

GEORGIA UPDATE

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US Defense Secretary Leon Panetta visited Georgian troops in Afghanistan last week, applauding their resolve and bravery in combating global terrorism. Speaking to troops stationed at Georgia's Shukvani military base, Panetta thanked Georgia for its contribution to NATO's International Security Assistance Force. Georgia's troop contribution to NATO-led operations in Afghanistan also earned accolades from German Foreign Minister Guido Westerwelle, who was in Tbilisi last week. "At the NATO summit in Chicago this May, we will pay tribute to this remarkable achievement," he said in a speech at Tbilisi State University. With nearly 1,600 troops soon to be deployed to fight alongside US Marines and Allied forces in Afghanistan, Georgia has become the largest non-NATO contributor to the mission.

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QUOTES OF THE WEEK

"There should be no doubt about territorial integrity of Georgia...it's time to have dialogue, to find ways for cooperation."

♦ German Foreign Minister Guido Westerwelle

"If the mystique of Russian hegemony were to deflate, if formerly subject colonies suddenly rose to stability and affluence—as is happening in Georgia—Mr. Putin's threadbare illusionism would fall apart entirely. He would never recover from the triumph of freedom in Syria and Iran."

♦ Melik Kaylan writing in the *Wall Street Journal*

"While most of the high-income countries are in the process of squandering the wealth they once created, there are places on the globe that are making great progress merely by doing the right things. One of these places is the small, relatively poor country of Georgia."

♦ Richard W. Rahn writing in the *Washington Times*

"Russia has no good options following the bind in which it put itself in 2008. It has no clear way to back out of the additional burden that Abkhazia and S. Ossetia constitute in both economic and political terms, while the liability that these territories bring is likely to become increasingly obvious."

♦ Editorial in *World Politics Review*

UPCOMING MILESTONES

Mar. 26-30: First round of free trade negotiations between EU and Georgia

Mar. 27-28: President Saakashvili attends Nuclear Security Summit in South Korea

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

Parliament, Heeding Advice of Advocacy Groups, Will Amend Campaign Finance Law

Parliament plans this week to amend legislation on political party funding, adopting a number of key proposals from electoral advocacy groups. The amendments will narrow the scope of entities whose finances can be audited by the Chamber of Control, Georgia's newly established campaign finance monitoring agency. As the law stands now, party funding restrictions broadly apply to all organizations and individuals that have declared political or electoral goals. They also apply to organizations whose finances are "directly or indirectly" linked to political parties' goals. Senior ruling party MPs agreed to remove the party affiliation clause from the law, easing restrictions for non-governmental organizations that promote electoral development and democratic reform. Parliament Chairman Bakradze, in explaining the goal of the changes to the legislation, said "NGOs need to feel sure that the law does not impinge on their legitimate activities." The amendments would reduce fines imposed by the Chamber and loosen annual campaign spending caps. Passed last December, the law was created to increase transparency of political campaign funding.

[CIVIL GEORGIA: Party Funding Law to be Revised](#)

In Tbilisi, German Foreign Minister Underscores Support for Georgia's Sovereignty, Territorial Integrity

German Foreign Minister Guido Westerwelle visited Tbilisi last week and underscored support for Georgia's sovereignty and territorial integrity. "There should be no doubt about the territorial integrity of Georgia," he said. He pledged to "actively advocate" for Tbilisi's integration with the Euro-Atlantic community. "We are now working on a new plan for Georgia's enhanced connectivity with NATO," he emphasized, and encouraged Georgia to continue implementing its democratic and institutional reform agenda. Meanwhile, Westerwelle said he was "proud" of EU-Georgia accomplishments and outlined his vision for visa-free travel with Georgia. On regional security, he hailed the Georgian government's engagement strategy with its Russian-occupied territories. "In the end, bridges, not borders, help solve conflicts peacefully," he said. The German leader met with President Saakashvili, FM Vashadze, civil society representatives, and opposition leaders during his stay. His visit marked the 20th anniversary of Germany-Georgia relations.

[CIVIL GEORGIA: German FM Speaks of Ties with Georgia](#)

US-Georgia Military Training Continues, as Russia Speaks of "Provocation"

Moscow last week escalated its hostile rhetoric towards Tbilisi as US-Georgia military training exercises continued into their second week. "I brought this to the serious attention of Secretary Clinton because it all looks somewhat provocative," said Russian FM Lavrov of what are routine, annual exercises between the US and Georgia. Lavrov's statement comes two months after the Kremlin announced the launch of "Caucasus 2012," military exercises that will be held in September in strategic locations along Georgia's perimeter.

Called "Agile Spirit," the US-Georgia joint military drills aim to improve collaboration between the forces and prepare Georgian troops to support NATO-led operations in Afghanistan. Marines and Georgian soldiers are participating in specialized classes consisting of cordon and search techniques, convoy tactics, counter improvised explosive device tactics, convoy operations, and the Marine Corps Martial Arts Program. Over 300 US Marines together with troops from Georgia's fourth infantry brigade are participating in the exercises. "We have made serious progress in training our armed forces in recent years," said President Saakashvili, who visited the exercises on Sunday. "We will have a very good territorial defense system, much like those of Switzerland and Sweden. We have learned from past experience and we continue to develop our defense forces without much noise, boasting, or PR."

[REUTERS: Russia calls U.S.-Georgia army exercises "provocative"](#)

[FOREIGN POLICY: How does Sergei Lavrov define "provocative"?](#)



Georgia crushed Russia 46-0 at a politically-charged rugby match in Tbilisi on Saturday, in the first major encounter between the two on Georgian soil since Russia's 2008 invasion. A joyous Georgian crowd with vivid memories of Russian troops inflicting terror on their country during the war was ecstatic after the European Nations Cup game at the packed 30,000-capacity Mikheil Meskhi stadium. "Do not forget that the Russian rugby players are friends of the Georgian rugby players," said the president of the Georgian Rugby Union, Giorgi Nijaradze. Georgia's coach also insisted that both teams were part of "one big rugby family." Said Georgia's captain Irakli Abuseridze: "We were so keen to make our people happy today."

US State Department Says Drug Trafficking Runs Rampant in Occupied Territories

The US State Department says trafficking of illicit drugs is rampant in Georgia's Russian-controlled territories. "The separatist territories of S. Ossetia and Abkhazia remain beyond the control of Georgian law enforcement, and there is speculation that drugs flow through these areas," says a just-released State Department report. The area serves as a "major corridor for drug smuggling" from Afghanistan and Iran to Western European and Russian markets. The State Department says details are hard to come by since Russian occupying forces and their proxies refuse to cooperate. As a result, "the emphasis on Georgia's borders is on trade facilitation, and less on control and inspection." The US, meanwhile, applauded Georgia's efforts to eliminate corruption in law enforcement: "The Georgian Government has made significant steps in the elimination of corruption in law enforcement agencies since the 2003 Rose Revolution and it remains committed to this effort."

[STATE DEPARTMENT: 2012 International Narcotics Control Report](#)

USAID Initiative to Support 70,000 Families in Georgia

The US Agency for International Development last week launched a new economic assistance program to support 70,000 impoverished families in Georgia. USAID signed a memorandum of understanding with the city of Gori to officially launch the project, which aims to provide new economic opportunities for Georgia's IDP populations in 10 Georgian regions. The initiatives also seek to attract investment and develop the local economies. US Assistant Secretary of State David Robinson and USAID Mission Director Stefan Heykin attended the ceremony and met with IDPs from the village of Shavshvebi.

[TREND DAILY NEWS: U.S. gov't to assist 70,000 families in Georgia](#)

Georgia to Host 2013 European Wrestling Championships

Tbilisi will host next year's European wrestling championships. Officials from Europe's supreme wrestling federation awarded Georgia with hosting honors following last week's wrestling championship in Belgrade. Georgia has been doing exceptionally well in recent wrestling competitions, winning three gold, three silver, and two bronze medals at last week's European championships. Georgian wrestlers also took two gold and several bronze medals at the 2008 Beijing Olympics.

[XINHUA: Georgia to host 2013 European wrestling championships](#)

INTERNATIONAL MEDIA ON GEORGIA

FOREIGN POLICY: How does Sergei Lavrov define “provocative”?

Russian FM Lavrov has an interesting definition of “provocative.” After meeting with Hillary Clinton this week, he said the recent resumption of US-Georgia military exercises “seems somewhat provocative.” This might make sense if only Russia wasn’t organizing military exercises of its own in the Caucasus—which conveniently occur right before elections in Georgia in October. Georgia is obviously skeptical of these “military exercises” on its borders, claiming Russia is “seeking to instigate a permanent state of tension” in the region.

blog.foreignpolicy.com

AGENCE FRANCE PRESSE: US rejects vote in rebel Abkhazia

The US last week refused to recognize elections in Georgia’s occupied territory of Abkhazia and urged Russia to withdraw its troops to positions before the 2008 war. “The US does not recognize their legitimacy and, in fact, we want to take this occasion to reiterate our support for Georgia’s sovereignty and territorial integrity within its internationally recognized border,” said the State Department. “We also urge Russia to fulfill all of its obligations under the 2008 cease-fire agreement, including withdrawal of forces to pre-conflict positions, and free access (for) humanitarian assistance to Abkhazia and S. Ossetia.”

www.afp.org

EURASIANET: NATO—Georgia “getting closer” to the Alliance

Senior NATO officials have praised Georgia’s cooperation with the Alliance, continuing a recent pattern that suggests Georgia will take some sort of step forward at the upcoming NATO summit. Said, “NATO’s special representative for the Caucasus, James Appathurai: “[Georgia] still wants to and based on popular support in Georgia I expect that to stay the same and Georgia is working to meet the standards. We have not changed our view. We continue to work towards that step when Georgia will become a NATO member and Georgia is taking the steps as well and in fact, as the Secretary General said, we are getting closer together.”

www.eurasianet.org

WORLD POLITICS REVIEW: Abkhazia, S. Ossetia show the limits of Russian influence

Moscow has been relatively ineffective in both territories and its attention for the region’s problems is unlikely to improve. Quite to the contrary, issues closer to home will preoccupy the Kremlin. So Russia has no good options following the bind in which it put itself in 2008. It has no clear way to back out of the additional burden that Abkhazia and S. Ossetia constitute in economic and political terms, while the liability these territories bring is likely to become increasingly obvious.

www.worldpoliticsreview.com

AFRICA NEWS: Egyptian government, Georgia discuss ways to boost economic cooperation

Egyptian Foreign Trade Minister Mahmoud Eissa discussed with Georgian FM Grigol Vashadze ways to boost economic cooperation and bilateral trade. Eissa stressed the need for enhanced cooperation during Egypt’s transition, especially in the industrial, renewable energy, financial, and pharmaceutical sectors. The leaders also discussed measures to loosen customs regulations to create greater access for Georgian exports into Arab and African markets.

allafrica.com

EURASIA DAILY MONITOR: Ivanishvili stakes out positions

Ivanishvili’s policy prescriptions and some of his team may be discounted as amateurish. But his movement’s destabilizing potential deserves being taken seriously, should Georgian Dream achieve substantial parliamentary representation on the back of Ivanishvili’s billion-dollar fortune. A dysfunctional or hung parliament would be the result in that case. This could start a cycle of debilitating political strife as in years past, distracting the country from the course of reforms and Western integration.

www.jamestown.org

**COURIER-JOURNAL: No, that Georgia**

Among Europe’s highest peaks lies a region wedged between Chechnya and Dagestan that tourism has not discovered. Horses run wild through fields of irises in Tusheti. Stars have an intensity unknown to city eyes, and the jingle of a sheep bell competes only with the rush of distant streams. Stone homes and rounds of home-brewed brandy welcome you. Georgian cuisine is a fusion of east and west refined for several centuries. At Dzveli Sakhli, or “old house,” we had *chakapuli*, a stew of lamb with tarragon and plums, and *kinkali*, a juicy lamb dumpling that resembles the large doughy *manti* of Central Asia and the *momo* of Tibet.

www.courier-journal.com

TRANSITIONS ONLINE: Home again, sixty-seven years later

It took Kuradze some 67 years to achieve a lifelong dream and return to his native village, Abastumani, in southern Georgia. Along with 100,000 other Georgian Muslims, mostly Meskhetians, Kuradze was deported to Central Asia during World War II. Since then only about 1,000 have managed to return. But for others, even those who have never been there, Georgia long ago became the Promised Land.

www.tol.org

XINHUA: US billionaire to visit Georgia for tower project

American billionaire Donald Trump will visit Georgia in late April to review a tower project in the seaside city of Batumi. Economy Minister Kobalia said the project was advancing rapidly. “It will be rather beautiful,” she said. The tower building project, also known as Trump Riviera, is scheduled to break ground in early 2013. After the Batumi project, the Forbes-listed tycoon might consider another skyscraper plan in Tbilisi, Kobalia added.

www.chinadaily.com

US MARINE CORPS: Texas native loses arm, not his spirit

President Saakashvili presented Sgt. Marcus Burleson, a US Marine, last month with the General Kvinitadze medal, which is given to foreign service members who significantly contribute in the development of Georgia’s military cooperation. Burleson was recovering at the Walter Reed National Military Medical Center from injuries he sustained in Helmand province, Afghanistan, while working alongside Georgian troops. Burleson said working hand in hand with the Georgian service members was a positive experience. “The Georgian soldiers are an admirable collection of hard working, motivated, and mission-oriented individuals.”

www.marines.mil

AGENCE FRANCE PRESSE: Azerbaijan, Georgia to bid for Euro 2020

Azerbaijan and Georgia will make a joint bid to host the European football championships in 2020. The bidding process to host Euro 2020 will start later this year and the winner is due to be announced in 2014. During his visit to energy-rich Azerbaijan, Saakashvili praised the “strategic partnership” between the two small Caucasus states which have collaborated on projects such as the Baku-Tbilisi-Ceyhan pipeline that takes Caspian Sea oil to European markets.

www.dohastadiumplusqatar.com