
Georgia's future: between Euro-Atlantic aspirations and geopolitical realities

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BACKGROUND

When Georgian President Mikheil Saakashvili came to power following Georgia's 2003 Rose Revolution, he quickly moved to align Georgia with the West, making Euro-Atlantic integration a priority. As president of a small country located in a particularly volatile neighbourhood, Saakashvili believed this was the only way to guarantee Georgia a secure, stable and prosperous future.

Almost ten years later, Georgia has strengthened ties with the EU and is currently negotiating an Association Agreement. It is also on track towards meeting NATO's membership criteria. However, unless a solution to Georgia's two protracted conflicts in South Ossetia and Abkhazia can be found, its Euro-Atlantic integration may flounder.

Besides the conflicts, Georgia faces many political and socio-economic challenges, including high levels of unemployment and poverty. European-style democracy remains some way off, with Saakashvili and his inner circle having maintained a tight grip over Georgia and its institutions for most of the past decade. Indeed, until Bidzina Ivanishvili's 'Georgian Dream' coalition appeared in 2011, Saakashvili faced little opposition. Meanwhile, relations with Russia remain frozen, not least as a consequence of the August 2008 Russia-Georgia war.

Today Georgia has reached a crossroads in its transformation, with parliamentary elections set to take place on 1 October 2012 representing a litmus test for democracy. Both the EU and NATO have tied Georgia's ability to carry out free and fair elections, in accordance with international standards, to further integration. Georgia has yet to carry out a peaceful handover, and these elections, as well as the pre-election period, are under close scrutiny by thousands of international monitors, including five

EU foreign ministers. Unfortunately, the eve of the elections has seen a significant increase in tension and violence, with fears it may explode.

A failed state is reborn

Since independence in 1991 Georgia has been beset by problems. The nationalist policy of the country's first president, Zviad Gamsakhurdia, ended in a bloody *coup d'état*, which was followed by almost four years of civil war and eventually resulted in the annexation and occupation of South Ossetia and Abkhazia. When Saakashvili ousted Eduard Shevardnadze in 2003, he inherited a broken country, rife with corruption and organised crime, with neighbours nervous of each other's activities.

Today the picture is mixed. Georgia has transformed itself from a failed state into a transitional country. Following the Rose Revolution, Saakashvili won the support of a number of EU allies, who pressed for Georgia's inclusion in the European Neighbourhood Policy (ENP). This support, combined with general Western anxiety about Russia's sphere of influence in the wake of the August 2008 war, was a key factor in launching the Eastern Partnership (EaP), in which Georgia is included. Yet, it is a misconception that the EU only turned towards the South Caucasus after the Rose Revolution. The EU had become increasingly interested in the region prior to this, in relation to energy security issues.

Tbilisi also signed up for NATO membership. At the 2008 NATO Summit in Bucharest, allied heads of state and government stated that Georgia would become a member of NATO. The alliance reconfirmed this commitment most recently at the 2012 Chicago summit. Tbilisi has been praised by the Euro-Atlantic institutions and international organisations such as

the World Bank for its rapid economic and political transformation. This was the result of a decade of Saakashvili's revolutionary approach, which has seen the formation of one of the youngest governments in the world and recorded a significant number of successes in a short period of time, including in the fight against organised crime and corruption, reducing cronyism, cleaning up the business climate, building a market-based economy, and simplifying tax structures.

Georgia's shift away from the Soviet mentality, not only with regard to corruption but across every sector of development, has also been a considerable achievement. Georgia is the first country in the post-Soviet space that has destroyed the myth that corruption is a cultural disease. In 2011, Georgia was ranked 64th out of 158 by Transparency International's Corruption Perceptions Index, a considerable leap from 133rd position in 2004.

However, state-building is not democracy-building, and Georgia's modernisation successes have not been matched by democratisation. According to Freedom House, levels of democracy remain at a similar level to ten years ago. Since 2004 all branches of power have been dominated by Saakashvili's UNM party, and in 2007 Saakashvili came under fire after having used tear gas and rubber bullets to repress political opposition. He has also been slow to implement many of the reforms he championed while he was a minister under Shevardnadze. Since 2011 there has been growing unrest, with Saakashvili coming under increasing scrutiny from opposition partners and former government officials, many of whom jumped off the 'Saakashvili ship' accusing him of using the same type of authoritarian tactics that triggered the 2003 popular uprising. The government claims this system

was necessary in order to pass and implement important reforms. Moreover, Georgia's civil society rankings have slipped since the Rose Revolution, while public trust in the media and political parties is low.

While early on Saakashvili peacefully defused a crisis in the province of Adjara, forcing the pro-Russian leader to resign, he failed to repeat this success in South Ossetia and Abkhazia. The 2008 war with Russia exacerbated the problem, making a solution more difficult to find than ever and leaving some 20 percent of Georgia occupied, while around 300,000 persons remain displaced. While Russia may have been provoking Georgia for months, not least as a consequence of Saakashvili's push for NATO membership, the EU-mandated independent fact-finding mission report published in 2009 revealed that Georgia opened fire first on Ossetian irregulars, triggering Russia's tough response. Some EU leaders and local opposition forces in Georgia believe this was Georgia's biggest mistake. It showed that despite Georgia's close ties with the US, Washington was not willing to help Tbilisi. It acted as a wake-up call, showing that perhaps the White House had been 'over the top' in its support of Saakashvili. Consequently, Saakashvili's image sunk from having been considered a credible leader to being seen as a loose cannon. While he may have regained support at home, he has never been able to fully reverse the impact of his actions in the West. The six-point ceasefire agreement, which then-French President Nicolas Sarkozy negotiated with Moscow, remains only partially implemented. Since its decision to recognise the two breakaway regions, Moscow has moved to significantly increase its military presence in Abkhazia and South Ossetia with some 10,000 Russian military and security personnel and over 700 armed vehicles.

STATE OF PLAY

EU-Georgia relations

In Saakashvili's inauguration speech in 2003, he underlined Georgia's desire to take its place in the European family. Georgia has been an enthusiastic and proactive partner, with many of Saakashvili's closest advisors coming from the EU, particularly France. The EU has welcomed this approach and has labelled Georgia (along with Moldova) a front-runner in the EaP. With the EaP still failing to produce a genuine success story, it is not surprising that Tbilisi's efforts have been so positively flagged. Georgia is currently negotiating an Association Agreement with the EU - including a comprehensive free-trade area (DCFTA) which once implemented will significantly deepen economic and political ties. Negotiations are due to be concluded next year. Another goal is to table a Visa Liberalisation Action Plan by the end of 2012. Still, the EU remains concerned that Georgia's government is characterised by a dominant executive

branch, weak parliamentary oversight, and an insufficiently independent judiciary.

The EU is a co-chair in the Geneva Process (GP) peace talks and also has a security presence through the EU Monitoring Mission (EUMM). Since the UN and OSCE mandates failed to be renewed due to Russian opposition, the EU is the only security actor on the ground. Moreover, the EU has no access to South Ossetia or Abkhazia, and is only able to patrol the Georgian side of the occupation lines. The Russian military has cut all communication with the EUMM and has declared the mission's head *persona non grata* in the occupied territories. The role and function of EU Special Representative in the South Caucasus is also a problem. While his mandate enables him to be active in the peace process, this has not been realised.

The EU would like to engage (without recognising) South Ossetia and Abkhazia. It believes isolation is

unconstructive because it makes the regions more dependent on Russia. It hopes that through Georgia's EU integration process, the country will become more attractive to the South Ossetian and Abkhazian populations, but this could prove difficult, since Tbilisi's military action weakened trust. If the Georgian government had pushed 'engagement without recognition' before 2008, it may have had a greater chance of success than it does today.

The Russian factor

Georgia's acrimonious relationship with Moscow continues to influence Euro-Atlantic integration, particularly NATO. Needing to collaborate with Russia on bigger international issues such as Iran or Afghanistan, the West does not want to fall out with Moscow over Georgia. This explains the cursory effort it has made to insist that Moscow implements the ceasefire agreement.

While relations with the Kremlin remain close to frozen and are likely to remain that way until Saakashvili leaves office, Georgia has lifted its visa regime for Russian citizens and has pledged the "non-use of force", something that Russia has not reciprocated. Ironically, Tbilisi takes pride in believing that Georgia is Russia's greatest "enemy" after the US. This affirmative brand of Russophobia is wholly unconstructive and harms foreign policy. If anti-Russian rhetoric becomes the main instrument for boosting Georgia's international legitimacy, the opportunities to normalise relations with Moscow will become increasingly narrow.

Strengthening ties with NATO

Georgia's relations with NATO continue to be strengthened. NATO Secretary-General Anders Fogh Rasmussen described Georgia as "a model partner" during his recent visit in September 2012. Georgia has been very active in NATO-led operations, contributing to the International Security Assistance Force (ISAF) in Afghanistan, and will shortly become the largest non-NATO troop-sending nation there, contributing almost 1,700 troops. Georgia has also promised to be part of a new NATO-led mission after 2014 to train, advise and assist Afghan security forces. Georgia's willingness to participate "without caveats" comes at a time when most allies want to reduce their military presence in Afghanistan, and has bolstered Georgia's value to the Alliance. What's more, it has given Georgia the

opportunity to show that it is not just a problem, but can also help solve problems.

NATO has welcomed Georgia's progress on defence reform, institution-building and democracy, with the country now on a par with Bosnia Herzegovina, and miles ahead of neighbouring Azerbaijan and Armenia. The Chicago Summit gave Georgia a significant boost, as US Secretary of State Hillary Clinton referred to the next summit as an enlargement summit. After Russian objections had prevented Georgia from receiving a Membership Action Plan (MAP) in 2008, the NATO-Georgia Commission (NGC) was established as an alternative. However, Georgia's "territorial integrity" will remain a stumbling block. The recent fighting that took place on Georgia's eastern border with the Russian Republic of Dagestan, the worst incident on the Georgia-Russia border since 2008, underlined the fragile security situation.

Parliamentary elections

The parliamentary elections and subsequent 2013 presidential elections represent a crucial test for Georgian democracy and deeper Euro-Atlantic integration. The outcome is also significant due to changes to the Georgian constitution that will come into force after the 2013 presidential election, transforming Georgia from semi-presidential governance into a parliamentary model. This should pave the way for a greater level of democracy, subjecting the executive to a more comprehensive system of checks and balances.

A year ago, an easy victory for the UMN was anticipated. Everything was shaken up when billionaire businessman Bidzina Ivanishvili and his 'Georgian Dream' coalition entered the fray. While Ivanishvili also declares Euro-Atlantic integration a priority, he has also said it should be based on realpolitik, bringing an end to geopolitical games. The UMN considers this approach to be a pro-Russian strategy. Either way, for the first time Saakashvili now has a serious competitor. Shortly thereafter, he stripped Ivanishvili of his Georgian nationality on the grounds that Georgian citizens may not hold dual nationality. This incident laid the foundations for war between the two, and the run-up to the elections has been marred by acrimonious actions and mutual recriminations. The recent release of a series of graphic videos showing prison guards brutally beating and raping prisoners in Georgia's penitentiary system has added to tensions and triggered violence in the streets.

PROSPECTS

While Georgia still has a long way to go in terms of its democratic development, it is on the right track. Many challenges remain, including the consolidation of democracy, spreading the benefits of economic growth, and achieving broader social inclusion of

marginalised groups, all of which are crucial for the sustainable development of Georgian society.

The next two years may determine whether Georgia continues on its path towards democracy and

liberalisation, or whether everything that has been achieved so far will begin to unravel. The outcome of the elections will be the first test. What happens in the aftermath of the election is as important as the pre-election period. Will the result be unnecessarily disputed and, once the new parliament has been formed, will lawmakers be able to work together in a constructive manner? Georgia needs a healthy multi-party system that demonstrates respect for political pluralism. To forge a broader consensus on policy towards Georgia, the current authorities must do their utmost to secure the democratic transfer of power. Georgia's failure to do this would have an immediate negative impact on its relations with NATO and the EU.

If Georgia delivers, then the EU needs to demonstrate that it is true to its "more for more approach": which has not always been the case. For example, when Georgia signed a readmission agreement with the EU, some member states toughened their visa requirements. Speeding up the visa liberalisation process would be a significant symbolic gesture.

The EU has acknowledged Georgia's European choice, even if EaP countries do not have a clear membership perspective. Georgia needs to remain realistic in this respect. It must understand that a step-by-step approach of intensifying relations with the EU in as many different areas as possible will be the best way to advance its integration aspirations. However, one day the EU will ultimately have to decide whether or not EaP countries have a future as full members of the EU. There are clearly serious implications of this, including related to Russia. Yet presently, for Georgia, the biggest obstacle remains its two unresolved conflicts. With the bitter legacy of Cyprus, the EU is unlikely to repeat similar mistakes again.

If Georgia fails to conduct free and fair elections, or if the post-election period is marred by violence, the EU will need to take a 'tough love' stance, making it clear that unless there is a considerable improvement in the 2013 presidential elections, signature of the Association Agreement and the DCFTA could be jeopardized, in line with Brussels's policy towards Ukraine. There should be no preferential treatment, despite political alignments such as that between the European People's Party and the UNM.

The situation is slightly different with NATO, because an explicit membership commitment has been made. Yet there can be no doubt that the unresolved conflicts will continue to be an obstacle, despite their resolution never having been a precondition of membership. The 'Article 5' issue is a significant concern although

Georgian officials have said they would be happy to accept a NATO membership arrangement or compromise that excludes the two occupied territories from NATO's Article 5 security guarantee. Another way forward could be to somehow delink NATO membership from Georgia's territorial integrity, including by restructuring and rethinking the present palliative peace process. The current situation only serves to make both issues unsolvable. Yet this would probably only be feasible if there were a change of approach from both Tbilisi and Moscow, which seems unlikely under the present leadership.

Moreover, it would be damaging for Georgia's future development if Tbilisi were to see NATO membership merely as a security umbrella. The 2008 war demonstrated that the use of force is not the solution, and that what Georgia needs in the short term is more EU assistance rather than NATO backing.

Georgia's strategy towards resolving the conflicts must increasingly focus on soft measures, pursuing a more effective engagement policy and a constructive approach of encouraging trade, travel and investment across the Administrative Boundary Line. One positive example came in July 2011, when the government gave 'neutral status' passports to Ossetians and Abkhazians for travel to the West. Only a handful of EU member states supported this action, while the US declared its full support in July 2012 when Secretary of State Hillary Clinton visited the country. A unified approach by the EU is required.

Georgia has failed to make provisions for the possibility that it may never be part of the Euro-Atlantic institutions. This is a mistake, because while Georgia has many supporters in the West, there are also many sceptics. Further efforts to open lines of communication with Moscow should be made, if only for pragmatic reasons. That in itself would make Georgia more 'palatable' for both the EU and NATO. The EU and NATO should also be more explicit regarding what the continuing unresolved conflicts mean for Georgia's Euro-Atlantic aspirations. Meanwhile, Georgia's leadership should be realistic in its expectations and communicate this to the Georgian public accordingly.

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The South Caucasus is a key focus in the EPC's Eastern Promises Project, which looks at developments in the EU's Eastern Neighbourhood.

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