

yet does exactly the same in all separatist territories in the South Caucasus and beyond. The Kremlin villifies the EU, but considers borrowing many of its policy tools in launching its own integration project. The Russian diplomacy heavily invests in developing soft power resources in Georgia, which are then undermined by a

policy of de-facto annexation of Abkhazia, etc. A more or less clear vision of Russia's long-term strategy in the region is hardly imaginable without a solid normative foundation; a lack thereof turns Russian realism into a justification for mostly temporal and situational adjustment to the policies of others.

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The Ukraine Crisis: Repercussions on Georgia

By Kornely Kakachia, Tbilisi

Abstract

Russia's annexation of Crimea is reshaping the geopolitical map of Europe and sending ripples of apprehension across the South Caucasus and wider Black Sea region. Amid Moscow's direct involvement in eastern Ukraine, many Georgians are closely monitoring all regional foreign policy developments. With a tradition of friendly and strategic relations between Tbilisi and Kyiv, Georgians see the struggle for Ukrainian sovereignty as an analogue of their own fate. This article provides some insights and policy perspective from Georgia on the ongoing Ukrainian crisis and its impact on Georgian foreign policy and internal stability.

Explaining Georgian–Ukrainian Strategic Bonds

Events in Ukraine have made national security a top priority for governments throughout the post-Soviet region.¹ In Georgia, fears that a similar crisis can spread to Georgia have increased. In an April 2014 survey of nearly 4,000 Georgians commissioned by the National Democratic Institute,² half of the respondents viewed Russia as “a real and existing threat,” a proportion considerably higher than before the start of the Ukraine crisis in November 2013. The reaction in Georgia has been strongly in support of Ukraine. Tbilisi dispatched political and humanitarian support to Kyiv, including a humanitarian medical mission (vital medicine, equipment, doctors), while hundreds of demonstrators gathered on the streets nightly, waving Ukrainian flags, light-

ing candles, and singing Ukraine's national anthem. Some Georgians have even gone to fight in Ukraine to support its territorial integrity

Although distinct in their origins, Georgia and Ukraine were part of the same states for nearly 200 years. After the Soviet Union collapsed, Georgia was disillusioned by Russia's tacit support for Georgia's separatist regions, and Tbilisi had no choice but to be engaged in an unfolding pattern of alliances involving both smaller regional powers and great powers outside of the region. Georgia's political calculus also included the quest to find fellow states in the immediate neighborhood to rely on as strategic partners. Ultimately, Georgia's search for “*Suliko*” (soulmates) in the post-Soviet region resulted in the establishment of strategic relations with the new Ukrainian state. Due to their shared history and similar political and economic conditions, the two states have since reached a high level of political, security, and economic cooperation. The fact that both nations are Orthodox Christian with churches that have been revamping relations with the Moscow Patriarchate has also played a role in cementing their regional bonds.

Despite leadership changes in Georgia and Ukraine, both states have more or less seen themselves as fight-

1 An earlier version of this article was published as a PONARS Eurasia Policy Memo in September 2014.

2 Luis Navarro. Public attitudes in Georgia: Results of an April 2014 survey carried out for NDI by CRRG-Georgia and funded by the Swedish International Development Cooperation Agency (Sida), available at <https://www.ndi.org/files/Georgia_April_2014_Survey_English.pdf>; see also poll on pp. 17–20 of this issue, especially Figure 1 on p. 17.

ing a common battle against Russian domination in the post-Soviet space. Although there are significant internal and external political differences between Georgia and Ukraine, joint efforts resulted in the creation of the GUAM group (Georgia, Ukraine, Azerbaijan, and Moldova), which was established partially as an attempt to counterbalance Russia's influence in the region. Now that Georgia and Ukraine, two Black Sea states, have had democratic revolutions, both have gradually begun to closely identify with the European Union, NATO, and the United States as security partners. As a result, both countries were considered, albeit unsuccessfully, as potential candidates for a Membership Action Plan at NATO's Bucharest Summit in 2008, strengthening their "solidarity" in a shared Euro-Atlantic destiny. The recent signing of far-reaching Association Agreements with the EU has further reinforced bilateral relations between Georgia and Ukraine, as both countries have now committed themselves to EU standards and, together with Moldova, have bound themselves closer to the West. Ukraine, Moldova, and Georgia remain strongly committed to European integration and supporting Western policies. While other Eastern Partnership (EaP) states failed to sign Association Agreements for various reasons, there is hope that eventually the West may see its links with Kyiv, Tbilisi, and Chisinau as strategic allies for the coming decades, in much the same way that the Baltic states were decoupled from the "post-Soviet" framework and completed the process of European and transatlantic integration.

Why the Ukraine Crisis Matters for Georgia

Many in Georgia believe that the actions of Russia in Ukraine are a repeat of what happened in Georgia in August 2008. Distribution of Russian passports, reinforcement of military infrastructure and units, and the decision to protect the "interests of compatriots" with military force are all viewed as a violation of the internal affairs of a sovereign state. There is also a strong conviction that Russia's moves against Ukraine might have been unsuccessful, or never even begun, had the international community paid more attention to the 2008 Russia–Georgia war. The weak Western reaction to Russia's invasion of Georgia allowed Moscow to think it could get away with seizing Crimea as well.

While some voices in the West blamed Georgia for provoking its war with Russia and called for more restraint vis-a-vis Moscow, the Ukraine crisis has exposed that whatever tactic the West may prescribe for self-defense, it cannot do much to stop the Kremlin's imperialist appetite. While the immediate reaction to Russia's invasion was dealt with differently by Tbilisi and Kyiv, in both cases the end result was

practically the same. Military aggression had disastrous consequences for both countries, ending in the occupation of their territories. Meanwhile, the international community still remains unable to get Russia to comply with its obligations to withdraw troops from Georgia's occupied regions and now Crimea. Subsequently, the Kremlin's intervention is seen as a serious precedent that raises concerns about the territorial integrity of Georgia.

There is an expectation, however, that the Ukraine crisis may push Western leaders to take decisive steps to find concrete formulas to beef up the Western integration of the region. This would be much in the same way that the Russia–Georgian war prompted the EU to initiate the EaP, which included Ukraine, Belarus, Georgia, Moldova, Azerbaijan, and Armenia. Though membership in the EaP did not contain any promise of eventual EU membership, it played an important role in consolidating the European foreign perspectives of at least Moldova, Georgia, and Ukraine.

So far, EU leaders have been unable to bridge their differences in order to deliver tangible plans that could change the geopolitics of the region. For its part, Washington is acknowledging the emerging new realities in the wider Black Sea region. One important signal was the recent introduction in the U.S. Senate of the Russian Aggression Prevention Act of 2014. If passed, the bill proposes to treat Georgia, Ukraine, and Moldova, along with Azerbaijan, as major non-NATO allies and pledges their closer interaction with the U.S. military. Though this status does not entail the same mutual defense and security guarantees afforded to NATO members, if passed the bill would affirm the strategic importance of the greater Black Sea region to the United States. Even though the United States is ill-prepared to defend Georgia, Ukraine, and Moldova against Russia today, it is also important to counter any perception that the United States (and the West) have acquiesced to increased Russian dominance in the region.

Georgia's Ukraine Policy: Implications for Party Politics

The issue of Ukraine has been an important factor in the internal politics of Georgia as well. After the Rose (2003) and Orange Revolutions (2004), the political elites of both states enjoyed strong ties. Based on personal contacts (former Georgian president Mikheil Saakashvili went to university in Kyiv) and revolutionary solidarity, the government under Saakashvili had unprecedented access to Ukrainian politics. During his tenure, Saakashvili managed to establish strong cooperative relationships with a wide array of Ukrainian politicians, including Viktor Yushchenko and Yulia Tymoshenko.

Importantly, the links he established were institutionalized by interparty cooperation by affiliation with international platforms like the European People's Party (EPP) and other European structures. Saakashvili's United National Movement (UNM) and Ukraine's *Rukh* and *Batkivshchyna* parties garnered the support of like-minded European politicians. Saakashvili and the UNM even tried to influence the 2010 presidential election in Ukraine when they openly supported Tymoshenko over Viktor Yanukovich and sent election observers to Donetsk, Yanukovich's political stronghold. Even today, the new authorities in Kyiv seem to be partial to Saakashvili. Some of his team members, including Giorgi Vashadze (former head of the Civil Registry Agency), and others currently work as advisors for different branches of the Ukrainian government. Kakha Bendukidze (former Minister of Economic Development) joined this group until his recent death.

The policy on Ukraine that the Georgian Dream (GD) government has pursued is a significant departure from the approach its predecessors adopted. Tbilisi has underlined its full support for Ukraine's territorial integrity and referred to Russia's occupation of Crimea as a land grab. However, Tbilisi has abandoned its openly anti-Russian rhetoric and has not embraced the Georgian opposition's request that the government "condemn Russia's brazen military aggression." Instead, the Georgian authorities issue carefully worded statements that seek to avoid irritating Moscow. Unlike previous administrations, the GD government seems less keen to use emotional and critical language against Moscow, preferring instead diplomatic idioms. Tbilisi is well aware that the geopolitical stand-off between Russia and the West over Ukraine leaves little space for any meaningful incentives for Georgian diplomacy.

Russian Soft Power in Action and the Risk of Economic Dependency

Meanwhile, even as Russia is using "hard power" in Ukraine, it is still searching for diversified foreign policy instruments towards Georgia. Understanding that it failed to change Georgia's Euro-Atlantic discourse by military means, the Kremlin exploits culture, language, media, education, and public diplomacy to promote an attractive image in Georgia. The recent move to launch the Radio-Sputnik station, which has close links to the Kremlin, raised suspicions in Tbilisi that Moscow intends to split public opinion on foreign policy. Russia is seeking to increase its leverage over Georgian society, which it effectively lost after the 2008 conflict with Georgia. As in most Eastern European countries and most recently in Ukraine, Russia also retains a "compatriots policy" towards its citizens living in Georgia,

and supports a number of pro-Russian NGOs (Coalition-Eurasian Choice) that strongly question Georgia's pro-Western course.

In addition to enjoying the advantage of proximity and historical ties, as well as linguistic bonds, lately Russia has been trying to use economic levers—above all, its huge market opportunities—to bind Georgia and its other neighbors into tighter dependency. At first glance it seems that Moscow is on track to succeed. As a result of the "normalization" process initiated by the Georgian Dream government, trade relations between the two countries have significantly increased. According to January–August 2014 data, Russia is the third largest export destination for Georgian goods after Azerbaijan and Armenia.³ The Russian market accounts for a 10 percent share in Georgia's total exports (National Statistics Office of Georgia). Whereas Russia was the fourth largest export destination in 2013, in 2012 it did not even make it into the top ten (Ministry of Economy of Georgia, 2012, 2013). Georgia's 2013 exports to Russia increased more than four times in comparison to 2012 (National Statistic Office of Georgia)⁴ (see Figure 1 on p. 10).

By August 2014, export of mineral water increased by 64 percent year-on-year (BusinessPressNews, 2014b).⁵ Russia has also become the number one country for Georgian wine exports, with a 65 percent share (BusinessNewsPress, 2014a). By the first six months of 2014, Georgia had the highest increase in exports to Russia (3 times) of any country (Radio Liberty, 2014). Overall, for the first 6 months of 2014 data, Russia was Georgia's fourth largest trade partner after Turkey, Azerbaijan and China.

Notwithstanding some potential risks, the current Georgian government views the restoration of economic and trade relations with Russia almost exclusively in positive terms. Downplaying Russia's action against Ukraine and Moldova, it seems that the GD government is also convinced that it is possible to combine Georgia's trade relations with Russia, on the one hand, and with the EU on other hand, without alienating Russia's strategic interest in the region. While gradual restoration of economic interactions between the two neigh-

3 Ministry of Economy of Georgia 2012. Georgia's External Trade in 2012 (in Georgian), available at <http://www.economy.ge/uploads/files/sagareo_vachroba/trade_turnover_2012.pdf>

4 National Statistics Office of Georgia 2014c. External Trade, Geostat.ge, available at <http://www.geostat.ge/index.php?action=page&cp_id=137&lang=eng>

5 BusinessPressNews, 2014b. On the Expense of What did the Export of Mineral Waters Increase? (in Georgian), Bpn.ge, 11 August 2014, available at <<http://www.bpn.ge/ekonomika/5681-ris-kharjze-gaizarda-mineraluri-tsylebis-eqsporti.html?lang=ka-GE>>

boring countries should be encouraged and welcomed, it seems that the possible risks which accompany the increasing dependence on the politically manipulated Russian market are underestimated. As of now it is difficult to measure how economic influence may translate into political leverage in bilateral relations, but acquisition of monopolistic stakes in the Georgian economy certainly gives some trump cards to Moscow that it can skillfully manipulate like it already did in Moldova and Ukraine. Whatever are the risks for Tbilisi, as the dividing line between Russia's use of soft and hard power in the post-Soviet space has become fuzzy, the potential threats coming from Russia's economic domination over the Georgia are real and should be countered adequately.

Conclusion

The Ukraine crisis and over-dependency on the Russian market are seen as potentially significant for the Georgian economy. Although the figures are not huge, there are important economic links between Ukraine and Georgia. Ukraine was Georgia's third largest trading partner in 2013 with \$795.1 million in trade turnover,⁶ and any kind of political crisis or unrest immediately influences business and economic relations between the two states. Because Georgia cannot rely on the politically managed Russian market, the Ukrainian market is of significant importance as a regional alternative to Russia. It is still not clear how trade between Ukraine and Georgia is being affected due to the current crisis, though Georgian experts fear the impact is negative. One positive element for Georgia, however, are inflows of Ukrainian tourists who would otherwise have vacationed in Crimea.

Even though Georgia and Ukraine can celebrate their closer ties with the EU, it is clear that neither will persuade the EU or the United States to oppose Russia militarily. On the other hand, given the current circum-

stances, some experts see the possibility of accelerated NATO support for Georgia, Ukraine, and Moldova. At the moment, however, this is unlikely. In the aftermath of the September NATO summit in Wales, it is clear that neither Ukraine nor Georgia are on a direct path to NATO membership. While Tbilisi's Western trajectory so far remains unchallenged, concerns persist that Russia's proxy war in Ukraine, if continued, could have long-term effects on security dynamics in the South Caucasus and its longstanding conflict zones, as well as on the political landscape in Georgia, where old and newly emerging pro-Russian political forces still wait for their call. With tensions high after summer clashes between Azerbaijani and Armenian troops over Nagorno-Karabakh, the situation concerning regional peace and security is all the more grim.

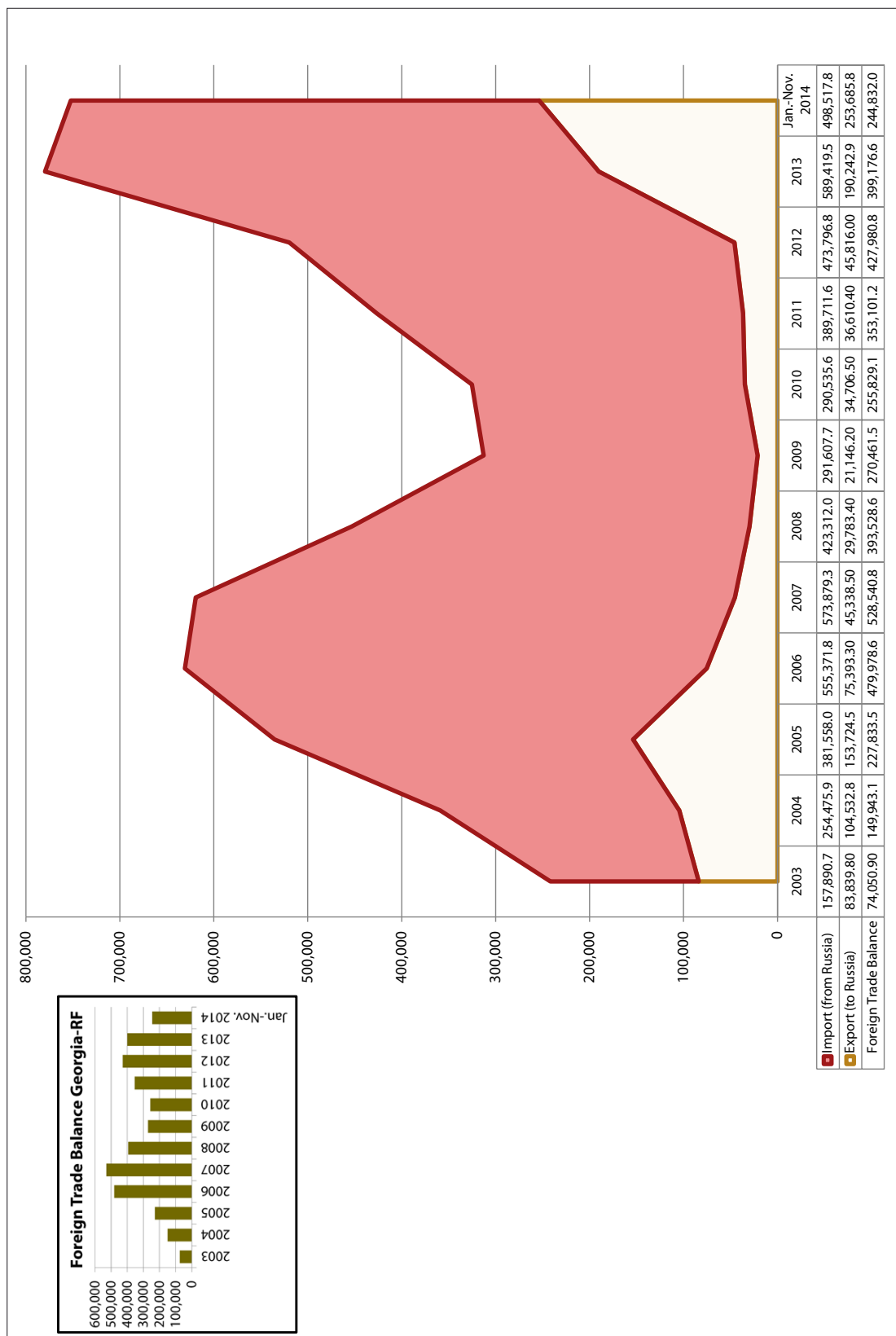
Recent attempts by Moscow to compel breakaway Abkhazia to accept the so-called "Agreement on Alliance and Integration" also aroused suspicions that Russia may want to annex this region together with South Ossetia in the medium term perspective. But unlike Crimea, it seems that such an annexation would be a gradual process as Moscow does not have enough enthusiasm to invite further international criticism over Georgia's separatist regions at the moment. Georgian concern regarding Moscow's future plans in regard to the occupied territories gives additional trump cards to Russian diplomacy. Georgia's present flirting with the Kremlin has revealed that the constant intention of the Russian Federation is unchanged: to keep Georgia, Ukraine and other post-Soviet states within its area of influence, and even more, deflect them from their European path and lure them into Eurasian projects. As Russian activities in Ukraine stoked renewed debates over a more decisive policy in Eastern Europe, it is up to Western leaders to respond to this challenge and responsibly address security concerns in the wider Black Sea region.

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6 <<http://www.civil.ge/eng/article.php?id=26885>>

Figure 1: Trade Balance between Georgia and Russia (thousand US dollars)



Source: National Statistics Office of Georgia. <http://www.geostat.ge/index.php?action=page&p_id=137&lang=eng>