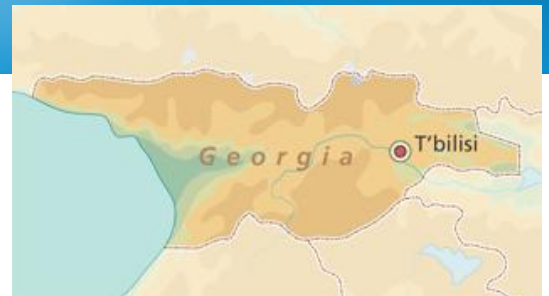




Georgia



Last update:	26 June 2009
Author:	Marianna Tsirelson (Co-author)
Population:	4,630,841 (May 2008 est.)
Prime minister:	Nikoloz Gilauri (since February 2009)
President:	Mikheil Saakashvili (since January 2004)
Governemental type:	Republic
Ruling coalition:	One ruling party – United National Movement
Last election:	Parliamentary May 21, 2008
Next election:	Parliamentary 2012
Sister parties:	Georgian Labour Party

After the infamous Rose Revolution in 2003, Georgia again became the center of attention in 2008 as a war erupted between Georgia and Russia over the break-away region of South Ossetia. The war was brief and devastating; resulting in many deaths, displaced persons, and a de facto redrawing of the regional map after Russia recognised South Ossetia and Abkhazia – the other break-away region of Georgia – as independent. A bitter verbal and diplomatic struggle followed, with the international community divided over the related issue that was suddenly brought to the forefront – the question of Georgia's possible accession to the NATO.

INTRODUCTION

The August war with Russia had a a major effect on Georgia's internal politics. As the excitement of military action died down (opposition) politicians started to ask more and more tough questions concerning the situation in the country regarding democracy – a subject that had gone to the background of Georgian politics during the war – and whether or not the August war could have been averted by the Georgian leadership. Some even called for President Saakashvili's resignation. Further political developments seem to largely depend on how the President deals with the situation.

ELECTIONS and POLITICAL SITUATION

Latest developments

Georgia is an extremely politicized society. Currently, there are hundreds of political parties, of which many are unregistered. Most do not have a well elaborated program and there is the recurring issue of internal party democracy (and the lack thereof). Moreover, the political system does not represent the society. Although the leaders of the main parties form a coalition, they are blocked in terms of ideology. All the (main) parties have different kinds of objectives, yet everyone is unhappy with the economic situation. About 30% of the population support President Saakashvili whilst 50% is undecided.

Additionally, once it was clear that Georgia had lost the 2008 August war with Russia, a sense of unity was created among the opposition and the political forces started activating their demands starting October 2008. However, currently, the majority of the opposition is undecided. It is unable to cover 70% of the society as there is no independent media in the country and the government has closed down all the funding. Besides that there is no organisational structure within the opposition and the parties have quite different views on the future of the country. Every political force nevertheless agrees with one thing: the resignation of President Saakashvili and pre-term presidential elections. Recently, however, Saakashvili stated that he will not resign before the end of his term, not even in case an independent commission will appoint him as the responsible one for the 2008 August



war.

Furthermore, within the opposition there is a large disagreement on how Georgia's political system should look like in the future. While former UN envoy to Georgia and leader of the Alliance for Georgia, Irakli Alasania, aims for a presidential republic, the liberal conservative New Rights party wants a monarchy and the Republican Party envisages a parliamentary republic. Among the opposition leaders, Mr Alasania enjoys quite some recognition within the country, due to his international experience and his role as mediator for the Ministry of Foreign Affairs in the dispute with Russia over South Ossetia. Alasania's centrist-right wing party "Our Georgia-Free" Democrats will be inaugurated in early July.

As of 9 April opposition demonstrators have been rallying in Tbilisi, to demand the resignation of President Saakashvili over his poor human rights record and the 2008 August war with Russia. The social component is also important for the supporters of the protests, which mostly are people who lost their jobs and are angry about the government's handling of the economic crisis. On 21 April demonstrators from about 14 opposition parties set up a dozens of mock 'prison cells' in the capital, mainly in front of the Parliament, as part of the 'town of cells campaign'. While in the beginning the protests were mainly peaceful and quite, tensions started to rise when the police and the population became annoyed by the blockage of the main road for such a long time. Eventually, on 1 June traffic on the main square was reinstalled after the opposition removed its improvised cells.

Whereas the opposition has merely one demand – the President's resignation – Saakashvili is not planning to leave his post before his term ends. Therefore, the ruling National Movement Party offered a dialogue to the opposition to start talks on the most urgent issues in the country, such as economy, security and national interests and democratic reforms. At first, the opposition block firmly rejected the proposal stating "it was just another attempt to mislead the society". While the first dialogue proposal came before the start of the demonstrations, another attempt was made following violent clashes between police and demonstrators, and a brief mutiny at a tank base that increased the possibility of wider unrest in Georgia. This time the opposition block agreed to participate in the dialogue. The meeting held on 11 May between Saakashvili and opposition leaders – among which Irakli Alasani and Salome Zourabichvili, leader of Georgia's Way – was far from productive. The opposition representatives stated that "the talks were very open and frank, yet there are serious differences between opposition and the President regarding the political crisis in the country". It is to be seen how the politicized situation in the country will develop in the near future.

The August 2008 crisis

The War

In August 2008 tensions between Russia and Georgia started escalating. An incident of a Russian spy plane shot down over Georgian territory resulted in a full scale war.

On August 8th Georgian troops entered South Ossetia as, what the Georgian authorities would later claim, a response to Russian provocation. However, the Russian military response was – seemingly unexpectedly – swift. As a result, the Georgian military was thrown back out of South Ossetia, after which the Russian side proceeded to enter Georgian territory. The Georgian side claimed grave shelling of the Georgian town of Gori, while the Russians retorted with similar accusations concerning the South Ossetian town of Tskhinvali. The war was officially over in 5 days, with a truce. The international community demanded that Russia withdraw its forces from Georgian territory. After some stalling that lasted several weeks the Russian military eventually started dismantling their check points on Georgian territory. In a unilateral action the Russian Federation also recognised South Ossetia and Abkhazia as independent states and started diplomatic relations with the two as early as October.

The initial international response gravely condemned Russia for its actions and demanded withdrawal from Georgia. Especially the US started lobbying intensively for a sped-up Georgian accession to the NATO; something that European countries were somewhat divided in, even if equally condemning Russia. As time went by and investigations were launched, however, more and more reprimands started to appear towards the Georgian side as well as the Russian side. In October/November an independent international investigation group was created to look into the August events, headed by Heidi Tagliavini, a Swiss diplomat who served as UN Secretary General's special representative to Georgia from 2002 to 2006. The results of the independent investigation may bring some unity to



the European standpoint.

Furthermore, on 18 October 2008, a series of talks has started in Geneva, to discuss the situation in the region and try to reach agreements on the humanitarian and security situation in the conflicted areas. The negotiators include the two conflicting parties Georgia and Russia as well as negotiators from the two break-away regions South Ossetia and Abkhazia, and from the U.S. The talks are led by mediators from international security structures the EU, UN and OSCE. During the first three rounds of talks little –or nearly no– progress was made and no actual agreements were concluded as proposals lacked a timeline and an actual framework for implementation. However, during the fourth talks on 17–18 February 2009, the parties have reached agreements on the establishment of “joint incident prevention and response mechanisms”. This mechanism allows for weekly meetings –or more often if necessary– between the international security monitors and local security officials in the areas of tension. Also a 24-hour hotline will be created. Moreover, regular joint visits may be conducted in the areas to defuse tensions, i.e. the areas in and around the breakaway regions. The special envoys to Georgia from the three mediation organisations affirmed that the agreed proposals are a very important stage in contributing to the stability and security in the region. Georgian first deputy Foreign Minister, Giga Bokeria, already stated that strong political will from Russia is needed to implement these proposals. And although Russian deputy Foreign Minister, Grigory Karasin, confirmed Russia’s readiness to start executing the plans, it is still to be analysed how and if these proposals will actually be implemented by both Russia and Georgia.

Parliamentary elections 21 May 2008

On 21 May 2008 parliamentary elections were held in Georgia. These elections were initially scheduled for later in the year, but were brought forward following a referendum which was held simultaneously with the 5 January 2008 presidential elections, which were earlier brought forward following widespread protest against the president which resulted in Mikhail Saakashvili declaring a state of emergency (see below). Ever since the November 2007 protests, the opposition and the ruling National Movement have been on a bad footing, with the opposition claiming the results of the presidential elections in which Saakashvili won 53 percent of the vote were falsified in order to make it unneeded for a second round to take place.

This resulted in a breakdown of the dialogue between the opposition and the government. Subsequently, major changes to the election law were made without the participation of the opposition, which has claimed that the changes were all to the benefit of the ruling party. The previous parliament consisted of 235 elected members, 150 seats by proportional representation, 75 in single-seat constituencies, and 10 representatives of displaced persons from the separatist region of Abkhazia. The 4 March 2008 amendments to the election law have changed the structure of the parliament. The new parliament consists of 150 members, of which 75 on the basis of proportional representation and 75 elected in single-mandate constituencies. The alteration of the balance, meaning a big percentual increase in representatives of single-mandate constituencies, can indeed be seen as to the advantage of the ruling party, especially as representation is won by a mere 30 percent of the votes in the constituency, instead of calling a second round.

Although the opposition initially threatened to boycott the elections, in the end a wide array of parties covering the political landscape participated. Nine political parties and three electoral blocks were registered to compete in the elections. These parties were able to campaign freely, although there were widespread allegations of fraud and intimidation, some of which could be verified. These widespread allegations gave the elections a negative tone, and were seen by election observer missions to discredit the elections in general to the public. It was however generally assessed by the OSCE that the Central and Local Election Committees did not give due consideration to complaints. Criticism was also voiced about the blurred distinction of state activities and the government party’s campaign. In addition, speaker of parliament Nino Burjanadze announced shortly before the elections not to run on the National Movement’s party list, out of dissatisfaction over the party list. Although she claimed that this does not mean that she has broken with Saakashvili, she has recently presented her new think-tank which is to prevent that political “decision making [depends] on one force.” However, the media, in particular television, offered people a diverse range of views. Election day itself was calm, and was generally assessed positively. The conduct of the polls was assessed less positively though, with problems with inking and ballot stuffing, and instances of pressure on observers and proxies noted. Counting and tabulation were evaluated least positively, with many significant procedural shortcomings observed.

Election results



Party	% votes proportional lists	Seats proportional lists	Seats single-mandate constituencies	Total seats
United National Movement	59.48%	48	71	119
United opposition	17.69%	15	2	17
Giorgi Targamadze – Christian Democrats	8.26%	6	–	6
Shalva Natelashvili – Labour party of Georgia	7.55%	6	–	6
Republican Party	–	–	2	2

Voter turnout: 55 percent

When the first results became known, it was still thought the governing party would secure a constitutional majority. After widespread protest, including negative international statements on the conduct of the elections, one seat was counted to the opposition. Saakashvili's powers thus now holds a constitutional majority minus one seat in parliament. Meanwhile, several opposition parliamentarians that made it into the parliament have not claimed their seats out of protest to the conduct of the elections. The National Movement can therefore pass any single law they want. This has turned Georgia in a one party ruled state once again.

It is not yet clear how long the opposition will remain boycotting the parliament, as a rift has appeared over this issue between different opposition forces. Six parties of the united opposition, the New Rights Party; Freedom Party, Movement for United Georgia; Georgia's Way; Party of People and the National Forum have all refused to enter parliament, although the eight member opposition coalition which competed in the elections won 17.73% of the votes. The two remaining parties, Georgian Troupe and On Our Own, have quit the united opposition and taken up their seats. Two of the Labour Party's six MP's have entered parliament, while the other four, including the party leader, are at the moment not engaged in parliamentary activities but are officially members of parliament.

On 5 July 2008, a month after the elections, a controversial amendment to the law on party funding was passed. According to the previously existing law which was passed by parliament in May 2007, any party clearing the 4 percent threshold in elections or a 3 percent threshold in local elections is entitled to funding. The new amendment which was proposed by the ruling party, neglects funding to parties that refuse to enter parliament, thus directly targeting the opposition boycotting the new parliament. Ten opposition parties issued a joint statement condemning the new amendments and calling it "a direct attack against democratic development and pluralism". The statement was also signed by those opposition parties of which MPs did enter parliament.

State of emergency 2007

The mass protests, which started on 2 November 2007, came not as a surprise. After the peaceful Rose Revolution of November 2003 and the installation of Mikhail Saakashvili in January 2004, the outgoing Parliament adopted on 5



February 2004 far-reaching changes to the Constitution, which increased the power of the Executive. As a result, the President has the power to dissolve the Parliament, while he or she can stay in government even when the Parliament has expressed its lack of confidence. Presidential powers were also increased in other areas, including the judiciary.

Besides greater executive powers, one other thing increased the power and the mandate of the President: the outcomes of the parliamentary elections of 28 March 2004. These elections brought a landslide victory for the National Movement – Democrats, the party of President Saakashvili. The party won 156 of the 235 seats. These things, the constitutional changes plus the outcomes of the elections, made the position of Saakashvili even stronger than it already was shortly after the Rose Revolution. The strengthened position of the president, increased the level of fear for another era of one-party politics .

The way opposition-media was treated in the last few years has fuelled this fear of one-party politics. Increasingly, the opposition-media has suffered from state-repression and journalists increasingly showed acts of self-censorship. The harassment of journalists by state-officials also became a real problem between 2004 and 2006 (according to Freedom House) The ultimate act of repression of journalists could be seen on 7 November, when an opposition television station was shut down during the broadcast of the tv-news.

Another reason for the upheavals of early November 2007 were the economic performance of the government and the level of corruption. Based on macro-economic figures, it could be concluded that in the years 2004 – 2007, the economy has indeed increased and that Saakashvili kept his promise. For instance, the GDP per capita increased slightly and the country showed economy growth rates of 9,5% in 2005 and 2006. However, the consumer-inflation increased in 2006 to 9,5% per year (compared to 5% in 2003). Based on the Corruption Perception Index of Transparency International, Georgia has also made great progress in fighting the level of corruption. In 2003, the country was placed in the lower regions of the world-wide ranking, while in 2007 Georgia was placed in the mid-section of the list.

However, the economic growth has not led to a significant increase in living standards for the common people in Georgia. Moreover, the increased cost of basic needs have affected the standard of living of most Georgians negatively. Maybe the inflation of the consumer prices (9,5% in 2006, 5% in 2003) are the best indicator of this development. This has led to increased frustration amongst the population, especially in the aftermath of the great promises made in 2003. Additionally, although low-level corruption indeed seems to have decreased dramatically, people feel bittered over the amount of corruption that can still be carried out at the higher level, especially now that they feel left out of the economic developments in the country.

After declaring the state of emergency, the international community criticised the actions of Saakashvili. In response to this critique, on 8 November Saakashvili proposed to shorten his mandate. He subsequently stepped down on 25 November, paving the way for parliament to call an extraordinary presidential election for 5 January 2008. It was furthermore agreed that simultaneously with this election, plebiscites on joining the NATO and on the timing of the next parliamentary elections would also be held. The state of emergency was lifted on 16 November.

The international community has condemned the actions of President Saakashvili. The European Union's High Representative for the Common Foreign and Security Policy, Javier Solana, stressed that political differences should be resolved "within democratic institutions." A spokesperson for Solana said the European Union plans to send on November 9 its special representative to the South Caucasus region, Peter Semneby, to consult on the situation in Tbilisi. U.S. National Security Council spokesman Gordon Johndroe called on all sides to refrain from violence and engage in a "constructive dialogue." Russia, that was accused by Saakashvili to be the architect of the protests, expelled two Georgian diplomats from Moscow. Finally, NATO Secretary General Jaap de Hoop Scheffer declared that the actions by the Georgian government "were not in accordance with the Euro-Atlantic values." International human rights organisations like Human Rights Watch and Amnesty International have also condemned the way Saakashvili and his government handled the situation.

Presidential elections 5 January 2008

Notwithstanding the international critique on Saakashvili's actions during the November unrests in Georgia, the subsequent elections that took place on 5 January 2008 were assessed moderately positive by the OSCE, which declared in its statement of preliminary findings and conclusion on 6 January that the presidential election was "in



essence consistent with most OSCE and Council of Europe commitments and standards for democratic elections. According to the OSCE “all candidates were generally able to campaign freely around the country.” However, the OSCE also mentioned “significant shortcomings” resulting in an “inequitable campaign environment”, including imbalance of news coverage in favour of the ruling party’s candidate and blurring of state activities and Saakashvili’s campaign. In particular, “the distribution of vouchers for such things as utilities and medical supplies to vulnerable groups was criticized as an alleged misuse of budgetary funds in support of Mr. Saakashvili,” especially since “distributors of vouchers sometimes asked recipients whether they would vote for Mr. Saakashvili, and asked them to sign documents confirming their support.”

The campaign was furthermore overshadowed by “widespread allegations of intimidation and pressure,” although relatively little complaints were in the end officially brought before the Central Election Commission. However, there were confirmed cases of pressure on opposition supporters by the police and local officials to desist from campaigning, threats to landlords who were pressurized not to let premises for use as opposition campaign offices, and even isolated instances of severe violence against opposition activists, including kidnapping.

Summary of the 5 January 2008 election results:

Candidate	% of votes
Mikhail Saakashvili	53,38
Levan Gachechiladze	25,66
Arkadi (Badri) Patarkatsishvili	7,1
Shalva Natelashvili	6,55
David Gamkrelidze	4,05
Gia Maisashvili	0,78
Irina Sarishvili	0,17

Voter turnout: 56%

Following the announcement of the preliminary election results on 6 January, which already indicated that Mr. Saakashvili had been able to secure around 53 percent of the votes, the opposition took to the streets to protest. The allegations of minor instances of fraud during the election featured very important in this case, as this meant that Saakashvili might otherwise not have been able to win the elections in a singly round, and would have had to compete in a second round against main opposition candidate Levan Gachechiladze, who featured a prominent role in the protests against Saakashvili in November 2007 and who was supported by a bloc of 9 opposition parties. The opposition has furthermore demanded the resignation of the head of the Georgian Election Commission. Threats of further protests were also voiced.

Gender and minority political participation

While there are no legal obstacles to women, Georgian politics remains to be dominated by men. Parliamentary speaker Nino Burjanadze was previously the woman holding the highest political function, but she left the National Movement shortly ahead of the parliamentary elections. In the 2008 parliamentary elections, three electoral blocks were led by women. Among the major political parties and electoral blocks, the Christian–Democratic Movement included most women on the lists with 32 percent. The Labour Party followed suit with 28 percent. The ruling United National Movement, which gained by far the most Seats, had one 8 percent female candidates. Only 12 percent of candidates in single mandate districts were women. This had led the OSCE to conclude that “women are overall under–represented, and few women candidates were highly visible in the campaign.”

National minorities enjoy full (political) rights under the Constitution, and make up 16.2 percent of Georgia’s populations. The two largest national minorities in the country are the Azeri and the Armenian. Besides that, a variety of smaller groups live within the state borders. Due to the fact that minorities often do not speak Georgian, their level of political participation is relatively low. However, especially in the run up to the latest presidential election, more information in Armenian, Azeri, Ossetian and Russian was provided for. There are no ethnic political parties, however several parties have included members of national minorities in lists and as majoritarian



candidates, nominating them in districts where minorities form a substantial part of the population.

Priorities set by the leaders

After the victory of Saakashvili in 2004, the new President announced his priority to be the fight against corruption and to make the country investor-friendly. His election campaign in the run up to the partial parliamentary election of March 2004, focused on anti-corruption. Concerning this issue, he seems to be making some progress, especially in stemming corruption on the lower level. However, the November 2007 protests show that there is still a large public dissatisfaction about the level of corruption in Georgia.

Another priority spelled out by Mikhail Saakashvili after his election, is trying to bring back the breakaway regions under Georgian authority. He quickly established authority in Adjara, and shifted attention towards the separatist regions of South Ossetia and Abkhazia, which led to sharp tensions, including with big neighbour Russia, already not too pleased with Georgian aspirations to join international organisations as NATO and the EU (see below).

Mikhail Saakashvili is seen as a pro-Western man. He studied in the US and is married to a Dutch woman. On the one hand, Saakashvili wants to build a new Georgia that is pre-dominantly focused on the West in general, and NATO and the EU specifically. On the other hand however, his critics describe him as a populist, and a man too eager for power. Since Saakashvili came to power, these critics have become stronger. Especially the (de facto) single-party system is an important point of critique for the opposition parties, and also increasingly for the "western democracies" which Saakashvili wishes to join. This has led to negative statements about the president's conduct. In this respect, the parliamentary elections of 2008 were seen as a 'failed test of democracy'. Within Georgia, opposition leaders warn for the emerging "neo-totalitarianism" in Georgia. They illustrate their concerns by a popular joke in Georgia: "Before the Rose Revolution, we had democracy without democrats, now we have democrats without democracy."

IMPORTANT POLITICAL ISSUES

Widespread corruption

Corruption is a heavy burden for Georgian society and takes all forms of illegal exchanges – in the lower echelons of society as well as at the top. Corruption is depicted to be the main cause of the Georgian deplorable state budget, and thus the lack of money to make the necessary reforms. Not only it causes a less favourable economic climate, also democratization is hampered because it is almost impossible to distinguish the private sphere from the public sphere and the creation of a viable system of checks and balances is undermined.

In principle, the constitution and laws of Georgia provide for several ways to fight corruption. However, the tools remained largely ineffective because the institutions (eg. courts and police) that should fight corruption are involved in corruption themselves, too, and are far from independent. Moreover, the family and clan structure of Georgian society strengthened a system in which corruption could easily flourish. In this way it could happen that watchdog Transparency International ranked Georgia on the 2006 Corruption Perception Index on the 79th place out of 170 countries. It must be said that the situation in Georgia is relatively improving, seen the fact that in 2003 Georgia ranked 124th out of 133 countries.

The importance of combating corruption was recognised by the opposition under Shevardnadze that launched the Rose Revolution. It became the central topic of Saakashvili's campaign. In the run up to the parliamentary elections in March 2004, several businessmen and public officials of the previous regime were accused and arrested. Some of these arrests were shown on television.

At the beginning of his term he called for new laws and a new staff of anticorruption investigators and prosecutors. However, analysts say the necessary tools have already been arranged, they only need to be implemented. In August 2004 President Saakashvili assured the media that the members of the cabinet are free of corruption. According to him, corruption has shifted from the higher ranks to lower positioned officials. This assurance was doubted by the protesters of the November 2007 protests in Tbilisi. The large-scale corruption was one of the main reasons to protest against the Saakashvili government.



Even though the higher (so better) ranking of Georgia on the Corruption Perception Index, it remains to be seen whether Saakashvili can continue the improvement. Saakashvili's predecessor, President Shevardnadze once illustratively said: "So many people are involved in corruption that there are not enough cells to hold them all." (RFE/RL).

Georgia's separatist regions: South Ossetia and Abkhazia

Georgia has to deal with separatist regions within its borders. The issue is sensitive and cannot be seen separately from the relations with Russia, since the hotspot regions of South Ossetia and Abkhazia border on Russia and Russia has extended influence in the separatist regions. Due to the fact that Mikhail Saakashvili's priority is to bring the breakaway regions back under control of the Georgian government, tensions increased. According to the latest Crisiswatch of the International Crisis Group the situation significantly worsened – especially since mid-2004.

South Ossetia

In 1989 the region of South Ossetia demanded either increased autonomy or a union with Russian North Ossetia. During 1989–1991, a conflict ensued, displacing over 60,000 people. In 1992 a cease-fire agreement was signed and a peacekeeping force consisting of Russian, Ossetian and Georgian troops, known as the Joint Peacekeeping Force (JPKF) was deployed. This peacekeeping force was facilitated by a mission of the Organisation for Security and Co-operation in Europe (OSCE) and the United Nations.

In November 2001, local presidential elections were held in the region. These were not recognised by the international community and Georgian authorities. Until today the Georgian authorities in Tbilisi continue to exercise little direct control over the region. The status of the region remains subject to negotiations, in which both the international community and the Georgian government remain firmly committed to Georgia's territorial integrity – particularly now President Saakashvili has made restoring Georgia's unity a priority.

Russia plays an important role in the conflict between Georgia and its breakaway enclave. From the beginning of the conflict Moscow supported the separatists. Russian influence in the region remains substantial, not only in respect to military forces. The economy is based on roubles, the common language is Russian and the unrecognised president Eduard Kokoiti holds a Russian passport. He has said South Ossetia will one day become an associate member of the Russian Federation. Moscow tightens its grip on the people in the region by granting Russian citizenship to an increasing number of residents. The number of residents holding a Russian passport is estimated at 70%. After the recent upsurge of violence in the region, the Russian Duma issued a resolution condemning the actions of the Georgian authorities. Besides, the MP's made reference to 1724, when Ossetia voluntarily joined the Russian Empire.

Since the new Georgian administration is dedicated to restore Georgian territorial integrity, tensions increased and casualties were reported. Saakashvili wants to give the region an autonomous status in exchange for Georgian control and to introduce custom checks on the border between Russia and South Ossetia. This would cause a major blow to the smuggling business, which covers an important part of the regional economy. The upsurge of violence in June 2004 followed after the Georgian government shut down a major market on the outskirts of the region's capital, Tskhinvali. The Georgians said the market was a hot spot of illegal Russian trade and thus a breeding ground for separatism and a source of missed tax revenues for the Georgian state.

In mid-August 2004 a ceasefire was signed, which has been violated several times afterwards. According to Saakashvili, the region should be demilitarized, and the role of the OSCE should be strengthened in order to balance the Russian influence in the peace process. A call was made to retreat all Russian peacekeepers, since they are perceived to be siding with the rebels. In an attempt to show Tbilisi's willingness for a peaceful solution to the South Ossetian conflict, the Georgian side handed over the strategic positions which were captured in August and launched a withdrawal of its extra troops from the conflict zone. The troops are located 15 kilometres from the region, ready to be sent back if the situation escalates.

During 2006, the situation in South-Ossetia remained unstable. Diverse media from both sides reported often that the other side was worsening the situation and that both countries were on the verge of an escalation of the conflict. However, despite the hostilities, it never came to a serious military conflict.

In April 2007, the Georgian President Mikheil Saakashvili, proposed a five point amended version of his peace-plan



of 2005 for resolving the conflict between South–Ossetia and Russia. His plan included the creation of a temporary administration for South Ossetia that would designate its representative to a number of central ministries, including the interior, finance, and justice ministries. At some unspecified future date, and under conditions that Saakashvili did not spell out, the temporary administration would rule on the restoration of South Ossetia's autonomous status within Georgia.

In addition, the fate of South Ossetia is linked with the situation in North Ossetia. Instability in the North can spread to the South, or the other way around. Concerning in this respect is the dramatic terrorist attack on the school in Breslan, North Ossetia. Following this attack, border controls between Georgia and Russia strengthened.

Abkhazia

A similar story can be told about the other breakaway region of Abkhazia. This region experienced even fewer peaceful years compared to South Ossetia. Unlike South Ossetia, Abkhazia has the status of Autonomous Republic.

During the Soviet era, Abkhazia and Georgia were joined in one republic. In 1990, the Abkhazian Supreme Soviet proclaimed independence, emphasising willingness to negotiate with Georgia to form a federation. Georgia insisted on a united state system. The political dispute turned into a military conflict between Georgia and Abkhazia in 1992 and 1993, which led to the displacement of over 300,000 persons and the destruction of the country. Abkhaz separatists, backed by Russian forces, succeeded in driving the Georgian army out of the province.

In 1994 a peace agreement was signed between Georgia and Abkhazia, under the auspices of the United Nations (UN) and with the facilitation of Russia. Russian troops (CISPKF) are also stationed in this region. There are peacekeeping forces facilitated by the United Nations. The Organisation for Security and Co-operation in Europe (OSCE) and the International Committee of the Red Cross (ICRC) are active in Abkhazia as well. Employees of international organisations have been repeatedly kidnapped. Despite this cease–fire agreement Georgia and Abkhazia have failed to agree on measures to prevent armed clashes on the border, or to facilitate the return of refugees. In the spring of 1998 tensions rose in the Abkhazian Gali district. Fighting led to the displacement of another 30,000 persons.

As in South Ossetia, Russian is the common language, roubles are the main currency and approximately 70% of the people are in possession of a Russian passport. The influence of Russia reaches deep into the peace process. It seems that Russia is using Abkhazia as a way of exerting pressure on Georgian leadership. The peace process has been brought to a standstill by Moscow withdrawing its approval of the document drafted by former UN special envoy Dieter Boden. Until now, the Abkhaz side refused to launch talks on this document.

Independence for the region has been rejected by the international community and Georgia. The above mentioned “Boden document” defines Georgia as a sovereign state and Abkhazia as a sovereign entity within – and as an integral part of – Georgia. Russia and Abkhazia have recently stressed the need for confidence–building measures, while Tbilisi continues to insist on talks on the UN–drafted document.

Like in South Ossetia, but to a lesser extent, tensions rose in the Abkhazia region, as a consequence of Saakashvili's attempt to restore Georgia's territorial integrity. The President ordered Georgian marine ships to fire on ships travelling illegally in Georgian territorial waters along the Abkhaz coast. Moscow reacted angrily, since this message seems mainly pointed at the many Russian vessels entering the harbour of Sokhumi.

In spring 2006, some light at the end of the negotiation–tunnel appeared. Georgia and Abkhazia resumed talks within the Coordinating Council of the EU. However, the worsened relationship between Georgia and Russia and a Georgian “military adventure” in the Kodori valley (mid 2006) have made an end to this hopeful development.

In early 2007, Abkhaz officials still refused to return to the negotiation table, despite the effort of the UN. They will return once the Georgian troops have withdrawn from the Kodori Gorge region, where the pro–Tbilisi government in–exile houses. However, in their report of 18 January 2007, the International Crisis Group state that “if it (Abkhaz authorities) wants to be treated as a legitimate dialogue partner, Sukhumi (capital of Abkhazia) should show more interest in cooperation.” Keeping the negotiations rolling is already hard to achieve, so an agreement about the status of Abkhazia within Georgia looks quite far away.



In January (local) and March (parliamentary) 2007 elections were held in the region of Abkhazia. Although the local officials were very enthusiastic about the outcomes and fairness of the elections, both the Georgian government and the EU do not recognize the outcomes of the elections. Germany, that holds the EU chair in the first half of 2007, declared that the EU "fully supports" Georgia's territorial integrity within its internationally recognized borders.

The Adjara case

Georgia has not only problematic separatist regions. One of the main successes of President Saakashvili until now, was the positive change of the situation in Adjara. This region is an Autonomous Republic situated at the Black Sea coast, bordering to Turkey.

Through diplomacy and military threat the President forced the resignation of Aslan Abashidze, who had ruled the region for 13 years by strict hand. After a smaller second Rose Revolution in the streets of Batumi, Abashidze fled the country and his party (Revival) collapsed. A new constitution for Adjara was adopted, thereby strengthening the control of Tbilisi over the area. Direct presidential rule was introduced and new elections for the local parliament were set for 20 June 2004.

Saakashvili's National Movement participated in these elections as "Victorious Adjara". Elections observers reported that the campaign was totally dominated by this party and not surprisingly, secured 28 of the 30 parliamentary seats. The other two seats were taken by the Republican Party, also an opposition party during the Shevardnadze era.

The change proceeded surprisingly peaceful and many hoped that a similar process would work for South Ossetia and Abkhazia. However, according to an analysis of the International Crisis Group, this success cannot be repeated just like that. Political conditions in Adjara differ profoundly from the situation in Abkhazia and South Ossetia. Three reasons are mentioned in the report. First of all, this region has never sought national self-determination through violence means before, unlike the separatist regions. Throughout the times, Abkhaz people remained loyal to the Georgian state.

Secondly, the people consider themselves to be ethnic Georgians, despite their difference in religion, being mainly Muslim. During the Shevardnadze era, its autonomous status was not really based on identity, but more on the personal ambitions of Abashidze and his clan.

A third reason mentioned is the weaker Russian interest. While Abkhazia and South Ossetia share borders with the big neighbour, Adjara is situated in the south of Georgia. For trade, as well as hiding Chechen/ North Ossetian rebellions the Adjara region is less relevant. Moreover, unlike in the northern separatist regions, people have not massively obtained Russian citizenship.

Relation with Russia

Foreign policy has been dominated by relations with Russia, which has endeavoured to keep as much influence as possible in the region, as witnessed by Russian involvement in the Abkhazian and South Ossetian conflict. Relations improved after the death of Gamzhakurdia who was a staunch nationalist opponent. Under Shevardnadze, Georgia joined the Commonwealth of Independent States (CIS) and resisted fierce opposition from the National Democratic Party and other parties with a nationalist agenda. Recently however, on 18 August 2009, Georgia withdrew from CIS. President Saakashvili announced his decision to pull Georgia out of the ex-Soviet club in 2008, after Russian forces entered its two breakaway regions that summer.

A ten-year treaty of friendship and co-operation with Russia was signed in February 1994. However, relations with Russia deteriorated following Georgia's turn to the West. What followed was an increased support from Russia to Georgia's two break away regions. According to critics this might be an attempt to destabilise the internal situation in Georgia and prevent the country from being admitted to NATO.

On 30 June monitors from the United Nations (UN) and the Organisation for Security and Cooperation in Europe (OSCE) were forced to leave Georgia after Russia vetoed an extension of both mandates to observe the cease-fire that ended the August war. This left only a tiny group of EU observers on Georgia's territories, though they have been blocked from travelling to Georgia's rebel regions South Ossetia and Abkhazia. The West expressed fears that the pull-out of Western observers could contribute to the eruption of a new war on the Caucasus. The massive



military 'war games' performed by Russia in the region was also a message that the Caucasus is still part of Russia's sphere of influence, according to military experts in Moscow.

On 30 April Russia signed joint border protection agreements with the two former Georgian republics –South–Ossetia and Abkhazia. Russia's President Dmitry Medvedev signed the pacts giving Russia direct control over the borders of the rebel regions. NATO stated the documents were in a breach with earlier reached agreements and "not in the interests of long-term peace and security in the South Caucasus region". "In reality the 'agreements' are another attempt by Russia to increase its military potential on Georgia's occupied territory and legitimize the occupation," a statement of Georgia's Foreign Ministry said. Under the agreements, Russia will guard the Abkhaz and South Ossetian borders, including maritime frontiers, until both republics form their own border guard services. The agreements, for an initial five years, can be renewed upon their expiration. Consequently, on 2 May Russian border guards began patrolling the de-facto borders of South Ossetia.

The relationship with Russia became severely tensed for the first time when on 6 August 2007 Russia dropped a 700kg. bomb from a plane on Georgian soil, 70km. from Tbilisi. The bomb (fortunately) did not go off, but the Georgia still accused Russia of an "Act of Aggression". Russia denied the allegations, stating that on the time of the bombing, no Russian airplanes were in the air. In the days after, the two countries continued to bicker over the incident. Russia's military chief of staff, General Yuri Baluyevsky, stated that Georgia had provoked Russia by producing reports on the Russian origin of the bombs. He added that Georgia was in a state of confusion of the future of its rebel territories. In the meantime, Georgia tried to seek international support when he called foreign governments to condemn Russia for the bomb-incident.

On 8 July 2008, the conflict between Russia and Georgia flared up to new heights, when South Ossetia decided to hold three Georgians in detention for being illegally present on the territory. This led to an outraged reaction on the Georgian side, which holds that South Ossetia is Georgian territory. Russia responded by flying an unspecified number of air force aircrafts over South Ossetia, allegedly 'to cool hot heads in Tbilisi'. President Saakashvili reacted by stating that "Russia just thinks it can bomb neighbouring countries at will, whenever it wants to".

Geopolitical location

Russia is not the only state displaying interest in Georgia. Also the West in general and the US in particular have special interests in the region. The US has a major interest in security and stability in the country, having invested heavily in the above mentioned oil pipeline. Furthermore, Southern Caucasus is a strategic location close to "terrorist safe havens" such as Afghanistan and Chechnya. The Georgian armed forces have been massively receiving US training and support. Increasing US economic and political influence in the country is being watched with suspicion by the Kremlin.

Saakashvili does not want Georgia to become the battlefield of Russia and the United States, and tries to seek good relations with both. However, scepticism regarding Russian dominance and presence of Russian military bases on Georgian territory prevails. Moreover, the Georgian government accused the Russian peacekeepers in South Ossetia of siding with the rebels and called for the withdrawal of the Russian peacekeepers. Increased US and general international involvement in the region is perceived to change the region's strategic balance for the better. However, US attention for Georgia is expected to downgrade, now the focus is on the Middle East and Iraq in particular.

European Union and NATO

Another international actor of increasingly importance is Europe. The cornerstone of EU-Georgia relations is the Partnership and Cooperation Agreement (PCA), which entered into force on 1 July 1999. The enlargement of the EU brings the Caucasus closer to the EU's border. This means strategic and economic interest in the region from the European side is strengthened.

The grown interest is illustrated by the inclusion of Georgia, together with Armenia and Azerbaijan, in the European Neighbourhood Policy. This happened after the Rose Revolution and thus can be regarded as a European encouragement for continuing reforms in the region. In October 2006, Georgia and the European Union agreed on the text of the EU-Georgia Action Plan. This plan is part of the European Neighbourhood Policy and points out the precise priorities for the cooperation between Georgia and the EU in the policy fields of rule of law, democratisation, human rights, internal and external market, environment, solutions of internal conflicts, security etc.



In October 2004, the North Atlantic Council of NATO approved the Individual Policy Action Plan (IPAP), which should be the starting point for Georgian EU membership in the future. Following the approval, President Saakashvili appointed a committee that would implement the IPAP.

The willingness of Georgian to join NATO as soon as possible, was illustrated when Georgia in October 2007 offered NATO to help the Dutch ISAF-force in the south of Afghanistan. Foreign minister Bezhuashvili offered The Netherlands to deploy 200 Georgian soldiers in the province of Uruzgan. This offer was widely seen as an attempt to gain support for a future Georgian membership of NATO. By November 2007, the reaction of The Netherlands is not clear yet.

It is to be seen whether the current developments in Georgia (November 2007 protests and the state of emergency that was declared to violently stop the protests) will help Georgia to win support for a future membership. In a reaction to the actions by Saakashvili on 7 November 2007, NATO Secretary-General Jaap de Hoop Scheffer declared that these actions "were not in accordance with the Euro-Atlantic values". What the result of the current Georgian state of emergency will be on the possibility of NATO membership, remains to be seen.

Economic situation and poverty

Poverty is the main concern of Georgia's citizens and much of the discontent that led to the forced resignation of Shevardnadze arose from the bad economic situation. According to the UNDP's 2005 Human Development Report on Georgia 50% of the population lives below the poverty line in winter and 40% in summer. Furthermore, the report noted a growing gap between the rich and poor.

On the UN's Human Development Index (HDI) of 2006, Georgia is on a 97th place out of 177 countries, scoring slightly better than countries like Uzbekistan, Azerbaijan and Moldova, but worse than fellow GUUAM member Ukraine. On the GDP per capita (nominal) index, the country is on a 114th place out of 182 countries. Despite the not encouraging rankings of Georgia, the country is statistically showing some improvement.

Figures show the improvement in this area: the Georgian currency strengthened and budgetary revenues increased. Economic experts attribute this to improved tax collection as well as increased foreign investment, mainly due the construction of the Baku-Tbilisi-Ceyhan (BTC) oil pipeline (see next section). It is expected that in the future, the BTC pipeline will bring more economic prosperity to Georgia. However, this economic gain could be compensated negatively by the possible environmental damage caused by the construction and functioning of the BTC pipeline.

Poverty reduction was also one of the priorities set by the new government. However, the government has not acted effectively yet. The consumer-prices showed an inflation of 9,5% in 2006 (compared to 5% in 2003), which is fairly high. Together with the relatively small increase of the GDP per capita, it seems that poverty reduction has not been very effective yet. The protests of 2007 can partly be explained by the mass-based dissatisfaction about the lack of improvement.

Baku-Tbilisi-Ceyhan Pipeline: economy vs. environment

The Baku-Tbilisi-Ceyhan pipeline not only brings positive economic advantages to the region. The pipeline crosses 1760 kilometre, often remote, terrain in order to transport crude oil from the Caspian Sea to the Mediterranean Sea. Despite impact assessments carried out in co-operation with locals and parallel social and environmental investments, fears for major damage to nature and people exist.

NGOs based in Georgia and Azerbaijan, as well as international organizations have voiced environmental safety concerns regarding the routing of the pipeline. The campaigners call upon the investors, headed by British oil giant BP - with key support from the European Bank of Reconstruction and Development (EBRD), the World Bank and a host of other international investors,- to take care of the social and environmental concerns before proceeding the construction.

One of the campaigners, Manana Kochladze, received in 2004 the prestigious Goldman Prize, which is a prize for "environmental heroes", acting on grassroots level. She is the founder of Georgia's most important watchdogs, called Green Alternative. One of her main aims is to give the citizens a voice in the development of this huge project and to protect them and the environment from threats emerging from the construction of the pipeline.



The area of most concern is the Borjomi region in southern Georgia. This region is an ecologically sensitive valley, containing a national park and is known regionally for its mineral water, a major export. About 20 kilometres of the pipeline will cross the valley. In July 2004, BP has been forced to stop the construction of the BTC pipeline. BP started working in the Borjomi area, despite repeated failures to obtain the necessary environmental certification to proceed. However, President Saakashvili assured no major delays will occur.

Other complaints concern the lack of social measures, such as reluctance to involve local communities and to take care of the health and safety of the workers. The construction of the pipeline is also controversial since it runs through an earthquake and conflict prone area.

Despite the numerous protests, the 3 Billion Euro pipeline was finished in May 2005 and officially inaugurated in May 2006. The pipeline has a capacity of 10 million barrels per day, which will be reached in 2009.

Girgvliani murder case

The lack of opposition was painfully displayed by the Girgvliani–murder case. In January 2006, the Saakashvili government was heavily criticised by the opposition for the aftermath of the murder of Sandro Girgvliani, the 28–year old head of the United Georgian Bank’s Foreign Department. Girgvliani and a friend were kidnapped after leaving a Tbilisi bar and Girgvliani was murdered on 27 January 2006. Shortly after the murder, the opposition accused an employee of the Interior Ministry, Melnikov, of being one of the kidnappers of Girgvliani. However, Interior Minister Vano Merabishvili made a statement that he was not going to sack this official, even after the official was recognized from a picture by Girgvliani’s friend, who had escaped from the kidnappers.

On 6 March 2006, four officials of the Interior Ministry were arrested on suspicion of killing Girgvliani. Surprisingly, Melnikov wasn’t one of them. In the meanwhile, the opposition demanded the resignation of the Georgian Interior Minister, Vano Merabishvili. Civic protest broke out, as well as protests in the media. Eventually, the four officials were condemned. However, opposition parties accused the government of trying to cover up the real motives for the killing of Girgvliani. The Girgvliani–murder caused almost a political crisis in Georgia, but showed above all to the opposition parties that a single–party government doesn’t seem to be the best way to achieve a democratic society.

POLITICAL PARTIES AND BLOCS

National Movement – Democrats

Leader: Mikhail Saakashvili

This is the major political force at the moment in Georgia, that rules the country. The movement came to power after the Rose Revolution in November 2003. It unites President Saakashvili’s National Movement, former and late Prime–Minister Zurab Zhvania’s United Democrats, the Republican Party, supporters of Parliamentary Chairperson Nino Burjanadze and one part of supporters of ex–President Zviad Gamsakhurdia – the Union of National Forces.

The movement is led by President Mikhail Saakashvili, who won a landslide victory in the January presidential elections, in which he received more than 96% of the votes.

Analysts expect the movement to fall apart, sooner or later. Already before the March 2004 parliamentary elections, disagreements between the three leaders – Mikhail Saakashvili, late Zurab Zhvania and Nino Burjanadze came to the fore. The latter was dissatisfied with the party–list, as she wanted to see more of her supporters on the list. The supporters of Saakashvili composed the majority of the party–list, followed by the supporters of late Prime Minister Zurab Zhvania.

Parties or groups within National Movement – Democrats



National Movement

Mr. Saakashvili's coalition was formed by the Republican Party and the Union of National Forces. At that time Saakashvili was minister and well-known for his anti-corruption measures. The coalition competed for the first time in the 2002 local elections, in which it reached the second place in Tbilisi. Saakashvili became the chair of the city council. The slogan of the 2003 elections was "Georgia without Shevardnadze". The National Movement is the most popular party within the National Movement – Democrats coalition and holds most seats in the parliament.

United Democrats

The United Democrats was the second largest opposition party in Georgia. Led by late Zurab Zhvania, who was the Chairman of Parliament from 1995 until 2001, the party supported Shevardnadze, but in 2001 Zhvania left his post and moved into opposition. Zhvania was perceived to be less radical compared to Saakashvili. During the 2002 campaign for the local elections he tried to lead the Citizens Union of Georgia out of the presidential camp. He took the name of the party but failed to keep it after a victory in court of the pro-Shevardnadze wing. After that he built his own party from the scratch. The party gained strength after going into a coalition with Nino Burjanadze. After the Rose Revolution, late Zurab Zhvania (he died in 2005 by carbon monoxide poisoning) became Prime Minister of Georgia.

Supporters of Nino Burjanadze

The United Democrats were part of a – for the 2003 parliamentary elections formed – alliance together with supporters of Nino Burjanadze. As an individual she has considerable support and the polls showed her to be the most trusted politician of Georgia. She gained popularity for her fair behaviour in her function of speaker of the parliament and her critical attitude towards Shevardnadze. Burjanadze acted as Interim-President right after the Rose Revolution and is the most powerful women of Georgia. However, she has left the National Movement before the 2008 elections, citing disagreement over the election list as the most important reason. She is now working on the establishment of a NGO in Georgia.

Republican Party

The Republican Party used to be part of the National Movement – Democrats, but went into opposition after the elections in Adjara. They turned against Saakashvili, claiming he used the same vote falsification tricks as Shevardnadze. Saakashvili's coalition took 28 of the 30 seats in the Adjara parliament, while the Republicans took the other two seats.

Leader: David Berdzenishvili

Bloc "Rightist Opposition – Industrialists, Novas"

This election bloc unites two opposition parties: the New Rights and the Industry will Save Georgia. Together, they form the second biggest bloc, after the National Movement – Democrats. Both parties in the bloc are in opposition and are rich parties, led by important Georgian businessmen. The parties criticised the Rose Revolution, which caused a major drop in their support. Compared to the National Movement – Democrats this bloc is very weak.

Leaders: David Gamkrelidze and Gogi Topadze

Georgian Labour Party

Leader: Shalva Natelashvili

The Georgian Labour Party (GLP) was founded in 1995. The party claims to unite 220.000 members and has representatives in both the Georgian Parliament and in the different institutions of local governing and bodies of government. However, the Rose revolution brought a major blow to the popularity and membership of the party, since the leader condemned the Revolution.



Its main goal is to make Georgia a European democratic country and eventually to become a member of the EU. In connection to this, the party sees that many issues have to be solved to improve the situation in the country, including the development of democratic political processes. The party has a socialist orientation, demanding free healthcare, education and services. They have a support base especially amongst the poorer strata in Georgian society. However, the party's strong criticism of the president, accusing him of dictatorship, has also led people to take the party less seriously.

In the November 2007 protests, party-leader Shalva Natelashvili was wanted for 'coup plotting' and 'espionage' news. Police-forces searched his house. The Labour Party did manage to gain representation in the May 2008 elections, running on a separate ticket than the united opposition and winning 6 seats. Currently, however, 4 out of 6 parliamentarians for the Labour Party, including party leader Natelashvili have frozen their parliamentary activities as part of the parliament boycott of the opposition.

The party has no status in the Socialist International.

Union of Democratic Revival

The Revival party was founded in 1992 by Aslan Abashidze, the former President of the autonomous republic of Adjara. Though it's main support was derived from this region, also outside the region the party gained influence by obtaining seats in the parliament in the Shevardnadze era. It presented itself as being in opposition to Shevardnadze, but in several cases compromises were closed with the authorities. After the Rose Revolution in Tbilisi, Saakashvili forced the resignation of Aslan Abashidze, who had ruled the region for 13 years by strict hand. After a smaller second Rose Revolution in the streets of Batumi, Abashidze fled the country and his party collapsed.

Socialist Party

The Socialist Party has been aligned to the Revival party and was part of the pro-Shevardnadze alliance in 2003. The party is considered to be pro-Russian.

Citizen's Union for Georgia / For New Georgia

The Citizen's Union for Georgia was founded in 1993 under the leadership of former speaker of Parliament, Zurab Zhvania and was strongly connected to President Shevardnadze, despite the resignation of Shevardnadze as head of the party in 2001. Shevardnadze appointed State Minister Avtandil Dzhorbenadze as the new leader of the party. The so called 'young reformers' in the party, led by the pro-western Saakashvili left the party to find support among opposition parties, and founded their own party National Movement - Democratic Front. The other dissident, Zhvania, also left after a conflict over the rightful owner of the name of the party and founded the United Democrats. Following the defeat in the local elections, pro-Shevardnadze forces united in the For New Georgia political alliance. This bloc, formed for the 2003 parliamentary elections brought together a number of parties and organizations, including the Citizens Union, the Socialist Party, the National Democratic Union, and the Christian-Democrat Party. The party won the seriously flawed elections, which marked also the beginning of the end of the ruling elite. Opposition did not recognise the results. Since the ouster of President Shevardnadze, the party collapsed.