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Russia, Georgia, and the EU Association Agreement

by Liana Fix



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### Russia, Georgia, and the EU Association Agreement

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On June 27, Georgia will sign an Association Agreement with the EU—the same type of agreement that triggered revolution and crisis in Ukraine. Despite all efforts to reduce its dependency on Russia, Georgia remains in a vulnerable position. Russian pressure is to be expected, either in the run-up to the signing or in its aftermath, while Georgia will stay in the EU's antechamber, without security guarantees from NATO. In view of Russian attempts to exert influence and a possible rise of Euroskepticism within Georgia, the EU's challenge is to keep the country on the European track.

Against the backdrop of the crisis in Ukraine—and in the aftermath of the 2008 war with Russia—the small Caucasian state of Georgia is once again in the international limelight. Together with Moldova, Georgia will sign its EU Association Agreement, which was initially scheduled for the end of the year, on June 27, 2014. The EU Commission has put Georgia on a fast track toward EU association for fear of Russian meddling if the process is protracted, as it happened in Ukraine.

Previously considered a bureaucratic instrument of the European Union, the Association Agreement with a Deep and Comprehensive Free Trade Agreement (DCFTA) at its core—has become a geopolitical hot-button issue. For Russia, Georgia is strategically less important than Ukraine, and since Russia is currently concerned with mitigating the negative repercussions of the Ukrainian crisis, there are hopes that a repetition of the Ukraine scenario is unlikely to occur in Georgia. However, Moscow has made it clear that it views Euro-Atlantic integration in its near neighborhood as an unacceptably hostile act. Among Georgian diplomats and analysts, there is consensus that Russia will use every tool in its box to prevent a definite integration of Georgia into the West. The question is not whether but when and by what means Russia will interfere.

Apart from Russian pressure, there is another challenge to Georgia's Western integration. Under the new government, the taboo on cultivating good relations with Russia—practiced during the period in which Mikheil Saakashvili was president of Georgia—has gradually been lifted; now there is

room for public debate on an "alternative future" for Georgia, a scenario in which Georgia is outside the Euro-Atlantic space and cooperates more closely with Russia. Newly established pro-Russian NGOs and ultra-conservative segments of the Georgian Orthodox Church—which emphasize the ideological proximity to Russia—fuel this discourse, although it is still marginal. Combined with general skepticism about the degree of protection that the West could in fact provide against Russia and concerns that the DCFTA could have short-term negative effects on the Georgian economy, this could well lead to a rise of Euroskepticism in a country that has hitherto been enthusiastic about the EU.

## Georgia's Pressure Points

What are Georgia's pressure points in a possible conflict with Russia over signing the Association Agreement? On the one hand, Russia is running out of strings to pull. The disruption of political and economic relations before and during the war in August 2008 has forced Georgia to diversify energy and trade flows. Ninety percent of Georgia's gas supplies come from Azerbaijan. In the first quarter of 2014, Russia was only Georgia's fourth-most-important export country—after Azerbaijan, the EU, and Armenia—and the fifth-most-important import country, after the EU, Turkey, Azerbaijan, and China. The most important foreign direct investments came from the Netherlands, Azerbaijan, the United Kingdom, and Turkey. Russia ranked fifth.

At first glance, Georgia therefore seems not to be as vulnerable as Ukraine or Moldova. However, Georgia and Russia have begun to rebuild informal relations over the last year in a "rapprochement" process, initiated after the new government of Bidzina Ivanishvili took office in October 2012. The most important results include lifting a Russian embargo on Georgian wines and waters in June 2013 as well as regular meetings between Georgia's special envoy, Zurab Abashidze, and Russia's deputy foreign minister, Gregory Karasin. Although the European Union, the United States, and Georgian media and political circles have praised this détente process as an important step, it also provides Russia with new means of exerting pressure. A possible re-introduction of Russian embargoes on Georgian imports would significantly hurt the Georgian wine industry, which now again delivers 70 percent of its total exports to Russia. Although the Russian foreign ministry spokesperson Alexander Lukashevich had already warned against "bilateral and financialeconomic consequences" from the Russian side in reaction to the signing of the Association Agreement, Georgian Prime Minister Irakli Garibashvili expressed his confidence that it would be signed without complications. However, many politicians remain skeptical, fully aware that good neighborly relations are more important for Georgia than they are for Russia.

Russia's most important levers for undermining Georgia's Euro-Atlantic integration course are Georgia's two breakaway regions, Abkhazia and South Ossetia. Despite the improvements in Georgian-Russian relations, the "borderization" process (the setting up of fences and barbwire at the administrative boundary line, particularly between Georgia and South Ossetia) presents fertile ground for further provocations. On March 6, only one day after Štefan Füle, the EU Commissioner for Enlargement and Neighbourhood Policy, visited Tbilisi, both a Russian helicopter and a Russian drone violated Georgian airspace at the boundary line to Abkhazia and South Ossetia, flying over nearby Georgian police stations. The Georgian parliament was in the process of discussing a resolution against Russia's annexation of Crimea at that very moment.

Even if Georgian officials deem it unlikely, these provocations show that Russian military action in response to the signing of the Association Agreement cannot be ruled out. The distance between South Ossetia, where around 3,500 Russian soldiers are stationed, and Russia's next military base in Gyumri, Armenia, which has around 3,000 soldiers, is only about 250 kilometers; a Russian military advance from South Ossetia to Gyumri would not only split Georgia in half but also interrupt the main road, rail, pipeline, and infrastructure links between the Black Sea and the Caspian Sea.

A possible pretext for military action could be the "protection" of Russian-speaking Armenians in southern Georgia. The region of Samtskhe-Javakheti, with a 54-percent Armenian majority, is poorly integrated into Georgian politics and society, and already saw unrest after the closure of a Russian military base there in 2007, which had been an economic lifeline to the 95,000 Armenians living there.<sup>1</sup> However, no separatist movement has emerged so far, and rumors about a mass distribution of Russian passports turned out to be only rumors. Tbilisi is nevertheless concerned that Russia could spark demands for autonomy. Armenia has denied any intentions to engage in a conflict over its minorities in Georgia but has recently come under increasing pressure from Russia, which led, among other things, to Armenia joining the Russian-led Eurasian Customs Union.

Apart from military activities, Russia could undermine Georgia's Euro-Atlantic integration path in other, more creative ways. During the last year, a number of new pro-Russian NGOs-with names like Eurasia Institute and Eurasian Choice—have emerged and stepped up their activities. Suspected by the Georgian government of being financed by Russia, their activists have become increasingly vocal and visible on the streets of Tbilisi. There was, for example, the screening of a film portraying NATO's Kosovo mission as a campaign against global Eastern Orthodoxy, and there were demonstrations against Georgia's Western foreign-policy orientation in front of the vacant Russian embassy. The agenda of these NGOs is in large part identical; they combine anti-Westernism with ultraconservative ideology, trying to create a sense of common belonging to an imagined Orthodox and Eurasian civilization.

Using NGOs and bloggers to sway Georgian public opinion is part of what Russia understands as a "soft power" approach. The long-term objective is to raise Euro-Atlantic skepticism in order to gradually shift pro-Western consensus in Georgia toward a more "neutral" stance, opening up new possibilities for Russian influence. In the political arena, such a position of "neutrality" is only supported by Nino Burjanadze, former speaker of parliament, and her party Democratic Movement-United Georgia, which is part of the ruling coalition. Burjanadze was among the first to advocate restoring relations with Russia after the war in August 2008 and met with Vladimir Putin in Moscow in March 2010. In October 2013, her party polled 10 percent in the presidential elections, making it a minor force that is nonetheless one to be reckoned with.

## The Russian Normative Challenge

How popular are these pro-Russian positions with the Georgian population? According to the latest polls, the large majority of the population (65 percent in April 2014, down from 68 percent in November 2013) supports EU membership for Georgia, while only 16 percent (in April 2014, up from 11 percent in November 2013) prefer membership in the Russian-led Eurasian Economic Union. Only 20 percent think that Georgia would benefit more from abandoning European integration in favor of better relations with Russia, while 58 percent are convinced that EU- and NATO-integration is more beneficial to their country.2 Despite a slight downward trend, it is safe to assume that the population supports the Euro-Atlantic aspirations of the Georgian political elite.

The picture gets more complex, however, when it comes to the question of values. While democratic political values are well established in Georgia, liberal social attitudes toward women, religious and ethnic minorities, and the LGBT community have yet to take root in Georgian society. In particular,

LGBT rights have proven to be a divisive issue: while 62 percent of Georgians consider the protection of minority rights to be important for Georgia's democratic development in general, only 24 percent deem the protection of LGBT rights to be important or very important; and 48 percent think this issue is not important or not at all important.<sup>3</sup>

The wealthy and powerful Georgian Orthodox Church plays an important role in evoking a value gap between "traditional Georgian values" and what it holds to be "alien and imposed" European values. Similar to its Russian counterpart, the Georgian Church considers itself a bulwark of conservative Orthodoxy against "Westernization." For example, the adoption of an anti-discrimination law in May 2014—a prerequisite for the signing of the Association Agreement and explicitly mentioning sexual orientation and gender identity as grounds of discrimination—was criticized by the Georgian Patriarch Ilia II as a "huge sin," and Orthodox clerics actively took part in the violent dispersion of a LGBT demonstration in May 2013.

The contradiction between the European Union's understanding of liberal values and the more conservative social attitudes in Georgian society could well play into Russian hands.<sup>4</sup> Although Georgians want to belong to the West politically, many of their social values are for the time being more aligned with Russia's normative agenda—and the Georgian Orthodox Church provides the link between these two. With around 80 percent of Georgians describing themselves as religious, the voice of the Georgian Orthodox Church carries considerable political weight. Patriarch Ilia II was a forerunner in Georgian-Russian rapprochement after the war of August 2008 and met with Putin in July 2013 during a visit to Moscow.

However, it would go too far to call the Georgian Church a Trojan horse for Russian influence. For one thing, the Georgian Orthodox Church is certainly not interested in subordinating itself to its much younger Russian counterpart, as happened at the beginning of the nineteenth century. Secondly, the Church is well aware of Georgia's painful recent history with Russia; calling openly for a pro-

Russian foreign policy change would be unacceptable to its members. Therefore, the Church confines itself to emphasizing its ideological proximity to the Russian Orthodox Church, while at the same time undermining the EU's normative agenda—with the easiest rallying point being LGBT rights. Similarly, discussions in Armenia and Ukraine about EU integration have included propaganda campaigns arguing that a choice for the European Union is a choice for homosexuality.<sup>5</sup>

The European Union realizes that it could lose popularity in parts of Georgian society on these normative issues. EU Enlargement Commissioner Štefan Füle assured the Georgian Patriarch during his March visit that the EU would not undermine any of Georgia's "traditional values." In return, he received the Patriarch's verbal approval of Georgia's EU integration and the signing of the Association Agreement. Whether either side is ultimately able or willing to fulfill this deal remains doubtful; the EU is no more likely to ignore the discrimination of minorities within Georgia than the Georgian Orthodox Church is likely to change certain of its fundamental ideological beliefs.

Hence, Georgia is not only facing possible Russian political, economic, and military pressure but also a Russian normative challenge. To the surprise of the West, Russia has been successful in promoting a reactionary ideology that is gaining currency within the global marketplace of ideas. Although it is more a mishmash of different conservative strands than a clear-cut concept, it is kept together by nationalism, autocratic rule, and all sorts of "antis" (anti-globalism, anti-Westernism, anti-modernism, and of course anti-homosexuality). Under the heading of "Eurasianism," Russia engages in a project of region- and norm-building in its immediate neighborhood.

Although Western influence is strong in Georgia, the question remains of how Europeanized the Georgian population is in terms of identity and values, and whether the enthusiasm for European integration could withstand Russian pressure and "soft power"

activities. For the time being, the anticipated benefits of European integration—economic growth and visa liberalization—seem to outweigh any perceived threat to "traditional values." The DCFTA is expected to boost Georgia's GDP by 1.7 percent in the short term and 4.3 percent in the long term, but a great many standards and regulations are yet to be implemented, and the impact of the DCFTA on job creation will be marginal. Real benefits from the DCFTA will be felt only in the mid term, after a period of adjustment. If the government is unable to mitigate potentially negative aspects of the DCFTA implementation, this might contribute to a possible rise of EU fatigue and skepticism within the population.

#### Western Credibility

Whether an alternative future for Georgia within a Russian sphere of influence could become a real and more likely scenario also depends on the West's firmness and credibility. As much as concerns about Russia are rising within Georgia, there is also a palpable rise in disappointment and disillusionment with the West. Events in Ukraine have served as a painful reminder for Georgia that, despite all promises and perceived benefits of Euro-Atlantic integration, the promises still lack one crucial aspect: security guarantees. Not being part of a collective defense alliance, Georgia—like Ukraine and Moldova—lives in an everyday security limbo. Translated into reality, this means that Georgia stands alone if worse comes to worst, as happened in 2008. Conscious of this crucial strategic weakness of Euro-Atlantic integration, Georgian foreign policymakers have stepped up their calls for granting Georgia a NATO Membership Action Plan (MAP) at the NATO summit last September. But President Barack Obama's comments that Georgia is not on the path to NATO membership poured cold water on Georgia's hopes. After all, with more than 1,500 Georgian soldiers in Afghanistan, Georgia is the fifth biggest supplier of troops there.

The basic conundrum of Georgian foreign policy is how to improve relations with Russia while at the same time working toward EU—and NATO—mem-

bership. Russia has declared that EU and NATO membership for countries in its direct neighborhood consists of crossing a "red line" and that it is willing to act on these principles, as its response in Ukraine has shown all too clearly. Although it has not yet been openly articulated in Georgian politics, the obvious question is therefore: What is Euro-Atlantic integration actually worth if it does not provide a security guarantee against Russia and perhaps even increases the likelihood of Russian intervention?

For the time being, Georgia has no real alternative to Western integration, as "neutrality" is not an option for a small country in Russia's immediate neighborhood; like its neighbor Armenia, Georgia would immediately come under Russian pressure. However, if no serious steps are taken to integrate Georgia more closely into the Euro-Atlantic space, Georgians might feel they have no choice but to pursue a more accommodationist policy with Russia.<sup>8</sup>

Whether such steps should include NATO MAP is highly controversial. There are many reasons to believe that granting Georgia MAP would indeed provoke Russian countermeasures, without providing protection by NATO allies in return. It is not for nothing that Polish foreign minister Radosław Sikorski advised his Georgian counterparts to be careful with security guarantees that are not made credible. For there is little doubt that they will be put to the test by Russia.9 But there are other, alternative ways to bind Georgia closer to NATO: MAP is not officially required for NATO membership. Instead, the NATO-Georgia Commission and the Annual National Plan could be upgraded to fulfill MAP's functions, that is, by promoting inter-operability and conducting performance reviews.<sup>10</sup>

# The Association Agreement: a Watershed for Georgia?

The political elite in Georgia considers the Association Agreement to be a means of cementing the country's European course. By signing these documents, however, Georgia is not yet out of the storm. On the contrary, it is just the beginning of

another, most-likely long-lasting waiting period in the European Union's antechamber—without security guarantees from NATO, either.

Russia will continue and step up its efforts to prevent Georgia's Euro-Atlantic integration, especially now that it has belatedly grasped the inherently transformative power of the EU's bureaucratic mechanisms of integration in Ukraine. However, Russia may think that there is still enough time to deal with Georgia even after the EU Association Agreement has been signed, since Russia does not feel its strategic interests are as acutely endangered as they were in Ukraine.

Therefore, it is not the signing itself that presents the main challenge for the West but rather keeping Georgia on the European track afterward, in the face of Russian attempts of pressure and influence. Georgia remains in a vulnerable position; in this regard, the signing of the Association Agreement constitutes no watershed. Moreover, although Tbilisi's determination to continue the path of Euro-Atlantic integration is strong, Euroskepticism is likely to gain a stronger foothold. Disappointment about low economic benefits, a lack of security guarantees, and the inherent contradiction between Georgian "traditional values" and the EU's liberal normative agenda bear the danger of engendering disillusionment with the European dream.

The smartest approach for Russia to take would be to wait patiently until the inherent contradictions and tensions of Georgia's Western path rise to the surface—and then to reap the fruits. Yet Russia is not known to be patient, especially when it comes to issues in its neighborhood. Even if everything seems to be quiet for the time being, Georgia's signature of the Association Agreement means it must be prepared for anything. In times like these, a pro-Western stance in Russia's immediate neighborhood is not simply a foreign-policy choice; it is a looming risk for the country and its population.

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#### **Notes**

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