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GEORGIA AMID THE PIVOTAL CHANGES – SCENARIO MAPPING FOR THE FUTURE

Tbilisi, 2022

This document of the political scenarios was prepared by the team of experts with The European Forum of Georgia. The 'European Forum of Georgia' is a platform for the coordination and informal dialogue of the pro-democracy groups. It aims to defend and strengthen democracy in Georgia and support the Euro-Atlantic foreign policy. In the framework of this project, the team of experts produced a document containing political scenarios. The document analyzes the opportunities and threats that Georgia faces, presents both optimistic and pessimistic versions of the possible developments and gives appropriate recommendations.

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European Forum of Georgia

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Preface

Dear reader,

The invasion of Ukraine by Russia marked the beginning of a new era in terms of new security order formation, in which the fate of our region, including Georgia, and possibly even the future of the world, will be determined. Today the ongoing battles in the valleys, villages and cities of Ukraine decide whether the country can finally break free from authoritarianism, corruption, nihilism, and the Russian dictate of Nazism.

In Georgia, we need to achieve certain goals, we are rather unprepared and enfeebled in the face of this era of historical changes. Our politics is hollow and produces almost no interesting and valuable content. Much of our media, instead of providing discussion, analyses, facts and information, has transformed into instruments of propaganda. The public is tired of the never-ending bickering of politicians. The trust towards key state institutions is at an all-time low. That is what Putin aimed for when he started the war – to kill the hope of a better tomorrow, to sow distrust towards everything and everyone, to intimidate people and destroy their civic consciousness. The threat to Russian authoritarianism was the democratic optimism and diversity of public life in Ukraine and not the crackpot notion that NATO would attack Moscow from there. The current Russian governance model is based on cynicism, frustration, fear and the rule of power. We, in Georgia, are doing Putin's work for his sake – through our inaction, indifference, gaffes and unwillingness to learn from these mistakes.

The current situation makes it very difficult to deal with existing challenges. In addition, we need to utilize a new and unexpected opportunity. We had a chance to receive an EU member candidate status with Ukraine and Moldova, and we are wasting this chance and precious time.

This publication is an attempt to fill this deficit. We started working on it soon after the war in Ukraine started, as it was becoming more evident that nobody was seriously discussing scenarios for the future development of events. This is why we decided to foster this



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discussion. We created the European Forum of Georgia – an informal platform for dialogue and coordination in Georgia, where people with different views will discuss solutions for the country's most critical issues.

We are glad to see many citizens, political parties and CSOs join the European Forum of Georgia, which gives us hope. Today we have more than three hundred members. Together we will discuss the conclusions and recommendations elaborated during this research.

“Scenarios for Georgia” views the future visions through the prism of internal and external politics, economics, society and security. Initially, we planned to work on three separate scenarios: we would create the most pessimistic view of the future, followed by the most optimistic and conclude with the intermediate version. But reality dictated its own terms and the rapid turn of events left us no time to work on the third “realistic” version. Sadly, many components of the pessimistic scenarios became much faster than we anticipated. One of our most negative predictions concerning not receiving the EU membership candidate status, followed by the enactment of anti-European and anti-Western policies came true. This forced our team of experts to review and revise the pessimistic scenario and make it grimmer – considering the current situation in Georgia. Ultimately, we were left with two - the most pessimistic and optimistic – scenarios.

Some parts of these scenarios might seem too pessimistic or unrealistic. For example, the “Belarusization” of Georgia – the path towards direct and consequential authoritarianism, accompanied by the distancing from the western democratic institutions and economic backsliding followed by the potential sanctions. For many, including us, this is hard to imagine. But it doesn't mean that it's impossible to happen. Expert predictions are a thankless task –new developments and factors appear that were not present during the analysis and make evaluating future events much more complicated.

The same can be stated about several matters discussed in the optimistic scenario, such as promptly receiving the EU candidate status, ending the deep polarization and, thus, rapid stabilization of Georgia's economic and political life. This was indeed our goal: to work within a broad but realistic range of visions of the future and examine the fundamental changes and consequences possible within the current economy, internal



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and external politics, and society in general. We tried to make it clear what are the positive or negative implications of specific actions or inactions.

Together with our team of experts, we do not consider either of those scenarios purely hypothetical – Georgia, as it is today, might follow any of those paths. The attempt might be made to steer the country in the direction of Belarus – this is neither impossible nor inevitable. We also did not consider it unthinkable that Georgia's political and civic powers might rise beyond their self-interests, realize the horizons of the national interest and cooperate on the issues, which, viewed separately, they generally agree upon. But all this depends on the political and moral choices that the government, political groups and, ultimately, the general population have to make. This publication was created to encourage making the right choice.

Recent developments in Georgia showed that more assumptions came true from the pessimistic scenario. But on the other hand, Russia could not achieve its goals in Ukraine. The brave fight of the Ukrainians creates new opportunities for strengthening democracy in the whole of Eastern Europe and Central Asia. Now is the time to fill the vacuum left by the Russian power with new, pro-democratic and Western institutions. It became possible to seek new paths out of our chronic poverty and never-ending and harmful political fragmentation and to stop the crumbling of our territorial integrity. To refuse all this would be no ordinary opportunity wasted – it would represent a direct action against our national interests, against the dreams of the best Georgian generations. We should hold accountable both the political parties, who are now engaged in internal wars and government workers, who put money and power above the national interests.

This is the goal of our citizens, and the European Forum of Georgia was formed for this endeavour: to support the consolidation around positive, strategic and rational objectives of the people and organizations, who still value the building of the Georgian state, who see the opportunities and chances. There are many of us.

In this attempt, we are very grateful towards the East-West Management Institute, its team, and USAID. They grasped the importance of this issue at once and supported us in our organization's efforts. We were lucky to work with exceptional political, media, economics and diplomacy experts. Korneli Kakachia (Georgian Institute of Politics), Nino



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Robakidze (media researcher), Bakur Kvashilava (political researcher, School of Law and Politics, GIPA), Georgy Tsulaia (economist), Koba Turmanidze (The Caucasus Research Resource Centers) managed to convey the main findings and conclusions reached through extensive discussions and debates (In Tbilisi and other cities, often involving other members of the Forum) succinctly and compactly. I want to thank them for their diligent work and for the time given to this work.

We were able to elaborate an essential and noteworthy material. No single scenario can encompass all the factors which might impact social-economic, political or foreign variables. Any analysis is limited by certain assumptions, the methodological choices of the researchers and by the variables used. These limitations apply to any type of research, and they are unavoidable. Of course, there are also unforeseen, unexpected events that can dramatically alter the situation. Still, we could evaluate copious amounts of important and noteworthy factors. We plan to discuss this document on various forums and with diverse groups. We need to work together here and now, to avoid the most challenging scenario and give the citizens a positive perspective. This takes cooperation, commitment and a knowledge-based effort. I hope this publication will be useful in this endeavour.

Best wishes,

Levan Tsutskiridze

Eastern European Centre for Multiparty Democracy



The Optimistic Scenario

I. Government and Institutions

1.1 The Prerequisites for the Scenario

Following the current situation, the European and Euro-Atlantic integration process has considerably stalled, the government is confident in its power and attempts to steer towards authoritarianism to retain it. The relations with Georgia's main partners, specifically USA and EU, have deteriorated significantly, and the pro-western population has insufficient readiness to protect democracy. Thus it is hard to predict what internal factors might assist positive developments. Considering Georgia's geopolitical location, we could presume that Ukraine's victory in the war could significantly impact Georgian internal politics in the near future (2-year perspective).

Assumption – Ukraine wins.

As time passes, the belief that Ukraine will defeat Russia and liberate the country from its occupiers becomes stronger. High-precision military equipment provided by the West enables Ukraine to resist the invasion and conduct counterattacks. Russia is becoming even more isolated from the world, as the support towards Ukraine remains steadfast – expressed in a constant stream of weapons, financial assistance and the acceleration of the EU integration process. Ukraine's final victory will fundamentally alter international relations.

Experts consider two scenarios: minor and full-scale. In the former case, Ukraine will be able to restore the pre-February status quo. It will liberate a significant part of the country from the occupiers but will have to make major concessions in eastern Ukraine and Crimea. Total victory for Ukraine would entail the restoration of full sovereignty throughout the country, including the liberation of Donbas and Crimea. Experts at this stage consider the first scenario more realistic¹, but, in any case, this would mean Russia's defeat and destruction of the myth of their might.

¹ Fix L., Kimmage M., What If Ukraine Wins?, Foreign Affairs, June 6, 2022



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The European Union provided a significant opportunity to the countries of the Associated Trio, granting candidate status to Ukraine and Moldova. However, Georgia was only offered a European Perspective and will need to meet additional requirements in order to be considered a candidate. If the state does not complete the recommendations² of the European Commission and demonstrate progress in the democratization process, the membership opportunity will be postponed indefinitely.

Ukrainian victory will energize the European integration process of the Associated Trio. EU will be more resolute and speed up supporting the integration process of the candidates. The visible progress on the path of European integration of Ukraine and Moldova will increase the number of people dissatisfied with the government of Georgia. In Georgia, there is considerable support for European integration (82%)³. Even if the expectations of economic benefits grant this support, the strengthened Western influence in the region, reinvigorated democratic developments, the tangible progress of the rest of the Trio, the attractiveness of being in the “team” of victorious Ukraine, the apparent backwardness of Georgia and thus the curtailed economic assistance from EU will create discontent in all strata of the public. The ruling party will try to avoid responsibility and attempt to spread the blame through accusing the EU of “not appreciating Georgia’s efforts”, but the regression of Georgia will be much more visible amidst victorious Ukraine and it will be much harder to convince society that the government is not at fault for the stalling of the European integration process.

1.2 Democratic Reforms on the path towards European Integration

Naturally, the increased dissatisfaction with the government will intensify pressure upon the government to make meaningful steps towards European integration. As noted, the ruling power will try to blame the opposition, the West and others for stalling the integration process. The government already voices anti-Western messages, which will probably continue and the government will accuse the EU of not appreciating Georgia’s

² European Commission, Opinion on the EU membership application by Georgia, 17 June 2022.

³ National Democratic Institute (NDI), Public Attitudes in Georgia, March 2022



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efforts. But, if Ukraine wins, the anti-Western narrative will be less convincing and inefficient.

This will give our Western partners more leverage to demand from the Georgian government the fulfilment of taken commitments for democratic development. The government will be forced to consider the recommendations of the strategic partners, as increased discontent will directly threaten their organizational strength.

In this situation, it's vital to mobilize civil society and act strategically. Large-scale protests in June 2022 showed that stalling the European integration process would anger a large part of the population. To stimulate democratic reforms, it is essential to increase supporters' numbers and then manage this process properly, so the government is compelled to take adequate steps towards integration. If civil society better informs the public and shows them the outcomes of the “wasted chance” of integration, the possibility of building up pressure for further changes increases.

Even in this instance, the ruling power will still be motivated by the desire to hold power, thus they would endeavor to maintain the most crucial levers while complying with the 12 EU recommendations⁴. It is less likely to see extensive reforms in the justice system or fighting corruption in the elites and real “deoligarchization”. Nevertheless, even small steps towards democratization might become a great asset on the path towards European integration.

1.3 Political Competition

The EU urges Georgia to implement the findings of the OSCE/ODIHR, the European Council, and the Venice Commission. Given how the electoral system reforms working group was staffed, particularly how the first session was conducted, it is unlikely that we will see an inclusive process and major advances in the near future.

According to the current constitution, all 150 MPs in Georgia will be elected by the fully proportional system starting from October 2024. Political parties will compete to overcome the 5% electoral threshold without creating electoral blocs and coalitions. The system

⁴ European Commission, Opinion on the EU membership application by Georgia, 17 June 2022.



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gives an advantage and opportunity to the ruling party to strengthen its grip on all branches of the government. But, if Ukraine wins, the Georgian Dream will find itself in fragile conditions - it will be forced to enact constitutional changes and reduce the electoral threshold, which will enable more parties to enter the parliament, cooperate functionally, and the powers will separate better

The speaker of the parliament has refused⁵ the participation of ISFED in the working group on the recommendations of the European Commission, citing their political bias. This is the most experienced CSO in Georgia working in the sphere of elections. Georgian Young Lawyers' Association refused their participation as a gesture of solidarity. Despite the protests from civil society⁶, opposition⁷ and diplomats⁸, the Georgian Dream disregarded the 10th recommendation of the EU to engage civil society in all levels of decision-making.

The Georgian Dream has declared its intention for the parliamentary working group to initiate legislative changes by autumn. Meanwhile, some opposition parties are involved in the alternative process⁹. Despite some criticism towards this process, we can assume that merging positions between some opposition groups will enable seizing the opportunities created in the long-term period.

The ongoing recruitment process of the Central Election Commission has unequivocally shown the desire of the Georgian Dream to set up the administration unilaterally. In this process, the ruling party hasn't shied away from criticizing the president as well. She was elected with the help of the Georgian Dream but lately has become an independent actor¹⁰ on the issue of European integration. If the parliament approves the new electoral administration submitted by the president, there might be more reasons for optimism regarding the quality of the Elections Administration.

⁵ Civil Georgia, [Parliament Speaker Talks ISFED](#), CEC Chairperson Candidates, 22 August, 2022

⁶ Civil Georgia, [CSOs Urge Ruling Party to Include ISFED in Working Process](#), 22 August, 2022.

⁷ Civil Georgia, [Part of Opposition Starts Parallel Working Process on EU Recommendations](#), 25 July, 2022.

⁸ Radio Liberty, [Exclusion of ISFED from parliamentary Task Force raises questions regarding the sincerity of the reform processes](#), 19 August, 2022

⁹ Civil Georgia, [Part of Opposition Starts Parallel Working Process on EU Recommendations](#), 25 July, 2022.

¹⁰ Radio Liberty, [Zourabichvili Did not nominate the acting chairman of the CEC to Parliament for another term](#), 5 August, 2022.



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Another important lever for limiting political competition is the Georgian National Communications Commission. It stifles the financial viability of critical media outlets and thus directly damages political pluralism and freedom of speech¹¹. These decisions will be appealed in local and international courts, which will help dismantle this practice in the long run.

1.4 Human Rights

The optimistic scenario envisions the Georgian government trying to fulfil the 12 EU recommendations for progress on the EU integration path. As we noted above, the state will attempt to keep control over the key institutions, but it would be reasonable to expect progress in certain spheres. For example, in the framework of the EU recommendations, further efforts will be made to enhance gender equality and fight violence against women. It is also possible to forecast steps taken to improve vulnerable groups' rights and protect the freedom of expression. Work may be done to curtail violent extremism, homophobia and xenophobia and to increase the political participation of ethnic minorities. According to the optimistic scenario, if sufficient pressure emerges, it is possible to choose a new public defender through multi-party consultations.

1.5 Institutions and Separation of Powers

The optimistic scenario expects tangible changes not within months but in a more long-term (at least a year) period. Soon Georgia will appoint new heads of several important institutions. In 2022 – new Public Defender and Auditor General; in 2023 – members of the Georgian National Communications Commission and its head. One of the recommendations is dedicated to electing an independent candidate for the Ombudsman's position. Even though the criticisms coming from the Ombudsman did not hinder the Georgian Dream's activities, the ruling party was still visibly annoyed and expressed aggression towards her. This leads us to assume that in the autumn of 2022, they will elect a person they totally trust. In light of Ukraine's successes, the party might

¹¹ Civil Georgia, [Communications Commission Fines Mtavari Arkhi, Warns TV Pirveli, Formula](#), 23 August, 2022.



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also be prepared for similar scenarios. They would choose somewhat independent candidates for these positions to prevent more unpleasant inquiries. New candidates will probably be at least partially loyal to the party. In the conditions of weakening its positions, these people will be able to assist the Europeanization of the country through strengthening accountability and independence of the state institutions.

1.6 Anti-Western Forces

In case of the positive development of events, the Western influence in the region will increase, while defeated Russia will allocate fewer resources to information warfare. Even in current conditions, we see that, after invading Ukraine, Russia's moral image has been obliterated and the opposing parties are caught in binary (black and white) lenses, which, in turn, makes pro-Russian propaganda very unpopular. In the civilized world, no question is pondered about identifying the aggressor in this war. Besides, the openly pro-Russian narrative has never been successful in Georgia. Russian propaganda has mainly been structured on the anti-Western narrative¹². In this regard, the activities undermining Georgia's European and Euro-Atlantic course will continue, but it might be even more marginalized.

As the Georgian population's motivation towards Western integration is mainly determined by economic and security interests rather than democratic and liberal values¹³, pro-Russian forces will strive again to divert the attention from Russia and draw the West as "anti-Georgian" and amoral power. But losing the war and imposed sanctions will force Russia to reduce funding anti-Western propaganda¹⁴. Thus, in turn, will induce pro-Russian media as well as political and so-called "public organizations" to operate on a much smaller scale, thus decreasing their influence on the public.

Regarding internal politics, the optimistic scenario for the next couple of years resembles the pessimistic one. In the case of positive developments, we foresee that the government

¹² Bolkvadze N., "How Russia Targets The Cognitive Domain To Achieve Its Strategic Goals in Georgia", NATO Strategic Communications Center of Excellence, 2020

¹³ National Democratic Institute, Public Attitudes in Georgia: Results of April 2019 Survey, 2019



will be forced to take steps towards improving the political competition, protecting human rights, accepting the separation of powers and limiting the influence of anti-Western forces. The domestic factors for the positive changes are weak, it will be mainly driven by the Russian defeat and the increase the Western influence in the region. In the case of the optimistic scenario, the government will be able to fulfil EU recommendations, but even in this case, it is unlikely that the situation with democratic governance will be substantially improved.

II. Foreign Policy

The region experiences tectonic geopolitical shifts and the political situation in Georgia is still unstable and hard to predict. This is exacerbated by not receiving the EU candidate status, which can be considered as a wasted chance[1]. But not all is yet lost and there is a possibility that the political class – with support from the civic sector and international partners – will manage to put aside narrow party interests (at least temporarily) and realign the democratic development of the country back towards the Euro-Atlantic tracks.

In this scenario, bowing to the public pressure, the government starts working on the EU recommendations earnestly and, importantly, this process is inclusive. This might bring candidate status to Georgia by 2023. Catching up to the rest of the Associated Trio on the path toward EU integration will have a tangible influence on the foreign policy front. Next year might be paramount in this regard: On one side, Ukraine's victory and curbing Russia's imperialistic ambitions, and on the other side – receiving EU candidate status will have a positive influence on the Euro-Atlantic integration, relations with other countries in the region and increase Georgia's transit role.



2.1 EU Integration Process

In the most optimistic scenario for Georgia, the war in Ukraine will conclude with Kyiv's victory, which results in a drastic reduction of Russian influence in the EU's eastern neighbourhood¹⁵. These events will speed up the integration process of the Associated Trio and deepen cooperation. In the most desirable scenario, the Georgian government fulfils all recommendations of the European Commission and manages to receive the candidate status by 2023. This, in turn, brings EU assistance packages to the country and Brussel's increased involvement in democratic reforms. The strategic defeat of the Kremlin in Ukraine will significantly aid this process.

The results of Russia's failed military campaign in Ukraine may be comparable to the dissolution of the Soviet Union. By the end of the 1990s, Euro-Atlantic structures, as well as the Visegrad Group and the Baltic Trios, seized newly emerged opportunities and managed to enlarge these structures eastward¹⁶. President Putin's potential defeat might create similar opportunities for the Trio. If Georgia is to restore its rightful place in the Associated Trio and once again become the flagman in the sphere of reforms, all three countries can use this historic opportunity effectively and distance themselves from the post-Soviet space.

However, in the current political climate, when both the government and opposition engage in parallelism and no effort is being made for the unified work towards consensus, it is difficult to assume that this opportunity will be utilized. Therefore, acceleration of the process of European integration is unlikely.

2.2 NATO Integration Process

The scenario where Russia is defeated in Ukraine enables integration not only with the EU but with NATO as well, and the first signs are already evident - Finland and Sweden will soon become part of the bloc, which clarifies that NATO has reconsidered its overly

¹⁵ Conradi P., *Who Lost Russia?: How the World Entered a New Cold War*. Simon and Schuster, 2017

¹⁶ Eiki B., Piret E., *Identity and Foreign Policy. Baltic-Russian Relations and European Integration*. Routledge (eds), 2009.



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cautious policy¹⁷ towards Russia. The war in Ukraine has ended Kremlin's unofficial veto on the alliance's eastern expansion, which has been in effect since the 2008 Bucharest summit¹⁸.

Despite its constant threats, NATO has shown that it is ready to challenge Russia and increase its own presence in the region. If Ukraine wins and manages to solve its territorial problems through military means, it is possible the country to be accepted in the bloc. Considering that Ukraine has already amassed experience using NATO's weaponry and is getting closer to its standards¹⁹. If this is coupled with weakened Russia and Putin's regime, Georgia's NATO aspirations might also move into the foreground. If we consider that Georgia is close to NATO standards²⁰ in technical regards, this process could progress rapidly in the case of political will and appropriate geopolitical reality. NATO integration will increase Georgia's security and will ensure the country from the aggressive political moves²¹ Russia might undertake in the future.

There is another possible scenario – if Ukraine wins, it might receive guarantees that will make it unnecessary for the country to join NATO, namely the creation of small alliances, e.g. with the UK, Poland or the Baltic states²². Georgia should be ready for such alternatives and work in this direction. The probability of such events is extremely high.

2.3 Russia's Policy towards Georgia

Russia's defeat in Ukraine will cause political instability in the Kremlin and might even cause a change of administration. The new regime in the Kremlin might bring to power even more conservative and revanchist forces. But it is also possible to see more liberal actors taking over. In any case, whoever gets to control the Kremlin, there will be

¹⁷ Finn-Ole A., "[Key Takeaways from the 2022 NATO-summit in Madrid](#)", Warsaw Institute, 2022.

¹⁸ Kakabadze Sh., [Putin's Worst Nightmare](#): Finland and Sweden joining NATO and its implications for other aspirant countries, 7 June, 2022.

¹⁹ José Ignacio T., [Why Ukraine has won the right to join NATO](#), 22 April, 2022.

²⁰ Agenda.ge, "[NATO ex-Sec-Gen Rasmussen says Georgia has fulfilled criteria for NATO membership](#)", 2022.

²¹ Kakachia L., Lebanidze K., Dzebisashvili Sh., '[Game of \(open\) Doors](#): NATO-Georgian Relations and Challenges for Sustainable Partnership', 2 October, 2022.

²² TRT World, "[Military trio: Why Britain, Poland, and Ukraine are forming an alliance](#)", 2022.



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temporary chaos and instability in the country. This gives Georgia its chance to finally escape from the Russian orbit and find its place under the NATO umbrella. Becoming a member of the Alliance will somewhat lessen Georgia's security risks, and this, in turn, will enable the government to have a relatively stable and predictable relationship with Russia, similar to the Baltic States.

Most importantly, Georgia will be able to conduct direct dialogue with Abkhazia and South Ossetia and work towards solving its territorial problems without Russian interference. Defeated in Ukraine and mired in internal political chaos, Russia will be forced to reduce financial and military assistance over Georgian's occupied territories. This will make it even more relevant for Sokhumi and Tskhinvali to have a dialogue with Tbilisi.

2.4 Georgia's Relations with its Closest Neighbors

Russia's defeat in Ukraine, followed by Georgia's closer cooperation with the EU and NATO, will positively influence its relations with the closest neighbours. Georgia's image as a reliable parent in the region will further increase, enabling the country to act as an intermediary in the conflict between Armenia and Azerbaijan. Tbilisi has already undertaken this mission and played host²³ to the leaders of the two countries before. With Russia's reputation in tatters and Turkey's biased position, Yerevan and Baku will have Georgia as the only alternative. Russia's defeat and waning of its influence will positively reflect on the solution to the Karabakh problem as well. Georgia should be ready to actively play the intermediary role in this process and be a carrier of Western strategic interests in the region. It is also essential that Georgian success on the path of European integration might set an example for other region countries. Despite its security challenges, Armenia is mainly pro-European²⁴. Increased Euro-Atlantic representation in the region will stabilize the area and help Southern Caucasus countries synchronize social and economic policies.

²³ JamNews, "[Meeting of Foreign Ministers of Armenia and Azerbaijan in Tbilisi](#): comments from Baku and Yerevan", 2022.

²⁴ Caucasus Barometer, "[EUSUPP: Support of Armenia's membership in EU](#)",



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The war in Ukraine and Western sanctions against Russia have recently underlined Georgia's role as a transit corridor between Asia and Europe. Most of the cargo from Central Asia has switched to this route, and turnover in Georgia has increased. It will become increasingly important to have close relations with neighbours and cooperation with Central Asian countries, such as Kazakhstan and Turkmenistan²⁵. It is also important that the EU has started working with Azerbaijan to diversify the import of energy²⁶. Georgia, as a trusted partner, can play a vital role in this process. If events unfold according to this scenario, it will be imperative to cooperate closely with Turkey, Kazakhstan, Azerbaijan and other exporting countries. This process will also bring with it synchronization of the Georgian economy with those of Turkey and Azerbaijan, which will get sizable economic profit for Georgia. Considering this process is already underway, there is a high probability that events will indeed develop in this direction.

2.5 Georgia's International Position and Standing

Receiving the EU candidate status and closer relations with NATO will increase the country's international standing. It will become a trusted partner, an important springboard of the West in the region surrounded by illiberal powers. With its geographic position, Georgia will be the EU's gateway to the Near East and Central Asia and NATO's outpost.

Closer relations with the EU and NATO will bring more investments and economic benefits. Georgia will potentially become a regional hub, meaning that the USA, Japan, South Korea and other non-European liberal sources will invest more in Georgia. This economic diversification is vital for the country to avoid further dependence on illiberal China.

On the path toward the EU and NATO integration, it will be necessary for Georgia to participate in the peace-keeping missions of these organizations more actively. This will increase Georgian military compatibility with NATO standards and deepen the integration with the West. These activities strengthen the country's position in the international arena

²⁵ Reuters, "[Exclusive: Kazakhstan to start oil sales via Azeri pipeline to bypass Russia](#)", 12 August, 2022,

²⁶ O'Byrne D., "[Azerbaijan and EU agree to strategic energy partnership](#)", Eurasianet, 18 July, 2022,



and increase its trustworthiness. This scenario is highly probable as Georgia is the only country in the region with free trade agreements with China and the EU.

III. The Economy of Georgia

The war in Ukraine has posed distinct economic threats to Georgia but, at the same time, has given several opportunities as well, namely the possibility of receiving an EU candidate status. If Georgia fulfils the conditions, the state will be awarded an EU candidate status and given a real chance for European integration. Closer ties with the EU and strengthening of this political path will, in turn, bring substantial economic benefits to the country.

Assuming that Georgia is awarded an EU membership candidate status, this scenario overviews different potential sources of economic benefits. In recent years the EU has become an important economic partner for Georgia – In 2016, DCFTA (Deep and Comprehensive Free Trade Agreement) was enacted, and Georgia and the EU have had visa-free travel since 2017, the number of European tourists have increased, EU countries have invested in Georgia more actively, etc. It is essential to discuss the impact of stronger economic relations with the EU might have on Georgia's macroeconomic parameters.

3.1 Inflation Rates

The inflation rate has dropped globally since June, as ECB (European Central Bank) and FED (Federal Reserve System) adjusted their monetary policies and prices on the food markets decreased. The price of oil on the international energy exchanges fell sharply as well, which was led by the unexpected decision²⁷ of the Chinese Central Bank to reduce the refinancing rate. These tendencies of

²⁷ Business Media Georgia, *'Oil Prices dropped sharply on the international market'* 15 August, 2022



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remaining strict monetary policies will further decline the inflation rates in Western countries. TBC Capital opines that Georgia might experience deflation²⁸.

Noteworthy, the inflation rates in Georgia are primarily dependent on the global supply chains and policies of both local and foreign central banks (NBG, ECB and FED). The EU candidate status and reduction of polarisation would unlikely affect this process, the recent trend will continue, and inflation rates will fall within the country.

The scenario, in which receiving the candidate status would increase investments and the flow of tourists (including more European tourists with greater purchasing power), might cause rapid economic growth and lead the state to increased demand and inflation pressure. In this case, it would be critically important for the Central Bank of Georgia to take the proper steps regarding monetary policies and reign in demand.

3.2 The National Currency

Lari has significantly strengthened recently: on August 15, the exchange rate with USD was 2.79²⁹. This is caused by the increased inflow of foreign currency (tourism, money transfers, investments, export) and the strict policy of the central bank. We must consider how the EU candidate status will reflect on the flow of foreign currency in the Georgian economy. On the one hand, investments are likely to increase (mainly European capital), but at the same time, the candidate status will also impose new regulations, which might have an obstructive effect on Asian and American investors.

At the same time, EU candidate status will significantly increase the state's popularity and should bring the number of European tourists to Georgia who possess more purchasing power, which translates into more profits from tourism and an increased inflow of foreign currency.

The candidate status should also increase the ratio of the EU members in import and export. It will also grow the country's potential in the so-called middle corridor and raise

²⁸ Nadaraia O., Jincharadze I., [Thematic Insights From The Chief Economist: Is Georgian Economy Over-Heating?](#) 8 August 2022

²⁹ The national Bank of Georgia, ['Official Exchange Rate of Lari Against Foreign Currencies'](#), 2022.



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its perspective as a logistical transportation hub. A significant increase in the re-exports is also likely.

As for the money transfers, a recent abnormal increase, which was noted in this economic indicator, relates to the currency flowing in from Russia. This flow is expected to normalize. EU candidate status should have no substantial impact on this sector.

3.3 The Investment Environment

The investment environment in Georgia has always been plagued with specific issues: unstable national currency, difficult geopolitical conditions, a weak education system, internal strife, etc. Despite this, in 2021, the country showed some improvements in comparison with the previous year. This was caused by the so-called 'base effect'. In 2020 total direct foreign investments in Georgia comprised 0,59 Billion USD. In 2021 this number went up to 1,24 Billion. But the majority of investments (62%) are re-investments³⁰, which shows that the number of new investments is low and the investment environment is undesirable.

The EU candidate status and decreased polarization will significantly improve the country's investment environment and strengthen investors' interest. One negative factor for investors is an unstable political environment that will undoubtedly change along with the polarization decrease.

In 2021-2027 EU membership candidates will have access to 14 billion Euros, fueling many supporting projects in these countries. The funds are spread in several directions, such as supporting infrastructure projects, administrative reforms, etc. After the country receives the candidate status, the financial institutions, such as EBRD and KFW, will spend more in Georgia, which might be translated into preferential loans and subsidies. This will significantly increase the standing of the country's investment environment and increase demand and economic growth.

The EU candidate status, besides the increase in the European capital, will also spur the Georgian education system and the labour market to get closer to European standards,

³⁰ The National Bank of Georgia, Author's Calculations.



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which will automatically positively influence the investment potential of the county. One of the negative factors for the investors represents Georgia's unqualified labours. The candidate status might bring significant changes in the education system and should introduce the European experience. Improving the professional and higher education systems will create qualified and affordable workers, which might incentivize European investors to move production to Georgia. The same processes took place in Poland and the Baltic states when they were awarded first the candidate status and, later, full membership. The new regulations must also be considered, which come with the candidate status and whether these regulations might be a deterrent for the investors. The Association Agreement carries obligations for new regulations, which somewhat hinders local businesses and investors.

3.4 Trade Turnover

Deep and Comprehensive Free Trade Area (DCFTA) between Georgia and the EU has been in effect since 2014. DCFTA is a vital component of the association agreement, as it includes the mechanisms for economic integration with the EU and opens the European internal market for Georgia³¹.

Therefore, we must evaluate the obligations and positive economic impact of the DCFTA to predict the effect of EU candidate status on Georgia's trade turnover. First, the trade between Georgia and the EU countries has been growing since 2014. European Union, as a bloc of nations, is the largest trade partner of Georgia if compared to the individual countries who are not members of the EU. EU's part in the total trade turnover has constantly been growing in recent years. In the first half of 2022 EU's share in the Georgian trade turnover comprised 21%, a significant increase from the previous year. Georgia has several advantages in trade with the EU compared to its other large trading partners – Turkey and Russia. This is the largest market in the world (28 countries, more than 500 million people), and it is also the most stable, with high purchasing power. In the long term, it could be a reliable trade partner for Georgia. But, to receive full access to

³¹ Ministry of Economy and Sustainable Development of Georgia, The Deep and Comprehensive Free Trade Agreement (DCFTA), [DCFTA_20.06.14.pdf \(economy.ge\)](#)



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this market, Georgia has to meet several commitments, which are designed to increase the competitiveness of exports. This includes creating quality management and infrastructure systems through various legislative changes (intellectual property, sanitation standards). DCFTA will also promote the creation of new enterprises and exports, make goods available for the Georgian population safer, and help the development of the state administration organs according to European standards³². Fulfilment of those obligations will reflect positively on Georgia's long-term and sustainable economic growth and development. Granting the EU candidate status to Georgia will create a new impulse for the reforms in the country, including the reforms designed to strengthen the export competition capabilities of Georgia, provided in the DCFTA. This potential can be seen in the experience of other European countries, who had already undertaken the path from the candidate status towards full membership of the EU.

3.5 Energy Security

To evaluate the economic impact that receiving EU membership candidate status will have for Georgia, we need to analyze the expected effect on critical products, such as energy and food. It is especially important for a country like Georgia, where the lack of mentioned products makes it dependent on importing energy and certain food types.

If we assume that after receiving the EU candidate status, Russia will continue its trade partnership with Georgia, then, in the short term, the candidate status will not positively influence energy security. In the long run, we need to consider the energy politics of the EU. The union recently passed a 300 billion Euro plan *RePowerEU*³³ to combat energy dependency on Russia. This plan will decrease Russia's share in the import of fossil energy resources in Europe by strengthening the trade with other energy-exporting countries and increasing the share of renewable resources. Georgia needs to participate in this project, especially considering the country's high potential in hydro-energy sector

³² IBID

³³ European Commission, [REPowerEU: A plan to rapidly reduce dependence on Russian fossil fuels and fast forward the green](#), 18 May, 2022.



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(renewable resources). Receiving the EU candidate status should create a crucial impulse toward conducting new, EU-inspired reforms towards energy security and energy independence for the country. Providing the country with energy independence and self-sustainability is essential for long-term economic development.

3.6 Food Security

The food import from the EU countries comprises an insignificant share. At the same time, the two countries involved in the war (Russia and Ukraine) are the leading players in the global food market. While discussing the food security of Georgia in light of receiving the EU candidate status, we need to look at 3 main products - wheat, flour and sunflower oil. The leading exporter of these critical products is Russia. Ukraine provides a minor share in total (wheat – 0,6%, flour 0,2%, oil 11%). If our assumption stands - that after Georgia is awarded the EU candidate status, Russia will not cease being a trade partner – then in a short-term perspective, drastic changes regarding Georgian food security are not expected. But, in the long term, it is expected that food imports from the EU will increase, and this will make Georgia's food sector dependent on a more stable and higher quality market.

The general economic assessment shows that, in the optimistic scenario, EU membership candidate status will bring sizeable economic benefits for Georgia. The existing investment environment will significantly improve, therefore in-flow of European capital will increase. EU will become an important economic and trade partner for Georgia, which will be a critical foundation for future sustainable economic development. The candidate status will not radically influence inflation and exchange rates in the short term and energy and food security will mostly remain the same, but in the long-term perspective European path and strengthening of the economic ties with the EU will affect all important macroeconomic variables – national currency will strengthen, inflation pressure will reduce, and energy production will gradually increase. At the same time, the import of energy and food from EU countries or other similar reliable partners will tie Georgian energy and food security to a more stable and quality market.



IV. Media and Civil Society

4.1 The Prerequisites for the Scenario

The victories of Ukraine's military forces in recent days give rise to cautious hope that if Ukraine is provided with the necessary armaments from its Western partners in time, the Ukrainian military forces will be able to repel the Russian occupation forces in time, rather it was expected within the first 4 months from the beginning of the full-scale war.

The Ukrainian government specified three primary conditions necessary for a scenario of victory:

- Total liberation of the Ukrainian territory from the Russian army, including Crimea's liberation;
- Payment of substantial reparations by Russia and apply to an international tribunal to punish perpetrators of war crimes;
- Rapid accession of Ukraine to NATO and the European Union.

If the military successes continue, it becomes clear that the Russian Federation will not be able to achieve its goal in Ukraine and force official Kyiv to give up its Euro-Atlantic aspirations. This will significantly reduce threats and challenges for Georgia.

Naturally, Ukraine's military success in the war against Russia will not automatically solve Georgia's internal political or foreign problems, but it creates favourable circumstances for increasing Georgia's standing at the international level. In addition, it encourages the civic sector to support events within the country that advance the democratic scenario.

Due to Georgia's accession to NATO or the European Union is directly related to the progress of Ukraine and Moldova. Russia's military defeat in Ukraine will significantly weaken its influence not only on the internal political processes of Ukraine but also on Moldova and Georgia, which may make the European and Euro-Atlantic perspectives of the associated trio more tangible.



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The aggressor's defeat in the Russia-Ukraine war and the increased interest of Western partners in the Association Trio, including Georgia, will exclude diplomatic isolation for official Tbilisi. The most optimistic scenario will see the government forced to consider the opinions of civil society and international partners on important issues, such as electoral reform or freeing the justice system from political pressures.

This document describes several key changes that might significantly improve the civic sector and media working environment in Georgia. They will have more space and freedom to separate from the toxic, polarized political discussions and bring back to the agenda essential issues for the public, such as free elections, justice, economic development, education, healthcare and other social challenges.

4.2 Weakening of the Anti-Western Propaganda Mechanisms

Recently, the government has attempted to somewhat separate itself from the anti-Western rhetoric with several officials directly attacking representatives of international organizations and ambassadors, which has been intensifying since the Russian invasion of Ukraine started. Despite this, the top government officials continue their assault on the civic sector – making speculative accusations about the source of financing of CSOs and trying to stir doubts about possible corruption in the sector.

The Kremlin's anti-Western propaganda networks have repeatedly pushed this narrative in Georgia. But, Russia's failure significantly damages the Kremlin propaganda machine internationally and in the country itself. The Russian propaganda networks were also considerably damaged by the citizens' self-organized social media campaigns, such as #NAFOFellas³⁴. This global trend of weakening anti-Western propaganda mechanisms can be considerably sped up several necessary changes in Georgia.

First, Georgian security services should actively cooperate with international partners and play its role in implementing the international sanctions against Russia by unmasking the

³⁴ Gault M., [Shitposting Shiba Inu Accounts Chased a Russian Diplomat Offline](#), Vice 2022.

Von Peter A., [NAFO Fellas: Bewegung von Meme-Hunden zerstört die Putin-Propaganda](#), Berliner Kurier 2022.



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Kremlin's propaganda network and its chiefs³⁵. The need for this is demonstrated by the example of Dimitri Lortkipanidze, the head of the Primakov Georgia-Russia Public Center, who published a Facebook post stating that TBC Bank sanctioned him and closed his accounts. According to TBC the decision follows the international sanctions and therefore, closed the accounts of the organization which was funded by a legal person under sanctions³⁶. It is important that in similar cases, the reaction should come not only from the private banks or other financial institutions, but it should be done systematically by the security services.

The government of Georgia and its satellites should also stop making anti-Western statements and conducting an open assault on Western partners, its representatives, the civic sector, and donor organizations. This is the crucial pre-requisite for the fulfilment of the EU recommendations, which requires the inclusion of civil society in the decision-making process.

4.3 Inclusion of the Civil Society in the Decision-Making Process

There is disagreement among Georgian civic organizations on the best way to participate in the formats initiated by the government. The cooperation between the government and the civic sector have strained, requiring active steps from the ruling party to restore it. One positive action in this direction would be for the government to end its boycott of critical media outlets, as previously stated by the prime minister. This message would demonstrate the government's will to foster a healthier media environment and bring back the issue-oriented discussion in the fragmented information space. At the same time, restoring the public dialogue or debates with opponents can be seen as an attempt to reduce political polarization, applying to fulfil the 12 recommendations. These changes would pave the way for the government to demonstrate its willingness to cooperate with civic organizations. Following the growing international interest may pressure some government officials to cooperate with the civil society organizations. The state severed

³⁵ Kokaia L., ['What do Russia-funded organizations do in Georgia?'](#) Radio Liberty, 29 June, 2022

³⁶ Radio Liberty, [Dimitri Lortkipanidze reported on being fallen under the sanctions as TBC Bank has closed his accounts](#), 10 September, 2022.



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its connections with the civic sector gradually. This approach became especially apparent after the 2018 Presidential elections, which has turned into a de-facto boycott since the 2020 Parliamentary elections.

Key Georgian CSOs have created a document based on 12 recommendations that outlines their vision for the role of the civic sector in the decision-making process, among other issues. According to 22 organizations, “The format for an Open Governance Partnership (OGP) should become more effective. Specifically, the CSOs called on the government administration to commit to at least two important requirements made by civil society representatives during the OGP Council vote.” CSOs have expressed their willingness to participate in the development of national policy, strategy documents and action plans³⁷.

4.4 Politically Motivated Cases

Civil society organizations agree that to create a non-hostile environment for the civic sector and media, political will is needed to combat polarization and make progress in the EU integration process. To demonstrate this political will, the civic sector and international partners require the government to solve the cases deemed as politically motivated. The most notable recent examples of politically motivated cases are the imprisonment of the ex-president of Georgia, Mikheil Saakashvili, and the founder and director of the TV Mtavari, Nika Gvaramia. Back in October 2021, the main CSOs working in the area of justice urged the executives to use all legal means to prevent political justice from being enforced against Mikheil Saakashvili³⁸. CSOs also assessed the arrest of Nika Gvaramia as punishment for his political activities and an attempt to silence critical media³⁹.

³⁷ TI Georgia, '[12 Steps Towards EU Candidacy](#)', 3 July, 2022.

³⁸ OSGF, [There are signs of politically motivated justice against Mikheil Saakashvili](#), 12 October, 2022.

³⁹ Radio Liberty, '[Gvaramia's Case is politically motivated and serves to punish him – T!](#)', 16 May, 2022.



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Concerning the cases mentioned earlier, the public defender emphasized the patterns of politically motivated justice⁴⁰ and prepared *amicus curiae*⁴¹ on Nika Gvaramia's issue.

CSO's action plan⁴² towards receiving the EU membership candidate status includes actions necessary to ensure a free, professional, pluralistic and independent media environment in Georgia. The necessary condition for this is to stop the investigations and court cases, which the Ombudsman, international monitors, and the civic sector consider politically motivated: "Demonstration of the governments political will could be the release from prison of Nika Gvaramia, Director and founder of TV channel "Mtavari Arkhi". There are several legal options to undertake the effort including the presidential pardon"⁴³.

Nika Gvaramia's case is not solely directed against the critical media. There are two other investigations against the persons connected with TV stations "Formula" and "Pirveli." The resolution of these cases is of paramount importance for the media and civic sector. The timely resolution of the cases against the representatives of the critical media and freeing Nika Gvaramia would drastically improve the media environment and the attitudes of civil society towards participation in the political processes.

4.5 Security of the Civic Sector and Media

The periodical activation of the government in the investigation of the abovementioned cases is tangible, while the organizers and participants of the 'pogrom' of 5-6 July 2021 are still unpunished. There has yet to be progress in the case of large-scale covert surveillance of media representatives.

The pogrom of 5-6 July 2021 was an attack that created a new reality, where physical threats against the media and civic activists became apparent. After this massive attack against the civic sector several cases occurred of physical aggression against journalists and activists. Media and the civic sector will not be safe if past cases are not effectively

⁴⁰ Radio Liberty, "[Ombudsman: The state violated the obligation to respect dignity by transferring Saakashvili to Gldani](#)" 9 November, 2021.

⁴¹ Radio Liberty, Public Defender (ombudsman) of Georgia, "[The opinion of Amicus Curiae](#)", 4 November, 2019.

⁴² TI Georgia, '[12 Steps Towards EU Candidacy](#)', 3 July, 2022.

⁴³ IBID



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investigated and the perpetrators punished. Timely identification of the organizers and participants of the July 5-6 events is the bare minimum, which would bring back the sense of security to the civic organizations.

The illegal practice, namely surveillance and eavesdropping of journalists and civil activities, significantly restrict the distribution, reception, and verification of information and encourage citizens to self-censor in personal and business communication. Women politicians, journalists and activists are especially vulnerable due to the risks of blackmail associated with releasing personal information. A few months ago, the non-governmental organization "Media Ombudsman" filed a complaint with the European Court of Human Rights (ECHR) alleging illegal wiretapping, eavesdropping, and surveillance against 10 journalists. The authenticity of the leaked documents from the Georgian security services, which contained about 58 000 files⁴⁴ of private communications of the Georgian politicians, activists, religious representatives and journalists, was confirmed by many people, including the journalists themselves. The basis of the complaint is also indicated in the resolution of the European Parliament (June 9, 2022), in which, among the other demands, the parliament calls on the Georgian authorities to conduct an effective investigation regarding the wiretapping case, to introduce appropriate legislative mechanisms and improve the process of surveillance and data collection. There has been no progress on the case so far, but the prosecutor's office recognized only a part of the journalists as victims⁴⁵. Addressing these cases and holding the perpetrators accountable would have a significant deterrent effect on ensuring the safety of journalists and civic activists.

4.6 Ombudsman Selection

One of the recommendations of the European Commission concerns a transparent and independent selection of the public defender: "ensure that an independent person is given preference in the process of nominating a new Public Defender (Ombudsperson) and that this process is conducted in a transparent manner; ensure the Office's effective

⁴⁴ Mtavari Arkhi, "[10 journalists filed a complaint of to the EU court on illegal Wiretapping, Eavesdropping and Surveillance](#)", 2022.

⁴⁵ Netgazeti, "[23 out of 41 journalists recognized as victims](#)", media ombudsman, 12 August, 2022.



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institutional independence”⁴⁶. This is important due several reason: The Institute of the Ombudsman has become an object of governmental attack⁴⁷ in recent years, but since 2020 this assault was personified and has turned into personal aggression against Nino Lomjaria⁴⁸. By the end of 2021, when she began closely monitoring the imprisonment of Mikheil Saakashvili, this assault intensified and included state-controlled media, online trolls, and Kremlin propaganda networks all calling for her impeachment⁴⁹.

The government also accused the public defender of being politically biased. The report of the medical council, created by the Ombudsman's office, regarding Saakashvili's conditions became the pretext for the leaders of the ruling party to directly blame Nino Lomjaria. According to Irakli Kobakhidze, *“anyone who desires and demands Saakashvili's release in any form, even through so-called medical transferring, is seeking to start a war in Georgia”*. In addition, Kobakhidze deems that the Public Defender is a representative of the political force -‘Party of War’⁵⁰.

The current Public Defender's term expires in December. The new candidate will be elected by a majority of votes (90 votes), but the civic sector is calling for the new Ombudsman to be chosen with the participation of the ruling party, the opposition and civil society.

To unfold the events in an optimistic scenario, the government must fulfil the EU recommendation and choose the new Ombudsman through a transparent and inclusive procedure. In the future, it is also essential to change the hostile attitude towards this institution and constructively cooperate with the Public Defender and their representatives. At this stage, the preservation of the actual independence of the Ombudsman institute will be an important step in supporting democratic processes and improving the prospects for cooperation between the state and civil society.

⁴⁶ European Commission, [Opinion on the EU membership application by Georgia](#), 17 June, 2022.

⁴⁷ Mtavari Arkhi, *“Orchestrated Attack on the Media”*, 2022.

⁴⁸ Myth Detector, *‘Who Joined Discrediting Campaign Against Public Defender?’*, 15 June, 2021.

⁴⁹ Myth Detector, *‘Pro-Governmental Trolls, Media and the Government Against the Public Defender’*, 29 November, 2021
<https://mythdetector.ge/ka/sakhelispulebo-trolebi-media-da-khelisuphleba-nino-lomjarias-tsinaaghmdeg/>

⁵⁰ Radio Liberty, *‘Lomjaria to Kobakhidze: We see political attacks and absurd accusations’* 28 April, 2022
<https://www.radiotavisupleba.ge/a/31825475.htm>



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I. Governance and Institutions

1.1 Preconditions for the scenario

In order to analyze the pessimistic scenario of governance and institutions in Georgia, we will select the type of governance (regime) that conveniently describes the current state: the characteristics of the hybrid regime.⁵¹ This type of governance is characterized by a combination of democratic institutions and authoritarian governance: regular elections, elected institutions and institutions beyond the control of the state coexist with a state-merged ruling party, selective persecution of political opponents, and restriction of competition.

The coexistence of democratic and authoritarian institutions creates an opportunity for this type of government to deviate either in the direction of democracy or become fully authoritative. The regime's development is conditioned by the concurrence of several domestic and foreign factors: from the foreign factors, connection with the democratic West and, therefore, the leverage to influence democratization of the country from the West is important. From the domestic factors, the organizational strength of the ruling party, especially compared to political opponents is remarkable. It is important for society to consider how much they are willing to tolerate the ruling party's efforts to restrict democracy in order to maintain and increase their power, and to what extent they are willing to actively defend democratic values and institutions. This is especially relevant in the context of a society that may be in danger of becoming accustomed to authoritarianism. We consider three important factors as a prerequisite for the pessimistic scenario. First of all, reducing pressure from the West towards the country's democratization is an important external factor. According to the EU-led

⁵¹ Levitsky, Steven, and Lucan A. Way. 2010. *Competitive Authoritarianism: Hybrid Regimes After the Cold War*. New York: Cambridge University Press.

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mediation process that was initiated after the 2020 parliamentary elections, the ruling party has shown that implementing democratic reforms as recommended by the European Union is not a priority in addressing the crisis. The ruling party's disinterest in implementing democratic reforms as recommended by the EU became even more apparent when the Prime Minister and other leaders of the parliamentary majority made openly anti-Western statements during the discussion of Georgia's candidate status for EU membership. The second prerequisite of the pessimistic scenario is the organizational strength of the ruling party: the Georgian Dream is incomparably more potent than its competitors, both financially and organizationally. According to polls, since 2012, the support of the Georgian Dream fluctuated between 20-25%⁵² before the elections. However, the party managed to at least double its support during the elections.⁵³ According to observers, huge advantages with the mobilization of finances and administrative resources during the election period determined the result⁵⁴. For example, Georgian Dream spent 17.1 million GEL during the 2020 parliamentary elections, which is almost twice as much as all other parties combined.⁵⁵

The third prerequisite for the deterioration of democracy is the insufficient readiness of the population to protect democratic institutions. Although most citizens support democracy on a declaratory level, this support is not always rooted in recognising and respecting democratic values. In addition, low trust in institutions, reduction of politics to the personal level and political indifference of a large part of voters are prerequisites for the possible collapse of democracy.

⁵² The Caucasus Research Resource Centers. 2014-2019. "[NDI Time Series Dataset, Georgia](#)".

⁵³ Election Administration of Georgia, 2021. "[Elections of the Parliament of Georgia](#) on October 31, 2020."; Election Administration of Georgia, 2019 "[History of Georgian Elections 1990-2018](#)".

⁵⁴ ISFED, Transparency International Georgia and the Charter of Journalistic Ethics of Georgia, 2000. "[Joint Assessment of the Electoral Environment of the 2020 Parliamentary Elections](#)".

Georgian Young Lawyers Association, 2021. "[Report of 2020 Parliamentary Elections Observation Mission](#)"; OSCE Office for Democratic Institutions and Human Rights, 2021. "[ODIHR Limited Election Observation Mission. Final report](#)".

⁵⁵ Transparency International Georgia, 2021. "[Campaign Finance for 2020 Parliamentary Elections - Final Report](#)".



1.2 Foreign orientation

It is expected that if the pessimistic scenario unfolds, Georgia's governance and democratic institutions will become more authoritarian in nature, although the difference from the current situation may not be drastic. The country's poverty and economic dependence on the West will not give the ruling party enough resources to establish an authoritarian regime like Azerbaijan or Belarus. Despite the ruling party's anti-Western rhetoric, it seems unlikely that Georgia's close economic ties with the West will be replaced by a closer relationship with Russia. In recent years, trade with the EU (both export and import) significantly exceeds trade with Russia.⁵⁶ Changing this trend is time-consuming and impossible to conduct painlessly. Therefore, it is expected that the leverage of the West in terms of democratization of the country will weaken due to the lack of political will of the ruling party, but it will not disappear entirely due to the economic benefits of maintaining strong ties with the EU. Accordingly, the most beneficial scenario for the ruling party involves taking reasonable steps to strengthen its power without giving up on the declared pro-Western course while considering Russia's interests. As a result of this double game of the government, political power will probably further concentrate in its hand, the anti-liberal policy of the government will strengthen, and the situation in terms of human rights will deteriorate. This situation carries the danger of a civil conflict.

1.3 Concentration on political power

The ruling party's concentration of power is unlikely to be met with resistance from the population either on the street or at the ballot box. Studies of public opinion reveal several important symptoms, such as (1) support for democracy without supporting democratic values, (2) low trust in political institutions, (3) personification of politics, and (4) consideration of vote-trading as acceptable. The majority of the population of Georgia believes that democracy is better than all other forms of government. However, support for democracy has been decreasing over the last ten years: if in 2011 65% agreed with this opinion, in 2019 this figure dropped to 49%, and in 2021 it returned to the initial level

⁵⁶ National Statistics Office of Georgia, 2022. "[Imports by country](#)".
National Statistics Office of Georgia, 2022. "[Exports by country](#)".

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(65%).⁵⁷ It should be noted that support for democracy is usually not associated with the recognition of such values as tolerance, gender equality and protection of minority rights. Therefore, the population does not perceive the ruling party's oppression of some groups of society as a backsliding of democracy.

In recent years, the public's trust in institutions, particularly those critical to the functioning of democracy, has been on the decline. For example, according to the 2021 survey, around 40% did not trust the parliament, the president, the political parties and the judiciary, while much fewer people expressed trust in them. Conversely, institutions of a less democratic nature, such as the military, the police, and the church, have maintained the highest levels of trust over the years⁵⁸.

When discussing the political climate in Georgia, it is common to highlight the polarization, emphasizing the inability of parties and their supporters to cooperate due to ideological differences. Recent studies have revealed a different polarization in Georgia than in Western democracies: no significant difference was found between party supporters concerning solving public issues⁵⁹, but their opinions sharply diverge when assessing issues associated with or attributed to political opponents (for example, the assessment of the Rose Revolution). Accordingly, the voter perceives political competition not as a contest to solve critical issues but as a personal struggle between leaders.

For the stability of democracy, it is important that voters feel able and willing to freely express their choice at the ballot box. At the same time, the election results need to be recognized as fair by voters. In Georgia, the perception of the fairness of elections has been worsening each year: after the 2012 elections, the majority deemed the elections fair (56%), while in 2021, this figure dropped to 21%⁶⁰.

⁵⁷ The Caucasus Research Resource Centers. 2011-2019. "[Caucasus Barometer](#)".
The Caucasus Research Resource Centers. 2011-2019. "[Caucasus Barometer](#)".

⁵⁸ The Caucasus Research Resource Centers. 2021. "[Caucasus Barometer](#)".

⁵⁹ Gilbreath, Dustin, and Koba Turmanidze, 2020. "[Are Georgian Voters Polarized?](#)" p. 16, 2022.
Levan Kakhishvili, Davit Keshelava, Giorgi Papava and Davit Sichinava, 2022. "[Georgia's political landscape](#)". Diversity, Intersection of Positions and Free Spaces," p. 36.

⁶⁰ The Caucasus Research Resource Centers. 2008-2019. "[Caucasus Barometer](#)".
The Caucasus Research Resource Centers. 2021. "[Caucasus Barometer](#)".



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The voters' attitude towards vote buying is significant. According to a survey conducted in Tbilisi in 2021, exchanging votes for personal gain is not unacceptable for a substantial part of the population: 14% agreed with the opinion that voting in exchange for a gift is acceptable; 52% agreed with the opinion that in a poor country like Georgia, exchange of votes for benefits is expected.⁶¹

Superficial support for democracy, low trust in institutions, the personification of political competition and tolerance for vote-buying create an opportunity for the ruling party to take some important steps to concentrate power so that it can gain great benefits with little cost (in terms of protest or loss of votes).

1.4 Restriction of political competition

Under the pessimistic scenario, the ruling party can bet in two directions: limit political competition and bribe voters. Like its predecessor United National Movement, the Georgian Dream has accumulated much experience in both directions.

The easiest way to limit political competition is electoral legislation. The Election Code is one of Georgia's most frequently amended laws precisely because each government, thanks to the parliamentary majority, could easily adapt it to its own interests before the elections.

According to the Constitution, the parliament shall be elected through a fully proportional electoral system with a 5% threshold.⁶² Georgian Dream rejected⁶³ the agreement of April 19, 2021 brokered by the President of the European Council Charles Michel, which also envisaged the electoral reform.⁶⁴ Without lowering the threshold to 2%, as envisaged by the agreement, and maintaining other existing conditions, in 2024 the Parliament of

⁶¹ The Caucasus Research Resource Centers, 2022. "[Attempting to Discourage Electoral Malfeasance in Georgia](#): The Results of a Randomized Control Trial" p. 24

⁶² Constitution of Georgia, Article 23

⁶³ Civil.ge "After the withdrawal of Georgian Dream from the agreement, Charles Michel starts consultations with the parties" 29 July, 2022

⁶⁴ Netgazeti "[Charles Michel's Proposal for the Parties](#)", 18 April, 2021.



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Georgia will be two-party, which will again allow Georgian Dream to maintain a decisive majority.

Party influences on the election administration, mobilization of human resources of public service and budgetary organizations will continue to be important in order to create a depressing environment for the voters before and on election day.⁶⁵ Considering the symbiosis of the judicial clan and the ruling party⁶⁶, it becomes impossible to resolve electoral disputes fairly.⁶⁷

An equally effective mechanism for limiting competition will be covert surveillance and discrediting party or public opponents by publishing secret records, which mainly harms the participation of women in political life. Considering weak legal restrictions and the de facto abolition of the effective service of an independent inspector, the use of covert surveillance for political purposes is expected to intensify.

Under the pessimistic scenario, one way to limit political competition is to suppress critical media. Today's media environment and the fact that one owner of a critical media outlet is under arrest while others face legal action,⁶⁸ indicates that the pressure on critical media outlets may increase. The pressure does not consider legal disputes solely, it is also possible to use financial instruments (fines, control of the business sector by the ruling power) more actively, which may result in the closure of some opposition media outlets.

As mentioned above, the population's trust in democratic institutions is in decline. If the pessimistic scenario plays out, this trend will likely worsen, with state institutions becoming subservient to the ruling political party. This may be manifested by the politicization of state services and dismissal of untrusted personnel, also by strengthening corruption schemes in the public sector. Under conditions where corruption at the high

⁶⁵ ISFED, Transparency International Georgia and the Charter of Journalistic Ethics of Georgia, 2000. "[Joint Assessment of the Electoral Environment of the 2020 Parliamentary Elections](#)"

Georgian Young Lawyers Association, 2021. "[Report of 2020 Parliamentary Elections Observation Mission](#)".

OSCE Office for Democratic Institutions and Human Rights, 2021. "ODIHR Limited Election Observation Mission. Final report";

⁶⁶ Georgian Young Lawyers' Association, 2021. "[Reform of the Justice System in Georgia, 2013-2021](#)".

⁶⁷ Georgian Young Lawyers' Association, 2021 "[Analysis of Electoral Disputes](#)"

⁶⁸ Georgia's Reforms Association 2022. "[State of Media in Georgia](#)"



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level of government remains a challenge,⁶⁹ in the case of the pessimistic scenario of events, most likely, corruption schemes will deepen, and the influence of business on the political and economic areas of the country will increase. The fight against corruption will be abolished even from the formal agenda.

The non-governmental organization 'Transparency International' considers the influence of the founder of the ruling party on democratic institutions as equivalent to state capture⁷⁰. Under the pessimistic scenario, the oligarchic influence will further consolidate and completely control policy decisions, the media environment, law enforcement agencies and the justice system.

Under these conditions, at first glance, vote buying is not of decisive importance. Nevertheless, it is common practice in Georgia for social projects to be launched before the elections, which are sometimes financed by the state budget⁷¹ and Bidzina Ivanishvili's Kartu Foundation. After the first round of the 2018 presidential elections the Kartu Foundation announced the write-off of the debts for 600,000 people who owed to credit organizations⁷². Under economic stagnation and widespread poverty conditions, such programs, which provide direct, even one-time monetary benefits to the population, are unlikely to lose their electoral effect.

1.5 Human Rights

According to the pessimistic scenario, the Georgian authorities will pay less attention to the criticism from the Western partners and the commitments made under various international agreements, resulting in the current challenges in the field of human rights will further worsen. The situation will deteriorate the most in those areas assessed as the most problematic by various international⁷³ and local non-governmental organizations,

⁶⁹ Conclusion of the European Commission on the application made by Georgia for EU membership.

⁷⁰ Transparency International, 2021. "[CPI 2021 for Eastern Europe and Central Asia](#): Democratic Hopes I the Shadow of Growing Authoritarianism".

⁷¹ Transparency International Georgia, 2021. "[Use of Administrative Resources for the 2021 Elections of Municipal Bodies of Georgia - Interim Report](#)".

⁷² Transparency International Georgia, 2018. "[Use of Administrative Resources for the 2018 Presidential Elections of Georgia](#)".

⁷³ Ibid



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namely freedom and security, the right to a fair trial, freedom of assembly and expression, freedom of the media and the right to equality. Violence and discrimination against the LGBTQ+ community will be especially aggravated, considering that the perpetrators of the violence committed against the community in 2013 and later, in 2021, were not held accountable, and the rights of sexual minorities are the main cornerstone of the anti-Western narrative in Georgia.

1.6 Anti-liberal politics

Actualization of traditional norms and values because of the fear of losing them⁷⁴ in the process of modernization is one of the important characteristics of the modern era. Kremlin propaganda applies this feature to its advantage as the openly pro-Russian narrative could not get a foothold in Georgia. Therefore, Russian influence operations manipulate with sensitive issues to the population of Georgia. On the other hand, to divert attention from Russia, they spread myths about Western “moral depravity” and manifesting the EU integration as a threat to Georgian identity. Orthodox priests and other officials from the Patriarch’s office often appear to spread such messages. They greatly influence the majority of the population and have been highly trusted by society for years.

With the decline of democracy and the suspension of the reform process, the government is expected to support anti-liberal sentiments. Similar clear signals have already been sent from several representatives of the ruling power. Despite concerns from the pro-Western population, the primary motivator for most people who supports EU integration is economic benefits rather than the shared values that could potentially reduce mass protests. On the contrary, this will likely lead to an increase in strength and activity of pro-Russian radical groups willing to use violence as a means to achieve their goals. Moreover, such a crime often goes unpunished, or the punishment is inappropriate. Supporting the anti-liberal narrative will be directly proportional to the increase of Russian influence in the country.

⁷⁴ Castells, Manuel. 2009. *Communication Power*. New York: Oxford University Press.



1.7 Risk of civil unrest

The restriction of political competition, combined with internal political polarization and strained relations between political opponents, creates an environment that is conducive to the escalation of a civil conflict. Considering the politicization of law enforcement and justice systems, a public protest will most likely end with political opponents' punishment (prosecution, arrest).

In a pessimistic scenario, the chances of radical groups collaborating with the ruling party increase, as they interpret the lack of arrests for the organizers of the raid as a sign of support. The government, if necessary, may utilize radical groups for violent attacks against political opponents. On the one hand, the pressure of the politicized justice system, on the other hand, attacks and violence coming from radical groups will intimidate the pro-oppositional population, reducing the number of people willing to express public protest.

To summarize: If events unfold as described in the pessimistic scenario, Georgia's current combination of democratic institutions and authoritarian governance may shift towards more authoritarian rule over the next year and a half, but complete Belorussianization will not happen. The suspension of reforms will lead to a delay in European and Euro-Atlantic integration, and the government, confident in its resources and oriented to preserve the power will pay less attention to the recommendations and requests of the Western partners. Lack of readiness of the majority of the pro-Western population to defend democratic institutions, support for democracy without sharing its values, mistrust of institutions, personalized politics and the corresponding polarized environment, as well as economic hardship that opens up opportunities for vote-buying in elections, create a situation where it is unlikely that society will en masse oppose the further attempts of the ruling party to consolidate power.

The concentration of power and the strengthening of authoritarianism will manifest itself in strengthening corruption schemes, complete subordination of the public sector and institutions to the party's service, persecution of political opponents and suppression of critical media. Such an aggravated internal political polarization creates risks of civil



conflict. In the wake of the suspension of democratic reforms, the ruling power will strengthen the anti-Western narrative, which may, over time, significantly reduce the number of supporters of pro-Western integration and gradually convince the public of the possibility of normalizing relations with Russia.

II. Foreign policy

If the Russian Federation succeeds in achieving its goal in Ukraine and forces the official Kyiv to refuse Euro-Atlantic aspirations, this will also create significant threats and challenges for Georgia. In a case similar scenario of events develop in Georgia, Tbilisi will also face a dilemma. As the accession of Georgia and Ukraine to NATO or the European Union is directly related to the progress of Ukraine and Moldova, obtaining a "veto" by Russia on the foreign policy of these countries will freeze the European and Euro-Atlantic perspective of the associated trio for at least several decades.

Suppose Russia issues the same ultimatum to official Tbilisi as it did before the war to Ukraine, considering the current situation in the Tskhinvali region and Abkhazia and Georgia's military and civil defence capabilities, the Georgian government may have to accept the conditions set by the Kremlin to prevent significant casualties. Georgia's declaration of neutrality and a fundamental reversal of the foreign policy course of recent decades will lead to diplomatic isolation of official Tbilisi and weakening of support from Western partners, which may ultimately cause the Belarusization of Georgia. Under the developed pessimistic scenario, this will be followed by a number of challenges⁷⁵.

⁷⁵ The pessimistic scenarios of foreign policy and media/civil society share a common vision in terms of the circumstances that create these scenarios.



2.1 The process of integration into the European Union

After the Ukrainian authorities filled out the questionnaire sent by the European Union to obtain the candidacy status, the Russian Federation issued a statement opposing Ukraine from joining this organization⁷⁶. Under these circumstances, the Kremlin will have a similar position on the European integration of Georgia and Moldova. Deviation from the EU integration path and rejection of Georgia's European future poses a severe threat to the country's democratic future and sovereignty. Close cooperation with Western partners and the commitments made within the framework of the Association Agreement has a decisive role in strengthening liberal democracy in Georgia.

Limiting relations with the country's strategic partners and cutting off financial aid from the European Union will make Georgia even more vulnerable to Russian blackmail. It is possible that official Tbilisi will have to return to the CIS or join the Eurasian Union to avoid economic collapse. Such a pessimistic scenario does not exclude a change of government either. The public, particularly young people, generally does not favor abandoning the country's western orientation. This move could lead to the complete collapse of the ruling team and the installation by Russia of a regime more loyal to it. Such a government, like Belarus, will most likely be prepared to carry out repressions to suppress protests, which may lead to the outflow of the socially and politically active layers of the country.

Belarusization of Georgia also implies the threat of limiting the country's sovereignty. Like President Lukashenko's regime, the authorities will need Kremlin's support to quell the mass protests emerging due to a radical reversal of the state course - an unpopular move among large segments of the society. In the worst-case scenario, we could even consider bringing in troops from the Collective Security Treaty Organization - similar to the recent developments in Kazakhstan. In return, the Georgian government will be forced to give up more of its sovereignty and grant the Kremlin more power.

⁷⁶ Gvazdabia M., "[Russia already opposes Ukraine's accession to the EU](#)". Netgazeti, 2022.



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To ensure the risks that occurred by Russia's invasion of Ukraine, the decision of the European Council on the EU integration perspective and its effective implementation acquires significant importance. This historic opportunity created a chance for the associated countries to escape from the European perspective-related ambiguity and move forward on European integration. Unlike Ukraine and Moldova, at this stage, Georgia was unable to fully take advantage of this opportunity⁷⁷. As expected, the European Council shared the recommendations of the European Commission and granted candidate status to Ukraine and Moldova, and imposed additional conditions on Georgia.

The pro-European community of Georgia perceived the of the European Council's decision as a missed opportunity. This feeling is rooted in the perception that Georgia used to be the leader of the Eastern Partnership project, but now it is lagging behind the other three members of the group. The preservation of the trio format is also unclear. Georgia's actions over the next few months will largely determine whether the country will take advantage of this opportunity to advance further on its path to EU integration. In this regard, it is necessary to actively work on receiving a candidate status, which means not only lobbying for this issue in European capitals but also accelerating of reforms and strengthening democratization in the country. The unity of the political elite and civil society and their coordinated action in this direction are indispensably important. Political actors must prioritize the national interest over their own narrow party interests and cooperate on this issue.

2.2 NATO integration process

One of the significant dangers, in addition to the missed opportunity of obtaining EU candidate status, is the loss of Georgia's prospects for integration with NATO or the indefinite postponement of this process. In the case of Russia's success in Ukraine, this scenario becomes completely realistic as the ultimatum set by the Kremlin to the West a

⁷⁷ Georgian Institute of Politics, [Georgia at a crossroad: four possible scenarios following the European Council's Decision](#), 4 July, 2022.



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few months ago addressed not only Ukraine's but also Georgia's membership in NATO. In the worst-case scenario, once the Russian government achieves the demilitarization and neutrality of Ukraine, it will impose similar conditions on official Tbilisi. Considering the latter's military capabilities and civil defense readiness, the authorities will be forced to accept⁷⁸. Georgia's declaration of neutrality means giving Russia an informal veto on its foreign policy and turning it into a satellite state of the Kremlin.

Given the risks and challenges facing Georgia, it is important for Georgia to start internationalizing its security component and involve the USA and Britain in strengthening security. Moreover, the British Foreign Secretary said that Moldova needs with NATO-standard⁷⁹ equipment. It is also an important precedent that despite Russia's threats, the US and Great Britain expressed their readiness to provide security for Finland and Sweden before full integration into NATO. The accession of Sweden and Finland to NATO creates an essential precedent for Georgia, whose membership in the alliance has often been the subject of Western scepticism due to the threat from Russia⁸⁰. Therefore, to address the issues outlined in the negative scenario, it is important to carefully consider the membership model of these two countries and its relevance for Georgia. Of note, it is important to how the West will ensure the security of the Scandinavian countries during the transition period. To enhance Georgia's relationship with NATO and move the integration process forward, it is necessary to create new and effective mechanisms for integration. This will add a new dimension to Georgia's relationship with the alliance, which has been stagnant for several years.

2.3 Russia's policy towards Georgia

The current government of Russia perceives the strengthening of liberal democracy in the countries of the former Soviet Union as one of the main threats. There are at least

⁷⁸ [Scenarios of Georgia's EU membership candidate status](#): the good, the bad and the ugly. Georgian Institute of Politics. 2022.

⁷⁹ [Creeping Finlandization or sensible foreign policy](#): Georgia's strategic challenges in the background of Ukraine crisis. Georgian Institute of Politics. 2022.

⁸⁰ Henrik B. L. Larsen. [Why NATO should not offer Ukraine and Georgia Membership action plans](#).



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two reasons for this: first, it can serve as an example for Russian society and second, such countries will necessarily have a pro-European orientation as they will be responsive to the demand of their citizens. Considering the above, the main result of restoring Russian hegemony in the region will be the end of democratic governance in Georgia and the attempt to establish a regime similar to Belarus.

As already mentioned, such governance maintenance would require active financial or military support from Russia, which will increase Tbilisi's dependence and vulnerability. This, in turn, will give the Russian government even more leverage to influence the current political environment in Georgia.

The pessimistic scenario involves persuading Georgia to recognize the independence or special status of Abkhazia and South Ossetia. Due to the fact that Tbilisi will become utterly vulnerable to Russia and be left alone vis-à-vis Kremlin without Western partners, it will not be able to resist. An example of this can be seen in the Second Karabakh War, where Armenia had to cede territory to Azerbaijan, although, unlike the latter, Armenia is a member of the Collective Security Treaty Organization.

Noteworthy, the growing economic dependence of Georgia on the market of the northern neighbour further increases the threat.⁸¹ Similar dynamics of trade relations make Georgia even more vulnerable to the Kremlin. Given the current political situation, in which many Western countries have imposed sanctions on Russia, it is crucial for Georgia to diversify its markets and reduce its reliance on the Russian market.

2.4 Georgia's relations with close neighbors

Under the pessimistic scenario, Georgia will have to reconsider its relations with strategic partners in the neighbourhood, more specifically, to weaken close partnership and cooperation with NATO member Turkey. Since Ankara is perceived as Moscow's competitor for hegemony in the region, the transformation of Georgia into a state under Russian influence will definitely affect its relations with Turkey. This is an important

⁸¹ Transparency International Georgia. 2022. "[Georgia's economic dependence on Russia: Impact of the Russia-Ukraine war](#)".

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challenge for the country, considering that Turkey is the only NATO member state that borders the country and plays a crucial role in the security of the Black Sea basin.

The weakening of the strategic partnership with Turkey in light of the growing influence of Russia will also affect Georgia-Azerbaijan relations⁸². For the latter, with the ongoing conflict with Armenia, Georgia is the only link with Turkey. The weakening of the Baku-Tbilisi-Istanbul axis will most likely reduce gas imports from Azerbaijan to Georgia and increase the country's dependence on Russian energy resources, as it represents the Kremlin's interest to maintain natural gas and other energy resources as a tool for influencing Georgia. The cost of gas has often been a point of contention, even with such a loyal Russian partner as Lukashenko⁸³.

It is likely that Georgia's return to the Eurasian Union and the CIS will deepen Georgia-Armenia relations. It will be in Russia's interest to cut a transit corridor with Armenia, which may also mean the renewal of railway traffic with Abkhazia.

The current events in Ukraine highlighted another notable factor for Georgia: Poland, a member of NATO, plays a major role in Kyiv's strong opposition to Russia. It provides an important transit corridor for delivering Western arms and other cargo to Ukraine. For Georgia, which does not have a direct border with EU member states, in the event of a large-scale conflict with Russia, Turkey is the only neighbouring state that can play a role of a similar connecting link with its Western partners. However, this requires active cooperation with the Turkish authorities as a strategic partner of the country; It is also essential to increase Ankara's involvement in the security of Georgia, as its only NATO neighbour.

In order to mitigate and reduce risks requires overcoming recent difficulties and improving cooperation in bilateral relations with the Ukrainian authorities⁸⁴. Frequent visits of high-level delegations of Georgia to Kyiv or other cities of Ukraine are utterly necessary.

⁸² Zaur Shiryev & Kornely Kakachia. [Azerbaijan-Georgian relations: The Foundations and Challenges of the Strategic Alliance](#). 2013.

⁸³ Golubkova, Katya & Balmforth, Tom. 2021. "[Putin says any Belarusian move to cut gas flows risks hitting ties](#)", Reuters.

⁸⁴ GIP. 2022. [Georgia-Ukraine relations during the war: what should be done to reset relations between the two strategic partners?](#)". Expert Commentary #21.



2.5 Georgia's International Position

Establishing a Belarus-like government in Georgia will likely lead to the restriction of financial aid and tranches from Western countries, possibly sanctions. The methods used by the government loyal to Russia, suppressing the protest waves, will further alienate Georgia in the international arena and solidify its status as another satellite of Russia. The country will lose international support on issues such territorial integrity support or the UN resolution on returning of refugees. As a result, it will become even more vulnerable to the influence and blackmail of the Russian authorities.

Among the potential threats under the pessimistic scenario, it is also worth noting that obtaining a candidate status may further prolong the relations with the Western partners damaged in the recent period, which will lead to Georgia's separation from the Trio countries and its further isolation. If we consider that the European Union's expansion is mostly taking place on a regional basis. From the countries of the South Caucasus, except for Georgia, no state has expressed the desire to join the European Union. The possible dissolution or weakening of the trio format may have extremely negative consequences for the state⁸⁵. This will seriously threaten the country, as it will be left alone vis-à-vis the Russian Federation. To prevent the risk, it is necessary to collaborate more closely with the Visegrad and Baltic states in order to integrate Georgia into the new security structure being established in Eastern Europe. It is also important to further deepen strategic relations with France and Germany.

2.6 Activities of International Organizations in Georgia

The establishment of a government loyal to Russia in Georgia will also limit the activities of international organizations and actors supporting democracy. Based on the fact that the regime perceives them as a threat, they will be harassed and limited in their activities through legislative or other measures. Similar facts have been happening in Russia for several years, where organizations connected with Western donors are obliged to register as "agents of a foreign country".

⁸⁵ Chkhikvadze, Vano. 2022. "[Georgia's road to the European Union - will the country catch up with the running train?!"](#)",GIP.



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Most likely, the EU monitoring mission will be called away from the administrative borders of the occupied territories, which will affect the objective documentation and evaluation of the incidents on the ground. Less involvement of international organizations will damage the effectiveness of formats within the framework negotiations between the Georgian authorities and the de facto leaders of Abkhazia or Tskhinvali region take place.

This will be followed by a reduction in the representation of diplomatic corps and international missions. Such a development of events is an important challenge for Georgia since these organizations and partners play a unique role in strengthening liberal democracy in the country. To mitigate the negative scenario, more coordination with the European foreign and security policy, close cooperation with PESCO, and further increase of NATO representation in Georgia are required, for example, the opening of the Center of Excellence office. The permanent presence of the military component of the North Atlantic Alliance in the country ensures the reduction of the probability of Russian military aggression.

2.7 International economic and transit/trade role of Georgia

The pessimistic scenario, which implies bringing Georgian authorities into the sphere of Russian influence, will lead the country to lose its role as an alternative transit corridor. Against the backdrop of the ongoing conflict in Ukraine and the sanctions imposed against the Russian Federation, cargo traffic passing through Georgia has increased significantly. This indicates that the country has the potential to act as an alternative transit corridor between Asia and Europe.

Hereby, as soon as there is a regime loyal to the Russian government in Georgia, the Kremlin will attempt to impose control on this corridor. This would ensure its complete monopoly on transit shipping between Asia and Europe and would deprive the West of leverage against Russia. Losing the role of an alternative transit corridor is a serious threat for Georgia, as it will also lose its regional identity. Besides, the country's importance to the West would significantly decrease, resulting country's gradual fading



from the international radar. To reduce potential threats, it is necessary to cooperate with Turkey, Kazakhstan, Azerbaijan and other exporting countries in order to develop a strategy to avoid such risks in the future.

III. Economy of Georgia

3.1 Preconditions for the scenario

The Russia-Ukraine war, which started on February 24, put Georgia in front of significant threats, especially economic factors that carry particular risks for the population. Further development of events will determine to what extent the country will maintain and improve the current economic growth rate. Notably, during the 2020 pandemic, Georgia suffered severe economic damage: real GDP dropped by -6.2%, one of the highest in the region. At the same time, in 2021, the country quickly recovered (10.6% real GDP growth), to some extent thanks to the "baseline effect". An increase in remittances, exports and foreign direct investment aided the growth.

Under the pessimistic scenario, which includes the so-called Belarusianization of Georgia and subsequent sanctioning of the country, the economy can be seriously damaged as in recent years, the European Union has become an important economic partner for Georgia due to the DCFTA (Deep and Comprehensive Free Trade Agreement) launched in 2016 and the growth of European tourists and investors. The document overviews the consequences of such a development of events on the main macroeconomic parameters.

3.2 Inflation

Inflation is currently one of the main challenges to Georgia and the global economy. According to the data of May 2022, inflation in Georgia reached 13.3% (YoY). It is worth noting that in the USA, the world's largest economy, the highest inflation since 1981 was recorded in May (8.9%), leading to a sharp drop in prices in stock markets and cryptocurrencies. Among the leading causes of high inflation



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globally are the disruption of supply chains related to the pandemic and China's measures against COVID 19, as well as the Russia-Ukraine war.

The pessimistic scenario, which, together with Belarus and the Russian Federation, includes Georgia among the sanctioned countries, implies a further increase in inflation. This will be caused by the banning of a large part of imported goods (one of the packages of EU sanctions restricts goods exported to Russia and Belarus), an increase in oil prices and the crisis in the food market as a result of the Russia-Ukraine war (especially in such commodity as wheat). At the same time, it is expected that the population will have even more negative expectations regarding inflation, which may lead to the so-called "agitated" behaviour (panic buying of products, when citizens buy excess products and build up stocks, which reduces supply and increases prices) and further increase of prices.

It is a common trend in already sanctioned countries - Russian Federation and Belarus. According to the National Central Bank of Russia data, inflation reached 17.1% (YoY) in May 2022. In April, Russia recorded the highest inflation rate since January 2002 (17.8%). Growing inflation forces the National Bank to resort to a tighter monetary policy and, accordingly, to reduce demand. For example, Russia's Central Bank raised its refinancing rate to a record 20% after the sanctions were imposed, reducing lending and making it difficult for residents and businesses to take loans.

Under the pessimistic scenario, tightened monetary policy and inflation reduce both the real and nominal income of the population and, consequently, consumers' purchasing power, thus significantly impacting the country's potential gross domestic product.

3.3 State of the national currency

The exchange rate of the national currency is one of the critical indicators that reflect the state of the country's economy in sanctioned countries such as Belarus and the Russian Federation. Such risks are increasing, as we can see in the example of Russia: at the beginning of March, the exchange rate of one euro was 144 Rubles – the highest mark in a decade⁸⁶.

⁸⁶ Chakvetadze k., '[why is the Russian ruble getting stronger?](#)', 23 May, 2022.

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Devaluation of the national currency of the sanctioned countries occurs for several reasons, which are mainly related to the reduced flow of foreign currency in the country. In the example of Russia, revenues from tourism and foreign direct investments have been sharply reduced. Moreover, there was a significant outflow of investors' capital from the country as international companies decided to leave the Russian market. In addition, the disconnection of several banks of the Russian Federation from SWIFT harmed remittances. However, Russia maintains relatively high export figures due to the fact that it is an oil and gas exporting country. It should also be considered that the ruble strengthened significantly and returned to the pre-war level.

The dependence of various countries (including European countries) on Russian energy resources causes the recent strengthening of the Russian Ruble. Russia found some "holes" in the sanctions and allowed foreign countries to pay for energy resources in rubles, forcing partners to create a particular account in "Gazprombank" and settle in foreign currency. These decisions, together with various regulations (for example, obliging Russian citizens to convert 80% of their salary in foreign currency to the national currency) and interventions by the National Bank, led to the strengthening the Ruble against the euro to the five-year high. Of note, the new package of sanctions of the European Union, which envisages reducing the dependence of European countries on energy resources, creates new risks regarding the exchange rate of the Ruble.

If Georgia is sanctioned, considering it is not an energy-exporting country, the national currency's exchange rate faces an even higher risk. In this case, the resources of the National Bank are limited by interventions and tightening of monetary policy, which puts an even heavier burden on the local private sector and citizens.

At the moment, the main determining factors for strengthening the Lari are the increased inflow of foreign currency into the economy of Georgia (in January-April 2022, a 33% increase in exports compared to the same period of the previous year; in January-May 2022, a 54% increase in remittances compared to the same period of the last year; in the first quarter of 2022 investments increased by 329% compared to the same indicator of the previous year; increased revenues from tourism compared to 2021⁸⁷) and the tight

⁸⁷ Source: National Statistics Office of Georgia; National Bank of Georgia.



monetary policy of the National Bank, which led to an increase in the demand for deposits in GEL.

3.4 Investment environment

In itself, sanctions and uncertainty majorly impact a country's investment environment. This happened in the case of sanctioned Russia and Belarus. Russia's economic blockade caused a sharp weakening of investors' interest. It should be noted that a large part of them is in the extractive industry sector, which - according to the Central Bank of Russia data - accumulated 116 billion US dollars in 2021. Such powerful companies as General Motors, Volvo, Daimler Truck, etc., have expressed their desire to leave the Russian market. Divestment from Russia is somewhat problematic, as the country's government has imposed significant restrictions on international companies' sales of Russian assets. In addition, some local banks have been disconnected from SWIFT, although this has yet to affect investors' desire to leave the country's market.⁸⁸

In the case of Georgia, similar processes drastically reduce investments. This will make the situation even direr in light of record low foreign direct investment in 2020 (\$0.57 billion). According to the preliminary data of the National Statistics Office of Georgia, in 2021, this indicator increased (1.15 billion US dollars), although it should be noted that 62% of it is reinvestment, and only a handful of new investors entered the country.⁸⁹

3.5 Trade turnover

The sanctions packages imposed on Russia and Belarus include significant trade bans. Accordingly, when considering the scenario of imposing global sanctions on Georgia, it is important to analyze the expected impact on Georgia's economy through foreign trade lenses in recent years, the share of Western countries in Georgia's trade turnover has been constantly increasing due to the implementation of the Deep and Comprehensive

⁸⁸ Shehadi S., [Foreign investment to Russia is dead as a doornail](#): What now for a country in which companies cannot invest or divest?, INVESTMENTMONITOR 2022,

⁸⁹ Source: National Statistics Office of Georgia

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Free Trade Area Agreement (DCFTA) with the European Union since 2014.⁹⁰ As of today, if we compare individual countries, the European Union is the largest trade partner of Georgia. In the first quarter of 2022, the European Union's share in Georgia's trade turnover was about a fifth (21%) of the total turnover. 18% of Georgia's exports go to the European Union. The main exported products include industrial products (minerals)⁹¹, also, agricultural products (e.g. plant products), food, beverages, tobacco, fabrics, textiles and products of chemical or related industries. As for imports, the EU's share in Georgia's imports is 22%. The main imports are non-agricultural products, chemicals, machinery and mineral products. At the level of individual countries, the USA is also among Georgia's ten largest trade partners (share in total trade turnover - 6% in the first quarter of 2022). It should be noted that in the first quarter of 2022, compared to the same period of 2021, exports to the USA increased by 174%. In addition, the share of Ukraine in the trade turnover of Georgia is only 3%.

To predict how these trade figures might change in the event of global sanctions, comparisons with the already sanctioned Russian Federation are less relevant. The Russian Federation, mainly due to its considerable natural resources, is an important trading partner for the sanctioning countries (especially the European Union). Trade relations between Russia and other important global players are largely equal, and the importance of Georgia as a trade partner for the EU is very low (Georgia accounts for 0.1% of EU trade turnover). Therefore, if the trade sanctions imposed on Russia⁹² do not include many products at all, and for some products - only a gradual suspension of exports is envisaged (mainly energy resources), it is likely that more radical restrictions will be imposed on Georgia. Accordingly, it is expected that the trade will completely shalt. If we only consider the sanctions of the European Union, the USA, and Ukraine), we are talking about 30% of the trade turnover⁹³ of Georgia (rough calculations). Moreover, it is

⁹⁰ European Commission, [EU trade relations with Georgia](#). Facts, figures and latest developments.

⁹¹ Delegation of the European Union to Georgia, [The European Union and Georgia](#), 26 July, 2021.

⁹² European Council, [Timeline-EU restrictive measures against Russia over Ukraine](#),

⁹³ According to the data from National Statistics Office of Georgia, in the first quarter of 2022, the EU's share in Georgia's trade turnover was 21%, the USA's - 6%, and Ukraine's - 3%, which is 30% in total.



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expected that these sanctions will not be implemented gradually. Consequently, the country will not have time to find alternative trade markets.

On the other hand, Turkey, China and Russia are Georgia's major trade partners, which accounted for 15%, 12% and 10% of Georgia's trade turnover in the first quarter of 2022, respectively. Obviously, under the discussed scenario, trading with Russia will continue and may even increase as it is expected that the Russian market will replace the countries imposing trade sanctions on Georgia. However, if we compare the markets of Russia and the European Union, it is clear that the European Union possesses a number of critical advantages: it is a larger, more developed and more stable market and, therefore, a reliable trade partner for Georgia in the long term.

In addition, within the framework of Georgia's trade agreement with the European Union (DCFTA), the European Union supports Georgia in strengthening its export competitiveness, for example, through the creation of quality management systems and quality infrastructure systems with various legislative changes (intellectual property, sanitary standards), which means long-term and sustainable economic benefits. The Russian market is smaller and unstable - recently, there have been cases when Russia suspended trade with Georgia to achieve its political goals. At the same time, the economic situation in sanctioned Russia will deteriorate, making it an even less attractive trading partner. As for China and Turkey, they did not join the sanctions imposed on Russia and Belarus. Accordingly, it is expected that those countries will not impose sanctions on Georgia and trade relations with them will not be interrupted or may be even improve.

3.6 Energy security

The energy market of Georgia lacks sources and largely depends on the import of energy products. Accordingly, in the scenario of sanctioning Georgia, more specifically, in the case of the ban on energy imports by the sanctioning countries, it is important to analyze the threats to Georgia's energy security.



Pessimistic Scenario

The leading gas suppliers to Georgia are Azerbaijan and Russia, from which Georgia imported 81% and 19% of the gas in the first quarter of 2022, respectively. Russia is the primary importer of coal in Georgia: in the first quarter of 2022, 64% of all expenditure on coal imports falls on Russia, although coal has a small share in the country's total domestic energy supply - only 4.7% (2020).

Oil imports are relatively less concentrated. In the first quarter of 2022, the main exporters of oil in Georgia were EU member states - Romania (24%) and Bulgaria (20%). 18% of the oil came from Russia, and 14% from Azerbaijan. Thus, in case of imposition of sanctions, Georgia will have to find alternative markets to Romania and Bulgaria, that is, in total, about 44% of the current imports. This may cause short-term problems, although in this case, the market demand will probably be met by Russia, which has considerable oil reserves. Thus, under the pessimistic scenario, it can be determined that Georgia's energy security is not at significant risk.

3.7 Food security

Ukraine, as well as Russia, are outstanding players in the global food market. Georgia's production cannot meet domestic needs; therefore, the country largely depends on importing some important food products. Consequently, it is essential to consider the risks to the country's food security in case of imposing sanctions on Georgia.

Among the products imported from the EU countries, food products have an insignificant share. As for Ukraine, it is interesting to discuss the three main food products: wheat, flour and sunflower oil. Russia and Ukraine play an important role in the global market regarding the import of these products, which are also critical in terms of food security. As it turned out, only a small part of these commodities come from Ukraine (0.6% wheat, 0.2% flour, and 11% oil). The leading exporter is Russia. Therefore, in case of sanctions imposed by Ukraine and other countries on Georgia, the food security of the country will not be threatened.

The analysis revealed that the country's economic development faces significant obstacles under the pessimistic scenario. The consequences of sanctions are evident in already sanctioned countries, such as Belarus and Russia. The events discussed under



Pessimistic Scenario

the pessimistic scenario may increase inflationary pressure, decrease European capital investments, devalue the national currency, and decline trade turnover. At the same time, the country will most likely retain critical economic partners in the form of Russia, China and Turkey, which may somewhat change the structure of the economy and sources of income.

IV. Media and civil society

4.1 Preconditions for the scenario

If the Russian Federation succeeds in achieving its goal in Ukraine and forces the official Kyiv to refuse Euro-Atlantic aspirations, this will also create significant threats and challenges for Georgia. In a case similar scenario of events develop in Georgia, Tbilisi will also face a dilemma. As the accession of Georgia and Ukraine to NATO or the European Union is directly related to the progress of Ukraine and Moldova, obtaining a "veto" by Russia on the foreign policy of these countries will freeze the European and Euro-Atlantic perspective of the associated trio for at least several decades.

Suppose Russia issues the same ultimatum to official Tbilisi as it did before the war to Ukraine, considering the current situation in the Tskhinvali region and Abkhazia and Georgia's military and civil defence capabilities, the Georgian government may have to accept the conditions set by the Kremlin to prevent significant casualties. Georgia's declaration of neutrality and a fundamental reversal of the foreign policy course of recent decades will lead to diplomatic isolation of official Tbilisi and weakening of support from Western partners, which may ultimately cause the Belarusization of Georgia. Under the developed pessimistic scenario, this will be followed by a number of challenges⁹⁴. In such a reality, the challenges facing the civil sector and the Georgian media will shift to a new scale. To determine the readiness of the civil sector and what measures they

⁹⁴ The pessimistic scenarios of foreign policy and media/civil society share a common vision in terms of the circumstances that create these scenarios.



should take if worst-case scenario unfolds, it is necessary to consider the region's experience, namely Ukraine, and assess the challenges the civil sector faces in Georgia.

4.2 Hybrid War: Strengthening Anti-Western Propaganda Mechanisms

Since the war of August 2008, Russia has been actively applying new propaganda networks against Georgia - these networks have particularly accelerated its operations since 2015[1]. Currently, it is possible to analyze their basic architecture. However, the Georgian government and its special structures, which are supposed to detect and fight hybrid warfare, are not taking actions, thus giving the green light to further strengthening of Kremlin's propaganda throughout the country⁹⁵.

During the first half of 2022, Kremlin propaganda in Georgia has been extremely aggressive. Its language is mainly Georgian, but we can consider Russian media as part of the problem, especially in the regions inhabited by ethnic minorities.⁹⁶ The main actors of the Kremlin's anti-Western propaganda can be divided into several groups:

1. Openly pro-Russian political, media and interest groups;
2. Pro-government political, media and interest groups;
3. High-ranking or ordinary representatives of government and ruling Georgian Dream party.

The anti-Western or pro-Russian narrative of the Kremlin's propaganda has been examined. However, it is necessary to focus on several currents that directly threaten the security and effective functioning of Georgia's media and civil sector, including:

1. A narrative specifically directed against **the leaders of the non-governmental sector**⁹⁷;

⁹⁵ Media Advocacy Coalition 2022, "[Media advocacy coalition demands a ban on propaganda media outlets affiliated with Russia](#)".

⁹⁶ EECMD 2017, "[Integration of National Minorities in Georgia](#)". ;
MDF 2019, "[Informing Ethnic Minorities on Georgia's Euro-Atlantic Integration](#)"

⁹⁷ For example, the chairman of "[Georgian Dream](#)" accused "[Open Society Foundation](#)" and its specific employee with regard to the issue of EU membership status. Civil.ge 2022, "EU Bid: Kobakhidze Slams Open Society Georgia Foundation Leadership"

**Pessimistic Scenario**

2. Attack on **representatives of professional and critical media** by propaganda networks⁹⁸;
3. Narrative directed **against Georgia's international partners, diplomatic corps and donors**⁹⁹.

4.3 Exit of international donor organizations from the country and a sharp decrease in financial resources in the non-governmental sector

In addition to the Kremlin's propaganda networks and openly pro-Russian parties, the ruling team and pro-government experts coordinately attack the highest-ranking representatives of Georgia's partner countries, aiming to disrupt the state's relations with Wes and isolating Georgia from the Western international community.

The experience of Russia, Azerbaijan and Belarus suggests that this massive attack on the media, the civil sector and their prominent financial supporters (donors and the diplomatic corps) might be directed to shape public opinion for legal changes on the funding of the media and the non-governmental sector¹⁰⁰.

In the region where governments implemented similar policies, the legal changes were intended to hinder the work of donors and limit their efforts, as well as financially weaken the civil and media sectors that rely on donor funding. As a result, some organizations were forced to shut down, while others had to flee the country and continue their work in exile.

As Georgia's economy is significantly dependent on financial aid from Western countries, in the near term, we do not expect problems and open confrontation against large-scale development projects that have direct connections with the governments of the United

⁹⁸ ISFED 2022, "[Discrediting campaigning trends on Facebook from 2018 to 2021 elections](#)".

MDF 2022, "[Sponsored Posts and anti-liberal Messages - Actors and Tactics behind the Discreditation Campaign against June 20 demonstration](#)".

⁹⁹ MDF 2022, "[Pro-Government "Fifth Column" and others vs Kelly Degnan](#)".

Civil.ge 2022, "[GD Chair Doubles Down on Criticizing EU, U.S. Ambassadors](#)".

¹⁰⁰ Amnesty International 2021, "[Belarus: Sweeping closure of dozens of NGOs as the crackdown on civil society continues](#)".

COE 2017, "[Bringing the Law and Practice relating to NGOs in the Republic of Azerbaijan into compliance with European Standards](#)".

US Embassy in Georgia, "How Russia's 'foreign agents' law silences dissent" <https://ge.usembassy.gov/how-russias-foreign-agents-law-silences-dissent/>

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States and European countries, for example, grant programs of USAID, SIDA and various embassies. However, parallel to Russia's intervention in Ukraine, the trend of systematic attacks on Georgia's strategic partners by Georgian Dream, the government or other players affiliated with the ruling team has reached an unprecedented level. The statements against the American ambassador to Georgia, Kelly Degnan,¹⁰¹ and the EU ambassador to Georgia, Karl Herzel,¹⁰² are particularly worrisome. Also noteworthy are the reprimands and, in some cases, even slanderous accusations voiced by high-ranking government officials against MEPs and other allies of Georgia.¹⁰³

At the same time, we are already witnessing apparent attacks against such vital media and non-governmental actors as the 'Open Society Foundation of Georgia'. Attacking the foundation and its employees using the Kremlin's narrative from the highest political tribune shows the government's intention towards the non-governmental sector. Noteworthy, propaganda networks and anti-Western actors attack the representatives of the non-governmental sector by raising the issue of funding: the cases initiated against the representatives of the critical media mainly refer to financial issues¹⁰⁴. These circumstances provide a basis for the government to use the financial audit and initiate cases against CSO's representatives based on financial misconduct aiming to disrupt their activities and disorganize the civil sector and critical media.

4.4 Destruction of pluralistic environment in civil sector and media

In this direction, events may worsen further, for example, by initiating a case and starting investigations against leaders of the media and non-governmental sector, which in some cases ended with arrests (for example, the case of Nika Gvaramia, the founder and manager of the Main Channel).¹⁰⁵ Cases have been filed against the founders and

¹⁰¹ MDF 2022, "[Pro-Government "Fifth Column" and others vs Kelly Degnan](#)"

¹⁰² Civil.ge 2022, "[GD Chair Doubles Down on Criticizing EU, U.S. Ambassadors](#)".

¹⁰³ Civil.ge 2022, "[Georgian Dream Lawmaker Says Swedish Ex-PM 'Criminal'](#)".

¹⁰⁴ Transparency International Georgia 2019, "[The legal prosecution of a family member of the owner of "TV First" raises questions about freedom of speech and selective justice in the country](#)".

Coalition for Media Advocacy 2021, "[The aim of the legal dispute against Davit Kezerashvili may be to pressure Formula TV](#)".

¹⁰⁵ [Statement of Non-Governmental Organizations Regarding the Arrest of Nika Gvaramia](#)

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managers of two more televisions critical of the government: "TV Formula" and "TV First". Noteworthy, unlike famous TV personalities and media managers, leaders of the non-governmental sector enjoy less support from ordinary citizens¹⁰⁶. Therefore, these actions will not be associated with the government's reputational risks from the point of view of internal politics.

In case of further escalation of events, not only mainstream TV media outlets and large non-governmental organizations, but also professional online media and individual civil activists or small initiatives become targets. To illustrate the situation and the form of the attacks, the example of Kherson occupied by the Russians in Ukraine can be described, where Russia, without massive bombing of the city and its surroundings, tested so-called "soft occupation". Pro-Western part of the civil sector and the media became a target of Russian soldiers from the very first days of the occupation: immediately after the entry of Russian forces into Kherson, Russian soldiers were looking for pro-Western and pro-Ukrainian civil activists, journalists and bloggers by name and arrested them. Pro-Russian groups operating in Kherson prepared illustrated lists with photographs of the mentioned persons and handed them over to the Russian occupation forces.¹⁰⁷

Russian authorities have also targeted Georgian online media. On April 9, 2022, the Russian communications regulatory body, Roskomnadzor, requested "Netgazeti" to remove the material published about a Russian general. After the newspaper refused to comply with the request, the Russian-language version of the publication was blocked in the territory Russia¹⁰⁸. Even as early as 2021, the Ministry of Foreign Affairs of Russia accused "Netgazeti", "Batumelebi", Radio "Liberty", "Main Channel", "Tabula" and "Sovlab" of propaganda against the Soviet past¹⁰⁹.

¹⁰⁶ Civil Society Development and Citizen Engagement Project of East-West Management Institute (ACCESS) 2019, [„Assessment of Georgia’s Civil Sector“](#)

¹⁰⁷ KHRPG 2022, "Kherson journalist kidnapped by Russian invaders after reporting their violent suppression of a peaceful protest" <https://khpg.org/en/1608810349>

¹⁰⁸ Netgazeti 2022, ""Roskomnadzor" warns "Netgazet" to delete the material about the Russian general" <https://netgazeti.ge/life/604478/>

¹⁰⁹ Netgazeti 2021, "Russian Foreign Ministry against Netgazeti, Batumelebi and other Georgian media" <https://netgazeti.ge/life/584167/>

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A common tactic to weaken the media and the civil sector is the arrest of civil sector representatives at rallies and protest gatherings under the false pretext of considering a significant fine or several days imprisonment. In Georgia, this method was used against the "Shame movement" activists. The number of financial penalties significantly determines to what extent these people will be willing to engage in specific activities. The risk of monetary fines and even short detention will significantly reduce the participation of organizers and ordinary activists in peaceful protests. Fines can easily be used against the journalists broadcasting the rallies.

Such persecutions additionally drain the civil sector, as much of its legal aid resources are spent on precisely these types of cases. "Transparency International Georgia" no longer has human resources to provide legal aid for journalists. Journalists mainly request free legal assistance in the investigation of disputes related to attacks on them while covering street rallies or experiencing covert surveillance. Other non-governmental organizations working in this direction (for example, Georgian Young Lawyers' Association, Democratic Initiative of Georgia, etc.) also emphasize the need for additional resources following the high demand for legal services.

4.5 Physical security risks of civil sector and media employees

Physical security risks for the civil sector and media representatives in Georgia include several main aspects:

- a. Threat of significantly restricting the freedom of work;
- b. Security of offices and work spaces;
- c. Individual physical security;
- d. Security during demonstrations, rallies, protests and strikes;
- e. Surveillance and illegal surveillance against civil activists and journalists.

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Georgia experience practices of violations of the security of civil sector and media representatives¹¹⁰: the case of Azerbaijani journalist and dissident Afghan Mukhtarli¹¹¹; The methods of breaking up the "Gavrilov Night" protest on June 20, 2019¹¹², and the "pogrom" of July 5, 2021¹¹³ - directed against the media and the participants of the Pride March. Such incidents clearly demonstrate the physical threats faced by civil society. If the government of Georgia declares an openly anti-Western course, such incidents will increase and might worsen.

It is already challenging for representatives of the civil sector and media to obtain public information,¹¹⁴ which significantly hampered the work processes, especially for the media. Also, the ruling team de facto boycotts critical and independent media. The government has previously exercised its power selectively to allow certain Ukrainian and Russian citizens who are considered to be active opponents of Kremlin policies to cross the Georgian border¹¹⁵. Relevant agencies subject to political pressure can create similar problems for Georgian citizens when leaving the country. This leverage may be mainly used against those civil activists and journalists willing to participate in international forums and conferences, summits and events organized by international institutions. Recently, new trends have emerged. For example, name-calling attacks by government officials on journalists working in critical media outlets, which, in some cases, ended with physical attacks on specific individuals.

On July 5, 2021, the attack by violent groups on the offices of the "Shame movement" and Tbilisi Pride showed that the response of law enforcement agencies to violent actions is selective, and civil society has no reason to rely on their effectiveness. During the raid on July 5, an unprecedented number of journalists were injured, and one of them died

¹¹⁰ Transparency International Georgia 2021, "[Media — Target of Violence and Illegal Surveillance: Assessment of the pre-election media environment](#)".

¹¹¹ Tbilisi Human Rights House, "[Case of Afghan Mukhtarli: Facts and Assessment](#)".

¹¹² [Statement of Non-Governmental Organizations on the 20 June Events](#)

¹¹³ Media Advocacy Coalition 2021, "[A POGROM OF THE MEDIA: TBILISI, JULY 5 AND 6, 2021](#)".

¹¹⁴ IDFI 2022, "[Access to public information and the right to a fair trial](#)".

¹¹⁵ Ti Georgia, [Media Advocacy Coalition Calls on Georgian Authorities to Allow Russian Journalists Harassed Due to Professional Activities](#), 9 March, 2022

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from his injuries. If the information provided by a whistleblower to the non-governmental sector is confirmed, it will show that the authorities not only failed to prevent the events of July 5 but that some employees of the state security services were involved in the preparation and carrying out the events¹¹⁶. The fact that the organizers of the July 5 violent groups have not yet been punished allows interested groups, including the government, to use them in the future against CSOs or individuals who are critical of the government or support the country's pro-Western course.

To summarize, if the events in Georgia develop according to the pessimistic scenario, with the tendency of Belarusization, the next two years will be challenging for the civil sector and the media. As the parliamentary elections in 2024 approach and the region faces security and economic challenges, along with the increasing discontent among the population due to the Georgian government's and ruling party's clearly anti-Western direction, the government is likely to become more extreme in its efforts to suppress the civil sector and critical media. The ruling power will continue and intensify the use of the anti-Western narrative against the civil sector, the media, and their major financial or institutional supporters. Along with the suspension of democratic reforms, by adopting targeted legislative changes in an accelerated manner, the ruling power will be able to complicate the activities of the civil sector and media organizations and significantly limit their access to financial and other types of resources. Partial restriction of media activities and civil organizations, in general, will substantially damage the information field inside the country and make it easier for the Kremlin's propaganda networks and the local pro-government propaganda machine. Given the aforementioned issues and the growing political polarization, the risk of civil unrest will rise, and citizens' willingness to engage in the democratic political process will be significantly reduced. As a consequence, Georgian statehood and democracy will evolve more vulnerable to the threats of a potential hybrid war or complete occupation by Russia in the future.

¹¹⁶ TI Georgia, [Statement of Civil Society Organizations on the possible involvement of State Security Service in the events of July 5-6](#), 14 June, 2022



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Recommendations for Democracy and National Security Agenda





Recommendations for Democracy and National Security

Agenda

The scenarios discussed above illustrate some of the pathways that Georgia can take to reduce the damage to the country that may occur if the events develop in a more “pessimistic” direction. The implementation of the recommendations offered to the Government of Georgia and its social or political forces, on the other hand, will allow the country to use the existing opportunities faster and better.

These reforms or changes in governance and politics mainly require the efforts of the Parliament and the Government of Georgia. Equally important is the responsibility and effective participation of the political opposition in thinking, discussion and dialogue on policy issues at all levels. European Forum of Georgia is an opportunity for this kind of dialogue, although there are other parliamentary and non-parliamentary opportunities that could be utilized.

The recommendations that we present here, do not and can not cover all the necessary issues that require attention – there are obvious limitations of method, space, and focus. But we have the ambition to be representing well thought-through opinions as well as the issues that have been discussed with a very broad audience and in a very inclusive series of meetings all across Georgia. While working on this paper, we held twenty-eight meetings in Tbilisi and twenty more meetings in various other cities of Georgia. We believe that the recommendations provided below, are noteworthy not only as the result of the work of professionals of a particular field, but also because they were created based on the ideas and opinions of many citizens of Georgia.



A) Domestic politics and national consensus

1. Reducing polarization and political fragmentation

The chronic mistrust and extreme political alienation and desocialization that characterizes current Georgian politics are the biggest obstacles to pushing forward more beneficial policies in Georgia. The inability of the current political elite and the political system to create a positive agenda based on a broad consensus, at least on a very elementary level, creates serious obstacles to strengthening national security at these dangerous times, the development of the economy, reduction of unemployment and political stabilization. Achieving at least a minimal positive traction along these lines will allow Georgia better focus on strategic issues. We do not consider any level of polarization to be a threat. On the contrary, at some, albeit moderate levels, it helps citizens differentiate between parties and their positions and in making more informed choices. However, the degree of polarization in Georgia threatens to undermine Georgia's national security. That is why reducing the polarization remains one of the most important tasks for us, which can be done through policy dialogue, confidence building and implementation of other recommendations discussed below.

2. Renewal of political dialogue to agree on key issues

It is necessary to start a political dialogue, and then deepen it - on topics that contribute to the strengthening and development of the country. These topics include foreign policy and its implementation, defense, national security, energy and food security, Georgia's policy towards occupied Abkhazia and South Ossetia, and the large scale of Russian emigration to Georgia. These issues (especially in the current situation) are beyond the scope of any one party or government and require stronger consensus to enable both rapid response and long-term policy decisions. This requires consensus, which can only be achieved through dialogue, however difficult it may be.



3. Better dialogue between civil society and government

None of the tasks can be successfully completed if there is the level of mistrust and confrontational agenda as we have today in Georgia. It is necessary to restore trust from all sides. The same can be said about the relationship between the non-governmental sector and the government. **The leaders of the ruling party should stop demonizing the non-governmental sector and seek better ways of interacting with people with differing opinions.**

To rebuild trust, it is important to respect and recognize that critical opinions are not sufficient grounds for hostility. In this regard, it would be useful to understand the past political experience: governments often considered the non-governmental sector as a threat to their power and applied measures and methods against them that were inappropriate in a democracy. However, after the loss of power, it was in the non-governmental sector that former government officials found both a place to continue their social lives as well as find help in cases of politically driven pressure and often prosecution.

4. Effective measures against anti-democratic, radical-nationalist groups

It is important to take effective measures against violent groups to restore trust and stabilize democracy. Unpunished violence is a recipe for its escalation, and letting the genie of racism out of the bottle will hurt everyone, not just certain, for example, liberal groups. Therefore, there is a need for appropriate prosecution against such groups where there is a sufficient reason to do so. Above all, it is necessary to better protect society from harmful ideas. This can be achieved by supporting informal broader civic education efforts and also, improving the quality of civic education in schools. In this regard, the role of the Ministry of Education and Science of Georgia is no less important than that of the law enforcers.

5. Addressing issues related to illegal surveillance

Without addressing this problem, it will be impossible to restore trust between the government and the opposition, authorities and activists. Here too, it is important to



understand the recent past: no one is immune to the fact that today's unjust system may be used against them, including those at the pinnacle of power today. Addressing the issues related to widespread illegal wiretapping is not only necessary for the sake of upholding democratic values, human rights and the rule of law, or even for further integration with the European Union, but also to restore trust in the basic decency of the state. Lastly, it is also important in terms of the self-preservation instinct of those who are now at the helm of the government, or the law enforcement, but may suddenly find their fortunes turned and thus become the victims of the system they sustained. There are vivid recent cases of exactly this happening to former government officials from the law enforcement.

6. Elaborating a reasonable policy to come with the influx of Russian citizens

The mass exodus of Russian citizens into Georgia is causing justifiable public anxiety. Moreover, the statements of the government representatives do not allow for reassurance, creating the impression of indifference and loss of control over the process. The demands of the opposition parties and civil society for the elaboration of new regulations in relation to emigration are noteworthy and should be considered. A dialogue on this issue would be an opportunity to exchange views and a chance to discuss better policy parameters. Also, another step towards restoring trust - in the extremely fragmented Georgian political society.

7. Good elections in 2024

The elections scheduled for 2024 is another litmus test for Georgian democracy as well as its foreign policy orientation. Conducting them transparently and in a fair and fair and competitive environment will confirm Georgia's ability to survive and develop as a democracy. It will also provide the strongest proof that despite its shortcomings, Georgia remains a committed partner of Western democracies in the region and is true in its EU and NATO aspirations. To do so 2024 elections must stand out as one of the best elections, ever organized in Georgia. This is mainly the responsibility of the government



but it is also necessary for the opposition to realize its responsibility and to properly prepare for these elections: by better selection of candidates, better training of observers and elaboration of electoral programs so that elections are dominated by a debate about policy issues and not personal attacks, partisan warfare and violence.

8. Reform of the reconciliation and civil equality policy

Restoration of its integrity and general reconciliation is one of the primary tasks of the country. Unfortunately, the Office of the Minister of State for Reconciliation and Civil Equality cannot respond to the new reality which is rapidly changing, especially in light of the Russian invasion of Ukraine. The Ministry either does not work on adapting new policies that will be more relevant to the altered geopolitical context (including local contexts and public perceptions in Abkhazia and SO) or if it does, it fails to communicate properly with relevant stakeholders and the public. In the current situation, when the international and regional security order is undergoing critical changes, it is important for the policy of reconciliation and civil equality to rise to a new level and to work on creating a new vision, strategy and policy regarding the occupied territories of Georgia.

B) Defense and Security

9. Reviewing and updating key national security documents

Russia's illegal attack on Ukraine has put the basic assumptions in security and defense under a new light. Among other important issues, the Russia-Ukraine war demonstrates a significant transformation of the battlespace – in the dimensions of strategy, tactics, combined arms, defense and technology. Adding to this, is the new dynamics emerging in the South Caucasus after the military campaign of Azerbaijan. The need to study and integrate these new lessons into the military doctrine is clear. All of this requires a rethinking of the security environment of Georgia and a review and update of key security and defense strategic documents. National Security Concept, Defense Review and Threat Assessment documents are all long outmoded: The latest edition of the National Security Concept of Georgia is from 2011 while the latest Threat Assessment document covers 2015-2018 only. Unfortunately, the key update of the national security concept is



yet to be finally discussed and approved by the Parliament. In order to take necessary steps for better safeguarding the country's national security and to create appropriate political, institutional and budgetary conditions, it is necessary to quickly update these and other documents and while doing so, use the best available expertise, by involving Georgia's key politico-military partners.

10. Increase of defense budget

The Defense budget of Georgia¹¹⁷ (2.16 billion GEL) cannot adequately cope with the existing challenges. It is necessary to consider new budgetary changes and a significant increase in the budget to create and strengthen the country's defense capabilities, including civil defense capabilities. Naturally, the budgetary policy should derive from the updated doctrine of national security and the updated strategy of defense capabilities, which, as we mentioned, need to be approved urgently.

C) Foreign policy and international relations

11. Implementation of 12 points of EU recommendations

Integration with the European Union is one of the primary foreign policy goals of Georgia. This process has important security, political, economic, and social dimensions. In today's situation, it is also one of the first and real opportunities to strengthen Georgia's statehood and its sovereignty. Accelerating the pace of approximation with the European Union will contribute to the improvement of the country's investment potential, its political and economic stabilization and, in general, positively change the country's development trajectory. Therefore, the government and the political forces of the country should spare no effort to ensure that the tasks of obtaining the status of a candidate for EU membership are completed in the near future and that they are not sabotaged for any other reason. Today, when such dramatic events are taking place in our region, the European Union

¹¹⁷ Ministry of Finance of Georgia, 2022 State Budget Appropriations, Chapter VI, Article 16.
<https://www.mof.ge/5477>



represents a space of stability and development, and leaving Georgia beyond such a space carries vital risks.

12. Better coordination with European foreign and security policy

In order to re-energize and improve Georgia's foreign policy, more intensive and better coordination with the foreign and security policy of Europe is required. Alignment with EU's foreign policy is also an important aspect of Georgia's Association Agreement with the European Union. The policy of détente with Russia has no prospects and the latest indication of this is the recent visit of Russia's key ally - Lukashenko to Abkhazia and the continued expansion of the occupied territory and the abduction of the Georgian citizens. Therefore, more active coordination and synthesis with the EU in foreign and security policy is necessary, especially, against the backdrop of the Russia-Ukraine war. In this context, it is important to discuss the possibilities of close cooperation with the mechanism of defense cooperation of the European Union members (PESCO) and further approximation with the policy.

13. Enhanced professionalization of Georgian diplomacy

The professional conduct of foreign policy is one of the key responsibilities of any state but for a country in such a turbulent zone and conditions as Georgia, it is of vital importance. It is necessary to staff Georgian embassies with more competent ambassadors and other employees. In many capitals, our diplomatic corps do not speak the local languages, do not have proper contact with political or public groups, and have a poor to non-existent familiarity with local cultures.

The infrastructure of Georgian embassies also needs to be improved. It is also highly important to streamline the selection and appointment procedures of diplomats and to use professionalism, experience and skills as the main criteria for decision-making, instead of party loyalty.



14. Improving a poor state of affairs between Tbilisi and Kyiv

Georgian-Ukrainian relations are at historically low levels. Aggressive and critical speeches of our government against individual leaders of Ukraine are not in service to the national interests of Georgia. They are also pragmatically counterproductive as well. Assuming that Russia is no longer able to achieve its goals in Ukraine (i.e., the actual destruction of Ukrainian statehood), after the end of the war, the current government of Georgia will find itself in confrontation with the leadership of one of the most powerful, fast-growing, influential power in the region.

Besides the fact that this does not correspond to the spirit of the Georgian society and its national interests, basic political instincts should dictate a different behavior to the Georgian government. To correct the situation, high-level visits to Kyiv with the participation of the Prime Minister, the Speaker of the Parliament, and the President are necessary. The visits must aim to restore trust in Georgia - as to a reliable ally and friend of Ukraine, as well as a worthy and equal member of the Eastern Partnership trio of the European Union.

15. Strengthening strategic ties with Washington, Paris, Berlin and London

It is necessary to work on deepening the strategic relationship with these states, more professionalization of the existing embassies, and their better staffing and financing. In addition, it is necessary to work with renewed energy to organize official visits of high officials of these states to Tbilisi, something that has been clearly lacking in recent years.

16. Strategic ties with Visegrad and Baltic countries

These states have been Georgia's important partners since independence. Among other things, these countries have a better understanding of the challenges that come from the geographical proximity to Russia. It is necessary to strengthen these ties so that Georgia can better "fit into" the new security architecture that is being formed in Eastern Europe.



17. Ceasing baseless attacks on Western diplomats

None of the foreign policy goals can be realized if the official Tbilisi does not stop baseless attacks on our partner diplomats and politicians. The ruling party should also seek to clearly distance from the statements periodically made by the group of MPs who have formally left the Georgian Dream. The democratic states of the West were and will remain the main allies for the protection of Georgia's sovereignty and its democratization. The baseless attacks on them must end.

18. New relations with NATO, request to accelerate accession

The Government of Georgia can work to further strengthen Georgia-NATO ties. For example, potentially opening the office of the NATO Center of Excellence in Georgia would be such a positive and useful step. The war in Ukraine has once again confirmed a simple truth: Russia cannot attack the members of this organization, therefore Georgia should renew its demand to quickly join NATO at a high level - taking into account the current reality. A request to skip the MAP process can also be discussed by Georgia's foreign policy and security circles, in close partnership with key allies.

19. Renewal of high-level international conferences

The year 2022 was also marked with the Georgian Government skipping the organization of the European Way of Georgia conference, traditionally held in the summer months (2011 conference was canceled due to COVID). The annual defense conference was not held either. Such forums are important for expert discussions on issues related to national security and national interests, to find new opportunities and to think about how to overcome problems through joint efforts, including international assistance and cooperation. In addition, these and similar conferences are important to "promote" Georgia on the international arena, for better international positioning and to discuss new perspectives. Therefore, we believe that the government of Georgia or the President of Georgia should quickly prepare both conferences, in which our international partners and relevant local organizations, and foreign policy and security experts will take part. It is not



time to scale down or cancel these events, now is the time to broaden their scope, generate vibrant discussions, and attract more international support to Georgia's causes.

D) The Economy

20. Diversification of trading partners

To ensure more stable development of international trade for Georgia, it is necessary for the Georgian government to ensure the diversification of trade partners. Currently, the main part of both export and import is significantly concentrated in several countries, including Russia. Russia is an unreliable and unstable trade partner, which is in a difficult situation due to the ongoing war and heavy economic sanctions, which accordingly affects its trade with Georgia.

In the recent past, there have been cases when Russia restricted trade with Georgia for its own political purposes. Therefore, it is clear that Georgia should reduce its dependence on Russia and states with similar political outlook on Georgia as much as possible. In addition, strengthening trade relations with the European Union should be more prioritized, as it represents the world's largest (combining 28 countries and more than 500 million consumers) and one of the most stable markets, with consumers of high purchasing power. Fulfillment of the obligations stipulated by the DCFTA and the implementation of the recommendations issued by the European Council for obtaining a candidate status for membership of the European Union are must on this road to trade diversification. These agreements and recommendations will contribute to the development of new enterprises and export products in Georgia, the supply of safe and harmless products to Georgian consumers, and the development of public administration in accordance with European standards. Ultimately, the fulfillment of such obligations will have a positive impact on the long-term and sustainable economic growth and development of Georgia.



21. Strengthening energy security

Recently, the issues of energy security have attained a more urgent importance. Cooperation with Turkey, Kazakhstan, Azerbaijan, and other energy exporting countries is a priority to insure risks related to energy security and create a better strategy. In this regard, it would be useful to organize high-level visits to these countries as well as convene an international energy security conference in Tbilisi.

22. Developing a strategy for reducing energy dependence on Russia

Despite the fact that Georgia's dependence on Russian energy products is not critical, and in recent years there has been a trend of decrease of Russian imports, taking into account the current events and Russia's weaponization of energy, it is necessary to minimize the dependence further.

Any level of attachment to Russia damages the energy security of our country and poses risks to the country's sustainable economic development. Therefore, it is necessary to develop a strategy to reduce energy dependence on Russia, by following a general policy of lessening energy dependence carried out by the European Union. Since the energy market of Georgia lacks its own sources and largely relies on the import of energy products, the primary goal of this strategy should be increasing Georgia's energy independence by fully utilizing its own energy production capabilities, especially hydro resources. At the same time, it is necessary to diversify the import of energy products in Georgia and develop capacities for exporting any excel energy to the EU.

23. Diversification of food import markets

As in energy, the reduction of dependence on Russia and the diversification of import markets for food markets is a priority. Currently, among the products imported to Georgia from EU countries, food products have an insignificant share. If we consider the three main commodities: wheat, flour, and sunflower oil, only a small part is imported from Ukraine to Georgia (wheat - 0.6%, flour - 0.2% , oil - 11%) while Russia remains the main



trade partner. Therefore, it is very important for Georgia to find an alternative and more reliable partner for these products.

Endnote:

The recommendations presented in this document are difficult and ambitious political task for any government and society in general. But their realization will take Georgia out of the swamp of nihilism, timidity and apathy and will give the country a powerful impulse of development and pride, which is so necessary today. Otherwise, we are doomed to remain as spectators, abandoned by everyone, behind the new political and security order, on the edge of the stream of democratic and economic progress.

Implementation of such reforms requires political will, political skills, civil cooperation and compromises; requires the management of the country and the conduct of politics not based on party interests, but according to national interests; not with visions based on the past, but with a national, future-oriented political ambition; not based on individual feelings, but based on public thinking.

We think that, despite all the difficulties, the given recommendations can be implemented and Georgia still has sufficient resources. It is this hope and motive that guided our work creating the aforementioned analysis and recommendations.

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