

# POLICY PAPER

No. 3 (51), February 2013 © PISM

Editors: Marcin Zaborowski (Editor-in-Chief) • Wojciech Lorenz (Managing Editor) Jarosław Ćwiek-Karpowicz • Beata Górka-Winter • Artur Gradziuk • Roderick Parkes • Beata Wojna

# Georgian Dream's Foreign Policies: An Attempt to Change the Paradigm?<sup>\*</sup>

## Konrad Zasztowt

Critics of current Prime Minister Bidzina Ivanishvili, including President Mikheil Saakashvili and his opposition United National Movement party, claim that the new Georgian government is undermining Georgia's stable Euro-Atlantic course in its foreign policies. They suggest the prime minister's inclination is to change the country's policies from pro-Western to pro-Russian. The other element of their criticism towards Ivanishvili is that he is attempting to withdraw from the path of democratic reforms. The authorities reject these accusations but don't deny that they seek to radically modify the policies of their predecessors. These changes include not only domestic but also foreign policies. Although the country's commitment to the goals of integration with the EU and NATO is still backed by the new government, some statements and decisions by the prime minister suggest his will to reinvent the approach towards his Western partners. Also, his rhetoric concerning Georgia's Caucasus neighbours may suggest some significant modifications in Georgia's regional relationships. This paper analyses the probability of a "paradigm shift" in Georgia's foreign policy towards the EU, NATO, Russia, Armenia and Azerbaijan.

# The Georgia—EU dialogue: No Signs of a Crisis So Far

Without a doubt, last October's parliamentary elections, which led to a democratic smooth transfer of power were a huge achievement for Georgia, bringing the country closer to the EU. This was also to some extent a success for the EU's democratic agenda in the Eastern Partnership. It is not a surprise though that both the Georgian government and the EU are now trying to take advantage of Georgia's image of a mature electoral democracy. The open question remains whether internal political conflict in the country will spoil this image and negatively influence Georgia's dialogue with the EU. It may also be affected by changes in Tbilisi's relations with NATO, Russia and its neighbours.

The policies of the coalition government led by Prime Minister Bidzina Ivanishvili's party, Georgian Dream– Democratic Georgia (GD), are often described by its political opponents as the antithesis of the previous policies of the governments under Mikheil Saakashvili. Therefore, the new prime minister's political openness to Russia is described as tantamount to a rejection of Georgia's European aspirations. However, in fact the new government has not slowed the pace of dialogue on an Association Agreement between Georgia and the EU. The conclusion of negotiations on that pact and a Deep and Comprehensive Free Trade Agreement is expected before the Vilnius Eastern Partnership Summit scheduled on November

<sup>&</sup>lt;sup>\*</sup> The author would like to thank Mr. Mariusz Podgórski for his research assistance during the preparation of this paper.

2013. This was confirmed by the EU's Commissioner for Enlargement and European Neighbourhood Policy Štefan Füle at a meeting in Brussels on 18 December with Georgia's Foreign Minister Maia Panjikidze and Minister for European Integration Alexi Petriashvili.<sup>1</sup> Therefore a "black scenario" in which a shift in cadres in the Georgian Foreign Ministry would derail Georgia's talks with the EU so far has not proven correct. Minister Panjikidze is actively continuing the process begun by previous United National Movement (UNM) party governments. Although few senior UNM-appointed officials stayed in the Ministry, those at lower levels are cooperating well with the new administration. Minister Panjikidze is also making efforts to build good relations with Central European EU members. Recently, she paid visits to Lithuania, Latvia and Czech Republic (on 10–15 of January) and subsequently to Poland, on 28 of January.

All these positive developments do not mean there are no factors that may endanger the process of Georgia's rapprochement to the EU. The main risks stem from the turbulent internal political process in the country. No doubt that the current year is a test for Georgian democracy. Arrests of former officials— UNM politicians—raise concerns that Ivanishvili's government has begun to apply selective justice towards his political opponents. Recently, this issue was brought up by Freedom House in its annual global assessment of the state of political rights and civil liberties in the country.<sup>2</sup> The topic was also regularly discussed in meetings of EU politicians with the new Georgian leadership, including meetings with High Representative of the Union for Foreign Affairs and Security Policy Catherine Ashton, who visited Tbilisi on 26 November.

It should be noted that during the almost nine years Saakashvili's party ruled, many abuses of power by government officials may have occurred and these should be investigated. These cases mostly concern human and civil rights violations (these include the alleged torture of soldiers in 2010 by former Defence Minister Bacho Akhalaia and former Army Chief of Staff Giorgi Kalandadze, a controversial trial of Georgian Interior Ministry employees who were alleged to have killed a man named Sandro Girgvliani in 2006, the case of Wakhtang Maisaia, who was sentenced in 2010 to 10 years in prison for allegedly spying for Russia, as well as accusations of violations of law by officials of the previous government during the last campaign election). However, a proper investigation of all these politically sensitive cases will be possible only after reform of the judiciary and prosecutors' offices render them immune to political interference. This reform has been started by the new government, a fact which gives hope for a positive outcome. Before that happens, however, the impartiality of current investigations against politicians of the previous government may raise doubts.<sup>3</sup>

# Membership in NATO—Still Georgia's Priority

Ever since the "Rose Revolution," membership in NATO has been Georgia's national focus. The 2008 referendum showed strong support among Georgian society for a pro-NATO policy (77% of voters were in favour of pursuing integration with the Alliance).<sup>4</sup> The Georgian–Russian war in August 2008 changed the strategic situation. NATO maintained its promise to accept Tbilisi at an unspecified future time but there has been no real political progress with regard to Georgia's membership despite it constantly demonstrating technical developments.<sup>5</sup> After the November 2012 elections, it has been claimed repeatedly by the GD-led government and the prime minister himself that the previous course will be maintained. The appointment of an unequivocally pro-Western politician, Irakli Alasania, to the posts of minister of defence and first deputy prime minister seemed to be a guarantee of the continuation of Georgia's Euro-Atlantic integration.

<sup>&</sup>lt;sup>1</sup> "EU-Georgia Cooperation Council Meeting," *Civil Georgia*, 19 December 2012, http://www.civil.ge/eng/article.php?id =25562.

<sup>&</sup>lt;sup>2</sup> "Freedom in the World 2013. Democratic Breakthroughs in the Balance. Selected data from Freedom House's annual survey of political rights and civil liberties," http://www.freedomhouse.org/sites/default/files/ FIW%202013%20Booklet.pdf.

<sup>&</sup>lt;sup>3</sup> International Crisis Group, "Georgia: Making Cohabitation Work," *Europe Briefing*, no. 69, Tbilisi/Istanbul/Brussels, 18 December 2012, p. 13.

<sup>&</sup>lt;sup>4</sup> U. Halbach, "The Southern Caucasus' Integration with NATO and the EU: Current Developments and Future Perspectives," in: F. Ismailzade, G.E. Howard (eds.), *The South Caucasus 2012: Oil, Democracy and Geopolitics*, Jamestown Foundation, Washington, 2012, p. 296.

<sup>&</sup>lt;sup>5</sup> R. Ondrejcsak, "Perspectives of NATO–Georgia Relations," in: R. Ondrejcsak, B. Górka-Winter (eds.), NATO's *Future Partnerships*, CENAA-PISM, Bratislava, 2012.

However, only one month after the elections, Georgia's internal political conflict began to cast a shadow on the country's relations with NATO. In November, Gen. Giorgi Kalandadze, newly appointed by President Mikheil Saakashvili as Chief of Joint Staff of the Armed Forces, but contested by Ivanishvili's government, was arrested on charges of torturing soldiers. The Kalandadze case remains a contentious issue between the prime minister and the president, who believes that the charges against the general are politically motivated. The timing of the arrest—a few days before a visit by NATO Military Council in Tbilisi—was unfortunate. Naturally, the meeting was cancelled and the whole affair raised doubts about whether Georgia's leadership was willing to collaborate further with the Alliance. Nevertheless, on 4 December Minister Alasania managed to find consensus with the president, who appointed to this post Col. Irakli Dzneladze—the candidate for the Army Chief of Joint Staff proposed by the Defence Ministry. This was a sign of good cooperation between the defence minister and Saakashvili, aimed at not harming national interests no matter how deep the political rift between the two politicians. The important proof of Alasania's intention to continue the policies has been his unchanged commitment to the ISAF mission. The minister has signalled that the Georgian military will stay in Afghanistan even beyond 2014.<sup>6</sup>

All these facts make an impression that Tbilisi will continue with its previous strategy of strengthening ties with NATO and the U.S. Nevertheless, there are also some arguments that question such an unequivocal vision of Georgia's relationship with the Alliance. One of the unknown factors is the political future of Defence Minister Alasania. His position in the government was weakened though when he was demoted by the prime minister from the post of first deputy prime minister. Although officially the reason for this demotion was Alasania's need to focus on his Defence Ministry duties, in fact the most likely reason was his high political ambitions, which clashed with Ivanishvili's plans. The defence minister does not hide his intent to become a candidate in this year's presidential elections. He is also in favour of strong presidential power, which instead is to be weakened according to the constitutional changes adopted in 2011. Ivanishvili wants to leave to the president only a representative role and to rule the country as prime minister. The rift between the two politicians may finally end with Alasania's exit from the government. This may seriously affect its relationship with NATO. Besides the uncertainty about Ivanishvili's will to continue the Euro-Atlantic integration process, there are other factions of the GD-led coalition that support neutrality or even oppose NATO membership for Georgia.<sup>7</sup>

To some extent, the policy of further NATO integration is at variance with the other priority of the government: the improvement of relations with Russia. In this context, some of the Georgian prime minister's statements show a lack of consistency. Particularly the speech given in Yerevan on 18 January in which he presented Armenia as a "model" for Georgia as a country that has good relations with both NATO and Russia. Georgia's neighbour Armenia is Russia's closest partner in the region. Most importantly, Armenia is a member of the Russian-led Collective Security Treaty Organisation. Thus, it cannot serve as a model for Georgia as long as membership in NATO remains a goal of the government in Tbilisi.

## Georgia-Russia: Modest Attempts at Reconciliation

The slow process of Georgian–Russian reconciliation began long before the October elections won by the lvanishvili's coalition. It is important to underline the political moves of the UNM government directed towards Russia, including the reopening of the border crossing with the Russian Federation at Zemo Larsi in 2010, a Georgian–Russian deal on Russia's World Trade Organisation (WTO) application in November 2011<sup>8</sup> and the lifting of visas for Russian citizens in March 2012. The UNM government was seeking some kind of *modus operandi* with Russia, as the latter was the main economic partner of Georgia and the primary destination for Georgian agricultural products before 2006. After a series of incidents which caused serious tensions between the two, already antagonized states, the Russian authorities decided to ban Georgian wine and mineral water products. This move was officially explained as health-related, but obviously aimed

<sup>&</sup>lt;sup>6</sup> "Georgia ends battle operations in Afghanistan after 2014," *Democracy & Freedom Watch*, 8 January 2013, http://dfwatch.net/georgia-ends-battle-operations-in-afghanistan-after-2014-2014.

<sup>&</sup>lt;sup>7</sup> Besides Bidzina Ivanishvili's party Georgian Dream–Democratic Georgia, the Georgian Dream coalition consists of five other parties, among whom the Industry Will Save Georgia and National Forum parties are definitely against NATO membership.

<sup>&</sup>lt;sup>8</sup> Georgia agreed to Russia's membership in WTO after the Russian counterpart agreed to independent monitoring of the border between the Russian Federation and the Georgian separatist territories of Abkhazia and South Ossetia.

at hitting the Georgian economy, was counter-productive to Russia's goals. As a result of the bans, Georgia redirected its exports to other markets and improved the quality of its products. Nevertheless, Russia remained economically present in Georgia, including in the strategically important electricity sector.<sup>9</sup> After its entrance into the WTO, Moscow intended to increase economic cooperation with its Georgian counterpart and open its market to Georgian goods.

What differs between the UNM's and Bidzina Ivanishvili's positions is his rhetoric towards Russia and his "pro-Russian" image. The GD leader is a billionaire whose financial success was achieved in Russia and whose career is typical of Russian oligarchs. He moved from Russia to Georgia in the first half of the 2000s, but continued to operate his Russian businesses. Only in 2011 did he resign his Russian citizenship, and in the last elections he claimed that he had sold all of his Russian business assets.<sup>10</sup> Nevertheless, his critics always underline the risks stemming from his dependency on Russia's political elite, which is a condition of doing business in Russia.

During the election campaign, Ivanishvili did not hide his plans to mend Georgia's relationship with its northern neighbour. As prime minister, he has started to send signals to Russia confirming his intent to reconcile. Nevertheless, these steps so far have been modest and have received little attention from the Russian side. In November, former Georgian ambassador to Moscow, Zurab Abashidze, was appointed as a special representative for contact with Russia. On 14 December he met with Russian Deputy Foreign Minister Grigory Karasin in Switzerland, which was the most significant achievement in the Georgian-Russian dialogue so far. The two diplomats discussed economic relations, the issue of lifting visas for Georgians travelling to Russia, but intentionally avoided the question of the separatist republics of Abkhazia and South Ossetia, which have been recognised by the Russian government as sovereign states.<sup>11</sup> Apart from the Georgian quest for membership in NATO, the contentious issue of these areas will remain the main obstacle to the re-establishment of diplomatic relations between Georgia and Russia, which were broken after the August war in 2008. The Georgian-Russian reconciliation process will continue, but it will remain confined to economic and cultural areas and to people-to-people contacts. On 4 February in Moscow, a delegation from the Georgian Ministry of Agriculture met with the head of the Russian consumer protection agency. Both sides declared that Russia might resume the import of Georgian products within a few months. A sign of cultural rapprochement is religious dialogue between the Georgian and Russian Orthodox Churches, which also has had some political impact. During his visit to Moscow on 23 January, Georgian Patriarch Ilia II visited with Russian Patriarch Kirill and met with President Putin, passing him "greetings" from Prime Minister Ivanishvili. These events may be seen as signs of warming relations between Georgia and Russia. Nevertheless, it is far to little to overcome the main problems between the two countries.

## A 'Paradigm Shift' in Georgia's Policies towards its Neighbours?

While under the UNM government Georgia remained a firm ally of its Turkic neighbours—Turkey and Azerbaijan—there now are indications of a potential change. The core of the Turkish–Georgian–Azeri alliance are energy and transportation of goods. In 2005–2006 Georgia became the preferred route for exports of Azerbaijani gas and oil to Turkey with the establishment of the massive Baku–Tbilisi–Ceyhan oil pipeline and the South Caucasus gas pipeline linking Baku with Turkey's Erzurum. The latter pipeline also helped Georgia to gain independence from Russian gas supplies. Another Turkish–Georgian–Azeri "flagship" project is a rail route linking Turkey's Kars and the Georgian cities of Akhalkalaki and Tbilisi with Baku. The aim is to build a railway connection between Turkey and Azerbaijan that passes by Armenia, a country that remains in bitter conflict with its Turkic neighbours over the territory of Nagorno-Karabakh. The route is planned to be completed by the end of this year. Therefore, Prime Minister Ivanishvili's statement on 21 December, a few days before his visit to Baku, that the railway project "triggers

<sup>&</sup>lt;sup>9</sup> The electricity distributor in Georgia's capital is Telasi, which is 75%-owned by the Russian state company Inter RAO.

<sup>&</sup>lt;sup>10</sup> According to *The Guardian*, in October Ivanishvili still retained some stock in Gazprom. "Bidzina Ivanishvili: the eccentric billionaire chasing Georgia's leadership," *The Guardian*, I October 2012, http://www.guardian.co.uk/world/2012/oct/01/bidzina-ivanishvili-profile-georgia.

<sup>&</sup>lt;sup>11</sup> "Karasin, Abashidze take step towards each other," 17 December 2012, http://vestnikkavkaza.net/analysis/politics/34985.html.

questions" was shocking for Azerbaijan and Turkey and brought about nervous commentaries in Turkish and Azeri media.<sup>12</sup> However, Ivanishvili later retracted that statement saying there is no plan to stop construction. He even admitted during a meeting with Azerbaijani Prime Minister Artur Rasizade in Baku that the remarks on the railway were "hasty" and "politically flawed." One may speculate about the reason for such "hastiness"—a lack of political experience or, on the contrary, a tricky political game. The fact is, though, that while the Kars-Akhalkalaki-Baku railway is in Azerbaijan's interest it also goes against Russia's interest, as it will be a competitor to the Russian Trans-Siberian railway. Both routes will compete for cargo to transport through the Eurasian interior from China to Europe.

Another "railway scandal" emerged after the Georgian Prime Minister made a statement about the possible reopening of an Abkhazian railway route closed since the war on the separatist territory in 1992. This route would enable Russia to transport goods to Armenia, its ally in the South Caucasus. Such a prospect is extremely appalling for Azerbaijan as railway cargo transported through Abkhazia could include weapons for the Armenian army. Therefore, Ivanishvili's plan is perceived in Baku as a strike against the Azeri policy to isolate Armenia. So, it was not by chance that Azeri Member of Parliament Musa Qasimli warned the Georgian government that Azerbaijan could begin to cooperate with the separatists in Abkhazia and South Ossetia as a result of a pro-Armenian switch in Georgia's regional policy.<sup>13</sup> Nevertheless, Prime Minister Ivanishvili did not exclude the possibility to re-establish this Abkhazian railway route during his visit to Yerevan on 17 January.

The idea of re-opening the railway link through Abkhazia may be a good concept as far as a confidencebuilding measure, a step towards reconciliation between the Georgians and Abkhazians. However, at the current stage there is no real dialogue between them. More crucial is the role of Russia, which is nevertheless ambiguous. The government in Moscow has taken a side in the conflict but simultaneously tries to also play the role of arbiter. There is no sign that this attitude of Russia's is going to change just because there has been a change of government in Tbilisi.

Therefore, the controversial statements by Georgia's prime minister on the possibility to reopen the Abkhazian railway or "rethinking" the idea of the Kars–Akhalkalaki–Baku railway should not be considered likely but rather as rhetoric. That does not mean that expressions of such concepts have no deeper meaning. Obviously, Ivanishvili is making gestures towards the Russian leadership. Even if re-opening the Abkhazian railway is not possible now and stopping the construction of the Kars–Akhalkalaki–Baku railway is not possible at all, these political statements were without a doubt well-received in Moscow.

It seems also that the Georgian prime minister is sending signals to his own society, testing its reaction towards these new ideas. As a November poll by the National Democratic Institute reveals, 63% of Georgians are in favour of the re-establishment of the Abkhazian railway connection with Russia, while only 6% disapprove.<sup>14</sup> Therefore, some of the new foreign policy concepts brought up by Ivanishvili may be supported by a vast majority of Georgian society. However, even strong social support will not enable the new government to overcome geopolitical constraints.

## Summary: Perspectives and Recommendations

An analysis of Prime Minister Ivanishvili's statements may display his intent to redefine Georgian foreign policy, if not on a global, then at least on a regional level. Taking into account the importance of Azerbaijan and Turkey to the Georgian economy, it is rather impossible to foresee the deconstruction or even significant reconstruction of the strong bonds between the three countries. Cooperation in energy transit and the transportation of cargo is a cornerstone of their political alliance. Therefore, the controversial railway concepts recently brought forward by Prime Minister Ivanishvili, as well as his high opinion of the "Armenian model" for Georgia should not be perceived as projects that are actually ready to implement.

<sup>&</sup>lt;sup>12</sup> M.F. Öztarsu, "Is There an Axis Shift in Georgia and Armenia?," *Today's Zaman*, 2 January 2013, www.todayszaman. com/news-302917-is-there-an-axis-shift-in-georgia-and-armeniaby-mehmet-fatih-oztarsu-html.

<sup>&</sup>lt;sup>13</sup> "Azerbaydzhanskiy parlamentariy predupredil pravitelstvo Gruzii o posledstviah proarmyanskoy politiki" [Azerbaijani PM warned Georgian government about the consequences of pro-Armenian policies], *Day.Az*, 7 November 2012, http://news.day.az/politics/365138.html.

<sup>&</sup>lt;sup>14</sup> "Saakashvili against Reopening Railway via Abkhazia," 17 January 2013, *Civil.ge*, www.civil.ge/eng/article.php?id= 25651.

These should be considered rather as an experimental phase leading to an assessment of how far the new government may proceed with changes in Georgia's international relations. These are, first, attempts to shape domestic public opinion and to condition it to a shift from the previous paradigm in foreign policy, and second, should be seen as "reconciling" messages sent indirectly to Russia. Still, it is hard to imagine any serious reconciliation between the governments in Tbilisi and Moscow as long as the problems of Abkhazia and South Ossetia remain as complex and painful as they were when Saakashvili's party ruled and even long before the five-day war in August of 2008.

At this stage it is difficult to evaluate the prospects for the development of Georgia–NATO relations. There are no significant markers of a change of paradigm, although some of the government's moves could be characterised as rather puzzling. Perhaps Prime Minister Ivanishvili is not revealing all of his actual plans when he defines Euro-Atlantic integration as the main goal of his government. Taking into account his recent statement that Armenia would be a good "model" for Georgia, one may suspect that his hidden goal may be to resign from the country's Euro-Atlantic aspirations and shift towards a more pro-Russian foreign policy. However, it should not be taken for granted that integration with NATO is supported by the majority of Georgian society. The Alliance is also the main factor that contributes to the reform and modernisation of the Georgian army. One of the main leaders of the GD-led government, Minister Irakli Alasania, despite being a harsh opponent of the president and UNM, is a firm believer in integration with the Alliance. Thus, it is difficult to imagine that the current government would openly resign from the goal of NATO membership. Such a radical move could be possible only after the breakdown of the Georgian Dream coalition and an exit of pro-NATO forces, such as Alasania's Our Georgia–Free Democrats party.

The main threat to the process of Georgia's rapprochement with the EU, which so far seems to have proceeded rather smoothly, is the risk of the implementation of selective justice by authorities towards their political opponents from President Saakashvili's camp. Prime Minister Ivanishvili's team has wide support among Georgian society. That political capital should be, however, used to proceed with necessary reforms, rather than to fight with the opposition by punishing the real or alleged wrongdoings of officials appointed by the previous government. One of the most important reforms will be a comprehensive reorganisation of the judiciary and prosecutors' offices. Other priorities should include further democratisation by delegating power to local governments. The lack of such reform was one of the biggest failures of the previous governments. The EU should warn the current Georgian government not to repeat this mistake. Only further democratisation and improvement in the rule of law is the way to correct the wrongdoings of the past. Here, the negotiation process and later implementation of an Association Agreement with the EU may play a significant role. Positive effects will not be visible immediately, therefore the EU should spare no effort to help Georgia through the process. Central European countries such as Poland, which have accomplished this uneasy transformation, should actively share their know-how with their Georgian partner.