



GEORGIA'S WESTERN CHOICE

GEORGIA'S
WESTERN
CHOICE

GEORGIA'S WESTERN CHOICE

GEORGIA'S WESTERN
CHOICE

GEORGIA'S
WESTERN
CHOICE

GEORGIA'S
WESTERN
CHOICE

GEORGIA'S WESTERN
CHOICE

GEORGIA'S WESTERN CHOICE

GEORGIA'S WESTERN CHOICE

BAKUR KVASHILAVA



Dean

GIPA - School of law and politics.

Recently held Riga Eastern European Partnership Summit 2015 was once again unsuccessful for three countries aspiring for EU membership – Georgia, Ukraine and Moldova. They were refused to receive what they were most expecting from EU – the direct acknowledgement that EU doors are open for them.

Summit declaration indirectly admits “the European aspirations and European choice of several countries (without even naming these countries) as pertained in the relevant DCFTA”. Before the Summit, Angela Merkel in her address to Bundestag made it clear that DFTA does not represent the programme of joining the EU. In other words, EU member states refrain from proposing certain guarantees for those countries wishing to join EU. NATO has the same consistent approach since 2008, despite its Bucharest Summit declaration stating that “Georgia and Ukraine will become NATO members in case they meet certain requirements”. However, NATO is still abstaining from concrete steps to offer MAP to Georgia. It is obvious that we are facing the consistent policies. Our task is to find the rationale behind these policies and create optimal action plan of our country by also anticipating global trends which may form alternative scenarios for the next decade.

Mr. Usupashvili, the Chairman of Parliament of Georgia and the leader of the Western wing said to Financial Times that the important thing he learnt from being in International politics is that the small country does not have right to be upset. This statement should serve as an introduction of the abovementioned action plan to find principles of forming optimal foreign policies for the country. It is true that small countries have minimal impact on International relations even when it directly concerns its vital interests. The same applies to Georgia – notwithstanding the desire of the Georgian nation and its government to integrate in the Euro-Atlantic structures, without the desire of the counterpart it is impossible to even start the process. On the other hand, there are cases when the small countries could have an extraordinary impact on its own destiny.

1. [and%20Settings/Bakur/My%20Documents/Downloads/Riga%20Declaration%20220515%20Final%20\(1\).pdf](#)

GEORGIA'S WESTERN CHOICE

This work shows that Georgia has such opportunity.

Restrained approach of the EU should have its own reasons; in fact its most important members – Germany, France, Italy and Netherlands have been skeptical over NATO and EU enlargement to the East for already the last 10 years now. It is not worthwhile to keep on proving that these EU states do not understand the interests of their countries better than we do. This is a very naïve and idealistic approach in its worst definition. The caution of these states is determined by several reasons: foreign political context, internal politics, and economic context and internal political and economic faults of the very countries aspiring to EU. The NATO politics regarding Georgia's membership could be explained in the same way. Therefore, it is significant to perform in-depth analysis of the reasons of such attitude of the West.

We do not spend sufficient time discussing the objective complexity of the process of becoming member of EU and NATO which involves the difficulty of meeting respective criteria and the level of social and economic parameters of the aspiring countries. These parameters would have had to be met even in case Russia had supported such aspirations of these countries.

Eastern European countries which became the EU members could serve as bright examples of the complex process of achieving EU membership showing that there are no grounds for apathy and despair. For example, the Baltic States joined EU in 2004, whereas DCFTA with them was ratified in 1995; hence, it took 9 years for finalizing EU membership after the ratification. In case of Romania and Bulgaria the process was even longer – these

countries signed DCFTA in 1993 but it took them 14 years to become the EU member. Georgia signed DCFTA only last year which has not been fully enacted yet. Therefore, in the best case scenario of having acceptable political context Georgia will have to wait 10 more years to become fully integrated in Euro-Atlantic structures. Moreover, Georgia's geopolitical and economic situation is significantly unfavorable than compared to that of the mentioned states in 2004 and 2007, respectively.

The same can be observed in regards with NATO membership process. If we view NATO programme Partnership for Peace as an initial step of the membership process, we will see then that it took 10 years for Romania, Bulgaria, Slovakia, Slovenia and Baltic States to become NATO members and 15 years - for Albania. On the other hand, it is more logical to think that NATO open-door policy for the mentioned states started in 1999 which shrinks admission process between 5 and 10 years. Russia's stance against NATO enlargement was also sever then, however the regional political, economic and social context not in its favour. At the same time, none of these states were facing the same level of territorial or democratic challenges as Georgia, Ukraine and Moldova do today.

So the moaning and grumbling on how West abandoned us is very superficial and trivial in the best case, and in the worst one – thoughtful propaganda to hinder Georgia to return to the European family.

Besides, we should also note that current global and regional political, economic and social environment is much less favourable today than it was 10 years ago, defining the

already difficult and longsome process of integration in Euro-Atlantic institutions.

Current Foreign Political and Economic Context

It is becoming obvious that today's world is significantly different from the 10-year period after the Cold War - international terrorism and Islamic fundamentalism, emerging of quasi-state formations, the biggest financial crisis in the West after 1929, political and economic strengthening of anti-western states form substantially new rules of the game. The mentioned trends mean the dramatic increase of Russia's power and ambitions in the region, deepening financial crisis in Eurozone, degrading of Western values in the Mediterranean neighbourhood of Europe and reinforcement of fanatic haters of the West.

When former Warsaw Pact states Poland, Hungary and Czech Republic joined NATO in 1999, Russia had a severe protest; this protest was much more severe in 2004 when the organization was joined by ex-Soviet republics – Latvia, Lithuania and Estonia. Despite this protest, the process did not stop. Today, Russia is still opposing Euro-Atlantic aspirations of the countries like Georgia, Ukraine and Moldova. However, today the balance of powers between the West and Russia is significantly changed.

In 1999, GDP of EU was 48 times higher than that of Russia, in 2004 – 23 times. Today this difference is dramatically shrunk to only 8 times which shows Russia's favourable growth during all these years. Total economic growth of EU between 2009 and 2013 was 6%, whereas of Russia – 71%. At the same time, these parameters of the US were significantly low vs those of China – the US economy was 6.5 times bigger than that of China, however in 2013 – only 1.8 times. If we sum up the economies of Russia and China on one hand and those of the West on the other hand, we will see that the GDP of the latter was 15 times higher than that of the former, however this difference shrunk 5 times by 2013. Russia's GDP per capita increased from US\$ 1330 in 1999 to US\$ 14611 in 2013 (the same

2. <http://www.ft.com/cms/s/0/8edae-8fe-fadc-11e4-84f3-00144feab7de.html#axzz3axk0ZCIr>

3. file:///C:/Users/user/Downloads/http---www.aphref.aph.gov.au-house-committee-jfadt-centraleurope-ce_report-appendixd.pdf

parameter in Georgia was from US\$ 628 to US\$ 3596 with Russia having double growth compared to Georgia). Russia's military expenditures are increasing together with its economic growth. In 1999 EU military spends are 27 times higher than Russia's, this difference shrinks 2 times in 2004, and in 2013 this comparison is only 1/3. Power concentration and strengthening of central government in Russia was also expressed in their budget formation. In 1999 planned budget revenues amounted to 24 BLN\$, the number increased to 605 BLN\$ in 2012, 25 times. Russia's decreasing demographic trend between 2005 and 2009, also improved with the increasing one between 2010 and 2014.

Only these figures are sufficient to draw necessary conclusions as to the emergence of substantially new challenges adding political context to that it is obvious that Russia has grown into a stable but revanchist centralized dictatorship which makes it obvious that this country will have aggressive attempts to revisit current world order, war with Georgia in 2008 being one of the bright examples of it.

Trade and economic relations between the EU and Russia is under a particular spotlight when it concerns the gas dependence of EU on Russia. It has already been 5 years that Russia holds 1/3 of EU gas and oil imports. Despite Russia's aggressive actions against Georgia and Ukraine where there is an apparent violation of International laws resulting in annexation of these countries' territories, Russia and EU still remain important economic partners of each other. According to UN, in 2012 EU's investments in Russia held 82.5% amounting to 41 BLN\$. The same year 70% of EU's total investment portfolio is held by Russia amounting to 345 BLN\$.(??)

Only the Netherlands carried out 60 BLN\$ worth investment in Russia. Russia's investment in 2012 in EU amounted to 32 BLN\$ being 66% of its total investment portfolio.

Given the above economic ties between Russia and EU which are really deep and comprehensive it is becoming clear that EU will have difficulty in total rejection of Russia and

its interests which are strengthening on EU scene and are worth being accounted for.

Optimal Foreign Policy for Georgia

Different paradigms of international politics offer diverse recommendations to analyze the said political context in order to establish adequate foreign policy. The analysis shows that according to both dominant theories of international relations, realism and liberalism it is better that Georgia maintain Western political vector.

Determinant of international politics are the balance of powers between the countries and national interests. Objective of each country is survival and increase of the level of its independence, strength and welfare. At the same time, every country while realizing their political and economic goals, in particular the small countries in size and power, like Georgia will always be dependent to certain extent on the stronger countries. Armenia, Georgia, Azerbaijan, Kazakhstan, Ukraine, Bolivia or Poland will always have difficulty in planning their own foreign policy without considering the basic trends of international system. In case they have an attempt it will end up with catastrophic results in some cases, like for example Cuba, North Korea, Iraq, Libya or Afghanistan. According to Realism, small nations have to follow the rules of International scene which are elaborated by the strongest players of the international system. Given the geographic factors, first priority forces for Georgia are the USA, EU and Russia, of course with Turkey and Iran having certain impact on the region but they could be considered as second priority forces.

For practical planning of foreign policy it is of utmost importance to determine and estimate the force, the key driving element of Realism; if we do not know how to measure the country's strength, we will not be able to either determine the existing balance of powers or elaborate the optimal foreign policy. Diverse categories of Realism put stress on different aspects of the force depending on relevant technological advancements in given period. For example, in the 19th century geographic

factor had greater significance than it has today. So for countries like Georgia it is important to figure out the balance of powers and future trends to build optimal foreign policy upon them. There are two basic types of foreign policy according to Realism – attachment and balance. Attachment means supporting the stronger power which will enable more security in the short-term as the threat is basically coming from the stronger country. At the same time, the attachment policy may gain material and moral benefits as well, because during confrontation the party which is on the stronger power's side will likely increase its chances to win the battle, hence – gaining material and moral benefits. On the other hand, the attachment policy threatens the country's independence and sovereignty in the long-term; the bigger the alliance, the more the compromise as stronger parties are less motivated to consider the weaker party's interests. According to Makaveli's famous argument states it is not at all pragmatic to support the stronger power as after the victory the weaker power stands against much stronger power which will try to further limit its interests. Like Makaveli, the majority of realists prefer policy of the active balance. Being in alliance with less powerful force will give such country an opportunity to stand out more, and leader of the alliance will pay more respect. Hence, the small ally retains more independence and freedom than being in the stronger alliance. However, being in the weaker alliance increases chances of being defeated and in the worst case – destroyed. Both of the policies are clear, they are two sides of one medal and the choice has to be made in accordance with the context, namely if confronting parties somehow balance each other out, the choice has to be made for the weaker power, however in case of the contrary (dramatic misbalance) the policy of attachment is the only proper choice.

In case we determine Georgia's foreign policy according to the model of Realism, we shall need to estimate the level of balance between Russia and the West in our region. As mentioned above, despite the different branches of Realism give different meanings to the components of Force, they unilaterally agree that there are two basic components which

4. <http://data.worldbank.org/indicator/NY.GDP.PCAP.CD>

5. <http://databank.worldbank.org/data/views/reports/metadataview.aspx>

form the Force: military and economic. When calculation military component we shall use the following parameters: number of military staff, military education level, military experience gained during certain period of time, military expenditures, quantity and quality of ground, air and navy technique. We think that it is optimal to consider the total of military expenditure and population which sets certain vision about other components. For example, paying attention to the number of military staff only without considering the quality will distort the clarity of the whole picture. It is at the same time difficult to objectively estimate the level of military education. Population number gives general idea about the human resources. The military expenditures determine the level of staff preparation and the quality of the equipment. Estimation of the experience is hard by quantitative parameters, however it is possible to evaluate the last military operation success level and it is expedient to consider it; however this parameter will not change the big picture. Therefore, we can skip it from the calculation. Components of economic force are the following: GDP of a given year, economic growth rate for the last 5 years, lump sum of hi-tech export and territory. These parameters will shed some light not only on to the size of economy and the growth rates but also to the future prospects as well bearing in mind the hi-tech component. Considering territory within the formula will consider the country's natural resources as well. The players discussed above do not possess the natural resources to such an extent to enable them to have the advantage over the other. While determining the factor of force we consider it expedient to give equal importance to economic and military components.

Realism explains inter-relations between the countries by force and national interest, their change over time, conflict and cooperation tendencies. At this stage we tried to define the Force. To view the whole picture, we will need to identify the national interest out of these three players. This gives direction to the force which is important. Without national interest which directs the country's resources to achieving specific goals the Force will remain static having no impact on the environment whatsoever. To evaluate the impact of national interest

we will use two component. One is prioritizing political objectives of a concrete player, the other – the social unity. The latter will define the level of public support and consent which will determine whether or not to use certain political, economic and military force with relevant consequences. These components are important. They put stress on different aspects which fill each other.

According to our specific goal, these components first define the extent of priority of its foreign policy vs the internal one of a given player, and then how important is Georgia's integration in Euro-Atlantic structures in its scope of interests, considering Russia's confrontation. The more this issue is important, the more use of force is possible and expected, and vice versa. Second component, the social unity evaluates the extent of the population support of its government's escalating decisions. Consequently, it will be rational to give equal weight to force and national interest while defining the level of real impact of the player. Therefore, here is the realism of the balance of forces: $\text{Impact} = \text{Force} + \text{National Interest}$, where $\text{Force} = \text{Military Strength} + \text{Economic Strength}$ and $\text{National Interest} = \text{Priorities} + \text{Public (Social) Unity}$. We will evaluate military strength according to the military budget, and while calculating economic strength we will consider territory, GDP, last 5-year GDP growth rate and hi-tech export value.

To calculate National Interest Priority ratio we shall use the following formula: we give 50% to the first priority, to second and third – 25% and 12.5%, respectively. In case internal policy is more prioritized than the foreign one then this ratio is divided by 2. In other words, first priority is twice important than the second one, and the second one – than the third. It is more difficult to quantify Public Unity, however we could still have more or less clarity on that one as well. In political theories, the capability of a state is evaluated by two components – possibilities and autonomy. First parameter shows the state's material possibilities which we considered while calculating Force. Autonomy shows how independent the government is from the impact of internal and external factors while carrying on with its policy. As we are reviewing in this model the actors determining the rules of international game external factors have mini-

mal impact on them, while the effect of internal forces is directly dependent on their state formation. This aspect is interesting for us. In general, it is considered that democratic countries are less autonomous as people have significant and real influence on their policies, whereas authoritarian state has more independence as it is not directly dependent on people's mood, except for the case when such government relies on basically on physical force to retain the power. Therefore, the legitimate authoritarian state will have the biggest ratio – 3, democratic – 2, non-legitimate authoritarian – 1 and non-state democratic formation (like EU) - 0,25. Such low ratio in case of the latter shows not only the level of democracy in EU but also the fact that 28 member states can retain their own different foreign political platform in most of the cases.

The last component shall consider the geographical distance between main players and their object or disputed territory. We can use the old formula of Realism where we will correlate distance and impact which will show us the realistic projection of force in a concrete region. The internal logic of this formula is quite clear- the US has more influence in Western hemisphere than in East Asia and Russian neighbourhood, whereas it is the opposite in Russia's case. Distance is determined by the space between the capitals of Georgia and a specific player (in case of EU we should take Berlin rather than Brussels considering the realistic force). However, this formula was used while reviewing last century's events as in the 21st century geographical barriers are less significant. Therefore it is expedient to divide the impact of distance by projection of force.

Notably, these criteria need further public review and analysis to improve the model which is the only way to developing it into a more refined and consistent one.

-
6. <http://www.nytimes.com/1998/12/11/world/russia-of-fers-1999-budget-honest-or-unrealistic.html>
 7. <http://databank.worldbank.org/data/views/reports/tableview.aspx#>
 8. <http://data.worldbank.org/indicator/SP.POP.GROW>
 9. <http://unctad.org/en/Pages/DIAE/FDI%20Statistics/FDI-Statistics-Bilateral.aspx>

Table below shows the ratios by country with appropriate explanations:

Indicator PI YEAR	GDP BLN USD	GDP cumulative growth within 5	HI TECH EX-SPORT BLN USD	Territory, 000 sq.km	Population MLN	Military Budget, BLN \$	Priority	Public Unity	Distance from Tbilisi, KM
USA	6768	16%	148	9827	318.9	640	6%	2	9870
EU	17958	6%	585	4324	511.5	279	25%	0.25	3164
RUSSIA	2097	71%	9	17098	142.5	87	50%	3	1954

Traditionally for the US and EU first priority is internal policy, whereas for Russia – the foreign one. At the same time, we considered the priorities of foreign policy for the US to be under following sequence: 1. China’s political-economic growth control. 2. International terrorism, proliferation of nuclear weapons and strengthening of Islamic fundamentalism in particular in the Middle East. 3. Russia’s policy in the EU neighbourhood. Therefore, the US ratio is 6% (12.5%/2).

For the EU these priorities are different: 1. Russia’s policy in the EU neighbourhood. 2. The Middle East events. 3. Relations with former colonies, global warming, etc. Consequently, this ratio for the EU is 25% (50%/2).

Now as for Russia these priorities look as follows: 1. Establishing dominant position within ex-Soviet territory (excluding Baltic States). 2. Relations with EU. 3. Strengthening influence in the Middle East. Therefore, Russia’s index is the highest – 50%.

Second table shows parameters which are averaged in order to have better comparison. This enables us to process the data content in the way to use our formula

GEORGIA'S WESTERN CHOICE

Indicator	GDP	GDP cumulative growth within 5 years	Hi-tech Export	Territory	Population	Military Budget	Priority	Public Unity	Distance from Tbilisi
USA	46	17	20	31	33	64	7	38	66
EU	49	6	79	14	53	28	31	5	26
RUSSUA	6	76	1	55	15	9	62	57	13

Consequently, the weighed influence of the US equals to 30.1, and of Russia and EU 30 and 39.9 respectively. The last component of the formula considers the effect of Distance and the Realistic Projection of Force towards Georgia is as follows: US – 20, EU – 29 and Russia – 51 (see calculation in the Annex attached).

These data clearly show that Georgia’s optimal course is providing of the balance policy and so in this regard the choice is to be made for the West, marginally the weaker alliance. The combined Projection of realistic Force of the US and the EU is 49, which is 2% less than that of Russia. There is such a weak balance between the opposing sides that we can make even prove that this can impact disproportionately on Georgia’s processes. It is obvious that if we give Distance the primary importance then Russia has an advantage. Using unmodified formula where distance is divided without any weighing the Future Threat from Russia equals to 62, whereas total Force Projection of the EU and US is 38. Even in this case, given misbalance is not so big as to justify Georgia carries out the Attachment Policy in favour of Russia. The character of the balance between two opposing countries can explain the events unfolded in the

Ukraine: when the balance is at its extreme level, according to Realism the loss of each country is of utmost significance. Russia's severe aggression toward Ukraine can be explained as backfiring the Ukraine's desire to have closer ties with EU.

Consequently, according to the even most conservative branch of Realism – Neo-realism the optimal policy for Georgia is to get closer to EU and the West. We shall note here that Neo-realism does not take in account neither the past experience, nor the declared goals of the players nothing to say about internal structures and democracies of the countries. For neo-realism the source of the threat is the force not from the amicable or adverse relations between the countries – the stronger the force, the more dangerous the country, even if it is in friendly relations. So this formula of Realistic Force Projection shows us clearly that we have to make our choice for EU and the US. According to Neoclassical Realism argument of force is supplemented by the past experience and example in which case it becomes more imperative to integrate with Euro-Atlantic institutions: for the last 25 years Russia has been underlining its advantageous status within the former Soviet territory requiring total unconditional obedience from all the ex-Soviet countries. Previously, Russia's political and economic standing did not allow it to boldly use the military force, however they were succeeding in retaining their dominant position in Moldova and Georgia (Aphazeti and Samachablo regions) via their so called Peace troops covered under the international laws but in reality – the 14th Army. Today, the increased possibilities of Russia enabled it to have aggressively gained the stronger foothold now with total ignorance of international law. Russia has become the occupant and aggressor state which managed to change borders of Europe first time after WW2 in a violent manner. Hence, Euro-Atlantic choice becoming imperative. There is a less chance that Russia compromise or make agreements based on goodwill, moreover its force being significantly increased.

Second basic paradigm of international relations – Liberalism also advises us to choose

Euro-Atlantic integration as an optimal foreign policy. The core of this theory is that liberal/ democratic nations do not war with each other and are more peaceful. Therefore, the more liberal the states, the more chances of the world peace. Unfortunately, this does not mean that democratic countries necessarily help each other; even more, according to many authors as these democracies are more internal policy oriented, their foreign policy is passive except for specific cases – when for example the world leader state is a democracy. So the US policy is a way different from that of the medium sized democratic country. In our case, Democratic Peaceful concept of Liberalism guarantees our independence and sovereignty through integrating with EU and NATO rather than with – Eurasian Union.

According to this theory, members of democratic alliance will never threaten the other democracy by use of force. Therefore, in case democratic Georgia becomes the member of these organizations it can secure its interests at its best including from its partners as well. Such a thing is simply impossible within Eurasian Union or the organizations alike.

Georgia's Euro-Atlantic choice is not only the expression of our European identity but also is a very pragmatic and rational decision in all aspects; according to two basic visions of international politics – realism and liberalism the only right way for Georgia's independence and sovereignty is this choice. However, we shall all note the challenges which EU and the West in general are facing in the form of growing and aggressive Russia including unstable processes unfolded in Moldova, Georgia and Ukraine. We may think today that 10-15 years necessary for EU integration is a mere extra luxury but on the examples of Baltic States, Bulgaria and Romania the process is objectively difficult and long. We shall also consider that Russia's further economic growth will be put to serious test – EU and the US economic and financial sanctions questioned medium-term stability of the country's business environment. Plunging energy prices and the Russian currency set a negative impact on overall situation in Russia. Oil and gas hold more than 60% of the Russian

exports and as today's projections reveal the trend of low prices could last for another 10-15 years. The data which we presented rely on 2013 parameters and these effects are partially considered. Therefore, we can be confident that Russia's future possibilities will shrink by 15-20% which increase chances of the success of our Western policies.

At this stage the deepening of Georgian democracy, implementing the rule of law, improving state services further on and increasing accountability of the government is the only right way which will make European skeptic states to respect the choice of Georgia. Giving away of democratic Georgia to Russian dictator will be more difficult for the EU than supporting partly authoritarian Georgia versus fully authoritarian Russia

ANNEX

$PF = EF/2 + EF/2D$ (1),
 where PF -- real force projection, EF -- real force, D -- distance

$EF = (Ep + Mp)/2 + (Nip + Nis)/2$ (2),
 where Ep -- economic power, Mp -- military power, Nip -- priority, Nis -- public unity

$Ep = (T + G + Gr + Ex)/2$ (3),
 Where T -- territory, G -- GDP, Gr -- GDP cumulative growth for the last 5 years,
 Ex -- hi-tech export

$Mp = (P + S)/2$ (4),
 Where P -- population, S -- military budget