

GEORGIA UPDATE

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TOP STORIES

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- Georgia Appeals to UNESCO to Prevent "Cultural Genocide" in Occupied Abkhazia
- Japan Makes Grants to Georgian Agriculture, Health Projects



Georgia on Saturday experienced its coldest day in almost four decades, according to country's meteorological agency. Tbilisi registered a temperature of minus 9 degrees Celsius, while other parts of the country experienced temperatures of as low as minus 25 degrees. The agency warned that the cold snap would continue through Sunday. Meanwhile, Tbilisi set up shelters on Monday after two homeless people died. "The situation is very serious as far as homeless people are concerned," Tbilisi Mayor Gigi Ugulava underscored. He said that municipally funded canteens which provide free food to the poor would be turned into temporary shelters. "In every district of Tbilisi, one free canteen will be transformed into a shelter so that no one remains without shelter and a basic hot dinner during the cold weather." Schools in much of the country were closed for three days.

INTERNATIONAL MEDIA ON GEORGIA

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BLOOMBERG: Georgian wine exports reach \$54.1 Mil., most since Russia ban

QUOTES OF THE WEEK

"The fight took place on many fronts simultaneously. Ideological purpose lent clarity to the government's efforts. Driving out corruption became part of a broader, libertarian effort to roll back the state; a smaller government would give fewer opportunities for graft. To push through their reforms, they needed new staff – often young and western-educated – and salaries big enough to ensure they avoided temptation."

♦ The Economist on Georgia's reform success

"[Military bases] are now in such a condition that they are capable to protect these two small states and correspondingly the Russian interests too in the most powerful way. The weaponry, which is in place [on those bases], is enough to inflict incommensurable damage to any invader and they understand it, even insane Saakashvili understands it."

♦ Russian President Medvedev

"The investigation of this case is of the utmost priority for Georgia's law enforcement agencies."

♦ President Saakashvili's spokeswoman after Monday's attack on an Israeli embassy car

UPCOMING MILESTONES

Feb 16: PM Gilauri visits Hungary

Feb 27-28: FM Vashadze visits Israel

Mar 5: FM Vashadze visits Czech Republic

Mar 8: FM Vashadze visits Egypt

Mar 28-29: Next round of Geneva peace talks

May 15-22: NATO summit in Chicago

May 26: Parliament relocates to Kutaisi

Oct: Parliamentary elections

TOP STORIES

Georgian Police Thwart Terror Attack Against Israeli Embassy Employee, Pursue Investigation

Georgia vowed to track down those responsible for a thwarted bomb attack Monday on an Israeli embassy car in Tbilisi, which coincided with a blast in New Delhi that injured an Israeli diplomat. "The investigation of this case is of the utmost priority for Georgia's law enforcement agencies," presidential spokeswoman Manana Manjgaladze said. Police defused what they described as a "hand-made explosive device" attached to an embassy driver's car without casualties on Monday, when another bomb in India's capital badly wounded an Israeli diplomat.

The Georgian interior ministry said it would work with Israel on the investigation. "We will be actively cooperating with our Israeli colleagues in investigating this case," interior ministry spokesman Shota Utiashvili said. The car's driver, meanwhile, described his terrifying experience in discovering the bomb attached to his car. Roman Khachaturian said he found the device after noticing an unusual sound under his car. "I left home at 8:30 in the morning, brought a child to school, and then headed to the embassy where I work," he recounted. "When driving the car in reverse while parking, I heard some sounds. I came out and found something was stuck to the car with a magnet." Similar magnet-equipped bombs were used in Monday in Delhi and on Tuesday in Thailand in another attack that targeted Israel. Israel has said all three attacks are linked to Iran.

[AFP: Georgia hunts Israeli embassy car bomb plotters](#)
[CIVIL GEORGIA: Georgia Says Car Bomb "Serious Challenge"](#)

Russia's Annexation of S. Ossetia Continues With New Local Battalion; Political Violence Flares

Russia's military presence in South Ossetia will soon be fortified by a battalion of S. Ossetian residents, in a dangerous new step toward the full annexation of the occupied territory. The new battalion, which will enlist local men up to age 35, drew a sharp reaction from the Georgian foreign ministry. "Georgia's occupied territories have actually turned into large military bases and their inhabitants are either employed in the Russian military bases themselves or are serving with the Russian occupation troops," the ministry said.

Meanwhile, opposition politician Alla Dzhoieva yesterday said she was considering seeking asylum. Last Thursday, S. Ossetian police, acting on Kremlin orders, stormed her office to prevent her from being inaugurated president this week; she was taken unconscious to a hospital after a rifle-butt blow to the head and her aides were arrested. The attacks came at a moment when Russia has struggled to install its favored leaders in S. Ossetia as well as in other former Soviet separatist regions that are its de facto protectorates. Russian-backed candidates had recently lost elections in both of Georgia's occupied regions, S. Ossetia and Abkhazia. (Another Russian-backed candidate was defeated in Transnistria, a breakaway territory in Moldova).

[NEW YORK TIMES: Turmoil Erupts in a Kremlin-Protected Enclave](#)
[EURASIA DAILY MONITOR: Moscow's Policy in South Ossetia Adds Insult to the Ossetians' Injury](#)

Inflation Falls to Negligible Levels in January; Central Bank Keeps Rate Steady

Georgia's central bank left its main interest rate unchanged yesterday as inflation slowed to its lowest level in more than two years. Consumer prices rose 0.5 percent from a year earlier in January, the slowest pace since September 2009. The plunge in consumer prices was seen as a boon to the country's economy and was led by food and non-alcoholic beverages, which decreased 1.6%, and by prices for communications services, which dropped 7.7%. The central bank said inflation would remain low in the first half of the year; although it is expected to start increasing from summer, the annual rate would still remain below the government's forecasted target for 2012 of 6%.

[CIVIL GEORGIA: Annual Inflation 0.5% in January](#)

**Georgia Appeals to UNESCO to Prevent "Cultural Genocide" in Occupied Abkhazia**

After its ethnic cleansing campaign rid Abkhazia of the majority ethnic Georgian population, Russia is intensifying efforts to erase Georgian cultural symbols as well. The initiative to rewrite Abkhazia's history is focused on converting Georgian churches into Russian ones. Under the guise of "restoring" sacred sites, Russian-hired contractors are erasing Georgian frescos, architectural features, and writings, and, after whitewashing the walls, replacing them with Russian ones. (Above, a typical Russian dome has replaced a Georgian one atop the Ilori church in Abkhazia, and the building has been painted white, typical of Russian churches.) Culture Minister Nika Rurua has dubbed the campaign a "cultural genocide." Now, Georgia's representatives to the Parliamentary Assembly of the Council of Europe are seeking to bring UNESCO to Abkhazia to prevent the further desecration of the territory's religious sites. "Due to the Russian occupation, thousands of people cannot exercise their rights in Georgia," Georgian MP Magda Anikashvili told the Council. "UNESCO experts should supervise the situation immediately." Said Rurua more forcefully: "The survival of the Georgian churches lies in the hands of UNESCO."

[GEORGIA TODAY: Russia Is Removing Georgian Culture in Abkhazia](#)

Global Gallup Poll Finds Georgians Among Most Optimistic Economically in 2012

Georgians are among some of the least economically worried people in the world this year, according to a poll conducted by Georgian Opinion Research Business International and other members of WIN Gallup International's network. Out of 59 countries, Georgia ranks as the 10th least worried country when it comes to the possibility of labor unrest or industrial disputes. When GORBI asked Georgians whether they thought that "in 2012, economy related protests and industrial disputes in (Georgia) will increase, decrease, or remain the same," 27% said that there would be more protests or disputes, 23% thought there would be fewer, and 25% expected the situation to stay the same. Globally, 55% of people expect that labor unrest and/or industrial disputes will increase. Earlier this month, WIN Gallup released a "happiness" barometer, which found that 52% of Georgians said they were happy in general and only 6% expressed discontent.

[XINHUA: Polls Find Georgians Less Worried About 2012 Economy](#)

Japan Makes Grants to Georgian Agriculture, Health Projects

Two Japanese-funded development projects were launched last month, one to help farm associations in Urbnisi village develop local farmland, and another to help a Tbilisi pediatric clinic to purchase modern medical equipment. The two grants were part of Japan's "People's Security Program," which aims to improve living standards through small-budget projects. Japan has been implementing the grant program in Georgia since 1997; the country has received up to \$30 million of aid since then.

[TREND NEWS AGENCY: Japan to Allocate New Grants to Georgia](#)

INTERNATIONAL MEDIA ON GEORGIA

THE ECONOMIST: Lessons from Georgia's fight against graft

What can others learn from Georgia's success? Leadership and political will are all important. So too is establishing early credibility: in early 2004, the government thought it had eight months to get quick results. Most famously, 16,000 traffic police officers received their waddling orders overnight. In an effort to sustain public support, attention-grabbing symbols matter. The report chimes with Georgia's efforts to sell itself as a model to fledgling democracies in the Arab world. It also underlines Saakashvili's rehabilitation on the international stage, which took a battering following Georgia's war with Russia in 2008. Last week, President Obama received his Georgian counterpart in the White House, where he praised Georgia's reforms, and discussed deeper cooperation over defense and free trade.

www.economist.com

WALL STREET JOURNAL: President Saakashvili interview

Georgia's economy will grow about 7% this year despite its ongoing conflict with Russia and the growing euro-zone debt crisis, according to President Mikheil Saakashvili. "We are technically at war with our big neighbor," he said in an interview. "They are officially trying to depose our government, and still we had just under 7% growth last year." With new political leaders coming up, he said: "I am already looking, in terms of age, quite old for Georgian politics. Things are changing and moving fast."

wsj.com

COMMENTARY: Georgia in NATO—Is the West out of excuses?

Obama also made a verbal gesture toward Georgia that everyone pretends to be reassured by even though it's usually utterly meaningless: He reaffirmed US support for Georgia's acceptance into NATO. But in this case, Obama's NATO comments are actually important, whether the NATO bid goes anywhere or not. That's because the reasons to keep Georgia out of NATO have disappeared, and we'll find out whether the West's commitment to its allies and to global security are all, as Obama might say, "just words." So, Russia's concerns have been tended to. Germany's excuses have dissipated. Georgia's good-faith gestures, however, thus far have been unilateral. Unless Barack Obama's gift for diplomacy cannot even convince our allies to support our other allies, what's the holdup?

www.commentarymagazine.com

EURASIA DAILY MONITOR: Frozen conflicts seen as Russia's door into "Euro-Atlantic Security Community"

The Euro-Atlantic Security Initiative, a high-profile group of Western and Russian authors, proposes Western accommodation with the existing situation in the four post-Soviet conflicts (Transnistria, Abkhazia, South Ossetia, Karabakh). Their recommendations emphasize minimal tinkering with those conflicts, in an open-ended process over time, rather than seriously attempt to resolve them. Conceding essential principles to Russia at the expense of international law, EASI renders the political solutions even more difficult. And it describes the proposed political negotiations as a means toward another end: a reordered "Euro-Atlantic Security Community" with Russia as one of the main decision-making centers.

www.jamestown.org

EURASIANET: Measuring Tbilisi's security ties to Washington

The Obama administration may be coming to the position that it is time to consider advancing the defense relationship with Georgia. Pressure from Congress is increasing: the most recent defense authorization bill mandated a "normalization" of defense relations. There may also be gradual movement on another of Georgia's top defense priorities, joining NATO. During a recent visit to Tbilisi, a top State Department official said NATO had seen "significant progress in a significant number of areas in Georgia's efforts to advance its candidacy for membership in NATO." He added it was important that progress be recognized at the next NATO summit, in Chicago this May.

www.eurasianet.org

**REUTERS: Georgian National Ballet a family dance with history**

It has survived communist oppression, the Cold War, the break-up of the USSR and counted Josef Stalin and Elvis Presley among its admirers, but at its heart the Georgian National Ballet has always been a bit of a family business. The combination of lively music, shows of strength, tornado-fast spins, jumps, swords, shields, and daggers for male dancers, matched with the gliding and elegant movements of performers in vibrant costumes make Georgian dance a dazzling spectacle. Its history goes back centuries and reflects Georgia's national character and ancient history.

www.reuters.com

JAMESTOWN FOUNDATION: Ivanishvili enlists allies

Bidzina Ivanishvili, the billionaire seeking political power in Georgia, is recruiting political allies to his proprietary Georgian Dream movement, ahead of parliamentary elections. Thus far, Ivanishvili's allies are neither new as political figures nor self-sustaining as parties. They form small groups led by veteran politicians, whose future depends on Ivanishvili's funding; and he seems to treat them accordingly. He has not yet learned to accord them pro forma honors in public, never yet sharing a platform or spotlight with them. Nor has he learned to take advice consistently from the more experienced among them, which might have spared Ivanishvili some of his regular gaffes. The Ivanishvili family's decision to transfer the post of Georgian Dream leader from Bidzina to his wife, Ekaterine, also shows little esteem for this movement's ad hoc allies.

www.jamestown.org

PERISCOPE POST: How do I love thee, Tbilisi?

I love how beautiful your city is, Tbilisi. I love the rickety lanes of the old town as well as the grand boulevards. I love your "new street," reconstructed to show how you looked in your glory days. I love the art nouveau buildings, even the decrepit ones, and I love your Freedom Square. I love the wooden balconies and drain pipes that lead to nowhere. I love the Friendship Bridge, with its waved roof and cascading lights. I love the glass domes of the new parliament building and how it represents the transparency of Georgian government in the post-Soviet era. I love how you value sculpture and art. I love walking down one of your many splendid hills. I love the bronze sculpture of the man fixing the street light and I love the grand piano, just sitting there, unplayable and huge.

www.periscopepost.com

BLOOMBERG: Georgian wine exports reach \$54.1 million, most since Russia ban

Georgian wine exports increased last year to \$54.1 million, the most since Russia imposed a trade embargo in 2006. Exports rose 37.7% in 2011 from a year earlier to 16.9 million liters, the National Statistics Office of Georgia said. Ukraine, Belarus, and Kazakhstan topped the list of customers. Russia prohibited imports of Georgian mineral water and wine in 2006 after Georgia expelled four Russian servicemen accused of espionage. Georgia last year backed Russia's bid to join the World Trade Organization, clearing the way for formal approval of its membership bid.

www.bloomberg.com