

GEORGIA UPDATE

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TOP STORIES

- US to Assist Georgia in Defense Modernization, NATO Effort; Criticizes Russia's Failure to Comply With Ceasefire
- IMF Applauds New Georgian Economic Plan, Says Will Increase Investor Confidence
- EU Announces New Macroeconomic Aid Plan for Georgia
- Council of Europe Praises Georgia's Efforts on Minorities, Highlights Work to Be Done
- Parliamentary Minority to Participate in Selection of Board Members for Georgian Public Television
- New American Ambassador Takes Up Duties in Tbilisi



President Saakashvili and other senior officials met this week with US Assistant Defense Secretary Vershbow, who reassured Georgia of America's support for the country's defense modernization and its eventual entry into NATO. On Thursday, speaking at a conference in Slovenia, Vershbow said last year's invasion of Georgia by Russia had made it essential for NATO to reinforce its commitment to mutual defense. "The bottom line for me and my government is that this is an important priority, made all the more urgent in the wake of the anxieties aroused by August 2008, and we want to see that the Article 5 guarantee is meaningful for all members of the alliance," Vershbow said. "NATO has to fulfill its pledges if it wants to remain relevant in the future."

INTERNATIONAL MEDIA ON GEORGIA

THE GUARDIAN: Svante Cornell "A damning verdict on Russia"

THE TIMES: We must take a stand against Russian aggression

TIME: The world according to Misha

AGENCE FRANCE PRESSE: US will support Georgian military—Clinton

REUTERS: Georgia's economy to contract 5.5 pct in '09-EBRD

GUARDIAN WEEKLY: Georgia—The war goes on for internally displaced women

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THE TELEGRAPH: Grand gestures by America will not secure Russia's goodwill

NEW YORK TIMES: Russia gas pipeline heightens east Europe's fears

QUOTES OF THE WEEK

"We are working together with our Georgian friends on a long-term program of assistance to Georgia's efforts to carry out its defense reforms and defense modernization and to ultimately improve its candidacy as a prospective member of NATO."

"We discussed these issues with Russia. We are also trying to find ways to put international eyes and ears, an international presence, back into the occupied territories in order to contribute to a de-escalation of tensions," he said.

—US Assistant Defense Secretary Vershbow during a visit to Tbilisi

"The strength of Georgia's democracy is not a small thing; it is the only thing. If a pro-Western liberal democracy can thrive on Russia's southern border, other struggling former Soviet republics might follow suit. And since the Caucasus region is a key route for getting Central Asian oil and gas to Western markets without going through Russia, Georgia could help lessen the West's dependence on Russian energy."

—President Saakashvili in Time Magazine

UPCOMING MILESTONES

Oct. 23-24: NSC Secretary Tkeshelashvili attends Riga Conference 2009, "Economic Recovery in a Changing Security Environment: Transatlantic Agenda 2010"

Oct. 26: EU-Georgia Cooperation Council Meeting in Luxembourg

Oct. 27: FM Vashadze visits Brussels

Oct. 27: CoE Georgia Cooperation Council meeting in France

Oct.: Vice Premier Baramidze visits France.

Nov. 11: Eighth-round of Geneva peace-talks

Nov. 23: Sixth anniversary of Rose Revolution

Dec. 1-2: OSCE Ministerial in Athens

TOP STORIES

US Will Assist Georgia in Self-Defense, Criticizes Russia's Failure to Comply With Ceasefire

Russia is not complying with the cease-fire that ended last year's war with Georgia, US Assistant Defense Secretary Vershbow said Tuesday, adding that Washington wants international observers in Russian-controlled territories. "We do have concerns about the lack of full compliance by Russia with some elements of the August 2008 cease-fire agreement," Vershbow said after meeting with Georgian officials. "We discussed these issues with Russia. We are also trying to find ways to put international eyes and ears, an international presence, back into the occupied territories in order to contribute to a de-escalation of tensions," he said.

Vershbow, echoing comments made last week by Hillary Clinton, said the US would help Georgia rebuild its defences. "We are working together with our Georgian friends on a long-term program of assistance to Georgia's efforts to carry out its defense reforms and defense modernization and to ultimately improve its candidacy as a prospective member of NATO," he said. The sides also discussed Georgian defense reform, the country's contributions to NATO operations in Afghanistan, and regional security issues. Vershbow's visit came under the auspices of the U.S.-Georgia Charter on Strategic Partnership. Four Charter-related working groups have been formed, focusing on democracy, security, economic development, and engagement between Georgians and Americans. The parties agreed that US will continue to assist Georgia in self-defense exercises.

[AP: US says Russia not complying with Georgia war truce](#)

IMF Applauds New Georgian Economic Plan, Says Will Increase Investor Confidence

President Saakashvili's plan to cap government spending, budget deficits, and state debt will boost investor confidence in Georgia, says the International Monetary Fund. Saakashvili's proposed Economic Liberty Act "will reinforce the government's credibility and have a positive impact on investment," said a senior IMF resident representative. In addition to spending and debt caps, Saakashvili called for referenda for tax changes and a ban on creating new regulatory agencies, aiming to promote a leaner government. His proposals must be approved by parliament prior to implementation.

[BLOOMBERG: IMF Says Georgian Spending Cap Will Boost Investor Confidence](#)

EU Announces New Macroeconomic Aid Plan for Georgia

The European Commission last week proposed providing €46 million in macroeconomic assistance to Georgia. The assistance is part of an EU package that allocates up to €500 million to help revitalize the Georgian economy after Russia's invasion last year. It will also support an IMF adjustment program, the Commission said. The proposals must be formally approved by the 27 EU states.

[REUTERS: EU proposes new macroeconomic help for Armenia, Georgia](#)

Council of Europe Praises Georgia's Efforts on Minorities, Highlights Work to Be Done

The Council of Europe's committee on the protection of national minorities (FCNM) praised Georgia's efforts on integrating ethnic minorities, noting also that more work needs to be done. In a newly published report, the Advisory Committee noted with "satisfaction" that the Georgian government had stressed the need to promote tolerance and integration, and expressed hopes that the "Concept on Tolerance and Civil Integration" will be effectively implemented. "Protecting the linguistic rights of persons belonging to national minorities is a major challenge," the report said. Amid the considerable progress, additional effort must be made on educational reform and religious freedom and tolerance to adequately protect minority rights and civil liberties.

[CIVIL GEORIGIA: CoE report on national minorities in Georgia](#)

Parliamentary Minority to Participate in Selection of Board Members for Georgian Public Television

Georgia's parliamentary minority will join majority lawmakers to select candidates competing for seven vacant seats in Georgia's public TV governing board. "All those parties who expressed interest and took part in the process of political consultations will be able to participate in the process of selecting candidates," said Parliament Chairman Bakradze. Although invited to attend, most of the non-parliamentary opposition parties refused to participate in the selection process. Last month, the parliament voted to increase the number of seats on the public broadcaster's board from 9 to 15 in an effort to give the opposition an opportunity to endorse their candidates running for board positions.

[CIVIL GEORGIA: Parliamentary Minority to Have a Say in Filling Public TV Board's Vacant Seats](#)

New American Ambassador Takes Up Duties in Tbilisi

America's new ambassador to Georgia, John R. Bass, presented his credentials to President Saakashvili last week. A seasoned diplomat, Ambassador Bass has led the Provincial Reconstruction Team in Baghdad and served as Director of the State Department Operations Center for three years, coordinating the State Department's response to crises threatening American embassies, personnel and citizens. Bass, who replaced John Tefft, also has served in Italy, Belgium, and Chad; his other assignments at the State Department included work on Turkey, Cyprus, NATO-Russia relations, and conventional arms reductions in Europe.

[THE GEORGIAN TIMES: New U.S. Ambassador takes Office](#)



The office of President Saakashvili was taken over on Monday by Hollywood: Andy Garcia, seen here, will play the Georgian President in a film provisionally titled "Georgia," which will tell the story of last year's war. Reni Harlin, whose movies include the blockbuster Die Hard 2, will direct. "I am from a small country myself — I am from Finland originally — so I know what kind of things small countries can sometimes go through," Harlin said in an interview. "These kind of wars are fought around the world from Africa to Asia to South America. Georgia is just one example. I think it is a great opportunity to tell the universal story that touches a lot of people around the world."

[AP: Hollywood film recreates Russia-Georgia war](#)

INTERNATIONAL MEDIA ON GEORGIA

THE GUARDIAN: Svante Cornell "A damning verdict on Russia"

Anyone who bothers to read the text of the EU-sponsored war report will find that the commission apportions an overwhelming part of the responsibility of the conflict on the Russian government. In fact, it rejects practically every item in the Russian narrative of the conflict. The EU report finds that because Russia's distribution of passports to Abkhazians and Ossetians in the years prior to the war was illegal, its rationale of rescuing its citizens is invalid as they simply were not legally Russian citizens. In sum, the official EU inquiry found that none of Russia's various justifications for its invasion of Georgia held water, and faults Russia's behavior following the conflict, as it continues to be in material breach of the EU-negotiated ceasefire agreement.

www.guardian.co.uk

THE TIMES: We must take a stand against Russian aggression

There is something missing in the debate that followed the publication of the EU-commissioned report on Russia's invasion of Georgia last year, writes former Estonian FM Laar last week. The report confirms that Georgia was enduring continuous bombings by Russian-backed militia, while regular Russian forces were crossing their borders. In front of a similar danger, what would have been the response of governments in France, Germany, the UK or any other sovereign and responsible country? The fact-finding commission, of course, could not even ask, let alone answer, this question.

www.timesonline.co.uk

TIME: The world according to Misha

The strength of Georgia's democracy is not a small thing; it is the only thing. If a pro-Western liberal democracy can thrive on Russia's southern border, other struggling former Soviet republics might follow suit. And since the Caucasus region is a key route for getting Central Asian oil and gas to Western markets without going through Russia, Georgia could help lessen the West's dependence on Russian energy.

www.time.com

AFP: US will support Georgian military—Clinton

The US will continue to support and train Georgia's military despite Russian objections, US Secretary of State Clinton said last week. "Georgia is providing troops in Afghanistan and we are training troops to be able to go to Afghanistan," Clinton told the Echo of Moscow radio. "We will help the Georgian people to feel like they can protect themselves," she added.

www.google.com

REUTERS: Georgia's economy to contract 5.5 pct in '09-EBRD

Georgia's economy is expected to fall 5.5% in 2009, although a possible return of foreign investment may result in a 2% growth in 2010, the European Bank for Reconstruction and Development (EBRD) said last week. The Georgian economy shrank 8.5% in the first half of 2009, but the government expects that a better performance in the second half will ensure that full-year contraction does not exceed 4%. "Recovery in 2010 will be slow and depends on the return of foreign private capital and resumption of bank lending, which is constrained by large non-performing loans," said a lead EBRD economist.

www.cnbc.com

NEW YORK TIMES: Russia pipeline heightens E. Europe's fears

With an ambitious new pipeline planned to run along the bed of the Baltic Sea, the Gazprom is driving a political wedge between eastern and western Europe. While the Russian-German pipeline offers clear energy benefits to western Europe, central and eastern European leaders fear it could lead to a new era of gas-leveraged Russian domination of the former Soviet bloc. With its gas wealth and eyebrow-raising network of personal ties, Russia has divided members of the EU that have vowed to act collectively to protect their security.

www.nytimes.com

GUARDIAN WEEKLY: Georgia—The war goes on for internally displaced women

The real victims of the Russian-Georgian war are the women attempting to hold war-torn families together. The specter of further violence and the minefields of unexploded bombs mean that 20,000 Georgian people cannot go home. "We had 100 sheep and 18 cows, I rode my horse every day. Home was a paradise," said one internally displaced Georgian. For the foreseeable future, in cheerless Soviet blocks and decaying government buildings throughout the country, these resilient women will continue to hold their fragile families together.

www.guardianweekly.co.uk

IRISH TIMES: Georgia takes cold comfort from Clinton as Russia talks in more bellicose terms

On a visit to the Pankisi Gorge two months ago, a correspondent found no evidence that it was harboring militants from Chechnya, Ingushetia, or Dagestan, contrary to Russia's bellicose accusations. Rather it was full of Georgians who believed Russia would use the chimera of fugitive rebels to attack the gorge, and launch another conflict, which Georgia could not hope to win. In fact, many Georgians, and some regional analysts, believe the hawks around PM Putin may seek another small, victorious war to distract public attention from rising unemployment and deepening poverty caused by a recession. With Russia struggling to handle its own regions in the Caucasus, and looking for someone to blame for its failings there, Georgia would have hoped for bolder words from its strongest ally, as it strives to recover from one war and steer clear.

www.irishtimes.com

THE TELEGRAPH: Grand gestures by America will not secure Russia's goodwill

The EU's report on the causes of last year's Russian-Georgian war provides a disturbing insight into Moscow's bullying tactics. The war investigators found that Russia provided anti-Georgian rebels with military training and equipment, as well as giving them Russian passports. Their report concludes that none of Russia's various reasons for invading Georgian territory—including Moscow's allegations that the Georgians committed genocide—were justified. Moscow launched its invasion because it regards the southern Caucasus as its natural sphere of influence, even though Georgia's democratically elected government sees the country's ultimate destiny as lying more with Brussels than Moscow.

www.telegraph.co.uk

THINK TANKS/NGOS**USAID: Georgian farms reap bumper crop after conflict**

One year after Russia's devastating invasion, Georgia's farmers have gone back to work at their traditionally strong agriculture and produced a bumper crop. "Last year the Russians brought us bombs and burned wheat fields. The Americans brought us seeds and have helped this year to produce a bumper wheat crop," said Georgia's deputy speaker of parliament Machavariani. Some 40,000 households working on 89,000 acres in the region most affected by the conflict have received USAID assistance and brought in a harvest estimated to be worth \$44 million.

www.usaid.gov

AMERICAN ENTERPRISE INSTITUTE: It's Official—Russia Was Spoiling for a Fight

It is clear from the EU-funded war report that the animating force behind the conflict was Russia's "more adamant" pursuit of "imposing its influence upon its 'near abroad'" and Georgia's attempts to integrate itself more fully with the West. Bottom line: the US "invades" Iraq and Western elites are up in arms for years about American "imperialism." Russia invades Georgia; there is a small peep and then nothing. There is a lesson in here somewhere and I'm pretty sure Moscow has gotten it.

blog.american.com