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Georgia's Relations with Russia from 1991 to the Present

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Distinguished audience,

I want to thank you for inviting me here, at the renowned Royal Institute for International Affairs that is the world-leading institute for the debate and analysis of international issues. It is a valuable opportunity to speak to you about the facts of the Russia-Georgia war since 1991 to the present, and the perspectives of Georgia's statehood.

Ladies and gentlemen,

It has been a little over a year since the day of invasion and occupation of Georgia's inalienable territories by the Russian Federation. The horrific memories of war continue penetrating the hearts and minds of victims of ethnic cleansing, of those who lost their loved ones, and of each and every Georgian who, since 1991, has been part of our country's struggle for freedom, territorial integrity and democracy.

Russia's military aggression in August last year inflicted a terrible blow to Georgia's economy, causing a direct damage of more than USD 1 billion, not to mention the indirect costs in terms of lost opportunities that amount to a number several times larger than that. It goes without saying that the highest price we have paid was the human loss and occupation of 20% of our soil.

We are dealing with the country that acts in accordance with the 19th century philosophy, whereby it considers Georgia as its "zone of privileged interest". Russia is the country that wants to leave an impression of a responsible global actor that is preoccupied with security in Europe; yet, it ignores all the existing security arrangements it has committed itself to. Its true intention is to control all passages from Europe to Asia by military means.

The decision makers in the Kremlin want to put an end to energy diversity in Europe and thus become able to influence European policy. They want to use energy carriers as a weapon to achieve preponderant political rather than economic objectives and impose upon the immediate neighbourhood their own ways that have long been discredited by history.

Russia's intention in August last year was to finally realize its aim of obliterating the Georgian statehood, which is something it cannot stand having at its border. It believes that democratic Georgia with European and Euro-Atlantic perspectives sets a bad example to other CIS countries. Russia's actions against Georgia have served and continue serving as a demonstration of the fact that the leadership of this country will not tolerate democracy, rule of law, human rights, and Euro-Atlantic aspirations in the

neighbourhood, within its so called sphere of influence. This is why now, more than ever, the international community must stay alert in not letting Russia get completely out of hand and artificially create threats that affect Europe's security.

But I want to underscore the fact that we were able to overcome all the difficulties inflicted upon us by the Russian aggression because since the Rose Revolution in 2003, we have been implementing reforms that have strengthened our statehood to the level where we were able to endure and move forward.

Ladies and gentlemen,

The fact is that the Russia-Georgia War did not begin and end in August 2008. This war started when the Soviet Union fell and erupted into violence in the early nineties, when Russia placed Georgia's Abkhazia and the Tskhinvali region under its control. This is when Russia's policy of creeping annexation of Georgian territories began.

Every phase of this War since then has been accompanied by brutal and deliberate ethnic cleansing committed by Russia as a policy tool to achieve its goal. Over the past 18 years, we have had hotter phases of the Russia Georgia War, namely, the tragedies of Samachablo in 1991, Abkhazia in 1992, Gali in 1998 and Tskhinvali in 2004.

In the early 90's, about 50,000 people died during the war in Abkhazia and in Tskhinvali; and up to 500 000, mostly ethnic Georgians were forcibly displaced.

Over these 18 years, Russia had all mechanisms for ensuring civilized resolution of the conflict, being that it was the main facilitator and moderator. Instead, it constantly undermined Georgia's statehood and chose to stimulate instability and bloodshed.

When it comes to the August episode, I want to state 7 points that don't need any particular explanation because they are self evident. That is to say:

- The War in August 2008 was not an ethnic conflict or a civil war; it was yet another 5 day hot phase of Russia's war against sovereign Georgia.
- As I have already mentioned, this War started in 1991 and has not stopped ever since. Open provocations, regularly implemented throughout this period by Russia, such as deployment of heavy armament and railroad forces on Georgian

sovereign territory, as well Russia's unilateral withdrawal from the 1996 Decision of Heads of States of the CIS Countries and Putin's Decree of April 16th, all attest to this fact.

- Russia committed pure aggression as per the December 14, 1974 United Nations Security Council Resolution on "Definition of Aggression".
- This has been vividly demonstrated by Russia's military invasion of sovereign Georgia, bombardment of peaceful towns and villages, usage of prohibited weaponry, blockade of naval and terrestrial communication routes, deployment of mercenaries to commit aggression against my country and so on.
- Last year, the first explosion took place on August 1, when Georgia began being bombed by Ossetian band formations and the so called Russian "peacekeepers", under the command of Colonel Zimmermann.
- By and with this military aggression, Russia violated the Dagomis (1992) and Moscow Agreements (1994); the mandate of their so called "peacekeepers" deployed on the sovereign territory of Georgia; the respective UN Security Council resolutions, as well as the UN Charter; the constitution of the Russian Federation, the Criminal Code of the Russian Federation in addition to its own foreign policy concept.
- All these crimes fall under Article 353 of the Criminal Code of the Russian Federation regarding preparation, waging and conduct of military aggression.
- Russia's excuse of using force in response to the alleged "ethnic cleansing" is fully refuted by the proven facts of ethnic cleansing, rape, indiscriminate killing of non-combatants and other crimes committed by the Russian Federation on Georgia's sovereign territory.
- As demonstrated by Vaclav Havel, Valdas Adamkus and other well-known social and political figures, the international

community views unmistakably and understands very well the causes and the aftermath of the Russia-Georgia War.

I would like to draw your attention to the report produced by the independent international fact finding mission on the conflict in Georgia, which serves as evidence of all that I have just mentioned. The report confirms the verified illegal presence of non-peacekeeping Russian troops on Georgia's sovereign territory, prior to August 8, 2008, in violation of all international agreements. It attests to the fact that Russia's invasion of sovereign Georgia started well before the so called Russian "peacekeepers" began engaging in armed hostilities. Russia's claim that its "peacekeepers" were allegedly being attacked has been rightfully refuted by the Commission. The report proves that in fact, Georgian civilians and peacekeepers were under attack, and some were killed, on Georgian soil, prior to the 7th of August.

The Commission also found evidence that separatist forces were armed and trained by Russia – in defiance of international law and Russia's peacekeeping obligations.

So I want to ask you, ladies and gentlemen, if this is not an invasion, then what is? Do we need Vladimir Putin to go on air saying, "I ordered my troops to invade Georgia," for it to be called an invasion?

I believe that you agree with me in saying that under these circumstances, if any country had an obligation to defend its citizens, it was Georgia. I am convinced that Georgia employed necessary and adequate means to defend our civilians against what the Commission clearly labels as illegal attacks on these civilians.

By confirming the fact that Russia violated Georgian sovereignty by means of its passportization policy in South Ossetia, the report reveals Russia's absurd pretext of having had to protect its citizens on our soil. The Commission went into detail in confirming the obvious – that Russia invaded Georgia. In fact, its most important conclusion was to explicitly and duly blame Russia for committing ethnic cleansing in my country.

We must set off the alarm at the mention of ethnic cleansing being committed in Europe, in the 21 century, by the country that wants to take care of European security.

I would like to underscore that according to the Commission, recognition of the respective occupied regions is a violation of international law and the decision on recognition by Russia or other countries is completely illegal. No

democratic government can survive if, when foreign forces enter its territory, it fails to defend its citizens. Georgia has undeniably acted as any other democratic nation would have in this respect.

Meanwhile, today, the Russian occupation of Georgia continues, in breach of international law and of the Six-Point Ceasefire Agreement of August 12, 2008, which obligates the Russian forces to withdraw to their *ex ante* positions. Russia is, in effect, continuing pursuing its plan of annexing Georgia's occupied territories.

The presence of the UN and OSCE monitoring missions has been unilaterally blocked by Russia, which has refused to allow safe and dignified return of IDPs and refugees; meanwhile, those still living in Russian-occupied territories suffer from oppression. In light of this ill-fated reality, the international community must generate a coherent and uniform Russia policy, keeping in mind that international law is now the front line of the Russia Georgia War.

Ladies and gentlemen,

I would now like to convey to you what our government has done to overcome the effects of the Russian aggression. Now, more than ever, we are determined to win the peace by means of wide-ranging, full scale democratization and economic development processes.

Georgia has come far in advancing its democracy and in establishing effective state institutions in our executive, legislative and judiciary branches and in allowing people to have all the freedoms. Allow me to name several steps that have already been taken to this end:

- A constitutional Commission has been established, with the mandate to draft a new Constitution with an enhanced system of checks and balances, a stronger Parliament, a more independent judiciary and greater constraints on the presidential power;
- Participation of the opposition in Constitutional, Judicial and Justice System reform processes has been further encouraged and increased;
- Electoral reform has been initiated to establish a new electoral code and conduct direct election of mayors;

- Civilian Control of the Defense and Security sector has been developed, guaranteeing greater political pluralism and transparency;
- Extended meetings of the National Security Council have been initiated to include the opposition leaders and civic society. I have already attended a number of meetings of the trust-group in the parliament, which consists of an even number of majority and opposition deputies;
- Legal amendments have been adopted to facilitate media pluralism;
- The Anti-Crisis Council was created to design further democratic reforms and strengthen the role of the opposition in Georgia's political life and facilitate the exchange of views between the Government and the opposition.

Among others, we are currently working on:

- Adoption of the new Criminal Procedural Code;
- Law on appointment of judges for life term;
- Merger of the Organic Law on Common Courts and Law on Supreme Court;
- Charter of the High school of Justice;
- Creation of a C-SPAN analogue to broadcast live political talk shows with equal participation of all political parties, NGOs and interest groups.

The second wave of democracy—which is aimed at further strengthening the rule of law, increasing political pluralism and bolstering freedom of expression—has already helped us, to a certain degree, in overcoming the challenges posed by the Russian aggression. Moreover, it has helped our society to stand firm on the irreversible track towards realizing all the benefits that democracy has to offer.

Our agenda ahead is rather comprehensive. We are committed to advancing the reforms in all directions and creating new opportunities for promoting more social cohesion in the society. At the same time, we are firmly convinced that sheer will is not sufficient because security and stability are decisive factors to this end.

With this, I would like to turn to the subject of the Georgian economy, which, besides having experienced an immense blow due to the Russian aggression last year, has been aggravated by the Global Recession, which reached Georgia just several months after the August War.

The initial gloomy recovery prospects notwithstanding – the Georgian economy managed not only to survive, but demonstrated exceptional resilience and growth potential. In the backdrop of the global financial and economic crisis, our national currency is stable and the level of investments has been growing steadily. This has been facilitated by the reform policy of the Government, diversified economy, resilient banking sector and, of course, strong international financial support and assistance. In 2008, our economy grew by 2,1 % and the projected economic growth for 2009 (according to the Government and the relevant international institutions) is 1,5%. This is a relatively good figure compared to other countries of similar size and our regional peers. Already in 2010, we are expecting to return to the positive growth track.

Georgia is the only emerging economy whose evaluation of sovereign credit worthiness was upgraded by the Fitch in 2009. Georgia's rating in the Ease of Doing Business Survey was further improved from 15 to 11, whereby according to WB and IFC, we are the eleventh most attractive place for doing business worldwide. (*4 years ago we were not even in the top 100*).

The main aim of our reform policy has been to attract investments, free our business from bureaucratic burden and create a business-friendly economic environment to generate growth. We have cut the number of the business-related licenses and permits by 85%. Now it is cheap, quick and easy to obtain a license in Georgia. Moreover, the tax system has also been reformed, whereby we have just a handful of flat and low taxes (Personal Income Tax is 20% (and will be reduced to 15% by 2012), Corporate Tax – 15%, VAT 18%) and third lowest import duties in the World. We have also reformed our customs, by simplifying our export and import procedures and modernizing the customs check-points.

We have reached an extraordinary progress in eradicating corruption in Georgia because corruption-free governance is a basic human right, without which any further democratic progress would have been impossible.

We certainly recognize the importance of the human dimension of the economic system, therefore, one of the main priority areas of the state policy is the social one. We are investing heavily in social programs, education and healthcare. Nearly one third of the state budget is now targeted on tackling the welfare needs of the population. As a result, the average growth rate of the economy between 2004 and 2008 was 9% and the cumulative net FDI inflows, for the same period totaled 43% of the GDP.

Ladies and gentlemen,

Georgia has demonstrated exceptional success in the shortest possible time-period. But our phenomenal track-record is only 5 years old; therefore, it is still fragile and lacks international credibility. What is important is that we have emerged from this crisis even stronger and we will continue the reforms with more vigour and higher energy.

Georgia truly is a success story, whereby democratic and socio-economic reform processes have picked up full speed, yet, we are well aware that more must be done, more reforms, more development. Just recently, the President of Georgia introduced a legislative initiative to the Parliament on Economic Liberty, Opportunity and Dignity. The Economic Liberty Act is designed to enshrine the liberal economic principles in the legislation in a way that will make this process irreversible.

Towards the end, I would like to once again stress Georgia's unyielding strive to become part of the European and Euro-Atlantic community. Our democratic and socio-economic progress will aid us in taking our due place within the European and Euro-Atlantic community, which is where Georgia belongs inherently.

Our reforms are aimed at once and for all freeing Georgia from the grip of our foe. With democracy at hand, we are committed to winning the peace. With the precious assistance and backing of our friends and allies, we shall reach our finest hour and undoubtedly become whole, free and at peace.

Thank you.

Summary of Questions and Discussion

Only two countries have recognized the independence of South Ossetia and Abkhazia. Could this in fact be a convenient state of affairs for Russia. If, for example, Turkey were to recognize the republics, this would create competition and break the republics' dependency on Russia?

We must be clear on terminology. These are not republics but occupied territories. And we are speaking about the recognition of so-called independence, not independence.

The Georgian government is unconcerned by the actions of Venezuela and Nicaragua. Their recognition was bought at a high price by Russia. Turkey will never recognize the territories. It is a strategic ally of Georgia and fully supports its territorial integrity. At the same time, we should stress that we want Abkhazia and South Ossetia to be open to everyone, as part of Georgia. The line of contact is open on the Georgian side. We have no intention of imposing a blockade. We want these territories to be open to the world. At present, South Ossetia cannot survive without Russia. Abkhazia could try, but it is underpopulated. The Abkhaz and Ossets themselves have no interest in isolation and total dependency on Russia. The whole international community understands the danger of the situation. Nicaragua, Venezuela, Hizbullah, Hamas – this is not an encouraging set of allies.

Why does Georgia then not try to engage more actively with Russia?

We can't manage a relationship which does not exist. Russia invaded our country and then declared that it would have no dealings with a government which had been democratically elected. In 2006 Russia imposed an embargo on imports, it closed its borders to Georgia and evicted our citizens. All linkages have been broken by the Russian side. Once Russia decided to recognize South Ossetia and Abkhazia we were obliged to sever all diplomatic relations.

How does Tbilisi reconcile its stated aim of reestablishing control over Abkhazia and South Ossetia with the desire of the local inhabitants to be independent and closely associated with Russia. This desire undeniably exists. How can the Georgian government resolve this problem?

There is no controversy here. 250,000 people have been forcibly evicted from South Ossetia and Abkhazia. Before we can talk about reconciliation we must assert their rights. We want them to be able to return first. What does it mean to say the Abkhaz want independence when half of the Abkhaz are outside the territory and one twenty-fifth of the population declares its independence? This is why we are calling for the safe and dignified return of refugees, the reestablishment of the rule of law, economic rehabilitation of the region, a direct dialogue between the communities under the aegis of the EU, UN or OSCE. This is our proposal. The reality is very different. Abkhazia and South Ossetia are currently occupied and the communities are barred from any kind of dialogue.

Russia's two wars in Chechnya did significant damage to relations with Georgia. How do you assess the situation in the North Caucasus now? Does Georgia have a policy towards those republics?

There is a low level war in the Northern Caucasus. Russia is losing control of the situation. Our policy is not to interfere, although of course we are not happy about what is taking place there. Increasing radicalization, a lack of prospects and education, corruption beyond measure and instability caused by the absence of a clear strategy from the centre is creating a very dangerous situation. Of course, no one wants this on their doorstep.

Does Georgia have any concerns over the environmental impact on the region of the preparations for the Winter Olympic Games to be held in Sochi?

A huge amount of money has been wasted on this project. In the 1970s it was established that the Abkhaz coastline was at risk of rapid erosion. At the time the technical capacity existed to deal with this. Now Russia plans to extract one hundred thousand tonnes of sand and gravel for construction in Sochi. A large part of Abkhazia may be destroyed as a result. The ecological

footprint of the Games is also large. It has done significant damage to the surrounding area.

What impact do you believe the recent progress in Armenian-Turkish relations will have on Georgia?

We fully support the opening of borders in the South Caucasus. We believe that improved relations between Armenia and Turkey can only contribute to the increased stability and security of the whole region. It seems that the Nagorno-Karabakh conflict is no longer being tied to this question. I must emphasize that Azerbaijan is a close ally of Georgia. Territorial integrity is a universal principle, and it would be desirable for an opening of the borders to happen in concert with a resolution of the territorial conflict, however that is of course a decision for Turkey.

Has the new US diplomacy vis-à-vis Russia caused any concern in Tbilisi. Are there worries that a strengthened bilateral relationship might work against the interests of Georgia?

This question is often raised. We are not afraid of the reset button. We do not want to be an obstacle to the improved relations between two other countries. The better relations between the US and Russia, the more likely that Russia's behaviour towards its neighbours will become more civilized. Russia might hope for some grand bargain in which the US will trade continuing Russian dominance of the South Caucasus for cooperation in other areas. It's not going to happen. US-Georgia relations are extremely strong. Obama's team has renewed the commitments made by the previous administration to Georgia; we have four working groups working on draft texts to produce concrete agreements. I have met Secretary of State Hilary Clinton three times and she has made clear the US commitment to Georgia.

What kind of timescale do you envisage for Georgia's accession to NATO? What are the next steps for Georgia's integration into the alliance?

No one can set a timescale. The key is to meet all of the criteria. It's not just a question of military interoperability. The NATO-Georgia Commission provides a forum for regular meetings, which help Georgia to fulfill its national programme. When will Georgia join NATO? When both are prepared for this.

Could Georgia act as a mediator in the Nagorno-Karabakh conflict? A resolution to this conflict is the key to the South Caucasus developing into a coherent regional entity, and would greatly enhance stability and the economic prospects of the whole region. Is there a role for Georgia here?

Georgia has outstanding relations with both Armenia and Azerbaijan. We have never been asked to act as a mediator, and unlike Russia we will not impose ourselves. If asked, we would happily contribute to conflict resolution in any way we could.

The Georgian mass media is subject to a high level of political interference, as illustrated by the way the Tagliavini report was covered by the major television stations. What are the prospects for Georgia's mass media to become more independent and impartial?

Any evidence of government interference would have to be examined on a case by case basis. An abstract conversation on this topic will not get us very far. It should be noted that there is not a single television channel in Georgia which would be able to operate without some form of state aid. So a certain level of government involvement is unavoidable. The government is committed to increasing transparency and openness – that is why we have recently created a parliament television channel, rather like BBC Parliament, so that people can see what the government is doing. We are trying to facilitate free media in an environment where much of the media is not commercially viable.

Do you acknowledge that the Georgian government has made some mistakes in its domestic policy, and its policy towards the break-away republics?

None of us are angels, of course we make mistakes. This is understandable in country which only came into existence in 1991 and is opposed by such a powerful neighbour to the north. The mistake of previous governments over South Ossetia and Abkhazia was that they should have told the Russians 'you deal with this problem by yourselves'. Then, ultimately, they would have been forced to leave the territory, as they left Afghanistan, Poland and so forth. Georgia has faced, and will continue to face some tough questions.

Is there any prospect of building up relations with Russia on a local level, to promoted people-to-people contacts?

Currently, to get a visa to Russia requires a wait of at least 4 months and an invitation from relatives. I don't believe it's in my job description to promote NGO contacts, however we will not create any obstacles ourselves. It's sad to say, but Russia is disappearing from Georgian life. Very few people under 18 can speak Russian. Georgians are no longer opting to study in Russian universities, they prefer to go to the West. Russian schools are closing in Georgia because people prefer to send their children to Georgian schools.

Have there been any positive results from the Geneva talks?

We have just had the seventh round of talks. They have helped in the resolution of small border incidents and there have been negotiations on incident prevention mechanisms. We do not have a lot of hope that the talks will produce a breakthrough, but we remain committed to them.

Do you think the EU is performing a credible role in monitoring the line of contact?

The EU monitoring mission is indispensable. Ideally, the EU's mandate would be extended until the situation is normalized. Georgia is doing all it can to facilitate the work of the EU monitors. At present their work is limited because they cannot enter the occupied territories.