

GEORGIA UPDATE

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Tbilisi's newly elected "Sakrebulo"—its city council—convened today for the first time since the May 30 elections. In an effort to elevate the role of the opposition on the Council, two new posts of deputy chairmen were created—both to be held by opposition members. Mayor Gigi Ugulava told the Council that he was ready for "positive cooperation" with opposition members. "Our priority is employment," he said. "I was elected as mayor in order to resolve unemployment, social and infrastructure problems."

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QUOTES OF THE WEEK

"NATO's decision to open the door to Georgia still stands."

—NATO Secretary General Anders Fogh Rasmussen

"Is it a foreign policy objective of the Obama administration to help end Russia's occupation of Georgia in a peaceful manner and restore Georgia territorial integrity? Absolutely yes—that's the objective we have."

—Michael McFaul, President Obama's special assistant and senior director for Russian and Eurasian affairs at the National Security Council

"While there still remained some technical irregularities in the administration of the elections, overall the elections were organized in a transparent, inclusive, and professional manner. We are encouraged by the Central Election Commission's efforts to increase transparency and responsiveness to electoral concerns."

—US Congresswoman Allyson Schwartz, Democrat of Pennsylvania

UPCOMING MILESTONES

June 21-25: Deputy Defense Minister Vashakidze visits US

Jun. 21-24: PM Gilauri visits UK

July 27: Next round of Geneva talks

Aug. 8: 2nd anniversary of Russian invasion of Georgia

TOP STORIES

International Crisis Group Offers Bleak Assessment of Russian-Occupied S. Ossetia

The International Crisis Group has offered a bleak assessment on conditions in Russian-occupied S. Ossetia, saying the Georgian territory has significantly increased its dependence on Moscow and diminished its regional autonomy. "The small, rural territory lacks even true political, economic, or military autonomy," the ICG says in a new report. "Moscow staffs over half the government, donates 99 percent of the budget and provides security." The ICG also highlights Russia's failure to uphold the September 2008 Sarkozy-Medvedev ceasefire agreement. "Moscow has not kept important ceasefire commitments, and some 20,000 ethnic Georgians from the region remain forcibly displaced." The report concludes that "the South Ossetians should be pressed to respect the right to return of ethnic Georgians."

[ICG: South Ossetia—The Burden of Recognition](#)

[EURASIANET: Inside the Russian buildup in South Ossetia](#)

Senior US Official: "On the Top of My List Are Georgia and Democracy in Russia"

A senior Obama Administration official last week reiterated support for Georgia's territorial integrity, adding that the US foreign policy objective of ending Russia's occupation of Georgia was a top priority for the administration. "On the top of my list are Georgia and democracy in Russia," said Michael McFaul, Obama's special assistant and senior director for Russian and Eurasian affairs at the National Security Council. "Is it a foreign policy objective of the Obama administration to help end Russia's occupation of Georgia in a peaceful manner and restore Georgia territorial integrity?" McFaul asked rhetorically during an address at the Peterson Institute for International Economics. "Absolutely yes." Although McFaul acknowledged that there has been no significant progress in restoring Georgia's territorial integrity, he said the issue would be raised later this month with President Medvedev when he visits the White House. Later in the speech, he added: "We have other goals with Georgia as well: we have a goal of enhancing stability in Georgia and in the region; we have a goal of enhancing democracy and we have a goal of enhancing economic growth in Georgia and we are doing all those things simultaneously."

[CIVIL GEORGIA: US Official: "We are not ignoring Georgia"](#)

President Says Visit to Paris "Buries Russia's Efforts to Isolate Our Country"

In his first official visit to Paris, President Saakashvili noted the significance of his meeting with French counterpart Sarkozy: "The fact that my visit has been organized two days before Putin's visit sends a very clear message," he said. "This buries Russia's efforts to isolate our country." By hosting Saakashvili in France, Paris has signaled support for Georgia's European integration efforts and has reasserted its interests in the Caucasus, said the President. "France supports Georgia "in every issue absolutely without any preconditions," the President continued. "We have discussed all the issues, including the assistance by the EU and France; issues related with Russia's non-fulfillment of ceasefire agreement, as well as Georgia's further integration into NATO and bilateral relations." Meanwhile, Sarkozy told Saakashvili that France was "one of the main supporters of Georgia" within the EU and was pushing for talks on closer ties between the EU and Georgia. President Saakashvili also voiced concerns to his French counterpart over Paris' sale of Mistral warships to Russia, reiterating its potential impact on Georgian and Black Sea security.

[LE MONDE: The Elysée Wants to Readjust Its Diplomacy by Bringing Georgia Closer to Europe](#)

[CIVIL GEORGIA: Saakashvili Meets Sarkozy](#)

NATO Reaffirms Support for Georgia's Membership Bid

NATO Secretary-General Anders Fogh Rasmussen reaffirmed support for Georgia's bid to join the Alliance during last week's NATO-Georgia Commission meeting in Brussels. "NATO's decision to open the door to Georgia still stands," he said, adding that Georgia needs to continue its reforms. "The Alliance will continue to support and guide those reforms, in particular democratic civilian oversight of defense and security forces," he said. The NATO chief also thanked Georgia for its "significant" contribution to the Afghan operations. Meanwhile, Georgian Defense Minister Akhalaia said the country's Annual National Program with NATO was proceeding successfully: "Despite security challenges we are vigorously moving forward."

[RIA NOVOSTI: NATO Reaffirms Support for Georgia Membership Bid, But Reforms Needed](#)

[CIVIL GEORGIA: NATO-Georgia Commission at Defense Ministers Level](#)

Georgia Raises Forecast for Economic Growth, Increases State Budget

Georgia's Parliament last week approved amendments to the 2010 budget, revising GDP growth to 4.5 percent and boosting spending by \$119 million. The GDP figure marks a big increase from an original forecast of 2 percent—and a leap from a contraction of 3.9 percent in 2009, when the investment-driven economy recorded a 52 percent drop in FDI as a result of Russia's 2008 invasion and the global economic crisis. Budget amendments boosted spending to \$3 billion and revenue to \$2.8 billion, mainly due to a \$79.4 million increase in tax revenues and additional grants from international donor organizations. According to Georgia's finance minister, the budget deficit will fall to 6.5 percent of GDP from 7.4 percent, despite the boost in spending.

[REUTERS: Georgia Raises GDP Growth Forecast to 4.5 pct, Boosts Budget](#)

Opposition Maestro TV Goes Nationwide Via Satellite

Georgia's pro-opposition television station Maestro TV has begun broadcasting nationwide via satellite, offering new programming including news bulletins and several daily political talk shows to viewers across the country. The Tbilisi-based station received its satellite broadcasting license from the Georgian National Communications Commission last July, but was unable to launch its national broadcast until recently due to financial difficulties. The 10-year satellite broadcasting license enabled the station to vastly expand its viewership, which had been available primarily to Tbilisi residents via cable.

[CIVIL GEORGIA: With New Look Maestro TV Goes on Satellite](#)



The annual Art Gene Festival—whose aim is to showcase traditional Georgians arts and crafts—kicked off in Tbilisi with dancers performing in Vake Park. The event continues through July 17 with concerts, theatrical performances, film showings, folk art exhibitions, and much more (additional information in English at www.artgeni.ge).

INTERNATIONAL MEDIA ON GEORGIA

CHRISTIAN SCIENCE MONITOR: Georgia elections a triumph for Saakashvili

President Saakashvili's party triumphed in the recent Georgian elections, first electoral test for Saakashvili since Russia's disastrous 2008 invasion. "The elections were democratic, and not a single party here—even the most radical—is going to accuse the authorities of any major manipulations," said Irine Sarishvili-Chanturia, a former deputy PM who is now a moderate opposition figure.

www.csmonitor.com

OPEN DEMOCRACY: Georgia's promising elections

The key thing in the Georgia elections was that Europe declared them "free and fair," writes British MP Denis MacShane. Saakashvili clearly listened and learned from the criticisms of previous elections. Over the past year, Tbilisi has instigated a serious democratic and electoral reform process, including modernizing the electoral code, increasing state funding for opposition parties, appointing an inter-agency task force on free and fair elections, recruiting more election observers, holding the first-ever TV debate and setting up a parliamentary channel based on C-Span and BBC Parliament. This election is a reminder that London, Washington, and Brussels should not forget Georgia.

www.opendemocracy.net

WASHINGTON POST: Sochi Olympics offer a lever on Russia and rights

Imagine the practicalities. Abkhazia is a part of sovereign Georgian territory according to every country in the world except Russia, Venezuela, Nicaragua, and Nauru. Already, Olympic construction workers are being housed in Georgia's Russian-occupied region of Abkhazia. By 2014, we could see housing for tourists, regular border crossings between Russia and Abkhazia without a hint of Georgian sovereignty, high-visibility symbols of Abkhaz "statehood" such as flags and travel documents, and the presence of the Abkhaz and S. Ossetian "presidents" at Olympic ceremonies—alongside US and European leaders.

www.washingtonpost.com

EURASIANET: Inside the Russian buildup in S. Ossetia

The newest report from the always-worth-reading International Crisis Group, on South Ossetia, has a good rundown of the latest military developments in the breakaway territory. Relying mainly on Russian and Ossetian sources, rather than on Georgian ones, it paints a picture of a pretty serious buildup that will give Georgia real reasons to worry. The 4th military brigade of the Russian army in Akhgori is currently responsible. But ICG Crisis Group has been told of the construction of an additional military base in the village of Sinaguri, close to the administrative boundary on the west. Reportedly, a smaller unit is deployed in Kurta, a former ethnic Georgian village. These bases, on high hills, give Russia the potential to dominate substantial parts of eastern and western Georgia.

www.eurasianet.org

EURASIA DAILY MONITOR: More disagreements emerge between Abkhaz and Russian interests

The head of Abkhazia's state committee on tourism last week lashed out at Sochi's Mayor for publicly diminishing Abkhazia's touristic value. The criticism followed comments made by the mayor last month, when he said Abkhazia was no longer competitive due to strict travel restrictions, high prices, and environmental concerns. Exchanges like this signal growing discontent on the Russian side and Abkhaz annoyance with its richer and better positioned neighbor. Abkhazia had hoped to benefit from the 2014 Winter Olympics scheduled, but if the Sochi administration is hostile and Russia does not keep the border sufficiently open, then Abkhazia's grand hopes may be in vain.

www.jamestown.org

BLOOMBERG: Georgia busts cocaine ring

Georgian police this month broke up a criminal ring that was smuggling cocaine from S. America through the country to Europe, discovering about 2 million Euros buried in a western village in the process. "The cash came from selling as much as 90 kilos of cocaine from countries like Panama, Colombia, and Peru," said interior ministry spokesman Shota Utiashvili. "The drugs were hidden among scrap metal that arrived in the Black Sea port of Poti." Police have detained as many as five members of the gang.

www.bloomberg.com

EU OBSERVER: EU-hopeful countries must work together

Balkan countries and those in the eastern neighborhood need to make greater use of regional cooperation initiatives in order to progress on their way to the EU. "Regions, cities, towns, cross-border relationships are an important component of the enlargement process," Commissioner Stefan Füle said, adding that the best way to fight "enlargement fatigue" is to get a country 100 percent ready before membership actually takes place. Although Füle said the EU'S ultimate goal is to make borders "less relevant," he denounced involuntary border changes brought by occupation and militarization: "It is unacceptable in the 21st century when border changes are the result of military operations," he added, alluding to Russia's 2008 invasion of Georgia.

euobserver.com

WORLD AFFAIRS JOURNAL: Method to Russia's madness in Georgia

By stirring nationalist sentiment against Georgia—ridiculously accusing it, for instance, of harboring al-Qaeda terrorists—Putin justifies his increasingly authoritarian rule at home. In this sense, continued Russian provocations against Georgia serve the interests of the Putin regime, not the state itself. Furthermore, in its disregard for international law, human rights, and the very independence of states in its "near abroad," the Kremlin has been unambiguous in sending the message that the post-Cold War consensus of state sovereignty no longer applies, at least to Russia. The question now is whether the West cares as much about saving these principles as Moscow does destroying them.

www.worldaffairsjournal.org

CHARLESTON CITY PAPER: Nina Anashvili's mesmerizes a prince and her audience in Giselle

Witnessing Georgian ballet legend Nina Ananiashvili in last week's performance of Giselle at the Gaillard was a feeling like you've just witnessed something special, and if you do not buy a ticket to watch her fall in love, die of a broken heart, and then dance her way from despair, to forgiveness to love once again, you are making a mistake. A huge mistake. Technique is not what separates this dancer from the legions of other ballerinas that have come before and after her; it is her infectious smile that beams from onstage as soon as she enters in the lively and cheerful Act I, and it is her palpable grief and madness by the first act's close. I have never seen a ballerina who can dance and act as easily as Nina. It is the total package that every dancer strives for.

www.charlestoncitypaper.com

THINK TANKS/NGOs

JAMESTOWN FOUNDATION: Lithuania's support can galvanize Georgian diplomacy

Lithuania's Parliament has passed a resolution about Georgia that can be seen as a precedent for other countries and an opportunity for Tbilisi to reinvigorate its diplomatic efforts. Until now Vilnius's emphasis has been on non-recognition of Abkhazia and S. Ossetia. But the Lithuanian parliamentarians took it a step further and openly qualified Russia's past and current actions against Georgia as acts of aggression such as "armed attack and invasion," "bombardment, occupation and annexation," "illegal mass conferral of citizenship and establishment of pseudo-state puppet entities in the occupied territory," and gross and systematic violations of human rights, including ethnic cleansing, other crimes against humanity and war crimes." Lithuania's resolution has the potential to set a precedent for other countries in Europe and beyond, along with advancing Georgia's interests within the EU and NATO.

Jamestownfoundation.blogspot.com