

*Roundtable Summary***U.S.-GEORGIA FORUM****Enhancing Security and Implementing the Strategic Partnership***Tuesday April 10, 2012***9.10-9.45am: Opening Remarks**

Welcome to CSIS for the launch of our US-Georgia Forum. We will be working over the next year with the Atlantic Council of Georgia, our partner in Tbilisi, and with Europe House, who helped to fund the project. The primary goal of this initiative is to generate a serious debate in Washington about Georgia and Georgia's significance to the Wider Europe, to the trans-Atlantic community, and particularly to the US. Moving beyond the headlines, partisanship, and propaganda, the idea is to help enable Georgia to achieve its potential as a strategic partner of the U.S. and as a developing democracy, one of very few in the post-Soviet world.

A renewed focus is needed on both sides of the Atlantic to help consolidate Georgia's security, democracy, and economic development, and enable it to become a valid example for other states determined to maintain their independence and integrity. Although the U.S. administration has shifted its attention away from the Caucasus, the American connection remains a priority for Georgia. The two countries share several security interests, including regional conflicts, terrorism, and energy flows in the Black Sea-Caspian zone. Georgia is strategically positioned at the intersection of several unstable regions where opportunities also exist for economic development.

The U.S.-Georgia Forum will assess Georgia's progress and identify potential initiatives that can strengthen the country's security, including the development of the U.S.-Georgia Charter on Strategic Partnership. We plan to formulate useful recommendations for Washington and for Tbilisi. Additionally, the Forum will provide a venue for U.S. and Georgian officials and analysts. Our next planned event will be a roundtable at CSIS on May 8 on the eve of the NATO summit in Chicago to discuss Georgia's relations with NATO. In particular, what kind of progress can be made in implementing the language of the Bucharest Summit Declaration (point 23), which states that Georgia will become a NATO member?

We will also be issuing several Policy Briefs following roundtable discussions and inputs from experts in DC and Tbilisi. We also plan to organize a conference in Tbilisi and one in Washington. And at the close of the first year we will issue an Interim Report on US-Georgia relations with recommendations for future work. One thing that has been missing in the U.S.-Georgia relationship is a regular forum to talk about where the relationship is going, which is why the U.S.-Georgia Forum is so beneficial. This is a time of promise for the future of U.S.-Georgia relations. But before going forward, we need to discuss the past 20 years of the U.S.-Georgia relationship. Relations with Georgia have come a long way, though there have been some bumps along the road. The U.S.-Georgia Partnership Charter is the roadmap in this

relationship; the structure behind further development of economic, trade, and people-to-people cooperation. It remains valid for the future.

An important milestone was reached this year in President Mikhail Saakashvili's visit to the White House, where an agreement was reached to deepen cooperation in trade, investment, and defense.

The U.S.-Georgia partnership is based on four pillars. First, U.S. support for Georgia's sovereignty and territorial integrity. The U.S.-Georgia security relationship pre-dates the Charter in helping prepare Georgia for membership in NATO. NATO enlargement is something that has to happen. Right now, the U.S. is assisting Georgia with defense reform, which is something that will be front and center during NATO's upcoming meeting in Chicago. There has already been extensive cooperation in the U.S.-Georgia defense relationship, and Georgia is the single most active non-NATO partner in Afghanistan - it has fought and suffered real losses.

Georgia will be increasing its deployments in Afghanistan. Saakashvili's visit also featured a discussion of how to broaden efforts to help Georgia improve its self-defense capabilities and interoperability in Afghanistan and elsewhere. This was also discussed in a recent interagency visit to Tbilisi.

A significant topic of discussion in the run up to NATO's meeting in Chicago is Georgian defense. Georgian Defense officials are working closely with NATO officials - it is something Georgia takes very seriously - and there are very good prospects to advance regional stability, contrary to those who say that U.S. efforts are destabilizing. Further, recent high-level meetings have shown that the U.S.-Georgia trade relationship is not what it could be, and that regular dialogue on this topic is missing. However, discussions being held over the next several months are designed to expand trade and investment, and advance the U.S.-Georgia free trade agreement.

Second, the U.S. supports Georgia's democracy and its Euro-Atlantic aspirations, both of which are fundamental to the country's success. The U.S. is committed to supporting Georgia's democratic development by encouraging Non-Governmental Organizations (NGOs) in the country and observing Georgian elections.

Third, the U.S. is fostering people to people contacts between the two countries. There are growing numbers of exchange students and the Georgian government has an English education program, which brings teachers from the U.S. to Georgian schools.

Fourth, the U.S. supports Georgia with regard to the occupied territories and encourages outreach to bring people together from both sides despite the political challenges. In conclusion, the U.S.-Georgia relationship has accomplished a lot, especially in terms of economics and trade, defense, and people-to-people contacts. However, it cannot rest on its laurels. U.S.-Georgia relations are more complex now than previously. President Saakashvili's recent visit to Washington was important, not just for the visual aspects of an Obama-Saakashvili meeting, but

more so for the political decisions that were made. The relationship between the two countries is developing at a speed, which nobody could imagine.

The strategy is to embed Georgia into the Western community of democracies. With all of the kleptocracies and other forms of authoritarian governments around Georgia, it is not popular to be a democratic state in the region. Georgia understands that it is doing this for itself, not for the U.S., in the calculation that more democracy will bring more security. However, this has not yet been true for Georgia - more democracy is not appreciated by its northern neighbor. The U.S. and others have to support Georgia's development as a democracy not only for its own future, but also to make Georgia appealing to the Caucasus region as well as the larger Middle East. On this note, one should recall that at a recent Central American States Security Forum, a Guatemalan delegation visited Georgia.

All aspects of Georgia's development are very important. You cannot talk about democracy without talking about economy; you cannot talk about economy without talking about security. These issues are intertwined, and Georgia is learning how to work in this complex world. And it has proven to be a country that has learned very quickly, and one that is quick to fix mistakes. Since 2008, Georgia has had eight elections, and will have two more this year. The government is determined to have the best elections in its modern history - not for others, but for itself.

In terms of security, sooner or later, it will come in the desired form for Georgia - which is membership in NATO. Georgia was cheated by the performance based criteria for membership. Nevertheless, it still believes that NATO is the right destination, though security is a journey, not a destination. Georgia is not just a valuable partner, but also a contributor. The Atlantic Council of Georgia will try to have a similar discussion in Tbilisi on May 1 as this inaugural one in Washington. Georgia is facing major challenges in the spheres of security, economy, and democracy, and U.S. engagement is very important. America is beloved around the world not due to its military power, but rather, its commitment to democracy and human rights.

#### **9.45-10.45am: Panel One: *Georgian Security in an Unstable Neighborhood***

What goes on in the Caucasus is of vital significance to European security, but the region has been neglected by Europeans over the last 17 years, which is symbolic of their inability to come up with a viable Caucasus policy. Georgia's security challenges remain. Russia is interfering in its internal affairs, promoting an agenda of occupation and incorporation, and conducting a military buildup in the region. Moscow believes that there will be war with Iran, and is taking the opportunity to pack the South Caucasus with troops. It is doing so for two reasons: to prevent a spillover in the Caucasus and to protect its "sphere of influence." On April 9, Russia accused President Saakashvili of trying to start a war. This represents continuing pressure on the part of Moscow, which refuses to accept the sovereignty and territorial integrity of Georgia. It has sent its FSB agents to rule the occupied territories, where the threat of renewed conflict is real. These are not "frozen" conflicts as they could become hot very quickly.

Currently there is a lack of dialogue between Georgia and Russia. Georgia depends on the U.S. and Europe for security. Ironically, Moscow demands that Georgia not resort to violence vis-a-

vis Abkhazia and South Ossetia, even though it does not commit to this itself. In fact, Russia's President has said that Russia can send troops into CIS countries if Russian citizens are threatened.

This was cited as a justification for its August 2008 war with Georgia, along with invoking the UN's Responsibility-to-Protect (R2P). The same pretext was used by Hitler and Stalin in the 1930s. The FSB is active in Georgia as it tries to subvert the country, as seen in bombings near the U.S. Embassy. These are not only threats to Georgia; they are also threats to Europe.

Russia has made a series of violations and exposures: it violated the truce brokered by President Sarkozy; it violated the Helsinki Act; it exposed the need to secure the defense of Europe in the Caucasus; and it revealed that NATO will not aid Georgia or help it in time of need, even though the latter is trying to prevent a neo-USSR in the CIS states

Georgia has the right to insist that its sovereignty and territorial integrity be respected. However, according to one speaker, its leaders need to recognize the independence of Abkhazia and South Ossetia. Georgia can have security *or* Abkhazia and South Ossetia - not both. Such recognition could be conditional on all Russian troops withdrawing from the occupied territories. Russia would no longer have to be the guarantor of these new states' independence, since that would already have been achieved by recognition. This would strengthen the hands of the EU and NATO. The current situation is frozen to Moscow's benefit, and if it blows up, it is in nobody's interest. If we are looking at ways to strengthen Georgia and reinvigorate the Charter, then we cannot just keep repeating the same things.

Georgian issues need to be looked at from several perspectives. According to a recent survey, 63 percent of Georgians named jobs as the most important issue, whereas 36 percent said it is Georgia's territorial integrity. The idea of Georgia's recognition of Abkhazia and South Ossetia's independence poses the following question: even if Georgia were to consider this, where is the guarantee that Russia will not stay? Russia wants to control the entire Caucasus. Its military buildup is not really about Abkhazia and South Ossetia, and such a scenario would not provide any security guarantees for Georgia. Georgia needs Western forces as a security deterrent - this should be its main consideration. This could be accomplished by two mechanisms. The first would be NATO membership for Georgia. However, the one problem here is the security situation with Abkhazia and South Ossetia. But there is no guarantee that even if these problems were resolved there would be no more crises ahead.

A second mechanism would be a bilateral agreement between the U.S. and Georgia. This would not just concern armaments, but would include military deterrence, if not from NATO then from the U.S. Only then would we see real security guarantees. Georgian security depends on both external threats - read Russia - as well as regional conflicts and internal conflicts. Conflict in the North Caucasus, regardless of its outcome, will affect Georgia. Georgia's relations with its neighbors are important for its security. Azerbaijan's GDP is much larger than that of both Georgia and Armenia. In fact, the number one company in the Georgian economy in 2011 was SOCAR Georgia. Further, the balance of population is significant, with Azerbaijan having twice as many people as both Georgia and Armenia combined. Azerbaijan is a key player in the

region. Economic indicators must also be present in charting Georgia's progress as it moves forward, such as unemployment and jobs data. Last year, Georgia had USD 1.3 billion in remittances, over half of which came, ironically, from Russia. There are many obstacles to economic growth and they are related to Georgia's security and political situation.

### Question and Answer Session

Question 1: Is there really such endemic corruption in Abkhazia? Do the previous remarks represent an endorsement for recognition of the independence of Georgia's breakaway regions?

Answer: There was about \$28 million in Russian aid to Abkhazia that has disappeared, as an example of corruption there. To the second question, yes, Georgia has to make a decision on whether it wants to secure its territorial integrity as of July 2008. Refugees once made up over 75 percent of the population of Abkhazia, so it is hard to talk about legitimate elections without the participation of refugees. There is a similar problem in South Ossetia. Regarding the independence of Abkhazia and South Ossetia, Russia's goal is not to occupy these regions, but rather, to occupy the entire Caucasus.

Question 2: What about the demographic issues of the North Caucasus, namely the issue of population growth there, and the potential spillover effects that could stem from Chechen and Ingush population growth?

Answer: The North Caucasus is out of control. Some accusations are made against Georgia for supporting movements in the North Caucasus, including their involvement in the Circassian Genocide issue. There is also the danger if a policy of "hot pursuit" is pursued by Russia. Georgia would suffer greatly in such a scenario. The fundamental problems in Georgia come from several centuries of Russian misrule. The danger lies in a possible pretext for intervention beyond the North Caucasus, which must be countered by strong diplomacy. Georgia should not allow itself to get involved in provocations concerning the North Caucasus. Any instability in the Caucasus is a threat to the stability of the greater Caucasus region. It is important to spread the message in the region that Georgians are not enemies, but friends. The existence of a North Caucasus unit that fought against the Georgians in the 2008 war shows why this is necessary.

In terms of national security, there is no other guarantee for Georgia's security than membership in NATO. In 2008, a promise was made by NATO, and Georgia has waited four years. There have been other NATO aspirants who were admitted without control over their entire territory. NATO already has a de-facto presence in Georgia, so Russia should offer Abkhazia and South Ossetia back to Georgia if it wants Georgia to put aside its NATO aspirations. A situation in which Georgia would recognize the independence of Abkhazia and South Ossetia is possible, but not probable. Georgia will not enter NATO so long as the situation remains as is with Abkhazia and South Ossetia.

In 1995, Georgia and Russia had agreements on defense, security and natural gas. But over the last 20 years, Russia has not honored any of these agreements. Surveys have been completed in Abkhazia and South Ossetia, which both show support for Russia's presence. The surveys also

showed that South Ossetians would prefer to join Russia, while Abkhazians want independence. The Abkhazians also reported that they would rather have semi-recognition as they do now, and not take back Georgian refugees, than have full recognition of their independence, but with the return of Georgian refugees to Abkhazia.

This poses a massive dilemma. However, since 80 percent of the population of Abkhazia is in exile, the legitimacy of current public opinion polling is suspect. A recent article in Russia reported that even Russians are now questioning their government's policy in the region.

The U.S. government needs access to Afghanistan, and therefore has to be pragmatic. It needs overflight rights from Russia. There is not much the West can give to Russia to prevent it from further involvement in the neighborhood. The majority of Georgians are concerned more about the economy than territory, but the latter will still be an important issue over the next 10-20 years.

### **10.50-12.00pm: Panel Two: US-Georgia: Developing the Strategic Partnership**

The U.S.-Georgia Partnership was signed at the end of the Bush administration, signaling the goal of fully integrating Georgia into European political and defense institutions. The Charter lays out the following four major themes in the U.S.-Georgia strategic relationship: Defense and Security; Economy; Democracy; and Cultural Exchange.

Working groups were formed for each theme, meeting periodically to discuss progress in each category. These meetings, as well as Saakashvili's recent meeting with Obama, and Secretary Clinton's and VP Biden's trip to Georgia, demonstrate an important aspect of the future of the U.S.-Georgia relationship: dialogue.

Though these meetings have not yielded specific accomplishments thus far, they are important in continuing discourse. The recent U.S. military spending bill included Sec. 1242, which calls on the U.S. to normalize defense cooperation with Georgia and encourages further support in material and training. It is important to consider what role Georgia would play in the NATO partnership post-2014, when NATO's military mission in Afghanistan concludes.

In the field of economics and trade, a free trade agreement (FTA) may be reached. Though this is not a new idea, it is worth noting that it was raised by Obama during his recent meeting with Saakashvili. One should consider where the U.S. is putting its development assistance, such as through USAID, and the potential for business-to-business contacts. People-to-people contacts are also productive, especially regarding the need to increase outreach to the Abkhaz. The 1998 Baltic Charter Partnership, in which countries worked with the US, yielded relationships that ultimately led to NATO membership. This could be seen as an encouraging example for Georgia. It is not clear if the U.S. administration has a broader policy in the region.

The U.S.-Georgia relationship should also be viewed in a larger context; Georgia is the only democratizing country in the Caucasus. It has made big strides as compared to Armenia and Azerbaijan. Georgia is a "model" in the region, especially for its neighbors. In addition, its

energy transit function is important, as seen in the Baku-Tbilisi-Ceyhan pipeline. The Bush administration put a great deal of emphasis on Georgia. During the Bucharest Summit in 2008, the Europeans opposed a NATO Membership Action Plan (MAP) for Georgia, saying at the time that it would be premature.

There was also concern about Russia and its change of leadership. In the end, Georgia did not get a MAP, but NATO made the commitment that Georgia would become a member someday. Then came the 2008 Russia-Georgia War, which resulted in the following:

- Psychological / Political Impact: Russia sent a message that it would protect its interests in its sphere of influence and that Georgia was within that sphere
- Showed that no western state was ready to risk war over Georgia
- Reminded member states about what membership meant

The outcome of the 2008 war was that NATO membership was put on hold for Georgia, and it is unlikely to be a serious issue in the indefinite future. There is likewise no consensus in NATO about membership for Ukraine. The EU also has enlargement fatigue, so that both the EU and NATO have placed enlargement on hold and are rethinking the entire concept. Furthermore, the Obama administration gave priority to resetting relations with Russia. In doing so, it gave Georgia less visibility than the Bush administration. With the return of Putin to the Kremlin, Russian policy will not change much, but the tone will be harsher. Russia will see its involvement in the CIS region increase under the new Putin presidency.

However, there will not be much of a reset with Washington this time around. Recall that Putin took American foreign policy decisions very personally during his 2007 Munich Security Conference speech. He lashed out at the U.S, asking what right the U.S. had to tell Russia what type of system it should have. Moving forward, there will be more contention in U.S.-Russia relations. Due to the protests in Russia, the context of the U.S.-Russia relationship is different: democracy is likely to be present on the U.S.-Russia agenda. There may be more demonstrations in Russia and more unrest. Putin will have to either crack down or meet the protesters' demands. This will all make things more contentious in terms of the post-Soviet regions.

What is to be done?

- Keep the NATO door open to Georgia. Preserving the right and ability of Georgia to become a member is important
- Sell Georgia weapons to support its right to defend itself, but it is *what* the U.S. sells the Georgians that is important
- Strengthen civil society and independent media.
- The more democratic Georgia becomes, the more attractive the country will be for South Ossetia and Abkhazia
- Keep the territorial issues open; it is a parallel of the former German situation, the "Sonderbeziehung" (special relationship) between East and West Germany.

West Germany made clear that it could not recognize the GDR. Abkhazia and South Ossetia are somewhat similar. As with the German case with the Soviet Union in 1972, keeping the issue

open will allow for a legal basis for eventual resolution. Although it may be that Abkhazia and South Ossetia do not want to return to Georgia, at least this maintains an opening for unification. Though a unification scenario may seem unlikely now, the context could change. If Georgia becomes more attractive economically and politically, it could result in a context where unification could be discussed.

In military terms, Georgia has concentrated on financing and training its military. Since before the 2008 war, both have increased. Though U.S. assistance has increased since before the war, it will hold steady in the next few years. Georgia is still the biggest recipient of aid in the former USSR. It also has strong congressional support - Congress sees Georgia as a model and helps sustain funding to the country. This relationship is supported by Georgia being not only a security consumer but also a producer, as seen through its contributions to the Afghanistan mission.

Before the 2008 war, the Georgian side was interested in air defense. But the envisioned system would cost hundreds of millions of dollars, and it is not credible that U.S. assistance would reach that level. Improvements are being implemented regarding Georgia's intelligence capabilities and professional military education. In 2007, Georgia started to spend its own money on its defense and it will continue to use its own resources to develop its capabilities.

The U.S. can maintain its support for Georgia through the following means: military; education; training; capacity building; democratization; and liberalization. Georgia has greatly liberalized in the last 6-7 years. Expectations are high that the upcoming election will be freer and fairer. NATO integration - not bi-lateral security guarantees - is the only long-term solution to Georgia's security challenges. Significantly, NATO Secretary-General Rasmussen described Georgia as an "aspirant," grouping it with countries such as Macedonia. It is not wise to assume that NATO is only about Article 5; NATO acceptance of Georgia is a step towards Euro-Atlantic institutions. Article 5 is not the sole basis of NATO aspirants. Russia may have thought it resolved the Georgia problem in 2008, but U.S. policy has not changed.

### Question and Answer Session

Question: Would Turkey move to control part of the south of Georgia in order to claim a buffer zone if there was another conflict in the country?

Answer: We should keep the door open to Georgia, but there is currently not enough support for Georgia in NATO and it would be premature to push it. One cannot really imagine the Turkish scenario described in the question from happening. The general feeling in Turkey is that they do not want to get involved. If Putin pursues a hard line, it could backfire. There is not much chance of a new reset with the U.S. Putin will not reset relations the way he tried to before. Some will say: why should we keep Georgia out of NATO? But there is a lot of antipathy among a number of NATO leaders, including Angela Merkel and Nicholas Sarkozy. There is not much support for Georgia in important countries in Europe.



### 12.00pm: Concluding Comments

The conference was concluded with the extension of thanks to the panelists and participants, who were reminded of the next U.S.-Georgia Forum, which will be held at CSIS on Tuesday, May 8, from 9:00am-12:00pm, on the eve of the NATO Summit.