Central Asia-Caucasus Analyst

BI-WEEKLY BRIEFING VOL. 11 NO. 1 14 JANUARY 2009

Searchable Archives with over 1,500 articles at http://www.cacianalyst.org

ANALYTICAL ARTICLES:

A CENTRAL ASIA WITHOUT THE WEST? Richard Weitz

POST-WAR GEORGIA PONDERING NEW MODELS OF DEVELOPMENT Archil Gegeshidze and Vladimer Papava

> **ARMENIA: HEADING INTO** ANOTHER TURBULENT YEAR Blanka Hancilova

CAN KAZAKHSTAN'S EDUCATION **REFORMS DODGE THE GLOBAL ECONOMIC MELTDOWN?** Rafis Abazov and Galiya Ibrayeva

FIELD REPORTS:

ARMENIA AND IRAN AGREE ON NEW COMMUNICATION PROJECTS Haroutiun Khachatrian

TAJIK CLERIC: SALAFISM MAJOR SECURITY THREAT Alexander Sodigov

PARLIAMENTARY ELECTIONS IN TURKMENISTAN Chemen Durdiyeva

FEARS OF FINANCIAL SYSTEM COLLAPSE IN KAZAKHSTAN Roman Muzalevsky

NEWS DIGEST



Central Asia- Caucasus Institute Silk Road Studies Program

Central Asia-Caucasus Analyst

BI-WEEKLY BRIEFING VOL. 11 NO. 1 14 JANUARY 2009

Contents	
Analytical Articles	
A CENTRAL ASIA WITHOUT THE WEST? Richard Weitz	3
POST-WAR GEORGIA PONDERING NEW MODELS OF DEVELOPMENT Archil Gegeshidze and Vladimer Papava	6
ARMENIA: HEADING INTO ANOTHER TURBULENT YEAR Blanka Hancilova	9
CAN KAZAKHSTAN'S EDUCATION REFORMS DODGE THE GLOBAL ECONOMIC MELTDOWN? Rafis Abazov and Galiya Ibrayeva	12
Field Reports	
ARMENIA AND IRAN AGREE ON NEW COMMUNICATION PROJECTS Haroutiun Khachatrian	15
TAJIK CLERIC: SALAFISM MAJOR SECURITY THREAT Alexander Sodiqov	16
PARLIAMENTARY ELECTIONS IN TURKMENISTAN Chemen Durdiyeva	18
FEARS OF FINANCIAL SYSTEM COLLAPSE IN KAZAKHSTAN Roman Muzalevsky	19
News Digest	21

POST-WAR GEORGIA PONDERING NEW MODELS OF DEVELOPMENT

Archil Gegeshidze and Vladimer Papava

After the August 2008 war with Georgia, Russia unilaterally recognized the independence of Abkhazia and South Ossetia and embarked upon setting up its own military bases in both Georgian breakaway regions. As a consequence, a new reality emerged. Unless the status quo ante of the August 2008 war is restored, Georgia will not only lose all hopes for the restoration of its territorial integrity but will also face greater difficulties integrating into Euro-Atlantic institutions. Under such circumstances, international experience suggests Georgia must choose a model of development which on the one hand will enable the strengthening of regional security and stability and, on the other, will ensure the protection of Georgia's national interests.

BACKGROUND: Since the early 1990s, the separatist-controlled provinces of Abkhazia and South Ossetia, with the aid of Russia's military and political assistance, succeeded in escaping from Tbilisi's control. Simultaneously, Russia obtained the status of peacekeeper within the CIS format and deployed its "peacekeeping forces" in both regions. In fact, Moscow used these forces to maintain the security of its own puppet regimes. Although Moscow officially recognized Georgia's territorial integrity when a visa regime was introduced in its relations with Georgia in 2001, it exempted Abkhazia and South Ossetia from the visa regime. That was the Kremlin's first step to politically separate both breakaway regions from the rest of Georgia. Subsequently, residents of both regions were granted Russian citizenship and provided with Russian passports.

After the five-day war between Russia and Georgia in August 2008, Moscow unilaterally recognized the independence of Abkhazia and South Ossetia. It is noteworthy that after a number of Western nations had recognized the independence of Kosovo, the Kremlin did not even attempt to hide its own intentions regarding Georgia's breakaway regions. Moreover, before the West's recognition of Kosovo, Moscow had repeatedly warned the world that Kosovo would set a precedent and would, therefore, provide a precedent for the recognition of the independence of separatist provinces in the post-Soviet area.

The world's leading nations strongly criticized Moscow's aggression against Georgia and the recognition of the independence of Abkhazia and South Ossetia. Despite this, it is practically unthinkable to expect that in the foreseeable future Moscow could reverse its decision. On the contrary, Moscow will take steps to keep its military bases there indefinitely. Thus, Georgia has found itself in a situation where it is likely to have a continued territorial dispute with a part of its own territory under occupation. Obviously, Tbilisi will never reconcile with the idea that its territorial integrity has been impaired and that two of its historic provinces have been taken away from it. The situation resembles something which Europe has experienced a number of times in its recent history.

Under the present conditions, Georgia needs to come up with a new model of development based upon international experience which will serve its national interests. From this standpoint, it seems that the cases of Finland, Serbia and Cyprus are the most relevant to consider. Each of these models has certain strengths and weaknesses.

IMPLICATIONS: Finland's experience is unacceptable to Georgia as a matter of principle. Under enormous military and diplomatic pressure from the Soviet Union, Finland had to make huge concessions in order to preserve its nominal sovereignty. Specifically, in the early 1940s, as a consequence of hostilities conducted in the context of World War Two, Finland had to yield ten percent of its territory to the Soviet Union. Despite the enormous price that Finland had to pay for peace, this country managed to maintain a course of political and economic development which made it one

of the successful democracies of present-day Europe. This model could figuratively be labeled as "stick without carrot." For reasons of mentality and historical memory, it is unlikely that Georgian society could reconcile itself with the fact that Abkhazia and South Ossetia are lost for good. The country, then, can make no choice as regards its future development in exchange for the loss of its territories especially in consideration of the fact that nearly the whole world supports its territorial integrity.

Serbia's example is somewhat different. After February 2008, when the U.S. and leading European nations did not heed Belgrade's opposition and recognized the independence of Kosovo, Serbia began the accelerated process of its integration into Europe. Serbia, as one of the key countries in the Balkans, was practically assured that it would be allowed to completely integrate with the European and the Euro-Atlantic organizations if this was what it wanted. Furthermore, the EU had already signed a Stability and Association Agreement with Serbia and talks are underway about the transition to a visa-free regime between Serbia and the Schengen zone.



(Getty Images)

At the same time, all are aware that without Serbia's recognition of Kosovo's independence, Serbia's integration with the European unthinkable. structures is Consequently, without this, no long-term peace and security may be ensured in the Balkans. In the meantime, even the most pro-Western political groups in Serbia are not ready to lose their hopes for the reintegration of Kosovo. This is exactly why the West has been trying to "drag" Serbia into the Europeanization process. The goal is to give Serbia an appetite for the intensification of this process and so long as it faces this dilemma, eventually to make Serbia give up Kosovo. Again figuratively, this case resembles a "stick with carrot." Although Serbia is promised many carrots for this decision, such as rapid integration with the EU, for the reasons mentioned while discussing the Finnish

case, this is a scenario which cannot be reproduced in Georgia.

The example of Cyprus appears to be the most relevant for post-war Georgia. More than 30 years ago, the northern part of the island, with huge Turkish military assistance, broke away from Nicosia followed by Ankara's recognition of the independence of the Turkish Republic of Northern Cyprus. No other country has Turkey's decision followed ever since. Meanwhile, strong democratic developments and market-oriented reforms in Cyprus enabled the country to grow in wealth, join the EU and, thereby, to become attractive to the once separatist-oriented dwellers of Northern Cyprus. In case of eventual reunification of the island, this case would definitely qualify as a "carrot without stick."

In the 21st century, the case of Cyprus might be rather promising for Georgia. The fact is that Brussel's initiatives towards Georgia are not limited to extending some financial assistance to Tbilisi. Brussels has announced its readiness for visa facilitation measures within the framework of the Eastern Partnership program, and to negotiate a free-trade regime with Georgia - thus, making Georgia's Europeanization process increasingly filled with content.

CONCLUSIONS: In the aftermath of the Russian aggression against Georgia and Moscow's recognition of the independence of Abkhazia and South Ossetia, the only choice for Georgia is to ensure its democratic development and sound market reforms as

prompted by the Cypriot experience. Furthermore, it is recommended that the EU, the framework of the within Eastern Partnership program, ties its political support and financial assistance to Georgia with the latter's success in democratic transformation. This strategy would ensure Georgia's rapid rapprochement with the EU.

The U.S. government, too, has to play an important role in encouraging Georgia to get closer to the EU. To this end, Washington and Brussels must work toward greater coordination of their efforts with respect to Georgia. Harmonizing the U.S. financial assistance to Georgia with the EU's assistance programs would work toward this goal. Making Georgia more EU-oriented should also be a priority for the International Monetary Fund and the World Bank. The conditionality of their programs must be in full harmony with those of Brussels in relation to Georgia.

AUTHORS' BIOS: Dr. Archil Gegeshidze is Senior Fellow at the Georgian Foundation for Strategic and International Studies (GFSIS). He served as Assistant to the President on National Security and as Chief Foreign Policy Advisor from 1992 to 2000. Dr. Vladimer Papava is a Senior Fellow at GFSIS, a Senior Associate Fellow of the Central Asia-Caucasus Institute & Silk Road Studies Program Joint Center, and author of *Necroeconomics*, a study of post-Communism economic problems. He was Minister of Economy of the Republic of Georgia (1994-2000), and Member of Parliament (2004-2008).