GEORGIA UPDATE

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President Saakashvili marked Georgia's independence day by visiting a military cemetery and meeting the widows of some of the fallen from last August's invasion of Georgia by Russia. "With one hand, Georgia continues its struggle for full liberation, and with the other we are building our country—because we will respect our fallen heroes most of all by building a successful, democratic, European Georgia," he said.

INTERNATIONAL MEDIA ON GEORGIA

RFE/RL: Ex-European Union Ambassador Says "Evidence Mounting" of New Russian Offensive in Georgia

NEW YORK TIMES: Abkhazia Remains Wary of Russian Backers

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DAILY TELEGRAPH: Alternative Eurovision in Tbilisi

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DAILY TELEGRAPH: Kremlin faces opposition challenge in S. Ossetia

OPEN DEMOCRACY: Georgia on the Brink-Again

QUOTES OF THE WEEK

"We will accomplish this deed to build a successful and united Georgia and this will be the major response to aggression, to any invasion and any attempts to destroy us."

—President Saakashvili on Independence Day

"If Russia decides it can risk another adventure here this summer, there would of course be outrage in the international community, there would be enormous protests, and all that. But Russia must realize in advance that they would pay a higher price than what they had to pay for last August's tragic events in South Ossetia."

—Denis Corboy, former EU ambassador to Georgia, on why he and other diplomats are speaking out about Russia military buildup in Georgia

UPCOMING MILESTONES

Jun. 1-4: Defense Minister Sikhuralidze visits Washington

Jun. 30: OSCE's monitoring mandate in Georgia expires

Jul. 1: Sweden takes over EU Presidency

Jul. 1: Next round of Geneva peace talks

Jul. 6-8: President Obama visits Russia

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TOP STORIES

As Moderate Opposition Emerges, Prospects for Dialogue and Reforms Brighten; Patriarch Calls for Talks

The opposition coalition that backed the recent demonstrations in Tbilisi has splintered. Moderate opposition voices are calling for dialogue with the Government, while more radical elements continue to focus only on ousting President Saakashvili. On Wednesday, Irakli Alasania—a former UN ambassador and a leading opposition figure—announced he could not support permanent protests and favored dialogue with the Government instead. Georgia's widely respected Patriarch, Ilia II, also called for talks: "It has become a rule in Georgia—the first two presidents were ousted, and what did we get from that?," he told an opposition gathering. "Would it not be better to listen to each other? We should be able to listen to each other."

CIVIL GEORGIA: Alasania Says to Proceed With Own Plan CIVIL GEORGIA: Church Leader: Give Up Categorical Thinking

Georgia Pushes for Robust UN Mandate, Critical of Secretary General's Report

As the deadline for renewing the UN's observer mission in Georgia approaches, the Government has raised serious concerns about the Secretary General's report on the mission. The SG's report undermines Georgia's sovereignty and territorial integrity and legitimates Russia's attempts to legalize its occupation. Also, by downgrading the importance of enforcing the Sarkozy ceasefire agreement, the report subverts the document that must form the basis of security in Georgia. Georgia is insisting on a well-resourced mission that is comprehensive, with strong policing, human rights, and monitoring elements.

<u>DEUTSCHE PRESSE AGENTUR: UN says Russia's troops,</u> <u>weapons violate ceasefire in Georgia proper</u>

Russia to Conduct Large-Scale War Games in Caucasus, Echoing Prelude to 2008 Invasion

Signs of Russian preparations for military aggression in the Caucasus are mounting. Moscow has deployed T-90 tanks armed with missile launchers to its forces in the occupied regions of Abkhazia and S. Ossetia, where approximately 10,000 troops are currently stationed. The 58th Army, which spearheaded the invasion of Georgia last August, has procured six new Mi-28N Night Hunter attack helicopters. And last week, perhaps most ominously, Russia said it will stage the "Kavkaz-2009" military maneuvers, its biggest exercises since the breakup of the Soviet Union, in the Caucasus region near the Georgian border in June.

RUSSIA TODAY: Russia to conduct large-scale war games

Opposition Picks Chair of Constitutional Reform Commission

An important step forward was made in the Government's proposed democratic agenda, when the Parliamentary minority this week nominated Avtandil Demetrashvili to chair the commission on constitutional reform. Demetrashvili, a former Chairman of Georgia's Constitutional Court, said that he was in favor of "a balanced system, which will rule out usurpation of power by any branches of the government." Parliamentary Chairman Bakradze applauded the nomination. "I welcome the readiness of the parliamentary opposition to take an active part in setting up the constitutional commission. I hope that there will be a constructive approach from the non-parliamentary opposition towards this extremely important issue as well."

<u>CIVIL GEORGIA: Constitutional Reform Commission Chair</u> Nominated

Georgia Woos Investment from the Arab World

Lured by the business-friendly climate and transparent governance, Middle Eastern investors continue to flock to Georgia, eagerly seeking a high-quality work force, fast-expanding markets, and cheaper trade routes. Egyptian manufacturer Fresh Georgia is investing \$100 million to develop a free industrial zone in the central Georgian city of Kutaisi. The project follows on the heels of a string of mega-million-dollar investments made by companies based in the United Arab Emirates.

EURASIANET: Georgia woos investment form the Arab world



In a stunning photo essay featuring the Georgian capital of Tbilisi, the *New York Times* offers stunning insights into the city. "Unscarred by the recent war with Russia," the *Times* writes, "it seems only a matter of time before Tbilisi, Georgia, a place known for its pungent cheeses, flavorful wine and pro-American people, becomes a tourist draw on par with St. Petersburg or Moscow.

See the New York Times photo essay by clicking here

www.georgiaupdate.gov.ge

INTERNATIONAL MEDIA ON GEORGIA

RFE/RL: Ex-European Union Ambassador Says "Evidence Mounting" of New Russian Offensive in Georgia

Denis Corboy, the EU's former ambassador to Georgia, argues that the West must heed the warning signs of impending conflict in Georgia. "The evidence is mounting. You're aware, of course, of the Russian army being on the border of Abkhazia and S. Ossetia. But if you look at the hardware they have, it's not border-keeping hardware, it's more war hardware," he explains. "The future of the Georgian state is in grave danger; the US and EU must find a way to give Georgia more security." www.rferl.org

NYT: Abkhazia Remains Wary of Russian Backers

Abkhaz residents remain wary of Russian backers and their mounting control. Although Sergei Bagapsh, Abkhazia's de facto leader, has been adamant about maintaining a "multivector" foreign policy, ties to the West are fraying badly over the policy of non-recognition and could decline further if the UNOMIG mission is not extended. Increasing Russian interest in Abkhazia's industries, real estate, and territory worry domestic critics of the region's dependence on Russian money. www.nytimes.com

EURASIANET: Caspian Basin–Which Way Is Up for Regional Energy Development?

The race to develop the energy-rich Caspian has intensified as Russia pushes the South Stream pipeline forward. A pact between Russia and several southeast European countries appears to give South Stream a commanding lead over the rival, US-backed Nabucco in the race to deliver Caspian natural gas to Europe. However, greater clarity on the politics and economics of the pipelines projects is needed before the real winners and losers can be determined.

www.eurasianet.org

DAILY TELEGRAPH: Alternative Eurovision in Tbilisi

Just because Georgia was out of Eurovision did not mean that the matter was forgotten. Far from it. Tbilisi launched the Open Air Alter Vision, a three-day music festival that hosted 24 bands from all over the world—including Russia. Similar to Eurovision save the competitive element, Alter Vision had a whiff of something wonderfully alien to Eurovision...a touch of class blogs.telegraph.co.uk

BALTIC TIMES: Lithuania deepens support for Georgia

Georgia has found another helping hand in the Baltics. Lithuania has consolidated its position as one of the most vocal EU supporters for diplomatic and humanitarian assistance to Georgia and has ardently supported Georgia's territorial integrity. In the wake of Russia's invasion, Lithuania has sent several relief packages, humanitarian aid, and has shown widespread public support for Georgia.

www.baltictimes.com

NEW YORK TIMES: The Rights Stuff

Washington is in the throes of an increasingly self-indulgent debate about whether promoting human rights and democracy should play a central role in U.S. foreign policy. Let's engage Russia and Iran. It's already happening anyway. But engagement cannot be merely a cover for big business or an excuse to appease. An acquaintance in Berlin told me that Germans felt for plucky Georgia, but no one was going to risk a cold winter just because Russia had invaded. This sort of thinking is becoming commonplace in many circles. It is not exactly the West at its best. www.nytimes.com

DAILY TELEGRAPH: Kremlin faces challenge in S. Ossetia

A coalition of powerful politicians have accused S. Ossetia's de facto leader Kokoity of turning territory into a corrupt, lawless dictatorship. The crisis is deeply embarrassing for Moscow. European diplomats have privately voiced fears that a recent Russian decision to take control of S. Ossetia's borders at a time of mounting internal instability in Georgia could spark a new war. www.telegraph.co.uk

OPEN DEMOCRACY: Georgia on the Brink-Again

A bizarre standoff between the Georgian government and the country's increasingly desperate extra-parliamentary opposition continues. Although the opposition can bring out a couple of thousand supporters, they have failed dismally in their stated aim and continue to disrupt economic activity. More dangerously, their daily presence ensures that the city remains a cauldron of tension. www.opendemocracy.net

THINK TANKS/NGOs

CENTER FOR AMERICAN PROGRESS: Beyond the "Reset Button"—A Strategy for U.S. Russia Policy

Obama must have more than a "reset button" to make real progress with Russia. The U.S. must reject Russia's notion of "spheres of privileged interests" and demonstrate a commitment to creating a more secure environment in the Caucasus and beyond. A successful policy upholds sovereignty and territorial integrity, and prevents more subtle threats to Russia's neighbors.

www.americanprogress.org

WEBSITES @ GEORGIA

Civil Georgia: Leading independent English-language news website: www.civil.ge

Georgia Update: Official government information service: www.georgiaupdate.gov.ge

Georgian Foundation for Strategic and International Studies:

Leading NGO focusing on domestic, foreign policy: www.gfsis.org

 $\textbf{Georgian Mission to NATO:}\ embassy.mfa.gov.ge$

Georgian Parliament: www.parliament.ge

Government of Georgia: www.government.gov.ge/eng **Tbilisi:** Official website of Georgia's capital: www.tbilisi.gov.ge

Ministry of Foreign Affairs: www.mfa.gov.ge

National Investment Agency: www.investgeorgia.org

President Saakashvili's official website: www.president.gov.ge