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# Georgia Facing Transition

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Looking at Georgia after the recent events in Egypt, it is clear that we are approaching the end of zero-sum politics. The first, second, and third presidents of Georgia all came to power after sweeping victories in elections and proceeded to install one-party rule. It is now time to move beyond this mentality; political actors should share responsibility for Georgia's future. We have a chance to demonstrate that Georgia has the potential to be a democratic state with a democratic society.

Recently, representatives of the opposition in Georgia came up with specific suggestions for the government on electoral reform. The suggestions aim at providing a chance for every citizen to participate in the political process. It is true that Mikheil Saakashvili has introduced certain reforms which have made doing business in Georgia easier. The positive changes should be retained and built on. At the same time, the problem of territorial integrity remains and should be addressed.

However, there is no space for political opposition under Saakashvili. He has trumpeted the reforms that have made starting a business easier. However, private enterprises are not sufficiently protected. In addition, independence of the judiciary is still a problem. There is no parliamentary or civilian oversight of the security forces; there has never been a single hearing in the parliament about how the security forces spend their funds. This is worrying given reports of the security forces' harassment of the opposition. Other suggestions concerned agricultural policies; the agricultural sector has been ignored for the past seven years. This is unwise since 55% of Georgia's population are involved in agriculture. Unemployment has skyrocketed and currently hovers around 50%.

Most importantly, it is necessary to change the electoral system fundamentally. The system should be altered so that regions are represented in proportion to the size of their populations. At the moment, a region with 20,000 inhabitants and one of 7,000 both have one mandate. Further negotiations with the government are to take place next month. Saakashvili has stated that some things are non-negotiable. It is therefore very important for our international friends to maintain constant pressure on the government to keep the reforms going. If negotiations prove fruitless, more radical elements may seek a take over power in a manner similar to the events in Egypt.

Saakashvili has concentrated too much power in the presidency, while weakening the judiciary and strengthening the ministry of internal affairs. There is no parliamentary check placed on any of that ministry's sixteen

departments. We have suggested the creation of a task force consisting of police officers, representatives of the Georgian public and the international community. This task force would examine cases of suspected political harassment. There have been cases of businesses being fined by the tax police for supporting the opposition. While we were campaigning in the regions, our rallies were under constant surveillance, and the attendants were contacted and threatened afterwards. Thus, many people lost faith in the local election. The existence of a task force on political harassment would provide more security for opposition supporters and encourage them to take part in elections.

Regarding the media environment, there are three main television channels in Georgia. Two are private. Their shareholders are unknown, but they are believed to be close to the president. The third channel is maintained by the state broadcasting company. There was a small improvement in the quality of its output just before the local election, particularly with the introduction of political debates. Recently another new show started which shows that improvements are possible. More than 50% of Georgia's population get their news from sources close to Saakashvili. It is therefore necessary to make the state channel watchable, to improve the quality of its broadcasts, and thus make the middle class more informed. An improved media environment would give the opposition more space.

Political fundraising is impossible without a green light from the government. For comparison, the Free Democrats Party spent 150,000 lari (equivalent to 85,000 USD) on the local elections. One of the businesses supporting the party was fined more than million lari as a warning to other businesses. This is another area for improvement that could be addressed by the task force.

Considering the economic situation in Georgia, we were grateful for international support following the war with Russia. But US money is finished. Now it is important to create more business opportunities. However, at present there are no anti-monopoly regulations. The environment must become more competitive to facilitate growth of the middle class and increased social stability. At the moment, inflation in Georgia is above 12% while salaries remain the same. Last year, around 30% of businesses were under investigation by the revenue office; many contemplate leaving Georgia to do business elsewhere. Saakashvili does not deal with this issue. That is why I believe the social situation will get worse, which will give the opposition more scope for criticising the government. There are major problems in the way Georgia's economy is managed. Many officials have little experience. There is no institutionalised decision-making system. The economy is run not

by an economist but by the justice ministry, headed by a close associate of Saakashvili with no economic experience. Since 2007, foreign direct investment has dropped by 80%. The treasury is almost empty. Disproportionate sums have been spent on infrastructural developments while 50% of the population live without affordable healthcare. The focus during the presidential election will therefore be on the economic strategies and social alternatives that the opposition can offer.

### Questions and Discussion

A member of the audience asked about the conduct of the last local elections. The election was a step forward for Georgian society even though it drew considerable criticism. For the first time, specific issues such as healthcare and education were debated. It was the first time the public was offered alternative views. The election also clearly showed the deficiencies in the political environment. The opposition parties were not treated equally. The election showed that it was necessary to change the system, not just replace the government. On the other hand, participation in the election gave the opposition parties international legitimacy which they had previously lacked. There were some improvements in the behaviour of the security forces. However, there were also quasi-official forces broke up demonstrations. These forces are not uniformed and they are unchecked. There have been reports of kidnapping by them too. One of the Free Democrats representatives, Jangir Shrashvili, was kidnapped. As mentioned earlier, the opposition parties are not given a voice in the state media. Georgian government uses the fact that some Georgians in Russia fund certain parties to fuel nationalist hysteria in order to win support for Saakashvili to become Prime Minister.

The next question was about the socio-economic situation in regions containing significant minorities, such as Javakheti. Has there been an improvement in governance? In response, it was said that local governors are appointed from the centre; they have almost no power, and work with a minuscule budget. On the other hand, the road improvements over the past four years are the most positive things done for these regions and it is now much easier to reach Tbilisi. Now it is time for the political demands to be met.

An expert in the audience asked about the background of the non-uniformed security forces that played a role in several incidents before the election. In reply, it was said these were young, well-trained men from the regions, under

the control of Saakashvili and the police. They have significant resources at their disposal for surveillance and other activities. These forces were also deployed in Belarus during the recent election.

Another expert enquired about the cases of Russian funding of the opposition parties in Georgia. There has been direct evidence that Russia had funded Igor Giorgadze's Justice Party. Have there been any other proven cases? The reply was negative. The Russian leadership now understands that the politicians they have supported are not popular in Georgia. The Justice Party incident belongs to history; Russia will not play this card as it is not credible in the current climate. It seems unlikely that there is any government funding flowing from Russia- it would be the kiss of death. The so-called pro-Russian opposition does not have significant amounts of money at its disposal.

Following up, a member of the audience asked about Saakashvili's strategy of labelling his opponents as pro-Russian. How successful has it been? Do people believe these accusations? In response, it was said that television was a powerful tool to disseminate accusations. However, there have been no arrests, which suggest there is no evidence to support Saakashvili's accusations.

A participant asked about the growth of mid-level corruption in Georgia. Saakashvili has tackled low-level corruption quite successfully; is mid-level corruption something the state can prevent, or has it been encouraged? The speaker responded by saying that he was impressed by what Saakashvili had done to tackle low and mid-level corruption in the police force. However, businesses are left with little choice but to participate in corruption. They now have to pay bribes to only four or five people in the government. Previously, they had had to bribe several levels of civil servants. Thus, it could be said that the government has transferred corruption to the upper echelons. It is important to note that Saakashvili's achievements in this should be retained and built upon; for example, criminality has decreased and there has been progress in tackling organised crime. However, his politics of confrontation and the war of 2008 mean that he cannot lead Georgia into the future.

Democratic regression has been observed in post-Soviet space recently. A member of the audience asked what the international community could do to improve the situation. It was noted that certain international organisations made a significant contribution towards developing civil society in Georgia before the Rose Revolution. What support for democratic politics could be provided now? In response, it was said that the pattern of international contribution towards democratic developments in Georgia has undergone

several developments in the past few years. After 2003, it was felt that democracy has been built and most international efforts stopped. They have since resumed, but the nature of international support has evolved from providing funding to sharing expertise. However, the bulk of the work has to be done by political forces inside Georgia. Most importantly, the international community should make it clear that it would not support Saakashvili's continued grip on power, whether as president or as prime minister. Georgia needs a peaceful transition.

Based on that, a participant asked about the West's seemingly diminishing interest in the Caucasus following the events in the Arab world and also because of the rise of China. The speaker responded by saying he was surprised at the amount of interest Georgia has received given its relative strategic insignificance. He said Georgian politicians should be realistic about its place on the international agenda and should not raise unrealistic expectations the way Saakashvili did at the Bucharest summit. He also said he believed that the continued attention dented to Georgia, despite its relative strategic insignificance, showed there was a genuine interest in developing its democracy. But president Saakashvili has lost credibility with the international community.

Another participant was interested to hear who Mr Alasania saw as potential leaders of the opposition given the high number of existing political parties. In response, it was said that while the parties will be campaigning separately, they have been cooperating to produce suggestions for the government on electoral reform. Apart from the Free Democrats, there is also the so-called 'new right', the Republican Party and the so-called 'radical opposition'. The Speaker described his colleagues in the opposition as moderate and constructive, despite their differing opinions on certain issues. While the 'radical' opposition has often been labelled as violent by Saakashvili, there has been no evidence of their role in any violent events.

An expert in the audience commented on the chronic inability of Georgia's opposition parties to forge lasting tactical or strategic alliances. Would the constitutional reform make this easier or more difficult? In response, it was argued that there was no need for parties to unite on ideological issues. They have different views anyway. It is, however, significant that eight political parties have worked together to produce a vision of changes to the electoral environment. The recently approved constitutional changes were tailored for Saakashvili to become prime minister after his presidential term finishes, although it is not certain whether he is going to use this option. When the constitutional changes come into effect in 2013, the parliament and judiciary

will remain weak. The reform will simply transfer presidential power to the prime minister, but this power will remain unchecked.

The next question was about the nature of laws relating to media. The Speaker replied that the existing laws on public broadcasting are fine, it is just that they are not adhered to. The public broadcaster should be independent but it is completely under president's control. As for transparency of media ownership, there have been requests from the West to put the law on media ownership into effect, but no action has been taken. Therefore it is necessary to focus on the state broadcaster first. The first televised political debate signalled significant progress, even though the audience had been handpicked from Saakashvili's supporters. There should be a wider scale of opinions present.

An expert in the audience asked whether the deteriorating economic data might induce the government to bring the presidential and parliamentary elections forward. In response, it was said that while the economic situation will likely opposition when the elections take place in two years' time, bringing the elections forward would be too risky for the current government.

Then a participant asked about the so-called frozen conflicts. The 2008 war was framed as a conflict between Russia and Georgia, which has made engagement with South Ossetia and Abkhazia difficult. Is there any potential for a shift in the approach to the conflict? In reply, Mr Alasania said a historic chance to start re-building relations with South Ossetia and Abkhazia was lost at the beginning of Saakashvili's presidency, when there was a lot of confidence in the new leader on all sides. The war was avoidable. As for the current situation, there is a foreign military presence in Abkhazia and existing agreements are not adhered to. Negotiations should involve all sides – Georgia, South Ossetia, Abkhazia and Russia. Before addressing the issue of occupation, the efforts should focus on developing the regions' economy and trade infrastructure. The EU and other Western countries should be allowed to establish a presence in Abkhazia and South Ossetia to help develop civil society. It is not possible to do anything at this point, but in a post-Saakashvili future, political dialogue can be built.

Another participant asked the speaker to elaborate on the role of the Security Council. It was said the head of the Council was a close associate of Saakashvili, but the opposition hoped he would prove a good partner in political dialogue since he was involved in creating the local election task force mentioned before. The head of the Security Council is important

because it is possible to negotiate with the President through him; he is one of the few people who have access to the Saakashvili.

The next question was about Saakashvili's re-evaluation of his approach to foreign policy: his overtures towards Iran and Belarus, and his expressions of support for the US Republican Party. Does the president see foreign policy as a tool to avoid the problems seen in 2008? The speaker responded that while [good] relations with Lukashenko are important, going as far as Saakashvili has done is extreme, it is only natural for authoritarians to get together. Similarly, good relations with Iran are important, but removing the visa regime with Iran at a time when the international community has just imposed more sanctions on the country was unwise. In response, a Georgian official in the audience argued that the threat from Russia has not ended and the main focus of Georgian foreign policy is on diminishing this threat. The official also reminded the audience that there has been dialogue between Georgia's government and its civil society organizations.

The next questioner asked if the President was given a 'free ride' by the West because of Georgia's role as an energy transit corridor. The Speaker replied that this was essentially true, and that though he has lost credibility, the West will stick with him while he is in power.

Finally, an expert asked the Speaker how he envisaged relations with Russia with regard to Abkhazia in particular. He replied that Russia as an occupying power was indeed the biggest threat to Georgia, but that the Georgian leaders have to learn to deal with it. That is in Georgia's national interest to have stable relations with Russia. It would not be good to import our problems with Russia into the European community. Saakashvili's ideas are not realistic putting the occupation first is not smart. Several opportunities have been squandered over the past twenty years. Without Georgia, there can be no stability in North Caucasus. Russia never understood the North Caucasus and Georgia never understood Russia. On the other hand, Georgia cannot build trust in Abkhazia and South Ossetia if it remains unfriendly towards Russia. Talking to Abkhazia and South Ossetia will lead to discussions with Russia.