship with Georgia, the success story of the Eastern Partnership, has burgeoned. For an enlarged EU delegation in Tbilisi and a string of EU institutions dealing with Georgia, the key priority is furthering Georgia's Euro-integration and implementation of the Association Agreement. Greater outreach to Abkhazia—an unpopular topic with many Georgians—has fallen down the list of talking points. In the absence of political progress at the Geneva talks, the most visible side of EU policy on the conflict has become expressions of solidarity for Tbilisi. Almost all EU policy statements on Abkhazia are now declarations affirming support for Georgia's territorial integrity or statements condemning elections held in Abkhazia.

In a speech to the European Parliament in 2018, EU High Representative Federica Mogherini did not make the argument that the EU had an intrinsic interest in the areas of conflict. Rather, she said, "All our actions within the two regions are fully coordinated – and I would like to underline this because it is a very important point – and approved by the Government of Georgia, and fully in line with the Georgian engagement policy."[39]

The speech was warmly welcomed in Georgia, but in a newspaper article former minister Paata Zakareishvili called the reaction "dangerous." He wrote, "This statement is pleasant to hear but means nothing in substance. . . . A state of mind is forming in which the most meaningful thing is not what shapes reconciliation with Abkhaz and Ossetians takes but for example how many votes we receive at the UN in support of a resolution on Abkhazia and South Ossetia." Zakareishvili's concern was that the EU had lost interest in the conflict and was substituting rhetorical statements for real efforts to promote a resolution on the ground.[40]

THE VIEW FROM TBILISI

The EU's reduced engagement in Abkhazia owes much to concerns in Tbilisi. At the end of 2008 the Georgian parliament passed the Law on Occupied Territories, which prohibited any economic activity in Abkhazia or South Ossetia by any entity not authorized by the Georgian government, imposed penalties on anyone who visited the two territories via Russia, and put conditions on international access to the two regions.

The launch of the EU's Non-Recognition and Engagement Policy was largely overshadowed in 2010 by a new official Georgian policy document entitled "State Strategy on Occupied Territories: Engagement Through Cooperation." Then minister for reintegration Temuri Yakobashvili promoted it as a "people-oriented policy" offering the Abkhaz and Ossetians healthcare, education, and people-to-people contacts. The language was more conciliatory

> **The EU's reduced engagement in Abkhazia owes much to concerns in Tbilisi.**

than in previous policy documents. However, its conceptual framework was narrower than that of the NREP. It expressed the aim to "achieve the full de-occupation of Abkhazia and the Tskhinvali region/South Ossetia, reverse the process of annexation of these territories by the Russian Federation, and peacefully reintegrate these territories and their populations into Georgia's constitutional ambit." The policy envisaged engagement as a process between Georgians on the one hand and the Abkhaz and Ossetians on the other, with internationals facilitating in a process of reconciliation.[41]

A key strand of the new Georgian strategy was a plan for the Abkhaz and South Ossetians to receive "neutral travel documents," allowing them to travel abroad. They were neutral in design, without any Georgian state symbols, but the small print on them would make it clear that they were printed in Georgia and the applicant would need to physically receive them on Georgian-government-controlled territory. The plan was endorsed by the United States and the EU, Georgia's main Western partners.

Abkhaz interlocutors concede that they would have warmly welcomed these neutral documents in the 1990s. However, after 2008, the Abkhaz deemed the offer unacceptable, a non-starter. "Accepting a Georgian document would be the end of your career in Abkhazia," says one young Abkhaz. Even when the Georgian government pointed out in 2017, after concluding a visa facilitation agreement with the EU, that the Abkhaz would now be eligible for visa-free travel to the EU if they took Georgian passports, the reaction was the same.[42]

In 2012, Saakashvili and his United National Movement lost power in Georgia and were replaced by the Georgian Dream party led by Bidzina Ivanishvili. Veteran civil society activist Paata Zakareishvili, a man who commanded respect in both Abkhazia and South Ossetia, became the minister dealing with the two territories. Symbolically, he renamed his bureau the Ministry of Reconciliation and Civic Equality.

In his four years as minister, Zakareishvili held out hopes for greater dialogue and engagement. Together with then defense minister Irakli Alasania, Zakareishvili worked to end Georgian paramilitary activity in Abkhazia's Gali district. He made it easier for the Abkhaz to travel to Georgia and access Georgian healthcare facilities, allowing them to present any identification document, including an Abkhaz passport. This remains the policy of the

Georgian government. Zakareishvili's overtures were mostly rebuffed in Abkhazia, where the idea that the "conflict was already resolved" had taken root and therefore even a cordial Georgian approach could be ignored.

A follow-up initiative, unveiled by then prime minister Giorgi Kvirikashvili and minister of reconciliation Ketevan Tsikhelashvili in 2018, entitled "A Step to a Better Future," offered the Abkhaz and South Ossetians chances to trade with Georgia and some innovative ways of receiving Georgian healthcare, education, and other services.[43] Primarily, Abkhaz and South Ossetians would be eligible, without obtaining an official Georgian ID, to register for a "personal number" giving them a right to these services. A number of service centers would be established in the village of Rukhi, near the boundary line with Abkhazia.

These initiatives offered services analogous to what Transdniestrians can access in Moldova. However, they were greeted coolly in Abkhazia. A deep philosophical difference remains. Tbilisi presents conflict resolution as a work of "reconciliation between divided communities" under a welcoming Georgian roof.[44] Yet the Abkhaz (and South Ossetians) view this issue as closed a priori. In an official statement rejecting the 2018 Georgian plan, Abkhazia's de facto foreign minister Daur Kove said "the only step in a better future is Georgia's recognition of the independence of the Republic of Abkhazia and the construction of a full-fledged interstate dialogue between our countries in order to [foster] stability and prosperity for future generations."[45]

NEXT STEPS

Abkhazia today is materially much better off and politically more closed than it was before the 2008 conflict. The patron state, Russia, has made Abkhazia more secure and stable, but at the price of greatly increased influence. The geopolitical context has pushed Abkhazia even deeper into the Russian sphere. The Abkhaz publicly supported the Russian intervention in Crimea. They drew the West's opprobrium when Syria recognized their independence in 2018. Inside Abkhazia, Russian news agencies and television channels dominate the media space. NGOs have come under pressure for taking Western money. There has been speculation that parliament might introduce a Foreign Agents' Law as in Russia.

Russia has made Abkhazia more secure and stable, but at the price of greatly increased influence. The geopolitical context has only pushed Abkhazia deeper into the Russian sphere.

Ethnic identity politics still looms large. Modern-day Abkhazia is multiethnic in daily life but is an ethnocracy in its politics. In a parliament with thirty-five deputies, thirty-one have ethnic Abkhaz surnames and three are Armenians. The representative for the Gali district, Kakha

Pertaya, is part Georgian, but otherwise no Georgians or Russians hold office. The government and presidential office are also almost entirely staffed by ethnic Abkhaz. This is a result of the Abkhaz being the titular nation of their republic in Soviet times and of a war fought on an ethnic basis.

In practice this means that—in contrast to the situations in Transdniestria and northern Cyprus—there is still a strong social stigma associated with procuring Georgian services or civil documents, even if an individual might be tempted to do so. The ethnic Georgians in Gali also face many difficulties, in educating their children in Georgian and crossing the Inguri River into the neighboring Samegrelo region. In 2017, the Abkhaz and Russians made crossing harder when they closed several checkpoints along the river, leaving only one route open.

In a series of meetings in October 2017, Abkhaz decisionmakers said EU engagement would still be welcome—but only if no conditions about ties with Georgia were attached.[46] Abkhaz officials still push international recognition as a solution to their problems in a manner rarely seen in either Transdniestria or northern Cyprus. Thus, even the head of Abkhazia's chamber of commerce, former prime minister Gennady Gagulia, said that he was "ready to trade with Georgia" but not prepared to make any political concessions to do so. He claimed that there was healthy trade with Turkey, Russia, and to Europe via Russia. Asked about the visit by an emissary from Brussels to discuss extension of Georgia's Deep and Comprehensive Free Trade Area (DCFTA) with the EU, Gagulia said, "I told him that if Georgia recognizes us there won't be a problem."[47]

In a conversation in which he spoke respectfully of the EU and international contacts, Daur Kove also pushed back strongly against Tbilisi's Western-supported efforts to offer Georgian services to the Abkhaz. He said, "Georgians don't understand one simple thing. We don't need them. We have survived twenty-five years without them."

These statements should not be taken entirely at face value. Yet by publicly taking this tough line on status, the Abkhaz risk self-isolation, in other words a closed border and full reliance on Russia.[48] Combined with weak international commitment to the region, this has already had negative results. For example, the "brown marmorated stink bug" ravaged hazelnut crops in both Abkhazia and western Georgia in 2017, doing huge damage to the main livelihood of farmers in both regions. By one estimate, more than 80 percent of the crop in Abkhazia was destroyed.[49] However, according to officials working to tackle the problem, the ongoing status dispute meant experts were unable to share expertise, Georgian experts were unable to travel to Abkhazia, and there was insufficient coordination between the two sides.

Can anyone change this negative dynamic? Several groups in Abkhazia—students, businessmen, journalists—would almost certainly support different policies, but currently keep

quiet. The Armenian community in Abkhazia is another constituency whose views are hard to discern but would benefit from more engagement. According to Abkhazia's 2011 census, they numbered around 42,000 people (out of a total population of 240,000), and are very active in business.[50] The actual number may be higher, but they are almost unrepresented in political life.

Target Higher Education

Three avenues for renewed engagement are worth exploring. One is higher education. Vladimir Delba, vice rector of the Abkhaz State University (AGU), asserted in an interview that his university had many international contacts but worked chiefly with the Russian Federation, which had been helping the school with a major renovation program. He insisted that the "only correct decision" was the international recognition of Abkhazia, which would in turn internationalize the AGU. However, some students and teachers expressed a hope for international outreach beyond Russia. Linking the university to Georgia's educational system looks politically impossible. But it should be possible, with Georgian consent, to build bilateral ties between the university and some European universities. One such scheme already operated with the AGU and the Free University in Brussels.

Work on International Mobility

Secondly, the Abkhaz are also interested in improving their international mobility. Currently, residents of Abkhazia continue to travel abroad—or are refused a visa—on the basis of their Russian passports. Whether visas are issued or not remains at the discretion of different EU governments, which take different views on the matter. The problem has worsened over the last two years. There are reports of young Abkhaz being unable to travel anywhere abroad beyond Russia, as they have not received Russian passports. This is because Russia argues that Abkhazia is recognized by Russia and therefore Abkhaz passports should be sufficient. No alternative scheme acceptable to all sides has yet been found. But there is a shared interest here to find a new solution—from Georgians who do not want to see the Abkhaz taking only Russian documents and from Abkhaz who want to travel abroad.

Improve Trade Ties

A third area for engagement comes in trade. At the moment, Abkhazia's economic activity is limited to a few sectors, chiefly tourism and the cultivation of hazelnuts and tangerines, almost all of which go to Russia. There is a little sea trade with Turkey, though it has been declared illicit by Georgia. Economic links with Georgia are tenuous. There is one major shared economic project, Inguri-GES, the hydro-electric power-station on the Inguri River, funded by the European Bank for Reconstruction and Development.[51]

Sukhumi, Abkhazia. Students at the Abkhaz State University (AGU).

(Photo courtesy of the author.)

There is potential for more trade from Abkhazia across the Inguri into Georgia and on to Europe. A recent International Crisis Group paper describes how a worsening economic environment, cuts in Russian funding, and a depreciated ruble mean that Abkhaz business-men are looking to build ties with the West to import European goods and export products such as hazelnuts that can reportedly fetch almost five times the price in the West that they do in Russia.[52]

EU officials visited Abkhazia for informal talks about extending the Georgian DCFTA into the region, mirroring developments in Transdniestria. However, unlike Abkhaz businesses, Transdniestrian businesses are prepared to accept Moldovan customs, certificates of origin, and customs regulations. Determining who is in charge of customs controls on the Abkhazia-Russia border would be an especially big challenge. This does not mean that a deal on trade using creative status-neutral mechanisms cannot be achieved, just that it requires a high level of political will, including from Russia, which is in short supply.

> **More creativity is certainly required to overcome this unsatisfactory situation.**

More creativity is certainly required to overcome this unsatisfactory situation. Tbilisi has fashioned more progressive ideas toward Abkhazia in recent years than at any time since the conflict ended in 1993, but it unfortunately has many fewer tools at its disposal. Years of isolation have cut Tbilisi's connections and reduced leverage. This in turn leaves only a narrow window for internationals to interact with Abkhazia. The best that can be said in 2018 is that that window has not yet fully closed.

CHAPTER 2

TRANSDNIESTRIA: "MY HEAD IS IN RUSSIA, MY LEGS WALK TO EUROPE"

The Moldova-Transdniestria conflict is more benign than the other post-Soviet conflicts. There is a minimal threat of violence and there have been virtually no casualties since fighting ended in 1992. In many ways this is less a conflict than an extremely contentious political dispute.

Unlike in Abkhazia, ordinary people travel back and forth and trade freely with one another across the divide. The two economies are semi-integrated. A postal agreement means that a letter sent from Tiraspol can travel to London or Paris, bearing a Moldovan stamp bought with Transdniestrian roubles. The Moldovan soccer team plays its international matches in the gleaming stadium outside Tiraspol. One Transdniestrian interlocutor asserted that the two sides had signed 187 agreements although many of them were not being observed. "A de facto confederation exists," said the official. "There is a basis of agreements. They only need to be implemented." In late 2018, six out of eight confidence-building measures in a so-called Package of Eight had been agreed on, bringing the two sides closer together in several fields.

Moscow shares the international consensus that Transdniestria must be granted a special status within a reunited Moldova.

The position of Russia, the patron of Transdniestria, is also more flexible than with Abkhazia. Moscow shares the international consensus that Transdniestria must be granted a

special status within a reunited Moldova—although it has different views on key details of what that deal should look like. This stands in contrast to Russia's recognition of Abkhazia and South Ossetia as independent states in 2008. That this move was not replicated vis-à-vis Transdniestria—something that many Russian parliamentarians advocated—was quietly resented in the region and has led to greater convergence between Moldova and Transdniestria.

A final settlement still looks far off, however. As in the other conflicts, a dispute over security is an impediment, although this is not such a grave issue as in Abkhazia or northern Cyprus. Moldova's constitution commits it to "permanent neutrality," precluding it from membership in the North Atlantic Treaty Organization (NATO) and thereby removing an argument that Russia employs in Georgia and Ukraine. The Russian troop contingent stays in Transdniestria in contravention of international law, being there without host-country consent. However, it has been reduced to about 1,500 men, the vast majority of whom are believed to be local Transdniestrians wearing Russian uniforms. The number of Russian soldiers on Transdniestrian soil as an occupying force may number as few as one hundred men.

Further progress depends to a large degree on how the two main international actors, the OSCE and EU, can build on the technical and economic agreements they have helped facilitate in the last few years. Thus far these agreements have not meant much to large parts of Transdniestrian society, which still exists in semi-isolation. Most Transdniestrians would benefit from a greater international presence on the ground, in particular to work on reforming the local economy. This would also further the de facto integration of the territory with Moldova.

BACKGROUND

The Transdniestria conflict is defined by geography, history, and a contest among elites rather than ethnicity. Indeed, the de facto state of Transdniestria formally represents itself as an alternative Moldovan republic and declares Moldovan to be one of its three languages, alongside Russian and Ukrainian.[53]

The formation of a breakaway territory in Transdniestria, often referred to as PMR from its Russian initials, dates back to the late Soviet period. A thin curling strip of land 400 kilometers long mostly adjoining the Dniester River, the region is known as Transnistria in Moldovan, denoting territory on the far (eastern and left) bank of the river. Transdniestria is the spelling used by international mediators. The territory has spent parts of its history with its parent state, right-bank Moldova, and some periods separately.

In 1940, under the Secret Protocols of the Molotov-Ribbentrop Pact agreed with Nazi Germany, the Soviet Union seized Bessarabia and northern Bukovina west of the Dniester from Romania, apportioning the southern part of Bessarabia to Ukraine and creating a new

Moldovan Soviet Republic in the northern part. After Germany invaded the Soviet Union in 1941, Nazi-allied Romania reconquered the territories. They were recaptured by the Red Army in 1944. The Soviet republic of Moldova was formed, comprising territories on both sides of the Dniester River. Each side has very different perspectives on these dark pages of modern history. Speaking very crudely, on the right bank of the Dniester they tend to recall that their grandfathers were killed by Stalin, while on the other that they were the victims of Adolf Hitler. Transdniestria enthusiastically celebrates the Soviet Union's victory in the Great Patriotic War. It also commemorates the glorious campaigns of the eighteenth century Russian general Count Alexander Suvorov, whose statue stands in the center of Tiraspol.[54]

The Transdniestria conflict is defined by geography, history, and a contest among elites rather than ethnicity.

After 1945, the Soviet leadership constantly harbored suspicions toward right-bank Moldova, rather as it did toward the Baltic states. By contrast, Transdniestria was a new, mainly Russian-speaking, and fully Soviet formation designed to be the industrial powerhouse of what was otherwise a poor agricultural republic. As Charles King writes, "In demographic and economic terms, the [Moldavian Soviet Socialist Republic] gradually developed as two republics in one: a largely rural, Moldovan, and indigenous population in Bessarabia employed primarily in agriculture and light agro-industry; and a more urban, Slavic, and generally immigrant population in Transnistria working in Soviet-style heavy industry."[55]

This made for a republic with two competing elites on each side of the river, even as the wider population still had much in common. The right-bank Moldovan intellectual elite was influenced by Romania. Even though their language was formally called "Moldovan" and written in the Cyrillic script, it was almost identical to Romanian. The left-bank elite exercised disproportionate political influence over the rest of Moldova up until the 1980s. Members of this group shared Moscow's agenda of Russification and prioritizing the Russian language, and their successors still refer to themselves as part of "the Russian World." This division translated into a competition for economic resources and favors from Moscow. To this day, the two parties to the conflict talk in derogatory terms about one another. In Chişinău, Transdniestria is referred to as a retrograde neo-Soviet regime. In Tiraspol, one de facto official disparaged right-bank Moldova as a dysfunctional state, calling reunification efforts "attempts to attach us to a broken car that is not moving."

At the height of perestroika, in parallel to similar events in Georgia and Azerbaijan, anti-Soviet nationalists in Chişinău asserted their Moldovan identity and loosened ties with Moscow. The smaller pro-Moscow elite in Transdniestria made counter-moves, declaring its own autonomy and reaffirming loyalty to Moscow. On August 31, 1989, the newly empowered Supreme Soviet of Moldova adopted three language laws, which prioritized Moldovan as the state language of the republic. This was strongly resisted in Transdniestria as an attack on their rights that would render Russophone cadres ineligible for top jobs. Tiraspol

Tiraspol, Transdniestria. House of Soviets parliament building, with a bust of Lenin outside.

(Photo courtesy of the author.)

doubled down on its support for existing Soviet structures and policies. The two sides began to separate. The dissolution of the Soviet Union at the end of 1991 raised the stakes by making Moldova an independent state and the Transdniestrians separatists by default.[56]

The Transdniestrian conflict was mercifully shorter than the wars in the Caucasus. It lasted two months and displaced many fewer people. Yet around 1,000 people lost their lives, and it caused deep traumas in a small region. Neither side had a proper military force. The intervention of the Russian Fourteenth Army and its commander General Alexander Lebed on behalf of the Transdniestrians was decisive. A ceasefire agreement in July 1992 cemented the status quo and introduced a joint Moldovan, Russian and Transdniestrian peacekeeping force to police the new de facto boundary. The Fourteenth Army, which numbered almost 10,000 soldiers in 1992, was reclassified as the Organizational Group of Russian Forces (OGRF) and has gradually been reduced in size since then.

Russia has had multiple policies toward the territory. In the 1990s, nationalist and extremist elements who opposed then president Boris Yeltsin in turn supported Transdniestria, seeing it as a natural ally and an anti-Western project. They worked with a group headed by Igor Smirnov, a former factory director and Transdniestria's first president, and other men like security boss Vladimir Antyufeyev, a former KGB chief in Latvia. (This alliance reformed in 2014 in support of the Donetsk People's Republic in eastern Ukraine, where Antufeyev briefly served as an official.) At the same time, the conventional Russian political establishment has balanced support for the de facto authorities in Tiraspol with often close relations with Chişinău. Moscow has sought alliances with a succession of Moldovan leaders, including the current president, Igor Dodon.

As in Abkhazia and Cyprus, the patron-client relationship is not always smooth. Leaders in Tiraspol have often clashed with Moscow. In 2003, local Transdniestrians, for example, were ordered to obstruct Russian efforts to honor international commitments to remove weapons from the region. Then OSCE ambassador in Chişinău and experienced U.S. diplomat Ambassador William Hill wrote,

> I witnessed a number of occasions in which Transdniestrian troops or police forces physically prevented Russian military units from preparing or carrying out the destruction or evacuation of Russian military equipment or ammunition stored in the Transdniestrian region. In one instance, one of my OSCE Military Mission Members from another post-Soviet country who as a youth had served in the Soviet armed forces was stunned to witness military units under Tiraspol's command directly countermand and resist Russian orders.[57]

OBSTACLES TO A SETTLEMENT

Moldova and Transdniestria have much in common on a local level. Their location at a geopolitical meeting point makes the conflict dynamics more complicated.

While opposing Transdniestrian ambitions for independence, Russia has had its own conceptions of what a settlement should look like. In 2003, Moscow was able to strong-arm Igor Smirnov into backing the plan that came nearest to fulfilment, the so-called Kozak Memorandum. The plan envisaged that Transdniestria rejoin Moldova but keep a Russian military presence and have veto powers on Moldova's future foreign and security policies. In effect, as Moscow would later do in eastern Ukraine, it sought to use Transdniestria's special status to block any movement by Moldova toward NATO. At the last minute, the leadership in Chişinău, supported by Western countries, rejected the plan.

There is no consensus in right-bank Moldova as to what a good settlement would look like. This reflects a wider divergence of views on what Moldova's future orientation and in particular its relationships with the EU and Russia should look like. There are at least three different camps. Hill has written, "If one desires another simple rule of thumb to augment the conventional wisdom about Moldovan politics, it is that the left tends to be pro-Russian, the right tends to be pro-Romanian, and a large center tends to be 'Moldovanist,' that is, for an independent Moldovan state, irrespective of its geopolitical orientation."[58]

> *Moldova and Transdniestria have much in common on a local level. Their location at a geopolitical meeting point makes the conflict dynamics more complicated.*

These divisions have deepened since 2016, when the country elected Dodon of the Socialist Party as president (a position that holds limited constitutional powers), who advocates friendlier relations with Moscow, while the ostensibly pro-Europe Democratic Party and its patron Vladimir Plahotniuc still control the government. Each leader has his own advisers on Transdniestria. The divisions are likely to worsen in 2019 as new elections approach.

Looking to the future, an estimated 15 to 20 percent of Moldova's population favors reunification of right-bank Moldova and Romania—an aspiration backed by larger numbers in Romania. Some of these "unionists" explicitly say that Transdniestria should be cut adrift, a move that, in their view, would rid Moldova of an unwelcome constituency of Slavic pro-Russian citizens. George Simion, a Romanian who supports reunification, recently asserted that "lacking a proper referendum, one can only speculate about the extent of unionist support in Moldova. Transdniestria never was part of Romania."[59]

A "Moldovanist" makes a different case, that unless and until the Transdniestria conflict is resolved, his country will not be a grown-up state. He envisions Moldova as a multiethnic, decentralized, Eastern European Switzerland while regretting how distant this prospect is: "I believe that without resolution of the Transdniestrian problem, Moldova as a self-governing state is doomed to failure. The interests of three great cultures, Slavic, Latin, and Turkic, have intersected in Moldova. They will fight for a long time. And either this model will be

imposed on us or we will adopt it ourselves and we will convince serious [international] players to leave us in peace."[60]

This vision is not widely shared in Chișinău. In contrast to Georgia, where a circle of experts drafted many papers and worked intensively on Abkhazia for years, the number of Moldovan experts and officials actively working on Transdniestria is small. The government's Bureau of Integration is poorly funded and understaffed. It took officials years to draft a strategy document on the conflict, despite frequent requests and offers of help from the OSCE.

Many Moldovans are content with the status quo and argue that Chișinău should make no concessions to Tiraspol, short of the latter agreeing unconditionally to rejoin Moldova. In the view of one former Moldovan official, the people of Transdniestria "are hostages in this fortress, kept by Russia." In 2016, when the OSCE first sought to broker agreements on a series of small steps between the two sides, a group of nongovernmental activists and former officials published a letter of protest, entitled "Declaration of the Civil Society Regarding the Red Lines of the Transnistrian Settlement," that opposed even these small steps.[61] The signatories declared that Moldova's international partners were pressuring the government to "make unilateral concessions incompatible with the norms and principles of international law."

Many Moldovans are content with the status quo and argue that Chișinău should make no concessions to Tiraspol.

The example of Gagauzia also illustrates Moldova's divisions. The Gagauz are a minority population in Moldova, Turkic in origin and language but Orthodox in religion and generally pro-Russian in political outlook. They were guaranteed special rights under the 1994 Law on the Special Legal Status of Gagauzia but complain that little has been done in practice to give them the status they aspire to. OSCE Ambassador Michael Scanlan described implementation of the law as "a work in progress" in 2018, twenty-four years later.[62]

Moldova's indecision suits many in Transdniestria, who use the Gagauzia example to argue that Chișinău is not serious about offering them special status. They also point to Moldova's poor record on rule of law, and the fraud scandal in which $1 billion was reported missing from three Moldovan banks in 2014 as evidence that it is not in their best interests to rejoin a Moldovan state. This allows Transdniestrian leaders to deflect criticism of their own still dubious record on human rights and corruption.

The conflict stalemate also endures thanks to another factor less talked about in public: the status quo evidently suits business elites on both sides of the river who profit economically from Transdniestrian's status as an international legal black hole. Occasionally, an agreement is reached, without international mediation between Chișinău and Tiraspol, that shows how closely the two sides can cooperate when they have a shared economic interest.

Tiraspol, Transdniestria. Posters in the city center, advertising transport to Russia and hair for sale.

(Photo courtesy of the author.)

For example, in 2012, the two sides swiftly struck a deal to allow railway freight traffic to transit Transdniestria. This involved setting up two joint Moldovan-Transdniestrian customs posts inside Transdniestria staffed by Moldovan customs officials.[63] The (unverified) speculation was that this facilitated smuggling contraband cigarettes.

Transdniestria still has a large, if diminishing, gray and black economy. ATMs in Tiraspol offer cash in either Transdniestrian rubles or U.S. dollars, which are still widely used in the territory, likely for extra-budgetary payments. Contraband and duty-free goods are in wide circulation. The global trade in illegal cigarettes was estimated by one European official to be worth $13 billion in 2014, with Transdniestria being one of Europe's transit routes.

Senior figures in both Moldova and Ukraine have been willing co-conspirators in these schemes. For years, according to the European official, the Ukrainian port of Odessa "made Transdniestria possible." Odessa and Transdniestria were partners in a lucrative scheme for contraband goods. The goods would arrive in Odessa's port marked for import to Moldova (specifically Transdniestria), thereby escaping Ukrainian customs duties. They would then either bypass Transdniestria altogether or go there before reentering Ukraine. The EU's border monitoring mission, which has helped to curtail the smuggling, estimated in 2006 that by official import statistics, each resident of Transdniestria was eating more than 100 kilograms of chicken legs a year (in Germany, the average consumer ate around 10 kilograms of chicken that year).[64] Since then, however, the economic profile of the region has become more respectable.

TRANSDNIESTRIA TODAY

First impressions can be misleading. Partly through choice, partly as a result of external events, Transdniestria has evolved in the last few years. A traveler to Tiraspol would be struck by how much the city resembles a Soviet Union theme park, with its statues of Lenin, flag bearing the hammer and sickle, and old-fashioned street names such as Rosa Luxemburg Street. Yet this hides a distinct economic turn toward Europe.

The city resembles a Soviet Union theme park, with its statues of Lenin, flag bearing the hammer and sickle, and . . . Rosa Luxemburg Street. Yet this hides a distinct economic turn toward Europe.

Under its first leader, Igor Smirnov, Transdniestria was a closed society. Some political pluralism managed to develop but the government also made arbitrary detentions and restricted press freedom. In 2011, Moscow moved to get rid of Smirnov, whom it had come to regard as unreliable.[65] The next leader, Yevgeny Shevchuk, presided over a turbulent period until he fled the region in 2016, accused of abuse of power and corruption. Under his rule, international concerns about human rights persisted, in particular over detentions, treatment of minorities, and harassment of opposition figures.

In 2016, the region's powerful business elite, centered around the Sheriff conglomerate, took power. Founded by Ilya Kazmali and Viktor Gusan, Sheriff is by far the biggest private employer in the territory. It owns an ubiquitous chain of supermarkets, the celebrated Kvint winery and distillery, gas stations, a mobile phone provider, a television station, and Moldova's most successful football club and best stadium. The candidate Sheriff supported, Vadim Krasnoselsky, became Transdniestria's de facto president in December 2016.

Since the Ukraine crisis began in 2014, Transdniestria has been squeezed economically. Factories have closed and thousands of workers have left, while trade through Ukraine to Russia has been disrupted. In recent years, the population may have dropped below 400,000, by unofficial estimates. That is from 679,000 people living there according to the Soviet census of 1989 and 555,000 according to a locally organized census in 2004.

The economy is archaic and in need of reform. Pensions consume around 20 percent of the budget. For years, Russia has plugged the gaps, topping up pensions, to the point that they are higher in Transdniestria than in right-bank Moldova. Even more crucially, Transdniestria continues to receive Russian gas for free via right-bank Moldova. Local consumers pay for their gas, as does the large Kuchurgan power station. But Gazprom sends the bill to the Moldovan company MoldovaGaz, which—naturally enough—refuses to pay for its breakaway territory. The unpaid bill is now estimated to exceed $6 billion.[66]

Since 2015, Russia has reduced direct financial subsidies to Transdniestria. This may be because its bills for Crimea and eastern Ukraine are so high, and perhaps Moscow believes that Sheriff can afford to meet some of the social costs of the population. Nonrecognition also incurs economic costs. International bank transfers are difficult to make from the territory. In April 2011, the Financial Crimes Enforcement Network, a bureau of the U.S. Treasury, recommended that U.S. companies avoid dealings with eight banks based in Transdniestria, citing lack of oversight and criminality there.[67] As a result of this and other international sanctions, local companies trading with the EU must route payments and receipts through as many as three intermediary banks.

These developments have made Transdniestria poorer and reduced its ambitions. The leaders formally talk about independence, yet in 2018 Transdniestrian de facto officials would not make this a talking point in interviews. They insisted that their territory remains part of the Russian World in cultural, ideological, and political terms and that they want Russian troops to stay on their territory. However, they also said that they wanted to preserve good relations with Ukraine and took pains to distance themselves from any association with the two Russian-backed People's Republics in eastern Ukraine. The officials disparaged the "immature" Moldovan state but also indicated that they were ready to cooperate closely on a range of practical issues. Finally, they welcomed international contacts. They said that economic relations with EU were important but were cautious about saying where the economic partnership with the EU might lead.

NEXT STEPS

In 2016, under the German presidency of the OSCE, eight issues associated with the conflict were identified to be resolved, four by each side in the conflict:

1. recognizing (apostolization) diplomas from Transdniestria in Moldova, allowing Transdniestrian students to continue their studies abroad;

2. giving Transdniestrian vehicles internationally recognized license plates that would allow them to travel beyond Moldova;

3. integrating the telecommunications market;

4. regulating environmental standards in the Dniester River basin;

5. reviewing criminal cases involving citizens from the other side of the river;

6. operating schools teaching the Moldovan language in the Latin script within Transdniestria;

7. ensuring farmers in Chişinău-controlled territory access to farmland in Dubăsari in Transdniestria; and

8. reopening the Gura-Bicului Bridge across the river, closed since 1992, and other issues of freedom of movement.[68]

The reopening of the bridge in November 2017 was a catalyst for progress on the other issues. Six of the eight measures had been agreed by the fall of 2018. Although many of these issues were only of interest to a small constituency, taken together they indicated a spirit of cooperation that set a positive example for other conflicts.

While the OSCE has been a skillful mediator, the EU is the main driver for change. "My head is in Russia, but my legs are walking to Europe," said one veteran Transdniestrian politician. A large number of Transdniestrians have availed themselves of the opportunity to obtain Moldovan passports—an especially attractive proposition since Moldovans were granted visa-free travel to the Schengen zone in 2014. Moreover, Transdniestria has quietly joined the EU's Deep and Comprehensive Free Trade Area for Moldova.

Deepen Trade Ties

Cut off from Russia geographically, Transdniestria's factories have always sought to export to right-bank Moldova and the EU. In 2017, this relationship comprised two-thirds of the territory's total exports, with less than 10 percent going to Russia. Up until 2016, this carried little political sensitivity. However, once Moldova joined the EU's DCFTA and received certain trade preferences, Transdniestrian companies faced being shut out of their main market. After covert negotiations with Brussels, the Transdniestrian leadership agreed to join the DCFTA. This has opened up trade not just to EU countries but also to the wider world. There are reports, for example, that Chinese interpreters are working at the Kvint wine and cognac factory.

In practice, the government of Transdniestria has so far avoided implementing some of the key measures it had agreed to when it joined the DCFTA. In particular it needs to drop customs duties on EU imported goods, provide certificates of origin for its own goods, and comply with EU food hygiene standards. To make up for lost revenue, it should then introduce a value-added tax on sales (a tax that both Moldova and Russia have). Transdniestria's slowness to comply with these demands has so far been overlooked in Brussels, which values the political importance of the deal.

In right-bank Moldova, there are concerns about the deal. One business leader, while welcoming the deal overall, said, "I wouldn't call it economic integration of two banks, I would call it a parallel integration with EU." He noted that many right-bank Moldovan businessmen were unhappy that the Transdniestrians had an unfair competitive advantage because they did not incur the same costs right-bank businesses have to pay to access EU markets.

A Transdniestrian businessman who runs a shoe factory in the town of Bender gave a different perspective. His business employs 1,300 workers and sells shoes, marked "MD" for Moldova, to eighty countries, he said. The factory director had no complaints about his business contacts in EU countries who invited him to trade fairs and were reliable customers. He was less complimentary about the EU trade regime, saying that he had to pay regulatory costs and, unlike right-bank Moldovan companies, had little information about changes in the rules and was offered very little technical assistance. Most frustrating of all was having to deal with Moldovan customs authorities, where the rules and those in charge of them changed frequently. "The DCFTA is a good idea—if it works properly," he said. This indicates that the business community in Transdniestria would welcome an EU economic assistance program.
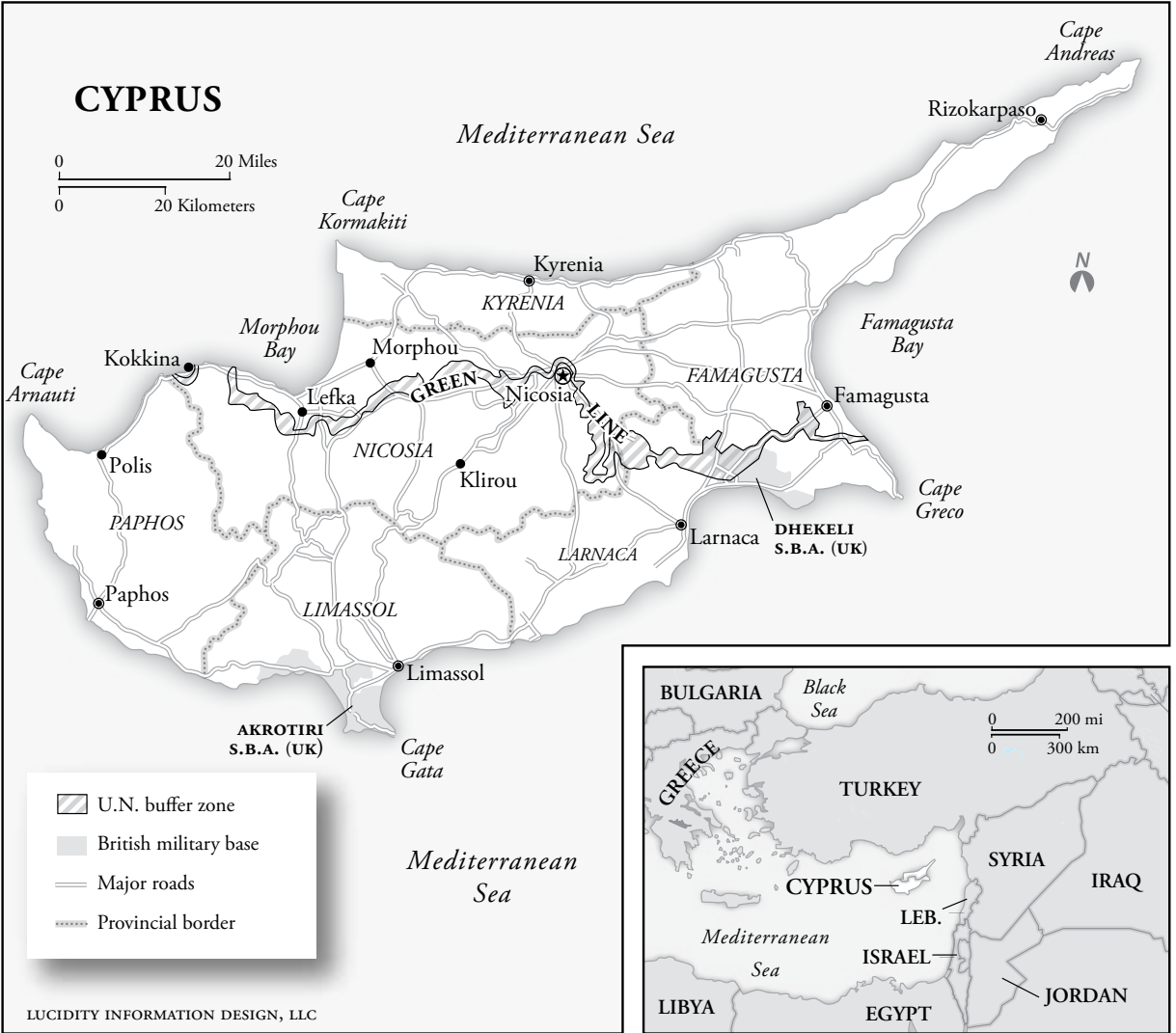
Explore New Areas of Engagement

Through its trading relationship, the EU has a foot in the door of Transdniestria. This could lead to more sustained involvement in other sectors, such as environment, education, and healthcare. Currently, the international presence on the ground is still limited, and there is no EU office in Tiraspol. The public is still suspicious about the EU. Ten politics students at Transdniestrian State University in March 2018 made this clear in conversation. None of the ten had traveled to EU countries. They did not feel the influence of the EU in their lives. They were curious—several of them said they were keen to visit the rest of Europe—but also cautious. Some of the students raised the issue of gay marriage as proof that they did not subscribe to "European values"—a strong indication that they had been influenced by Russian media.

EU engagement with Transdniestria has thus far been ad hoc and guided by political concerns in the parent state, Moldova, and caution about the negotiations. As incremental progress has been made, the time is now ripe to offer more sustained engagement, which

will affect more people in society than the relatively small number who benefit directly from the Package of Eight agreements. The EU could offer to scale up this kind of agreement to whole institutions in Transdniestria, which need overhauling. One obvious beneficiary of assistance could be the poorly resourced and old-fashioned university in Tiraspol and its 3,000 students. This would require an even closer working relationship between international actors, the de facto authorities, and the government in Chişinău. That is an ambitious goal in the current Moldovan political climate—but it might stimulate new political debate in Moldova on an issue that has slipped down the agenda. It would also give Chişinău more leverage on issues of concern

Through its trading relationship, the EU has a foot in the door of Transdniestria. This could lead to more sustained involvement in other sectors.

there, such as detentions and arrests of citizens from the right bank. This would be a challenge for the EU, which would need a more proactive approach beyond quiet diplomacy. Yet it is a next logical step in continuing the positive dynamic in the Transdniestria settlement process.

CYPRUS

0 20 Miles
0 20 Kilometers

Mediterranean Sea

Cape Andreas

Rizokarpaso

Cape Kormakiti

Kyrenia

KYRENIA

Morphou Bay

Morphou

Famagusta Bay

Kokkina

Cape Arnauti

Lefka

GREEN

Nicosia

LINE

FAMAGUSTA

Famagusta

Polis

NICOSIA

Klirou

Cape Greco

PAPHOS

LARNACA

Larnaca

DHEKELI S.B.A. (UK)

Paphos

LIMASSOL

Limassol

AKROTIRI S.B.A. (UK)

Cape Gata

Mediterranean Sea

U.N. buffer zone
British military base
Major roads
Provincial border

LUCIDITY INFORMATION DESIGN, LLC

N

BULGARIA

Black Sea

0 200 mi
0 300 km

GREECE

TURKEY

SYRIA

IRAQ

CYPRUS

LEB.

ISRAEL

JORDAN

Mediterranean Sea

LIBYA

EGYPT

CHAPTER 3

CYPRUS: IN EUROPE, IN LIMBO

The Cyprus conflict is less toxic than many other disputes in Europe. It has moved from the realm of violence into politics and law, similar to the Transdniestria dispute. The situation on the ground is more tolerable as standards of living are also higher. Much has been agreed in negotiations, and there is a fair amount of people-to-people contact and civil society interaction.

Yet, as in the other cases, the negotiations are deadlocked over issues of security, power-sharing, and eventual status, leaving the two sides in a state of insecurity and uncertainty. This especially hurts the Turkish Cypriots, who have lived for decades in a de facto state that is semi-open to the world but whose international status is still unclear.

Turkish Cypriots have lived in a de facto state since November 15, 1983, when the Turkish Republic of Northern Cyprus (TRNC) was proclaimed, only for the declaration to be called "legally invalid" by the United Nations Security Council three days later. The bid for independence was not universally welcomed inside northern Cyprus at the time. Turkish Cypriots express a much wider spectrum of political views on the status of their homeland than do people in Abkhazia or Transdniestria.

In 2004, 65 percent of Turkish Cypriots voted to abandon the project in favor of the United Nations' Annan Plan for reunification only for Greek Cypriots to reject the plan. Paradoxically, the vote left the path clear for Greek Cypriots to join the European Union. The northern part of the island is in the curious condition of being part of the EU but with key membership benefits suspended unless and until reunification is achieved.

A well-known joke holds that the Cyprus issue is "essentially a problem of thirty thousand Turkish troops faced off against thirty thousand Greek Cypriot lawyers."[69] The Greek Cypriot side raises strong legal objections to any interim measures that are seen to validate the de facto Turkish regime on the other side of the Green Line that divides the two territories. Yet Turkish Cypriots argue they have a right to live more fully in the present, rather than merely wait for an endlessly postponed settlement. That argument resonates more strongly since 2017, when the latest refashioned peace plan was abandoned after the UN declared that there had been insufficient progress.

> *A well-known joke holds that the Cyprus issue is "essentially a problem of thirty thousand Turkish troops faced off against thirty thousand Greek Cypriot lawyers."*

In practice, northern Cyprus is more open to the world than either Abkhazia or Transdniestria, for example receiving thousands of tourists each year, some of whom fly directly into the airport at Ercan. The term "Taiwanization" is employed to describe its condition—with negative associations on the Greek Cypriot side and positive ones on the Turkish Cypriot one. If this continues, there will be calls to regularize its irregular status, as is the case with Taiwan.

BACKGROUND

The Cyprus conflict dates back more than sixty years. The Republic of Cyprus only existed for a few years as a functioning state shared by two communities after it achieved independence from Great Britain in 1960. This was an agreed compromise—for most a second-best option—to accommodate the wishes of both the majority Greek Cypriot community (around 78 percent of the population) and the Turkish Cypriots (an estimated 18 percent).

Absent political will and cooperation in government, the power-sharing arrangement broke down in 1963. Ten years of division and occasional communal violence ensued. In 1974, full-scale conflict broke out. The military junta holding power in Athens installed a hardline government favoring the union of Cyprus and Greece. On July 20, Turkey intervened militarily, saying it was compelled to act as a "guarantor power" to protect the Turkish Cypriots. On August 14, the Turkish military began a second and much more brutal invasion. Over three days, the Turkish army drove tens of thousands of Greek Cypriots from their homes and put 36 percent of the island, including many areas inhabited by Greek Cypriots, under Turkish control.

Thousands of lives were lost in the conflict, mostly on the Greek Cypriot side, and almost half of the island's population became refugees. Around 160,000 Greek Cypriots were displaced from their homes in the north while almost all Turkish Cypriots in the south also lost

their homes, most of them settling in houses abandoned by Greek Cypriots in the north. The property issue still looms large. As much as three-quarters of private land under the possession of Turkish Cypriots in the north still has legitimate Greek Cypriot owners, and around one-eighth of private land in the south is still formally owned by Turkish Cypriots.[70]

The conflict left the Greek Cypriot side as the internationally recognized custodians of the Republic of Cyprus and the Turkish Cypriots in an uncertain state. Around 35,000 Turkish troops remained on the island, in defiance of international objections and UN resolutions. (The number has probably fallen since then, but there are no verified figures.) Generations of UN mediators have come and gone, trying to negotiate a formula that the Security Council in 1992 defined as "a State of Cyprus with a single sovereignty and international personality and a single citizenship, with its independence and territorial integrity safeguarded, and comprising two politically equal communities."[71]

The conflict left the Greek Cypriot side as the internationally recognized custodians of the Republic of Cyprus and the Turkish Cypriots in an uncertain state.

In 1974, the Turkish Cypriot leaders named their homeland the Turkish Federated State of Cyprus, which implied it was the constituent state of a federation. Then, in November 1983, Turkish Cypriot leader Rauf Denktaş announced the formation of the TRNC as an independent state. Turkey recognized it, but the UN declared it illegitimate in Security Council Resolution 541.[72] The TRNC project was at an even greater disadvantage than Abkhazia and Transdniestria because its borders had been drawn by war—they at least were defined autonomous territories in the Soviet Union. The international consensus was that accepting its independence would validate conquest, and only the country generally seen as the occupying power, Turkey, has been prepared to do this.

A left-right split developed among Turkish Cypriots, with leftists and trade unionists more likely to favor a federal agreement with Greek Cypriots and rightists more supportive of independence or union with Turkey. Some on the left openly condemned the independence declaration on the grounds that "the TRNC's founding in 1983 was the day we closed our doors to the world."[73] Even Denktaş expressed some ambiguity about his decision and hinted that the declaration had been a bargaining maneuver intended to convey the frustration of the Turkish Cypriots and their determination to get a better offer. Invited to address the United Nations debate on Cyprus in November 1983, Denktaş said that his people had accepted a bi-communal state but had been denied equal status by the "robber" Greek Cypriots. Denktaş said, "We are not seceding. We are not seceding from the independent state of Cyprus, from the Republic of Cyprus—if the chance would be given to us to re-establish a bi-zonal federal system. But if the robbers of my rights continue to insist that they are the legitimate government of Cyprus, we shall be as legitimate as they, as non-aligned as they, as sovereign as they in the northern state of Cyprus."[74]

While aggressive rhetoric still abounds, the dynamics of the Cyprus conflict have moved in a positive direction since the 2000s. There is little prospect of a return to armed conflict. The most important breakthrough came in 2003 when the Green Line dividing the island was opened, allowing ordinary people to cross. It is now a fairly benign boundary that can be crossed in a couple of minutes. Cypriots on both sides have frequently visited family homes they lost in the conflict of 1974, and there have been no reports of violence.

> **The most important breakthrough came in 2003 when the Green Line dividing the island was opened, allowing ordinary people to cross.**

Although the two sides inhabit different cultural worlds and only the older generation now speaks the other's language, when they do meet, the two communities interact freely. There is an active constituency of businessmen, academics, and artists on both sides who support mutual compromise and call for reconciliation.

However, the fundamental issues remain unresolved. Turkish Cypriots still complain that they have been the victims of inequality from Greek Cypriots since at least the 1960s and that they need high levels of self-government to be protected from discrimination. They cite the 2004 referendum as proof that they are ready for reunification that honors these principles.

For the Greek Cypriots, the central fact is the Turkish invasion and displacement of 160,000 of their ethnic kin from their homes. They cite UN resolutions and the ECHR judgment of 1996—the Loizidou case—as evidence that they are dealing with an occupying force and an illegitimate Turkish Cypriot regime. In the words of one Greek Cypriot official, the de facto state on the other side is "an artificial creation as a result of an invasion," and enhanced contacts with Turkish Cypriot officials thereby legitimizes the invasion. So Greek Cypriot policy operates within a very strict framework that accepts engagement with the other side only so long as it is in service of a settlement to the conflict and reunification of the island. As the official puts it, it is a path that must run "through settlement to legality," not the other way round. Another Greek Cypriot interlocutor talks of "the fear that if we lose the recognition battle we will have no other cards in our hands."[75]

NORTHERN CYPRUS TODAY

Entering northern Cyprus, a visitor crosses a checkpoint above which hangs a giant banner saying "TRNC forever." However, spending a few days in the territory confirms that the TRNC project receives little active support. The de facto authorities do not pursue recognition, as in Abkhazia. Rather, the project continues by default, given the absence of other options.

The opening of the Green Line in 2003 has made for much greater people-to-people contact and business links. Turkish Cypriots with EU passports cross the line frequently, how-

ever, there is little institutional collaboration as the Greek Cypriot government holds almost all Turkish Cypriot institutions to be illegitimate. An exception is made only for institutions that already had a legal identity as Turkish Cypriot when the Republic of Cyprus adopted its constitution in 1960. So Turkish Cypriot schools are accepted as legitimate, but not institutions of higher education, which did not exist at the time. There is cooperation with two Turkish Cypriot organizations dating back to the 1950s, the municipality of northern Nicosia and the Turkish Cypriot Chamber of Commerce. This has enabled the mayors of the two halves of Nicosia to collaborate on infrastructure projects and a shared sewage system.

The Turkish Cypriot and Greek Cypriot Chambers of Commerce (TCCC and GCCC) work closely together on facilitating trade across the Green Line. When a big explosion at a munitions dump knocked out power across the south of the island in 2011, the Greek Cypriot authorities refused to receive electricity from the de facto authorities in the north. However, the Chambers of Commerce successfully acted as brokers, buying and selling electricity from and to their respective authorities, so recognition issues could be avoided.

For various reasons, the northern Cypriot "brand" is more acceptable internationally than that of its counterparts, and several countries have adopted a pragmatic approach to Turkish Cypriots' problems. For example, for many years, France, the UK, and the United States have allowed Turkish Cypriots to travel abroad on TRNC passports with visas issued by consular officials based in Nicosia. In other words, TRNC passports are accepted as travel documents but not as identification from an official state.[76]

Northern Cyprus also receives tens of thousands of foreign tourists every year. Some Europeans even own holiday homes in the north of the island, despite legal disputes over property. It also has a booming higher education sector whose universities take in thousands of international students every year. The quality of the education is highly variable, but a handful of the universities are well-respected, in particular the Eastern Mediterranean University (EMU) in Famagusta. The Greek Cypriot authorities contend that the EMU is an illegitimate institution built on land that legally belongs to Greek Cypriot citizens. However, it has built up a strong academic reputation, and it has circumvented the recognition problems faced by its counterparts in Abkhazia and Transdniestria by making bilateral agreements with universities around the world and having its teaching standards recognized by international accreditation agencies. The EMU now claims to have 20,000 students from more than 100 countries and to have more than 200 collaboration agreements with international universities.

Turkish Cypriots have become part of the global economic marketplace via Turkey, albeit as consumers rather than producers. A few international companies value their relationship with Turkey so much that they are prepared to trade directly with Turkish Cyprus and lose business in the Republic of Cyprus. For example, the British financial company HSBC opened bank branches in the north of Cyprus, treating it basically as a part of Turkey, and
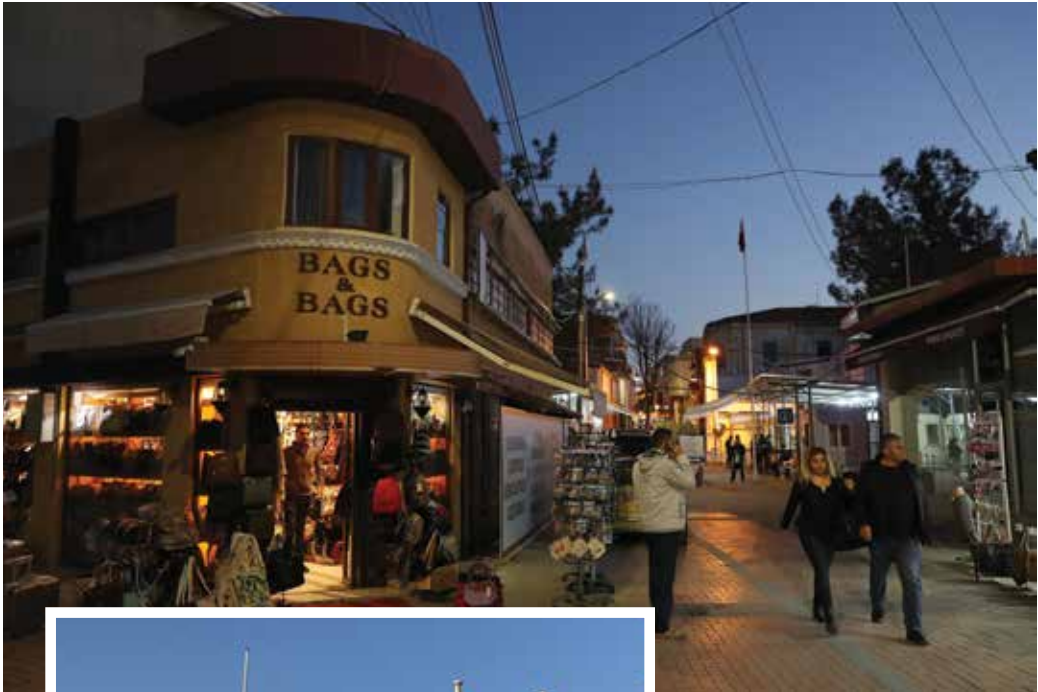
People stroll among shops on the Turkish side of the divided city near the buffer zone and the Ledras street crossing on March 5, 2017, in Nicosia, Cyprus.

(Photo by Sean Gallup/Getty Images.)

Checkpoint in the center of Nicosia, leading into northern Cyprus, proclaiming "TRNC Forever."

(Photo courtesy of the author.)

was prepared to receive legal challenges and suffer damage to its reputation in the south as a result.[77] Gloria Jeans, the international café company, has made the same calculation.

Turkey is a more active patron to northern Cyprus than Russia is in the other two case studies. It refuses to recognize the Republic of Cyprus in what it calls an act of solidarity. For years, Turkey was Turkish Cypriots' only outlet to the world. In the pre-digital world, all mail to the north of the island was routed via the address "Mersin 10," a reference to the port opposite Cyprus on the Turkish mainland. Turkish direct financial assistance funded government activities, and the Turkish lira has served as a currency. Universities have been made part of the Turkish system.

Even after 2003, when the Green Line opened and gave Turkish Cypriots an alternative route to the world, Turkish influence remained strong. In 2018, around two-thirds of the budget is financed by Ankara. However, as with Abkhazia and Transdniestria, the relationship between small client de facto state and big patron state can be complicated. Turkish Cypriot politicians are skilled at manipulating their patron and trying to keep Ankara at arm's length. "The politicians here just know how to stroke Turkey's pride in order to get money," said one interlocutor in a 2012 survey. The Justice and Development Party (AKP, from its Turkish initials) "has been in power for ten years, but our people have been in power for fifty years, and they have master's degrees in lying to Turkey."[78]

The relationship between Ankara and the Turkish Cypriots is constantly changing, however. In 2018, there are many concerns among the traditionally secular Turkish Cypriots that the AKP's Islamist agenda is being imposed on them. A mosque-building program in the north of the island is a sign of the steadily growing influence of Turkey in the absence of other powerful countervailing actors.

EUROPE'S INFLUENCE AND ITS LIMITS

The northern part of Cyprus has a peculiar status with regard to the European Union. Even as it de facto comes closer to Turkey, it remains de jure part of the EU. Protocol 10 of the Accession Treaty of 2003 refers to the northern part of Cyprus as "areas of the [Republic of Cyprus] in which the government . . . does not exercise effective control." So, while it is formally part of the EU, the acquis communautaire is suspended unless and until the island is reunified.[79]

Turkish Cypriot institutions are not regarded as formal EU partners. However, Turkish Cypriot individuals (with the exception of settlers from the Turkish mainland) have had EU citizenship since 2004. At least 100,000 of them have taken up Republic of Cyprus passports. There is no taboo against doing so, as in Abkhazia.[80] This option is not open however to post-1974 Turkish settlers or even to some who have one Turkish Cypriot parent and another from the mainland.

The EU is still an attractive model to many Turkish Cypriots, yet after the Republic of Cyprus joined the EU in 2004, effectively without the northern part of the island, the republic has vetoed many types of EU engagement with the north. This angers many Turkish Cypriots who say they voted for a European future in the 2004 referendum. At the same time, Turkey's own aspirations to join the EU have faded, ending positive parallel trajectories by patron and client.

> *The northern part of Cyprus has a peculiar status with regard to the European Union. Even as it de facto comes closer to Turkey, it remains de jure part of the EU.*

In 2004, the EU had greater ambitions for northern Cyprus and launched three initiatives to integrate it into Europe's economic space: Direct Trade Regulation, Financial Aid Regulation, and Green Line Regulation. The first two were carefully launched, on April 26, 2004, two days after the referendums on the Annan Plan and five days before the Republic of Cyprus joined the EU. In its statement, the European Council declared, "The Turkish Cypriot community have expressed their clear desire for a future within the European Union. The Council is determined to put an end to the isolation of the Turkish Cypriot community and to facilitate the reunification of Cyprus by encouraging the economic development of the Turkish Cypriot community."[81]

The Direct Trade Regulation was intended to govern direct trade between the northern part of the island and the EU. The draft proposal set out terms for a "preferential regime so Turkish Cypriots products can enter the Customs Territory of the EU." This would happen through direct trade out of Famagusta in northern Cyprus. However, the Greek Cypriot side regarded this as recognition of the TRNC "by implication" and blocked its passage in Brussels. One Greek Cypriot expert, Philippos Savvides, said that if implemented the regulation would create a "Taiwan in the Mediterranean."[82]

In 2006, the EU passed the Financial Aid Regulation, launched in concert with the Direct Trade Regulation, but only over many objections from the Republic of Cyprus. It set up an assistance program with five objectives. The largest sums were allocated to developing and restructuring infrastructure. Another program focused on social and economic development more broadly. A third concentrated on issues around the conflict, funding confidence-building measures, de-mining, and locating missing persons. A fourth funded an information campaign about the EU. Last, but not least money, was allocated to prepare Turkish Cypriots for implementation of the acquis.

The Green Line Regulation had already been prepared to manage trade across a de facto closed border within an EU territory. It aimed to revive intra-island trade, which had declined precipitously over the years and caused the north of Cyprus to trade mainly with Turkey. These latter two regulations were passed in a more limited than anticipated in 2004.

The Green Line Regulation works mainly for individual shoppers who go back and forth across the line. The traffic has been mostly, but not always, from north to south, with Turkish Cypriots going south to buy consumer goods and groceries they cannot obtain in their home territory. However, larger-scale trade is not possible, as the south has banned Turkish Cypriot trucks due to an ongoing dispute about their licensing and insurance.[83]

One large symbolic issue has foundered due to political disputes. Cyprus's national cheese, known as halloumi by the Greeks and hellim by Turks, has a rubbery consistency, is traditionally made from sheep's or goat's milk, and is often eaten grilled or fried. This cheese is one of the biggest exports from both sides of the island, and production is estimated to be worth $100 million a year in the south and $30 million a year in the north.[84]

In July 2014, the Republic of Cyprus unilaterally applied to the EU to secure protected designation of origin (or PDO) status for halloumi. This would give the cheese the same status as other iconic European food products such as champagne, parmesan, or Stilton cheese, which are protected by law as unique products from a certain region (to help block inauthentic competitors from elsewhere). Turkish Cypriots objected strongly to the move, saying that their hellim deserved PDO status as well. European negotiators accepted their argument. The EU attempted to turn cheese negotiations into peace negotiations by calling for a joint application from both communities.

In July 2015, after a lunch with both Greek and Turkish Cypriot leaders, European Commission President Jean-Claude Juncker declared the issue resolved. On July 28, the commission announced more details of what it called a "temporary solution pending the reunification of Cyprus," hailing the deal as a symbol of bi-communal cooperation toward a settlement.[85] An international certification body Veritas would inspect halloumi/hellim production and certify that the cheese met the appropriate sanitary standards. Brussels would provide technical assistance to producers in the north to ensure their standards met EU criteria. And there would be an amendment to the Green Line Regulation, allowing the Turkish Cypriots to export hellim via the south.

However, not long afterward, the Republic of Cyprus lodged four objections in Brussels. The Cypriot government would demand that all hellim exports come across the Green Line—currently much of the cheese is exported to Turkey and the Middle East through the northern port of Famagusta. And it objected that a separate quality inspection regime for the north would "infringe [Cyprus]'s sovereignty."[86]

Despite setbacks like these, Brussels remains a powerful actor in northern Cyprus. The Financial Aid Regulation gave the EU a large budget to spend in the northern part of the island, allocating 449 million euros for the Turkish Cypriot community between 2006 and 2016. However, it also operates under political constraints, due to Greek Cypriot concerns about recognition issues.

That prevents the EU from using its preferred method of capacity building: twinning contracts, which employ partners with the appropriate expertise from EU states in the region. And the fact that the EU cannot work directly with the Turkish Cypriot de facto authorities presents an even greater challenge. Moreover, after the failure of the 2017 peace talks, the ad hoc committee that had been created to prepare northern Cyprus for the acquis was suspended. The Greek Cypriots claimed the committee's work was directly linked to "continuing negotiations," while the Turkish Cypriot side said the work required no such precondition.

Thus, little work has been done on capacity building to prepare northern Cyprus for the acquis, and many projects have suffered due to poor implementation. High turnover in Turkish Cypriot governments compounds the problem, with frequent elections and de facto officials vulnerable to corruption and lack of training. This leads to a vicious circle whereby existing capacity cannot be utilized properly and new capacity cannot be built—except of course from the patron state, Turkey.

A report by the European Court of Auditors in 2012 highlighted the problem:

> The programme has assisted a great number of different beneficiaries across the TCc [Turkish Cypriot community] and some results have already been achieved. However, the planned construction of a seawater desalination plant, the programme's largest project (27,5 million euro), cannot be implemented, which represents a significant setback for the programme. More generally, the sustainability of projects is often in doubt due to limited administrative and financial capacity of the [Turkish Cypriot] authorities and their delayed adoption of relevant 'laws.'[87]

NEXT STEPS

Pursue the Logic of EU Integration

Turkish Cyprus is caught between two incomplete integration projects. On the one side is Turkey, which funds the army, supports much of the government budget, and runs several government agencies such as the fire service. Many Turkish Cypriots oppose gradual integration into Turkey. In 2017, a de facto Turkish Cypriot official warned, "Isolation does not push you toward reconciliation, but to other forms of survival, in our case increased dependency on Turkey and integration with it. First you have economic, then cultural integration and dependency."[88]

On the other side is the EU. It has a range of policy instruments, including the three regulations, whose full implementation would greatly enhance its influence. Enthusiasm for the EU has waned somewhat in northern Cyprus since the referendums of 2004. In 2017, ahead of the peace talks in Switzerland, a Turkish Cypriot official warned that the current plan would be "a more difficult sell with the Turkish Cypriot community" than fourteen years previously. Despite this, a majority of Turkish Cypriots still express pro-European

sentiments. A 2015 Eurobarometer survey found that 57 percent of Turkish Cypriots held positive views of the EU, with only 8 percent expressing negative sentiments.[89]

Turkish Cypriots' view of the EU was thus paradoxically more positive than that held by their Greek Cypriot counterparts—or indeed EU nationals as a whole—about the organization in which they were full members.[90] This demonstrates the positive pull the EU still has externally. However, Brussels should be concerned that there was a lower level of

Turkish Cyprus is caught between two incomplete integration projects. On the one side is Turkey, and on the other is the EU.

support for the EU among the younger generation, the fifteen-to-twenty-four range, compared to their older peers. For those who believe in the value of Europeanization, this is a prescription for more active EU engagement in the north. However, the Greek Cypriot side still effectively exercises a veto on greater EU engagement, even over mutually beneficial issues such as the promotion of halloumi cheese.

Amid this deadlock, some are now questioning the old paradigm of a UN-mediated bi-zonal, bi-communal federation for Cyprus. In a 2014 report, the International Crisis Group put forward a radically different proposal to break the deadlock, advocating a managed partition of the island into two independent states both within the EU.[91] This is almost certainly a step too far for the international mediators who have worked for decades within one framework—let alone for the Greek Cypriots. The proposal does, however, reflect a ubiquitous frustration with the Cyprus problem.

A less controversial way to shift the paradigm and harness the EU's power would be to begin a much more ambitious program under the Financial Aid Regulation to prepare northern Cyprus for the EU acquis now. This would be in partnership with the de facto authorities and regardless of the state of the negotiations. In other words, the EU could begin an active program of Europeanization of legislation and standards of northern Cyprus, working with the current authorities, as far as is possible, to build an EU reality in an unrecognized state. Formal adoption of the acquis would be the last brick in the wall. Before that, northern Cyprus would be a de facto state closely aligned with the EU. This approach would cross a Greek Cypriot redline about working with the de facto authorities and entail a rethink about its strategy toward the north. But it would bring real benefits to citizens in the north and surely give a positive impetus to the conflict resolution process. Facilitating de facto convergence of the two halves of the island, this process would also help forestall a much more worrying scenario for Greek Cypriots: the de facto integration of northern Cyprus into Turkey.

CHAPTER 4

EASTERN UKRAINE: DIFFERENT DYNAMICS

Since 2014, a new conflict has been fought in post-Soviet space, this time in eastern Ukraine. Two new unrecognized territories have emerged, calling themselves the Donetsk People's Republic and Lugansk People's Republic (DNR and LNR). They share some similarities with the other cases considered here, but they also diverge in some very important ways.

The chief difference is that in Donbas, the eastern Ukrainian region, local political grievances were not by themselves sufficient to start a full military conflict. Russian volunteers and the Russian state, which later supplied the rebel side with heavy weaponry, turned those grievances into major violence. The DNR and LNR leaders have a role in the negotiations and in resolving local issues, but they lack even the partial legitimacy that makes serious engagement with their counterparts in Abkhazia, Transdniestria, and northern Cyprus a worthwhile endeavor. Leaders come and go (sometimes through assassination) or are installed from Russia, while Moscow runs military and financial affairs. The regions are also heavily criminalized. The patrons in Moscow are the key interlocutors in resolving the conflict.

The chief difference between eastern Ukraine and the other case studies here is that Russian volunteers and the Russian state turned local grievances into major violence.

The DNR and LNR have built de facto institutions but they are much more artificial than in the other de facto states considered here. The Line of Contact that divides the breakaway territories from government-controlled Ukraine has been drawn by war, as in Cyprus; yet, unlike in Cyprus, people on both sides have similar identities. As in Transdniestria, there is no ethnic component to the conflict, only concerns about political status, language rights, and other contested issues.

Yet international actors should do more than wait for the statelets to collapse. Reports from the territories indicate that local people are disappointed with their leaders and angry about their difficult everyday lives, but this translates more into apathy than a burning desire to rejoin the Ukrainian state.[92]

As in other conflict zones, a situation of separation, disruption, and violence risks becoming the new normal. Already in early 2016—before a Ukrainian blockade cut off the territories from the rest of the country—an International Crisis Group report recorded apathy as the prevailing emotion:

> The general mood, a Donetsk resident said, seems to be "to avoid contact with the regime as much as possible." An active civil society figure estimated that the population is split three ways: for the regime, against it and neutral. The strongest proseparatist constituency is probably pensioners, villagers and unskilled workers. The middle class generally keeps its distance, he said, and a floating segment includes those with nowhere else to go or business or family obligations keep in the area.[93]

So the other conflicts can teach important lessons here, first of all that long-term separation creates new realities and that disconnection—especially economic disruption—and a different information space conditions people to different ways of life. While interlocutors should exercise caution when interacting with the de facto leaders of these territories, keeping open lines of communication with people living in these territories is vital to give the region a realistic chance of being reintegrated with Ukraine.

BACKGROUND

The Donbas conflict broke out suddenly in April 2014. It took almost everyone, including most people in the region itself, by surprise. Its impact on a large region in eastern Europe has been devastating. The conflict zone is far larger than the other contested regions examined in this report. Prior to the war, more than 6 million people lived in Donetsk and Luhansk. Now, an estimated 3 million people live in the non-government-controlled areas.

For at least a century, Donbas was Ukraine's most industrialized region, the center of its coal industry, and an area where Russian, not Ukrainian, was the lingua franca. This gave it not so much a Ukrainian or Russian as a Soviet identity. Unlike in Abkhazia or Transdniestria,

the region had little interest in separatism during the breakup of the Soviet Union. In a 1991 referendum, more than 83 percent of the population supported Ukraine's independence in both Donetsk and Luhansk.

Fast forward to early 2014. Ukraine was in turmoil after the Euromaidan uprising, the flight of then president Viktor Yanukovych to Russia, and the lightning operation by Russia to annex Crimea. In April 2014, Russian activists and fighters seized control of the town of Sloviansk in the Donetsk region, then moved to take other urban centers. As violence escalated, pro-Russian forces held two votes on May 11, after which they declared the creation of the DNR and LNR. The votes were recognized by no one, including Moscow. A top Kremlin aide said merely that Russia "respected" the vote.[94]

An alliance of Russian nationalist radicals and locals led the activism and fighting in the early months, though none of them had a high profile in the region. There were two key Russian figures: Igor Strelkov, a freelance warrior who had fought for a number of Russian nationalist causes, and Alexander Borodai, a philosophy graduate and veteran of the Transdniestria conflict. The local men, notably Pavel Gubarev, Alexander Khodakovsky, and Alexander Zakharchenko, had no political experience and are best characterized as a counter-elite who quickly took advantage of a power vacuum in Ukraine to seize control of their region. One international visitor to the region reported that they "frequently expressed amazement at finding themselves in charge of a ministate. Most had dreamed at best of lucrative positions in a new oblast [regional] administration."[95]

Many in this counter-elite were also criminals. In the early months of the conflict, around 150 rebels were killed by other rebels.[96] Many more members have been subsequently removed or assassinated in what may have been gangland fights over assets. The Luhansk leader Igor Plotnitsky survived an assassination attempt but was then deposed in 2017. The August 2018 assassination of Zakharchenko, probably the most popular leader in Donetsk, may have been politically motivated, but it has also been attributed to criminals.

As the rebellion got under way in the spring of 2014, there was a general assumption in Ukraine and the West that Moscow was directing it. More recent research by the most detailed chronicler of the Donbas movement, Anna Matveeva, as well as by others, suggests that the local activists got somewhat ahead of their patrons in Russia. When Strelkov was perceived as being too independent, Russia brought him home. That said, the rebellion would have had almost no chance of success if the Russian government had not intervened directly in the summer of 2014, when it first sent weapons and men to the conflict zone in large numbers. Matveeva writes of "Donbas curators from Russia who promoted pliant figures into politics and took out non-conformists. Commanders had to integrate into the system not on their own terms and the rules of the game were determined elsewhere. Those who were prepared to accept, survived and gained appointments."[97]

At two critical moments, in August 2014 and January 2015, Russian military units appear to have changed the course of events. On both occasions, a military defeat led the Ukrainian side to sign agreements in Minsk for a ceasefire and a special status agreement for Donbas.

At two critical moments for eastern Ukraine, in August 2014 and January 2015, Russian military units appear to have changed the course of events.

Since the second Minsk agreement, fighting has reduced considerably, but has not stopped altogether. There were several hundred casualties, both military and civilian, in 2018, adding to a grim overall death count that now exceeds 10,000 people. The Line of Contact cuts across the Donetsk and Luhansk regions. Around 200,000 people live within 10 kilometers (about 6 miles) of the line and are vulnerable to the ongoing fighting.

INCREASING SEPARATION

The DNR and LNR are rudimentary de facto regimes. Life carries on after a fashion but reports from the territory speak of unpaid wages, criminality, and arbitrary detentions involving torture. Hundreds of thousands have left, either for western Ukraine or for Russia. Normal life continues after a fashion, with many businesses still operating. Since 2014, the two territories have adopted some of the trappings of a de facto state, passing their own constitutions, creating courts and ministries, and adopting their own flags, symbols, and license plates. The ruble has mostly replaced the Ukrainian hryvna. A strong pro-Russian and anti-Western ideology prevails. There have been no attempts to seek legitimacy in the West. Western organizations and media are treated with hostility. Prisoners and alleged drug-dealers have been executed.

The official Russian position on the two regions remains ambiguous. In contrast to Crimea, which Putin quickly claimed as Russian territory in March 2014, the Russian government wants to see Donbas be given "special status" within Ukraine. Officially, Moscow denies that it is militarily involved, despite the presence of heavy weaponry that could only have come from Russia. Russians killed in the conflict have been buried covertly.[98]

Yet Russian financial support keeps the territories afloat. By 2018, the Russian government had ceased to pretend that it was not the region's sponsor. After meeting Kremlin aide—and Moscow's chief "guardian" of the region—Vladislav Surkov in October 2018, the de facto head of the DNR Denis Pushilin was quoted as saying in Moscow that he had received "guarantees of support from Russia in everything concerning security and raising the standard of living of citizens."[99] Essentially Surkov had offered a wage rise for Donbas. In 2017, Ukrainian sources estimated that Moscow was spending around $3 billion a year on the DNR and LNR, none of it coming from the official Russian budget.[100]

Thanks to actions taken on both sides, the Line of Contact has hardened into a strong dividing line. Infrastructural connections, such as water pipes and electricity lines, have been cut, and the two sides use different mobile phone networks. Most critically, an economic blockade has been in place since the start of 2017 from the Ukrainian-government-controlled side. The subsequent economic dislocation resembles a sped-up version of Georgia's self-destructive policies toward Abkhazia in the 1990s, when economic links were broken and the breakaway region turned toward Russia.

The Ukrainian blockade was initially a unilateral initiative imposed in January 2017 by far-right nationalist volunteers and veterans, including some parliamentarians. In a mirror image of the other side, it demonstrated how radicals could set the agenda. President Petro Poroshenko initially opposed the blockade and said that the businesses on the other side were "little islands of Ukraine" and "an anchor which attached these territories to Ukraine."[101] However, he yielded to political pressure and made the blockade official policy in March 2017. Opinion polls showed that there was popular support for the move. Yet it has undoubtedly hurt Ukraine's economy, cutting GDP growth forecasts by at least 1 percent. The flow of goods was disrupted in both directions. Ukraine's metallurgy industry, reliant on fuel from the region, suffered. [102]

The gravest effect was ending trade with Donbas for anthracite coal, which had been the main fuel for Ukraine's thermal power stations. A strange situation developed whereby the ban on anthracite imports from Donbas ended up benefiting Russia, as Ukraine made up for the shortfall by buying larger amounts of coal from Russia, estimated to be worth $1.5 billion in 2017. Russia meanwhile appears to be exporting Donbas coal from the ports of Azov and Rostov.[103]

The blockade had been intended to crack down on smuggling, but reports indicate smuggling continues across the Line of Contact, sanctioned by elements in the security and intelligence services. Anecdotal reports in government-controlled areas spoke of convoys of trucks crossing the Line of Contact at night.[104]

The blockade does not impact individuals. They are permitted by the Ukrainian side to carry goods across the Line of Contact weighing up to 75 kilograms and cost no more than 10,000 Ukrainian hryvnia (about $350). However, they are restricted to "permitted goods" rather than forbidden from bringing certain goods. Thus, for example, lamb meat is not on the list, meaning it can be confiscated from travelers on the whim of the security forces at crossing points.

The de facto authorities responded to the blockade by consolidating control of their regions. They took control of more than 40 regional companies that had been still working within the Ukrainian legal regime and paying taxes to the government in Kyiv—something the rebel leaders said they found unacceptable.[105] Most of these businesses belonged to the powerful Donbas oligarch Rinat Akhmetov. Akhmetov had been the most powerful businessman and benefactor in the region, who had up until that point continued to work politically with both sides.

The region's de facto prime minister Alexander Zakharchenko justified the move in an interview to the Russian newspaper *Izvestia* in April 2017:

> In those industrial enterprises which ought to have simply stopped working as a result of the blockade from the Ukrainian side, causing tens of thousands of our citizens to end up on the street, we imposed external management so that they could carry on working. A second point of principle was that we put these enterprises under our own jurisdiction, in part so that they would pay taxes to our budget and not the budget of the aggressor.[106]

In parallel, the Russian authorities for the first time declared public assistance for the two regions. Putin decreed that Russia would recognize documents such as passports, driving licenses, and diplomas issued in the DPR and LPR for "humanitarian" purposes.

The blockade and the expropriations have hit living standards. Several factories closed or laid off workers, and humanitarian aid for the needy provided by Akhmetov was cut. This helps explain why 1 million people on both sides of the Line of Contact were reported in 2018 to be "food insecure"—in other words facing hunger.[107] In addition, the World Food Program shut down its operations in Ukraine in February 2018, citing both a shortfall in funding and also restrictions on access in the non-government-controlled territories.

PEOPLE-TO-PEOPLE CONTACTS

The eastern Ukrainian conflict zone has one major resource for peace, compared to the other conflict zones considered in this report. Importantly, the local population on each side of the Line of Contact closely resemble each other, and most of them regard the dividing line as an unwelcome construction. Most local people have relatives on the other side and regard the line as artificial—around 30,000 people crossed the line each day in 2018. This makes the conflict zone more akin to that of Transdniestria—even though it is far less peaceful—and raises the possibility that, if the political problems can be fixed, the divided communities of Donbas would be happy to live together again.

However, parts of the Ukrainian government are not making use of this resource and treat residents of the non-government-controlled territories effectively as second-class citizens. In this political context, many Ukrainian politicians accuse Russian-speaking eastern Ukrainians of being pro-Russian, disloyal, or even traitors.

Many of those who cross the Line of Contact from the rebel-held territories do so to claim their entitlements as Ukrainian citizens. They come to acquire documents such as birth and death certificates, passports, and pensions, but they face difficult bureaucratic hurdles in doing so. Even some residents of government-controlled areas have had difficulties getting Ukrainian documents as their official records are in archives on the other side.

Pension rights are the biggest problem. In 2014, there were more than 1.2 million people of pension age registered in the non-government-controlled areas. The government in Kyiv

then decreed that in order to receive a pension, a resident of the non-government-controlled territories must register as an internally displaced person (IDP). In practice, many older people registered as IDPs but stayed in their homes in rebel-controlled territory. These people comprise a large number of those who cross the line, often on foot and in hazardous conditions, to receive their pensions—which are meager by international standards.

As of May 2018, 650,000 residents of the non-government-controlled territories were not receiving Ukrainian pensions, or around half of those entitled to do so. Many of those who have remained at home have been stripped of their pension rights. Needless to say, many others are too sick, infirm, or scared to make the crossing. Different parts of the Ukrainian state view this situation differently. Some say that this policy saves the government money, by cutting down on fraud and on elderly people "double-dipping" by getting two pensions. Others, backed by Ukraine's international partners, see this as a basic rights issue. Draft law 6692 was introduced in the Ukrainian parliament to simplify procedures and remove the requirement to register as an IDP. It follows the practice the Georgian government has adopted on pension rights for residents of Abkhazia. However, it has not been adopted.[108]

Humanitarian organizations working in the region report similar problems for those wishing to obtain Ukrainian birth and death certificates or foreign passports. Frequently, people are told they do not have sufficient proof of identity for themselves or their children, and are forced to go to court to try to receive the documents. In 2017, only 38 percent of children born in non-government-controlled Donbas received Ukrainian birth certificates (and only 10 percent of those born in Crimea), according to United Nations estimates.

This battle for everyday rights continues, despite strong lobbying by the EU, the United States, and international humanitarian organizations, who cite the Namibia judgment as an international precedent Kyiv should follow. Needless to say, those who want to keep their Ukrainian citizenship resent the bureaucratic hurdles and are hearing the message that the Ukrainian government is not especially interested in them.

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The battle on the ground reflects a battle within the Ukrainian government. The Ministry for Temporarily Occupied Territories, founded in 2016, is nominally in charge of policy toward Donbas and is advocating a "hearts and minds" policy. Yet many in Kyiv argue that the government has saved money by reducing pension payments. The minister of social policy went on the record in 2017 accusing international organizations of "brazen interference in Ukraine's internal affairs" when lobbying on behalf of pensioners.[109] The clash of views means that progress is slow on the ground. "You change one law and forget to change another. Each office and each court has its own solutions," observed one international humanitarian worker in the region in 2018.[110]

People walk across a destroyed bridge into Ukraine-controlled territory at a checkpoint guarded by pro-Russian rebels in Stanytsia Luhanska, Luhansk region, on March 7, 2017.

(Photo by ALEKSEY FILIPPOV/AFP/Getty Images.)

A general view of the town square where people attend the unveiling of a Lenin statue in the town of Novoazovsk on April 17, 2015, in the self-proclaimed Donetsk People's Republic (DNR).

(Photo by ODD ANDERSEN/AFP/Getty Images.)

NEXT STEPS

The Donbas conflict has shallower roots than the other conflicts considered here. Moscow is the most important actor for resolving the conflict. If the Kremlin decides a solution is in its interests, it can reduce support for the DNR and the LNR, withdraw its forces, and press for a deal with Kyiv.

However, as in the other situations, as years pass the temporary situation becomes more and more permanent. That means that local dynamics and de facto separation are an ever-stronger negative factor. Here the burden of responsibility to turn things around lies more on Kyiv. Since 2014, the two sides have been living in a different information space, with the rebel-controlled territories getting their media message entirely from Russian sources. An anti-Kyiv identity has flourished. Since early 2017, there has also been greater de facto integration of the two territories into Russia. A 2017 report on business attitudes by Natalia Mirimanova found that while businesses in Donetsk still hoped for economic linkages with the rest of Ukraine, businesses in Luhansk had mostly given up on Ukraine and were looking to Russian markets.[111]

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As in the other conflicts, the passing of time hardens attitudes in the parent state. A sizable political constituency in Ukraine now talks of Donbas as a "gangrene" or "cancerous growth" that should be "cut off." They disparagingly refer to Donbas residents as "sausage-eaters" or "Muscovites" who have no role to play in a future Ukraine.[112] Electoral politics is a big factor here. IDPs in the region are already excluded from voting in local elections or in local constituencies in parliamentary elections.[113] If 3 million residents of Donbas, along with 2 million residents of Crimea, are permanently excluded from voting in Ukrainian elections, that would tip the electoral balance firmly in favor of western Ukrainian and more nationalist parties.

As in all unrecognized territories, engagement should be considered on an issue-by-issue basis. A key difference here is that the leaders of the DNR and LNR do not actively seek much international engagement, working only with a small range of actors, such as the OSCE Special Monitoring Mission and the Red Cross.

There is no reason to engage directly with the de facto authorities in this case. They lack legitimacy, rotate quickly, and are not the key decisionmakers. Political dialogue only makes sense within the framework of the negotiations around the Minsk agreements.

Focus on Humanitarian Issues

There is a much stronger case for engagement on humanitarian issues—although even this is more limited than in other conflict zones, as international humanitarian organizations such as Médecins Sans Frontières have been forced to leave the territory. Yet the conflict has caused many urgent problems, such as food insecurity and environmental hazards. The OSCE monitors for example play an important role in trying to allow the continued operation of the Donetsk Filtration Station, which provides drinking water for more than 300,000 people on both sides of the line.

Improve Trade Ties

Severing economic ties threatens to re-create the unfortunate dynamic that hurt Georgian-Abkhaz relations in the 1990s. A hardline agenda on both sides hurts livelihoods, disadvantages businessmen, and threatens to reorient the two territories away from Ukraine and toward Russia. Engagement on this crucial topic should be a high priority.

Support People-to-People Contacts

Finally, it should be emphasized again that mass engagement of a different kind does already occur between the people on either side of the Line of Contact, something that keeps up a strong web of human connections vital for any future resolution to the conflict. This phenomenon is a positive aspect of this dispute and should not be taken for granted. Keeping open those connections and encouraging the Ukrainian government to connect with its citizens on the other side through a "hearts and minds" strategy should be a big priority.

CONCLUSION

Three territories in Europe, forged in war, have endured as de facto states for decades. Abkhazia, Transdniestria, and northern Cyprus have established themselves as facts on the ground and partial subjects of international law. Their disputed status is an unsatisfactory situation for everybody. It deprives their citizens currently of many opportunities afforded to citizens of recognized states. It continues to hurt many on the other side of the conflict divide, notably tens of thousands of displaced people in Cyprus and Georgia. The status disputes perpetuate conflict and hold back the development of a wider region.

As set out here, the disputes have persisted for so long for several reasons. In each, there is a geopolitical standoff and a military occupation of some kind by Russia or Turkey—which is the chief concern of the parent state. This is the main driver of the continuing tragic conflict in eastern Ukraine, although there are also crucial local factors. The de facto states themselves have built self-governing entities with varying degrees of success. In Abkhazia, that reality is still sustained by a strong national idea.

The passing of time is a factor. A realistic prospect of reunification becomes harder the further a shared history of cohabitation recedes into the past. Abkhazia and Transdniestria were last part of Georgia and Moldova twenty-five years ago, when they were all part of the Soviet Union. Turkish and Greek Cypriots only shared the experience of a properly functioning bi-communal, independent state for three years, and both sides have demonstrated resistance to settlement plans. In each case, the parent state has rejected a reunification plan

because it devolved too much power from the center and the price of union was too high. This is what happened in Georgia in 1997–1998, in Moldova in 2003, and in Cyprus in 2004. These histories underline a major reason for nonresolution of the disputes: the three parent states do not know what kind of country they want to be.

The most hopeful of these cases is Moldova, where there has been some positive incremental change driven by benign geographic factors, economic pressures and incentives, and a pragmatic approach in the negotiations. Even here, however, a final resolution looks far off. The other cases reveal a more unhealthy dynamic that needs to be addressed. None of them has achieved international recognition as they formally aspire to, nor have they been reunified with their parent states as many have hoped. Instead a third process is under way in Abkhazia and, to a lesser extent, in northern Cyprus and eastern Ukraine: de facto integration with the patron state, Russia or Turkey. If that process—hardly welcome to many people in these territories—continues, conflict resolution will become much harder.

This signals the need for a fresh look at how international actors can engage inside these territories and with the de facto authorities to reverse some of these negative trends and keep open options for the future.

DEALING WITH UNCERTAINTY

One apparent mystery of these breakaway territories is why they have persisted in proclaiming independence, despite minimal chances of recognition. A detailed look at life in these places suggests that, behind the headlines, the tough stance they have taken on status conceals as much as it reveals. In some of these cases at least, there is an ambition not so much for statehood as for state-like agency.

In all these territories, the provisional and temporary has become permanent—in Cyprus, for almost half a century. Like a boat that has slipped its moorings but not arrived at a new destination, a citizen of an unrecognized territory lives in permanent uncertainty. Turkish Cypriots even have their own word for this: *belirsizlik*. One Transdniestrian interlocutor summed up his situation with the question, "What will happen tomorrow?" He went on, "What will Moldova and Ukraine do? Will my kids' school close, will the border close? It's too unpredictable. I can't predict three or five years ahead." Talking about the current geopolitical situation where Transdniestria finds itself stuck between Russia and Europe yet connected to both, he said, "We are in the middle of Cold War 2.0 without an umbrella."

> **In all these territories, the provisional and temporary has become permanent.**

The aspiration to statehood can usefully be seen in this context—as seeking to minimize this uncertainty by providing citizens the certainty that comes with rules-based government.

Ordinary life must continue, and some kind of statehood, recognized or not, is needed for services such as education, healthcare, a police force, traffic rules, and trash collection. In each case, a declaration of independence was not the first choice of the rebel territory.

The cases vary, of course. In Abkhazia, the rhetoric on independence and recognition is most serious. In Cyprus and Transdniestria, it is no longer a strong talking point and the current stance of declared statehood is better seen as an interim measure, a bargaining position for future negotiations. One interlocutor described her attachment to the TRNC in terms of "we were thrown off a ship, so we cling to a dinghy." In eastern Ukraine, the debate centers on what kind of status the breakaway territories will get when they return to rule by Kyiv.

This suggests that many actors in these three de facto states aspire to rid themselves of the tag of "rogue states." This report has shown how legitimate trade provides one route toward greater respectability and certainty. Geography is important. For ordinary Turkish Cypriots and Transdniestrians, their patron state is far removed, and an open border with European markets is a nearby blessing. Yet political will is also important, and this geographical advantage was not always available when previous leaders were in power. Moldova most benefits from the power of trade, as the Transdniestrian business community has led the drive to sidestep status issues and pursue trade with right-bank Moldova and the EU. Both Turkish Cypriots and Transdniestrians have also decided to accept the passports offered to them by the other side.

Conversely, Abkhazia's economic isolation in the 1990s by Tbilisi (supported partially at the time by Moscow) has made it much harder for Georgians and the Abkhaz to follow the same route. Kyiv is in danger of making the same mistakes with its punitive economic measures against Crimea and non-government-controlled eastern Ukraine. The logic of the Abkhazia case suggests that these regions will seek to revive their economies by doing more business with Russia. Kyiv can also learn a great deal from the ease with which Chişinău, Nicosia, and Tbilisi (with less uptake from Abkhaz on the other side) handed out identification and other civil documents.

A MORE DYNAMIC INTERNATIONAL RESPONSE

The protracted status conflicts and the decades-long existence of de facto states put international actors, such as the EU, in a dilemma. Understandably, these actors value a strong bilateral relationship with the recognized states on a range of issues. Brussels's relationships with Georgia and Moldova have deepened in recent years thanks to Association Agreements and free trade arrangements.

International actors also work closely with the parent states on the conflicts, but they should not forget that they have their own intrinsic interests in resolving the conflicts, and that

these do not fully overlap with those of the parent states. As mediators they are committed to a fair solution that honors the concerns of both sides. As regional actors, they can see the conflicts in a broader perspective. The EU said as much, albeit briefly, in its European Neighborhood Policy review, published in 2015, declaring, "Protracted conflicts continue to hamper development in the region."[114]

> *International actors also work closely with the parent states on the conflicts, but they should not forget that they have their own intrinsic interests in resolving the conflicts.*

Actors such as the EU justifiably make a policy of nonrecognition the centerpiece of their policies in these conflict disputes. However, a wide spectrum of policy options is available within the framework of nonrecognition. If political will is present, there can be quite active engagement with nonrecognized entities. The EU provides a strong assistance program to Somaliland, for example, including for its elections. Taiwan is a member of the World Trade Organization, and the EU is its fourth-biggest trading partner. Several EU states that do not recognize Kosovo, such as Greece, maintain active political dialogue with it. These cases demonstrate the need for a typology of different kinds of nonrecognized entities and policies tailored to their specific circumstances.

In all acts of engagement, two issues worry policymakers in the parent states. The first is the fear that capacity building is state building by stealth and that investment in institutions and capacity only strengthens a de facto territory. This fear can only be addressed by a detailed and pragmatic approach. International actors have no interest in building up the capacity of security structures that can resort to force and be used against the parent state. However, it is hard to argue against extending assistance to the health or business sector. A better-educated, better-regulated, and healthier society on the other side of the conflict divide should be welcome, by any measure. If those standards and regulations are aligned with the EU rather than with Russia and Turkey, that creates more options for convergence with Georgia, Moldova, or the Republic of Cyprus in the future.

One test case for this kind of capacity building can be higher education. Much more direct assistance and engagement is needed on the ground to make a difference in students' lives. Currently, political constraints only allow the outside world to work with students in the unrecognized territories, not directly with universities. The fact that the universities in Sukhumi and Tiraspol have "state" in their titles and receive direct budgetary support from the de facto authorities complicates matters. Yet much of the day-to-day education of young people can fairly be considered as civil society work and should hardly be controversial. The 2018 agreement between Chișinău and Tiraspol on apostolization in Chișinău of Transdniestrian diplomas sets a good precedent for movement in this direction.

Engagement with the de facto authorities presents a broader challenge. Many in the parent states strongly oppose any cooperation with them on the grounds that this legitimizes illegitimate authorities. Currently, assistance programs funded by the EU or UNDP mostly target civil society or cultural organizations, businessmen, and farmers. This avoids dealing with de facto authorities. But the programs are based on the fiction that businessmen or civil activists exist in a virtual space without a state, recognized or not, or the policies set by a de facto government. That fiction is further stretched by the fact that international actors must negotiate actively with that government to be able to operate in the territory and that they meet those same government figures at conflict negotiations.

In this strange hall of mirrors, international donors often accept the logic that to get things done in a territory they must work with a de facto government but simultaneously declare that the partner is illegitimate. Thus in its 2012 assessment of the EU assistance program to northern Cyprus, the European Court of Auditors acknowledged, "More generally, the sustainability of projects is often in doubt due to limited administrative and financial capacity of the [Turkish Cypriot] authorities and their delayed adoption of relevant 'laws'." In other words, EU-funded projects were not working properly because of lack of support from a de facto government, which the EU was not supporting or financing.

Similarly, in its 2018 report on human trafficking in Cyprus, the U.S. Department of State detailed how serious the problem is in the north of the island:

> The "TRNC" is a destination for women from Central Asia, Eastern Europe, and Africa who are subjected to forced prostitution in nightclubs licensed and regulated by the Turkish Cypriot administration. Nightclubs provide a significant source of tax revenue for the Turkish Cypriot administration; media reports estimated nightclub owners pay between 20 and 30 million Turkish lira ($5.3 million and $7.9 million) in taxes annually. This presents a conflict of interest and a deterrent to increased political will to combat trafficking. Men and women are subjected to forced labor in industrial, construction, agriculture, domestic work, restaurant, and retail sectors. Victims of labor trafficking are controlled through debt bondage, threats of deportation, restriction of movement, and inhumane living and working conditions.[115]

To tackle this problem, the U.S. government made recommendations to the Turkish Cypriot authorities:

> Enact "legislation" prohibiting all forms of human trafficking; screen for human trafficking victims, including in nightclubs and pubs; increase transparency in the regulation of nightclubs and promote awareness among clients and the public about force, fraud, and coercion used to compel prostitution; provide funding to NGO shelters and care services for the protection of victims; investigate, prosecute, and convict "officials" complicit in trafficking; provide alternatives to deportation for victims of trafficking; and acknowledge and take steps to address conditions of forced labor, including among domestic workers.[116]

The upshot is that the United States makes pragmatic recommendations, such as advocating "legislation" (in quotation marks), to a government and parliament it neither recognizes nor funds and has no leverage over. It is an awkward acknowledgment that a working relationship with de facto authorities is required to deliver results.

RULES OF ENGAGEMENT

Given these inconsistencies, it makes sense to look anew at international policies toward these territories and draw up more practicable rules of engagement on how outside actors should act there. Each territory is very different. In an instance where the de facto authorities exercise strong internal sovereignty and are interested in international cooperation, it is logical to deal directly with them. Updated rules of engagement would make assistance programs more effective. They would also give the outside world more leverage.

This engagement is most effective if there is a physical presence on the ground. It is hard to influence a government and make policy recommendations from afar. Thus, the EU and other international organizations should establish some kind of liaison office in the unrecognized territories.

Ideas such as these are generally unpopular in the parent states and seen as rewarding separatism. It is important to stress that this engagement is not unconditional. It comes within a robust framework of nonrecognition and is designed to increase the leverage of international actors such as the EU. Engagement with a party who wants more respectability is also a two-way street. More international assistance can be provided on a give-and-take principle, contingent on cooperation with the de facto authorities over the shadier aspects of life in the territories. That means a representative on the ground could ask for cooperation on issues such as preventing human trafficking, handing over criminal suspects, and protecting minorities such as the Georgians in the Gali region in Abkhazia.

It is important to stress that this engagement is not unconditional. It comes within a robust framework of nonrecognition and is designed to increase the leverage of international actors such as the EU.

This combination of rewards and responsibility may lead some de facto states to reject an offer of greater international involvement. The EU, for example, and its message of nonrecognition is not always welcome in Abkhazia and Transdniestria. Such an offer is at least a pledge of seriousness. It sends a message that leaving the inhabitants of these territories in long-term limbo is neither just nor helpful, that it does not contribute to the resolution of the conflicts that still ruin thousands of lives.

International actors should consider implementing the following policy recommendations:

1. Devise more sophisticated rules of engagement for de facto territories within a framework of nonrecognition, based on their situation and openness to international cooperation.

2. Where appropriate, be prepared to engage more directly with de facto authorities on a give-and-take principle, offering more assistance in return for cooperation on issues of international concern, such as criminality, trafficking, and minority rights.

3. Look to establish a presence on the ground with representatives and status-neutral liaison offices to work more efficiently with people inside the territories.

4. Make higher education, including cooperation with higher education institutions, a priority.

5. (For the EU) In Abkhazia, work to reinvigorate the Non-Recognition and Engagement Policy by reviving proposals on mobility, trade, and education.

6. (For the EU) In Transdniestria, extend the economic assistance program for implementation of the Moldova DCFTA to the region.

7. (For the EU) In northern Cyprus, work to implement the three regulations unveiled in 2004 to promote development of the north of the island.

8. In northern Cyprus, start a much more ambitious program, in partnership with the de facto authorities and in coordination with the government of the Republic of Cyprus, to prepare the territory for the EU acquis, regardless of what happens in the negotiating process.

9. In eastern Ukraine, seek to keep economic linkages open with the non-government-controlled territories and lift the blockade; in addition, lobby for simplified procedures for giving Ukrainians civil documents in non-government-controlled territories.

Sukhumi, Abkhazia. The embankment by the Black Sea, with a poster of Abkhazia's wartime leader Vladislav Ardzinba.

(Photo courtesy of the author.)

UNCERTAIN GROUND THOMAS DE WAAL

NOTES

1   The author visited Abkhazia, Transdniestria, and northern Cyprus, as well as Tbilisi, Chişinău, and both sides of Nicosia. In Ukraine, he traveled only to Kyiv and to government-controlled areas in eastern Ukraine, not to non-government-controlled territories. Many thanks are due to Rustam Anchba, Eva Bounegru, Yeshim Harris, and Natalia Shapovalova for their assistance with these trips.

2   "Places That Don't Exist," BBC News, May 4, 2005, http://news.bbc.co.uk/1/hi/programmes/this_world/4491059.stm.

3   Giorgio Comai calls the de facto states "small dependent jurisdictions," noting commonalities with small recognized Pacific Island states that depend heavily on the United States to sustain themselves. See Giorgio Comai, "What Is the Effect of Non-recognition? The External Relations of De Facto States in the Post-Soviet Space" (dissertation, Dublin City University, Ireland, January 2018), http://doras.dcu.ie/22159/1/Comai-PhD.pdf.

4   "Eurobarometer: Life in the European Union," European Commission, May 2015, http://ec.europa.eu/commfrontoffice/publicopinion/archives/eb/eb83/eb83_fact_cy_en.pdf; and "Public Opinion Survey: Residents of Moldova," Centers for Insights in Survey Research, July 2018, https://www.iri.org/sites/default/files/2018-7-16_moldova_poll_presentation.pdf.

5   "NATTERR: Most Important National Issues – Territorial Integrity (%)," Caucasus Research Resource Center, June 2017, http://caucasusbarometer.org/en/nj2017ge/NATTERR/.

6   See "The De-Isolation of Abkhazia," International Alert, April 2011, https://www.international-alert.org/publications/de-isolation-abkhazia-en.

7   Rebecca Bryant and Mete Hatay, *De Facto Dreams: Building the So-Called State* (Philadelphia: University of Pennsylvania Press, forthcoming 2019).

8   Published by the U.S. Institute of Peace.

9   The terms "metropolitan state" or "base state" are also used to describe this category of state. Some in de facto states object to the word "parent" as implying a privileged relationship. But it is an objective fact that the parent states are the larger and recognized part of what was previously a shared state. Besides parents are not always nurturing and can sometimes be abusive.

10   James Crawford, *The Creation of States in International Law,* 2nd ed. (Oxford: Oxford University Press, 2007), 37. The most commonly accepted definitions of statehood are in the 1933 Montevideo Convention on the Rights and Duties of States. The de facto states usually meet three of the four criteria in the convention, "a permanent population," "a defined territory," and "government" but not the fourth, "a capacity to enter into relations with other States."

11   Interview with Thorbjørn Jagland, Ekho Moskvy radio, July 9, 2010. Russian transcript available at https://echo.msk.ru/programs/beseda/693726-echo/.

12   "Declaration of the Civil Society Regarding the Red Lines of the Transnistrian Settlement," Promo-LEX, August 21, 2016, https://promolex.md/2767-declaratia-societatii-civile-cu-privire-la-liniile-rosii-ale-reglementarii-transnistrene/?lang=en.

13   James Ker-Lindsay, "Engagement Without Recognition: The Limits of Diplomatic Interaction With Contested States," *International Affairs* 91, no. 2 (2015): 284.

14   This is not the case in eastern Ukraine, where the rebel authorities have executed many people for alleged drug dealing and other crimes. The de facto authorities in both Abkhazia and Transdniestria have cooperated on human rights reports, both of which have been authored by former Council of Europe human rights commissioner Thomas Hammarberg.

15   "Case of Loizidou v. Turkey," European Court of Human Rights, December 18, 1996, https://hudoc.echr.coe.int/eng#{%22dmdocnumber%22:[%22695884%22],%22item id%22:[%22001-58007%22]}.

16   "Case of Ilascu and Others v. Moldova and Russia," European Court of Human Rights, July 8, 2004, https://hudoc.echr.coe.int/eng#{%22docname%22:[%22Ilascu%22],%22item id%22:[%22001-61886%22]}.

17   "Recognition of States: The Consequences of Recognition or Non-recognition in UK and International Law," Chatham House, summary of the International Law Discussion Group meeting held on February 4, 2010, 13–14, https://www.chathamhouse.org/sites/default/files/field/field_document/Meeting%20Summary%20Recognition%20of%20States.pdf.

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