

GEORGIA UPDATE

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www.georgiaupdate.gov.ge

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GEORGIA UPDATE IS TAKING A SUMMER BREAK * * * THE UPDATE WILL NEXT APPEAR ON SEPTEMBER 2



As the second anniversary of the Russian invasion approaches, it is clear that Georgia has regained its footing since the war. The country's economy is growing at a fast clip, democratic reforms continue to take root—symbolized by May's successful elections—and ties with the West have strengthened. Russia's failure to overthrow the government, said President Saakashvili in a speech yesterday, has turned Georgia into "a symbol of success for all post-Soviet states" and prompted the "dismantling of old imperia." This "historical process," he added, is irreversible. (Image by Thomas Dworzak/Magnum)

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QUOTE OF THE WEEK

"I flew into Georgia a little after their fight with the Russians, and I met with the Georgian officers who had conducted the fight. It was very interesting. Because here the Russians had conducted and changed the border of Europe using force of arms, something NATO was in such disbelief over they couldn't even confront it, intellectually.... For those of you not aware of it, it is Russian officers, Russian equipped, Russian paid. And it's got some of the biggest thugs and animals you can imagine. They move into an area. They intentionally burn, pillage, rape. And then in comes the Russian army, and suddenly, here we are to calm everything down. See? We Russians were the good guys."

—General James N. Mattis, nominated to lead the US Central Command, speaking at the Hybrid Warfare conference www.scientificamerican.com

UPCOMING MILESTONES

Aug. 7: Ministry of Defense commemorates deceased soldiers in Tbilisi ceremony

Aug. 7: President Saakashvili to attend inauguration of Colombian President-elect Juan Manuel Santos Calderón

Aug. 12: 2nd Anniversary of Sarkozy-Medvedev ceasefire agreement

Aug. 20: FM Vashadze visits Salzburg

Aug. 29: FM Vashadze visits Slovenia

Sep. 7-10: Ambassadorial meeting in Tbilisi (FM of several EU countries visits Tbilisi)

Oct. 14: Next round of Geneva talks

TOP STORIES

Winning the Peace, Georgia Looks to Future as War Anniversary Approaches

Two years after Russian troops invaded Georgia and seized two of its regions, Georgia has defied expectations and is decidedly winning the peace. Neither the invasion nor the global crisis buckled the Georgian economy, which, according to PM Gilauri, is now growing at an annual pace of 7 percent. Meanwhile, Russia's attempt to derail Georgia from its Western path has failed, as ties with the European Union and the US continue to grow. And Moscow's gambit of seeking so-called independence for the two occupied regions has amounted to little, with almost the entire international community having refused to recognize S. Ossetia and Abkhazia. Meanwhile, the Georgian government is advancing a carefully designed action plan to gradually rebuild ties with residents of the occupied territories who live behind the line of control. Said President Saakashvili in a speech on Wednesday: Russia "has failed to accomplish its declared goal of overthrowing the Georgian government" and it "also failed to accomplish its second goal of intimidating other nations of post-Soviet space and thus to restore its sphere of influence over the post-Soviet space."

[CIVIL GEORGIA: Saakashvili—"Enemy Failed to Accomplish its Goals"](#)

EU Extends Ceasefire Monitoring Mission in Georgia Amid Concerns of Russian Violations

The European Council has extended to September 2011 the mandate of the EU Monitoring Mission (EUMM) in Georgia—created to help enforce the ceasefire that ended the Russia's 2008 invasion. The mission, one of the EU's largest foreign security commitments, has 225 civilian observers patrolling along the line of control with Georgia's Russian-occupied regions of Abkhazia and S. Ossetia. The government welcomed the extension, saying the mission was key to preventing further violence. "It is an important factor for stability in the region," said State Minister for Reintegration Temur Yakobashvili. "The mission's main achievement is that a fresh military confrontation has been avoided." He added: "We do hope that sooner or later the mission will be able to fully implement its mandate," he said.

The EU-brokered ceasefire that brought an end to open conflict between Russia and Georgia required Russia to work toward the safe and dignified return of all internally displaced persons and refugees to their homes. The ceasefire rejected the use of force as a means of altering borders in 21st-century Europe and required Russian forces to withdraw to their pre-war positions and to respect Georgia's territorial sovereignty. "Russia has failed to meet certain paragraphs of the agreement," French Foreign Minister Kouchner said during a July visit to Tbilisi.

[DEUTSCHE PRESSE AGENTUR: EU extends Georgia mission](#)
[CIVIL GEORGIA: EU Extends Mandate of Georgia's Monitoring Mission](#)

Human Rights Watch Condemns Attack on S. Ossetia Activist

Human Rights Watch has condemned an attack by authorities in South Ossetia on a local activist. HRW called on Russia and the international community to press the Kremlin-backed regime in S. Ossetia to bring those responsible to justice and to foster a normal working climate for civil and political activists in the region. Timur Tskhovrebov, a Tskhinvali-based activist and journalist, was violently assaulted last week in the region's capital by a group of men, which reportedly included members from an organization supporting S. Ossetian leader Eduard Kokoity. At least three attackers were said to be members of the region's parliament.

"We are appalled by the attack on Tskhovrebov and deeply concerned about the safety of activists in S. Ossetia," said Holly Carter, HRW's Europe and Central Asia director. "A prompt, thorough, and impartial investigation is needed to bring the assailants to justice." Tskhovrebov participated in the Georgian-Ossetian Civil Forum, a platform for keeping contacts between Georgian and Ossetian civil society representatives. The group met in Leiden, Netherlands in mid-July and made a joint appeal to negotiators during the Geneva talks, calling on the participants to immediately address humanitarian problems on the ground.

[CIVIL GEORGIA: Tbilisi Condemns Attack on Tskhinvali-based Activist](#)

Georgia Becomes First in Neighborhood to Sign EU Agreement Protecting Regional Food Names

The European Union and Georgia have agreed to link their systems protecting the names of foods and drinks from specific regions. The move is expected to boost trade between Georgia and the 27-member bloc. It is part of an EU push to strengthen ties with neighboring states, especially in the former-Soviet zone, and to reinforce the defense of European brands outside its borders. The EU and Georgia "concluded negotiations on a bilateral agreement for the protection of their respective 'geographical Indications' ... Georgia is the first among the EU neighborhood countries to take this important step," said a statement from European Commission. The agreement will have to be signed and ratified by both sides before it comes into force. Under the system of geographical indications, products that are chiefly associated with a given area can only be marketed under the name of that area if they were actually made there. The EU currently lists some 3,000 drinks and foodstuffs for protection. Georgia's list consists of 18 types of wine, with names such as ad Kindzmarauli, Khvanchkara, and Tvishi.

[DEUTSCHE PRESSE AGENTUR: EU and Georgia Agree to Link Food Name Protection Programmes](#)

[CIVIL GEORGIA: 18 Georgian Wines to Receive Protected Geographic Indication in EU](#)

In Bid to Strengthen Ties & Boost Investment, Georgia Will Open Embassies in Brazil, Mexico

Georgia plans to open embassies in Brazil and Mexico as it seeks to attract more foreign investment and to expand economic and political ties with Latin America. "Brazil has huge potential," Deputy Foreign Minister Tornike Gordadze said. "It's an emerging force, and we need to tap into it to develop our economy, tourism, and business, as well as political ties." Georgian President Mikheil Saakashvili will attend the inauguration of Colombian President-elect Juan Manuel Santos this coming Saturday.

[BLOOMBERG: Georgia to Open Embassies in Brazil, Mexico Amid Push to Raise Investment](#)



A musical group comprised of elders from western Georgia performs a traditional folk dance at the Art Gene Festival, held at the Ethnographic Museum in Tbilisi last week. The Art Gene Festival was started by several friends in 2004 to preserve and popularize the traditions and folk culture of Georgia. The organizers travel to the country's regions to identify local performers for the festival. For many people living in remote villages, the festival offers the opportunity to perform on a live stage for hundreds of listeners.

www.georgiaupdate.gov.ge

INTERNATIONAL MEDIA ON GEORGIA

AGENCE FRANCE PRESSE: Georgia seizes Ukrainian ship for visit to rebel Abkhazia

Georgia last week seized a Ukrainian vessel and arrested its crew for visiting its Moscow-controlled region of Abkhazia on the Black Sea. Georgian law bans economic activities in the Russian-occupied regions of Abkhazia and S. Ossetia without Tbilisi's consent. Authorities seized at least four ships headed to or from Abkhazia last year, infuriating the region's de facto leadership, which threatened to destroy any Georgian ship violating its de-facto sea borders.

news.malaysia.msn.com

COMMENTARY: Little war, big problems

NATO decided against welcoming Georgia and Ukraine into the fold during the April 2008 Bucharest summit. But the NATO leadership nonetheless announced that membership for the two post-Soviet nations would be a long-term goal. According to Ron Asmus, author of *The Little War that Shook the World*, this half-measure led to the Russian invasion of Georgia four months later. However the Russians interpreted the Bucharest summit, it is indisputable that just two weeks later, they began to beef up their "peacekeeping" contingents in Georgia's regions of S. Ossetia and Abkhazia.

www.rferl.org

WEEKLY STANDARD: Secretary Clinton talks tough on Russia

It's wholly understandable that America's chief diplomat, Secretary of State Clinton, had to be diplomatic during her recent visit to the S. Caucasus. Georgia is a sensitive issue and, as such, engaging Tbilisi does require a certain degree of caution. However, the problem here isn't necessarily what Clinton said publicly, but what she's failing to accomplish behind the lace curtain niceties of an official State Department visit. The fact is, Georgia is fighting shoulder to shoulder with the US in Afghanistan, and—like any important ally—has a legitimate expectation that they'll receive some political and international top cover when Russia tightens the screws. To date, we've left them empty handed.

www.weeklystandard.com

PROJECT SYNDICATE: J. Fischer on "Russia's great gas game"

The primary goal of Russian gas policy isn't economic, but political, namely to further the aim of revising the post-Soviet order in Europe, writes Joschka Fischer. Today's Russia avowedly seeks to reverse the post-Soviet order in Europe that emerged after 1989/1990, at least in parts of its neighborhood, while the Europeans and the West want to maintain it at all costs. In Europe and the US, the challenge to address Europe's rising reliance on Russian energy and hinder Moscow's growing pressure on Ukraine's energy policy has been understood. Now it is necessary to stand by those in Ukraine who see a European future for their country, to open the southern corridor via Nabucco, and to accelerate development of a common European energy market. A decisive European policy will improve, rather than strain, relations with Russia, because it will result in more clarity and predictability.

www.project-syndicate.org

FINANCIAL TIMES: Cameron's position is clear on Georgia

In a letter to the editor, Georgia's Ambassador to the UK writes: "Mr Cameron had made clear his position that Georgia should be allowed to join NATO, provided we met the necessary criteria, before the Russian invasion of 2008, so it was not policy made 'on the hoof.' This is also the position of NATO itself, as agreed at the Bucharest summit of April 2008. Both the previous Labour administration and the new coalition government have been unswerving in their commitment to Georgia's territorial integrity and Euro-Atlantic aspirations and we remain incredibly grateful for that."

www.ft.com

WASHINGTON POST: New START—Too modest to merit partisan bickering

Finally, there is the question of US-Russian relations. Some who oppose the treaty see it as the marquee item in the administration's "reset" policy. They rightly worry that this policy has given Russia too much at the expense of Eastern and Central European allies as well as Georgia and Ukraine. The administration already seems to be trying to reset the "reset," paying greater attention to worried Europeans and protesting Russia's continued occupation of Georgia.

www.washingtonpost.com

RADIO FREE EUROPE/RADIO LIBERTY: Georgia offering soccer clubs for knock-down prices

The Georgian government plans to sell six state-owned soccer clubs at the symbolic price of 1 lari (\$0.54) each. According to the president of Georgian Football Federation, negotiations are being held with the mobile communications firm Geocell and with Azerbaijan's state oil company SOCAR on the privatization of the Baia Zugdidi and Sioni Bolnisi soccer clubs, respectively. Other Georgian and international companies have also shown an interest in purchasing Georgian soccer teams. Investors are obliged to develop the club's infrastructure and training facilities.

www.rferl.org

EURASIANET: Georgia plans to offer tax-free IT zones

The Georgian government is banking on tax-free IT zones to draw foreign investment and boost local businesses. Parliament will vote in September on draft legislation that would set up several zones in which Georgian and foreign IT companies could operate without paying income, excise, sales, customs, or profit taxes. Other privileges are still under discussion; the government says that it expects to hammer out the details by September.

www.eurasianet.org

THINK TANKS/NGOs

JAMESTOWN FOUNDATION: ICJ's Kosovo verdict weakens Russian position

While Georgia repeatedly called for a real international mission to be deployed and efficient conflict resolution formats to be established in the country's Russian-occupied territories, Moscow obstructed Georgia's legitimate requests by using its P-5 member status on the UN Security Council and by exploiting the consensus-based mechanisms within the OSCE. Then, following the August 2008 invasion, Russia used its powers to terminate both the UN and OSCE missions. Contrastingly, the very purpose of the UN-sponsored international peacekeeping mission in Kosovo was to help the Kosovar Albanians to return safely; however, hundreds of thousands of Georgians still have not been allowed to go back to Abkhazia and S. Ossetia. Thus, unlike Kosovo, the de-facto authorities in Abkhazia and Tskhinvali do not represent the majority of the lawful residents in those territories but are merely puppet regimes whose declarations have no legitimacy.

jamestownfoundation.blogspot.com

GERMAN MARSHALL FUND: The specter of Finlandization

Moscow today seeks to halt the further enlargement of Western institutions closer to its borders through a new version of Finlandization. But what is also clear is that the West no longer has a clear consensus or strategy for what we seek to achieve today with these countries. We affirm our commitment to the old principles but are unsure how to pursue or operationalize them in a changed political and strategic context. If we want to ensure that Finlandization remains a historical phrase and not a current one, we need a new strategy of enlargement. As the American saying goes: you can't beat something with nothing.

blog.gmfus.org