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The Importance of the Upcoming Georgian Elections

for the United States and the West

Testimony before The Commission for Security and Cooperation in Europe

(Helsinki Commission),

U.S. Congress

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Mr. Chairman, Congressmen, Secretary Melia, Ladies and Gentlemen

My name is Ariel Cohen. I am Senior Research Fellow, Russian and Eurasian Studies and International Energy Policy at The Heritage Foundation. The views I express in this testimony are my own, and should not be construed as representing any official position of The Heritage Foundation.

Thank you for inviting me to testify before you today.

The forthcoming parliamentary elections in Georgia, which will take place on October 1, are crucial to U.S. interests in South Caucasus, Black Sea and the Caspian region. They are crucial because two powers – Russia and Iran – would like nothing better than to see President Mikheil Saakashvili and his party defeated.

President Saakashvili's principal challenger is the Georgia Dream coalition, headed by a billionaire named Bidzina Ivanishvili with deep ties to Russia. Ivanishvili built his \$6.4 billion fortune in Russia's opaque business world. This year, he safely sold his holdings to businesspeople that enjoy excellent ties with the Kremlin. Such highly sensitive business transactions never happen without the Kremlin's blessing. In Russia, business is politics and politics is business – as some less fortunate denizens of the Russian business Olympus, such Mikhail Khodorkovsky, who has been in jail for 10 years, know well.

While Saakashvili is considered the most pro-American leader in the former Soviet Union – and perhaps one of the most pro-American the world – Ivanishvili has never criticized Vladimir Putin. He promised to restore relations with Russia, and to reopen Russian markets to Georgia wine, fruit and mineral water, after Russia punitively excluded Georgian imports. He even promised to return to Georgia territories Russia occupied in the war of 2008 – a highly unlikely notion. Saakashvili has been working tirelessly to bring Georgia into NATO, while Ivanishvili and his people said that NATO enlargement will not be a priority. This is understandable if they want to prioritize relations with Moscow.

The rhetoric of this campaign is far from courteous. The Ivanishvili-led opposition is not mincing words: its leader has called Saakashvili the “son of a dog” and “professional liar”. In Russia and many neighboring countries, such language would earn the opposition leader a jail term – or worse. Not in Georgia.

In fact, recent media monitoring report funded by the EU/UNDP found that President Saakashvili received more negative photo coverage in the Georgian newspapers; the print media was generally supportive of the opposition, while radio was neutral, and TV channels

were polarized, with a somewhat more pro-government slant.

Ivanishvili's Georgia Dream coalition has accused the ruling United Democratic Movement, led by Saakashvili, of abuse of office, firing supporters of Georgia Dream from their jobs, and other transgressions. It has also claimed that small a group of cronies surrounding Saakashvili holds Georgia in an iron grip. If this is so, it is difficult to understand why the Georgian Dream trails the United Democratic Movement by 20 points: 35 percent to 55 percent according to one recent poll.

After all, the ruling party took Georgia through a disastrous war and a deep economic crisis. Georgian voters may have had enough of the perennially active Saakashvili, who is currently moving the Parliament to Kutaisi, the country's second largest town, and relocated Georgia's Supreme Court to the coastal city of Batumi -- but that is not what the poll data show. In addition, speaking of poll data, it appears that the opposition consistently manipulates their polling results, projecting higher numbers than independent polls commissioned by IRI and NDI suggest.

Since 2003, Georgia has boldly progressed from a failed post-Soviet state to a growing, modern and more prosperous country. The current Georgian administration was successful in eradicating petty corruption and establishing an astonishing precedent in the Caucasus and the former Soviet space: Georgia is the only country in the region where officials practically do not take bribes.

A successful police reform; an anti-corruption sweep; streamlining of government bureaucracy; rural electrification and gasification; and construction of roads; all make the ruling party still an attractive choice for Georgia. So does Saakashvili's vision of Georgia integrating into Europe and NATO.

Clearly, not everything is perfect. The recent revelations of systemic torture and abuse horrified Georgians and foreigners alike. Such horrors should not be tolerated, especially in a country, which aspires to integrate into Euro-Atlantic institutions. However, unfortunately, such despicable abuses happen everywhere, as we remember from the Abu Ghraib scandal.

It is encouraging that President Saakashvili, Prime Minister Vano Merabishvili and other leaders took upon themselves to investigate, and the Minister responsible for jails had resigned immediately. All friends of Georgia, including in the U.S. will eagerly await the results of an impartial investigation and a comprehensive prison reform Mr. Saakashvili promised.

What we see in Georgia is a real political process. The opposition-affiliated TV stations took a lead in exposing the prison scandal – and probably gained some political dividends in the process. Georgians are a very emotional people, who take their feelings very seriously. Some of the accusations sound dramatic.

However, there are several daunting questions concerning these elections. First, why Mr. Ivanishvili decided to fight these elections not only in Tbilisi, not just in Kutaisi, Batumi, in

Svaneti and Adjara – but around the world. He is he taking his message to Washington and Brussels, besmirching his President and his government.

According to *Washington Post*, Mr. Ivanishvili decided that it is important to spend a reported \$300,000 a month on an A-team of the most expensive lobbyists in town. For what purpose? Isn't the Obama Administration already imploring the Saakashvili Administration to “democratize” and not to “over-militarize” Georgian security, as one senior State Department official put it?

The effective ban on supplying Georgia with defensive weapons systems, such as anti-aircraft and anti-tank missiles, even M-4 rifles, goes far enough to placate Mr. Obama's Russian “reset” partners. Is further de-legitimization of the Saakashvili government in Washington by the opposition leader really necessary for the victory of Georgia Dream or for the future of U.S.-Georgian relations?

Is this PR campaign by the opposition in Washington just an preliminary “artillery barrage” before Mr. Ivanishvili takes a million of his supporters to the streets, as he promised? Can the Russian army interfere to “restore order” in Georgia if massive street demonstrations occur and someone calls for Russian troops to march in? Will they?

Hopefully not.

What is at stake? These elections are crucial to the future of US-Georgian and US-Russian relations, as well as for the overall stability of the region. President Saakashvili has built upon the efforts of his predecessor, Eduard Shevardnadze to extricate Georgia from the Russian sphere of influence and move it West. Russia does not like his approach at all. And it may not like Mr. Ivanishvili, if he ever comes to power in his country. Unless, of course, he is doing exactly what the Russians are telling him to do. Abandoning the dream of joining Europe and NATO, and joining the Moscow-led Eurasian Union – with Belarus and Kazakhstan -- may be an approach much more palatable to -- and perhaps dictated by the Kremlin.

Under Saakashvili's leadership, Georgia has become an important and close ally of the United States. Georgian soldiers have fought side by side with their American brethren in Iraq and Afghanistan. Georgia is a crucial transportation hub for the resupply and evacuation of ISAF and other American forces in Afghanistan. The country is the most pro-American in the former Soviet Union bar none: in its foreign affairs as well as in promoting democracy and economic freedom within its borders.

Among Georgia's neighbors, especially in Russia, Iran, Armenia, and Turkey, anti-American sentiments are growing. Just this past Tuesday, September 18, 2012, Moscow announced that it is shutting down US AID operations throughout Russia. So much for the hallowed “reset” policy.

Georgia, however, is truly different. President George W. Bush has a street named after him in the Georgian capital. Oil, gas, commodities and finished good worth hundreds of millions of

dollars move through Georgia on a daily basis. Georgia's geopolitical role alongside the Black Sea and abutting oil- and gas rich Azerbaijan on the Caspian, is crucial. Georgia is an energy and transportation corridor that connects Central Asia and Azerbaijan with the Black Sea and ocean routes overseas – for oil, gas, and other commodities. It is a part of the ancient East-West corridor. It is also a part of a North-South axis, which Russia and Iran would love to control.

Russia, Georgia's most important neighbor, is unhappy with Georgia's pro-American orientation. Moscow's designs against Georgia are a threat to peace and democracy in the region, as its 2008 war with Georgia demonstrated. Moscow would like to threaten the Baku-Tbilisi-Ceyhan Main Oil Export Pipeline; as well as a planned TANAP gas pipeline via Turkey and the new railroad from Azerbaijan to Turkey.

Russia's current goals are to annex the Georgian territory it occupied during the 2008 war to the secessionist enclaves of Abkhazia and South Ossetia, which Moscow already controls. The United States and members of the European Union do not recognize the legitimacy of this occupation, as Secretary Clinton has repeatedly stated.

Moscow would exacerbate ethno-religious conflicts in the region, including in Nagorno-Karabakh, a flashpoint of tensions between Armenia and Azerbaijan, and seeks to re-establish its "sphere of privileged interests" – speaking bluntly, a sphere of influence.

If a pro-Russian regime is established in Georgia, it will bring the strategic Baku-Tbilisi-Ceyhan oil pipeline and the Baku-Erzurum (Turkey) gas pipeline under Moscow's control. It will allow Russia a land re-supply route for Armenia, its Commonwealth Security Treaty Organization ally, and, under a certain circumstances, a land bridge to Iran via Armenia. These scenarios are being actively discussed in the Russian media.

Georgia is also an important in view of the rising threats of Iran's nuclear program. Georgian airfields may play a role in a number of future scenarios involving Iran, thus rendering Georgia's domestic politics vital to the success or failure of the West's effort to prevent the Iranian regime from acquire nuclear weapons. If government sentiments inside Georgia were to change, such as through the rise of a pro-Russian government, the geopolitical picture in the South Caucasus and the Black Sea region would fundamentally change

Crucial Elections. The elections this year are therefore a determining point: will Georgia remains pro-American, pro-Western, and pro-democratic under President Saakashvili, or will it change its orientation under Bidzina Ivanishvili's coalition. Do the Western countries realize this?

While the Georgia Dream coalition attracted first rate diplomats, its component members often are anti-Western, xenophobic and anti-Semitic. Their foreign policy will be different than that of the current government.

In recent years, blindly worshipping democratic process, especially elections, and disregarding

American geopolitical goals has become somewhat of a fashion, including in this Administration. The U.S. vociferously supported elections in Gaza which brought Hamas to power despite the warnings from the Palestinian Authority and the Government of Israel.

It cheered when The Muslim Brotherhood won contested seats in the Egyptian parliament during the Mubarak Administration. It urged the pro-American Egyptian rulers to quit quickly, disregarding the predictable outcomes for U.S. power and influence in the Middle East. As Kim Holmes, The Heritage Foundation Vice President and the former Assistant Secretary of State for International Organizations wrote,

Egypt isn't yet a democratic society. At best it's "pre-democratic." Its willingness to embrace elections may yet open up the political system to democracy. But it lacks the democratic values, institutions and customs that would ensure future elections are more than a choice between anti-democratic forces seeking to claim, or hold onto, power.

Of course, Georgia is not Egypt and Saakashvili is not Mubarak. Georgia, one hopes, would rise for the occasion and conduct elections with minimal violations. Again, let me quote Kim Holmes:

free and fair elections are indispensable to democracy. You can't have democracy without them. But neither can you have democracy without an even greater commitment to the values, institutions and customs that make it work.

However, let us not forget that this country's democracy is only nine years old, and Soviet authoritarianism only 20 years ago it shed. Thus far, observer missions from OSCE, IRI and NDI seem to report that the elections are on track and we should calmly expect their reports. We should definitely hold the current Georgian Government feet to the fire, expecting reasonable conduct of elections by European standards. However, we should not face an either-or choice of focusing exclusively on elections, or pursuing American interests to the exclusion of our commitment to democratic values.

Hopefully, the U.S. can learn from our own recent mistakes.