



Georgia [Republic]: Recent Developments and U.S. Interests

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Summary

The small Black Sea-bordering country of Georgia gained its independence at the end of 1991 with the dissolution of the former Soviet Union. The United States had an early interest in its fate, since the well-known former Soviet foreign minister, Eduard Shevardnadze, soon became its leader. Democratic and economic reforms faltered during his rule, however. New prospects for the country emerged after Shevardnadze was ousted in 2003 and the U.S.-educated Mikheil Saakashvili was elected president. Then-U.S. President George W. Bush visited Georgia in 2005, and praised the democratic and economic aims of the Saakashvili government while calling on it to deepen reforms.

The August 2008 Russia-Georgia conflict caused much damage to Georgia's economy and military, as well as contributing to hundreds of casualties and tens of thousands of displaced persons in Georgia. The United States quickly pledged \$1 billion in humanitarian and recovery assistance for Georgia. In early 2009, the United States and Georgia signed a Strategic Partnership Charter, which pledged U.S. support for democratization, economic development, and security reforms in Georgia. The Obama Administration has provided ongoing support for Georgia's sovereignty and territorial integrity.

The United States has been Georgia's largest bilateral aid donor, budgeting cumulative aid of \$3.37 billion in FY1992-FY2010 (all agencies and programs). Georgia has regularly ranked among the top world states in terms of per capita U.S. aid. U.S.-budgeted aid for Georgia in FY2012 was \$85.5 million. The Administration has requested \$62.0 million for foreign assistance for Georgia for FY2014 (data for FY2012 and FY2014 include "Function 150" programs and exclude Defense and Energy Department funds; estimates for FY2013 are not yet available).

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Political Background

Georgia gained its independence at the end of 1991 with the dissolution of the former Soviet Union. Its elected president, Zviad Gamsakhurdia, faced insurrection and fled the country in January 1992. Coup leaders invited former Soviet Foreign Minister Eduard Shevardnadze to head a ruling State Council, and he was elected the speaker of the legislature in late 1992 and president under a new constitution in 1995. The country was roiled by secessionist conflict by South Ossetia and Abkhazia that resulted in cease-fires in 1992 and 1994, respectively. Shevardnadze was ousted in the wake of a suspect legislative election in late 2003, and coup co-leader Mikheil Saakashvili was elected president in January 2004. A November 2007 government crackdown on political oppositionists led Saakashvili to step down as president in the face of domestic and international criticism to seek a mandate on his continued rule. He was reelected president in January 2008 with 53% of the vote. Electoral observers hosted by the Organization for Security and Cooperation in Europe (OSCE) stated that the election broadly met its standards, but that irregularities needed to be addressed. He is constitutionally limited to two terms in office, and has stated that in accordance with the constitution, he will not run in a planned 2013 presidential election, although he does not plan to leave politics entirely.

Georgia: Basic Facts

Area and Population: 26,872 sq. mi., slightly larger than West Virginia. The population is 4.56 million (*The World Factbook*, mid-2013 est.). Administrative subdivisions include the Abkhazian and Ajarian Autonomous Republics.

GDP: \$26.5 billion; per capita income is about \$5,900 (*World Factbook*, 2012 est., purchasing power parity).

Political Leaders: President: Mikheil Saakashvili; Prime Minister: Bidzina Ivanishvili; Speaker of the Parliament: Davit Usupashvili; Defense Minister: Irakli Alasania; Foreign Minister: Maia Panjikidze.

Biography of Saakashvili: Born in 1967 in Tbilisi. He received his Master's at Columbia Univ. and his Ph.D. at George Washington Univ. In 1995 and 1999, he was elected to the legislature, where he chaired the Constitutional Committee and headed the ruling party's faction. In 2000, he became minister of justice, but resigned in late 2001, accusing the government of corruption and forming the United National Movement (UNM) party bloc. In 2002-2003, he chaired the Tbilisi city council. The UNM was at the forefront of the "rose revolution" that ousted the sitting president in late 2003. He was elected president in 2004 and reelected in 2008.

Biography of Ivanishvili: Born in 1956 in the Georgian village of Chorvila. He studied engineering and economics at Tbilisi State University and received the equivalent of a doctorate at the Moscow State Institute of Railway Engineering. In the late 1980s, he began to purchase factories, mines, hotels, banks, and other businesses and turned them around for resale. In the late 1990s, he left Russia for France. In 2004, he returned to Georgia and engaged in philanthropy. He has stated that he divested his holdings in Russia; he is reportedly a multi-billionaire. In April 2012, his Georgia Dream political party coalition was launched.

In an address at the U.N. General Assembly on September 23, 2008, President Saakashvili announced new democratization initiatives as a means to strengthen Georgia's sovereignty and independence and thereby prevent Russia from subverting Georgia's statehood. After lengthy attempts, President Saakashvili met with a few opposition leaders in April-May 2009 to discuss setting up a constitutional commission to work out changes to the political system, and such a commission was established in June 2009. In his March 2010 and February 2011 state of the nation addresses, Saakashvili pledged further democratization efforts. In his 2011 speech, he outlined his goals for the creation of a "modern" Georgia that would be "a democratic European nation with the fastest growing economy in Europe," where Georgian citizens would be more confident, "more educated" and "more competitive," and not subject to subjugation by Russia. He outlined a series of goals to be achieved by 2015 in agriculture, trade, employment, infrastructure

development, and tourism.¹ In his February 2012 state of the nation address, President Saakashvili discussed progress in meeting the 2015 goals. In the democracy realm, he did not announce new initiatives, but pledged that the upcoming October 2012 legislative election would be the “freest, most transparent and most democratic ... ever held in Georgia,” and asserted that Georgia has a political system open to parties that play by the rules.²

Local elections to 64 city councils, as well as the first popular election of Tbilisi’s mayor, were held at the end of May 2010. The ruling United National Movement (UNM)—headed by President Saakashvili—won over 65% of the vote in the city council races, followed by the moderate opposition Christian Democratic Alliance party bloc with about 12% of the vote. In the Tbilisi mayoral race, the UNM incumbent—Gigi Ugulava—was reelected with about 55% of the vote. The elections were widely viewed as a rehearsal for the planned October 2012 legislative and 2013 presidential elections, and as such appeared to be a mandate for the UNM and a legitimization of the moderate opposition, according to some observers. Some observers suggest that Ugulava may be the likely candidate backed by UNM in the 2013 presidential election. The boycott of the elections by much of the radical opposition—including Nino Burjanadze’s Democratic Movement-United Georgia, Levan Gachechiladze’s Defend Georgia, and Irakli Okruashvili’s For a United Georgia parties—appeared to further marginalize them in the public’s eyes, according to some observers.³ Monitors from the OSCE reported that the local elections “marked evident progress towards meeting OSCE and Council of Europe [democratization] commitments,” but that “significant shortcomings” remained, including apparent ballot-box stuffing and multiple voting, vote-counting and tabulation problems, the use of administrative resources for favored candidates, and deficiencies in the legal framework and its implementation. Assistant Secretary of State Philip Crowley repeated the findings of the OSCE that the local elections showed progress in democratization, but that “significant shortcomings need to be addressed.”⁴

In May 2010, the constitutional commission (mentioned above) agreed on amendments to slightly reduce the power of the president and increase the powers of the legislature and prime minister. In October 2010, the Georgian legislature approved the constitutional changes. Most of the changes will not come into effect until after the next presidential election, scheduled for early 2013. Under the changes, the party that has the largest number of seats in the legislature will nominate the candidate for prime minister. This nominee will select ministers and draft a program, and upon approval by the legislature, the president will appoint the prime minister. The changes also call for regional governors to be appointed by the prime minister rather than the president, as is currently the case. Some suggestions by the Venice Commission, an advisory body of the Council of Europe, were not enacted. The Commission had raised concerns that the proposed presidential powers were still substantial relative to those of the prime minister and legislature, and that clashes between the president and prime minister might emerge on foreign policy and other

¹ “Georgian President Delivers State-of-Nation Address to Parliament,” *Open Source Center Feature*, February 16, 2011.

² “Georgian President Delivers State-of-Nation Address to Parliament,” *Open Source Center Feature*, February 29, 2012.

³ Christofer Berglund, “Georgia’s Local Elections: Revitalizing the Rose Revolution?” *CACI Analyst*, June 9, 2010; *Central Eurasia: Daily Report* (hereafter *CEDR*), Open Source Center, May 31, 2010, Doc. No. CEP-46023; *Open Source Center Feature*, May 19, 2010, Doc. No. FEA-5119; May 31, 2010, Doc. No. FEA-5598.

⁴ OSCE, Office for Democratic Institutions and Human Rights, *Georgia Municipal Elections, 30 May 2010: OSCE/ODIHR Election Observation Mission Report*, September 13, 2010. U.S. Department of State. *Daily Press Briefing*, June 2, 2010.

matters. The Venice Commission suggested that a more powerful legislature might appoint the prime minister, be able to remove the prime minister with a simple majority vote (rather than 60% of the vote), and approve changes to the cabinet. A citizen's group likewise complained that the legislature's powers remained weak and criticized the retention of gubernatorial appointments. Some opposition parties allege that the constitutional changes are designed to permit Saakashvili to serve as prime minister after his term as president ends, and have called for a new constitutional amendment to ban a former president from subsequently serving as prime minister.

The People's Assembly civic organization—formed in May 2009 by parties and groups comprising the radical opposition, and led by former legislative speaker Nino Burjanadze and former border guards' chief Badri Bitsadze) launched large-scale demonstrations in Tbilisi beginning on May 22, 2011. Their parade permit was due to expire on the evening of May 25, and the government planned to hold an independence day parade the next day. Immediately upon the expiration of the permit, Georgian security forces moved to forcibly disperse the demonstrators, reportedly resulting in four deaths, dozens of injuries, and scores of detentions. The Georgian government alleged that the Russia-backed protesters had planned to launch an armed overthrow of the government. The prosecutor issued a warrant for the arrest of Badri Bitsadze, the husband of Nino Burjanadze, leader of the opposition Democratic Movement-United Georgia Party, on the grounds that he was involved in planning the putsch. U.S. Ambassador John Bass, the U.N. High Commissioner for Human Rights, the EU, and various non-governmental organizations (NGOs) such as Amnesty International and Human Rights Watch called on the government to launch an inquiry into whether security forces used excessive force against the protesters. In July 2011, the Interior Ministry announced that an internal probe had resulted in 16 police being fired or disciplined. In August 2011, Bitsadze was sentenced in absentia to 5.5 years in prison on charges of organizing attacks on police and disturbing the public order. He returned to Georgia in January 2013 after a Tbilisi court annulled his sentence.

The October 2012 Legislative Election

The ruling UNM and several opposition parties launched talks on reforming the electoral code in November 2010. Talks reached an impasse in early March 2011 but were resumed in June 2011. Later that month, two prominent opposition parties, the Christian Democratic and the New Rights parties, broke with other opposition parties forming the "Opposition Eight" alliance and agreed with the ruling party on several electoral reforms. They formed an inter-party group to draft legislation based on the agreement. The agreement called for increasing the number of legislators from 150 to 190, 107 of whom would be elected by party lists and 83 by single-mandate constituencies. Since the UNM in the past had won most of the majoritarian seats, the increase in the proportion of seats to be allocated through party list voting was viewed by some observers as somewhat increasing the chances for opposition parties to gain seats in the legislature. The draft electoral code was publicized for public discussion in September and then was considered by the legislature.

In December 2011, however, the UNM and some opposition parties agreed in approving the new electoral code that 77 members of the 150-seat legislature to be elected in October 2012 would be chosen through proportional voting and the remaining 73 through majoritarian voting in single member districts (previously, 50% of the members had been elected by each method). Another provision guaranteed that a party that gains a minimum of 5% of the vote will get at least six seats. A major provision recommended by the Venice Commission—that single member districts have relatively equal populations—was not included in the new electoral law. Under a 2011

constitutional amendment, the newly elected legislature would convene in a new building being completed in the city of Kutaisi (in western Georgia).

In early October 2011, reclusive Georgian oligarch Bidzina Ivanishvili declared that he would set up a party and would participate in 2012 legislative elections in opposition to the ruling UNM. A few days later, Saakashvili signed an order revoking Ivanishvili's Georgian citizenship on the grounds that he also held Russian and French citizenship, and the government reportedly began investigating and seizing assets of Ivanishvili's Cartu Bank. With his citizenship revoked, Ivanishvili was barred from running for office or providing donations to political parties. Ivanishvili relinquished his Russian citizenship, and stated that he intended to give up his French citizenship when he regained his Georgian citizenship. Besides the revocation of citizenship, the ruling party pushed through legislation barring corporate contributions and limiting corporate employee contributions to political parties, which critics viewed as aimed to block Ivanishvili from financing prospective or existing parties. Instead, state financing of campaigns by existing parties that had won past elections was stepped up, also viewed by critics as a means to constrict any new party created through Ivanishvili's interests. His party coalition, Georgia Dream-Democratic Georgia (GD), was launched in April 2012.

At the end of May 2012, constitutional changes went into effect permitting a citizen of an EU country who lived for five years in Georgia to be elected to high political office, a provision aimed to ease political tensions and permit Ivanishvili to participate in the October 2012 legislative election or in the 2013 presidential election. However, Ivanishvili proclaimed that he would not run in the legislative election except as a citizen of Georgia. Launching the GD election campaign on May 29, 2012, he affirmed support for Georgian integration into NATO and the EU, pledged to peacefully reintegrate Abkhazia and South Ossetia into Georgia, vowed to reduce poverty, unemployment, and emigration and to increase health, education, and other social services, and generally stated that his coalition aimed to bolster Georgia as a democratic and free market country.

Georgia's State Audit Chamber—given responsibilities to monitor the new restrictions on campaign spending—announced on June 7, 2012, that it was filing court documents seeking a fine of over \$90 million on GD, and was considering other fines. On June 11, the court decided that Ivanishvili's businesses had provided under-compensated services to GD and free satellite dishes to the public. A U.S. citizen involved in Ivanishvili's broadcasting business briefly was detained. The fine was reduced to \$45.4 million on appeal. Ivanishvili refused to pay it, so on June 21 the government raided Global TV, a cable and satellite television provider co-owned by Ivanishvili's brother, and seized satellite dishes. Other businesses linked to Ivanishvili also were seized, including two banks that were placed under state management until the fine was paid. Besides broadcasting on the Internet, a television station owned by Ivanishvili's wife had relied on Global TV to carry its pro-GD Party programming. Some human rights NGOs raised concerns that the raid on Global TV might jeopardize freedom of information in the run-up to the election. Perhaps in response to these concerns, on June 29, the legislature approved an amendment to the electoral code requiring cable providers to carry all significant television channels with news programming for 60 days prior to the election (however, only a tiny fraction of Georgian homes receive cable).

In late May 2012, Ivanishvili held a campaign rally in Tbilisi and over the next month held several more in the towns of Kutaisi and Ozurgeti and in several villages. His main campaign priorities included cutting utility rates, investing in agriculture, establishing universal health

insurance, and increasing pensions. Two weeks after Ivanishvili visited the Samegrelo region in western Georgia, Saakashvili rushed there following flooding to offer assistance.

On June 30, 2012, President Saakashvili appointed Interior Minister Ivane (Vano) Merabishvili as the new Prime Minister. The president stated that the new prime minister would combat unemployment, and Merabishvili added that he also would address problems of agriculture and healthcare. Saakashvili also announced that an Employment Ministry would be created.

In early July 2012, the OSCE's Office for Democratic Institutions and Human Rights (ODIHR) issued a report on the political environment in Georgia prior to the planned October legislative election. An ODIHR mission reported that the electoral environment was polarized, with political parties already campaigning. ODIHR raised concerns that the revised law on campaign spending gave too much authority to the State Audit Chamber to investigate campaign spending, and reported there were accusations that the audit chamber was selectively and excessively focusing on Ivanishvili.⁵ In another pre-election assessment, the National Democratic Institute (NDI), an NGO, warned on June 29, 2012, that the tense electoral environment already included hate speech against ethnic and religious minorities, harassment of political opponents, improper campaign spending and use of government resources, and attempted bribery of government officials. NDI reported that Georgian civil society organizations and many opposition parties had raised concerns that the new electoral and campaign finance legislation would not be implemented impartially. NDI raised concerns that the State Audit Chamber and the courts had levied several large fines against Ivanishvili, and only a few minor ones against the ruling party, and called for the "transparent, equal, and reasonable application" of the campaign finance law.⁶

The election for the 150-member Parliament of Georgia was held on October 1, 2012. Georgia's Central Electoral Commission registered 16 parties and blocs and several thousand candidates to run in mixed party list and single-member constituency races. GD posed the main opposition to UNM, which at that time held the majority of legislative seats. A video tape of abuse in a prison released by GD late in the campaign seemed to be a major factor in the loss of voter support for the UNM and in the electoral victory of GD. After runoffs were held in three districts, GD emerged with 85 (57%) of the 150 legislative seats.

According to observers from the Organization for Security and Cooperation in Europe (OSCE), the election freely reflected the will of the people and marked the first peaceful change of power in Georgia, although a few procedural and other problems were reported. The observers described the electoral environment as polarized and tense, with the frequent use of harsh rhetoric and some instances of violence. The campaign appeared to juxtapose the advantages of incumbency on one side against the private financial assets on the other side, rather than on concrete political platforms and programs. Mostly opposition party activists were detained and fined by the authorities. The distinction between state activities and the campaign of the ruling party was at times blurred. Two of the three main nationwide television channels were pro-government, although the third, the public broadcasting channel, provided balanced coverage. Cable networks were required to carry opposition party channels. The enforcement of campaign finance law by the State Audit Office was inconsistent and non-transparent. Voting was generally well organized

⁵ OSCE, Office for Democratic Institutions and Human Rights (ODIHR), *Georgia Parliamentary Elections 2012: OSCE/ODIHR Needs Assessment Mission Report, 11-15 June 2012*, July 3, 2012.

⁶ National Democratic Institute, *Statement of the National Democratic Institute Pre-Election Delegation to Georgia*, June 29, 2012.

and polling officials administered the vote in professional manner. Election observers evaluated the process positively in 93% of some 1,450 monitored polling stations. In some cases, voters did not mark their ballots in secret or individuals cast votes for other family members. Observers evaluated the counting and tabulation process less positively. Some technical procedures to be implemented prior to the opening of ballot boxes were not followed, and some indications of ballot box stuffing were observed. In about one-quarter of precinct electoral commissions, there were errors or omissions in completing the results protocols, leading in several cases to corrections.⁷

The White House described the election as “another milestone” in Georgia’s development as a democracy, and called for Ivanishvili and Saakashvili to work together to ensure the country’s continued peaceful transition of power. The Administration also stated that it looked forward to strengthening the U.S.-Georgia partnership. Several Members of Congress observed the election, and several Members of the Senate issued a post-election statement commending President Saakashvili for his efforts to transform Georgia into a prosperous democracy, while cautioning that the future of U.S.-Georgia relations depended on the country’s continued commitment to democratization.⁸

Post-Election Tensions

On October 25, 2012, the new legislature convened and the parties making up the majority GD coalition approved Ivanishvili as prime minister, along with his proposed cabinet ministers and his government program. The program calls for “large-scale reforms in all strategic directions,” including changing the constitution to bolster parliamentary power, restructuring the Interior (police) Ministry and depoliticizing the Interior and Defense Ministries, promulgating a new national security strategy, and modernizing the economy. The latter will include new grants for agriculture, pursuit of a free trade agreement with the United States, and talks with Russia to persuade it to lift its embargo on many Georgian products. The program also proclaims that the United States is Georgia’s main ally and that foreign policy objectives include EU and NATO membership. At the same time, the program calls for opening a dialogue with Russia to improve relations. The bulk of UNM members in the legislature voted against the new government and criticized its program as failing to build on the reforms of the Saakashvili government.

Relations between the parties making up the GD coalition and the UNM in the legislature and between the GD-led cabinet and the president have been contentious, and may well remain so in coming months, as both sides maneuver before a planned 2013 presidential election. Saakashvili is term-limited and cannot run, but the UNM hopes to retain the presidency. Under constitutional provisions already in place, the legislature is slated to gain greater powers vis-à-vis the presidency, so a divided political situation could endure for some time. In such a case, statesmanship and a commitment to compromise and good governance are essential for Georgia’s continued democratization, observers stress.

In early November 2012, the Ivanishvili government began arresting officials who had served in the previous Saakashvili government or who were active in the UNM, most prominently former

⁷ OSCE, ODIHR, *Georgia Parliamentary Elections, 1 October 2012, OSCE/ODIHR Election Observation Mission, Final Report*, December 21, 2012.

⁸ U.S. Senate, Senator John McCain, Statement by Senators McCain, Lieberman, and Graham on Elections in Georgia, October 3, 2012.

defense and interior minister Bacho Akhalaia and chief of the armed forces Georgy Kalandadze, both of whom were charged with allegedly beating six servicemen in 2011. Addressing concerns by many domestic and international observers about due process, Prime Minister Ivanishvili asserted on November 22 that Akhalaia's "guilt will be proven quite soon."⁹ During a mid-November visit to Georgia, Assistant Secretary of State Philip Gordon stressed to Prime Minister Ivanishvili that the United States recognized that those who committed crimes should be investigated and prosecuted, but "nobody wants to see or get the perception that what this is about is retribution against political enemies.... For Georgia to continue down the path to Euro-Atlantic integration ... [it needs] to be absolutely scrupulous in making sure that due process and transparency are applied."¹⁰

On November 29, 2012, Georgian Foreign Minister Maia Panjikidze met with then-Secretary Clinton in Washington DC; Clinton urged that prosecutions by the Ivanishvili government against possible "wrongdoers" be undertaken "with due process and the rule of law." Panjikidze assured Clinton that the arrests were not politically motivated but rather represented "the restoration of justice."¹¹ The next day, Prime Minister Ivanishvili endorsed Clinton's statement, and pledged that investigations would be carried out in a transparent manner. At the same time, he dismissed a *Washington Post* editorial that raised concerns about the many investigations and arrests, claiming that the newspaper had been influenced by the UNM, an allegation termed "fanciful" by UNM leaders.¹² In December 2012, Senators Jeanne Shaheen, Joe Lieberman, James Risch, Lindsey Graham, and John McCain sent a letter to Prime Minister Ivanishvili raising concerns that the arrests were politically motivated.

In an interview in early December 2012, President Saakashvili decried the "dozens" of investigations and arrests of his former colleagues by the Ivanishvili government. He also stated that he wanted to ease tensions with Ivanishvili by relinquishing most influence over domestic affairs and focusing on foreign policy, in order to stress the importance to traditional allies of continuing close ties with Georgia. One sign of cooperation between the two leaders appeared to be their agreement early in December to name Colonel Irakli Dzneladze, a military attaché at the Georgian Embassy in Ukraine, as the next chief of staff of the armed forces.

In January 2013, the Ivanishvili government continued to launch investigations and to arrest former government officials and civil servants. At the same time, the legislature overrode a presidential veto of a law on amnesty for "political prisoners," and nearly 200 alleged victims subsequently were released from prison, including 13 individuals sentenced as Russian espionage agents. In addition, courts have exonerated other prominent individuals sentenced by the former Saakashvili government. Some observers have raised concerns that the increasing numbers of arrests might harm Georgia's international reputation and its foreign relations with Western governments and international organizations.¹³

⁹ *Interfax*, November 22, 2012.

¹⁰ U.S. Department of State, *Press Roundtable on Georgia's Democratic Transition*, Philip Gordon, Assistant Secretary, Bureau of European and Eurasian Affairs, November 17, 2012.

¹¹ U.S. Department of State, *Remarks With Georgian Foreign Minister Maia Panjikidze Before Their Meeting*, Hillary Rodham Clinton, Secretary of State, November 29, 2012; *Daily Press Briefing*, November 29, 2012.

¹² *CEDR*, November 30, 2012, Doc. No. CEP-950151, and December 1, 2012, Doc. No. CEP-950078; "Georgia's Government Takes a Wrong Turn," *Washington Post*, November 27, 2012.

¹³ Niklas Nilsson, "Arrests in Georgia Disturb Transfer of Power," *Central Asia-Caucasus Analyst*, November 28, 2012.

Elected local councils and executive leaderships, dominated by members of the UNM, have faced protesters, and many members and leaders have resigned, switched parties, or declared that they are independent of party affiliation. Some observers have decried this situation, terming it an attempt by GD to take over local politics rather than cooperate with the UNM. They also have raised concerns that Georgia will thus come to sustain a political environment where one party is predominant, rather than evolve into a competitive party democracy.¹⁴

On January 23, 2013, Prime Minister Bidzina Ivanishvili dismissed Irakly Alasania as first deputy prime minister, reportedly after the two officials had wrangled over who would be nominated by the GD coalition to run in the planned October 2013 presidential election. Alasania retained his portfolio as defense minister.

On February 7, 2013, legislative speaker Davit Usupashvili announced that President Saakashvili would not be permitted to deliver his annual speech to the legislature until he agreed to amend the constitution to reduce his powers (see below). The next day, Saakashvili attempted to deliver the speech from the legislative library, but pro-Ivanishvili protesters blocked the library entrance. Instead, Saakashvili delivered the speech from his residence. Ivanishvili issued a statement after the speech condemning the violence, and suggesting that it could have been avoided if Saakashvili had postponed his speech.¹⁵

After the tumult of the blocked annual address, the co-chairs of the Congressional Caucus on Georgia—Representatives Bill Shuster and Allyson Schwartz—as well as Representative Michael Turner and Representative Mario Diaz-Balart, called in a letter for Secretary Kerry to inform Georgia's leaders of U.S. concerns about the many arrests of former officials and other democratization trends in the country.¹⁶

In late March 2013, GD convinced enough UNM legislators to join in a two-thirds majority vote to amend the constitution to take away President Saakashvili's power to dismiss the sitting cabinet and to appoint a new cabinet without parliamentary approval. He had disavowed any intention of carrying out such an action during the few days that the constitution permitted it between the legislative and presidential elections.

Responding to reports of ongoing pressure by GD activists to force UNM local legislators to resign or switch parties, and of the firing of local government workers belonging to UNM, Prime Minister Ivanishvili issued a statement on April 15, 2013, denying any official effort by GD to fire local personnel or to pressure local legislators. He called for local government workers not to be fired for political reasons. At the same time, he indicated that provisions were being developed to support "real and effective local self-governance," presumably after the holding of local legislative elections in 2014. These proposals may include a different process for choosing regional governors (state commissioners), who currently are appointed by the president.¹⁷

¹⁴ Molly Corso, "Georgia: Political Tumult Hits Regions," *Eurasianet*, December 26, 2012; Lincoln Mitchell, "Georgia: Four Observations and Four Questions from the Georgian Election," *Eurasianet*, November 15, 2012.

¹⁵ "Georgia: Conflict Rather than Cohabitation," *Eurasianet*, February 8, 2013; *CEDR*, February 11, 2013, Doc. No. CEP-964101.

¹⁶ Julian Pecquet, "Lawmakers press Kerry to use 'full diplomatic resources' to Resolve Georgia Political Crisis," *The Hill*, February 15, 2013.

¹⁷ *CEDR*, April 16, 2013, Doc. No. CEL-58523589.

In a speech to the Parliamentary Assembly of the Council of Europe (PACE) on April 23, 2013, Ivanishvili asserted that Georgia is committed to democratization and respect for human rights, and remains Western-oriented, pointing to the foreign policy statement recently approved by the Georgian legislature. Seemingly underlining this orientation, he stressed that he remains a French citizen. He stated that he had advocated for the EU's appointment of Thomas Hammarberg, the former COE High Commissioner on Human Rights, as a Special Advisor for Legal and Constitutional Reform and Human Rights in Georgia, and pledged that OSCE observers and other human rights advocates would be permitted to monitor the prosecutions of former government officials. He rebuffed other concerns about judicial independence, and appeared to argue that President Saakashvili was responsible for the August 2008 Russia-Georgia conflict.¹⁸ Some observers have argued that while the Ivanishvili government may be demonstratively less pro-American, it is pro-European. Others raise concerns that Ivanishvili has maintained ties to Russian state-business officials.

Ivanishvili announced on May 11, 2013, that GD had selected—in a non-transparent manner—Deputy Prime Minister and Minister of Education Giorgi Margvelashvili as its candidate for president. Other candidates who have declared their intention to run include Labor Party leader Shalva Natelashvili and Democratic Movement-United Georgia leader and former parliamentary speaker Nino Burjanadze. In a poll sponsored by the National Democratic Institute in late March 2013, a majority of respondents stated at that time that they planned to vote for the GD candidate for president. The UNM has stated that it hopes to hold party primaries to select a candidate. On May 21, 2013, former Prime Minister Merabashvili, an UNM official and possible presidential candidate, was arrested on charges of corruption, embezzlement, and abuse of office. Several Members of Congress raised concerns that the arrest was politically motivated and could harm Georgia's democratization and trans-Atlantic aspirations.

As of mid-2013, eleven legislators elected under the UNM banner had left the party and declared themselves non-party representatives, reducing the presence of the UNM in the legislature.

Human Rights

Freedom House, an NGO, ranked Georgia as “partly free” in its latest assessment of civil liberties and political rights for 2012. Georgia was judged to have improved in political rights during the year, particularly in holding a legislative election that resulted in a peaceful transition of power, but Freedom House also raised concerns about the arrests of former government officials late in the year.¹⁹

According to the State Department's *Country Reports on Human Rights Practices for 2012*, NGOs and the Public Defender's Office documented several cases of police officers mistreating detainees, beating them, and withholding permission to contact a lawyer during the year. The public defender also noted frequent instances of prison employees mistreating inmates. According to some observers, systemic abuse at Gldani Prison in Tbilisi was part of an official strategy to coerce confessions and facilitate convictions in criminal cases. In September 2012, media sources aired a series of graphic videos depicting prison officials assaulting and abusing inmates at Gldani

¹⁸ PACE, 2013 Ordinary Session, Twelfth Sitting, Second Part-Session, *Transcript*, April 23, 2013, at <http://www.assembly.coe.int/Main.asp?link=/Documents/Records/2013/E/1304231000E.htm>.

¹⁹ Arch Puddington, “Democratic Breakthroughs in the Balance,” *Freedom in the World 2013*, Freedom House, 2013.

Prison. Although the government took some steps to prosecute and punish officials who committed human rights abuses, the pre-election government frequently terminated or delayed investigations into such allegations, contributing to an atmosphere of impunity. However, after the parliamentary elections, more than two dozen high-level former government officials were indicted on torture, abuse of power, and corruption-related charges by the end of the year.

Most arrests were made without a warrant, with courts later rubber-stamped police justifications, leading to a climate of impunity and public perceptions that the judiciary was not a meaningful check on police actions. Observers argued that the executive branch controlled the judiciary through the High Council of Justice (HCOJ), which appointed, promoted, transferred, and dismissed judges as well as implemented judicial reforms. The Supreme Court chairman, who was appointed by the president, chaired the HCOJ and nominated eight of its 15 members. Since only an insignificant percentage of court cases resulted in acquittal, defendants were pressured to enter into plea bargains regardless of their legal interests. NGOs, civil society groups, and opposition party members alleged that politically motivated arbitrary arrests occurred, particularly of GD supporters in the run-up to the election. There were also allegations that family members of GD supporters were fired from public sector jobs. Several NGOs and others alleged that there were political prisoners held by the Saakashvili government. On December 5, 2012, the legislature passed a resolution declaring 190 individuals political prisoners and 25 political exiles.

Some opposition figures, including GD leader Ivanishvili, and NGOs alleged that surveillance included monitoring of e-mails and cellular telephone conversations. In November 2012, the Prosecutor's Office arrested Tbilisi's vice mayor, the head of the Constitutional Security Department, and nine other officials of the Ministry of Internal Affairs, and charged them with illegal surveillance through unauthorized access to private computer networks.

Although independent media were active and expressed a wide variety of views, direct or indirect government influence over the most watched countrywide media outlets remained a problem. There were reports during the year of physical and verbal assaults of journalists by police, confiscation of journalists' cameras by authorities, and intimidation of journalists by government officials due to their reporting, particularly during the run-up to the legislative election. Some opposition television stations faced tax audits, damage or confiscation of equipment, and liens on broadcast licenses during the election campaign. Observers accused both high-ranking government officials and opposition politicians of influencing editorial and programming decisions through their personal connections with news directors and media executives and by directing advertising using their personal connections with business owners.²⁰

Georgia was a source, transit, and destination country for women and girls subjected to sex trafficking and men and women subjected to conditions of forced labor. The government worked to eliminate trafficking, and boosted funding for anti-trafficking efforts and for two shelters, and increased the number of convictions of offenders.²¹

²⁰ U.S. Department of State, *Country Reports on Human Rights Practices for 2012*, April 19, 2013.

²¹ U.S. Department of State, *Trafficking in Persons Report 2012*, June 19, 2012

Economic Conditions

USAID has argued that Georgia has significant economic resources that could spur growth if it can overcome various impediments to development. Among Georgia's potentialities are its strategic location as an east-west and north-south trade and transit corridor, its climate and agricultural endowments, ample water resources that could be used for hydropower, and inexpensive and eager labor. Economic problems include rising unemployment and lagging educational achievement, a dearth of skilled labor, persistently high poverty rates, and high income and gender inequality. Oligopolistic market conditions hamper private enterprise development. Georgia's role in the global economy is precarious, since it has not bolstered export markets, remains dependent on energy imports, has faltered in attracting foreign direct investment, and imports food in part because agricultural productivity is below the global average. To address these problems, the Georgian government released an economic plan in 2011 to bolster job growth.²²

Georgia's economy suffered in 2008-2009 from the after-effects of the world economic downturn and the Russia-Georgia conflict, but began to recover in 2010. The Economist Intelligence Unit (EIU) estimates that Georgia's gross domestic product (GDP) contracted in 2009, but resumed growth in 2010. The EIU estimates that GDP grew by 7% in 2011, but slowed slightly to 6.1% in 2012, mainly due to a fall-off in economic activity during the fourth quarter related to a poor harvest and post-election uncertainties. Consumer price inflation was 8.5% in 2011 but a slight deflation of -0.9% was reported for 2012, attributable to lower prices for imports and to lower consumer demand. The EIU projects that economic growth might slow to 4.5% in 2013, related to slowed government spending early in the year and to a fall-off in foreign direct investment.²³

Economic activities include agriculture, mining, and a small industrial sector. Civil conflict and poverty have spurred the emigration of about one-fifth (1 million) of the population since 1991. A large percentage of the working population has migrated for work in Russia or elsewhere. After being reduced in 2009 as a result of the world economic downturn, the contribution of migrant worker remittances abroad to GDP increased thereafter, as economic growth returned to Russia and other host countries. Despite Russia's expected poor economic growth in 2013, worker remittances to Georgia are not anticipated to greatly decline. Georgia is a member of the World Trade Organization (see below).

In 2012, Georgia exported \$3.5 billion in goods and imported \$7.7 billion. Turkey, Azerbaijan, and Ukraine were among Georgia's main trade partners. Georgia's main exports during 2012 were automobiles (through reselling rather than production), ferrous metals, and fertilizer. U.S. exports to Georgia were \$540.6 million during 2012 (a decrease from \$579.3 million the previous year) and U.S. imports from Georgia were \$226.2 million (an increase from \$176.1 million the previous year).²⁴ Georgia's State Statistics Department reported that total foreign direct investment (FDI) in Georgia was \$1.1 billion in 2012, somewhat less than in 2011 and well below that of the pre-2008 conflict period. Besides FDI, the state-owned Georgian Railways and

²² USAID, *Country Development Cooperation Strategy: Fiscal Year 2013 – 2017, Georgia*, July 2012.

²³ *Georgia: Country Report*, Economist Intelligence Unit, June 2013.

²⁴ U.S. Census Bureau, Foreign Trade Statistics, *Trade in Goods (Imports, Exports and Trade Balance) with Georgia*, at <http://www.census.gov/foreign-trade/balance>.

Georgian Oil and Gas Corporation issued \$750 million in Eurobonds in 2012 to finance railway and hydropower projects.

The lack of adequate growth in private-sector jobs and Saakashvili's downsizing of the public sector contributed to gradually rising unemployment in recent years (about 15% in 2011). Almost one-half of the working population engages in agriculture, which accounts for a decreasing portion of GDP and an increasing portion of those in poverty. In June 2013, the International Monetary Fund (IMF) commended the Ivanaishvili government for increasing social expenditures and agricultural support to address these problems, but also called for boosting the level of government spending, lowering the interest rate, reforming the tax code, and enacting other policies to increase business confidence and investment.²⁵

The Ivanishvili government launched trade negotiations with Russia in December 2012 aimed at getting Russia to lift its de facto trade restrictions in place since 2006, particularly those involving mineral water, wine, and agricultural produce. Such trade restrictions are incompatible with Russia's WTO membership (see below), but Russia has appeared to extract maximal concessions and leverage in return for permitting some trade to resume, according to some observers. In late February 2012, representatives from Russia's Federal Service for Control in the Sphere of Consumers' Rights Protection and the Well-Being of Humans (Rospotrebnadzor) visited Georgia to inspect wine and mineral water production facilities. In May 2013, Rospotrebnadzor announced that it had deemed Georgian wines from seven producers and mineral waters from two producers as safe to import into Russia, and some Borzhomi water and wine began to be imported. Seemingly indicative of ongoing tensions, however, Rospotrebnadzor alleged that the Central Public Health Reference Laboratory near Tbilisi—which opened in 2011 as a collaboration between the U.S. Army Medical Research and Materiel Command and the Georgian Defense Ministry²⁶—was involved in research on pathogens that endangered Russia, and stated that the laboratory should be closed in order for Russia-Georgia cooperation on sanitary and epidemic issues to proceed. Rospotrebnadzor's head Gennadiy Onishchenko also reiterated in early June 2013 that the persistence of African swine fever that caused some loss of animals in southern Russia was economic subversion carried out from Georgia, possibly alluding that the laboratory was involved. Russian sources have alleged that Georgia has agreed to sever U.S. collaboration with the laboratory.

Georgia is a transit state for a pipeline completed in mid-2006 carrying 1 million barrels per day of Azerbaijani oil to the Turkish port of Ceyhan (the Baku-Tbilisi-Ceyhan or BTC pipeline). Another pipeline completed in early 2007 initially carries 2.2 billion cubic meters of Azerbaijani natural gas to Georgia and Turkey, lessening their dependence on Russia as a supplier. In addition, a pipeline transits Georgia to Armenia that carries Russian gas. Georgia receives some gas through this pipeline, including some gas in lieu of transit fees. The United States has backed Georgian ownership of this pipeline and MCC has provided funds for upgrading the pipeline. Azerbaijan provides an increasing portion of the gas needed by Georgia, largely easing Tbilisi's dependence on Russia. Georgia has built and refurbished hydroelectric power plants and plans to increase its export of electricity.

²⁵ IMF, *Georgia, 2013 Article IV Discussions: Concluding Statement of the IMF Mission*, June 10, 2013. See also IMF, *Georgia: First and Second Reviews Under the Stand-By Arrangement and Under the Standby Credit Facility Arrangement, and Request for Waiver of Nonobservance of Performance Criterion—Staff Report*, March 1, 2013.

²⁶ Jeffrey Soares, "The Birth of a Laboratory," Official Homepage of the U.S. Army, June 26, 2012, at http://www.army.mil/article/82553/The_Birth_of_a_Laboratory/.

Georgia and Russia's Accession to the WTO

When Georgia became a member of the WTO in 2000, it joined an existing Working Party of interested WTO members—established in 1993—that has been considering Russia's WTO bid. Georgia added its main concerns to those of the other 60-odd members of the Working Party, that market access be upheld and that Georgia establish control over customs clearance at posts located along its borders with Russia (including between its breakaway regions and Russia), in accordance with its sovereign territorial rights and the provisions of a 1994 free trade agreement signed by Georgia and Russia (never ratified by Russia). This Georgian request for customs control did not fundamentally change after Russia recognized the independence of the breakaway regions in late August 2008. Although Russia held bilateral talks with all members of the Working Party and by late October 2011 had resolved most of their concerns, Russia long continued to refuse to resolve Georgia's concerns about customs control, arguing that the issue was political and hence irrelevant to WTO accession. Instead, Russia demanded that the United States put pressure on Georgia to drop its request or that the WTO use an unprecedented majority vote of the membership to admit Russia to get around Georgia's request. The Russia-Georgia dispute became the last major obstacle to Russia's WTO accession. According to some observers, powerful interests in Russia that remained opposed to WTO membership were using the dispute to convince others in the Russian leadership to cease efforts to join WTO.²⁷

Trade monitoring talks moderated by Switzerland began in March 2011 between Russia and Georgia, which resulted in the signing of a trade monitoring agreement in Geneva in November 2011. This accord cleared one of the last major obstacles to Russia being invited to join the WTO at its Ministerial Conference in mid-December 2011 (on July 10, 2012, the Russian Duma approved accession, which was implemented by the WTO in August 2012). The trade monitoring agreement calls for customs observers at three "trade corridors" on the Georgia-Russia border, two running through the breakaway regions and the third running through the uncontested Zemo Larsi-Kazbegi border crossing. In regard to the breakaway regions, a terminal will be located at Russia's border with the region, and another at Georgia's border with the region. A private firm will be hired and managed by Switzerland to check statistics on customs clearance. Georgia and Russia will provide data to the firm, which will forward the data to the WTO. On December 26, 2011, Russian Ministry of Foreign Affairs spokesman Aleksandr Lukashevich appeared to boast that Georgia had been bested during the negotiations, asserting that since Georgia will provide customs clearance information for goods entering Abkhazia and South Ossetia, it effectively will be recognizing their independence, a claim Georgia disagreed with. He also asserted that Georgian customs officials would not be permitted at terminals located between Russia and the breakaway regions.²⁸ However, at the first meeting in Geneva in December 2012 between Russia and Georgia on the normalization of relations (see below), the two sides reportedly agreed that Georgian customs officials would be permitted to monitor cargoes at these terminals.²⁹

²⁷ Russian Prime Minister Vladimir Putin at times appeared lukewarm or mildly supportive of the benefits of WTO membership to Russia's economy, and at other times appeared to side with interests opposing WTO accession. Anders Aslund, "Why Doesn't Russia Join the WTO?" *The Washington Quarterly*, April 2010; Mamuka Tsereteli, "Russia's WTO Accession: Is Georgia an Obstacle?" Center for Black Sea/Caspian Studies, The American University, 2011; Government of the Russian Federation, Prime Minister, *Transcript: Interview with Prime Minister Vladimir Putin*, October 17, 2011, at <http://premier.gov.ru>.

²⁸ For concerns about whether Russia will comply with the customs agreement, see Andras Racz, *Russian WTO Accession and the Geneva Agreements: Implications for Russia and Georgia*, Transatlantic Academy, December 2011.

²⁹ CEDR, January 12, 2013, Doc. No. CEP-950048.

Foreign Policy and Defense

Among its neighbors, Georgia has developed close ties with Azerbaijan and maintains good relations with Armenia. Georgia has an ongoing interest in ties with about 1 million Georgians residing in Turkey and about 50,000 Georgians in Iran. Georgia is a member of the European Union's (EU's) Eastern Partnership program of enhanced economic ties, and hopes to negotiate a free-trade agreement with the EU. President Saakashvili and Prime Minister Ivanishvili have set a goal for Georgia to eventually become an EU member.

Ties with Russia have sharply deteriorated during Saakashvili's presidency. After the August 2008 Russia-Georgia conflict, Georgia broke off diplomatic relations with Russia and withdrew as a member of the Russia-dominated Commonwealth of Independent States (CIS). During the 2012 legislative election campaign, GD called for improving relations with Russia while maintaining a Western orientation. New Prime Minister Ivanishvili appointed Zurab Abashidze to the post of Special Representative for Relations with Russia to work toward better ties. Talks between Abashidze and Russian Deputy Foreign Minister Grigoriy Karasin have been held to normalize trade, transport, and cultural relations between the two countries. Foreign Minister Panjikidze has stressed, however, that diplomatic relations cannot be restored as long as Russia occupies Georgian territory. As one gesture, Georgia's Olympic Committee announced in early May that Georgian athletes would compete in the Sochi 2014 Winter Olympics.

Georgia's military is the smallest among those of the South Caucasus states. Its ground forces, air force, and national guard reportedly numbered 20,650 at the beginning of 2013. There were also 5,400 border and coast guards and 6,300 Interior (police) Ministry troops. Most of the ground forces and air force personnel are on contracts, with the remainder conscripted. In 2009, remaining elements of the coast guard—largely decimated during the Russia-Georgia conflict—became part of the border guards, organizationally under the Interior Ministry.³⁰ According to the Georgian defense ministry, 160 military personnel were killed during the Russia-Georgia conflict.³¹ A national security concept approved in late 2011 states that Russia's military "occupation of Georgia's territories ... and terrorist acts organized by Russia from the occupied territories," and "the risk of new military aggression from Russia" are the top national security threats faced by Georgia. The concept warns that Russia "aims to turn Georgia into a failed state, to hinder the realization of Georgia's European and Euro-Atlantic choice, and to forcibly return Georgia to the Russian political orbit." The concept avers that "international support for Georgia, as well as the presence of the European Union Monitoring Mission on the ground, are important deterrents to possible aggression" by Russia.³²

NATO and Georgia

Marking the shift toward more security ties with the West, Georgia withdrew from the CIS Collective Security Treaty in 1999. Georgia assumed full control from Russia over guarding its sea and land borders in 1999. Georgia joined NATO's Partnership for Peace in 1994 and has

³⁰ *The Military Balance*, International Institute of Strategic Studies, March 14, 2013.

³¹ *CEDR*, September 2, 2008, Doc. No. CEP-950366.

³² Ministry of Defense of Georgia, *National Security Concept of Georgia*, at <http://www.mod.gov.ge/?page=10&Id=3&lang=1>.

hosted PFP exercises annually since 2001. NATO signed an Individual Partnership Action Plan (IPAP) with Georgia in October 2004 to deepen cooperation. Although the United States urged that Georgia be considered for a Membership Action Plan (MAP; preparatory to membership), NATO's Riga Summit in November 2006 reaffirmed support for an "intensified dialogue" to assist Georgia in implementing reforms.³³ A MAP for Georgia was a matter of contention at the April 2008 NATO Summit. Although Georgia was not offered a MAP, the Alliance pledged that Georgia would eventually become a member of NATO, and stated that the issue of a MAP for Georgia would be revisited later in the year.

After the August 2008 Russia-Georgia conflict, several allies raised heightened concerns that Georgia was not ready to be granted a MAP because of the destruction of much of its military infrastructure by Russia, the uncertain status of the breakaway regions, and the uncertain quality of conflict decision-making by Georgia's political and military leadership. At a NATO foreign ministers' meeting in early December 2008, the allies agreed to step up work within the Georgia-NATO Council (established soon after the Russia-Georgia conflict) to facilitate Georgia's eventual NATO membership, and to prepare annual plans on Georgia's progress toward eventual membership. The first annual national plan was worked out during meetings of the Georgia-NATO Council and started to be implemented in May 2009.

During the visit of the North Atlantic Council to Georgia in November 2011, Secretary-General Anders Fogh Rasmussen praised Georgia for making progress in meeting conditions for NATO membership, including by increasing freedom of expression, economic growth, and military reforms, and by combating corruption. However, he also cautioned that the 2012-2013 legislative and presidential elections "will be an important indicator of ... how ready Georgia is for NATO membership."³⁴ The NATO-Georgia Commission also met in Tbilisi, and NATO pledged to strengthen its NATO liaison office in Tbilisi (set up in 2010), enhance support to the National Defense Academy for education and training, bolster the capacity for civil democratic oversight of the defense sector, and increase support for Georgia's role in Afghanistan.

After meeting with President Saakashvili at the White House in late January 2012, President Obama stated that he had "assured [Saakashvili] that the United States will continue to support Georgia's aspirations to ultimately become a member of NATO."³⁵ At his confirmation hearing in March 2012, Ambassador-designate to Georgia Richard Norland reported that the Administration planned at the upcoming May 2012 NATO summit in Chicago "to signal acknowledgement for Georgia's progress ... and to work with the allies to develop a consensus on the next steps forward."³⁶ The Chicago Summit Declaration issued at the meeting grouped Georgia with the other three NATO aspirants, Macedonia, Montenegro, and Bosnia-Herzegovina, and announced that the Alliance ties with Georgia would be strengthened. The Declaration reaffirmed NATO support for Georgia's territorial integrity and called on Russia to make a pledge not to use force against Georgia and to rescind its recognition of the breakaway regions as independent. It also

³³ NATO. North Atlantic Council. *Riga Summit Declaration*, November 29, 2006. Sen. Richard Lugar urged soon granting Georgia a MAP and suggested that NATO's energy security would be facilitated by eventually offering NATO membership to Azerbaijan and Kazakhstan. "Senator Lugar Delivers Remarks at the Riga Summit, Latvia," *Congressional Quarterly Transcripts*, November 27, 2006.

³⁴ *Reuters*, November 10, 2011.

³⁵ The White House, January 30, 2012.

³⁶ U.S. Senate, Committee on Foreign Relations, *Hearing on Nominations*, March 21, 2012.

raised concerns about Russia's military buildup in the breakaway regions and called on Russia to permit international observers and humanitarian groups free access to the regions.³⁷

At a mid-November 2012 meeting at NATO headquarters in Brussels with Secretary General Anders Fogh Rasmussen, visiting Prime Minister Ivanishvili assured him that due process would be followed in the cases of former defense and interior minister Bacho Akhalaia, chief of the armed forces Georgy Kalandadze, and others arrested in Georgia, and invited NATO to set up a commission in Georgia to monitor the cases.³⁸ At a meeting of the NATO-Georgia Commission in Brussels, held a week after Ivanishvili's NATO visit, Georgian Defense Minister Alasania stated that post-election Georgia was now more stable and a stronger and more predictable NATO partner, and that Georgia would uphold the rule of law. At a follow-on meeting of the NATO-Georgia Commission on December 5, 2012, during the NATO foreign ministerial meeting in Brussels, Secretary General Rasmussen reiterated that the Alliance would continue to monitor judicial developments in Georgia, and stressed that NATO looked forward to a "still stronger and closer relationship [with Georgia] in 2013 and beyond."³⁹

At a meeting of the NATO-Georgia Commission on March 19, 2013, the Georgian side reported on its annual plan for 2013. NATO emissaries reportedly praised the annual plan and offered assistance for its fulfillment, and urged vying political interests in Georgia to work together to further the country's democratization. At a meeting of the NATO-Georgia Commission on June 5, 2013, NATO Secretary General Anders Fogh Rasmussen stated that the Alliance "greatly appreciate[s] the active support that Georgia has made to our operations, past and present.... We are looking to the Georgian government to respect the rule of law, human rights and the rights of minorities. And we encourage Georgia to continue key reforms and to conduct free and fair presidential elections later this year.... I look forward to a future in which Georgia is in the Alliance." He also criticized Russia's fortification of borders, including the stringing of barbed wire, along the South Ossetian-Georgian border.⁴⁰ The North Atlantic Council will visit Georgia on June 26-27, 2013.

The U.S. Congress approved the NATO Freedom Consolidation Act of 2007, signed into law in April 2007 (P.L. 110-17), to urge NATO to extend a MAP for Georgia and to designate Georgia as eligible to receive security assistance under the program established by the NATO Participation Act of 1994 (P.L. 103-447). The statement released by the U.S. delegation to the NATO Parliamentary Assembly in October 2011 (mentioned above) called for NATO to extend a MAP for Georgia at the upcoming NATO Summit in Chicago in May 2012. In March 2012, then-Senator Richard Lugar introduced S. 2177, The NATO Enhancement Act, in the 112th Congress, which reaffirms an "open door" policy with respect to the accession of additional countries to NATO, including NATO aspirant Georgia (a similar bill, H.R. 4243, was introduced in the House by Rep. Michael Turner later in March 2012). The bills expressed the sense of Congress that the President should lead efforts at the Chicago NATO Summit to provide a clear roadmap for the

³⁷ NATO, *Chicago Summit Declaration*, May 20, 2012.

³⁸ NATO, *Joint Press Point by NATO Secretary General Anders Fogh Rasmussen and the Prime Minister of Georgia, Bidzina Ivanishvili*, November 14, 2012.

³⁹ NATO, *NATO Foreign Ministers Praise Georgia's Commitment to Euro-Atlantic Integration*, December 5, 2012; *Opening Remarks by NATO Secretary General Anders Fogh Rasmussen at the NATO-Georgia Commission in Foreign Ministers Session*, December 5, 2012; *CEDR*, December 6, 2012, Doc. No. CEP-964069; December 7, 2012, Doc. No. CEP-964050.

⁴⁰ *CEDR*, June 6, 2013, Doc. No. CER-25247825.

granting of a MAP (or other equivalent plan) to Georgia and other aspirants. However, as mentioned above, Georgia was not offered a MAP at the Chicago NATO summit.

The August 2008 Russia-Georgia Conflict

Background: Civil and Ethnic Conflict in Georgia

Several of Georgia's ethnic minorities stepped up their dissidence, including separatism, in the late 1980s and early 1990s, resulting in the loss of central government control over the regions of South Ossetia and Abkhazia. Some observers argued that Russia's increasing controls over South Ossetia and Abkhazia over the years transformed the separatist conflicts into essentially Russia-Georgia disputes. Most residents of Abkhazia and South Ossetia had been granted Russian citizenship before the August 2008 Russia-Georgia conflict and most had appeared to want their regions to become independent or parts of Russia.⁴¹

U.S. diplomacy long appeared to urge Georgia to work within existing peace settlement frameworks for Abkhazia and South Ossetia—which allowed for Russian “peacekeeping”—while criticizing some Russian actions in the regions. This stance appeared to change during 2008, when the United States and other governments increasingly came to support Georgia's calls for the creation of alternative peace settlement mechanisms, particularly since talks under existing formats had broken down.

This U.S. policy shift was spurred by increasing Russian actions that appeared to threaten Georgia's territorial integrity. Among these, the Russian government in March 2008 formally withdrew from CIS economic sanctions on Abkhazia, permitting open Russian trade and investment. Of greater concern, President Putin issued a directive in April 2008 to step up government-to-government ties with Abkhazia and South Ossetia. He also ordered stepped up consular services for the many “Russian citizens” in the two regions. He proclaimed that many documents issued by the separatist governments and businesses which had been established in the regions would be recognized as legitimate by the Russian government (For other Russian actions during 2008 specific to a breakaway region, see “Developments in Abkhazia before August 2008,” “Developments in South Ossetia before August 2008,” or “The August 2008 Conflict,” below.)

Developments in Abkhazia before August 2008

In July 1992, Abkhazia's legislature declared the region's effective independence, prompting an attack by Georgian national guardsmen. In October 1992, the UNSC approved sending a U.N. Observer Mission in Georgia (UNOMIG), the first to a Eurasian state, to help the parties reach a settlement. Russian and North Caucasian “volunteers” (who reportedly made up the bulk of Abkhaz separatist forces) routed Georgian forces in 1993. Georgia and Abkhazia agreed in April-May 1994 on a framework for a political settlement and the return of refugees. Russian troops (acting as CIS “peacekeepers”) were deployed in a zone between Abkhazia and the rest of

⁴¹ Vladimir Socor, *Eurasia Insight*, November 20, 2006. According to an issue of the *Rossiyskoye Voyennoye Obozreniye (Russian Military Review)* published by the Defense Ministry in early 2008, 80% of residents of Abkhazia were citizens of Russia at that time, and most had voted in the December 2007 Russian legislative election. *CEDR*, April 21, 2008, Doc. No. CEP-358004.

Georgia. The conflict resulted in about 10,000 deaths and over 200,000 displaced persons, mostly ethnic Georgians.

The U.S. Deputy Assistant Secretary of State worked with the Special Representative of the U.N. Secretary General and other “Friends of the Secretary General” (France, Germany, Russia, the United Kingdom, and Ukraine) to facilitate a settlement. Sticking points in talks included Georgia’s demand that displaced persons be allowed to return to Abkhazia, after which an agreement on autonomy for Abkhazia would be negotiated. The Abkhazians insisted on recognition of their independence as a precondition to large-scale repatriation.

In July 2006, a warlord in the Kodori Gorge area of northern Abkhazia, where many ethnic Svans reside, foreswore his nominal allegiance to the Georgian government. The Georgian government quickly sent forces to the area and defeated the warlord’s militia. Georgia claimed that only police were deployed in the Gorge, but Abkhazia asserted that military troops were present, in violation of the cease-fire agreement. Regular Georgia-Abkhazia peace talks were suspended in October 2006. Abkhazia called for Georgia to remove the government representatives and alleged military forces.

The United States and others in the international community raised concerns when the Russian foreign and defense ministries announced on April 29, 2008, that the number of “peacekeepers” in Abkhazia would be boosted up to the maximum permitted under ceasefire accords. The ministries claimed that the increases were necessary to counter a buildup of Georgian “military forces” and police in the Kodori Gorge, which they alleged were preparing to attack the de facto Abkhaz government. It was also troubling that 400 Russian paratroopers were deployed to Abkhazia that Russian officials reportedly stated would be fully armed in order to repulse possible Georgian attacks on Abkhazia.⁴² In late May 2008, Russia announced that about 400 railway construction troops were being sent to Abkhazia for “humanitarian” work. These troops—whose role is to facilitate military positioning—reportedly left Abkhazia at the end of July 2008 after repairing tracks and bridges. According to former Deputy Assistant Secretary Bryza, the railway was used in August by Russia when its troops moved into Georgia.⁴³

Developments in South Ossetia before August 2008

In 1989, the region lobbied for joining its territory with North Ossetia in Russia or for independence. Repressive efforts by former Georgian President Gamsakhurdia triggered conflict in 1990, reportedly contributing to an estimated 2,000-4,000 deaths and the displacement of tens of thousands of people. In June 1992, Russia brokered a cease-fire, and Russian, Georgian, and Ossetian “peacekeeping” units set up base camps in a security zone around Tskhinvali, South Ossetia. Reportedly, the units totaled around 1,100 troops, including about 530 Russians, a 300-member North Ossetian brigade (which actually was composed of South Ossetians and headed by a North Ossetian), and about 300 Georgians. OSCE monitors did most of the patrolling.

In 2004, President Saakashvili increased pressure on South Ossetia by tightening border controls and by breaking up a large-scale smuggling operation in the region that allegedly involved Russian organized crime and corrupt Georgian officials. He also reportedly sent several hundred

⁴² *ITAR-TASS*, May 6, 2008.

⁴³ Pavel Felgenhauer, *Eurasia Daily Monitor*, June 12, 2008; U.S. Department of State, Foreign Press Center, Briefing: The Situation in the Republic of Georgia and its Implications for the Caucasus, August 19, 2008.

police, military, and intelligence personnel into the region. Georgia maintained that it was only bolstering its peacekeeping contingent up to the limit of 500 troops, as permitted by the cease-fire agreement. Georgian guerrilla forces also reportedly entered the region. Allegedly, Russian officials likewise assisted several hundred paramilitary elements from Abkhazia, Transnistria, and Russia to enter. Following inconclusive clashes, both sides by late 2004 ostensibly had pulled back most undeclared forces. In November 2006, a popular referendum was held in South Ossetia to reaffirm its “independence” from Georgia. After October 2007, no more peace talks were held.

The August 2008 Conflict and Ceasefire Accords

Simmering long-time tensions erupted on the evening of August 7, 2008, when South Ossetia accused Georgia of launching a “massive” artillery barrage against its capital, Tskhinvali, while Georgia reported intense bombing of some Georgian villages in the conflict zone by South Ossetian forces. Georgia claims that South Ossetian forces did not respond to a ceasefire appeal but intensified their shelling, “forcing” Georgia to send in troops that reportedly soon controlled Tskhinvali and other areas.⁴⁴

On August 8, Russia launched large-scale air attacks across Georgia and dispatched seasoned troops to South Ossetia that engaged Georgian forces in Tskhinvali later in the day. Reportedly, Russian troops had retaken Tskhinvali, occupied the bulk of South Ossetia, reached its border with the rest of Georgia, and were shelling areas across the border by the morning of August 10. Russian warplanes bombed the outskirts of the capital, Tbilisi, as well as other sites. Russian ships landed troops in Georgia’s breakaway Abkhazia region and took up positions off Georgia’s Black Sea coast.

On August 12, Medvedev declared that “the aim of Russia’s operation for coercing the Georgian side to peace had been achieved and it had been decided to conclude the operation.... The aggressor has been punished and suffered very heavy losses.”⁴⁵ Medvedev endorsed some elements of a European Union (EU) peace plan presented by visiting French President Nicolas Sarkozy. On August 15, the Georgian government accepted the French-brokered six-point ceasefire that left Russian forces in control of South Ossetia, Abkhazia, and “security zones” in undisputed Georgian territory.⁴⁶ The six points included commitments not to use force, to halt hostilities, to provide full access for humanitarian aid, to withdraw Georgian forces to the places they were usually stationed prior to the conflict, to withdraw Russian forces to positions prior to the outbreak of hostilities (although they were permitted to implement security measures in the zone of the conflict until international monitors were in place), and to open international discussions on ensuring security and stability in Abkhazia and South Ossetia.

Much of the international community condemned President Medvedev’s August 26 decree officially recognizing the independence of South Ossetia and Abkhazia.⁴⁷ Nicaragua, Venezuela,

⁴⁴ See also CRS Report RL34618, *Russia-Georgia Conflict in August 2008: Context and Implications for U.S. Interests*, by (name redacted).

⁴⁵ *ITAR-TASS*, August 12, 2008. On September 11, Prime Minister Putin stated that Georgia’s aggression was answered by “a well-deserved mighty punch” by Russia. *ITAR-TASS*, September 11, 2008.

⁴⁶ See CRS Report RL34618, *Russia-Georgia Conflict in August 2008: Context and Implications for U.S. Interests*, by (name redacted), August 29, 2008.

⁴⁷ The EU fact-finding mission on the causes and outcome of the Russia-Georgia conflict stated that according to overwhelmingly accepted principles of international law, “only former constituent republics such as Georgia but not territorial sub-units such as South Ossetia or Abkhazia are granted independence in case of dismemberment of a larger (continued...)”

Nauru, and Tuvalu are the only countries that have followed suit in extending diplomatic relations to Abkhazia and South Ossetia (Vanuatu's prime minister reportedly stated to Saakashvili in May 2013 that the country does not recognize Abkhazia).

On September 8, 2008, then-President Medvedev and visiting then-President Sarkozy signed a follow-on ceasefire accord that fleshed out the provisions of the six-point peace plan. Among its provisions, it stipulated that Russian forces would withdraw from areas adjacent to the borders of Abkhazia and South Ossetia by October 11; that Georgian forces would return to their barracks by October 1; that international observers already in place from the U.N. and OSCE would remain; and that the number of international observers would be increased by October 1, to include at least 200 observers from the EU, and perhaps more later. The EU called for Russia to permit these observers to patrol in Abkhazia and South Ossetia. Russia's position has been that these observers cannot patrol in the regions without the approval of the regions, and the regional leaders have refused to permit such patrols. Although Sarkozy strongly implied that the international conference would examine the legal status of Georgia's breakaway Abkhazia and South Ossetia, Medvedev asserted that the regions had been recognized as independent by Russia on August 26, 2008, and that disputing this recognition was a "fantasy."⁴⁸

Post-Conflict Developments

Many observers have argued that Russia aimed both to consolidate control over South Ossetia and Abkhazia and to depose Georgian President Saakashvili when it launched the August 2008 military incursion into Georgia. Russia hoped to achieve this latter goal either directly by occupying Georgia's capital of Tbilisi and killing or arresting Saakashvili, or indirectly by triggering his overthrow, according to these observers. They state that Saakashvili's survival as the popularly elected president was a major accomplishment of the diplomacy of the EU and the United States that ended Russia's offensive.⁴⁹

Georgia, the United States, and others have maintained that in violation of the cease-fire accords, Russian troops remain in some areas instead of being removed, the number of its troops in the regions have not been reduced to pre-conflict levels, and the OSCE and U.N. observers have been forced out of the regions. Russia has established military bases in each of the regions and a naval base in Abkhazia. The British publication *The Military Balance* reports that as of early 2013 there

(...continued)

entity such as the former Soviet Union. Hence, South Ossetia did not have a right to secede from Georgia, and the same holds true for Abkhazia.... Recognition of breakaway entities such as Abkhazia and South Ossetia by a third country ... runs against Principle I of the Helsinki Final Act which states "the participating States will respect each other's sovereign equality and individuality ... including in particular the right of every State to juridical equality, to territorial integrity and to freedom and political independence." The fact-finding mission also pointed out that the founding documents of the Commonwealth of Independent States, to which Georgia belonged from 1993 to 2008, called for upholding the territorial integrity of the members. Council of the European Union, *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, September 2009, Vol. 1, p. 17; Vol. 2, pp. 127-146.

⁴⁸ CEDR, September 28, 2008, Doc. No. CEP-950425; CEP-950440.

⁴⁹ U.S. House of Representatives. Committee on Foreign Affairs. Hearing on U.S.-Russia Relations in the Aftermath of the Georgia Crisis. *Testimony of Daniel Fried, Assistant Secretary of State for European and Eurasian Affairs*, September 9, 2008. Saakashvili also highlighted this Russian aim during his testimony to the Georgian legislative commission investigating the causes of the conflict. See "Saakashvili Testifies Before War Commission, Analysts Comment," *The Messenger* (Tbilisi), December 1, 2008. Georgia's Ambassador to the United States, Davit Sikharulidze, argued that Russia's "aim was to overthrow the [Georgian] government and it would have come true but for the U.S. interference." CEDR, December 1, 2008, Doc. No. CEP-950233. Russia officially has denied such an aim.

were about 7,000 Russian motorized rifle brigade troops in Abkhazia and South Ossetia, as well as some air force attack helicopters and S-300 surface-to-air missiles.⁵⁰ In addition, up to several thousand Russian border guards and security personnel reportedly have been deployed and some Black Sea Fleet naval forces have docked at the port of Ochamchira, Abkhazia.

The International Crisis Group (ICG), a non-governmental organization, estimated in June 2010 that there may be fewer than 30,000 people residing in South Ossetia, and that the population continues to decline (a 1989 census, taken before the beginning of conflict, reported a regional population of 98,500). The ICG suggests that the region is increasingly less able to govern or sustain itself economically, and so must rely on Russian aid and thousands of Russian construction and government workers, troops, and border guards that are deployed there.⁵¹

The European Union Monitoring Mission

By October 1, 2008, the European Union Monitoring Mission (EUMM) had deployed over 200 monitors and Russia announced on October 9 that its troops had withdrawn from buffer zones. Georgia has maintained that Russian troops have not pulled out of Akhalkgori, a district that Russia asserts is within South Ossetia's Soviet-era borders, and the Kodori Gorge, and that no Russian military bases are permitted in the regions. In December 2008, Russia objected to continuing a mandate for about 200 OSCE observers in Georgia—including some observers authorized before the August 2008 conflict and some who were added after the August 2008 conflict—and they pulled out on June 30, 2009. Similarly, in June 2009 Russia vetoed a UNSC resolution that extended the UNOMIG mandate, and they pulled out of Abkhazia. The EUMM is now the sole international group of monitors. It reported in early 2013 that the number of staffers was 300 (of which 200 are monitors) and that the monitors are based in three field offices near the contested borders.⁵²

According to former Assistant Secretary of Defense Alexander Vershbow and Assistant Secretary of State Philip Gordon, the EUMM has been effective at debunking several allegations made by Russia and the separatist regions that ceasefire violations have been committed by Georgia. The United States and the EU continue to call for unrestricted access to Abkhazia and South Ossetia in order to monitor the ceasefire. Vershbow and Gordon have praised Georgia's cooperation with the EUMM, including Georgia's agreement with the EUMM at the beginning of 2009 to report all movements of its security forces near the administrative borders and to permit unannounced inspections of its military facilities. They contrast this cooperation to the refusal of Russia, Abkhazia, and South Ossetia to permit patrols in the regions.⁵³ In late April 2012, Abkhazia declared that the head of the EUMM was *persona non grata*, including because he advocated for the EUMM to patrol inside the breakaway regions. Abkhazia has refused to reconvene meetings of the incident prevention group (see below) since then, because the EUMM head normally would attend.

⁵⁰ *The Military Balance*, International Institute of Strategic Studies, March 14, 2013.

⁵¹ International Crisis Group. *South Ossetia: The Burden of Recognition*, June 7, 2010.

⁵² EUMM. *Mission Facts and Figures*, at http://www.eumm.eu/en/about_eumm/facts_and_figures.

⁵³ U.S. Senate. Committee on Foreign Relations. Subcommittee on Europe. Hearing on Georgia: One Year After the August War. *Testimony of Alexander Vershbow, Assistant Secretary of Defense for International Security Affairs*, and *Testimony of Philip H. Gordon, Assistant Secretary for European and Eurasian Affairs*, August 4, 2009.

The Geneva Peace Talks

An international conference to discuss security, repatriation, and status issues related to the conflict held its inaugural session in Geneva on October 15, 2008. Facilitators at the talks include the U.N., the EU, and the United States. Russia, South Ossetia, and Abkhazia reject any challenges at the conference to the claimed independence of the breakaway regions. Russia has insisted at these meetings and elsewhere that the international community impose an arms embargo on Georgia. Russia also has insisted at these meetings that Georgia sign non-use-of-force agreements with the breakaway regions. In March 2010, Russia stated that, as a preliminary to the signing of such agreements, Georgia, South Ossetia, and Abkhazia could provide written pledges of the non-use of force to the United Nations (see below).⁵⁴

Among significant Geneva conference meetings:

- In February 2009, the sides agreed to set up an “incident prevention and response mechanism” along the South Ossetian border with the rest of Georgia in order to defuse tensions before they escalate. On April 23, the first meeting of the Georgia-South Ossetia Incident Prevention and Response Mechanism was convened in the Georgian town of Ergneti, with the participation of the Georgian and South Ossetian sides, as well as representatives of the Russian Ministry of Defense, the OSCE and the EU.
- At the July 2009 Geneva conference meeting, the sides discussed setting up an incident prevention group to resolve issues such as cross-border travel between Abkhazia and the rest of Georgia. A meeting in Gali, Abkhazia, to establish the group was held on July 14, 2009.
- At the October 14, 2010, meeting, Russia announced that it was pulling its troops out of the town of Perevi, Georgia, near the border with South Ossetia. The troops pulled out on October 18, 2010. Russia declared that this pullout marked its complete fulfillment of the ceasefire accords.⁵⁵ South Ossetia refused to discuss problems of refugees and displaced persons after a Georgian-sponsored resolution on the return of displaced persons and refugees to South Ossetia was approved by the U.N. General Assembly in September 2010.
- At the June 7, 2011, meeting, Georgia raised concerns about alleged Russian terrorist attacks and plans (see below) and stated that it might reconsider participation in the Geneva conference if the terrorism persisted.
- At the December 14, 2011, meeting, the moderators, the United States, and Georgia argued that if binding nonuse-of-force agreements are signed, they logically should include provisions for international monitors to patrol in the breakaway regions, a stance rejected by Russia, South Ossetia, and Abkhazia. Georgia and South Ossetia agreed to exchange over two dozen detainees who allegedly had illegally crossed disputed borders. The prisoner exchange—under

⁵⁴ Samuel Charap and (name redacted) *More Proactive U.S. Approach to the Georgia Conflicts*, Center for American Progress, February 2011; *CEDR*, July 28, 2010, Doc. No. CEP-6001.

⁵⁵ The Georgian Foreign Ministry issued a statement that the withdrawal of Russian troops from Perevi was welcome but was “just a miniscule step in comparison with commitments envisaged by the ceasefire agreement of August 12, 2008, which Russia still has to comply with.” *Statement of the Ministry of Foreign Affairs of Georgia on the Withdrawal of the Russian Armed Forces*, Ministry of Foreign Affairs of Georgia, October 19, 2010.

the aegis of the incident prevention mechanism—took place at the end of December 2011.

- At the June 7-8, 2012, meeting, the Russian side criticized then-Secretary Clinton's announcement during her just-concluded visit to Georgia that U.S. embassies and consulates would recognize the validity of status-neutral travel documents issued by Georgia to residents of Abkhazia and South Ossetia who wished to travel or study in the United States. Russia claimed that the announcement set back the peace process.
- The new Ivanishvili government hoped for progress at the December 11-12, 2012, Geneva meeting, but voiced disappointment after the meeting and criticized Russia for failing to consider its proposals. Abkhaz authorities also rejected a conciliatory proposal by the Ivanishvili government to restore rail service from Georgia through Abkhazia to Russia, viewing it as a ploy to avoid extending recognition to the region.
- At the March 26-27, 2013, meeting, Russia's Deputy Foreign Minister, Grigoriy Karasin, accused Georgia of hindering the talks and claimed that the only point of the talks was to convince Georgia to sign a non-use of force agreement with the breakaway regions. At the same time, Russia continued to refuse to pledge not to use force against Georgia.

The Donors' Conference

The EU and World Bank convened a donors' conference in Brussels on October 22, 2008, to garner international funds for Georgia's rebuilding. Thirty-eight countries and fifteen international organizations pledged approximately \$4.5 billion in aid to Georgia for the 2008-2010 period. The amount pledged was higher than the basic needs outlined in a Joint Needs Assessment report presented to the conference, indicating the high level of international concern over Georgia's fate.⁵⁶ The pledges were addressed to meet urgent social needs related to internally displaced people, as well as damaged infrastructure; budgetary shortfalls; loans, equity, and guarantees to the banking sector; and core investments in transportation, energy, and municipal infrastructure that will boost economic growth and employment. The United States pledged the largest amount—\$1 billion—for these efforts (see below, "U.S. Humanitarian and Rebuilding Aid after the Russia-Georgia Conflict").

The 2009 Tagliavini Report on the Origins and Outcome of the Conflict

On September 30, 2009, a special EU fact-finding mission led by Swiss diplomat Heidi Tagliavini released a report on the origins and outcome of the August 2008 Russia-Georgia conflict. On the one hand, the mission concluded that "open hostilities began with a large-scale Georgian military operation against the town of Tskhinvali [in South Ossetia] and the surrounding areas, launched on the night of 7 to 8 August 2008. Operations started with a massive Georgian artillery attack." The mission also argued that the artillery attack was not justifiable under international law. However, it also argued that the artillery attack "was only the culminating point of a long period of increasing tensions, provocations and incidents" by the parties to the conflict. On the other

⁵⁶ The World Bank, *Georgia: Summary of Joint Needs Assessment Findings Prepared for the Donors' Conference of October 22, 2008 in Brussels*, n.d.

hand, the mission suggested that “much of the Russian military action went far beyond the reasonable limits of defense,” and that such “action outside South Ossetia was essentially conducted in violation of international law.” In Abkhazia, actions by Russian-supported militias in the upper Kodori Valley “constituted an illegal use of force ... not justified under international law.” The mission likewise asserted that actions by South Ossetian militias “against ethnic Georgians inside and outside South Ossetia, must be considered as having violated International humanitarian law and in many cases also human rights law.”⁵⁷ Commenting on the release of the report, a U.S. State Department spokesman stated that “we recognize that all sides made mistakes and miscalculations through the conflict last year. But our focus is on the future.”⁵⁸

Georgia’s Peaceful Integration Pledges

In July 2010, Georgia unveiled an “action plan” to peacefully encourage the breakaway regions to reintegrate with Georgia. The action plan was praised by the United States and others in the international community as illustrating Georgia’s “strategic patience” in peacefully engaging with the breakaway regions. The action plan called for a humanitarian commission to be established in Tbilisi and the breakaway region, for status-neutral travel documents to be issued to individuals in the breakaway regions that would facilitate international travel, and an economic zone and other subsidies. The breakaway regions have rejected the plan, and critics have questioned whether Georgia’s and international donors’ assistance could outmatch Russia’s subsidies to the regions. Critics also raise concerns that the action plan appears to be contradicted by an earlier Law on Occupied Territories that restricts unauthorized contacts with the breakaway regions.

In late 2010, President Saakashvili gave speeches at sessions of the European Parliament and the OSCE in Astana, Kazakhstan, pledging the non-use of force except in cases of self-defense. In an interview about the pledge, he stated that “we must display strategic patience, which can lead not only to the complete liberation of our territory but also to reconciliation with Russia.”⁵⁹ South Ossetia and Abkhazia followed suit with oral statements, but Russia refused to issue such a pledge on the grounds that it was not a party to the conflict. In March 2013, the Georgian legislature approved a resolution on foreign policy that reaffirmed the non-use of force pledge.

Developments in 2011-2013

In early March 2011, Assistant Secretary of State Philip Gordon reiterated the U.S. position that Georgia’s territory is “occupied” by Russian troops. He explained that

We don’t know what else to call it.... We believe that Russia used disproportionate force and remains present in what we consider to be sovereign Georgia. So it’s not meant to be a particular provocation, it’s just a description of what we think the situation is and we’ve very active in the Geneva talks and bilaterally with Russia to try to bring about an end to what we consider to be a military occupation.⁶⁰

⁵⁷ *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, Vol. 3.

⁵⁸ U.S. Department of State. *Daily Press Briefing*, September 30, 2009.

⁵⁹ *President of Georgia’s Address to European Parliament Members*, Mikheil Saakashvili, The President of Georgia, at http://www.president.gov.ge/index.php?lang_id=ENG&sec_id=228&info_id=5857; *Le Figaro*, November 23, 2010.

⁶⁰ U.S. Embassy, Bratislava, Slovakia, *Assistant Secretary of State for Europe Phil Gordon in Bratislava: The U.S. Relationship With Central Europe Under the Obama Administration*, March 3, 2011.

On June 2 and June 6, 2011, Georgia announced that it had apprehended Russian terrorist infiltrators who were planning attacks in Georgia, including against the NATO Liaison Office in Tbilisi. Georgia alleged that Russian security agencies were behind the planned attacks. Russia termed these allegations “artificially fabricated arrays of data.”⁶¹ In late July 2011, the *Washington Times* alleged that the U.S. intelligence community had backed up a Georgian claim that Russian intelligence operatives had orchestrated a bombing in September 2010 near the U.S. Embassy in Tbilisi.⁶²

In late August 2012, over two dozen alleged terrorists affiliated with the Caucasus Emirate supposedly entered Georgian territory from Russia’s Dagestan or Chechnya republics and took hostages. Georgian police forces battled the terrorists, killing or apprehending most of them. President Saakashvili declared that he would not permit instability in Russia to spill over into Georgia. On April 1, 2013, the Georgian legislature’s human rights ombudsman alleged that Georgian police had been assisting the terrorists to carry out operations in Russia, but that the terrorists had turned on the Georgians.

In late May 2013, Russia began stringing up barbed wire and otherwise upgrading border security along parts of South Ossetia’s border with the rest of Georgia. Some observers speculated that the Russian move was in response to the easing of entry requirements for South Ossetians by the Ivanishvili government, which Russia viewed as a threat to its control over the region.

U.S. Relations

The U.S.-Georgia Charter

Signed in January 2009, the U.S.-Georgia Charter on Strategic Partnership reflects strong U.S. support for Georgia’s continued sovereignty and independence. In the security realm, “the United States and Georgia intend to expand the scope of their ongoing defense and security cooperation programs to defeat [threats to global peace and stability] and to promote peace and stability.” Such cooperation will “increase Georgian capabilities and ... strengthen Georgia’s candidacy for NATO membership.” In the economic realm, the two countries “intend to pursue an Enhanced Bilateral Investment Treaty, to expand Georgian access to the General System of Preferences, and to explore the possibility of a Free-Trade Agreement.” Energy security goals include “increasing Georgia’s energy production, enhanc[ing] energy efficiency, and increas[ing] the physical security of energy transit through Georgia to European markets.” In the realm of democratization, the two countries “pledge cooperation to bolster independent media, freedom of expression, and access to objective news and information,” and to further strengthen the rule of law. The United States pledged to train judges, prosecutors, defense lawyers, and police officers.⁶³

Three annual meetings have been held:

- The first meeting of the U.S.-Georgia Strategic Partnership Commission was held on June 22, 2009, in Washington, DC, led by Deputy Secretary of State James Steinberg and

⁶¹ Ministry of Foreign Affairs of the Russian Federation, June 13, 2011.

⁶² *Washington Times*, July 27, 2011; Maka Gurgenedze, “CIA Reportedly Concluded Bombing of U.S Embassy in Tbilisi has Ties to Moscow,” *CACI Analyst*, August 3, 2011.

⁶³ U.S. Department of State, *U.S.-Georgia Charter on Strategic Partnership*, January 9, 2009.

Georgian Foreign Minister Grigol Vashadze. The Security Working Group also met, co-headed on the U.S. side by Assistant Secretary of State Philip Gordon and Assistant Secretary of Defense Alexander Vershbow, and headed on the Georgian side by Deputy Foreign Minister Giga Bokeria. Other working groups on the economy, democracy, and people-to-people exchanges held initial meetings over the next few months.⁶⁴

- The second plenary meeting of the U.S.-Georgia Strategic Partnership Commission was held on October 6, 2010, in Washington, DC. Meeting with then-Prime Minister Nikoloz Gilauri, then-Secretary Clinton stated that “the United States will not waver in its support for Georgia’s sovereignty and territorial integrity. That support is a core principle of our Charter on Strategic Partnership, and it is fundamental to our bilateral relationship. The United States remains committed to Georgia’s aspirations for membership in NATO.... We continue to call on Russia to end its occupation of Georgian territory.... As part of our commitment to enhancing Georgia’s future as a prosperous and secure member of the Western family of nations, we will continue to work with you to strengthen Georgian democracy.”⁶⁵ Gilauri indicated that Georgia was requesting more educational, security, and economic assistance, including to bolster energy infrastructure.⁶⁶
- The third plenary meeting of the Strategic Partnership Commission was held on June 5, 2012, in Batumi, Georgia. Then-Secretary Clinton and then-Prime Minister Gilauri apparently mainly held discussions with the four working groups, according to the State Department. The defense and security working group discussed options to assist Georgia to improve air surveillance and air and coastal defense, combat engineer capabilities, and non-combatant officer training, and to upgrade the utility helicopter fleet. The State Department reported that the United States planned to move to implement such programs in coming months, and would also consider requests for “defensive articles.” In the democracy working group, the U.S. participants stressed the importance of holding free and fair elections in order to further Euro-Atlantic integration, and called for reforms to the criminal justice system and the administrative code. The economic, energy, and trade working group discussed the talks on a possible free trade agreement and measures to improve Georgia’s business climate. The people-to-people working group discussed then-Secretary Clinton’s announcement that the United States would accept the Status Neutral Travel Document from residents of South Ossetia and Abkhazia for travel to the United States.⁶⁷

Obama Administration Initiatives

At a press conference after meeting with Russian President Dmitriy Medvedev on July 6, 2009—part of the U.S. “reset” of relations with Russia—President Obama reported that he had “reiterated my firm belief that Georgia’s sovereignty and territorial integrity must be respected.”⁶⁸

⁶⁴ U.S. Department of State, *Fact Sheet: U.S. - Georgia Charter on Strategic Partnership*, October 6, 2010.

⁶⁵ U.S. Department of State, *Remarks at the U.S.-Georgia Charter on Strategic Partnership Omnibus Meeting*, October 6, 2010.

⁶⁶ *The Messenger*, April 28, 2011; *Civil Georgia*, April 28, 2011.

⁶⁷ U.S. Department of State, *Joint Statement Following the U.S.-Georgia Strategic Partnership Commission Meeting in Batumi, Georgia*, June 14, 2012; *Remarks at Omnibus Session of the Strategic Partnership Commission*, Hillary Rodham Clinton, Secretary of State, June 5, 2012.

⁶⁸ The White House, Office of the Press Secretary, *Press Conference by President Obama and President Medvedev of* (continued...)

In Georgia, many officials and others viewed the meeting positively as lessening the chances of renewed Russia-Georgia conflict and as a reaffirmation of the U.S. commitment to Georgia. Perhaps to further reassure Georgians, Vice President Joseph Biden visited Georgia in late July 2009 to emphasize the continued U.S. commitment to its sovereignty and independence. President Obama reaffirmed the U.S. commitment to uphold Georgia's sovereignty and territorial integrity when he met with President Saakashvili at the nuclear summit in Washington, DC, in April 2010 and on January 14, 2011 (with Vice President Biden), but President Obama reportedly did not meet with President Saakashvili during the latter's week-long mid-March 2011 U.S. visit (President Saakashvili did meet with Members of Congress; see below).

Then-Secretary of State Hillary Clinton paid a six-hour visit to Georgia on July 5, 2010, during her regional tour. She urged Georgians not to focus on the past, possibly referring to the Russia-Georgia conflict, but to be "focused on what you can do today and tomorrow to improve your lives and the lives of your family and the lives of your fellow citizens by building your democracy and opening your economy and providing more justice and social inclusion, that, to me, is the great mission of Georgia." While stating that the United States continued to call for Russia to pull back its troops to their positions on August 6, 2008 (in line with the 6-point cease-fire agreement), she also "strongly urged" Georgia to "not be baited or provoked into any action that would give any excuse to the Russians to take any further aggressive movements."⁶⁹ Vice President Biden revisited Georgia on July 23, 2010—as in 2009, just after a U.S.-Russia summit—to reassure Georgia of U.S. interest in its fate. He urged Georgia to continue to develop democratic institutions and free markets, including as the best means to attract the people of the breakaway areas to reintegrate with the rest of Georgia. He called for further democratization, including constitutional changes to create a balance of power between the legislative and executive branches of government.

In 2011-2012, there were further high-level U.S.-Georgia bilateral visits. In January 2011, President Saakashvili met with President Obama during a U.S. visit, and reportedly gave the U.S. President a report detailing Georgia's defense needs. In August 2011, the U.S. Commander of the European Command and NATO's Supreme Allied Commander, Admiral James Stavridis, visited Georgia to discuss Georgia-NATO cooperation and Georgia's participation in the International Security Assistance Force (ISAF) in Afghanistan. According to some reports, Presidents Obama and Saakashvili briefly met on the sidelines of the opening of the U.N. General Assembly in New York in September 2011. Some congressional delegations also visited.

During his state visit to the United States in January 2012, President Saakashvili met with President Obama, who praised efforts in Georgia to increase the honesty of police, the rule of law, and free market reforms, and called for free elections in the future. He stated that these democratic and free market reforms could serve as examples for other Eurasian countries. He reiterated the call in the Charter for exploring a free trade agreement, and thanked Saakashvili for Georgia's troop contributions in Afghanistan. He mentioned in a press conference that the two presidents had discussed "strengthen[ing] our defense cooperation," and he voiced continuing support for Georgia's NATO aspirations. In response at the press conference, President Saakashvili stated that "we are grateful for elevating our defense cooperation further and talking

(...continued)

Russia, July 6, 2009.

⁶⁹ U.S. Department of State, *Remarks by Secretary Clinton: Joint Press Availability With Georgian President Saakashvili*, July 5, 2010; *Remarks at a Town Hall With Georgian Women Leaders*; July 5, 2010.

about Georgia's self-defense capabilities and developing it."⁷⁰ Russia's then-Prime Minister Putin and others in Russia denounced what they inferred was a change in U.S.-Georgia defense ties, although the Administration claimed that its defense cooperation policy toward Georgia had not changed.

At his confirmation hearing in March 2012, Ambassador-designate to Georgia Richard Norland stated that the United States would continue to call for the pull-back and reduction of Russian troops in the occupied regions to pre-conflict numbers. U.S. priorities in Georgia included support for its democratization, and he acknowledged that there were "deep concerns" about the harassment of prospective opposition candidates and parties in the run-up to the autumn legislative election. He also stressed that the conduct of the elections would be a "litmus test" of Georgia's readiness for NATO membership. He stated that at the January 2012 U.S.-Georgia summit, the two presidents had

agreed to enhance [defense cooperation] programs, to advance Georgian military modernization reform and self-defense capabilities.... Sustaining robust bilateral security and defense cooperation with Georgia will also remain a high priority.... Our plans for security assistance and military engagement with Georgia are to support Georgia's defense reforms, to train and equip Georgian troops for participation in the ISAF mission and to advance Georgia's NATO interoperability.⁷¹

Then-Secretary Clinton announced at her meeting with Saakashvili on June 5, 2012, that U.S. consular officials would recognize so-called status-neutral travel documents issued by the Georgian government to residents of Abkhazia and South Ossetia who wished to visit the United States. She stated that by recognizing such travel documents, the United States was facilitating reconciliation in Georgia. She called for Georgia to hold a democratic legislative election in October 2012, and met with some opposition party officials (she declined to meet separately with Ivanishvili, but some of his representatives attended the meeting). She stated that the two sides had agreed on new areas of defense cooperation, including training and support for monitoring the seacoast and skies, upgrades for the utility helicopter fleet, and enhanced officer training. She reported that an inaugural High-Level Trade and Investment Dialogue meeting had been held the previous week in Washington, D.C., which had included discussion of a prospective free trade agreement.

In his annual worldwide threat assessment, Director of National Intelligence James Clapper testified in March 2013 that the Administration hoped that the victory of Georgia Dream in Georgia's legislative election would contribute to improved Georgia-Russia relations. He also raised concerns that Georgia faces a "challenging political transition and an increased risk of domestic political instability," presumably referring to the run-up and aftermath of the prospective October 2013 Georgian presidential election.⁷²

Meeting with visiting Georgian President Mikheil Saakashvili on April 25, 2013, Vice President Joe Biden stressed the United States' enduring and strong commitment to partnership with

⁷⁰ The White House, Office of the Press Secretary, *Remarks by President Obama and President Saakashvili of Georgia After Bilateral Meeting*, January 30, 2012.

⁷¹ *Hearing of the Senate Foreign Relations Committee*, Federal News Service, March 21, 2012.

⁷² U.S. Senate, Select Committee on Intelligence, Hearing on "World Wide Threats," *Statement for the Record: Worldwide Threat Assessment of the U.S. Intelligence Community*, James R. Clapper, Director of National Intelligence, March 12, 2013.

Georgia, and called on the country's president, government, and legislature to cooperate to maintain democratic and economic reforms. Saakashvili met with Secretary of State John Kerry on May 1. Kerry urged continued democratization in Georgia, and the two sides indicated that they would discuss Georgia's progress in meeting requirements for membership in NATO.

Some observers have called for a reevaluation of some aspects of U.S. support for Georgia. These critics have argued that many U.S. policymakers had been captivated by Saakashvili's charismatic personality and pledges to democratize and tended to overlook his bellicosity. They have warned that U.S. acceptance of Georgian troops for coalition operations in Afghanistan must not lead to U.S. defense commitments to Georgia, and a few have suggested that the United States should not unquestionably back Georgia's territorial integrity, but should rather encourage reconciliation and the consideration of options short of the near-term reintegration of the regions into Georgia. At the same time, most observers advise against extending diplomatic recognition to breakaway regions without an international consensus.⁷³ Other observers have called for a more robust U.S. and NATO effort to resupply Georgia with defensive weaponry so that it might deter or resist Russian aggression. However, recent arrests of former government officials and other problematic human rights developments in Georgia have led some to re-evaluate such stepped-up defense cooperation.

U.S. Assistance Overview

The United States has been Georgia's largest bilateral aid donor, budgeting cumulative aid of \$3.37 billion in FY1992-FY2010 (all agencies and programs). See **Table 1** and **Table 2**. Georgia has regularly ranked among the top world states in terms of per capita U.S. aid. U.S.-budgeted aid for Georgia in FY2012 was \$85.5 million. Requested foreign assistance for FY2014 is \$62.0 million (data for FY2012 and FY2014 include "Function 150" programs and exclude Defense and Energy Department funds; estimates for FY2013 are not yet available).⁷⁴ The Administration budget request for FY2014 calls for slightly over one-third of funding to be spent on security programs, about one-third on democratization, and about one-third on economic growth programs.

The Millennium Challenge Corporation (MCC) closed out a 2006-2011 \$395 million agreement (termed a "compact") with Georgia that the MCC regarded as highly successful in resurfacing roads, rehabilitating the north-south gas pipeline, rebuilding water supplies, and providing agricultural assistance (much of the MCC spending was in addition to above-mentioned aid). In January 2011, MCC announced that Georgia was eligible for a second compact. Georgia suggested efforts to bolster education, and MCC notified Congress in 2012 that it planned to provide some preliminary funding to assist Georgia in working out details of such a program. On April 9, 2013, MCC notified Congress that it intended to open negotiations with Georgia on a compact worth \$140 million for projects in general education, technical and vocational education

⁷³ Alexander Cooley and Lincoln Mitchell, "No Way to Treat Our Friends: Recasting Recent U.S.-Georgian Relations," *The Washington Quarterly*, January 2009, pp. 27-41; Lincoln Mitchell, *Uncertain Democracy: U.S. Foreign Policy and Georgia's Rose Revolution* (Philadelphia: University of Pennsylvania Press, 2009); "A Georgia-Russia War Discussion between Gordon Hahn and Johnson's Russia List," *Russia: Other Points of View*, October 17, 2008, at <http://www.russiaotherpointsofview.com>; Paul Saunders, "Help Has Strings Attached," *Washington Times*, December 17, 2009.

⁷⁴ U.S. Department of State, *Congressional Budget Justification for Foreign Operations, Annex: Regional Perspectives, FY2012*, March 2011.

and training, and higher education, with an emphasis on science, technology, engineering, and math education.⁷⁵

U.S. Humanitarian and Rebuilding Aid after the Russia-Georgia Conflict

To address Georgia's urgent humanitarian needs in the wake of the August 2008 Russia-Georgia conflict, the U.S. Agency for International Development (USAID) and the Defense and State Departments provided Georgia with urgent humanitarian assistance, with the Defense Department quickly beginning naval and air deliveries. Reportedly, the Bush Administration had authorized these Defense Department deliveries to demonstrate U.S. backing for Georgia's continued independence.

On September 3, 2008, then-Secretary of State Rice announced a multi-year \$1 billion aid plan for Georgia. The Administration envisaged that the proposed \$1 billion aid package would be in addition to existing aid and requests for Georgia, such as FREEDOM Support Act assistance. The added aid was planned for humanitarian needs, particularly for internally displaced persons, for the reconstruction of infrastructure and facilities that were damaged or destroyed during the Russian invasion, and for safeguarding Georgia's continued economic growth.⁷⁶

Congress acted quickly to flesh out the Administration's aid proposals for Georgia. The Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009 (H.R. 2638/P.L. 110-329), signed into law on September 30, 2008, appropriated an additional \$365 million in aid for Georgia and the region (beyond that provided under continuing appropriations based on FY2008 funding) for humanitarian and economic relief, reconstruction, energy-related programs, and democracy activities. Of that amount, \$315 million was actually budgeted for Georgia. The Supplemental Appropriations Act for FY2009 (P.L. 111-32; signed into law on June 24, 2009) provided an additional \$242 million in Freedom Support Act assistance to Georgia, "the final portion of the \$1 billion pledge."⁷⁷ A State Department contractor later concluded that the \$1 billion had greatly assisted Georgia in easing economic distress and in recovering from the conflict.⁷⁸ See **Table 3**.

U.S. Security Assistance

Among U.S. security programs in Georgia, a \$64 million Georgia Train and Equip Program (GTEP) began in 2002. U.S. troops provided training to 200 officers, some 2,000 soldiers, and a small number of Interior (police) Ministry troops and border guards. According to the U.S. Defense Department, the GTEP aimed to help Georgia "to resist pressure to allow the Russian military to pursue Chechen rebels" into Georgia, help it combat terrorists inside the country, and block those trying to infiltrate Georgia. Small arms, communications and medical gear, and uniforms were provided. The program ended in 2004 but a follow-on Sustainment and Stability

⁷⁵ Millennium Challenge Corporation (MCC), *Congressional Notification*, April 9, 2013.

⁷⁶ U.S. Department of State. Secretary Condoleezza Rice. Remarks On U.S. Economic Support Package for Georgia, September 3, 2008; Briefing On U.S. Economic Support Package for Georgia, September 3, 2008.

⁷⁷ U.S. Senate. Committee on Foreign Relations. Subcommittee on Europe. Hearing on Georgia: One Year After the August War. *Statement of S. Ken Yamashita, Acting Assistant Administrator for the Bureau for Europe and Eurasia, United States Agency for International Development*, August 4, 2009.

⁷⁸ U.S. Department of State, *Georgia Monitoring Project*, at <http://www.state.gov/p/eur/ace/gmp/>.

Operations Program (SSOP) was launched in FY2006. SSOP provided training for 7,800 troops, in part to support U.S.-led coalition operations in Iraq, along with advisory assistance for defense reforms and maintenance for previously supplied helicopters. Georgia pulled most of its troops out of Iraq in the wake of the Russia-Georgia conflict and the rest by the end of 2008. About \$124.2 million in Coalition Support Funds were used for SSOP.⁷⁹ Congress provided \$50 million in FY2008 and \$50 million in FY2009 under the (now expired) authority of Section 1207 of the National Defense Authorization Act for FY2006 (P.L. 109-163) for reconstruction and stabilization activities in Georgia, of which only a small portion was defense-related (the restoration of Coast Guard infrastructure; none was weapons-related, see below). Under Section 1206 of the Act, Congress provided \$8.8 million to Georgia in FY2008 for special forces training.⁸⁰

The Georgia Deployment Program-ISAF, begun in late 2009, is supported by Marine Forces Europe to deploy Georgian forces alongside U.S. Marines to Afghanistan. As capabilities improve, the Georgian forces will operate independently, and a Georgian training group will be created that can largely take over from the Marine trainers. Coalition Readiness Support Program funds are used to train and equip the Georgian troops, amounting to \$23.6 million in FY2010, \$23.5 million in FY2011, and \$81.8 million in FY2012. Under Section 1206, 40 Highly Mobile Multi-Wheeled Vehicles (HMMWV), night vision devices, radios, rifle scopes, and other equipment amounting to \$19.07 million were provided in FY2010. In FY 2011, \$21.7 million in Section 1206 funds were used to provide vehicles, communication equipment, and night vision devices, and in FY2012, \$3.7 million is being used for communications and electronics equipment, weapons sights, and other equipment. Also in FY2012, 48 Mine Resistant Ambush Protected (MRAP) vehicles are being loaned for training in Georgia, under the authority of Section 1202 of the National Defense Authorization Act for FY2007 (P.L. 109-364).

Assistant Secretary Vershbow testified in August 2009 that the Obama Administration was “focusing on building defense institutions, assisting defense sector reform, and building the strategic and educational foundations that will facilitate necessary training, education, and rational force structure design and procurement. We are assisting Georgia to move along the path to having modern, western-oriented, NATO-interoperable armed forces capable of territorial defense and coalition contributions.” He stressed, however, that “the United States has not ‘rearmed’ Georgia as some have claimed. There has been no lethal military assistance to Georgia since the August [2008] conflict.”⁸¹ Although President Saakashvili seemed to indicate during then-Secretary Clinton’s July 2010 visit that U.S. security cooperation with Georgia was adequate, he stated in September 2010 that “leaving Georgia defenseless doesn’t help the situation. Georgia cannot attack Russia, while a defenseless Georgia is a big temptation for

⁷⁹ U.S. Senate, Committee on Armed Services, Hearing on the Georgia-Russia Crisis, *Testimony of Eric S. Edelman, Under Secretary of Defense for Policy*, September 9, 2008.

⁸⁰ CRS Report RS22871, *Department of Defense “Section 1207” Security and Stabilization Assistance: Background and Congressional Concerns, FY2006-FY2010*, by (name redacted); CRS Report RS22855, *Security Assistance Reform: “Section 1206” Background and Issues for Congress*, by (name redacted); U.S. Department of Defense, *Section 1209 and Section 1203(b) Report to Congress on Foreign-Assistance Related Programs for FY2008, 2009, and 2010*, April 2012.

⁸¹ U.S. Senate, Committee on Foreign Relations, Subcommittee on Europe, Hearing on Georgia: One Year After the August War. *Testimony of Alexander Vershbow, Assistant Secretary of Defense for International Security Affairs*, August 4, 2009.

Russia to change our government through military means.... As part of ongoing security cooperation, we hope that the U.S. will help us with defense-weapons capabilities.”⁸²

Some in Congress and elsewhere have criticized this dearth of lethal security assistance to bolster Georgia’s territorial defense capabilities.⁸³ Although President Saakashvili seemed to indicate during then-Secretary Clinton’s July 2010 visit that U.S. security cooperation with Georgia was adequate, he stated in September 2010 that “leaving Georgia defenseless doesn’t help the situation. Georgia cannot attack Russia, while a defenseless Georgia is a big temptation for Russia to change our government through military means.... As part of ongoing security cooperation, we hope that the U.S. will help us with defense-weapons capabilities.”⁸⁴ On December 12, 2010, U.S. Senator John McCain called for the Obama Administration to resume some defensive arms transfers to Georgia, including early warning radars. Three days later, Giorgiy Baramidze, Georgia’s then-deputy prime minister and state minister for Euro-Atlantic integration, also called for the United States to resume the transfer of defensive weapons to Georgia. During his March 10-17, 2011, visit to the United States, President Saakashvili reportedly requested U.S. transfers of defensive weapons. In late March 2011, he reportedly stated that while some U.S. small arms transfers were “in the pipeline,” Georgia needed anti-air and anti-tank weapons from the United States.⁸⁵

During a hearing of the Senate Armed Services Committee on March 29, 2011, Senator McCain asked whether the United States was providing defensive weapons to Georgia, and EUCOM Commander Stavridis stated that “at this moment we are not providing them [with] what I would term high-end military defensive weapons.” Senator McCain responded that “it is hard for me to understand, since the Russians still occupy territory that is clearly Georgian territory and continue to threaten Georgia, and yet we’re not even giving them weapons with which to defend themselves. It is not comprehensible.”⁸⁶

After a meeting between U.S. Members of Congress and Georgian legislators on the sidelines of the annual meeting of the NATO Parliamentary Assembly in Bucharest, Romania, in mid-October 2011, the U.S. delegation head, Representative Mike Turner, released a statement of support for Georgia. According to the statement, “the United States recently approved a commercial arms sale to Georgia; all NATO states should look to arms sales with Georgia that can add to the collective defense.... A stronger Georgia is clearly in the interest of all NATO members.”⁸⁷

A report issued in October 2011 by a team led by Senators Jeanne Shaheen and Lindsey Graham urged that U.S. policy be changed to “normalize ... defense relations with Georgia, including

⁸² Jerry Guo, “Russia’s Occupation Won’t Last,” *Newsweek*, September 12, 2010.

⁸³ U.S. Senate. Committee on Foreign Relations. *Striking The Balance: U.S. Policy And Stability In Georgia, a Report to the Committee on Foreign Relations*, S. PRT. 111–37, December 22, 2009; Joshua Kucera, “Georgia: Senate Staff Report Stokes Unease in the Caucasus,” *Eurasia Insight*, January 5, 2010.

⁸⁴ Jerry Guo, “Russia’s Occupation Won’t Last,” *Newsweek*, September 12, 2010.

⁸⁵ Josh Rogin, “Georgian President: Russia has to Compromise if it Wants into WTO,” *The Cable, Foreign Policy*, March 30, 2011, at http://thecable.foreignpolicy.com/posts/2011/03/30/georgian_president_russia_has_to_compromise_if_it_wants_into_wto.

⁸⁶ U.S. Congress, Senate, Committee on Armed Services, *Hearing on the U.S. European Command and U.S. Strategic Command Budget for Fiscal Year 2012*, March 29, 2011.

⁸⁷ “Meeting of US and Georgian Delegations at NATO Parliamentary Assembly,” *The Messenger*, October 11, 2011; “U.S. Congresspersons Release Strong Statement of Support for Georgia in NATO,” *The Messenger*, October 12, 2011.

allowing sales of defensive military equipment [which] will encourage other allies to follow suit, enabling Georgia to resume purchasing armaments from Central European allies.”⁸⁸

On December 31, 2011, President Obama signed into law the National Defense Authorization Act (NDAA) for FY2012 (P.L. 112-81). Section 1242 calls for the Defense Secretary to submit a plan to Congress for the normalization of U.S. defense cooperation with Georgia, including the sale of defensive weapons. In a signing statement, the President stated that if the provisions of the section conflict with his constitutional authority to conduct foreign relations (presumably, in this case, including his “reset” policy with Russia), they would be considered non-binding. At a press conference after he met with President Obama in late January 2012, President Saakashvili stated that “we are very grateful for elevating our defense cooperation further, and talking about [developing] Georgia’s self-defense capabilities,” while President Obama appeared more reticent in stating only that “we will continue to strengthen our defense cooperation.”⁸⁹ Russian then-Prime Minister (and current president) Vladimir Putin denounced the reported closer U.S.-Georgia defense cooperation as encouraging Georgia to carry out aggressive military actions.

The 2012 National Defense Authorization Act Report on Georgia

The report required by the NDAA for FY2012 was transmitted to Congress on April 30, 2012. The report states that results of bilateral security collaboration since the 2008 conflict have included the revision of Georgia’s national security strategy and defense plan, institutionalizing Afghan training and deployment methods, implementing a military personnel management system, reorganizing the armed forces. The latter has included the creation of a National Defense Academy to train officers who can operate with U.S. and NATO forces and who share Western values. The report stressed that there were two pillars of U.S.-Georgia defense cooperation: U.S. support for modernizing Georgia’s armed forces; and U.S. support for Georgia’s contributions to ISAF. For the first pillar, there were 63 cooperative training, education, and operational contacts in FY2011, and 23 in FY 2012 through April 2012. According to the report, all of Georgia’s 19 requests since May 2010 for foreign military sales equipment and services have resulted in transfers or are in the process of being fulfilled. Six of these requests were to support ISAF deployments, but the rest were to support defense modernization, mostly involving training. Only two transfers seemed to involve military equipment for defense capabilities, in order to enhance communications (the report did not list the sale of carbines, mentioned above).

The report stated that Presidents Obama and Saakashvili had agreed in January 2012 on enhanced defense cooperation in the areas of air and coastal surveillance and defense training, train-the-trainer instruction for non-commissioned officers, brigade command and staff training, combat engineer training, and utility helicopter training. The report stated that discussions are underway for Georgia to purchase air and coastal surveillance radar and acoustic systems and small arms ammunition. The report announced that the “enhanced defense cooperation” program would begin in FY2013.⁹⁰

⁸⁸ *Georgia in the West: A Policy Road Map to Georgia’s Euro-Atlantic Future*, Atlantic Council, October 13, 2011.

⁸⁹ The White House, *Remarks by President Obama and President Saakashvili of Georgia After Bilateral Meeting*, January 30, 2012.

⁹⁰ U.S. Department of Defense, *Report to Congressional Committees on the Department of Defense Plan for Defense Cooperation with the Republic of Georgia*, April 30, 2012.

Recent Developments

During her June 5-6, 2012, visit to Georgia, former Secretary Clinton hailed this planned enhanced defense cooperation. While there, she also highlighted other security cooperation. She helped formally commission a patrol boat that had been modernized with funds from the Export Control and Related Border Security (EXBS) Account of the State Department. She stated that since the 2008 conflict, the United States had supplied \$10 million to rebuild Georgia's Coast Guard, including three patrol boats, construction of a ship repair facility, installation of new communications and observation equipment, and a maritime information center. She also hailed other EXBS assistance to Georgia in recent years.⁹¹

In his March 2013 testimony to Congress, EUCOM Commander Stavridis stated that EUCOM had expanded the Georgia Deployment Program to train and deploy two battalions every six months to ISAF's Regional Command Southwest, had supported Armenian-Georgian training on cross-border Humanitarian Assistance and Disaster Response, had led an assessment of junior officer and non-commissioned officer professional development programs as well as combat engineer training and education, and had coordinated brigade command and staff development. He stated that Georgian troops had taken advantage of training at U.S. Army Europe's Joint Multinational Training Center for mission rehearsal exercises prior to ISAF deployment, and had participated in Agile Spirit, a training workup for troops in the Georgia Deployment Program. He also reported that U.S. Naval Forces Europe continued to lead Eurasia Partnership Capstone, which included training with Georgian naval forces, and provided training for non-commissioned officer development, maritime interdiction operations, visit/board/search/ seizure, search and rescue, maritime law enforcement, and environmental protection. U.S. Naval Forces Europe also co-hosted the annual Sea Breeze naval exercise in the Black Sea, which included participation by Georgian forces. Admiral Stavridis did not report on any weapons transfers to Georgia.⁹²

In his April 11, 2013, nomination hearing to be EUCOM Commander, General Philip Breedlove stated that the United States "has a vigorous defense cooperation program with Georgia," involving hundreds of events annually, including cyber defense, border security, professional military education development, and counterinsurgency operations training. He stated that FMF funding is "robust," amounting to approximately \$14 million (presumably referring to FY2012; see below). He reiterated the areas of engagement that President Obama had offered to President Saakashvili in January 2012, and stated that EUCOM "has already conducted or has planned initial engagements with Georgia in all these areas," including through the use of IMET funds. He repeated the language of the April 2012 NDAA Report (discussed above) that the Obama Administration would look favorably on the sale of air surveillance radars, coastal surveillance acoustic systems, and small arms ammunition to Georgia.⁹³

⁹¹ U.S. Department of State, *Remarks at Coast Guard Ship Commissioning*, June 5, 2012.

⁹² U.S. Senate. Committee on Armed Services. Hearing to Receive Testimony on U.S. European Command, U.S. Northern Command, and U.S. Southern Command in Review of the Defense Authorization Request for Fiscal Year 2014 and the Future Years Defense Program, *Testimony of Admiral James G. Stavridis, United States Navy, Commander, United States European Command*, March 19, 2013.

⁹³ U.S. Senate, Committee on Armed Services, Hearing on the nomination of Philip M. Breedlove for Commander, United States European Command and Supreme Allied Commander, Europe, *Advance Questions for General Philip M. Breedlove, USAF*, April 11, 2013.

The *Executive Budget Summary: Function 150 and Other International Programs for FY2014*, released on April 10, 2013, calls for \$1.8 million in IMET and \$12 million in FMF for Georgia, about a \$2.5 million reduction from such aid in FY2012.

On June 13, 2013, Amendment Number 130 (Turner) to the NDAA for FY2014 (H.R. 1960) to Section 1244 was approved that stated that it is the sense of Congress that the United States should enhance defense cooperation with Georgia. The amendment added findings that the new Georgian government elected in October 2012 charged over 100 former government officials and UNM members with crimes that appear to be motivated by political considerations. The amendment stated that the arrest of the UNM party leader Vano Merabishvili was “especially troubling,” because of its “chilling effect” on political contestation in the run-up to the presidential election, and that such actions call into question the Georgian government’s continued democratization. The amendment declares that these actions may have a negative impact on U.S.-Georgia relations and on integrating Georgia into international organizations. The House approved H.R. 1960 on June 14, 2014, for further action in the Senate.

Contributions to Counter-Terrorism Operations in Iraq and Afghanistan

The former president of Georgia, Eduard Shevardnadze, immediately condemned the attacks on the United States on September 11, 2001, and offered “airspace and territory” for U.S. coalition operations in Afghanistan. Georgia was among the countries in 2003 that openly pledged to support the U.S.-led Operation Iraqi Freedom. In August 2003, Georgia dispatched 69 troops to Iraq, boosted them to over 850 in March 2005, and increased them to 2,000 by September 2007, making it among the top contributors of troops. Georgian troops served under U.S. command. Many provided security in the “Green Zone” in Baghdad, the town of Baqubah northeast of Baghdad, and in Wasit Governorate, along the Iranian border. Most of the troops pulled out in August 2008 in connection with the Russia-Georgia conflict, and the rest pulled out by the end of November 2008.

On November 16, 2009, Georgia sent 173 troops for training in Germany before their scheduled deployment at the end of March 2010 to support ISAF. These troops were boosted to 925 in mid-2010. On December 20, 2011, the Georgian legislature approved sending an added Georgian battalion of up to 749 troops to Afghanistan. The troops were deployed in October 2012, boosting the size of the Georgian contingent, reportedly to 1,561 troops as of June 2013. The added deployment made Georgia the largest contributor to the International Security Assistance Force (ISAF) among non-NATO member countries (surpassing Australia with 1,550 troops). The U.S. European Command’s Georgia Deployment Program supports Georgian troop training and rotations. Defense Minister Alasania has stated that the Georgian troops will remain beyond 2014 to assist the Afghan National Security Forces. The Labor Party in Georgia is one of the few parties that opposes troop deployments to Afghanistan and calls for the troops to be recalled.

On May 13, 2013, a truck bomb was set off near a Georgian base in Helmand Province, Afghanistan, followed by a terrorist attack. Three Georgian troops were killed and 27 wounded. The Taliban claimed responsibility for the attack. On June 6, 2013, another truck bomb was set off near another Georgian base in Helmand Province, killing seven soldiers and wounding nine. The troop contingent reportedly had just been deployed in Helmand in April 2013. An Internet video posted that same day and subsequent statements by the Taliban warned Georgia that its troops in Afghanistan and even its homeland would suffer if all troops were not withdrawn. The new casualties brought the Georgian death toll in Afghanistan to 29 troops. The Georgian

president and prime minister stated that Georgia would “not retreat” in the face of such threats and actions.

Table 1. U.S. Budgeted Assistance to Georgia by Year, FY1992-FY2001

(millions of current dollars)

Objective	FY1992	FY1993	FY1994	FY1995	FY1996	FY1997	FY1998	FY1999	FY2000	FY2001
Economic Growth	1.14	1.82	11.94	8.18	10.64	10.16	33.85	32.61	35.29	38.4
Governing Justly & Democratically	1.21	3.41	6.0	4.0	5.15	6.59	17.83	16.58	21.48	13.7
Investing in People	0.15	0.44	0.95	0.8	0.6	1.0	3.75	5.3	4.07	1.03
Peace & Security	0.0	2.8	1.45	0.3	1.17	2.02	25.49	30.75	31.93	37.48
Humanitarian	26.66	160.54	73.0	91.98	76.85	8.52	42.41	34.27	31.74	57.85
Cross-Cutting, MCC, & Program Support	0	0	0	0	0	0	0	0	0	2.77
Total	29.16	169.01	93.34	105.26	94.41	28.29	123.33	119.51	124.5	151.23

Table 2. U.S. Budgeted Assistance to Georgia by Year, FY2002-FY2010 (and Totals, FY1992-FY2010)

(millions of current dollars)

Objective	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	Total (FY1993-FY2010)
Economic Growth	31.76	26.22	25.17	31.06	23.13	22.84	466.02	150.72	21.12	982.05
Governing Justly & Democratically	22.43	20.42	15.52	17.53	18.47	16.47	40.45	42.7	25.52	315.45
Investing in People	4.71	1.52	12.29	15.55	10.61	9.75	17.77	25.39	11.65	127.33
Peace & Security	65.18	70.41	63.8	56.55	78.19	79.35	139.82	122.33	87.21	896.25
Humanitarian	24.68	26.2	28.74	4.19	12.27	1.8	58.31	75.77	4.04	839.83

Objective	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	Total (FY1993- FY2010)
Cross-Cutting, MCC, & Program Support	1.69	5.87	2.77	4.2	4.68	1.37	173.3	6.95	4.82	208.42
Total	150.44	150.64	148.29	129.1	147.35	131.58	895.67	423.87	154.36	3,369.33

Source: Derived from U.S. Department of State, Office of the Coordinator for Europe and Eurasia.

Notes: Includes all agencies and accounts. MCC: Millennium Challenge Account.

Table 3. The \$1 Billion in Added Aid to Georgia by Priority Area
(millions of dollars)

Area	Level
Restoring Peace and Security	47.577
Strengthening Democracy, Governance, and the Rule of Law	48.1
Economic Recovery and Growth	466.64
Aid to Internally Displaced Persons and Social Recovery	185.683
Management Support	5.5
Direct Budget Support	250.0
Total Committed or Expended	1003.5

Source: U.S. Senate. Committee on Foreign Relations. Subcommittee on Europe. Hearing on Georgia: One Year After the August War. *Statement of S. Ken Yamashita, Acting Assistant Administrator for the Bureau for Europe and Eurasia, United States Agency for International Development, August 4, 2009; USAID. Completion of the \$1 Billion Pledge, February 5, 2010.*

Figure 1. Map of Georgia



Source: CRS.

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