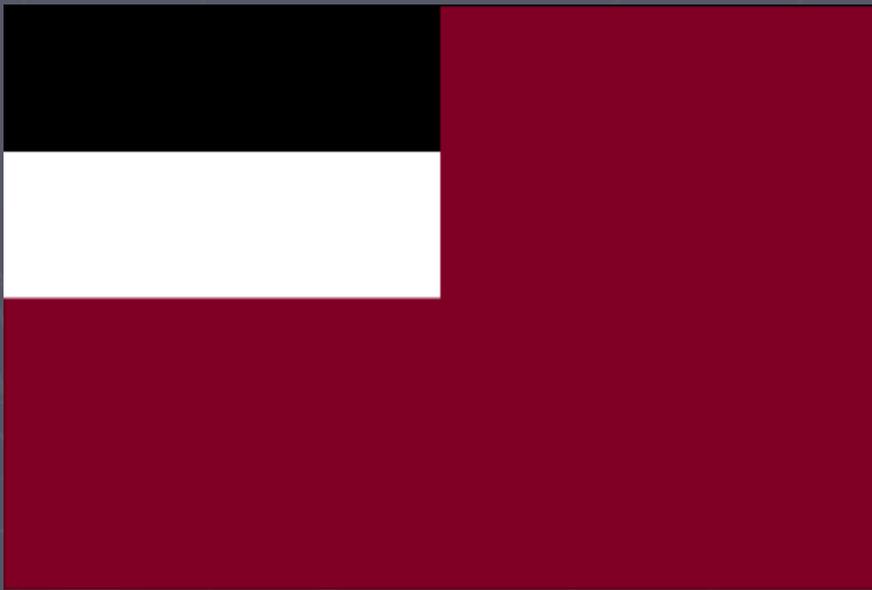


# GEORGIA: RISK ASSESSMENT



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These presentations, briefs and risk assessments are provided by the  
Country Indicators for Foreign Policy Project located at [www.carleton.ca/cifp](http://www.carleton.ca/cifp).

# Stability Ratings

Highly Unstable

Ongoing Instability interferes with development

Moderate or Sporadic Instability  
Conditions are generally manageable

Generally Stable





# Stabilizing Factors

- ? Warming trend towards West throughout 1990's under President Shevardnarze including a desire to join NATO and increase trade with the West.
- ? Post September 11, 2001, additional international assistance has been given to shore up the Chechen crime and terrorist problem in Pankisi Pass.
- ? After the unsolicited Russian raids of 2002, Georgia and Russia enhanced security cooperation including increasing border patrols.
- ? Abkhazian IDPs (ethnic Georgians from the Gali region) remain a vocal lobby pressuring the Georgian government, which has offered Abkhazia considerable autonomy in peace negotiations in an attempt to bring a settlement to the conflict; however, the Abkhaz insist on independence

# Overall CIFP Conflict Intensity Score:

Indicator	1998	1999	2000	2001	2002	2003	Trend
Armed Conflicts	Red	Red	Purple	Yellow	Yellow	Yellow	Improving



# Stabilizing Factors

- ? Shevardnadze brought relative stability and consolidated coercive powers under the interior, security and defense ministries
- ? Opposition was able to overturn the fraudulent election result with an effective civil protest
- ? Saakashvili recognizes that anti-corruption must be a political priority
- ? Aggressive media sector is willing to criticize government, but struggles financially and do not enjoy editorial independence
- ? Parliamentary elections are scheduled for March 28 2004

# Population Heterogeneity

Indicator	1998	1999	2000	2001	2002	2003	Trend
Ethnic Diversity	■	■	■	■	■	■	<b>Stable</b>
Religious Diversity	■	■	■	■	■	■	<b>Stable</b>
Risk of Ethnic Rebellion	■	■	■	■	■	■	<b>Slight Improvement</b>



- ? Georgia is home to a fairly diverse array of historically competitive ethno-religious minorities, including Georgian (70%), Armenian (8%), Russian (6%), Azeri (6%), Adzar (5.8%), Ossetian (3%), Abkhaz (2%), and other (5%)
- ? There is an unresolved dispute between the central government and the Abkhaz. The group has experienced repression and rebellion in the recent past, is highly organized in military and political terms, and is concentrated in a distinct region
- ? The central government has a history of religious-based repressive measures against the primarily Muslim Adzar. The group is concentrated in Adzharia and has high group cohesion. Risk factors include a high level of group cohesion and geographic concentration

# Stabilizing Factors

- ? There has been a notable decline in violent interethnic conflict post-1995.
- ? Saakashvili has voiced a commitment to making Georgia a "tolerant, multiethnic state"
- ? Saakashvili has recognized concerns of Armenian minority in Samtskhe-Javakheti and has expressed willingness to address them
- ? Russian minority are unlikely to initiate political action or face repression in the near term. The group is not well organized, does not have a cohesive group identity

# Demographic Stress

The move to a market economy has led to growing migration to the large towns at an average rate of 0.8% per year

- ? The youth population is expected to drop from 15.6% to 10.8% by 2030, fuelled in part by high youth unemployment
- ? High levels of migration are causing demographic and gender imbalances and a loss of the most able-bodied groups of people
- ? The ageing population is stressing the social security and pension systems. The dependency ratio (proportion of employed people to pensioners) dropped from 2.8 in 1990 to 0.8 in 2002

## Stabilizing Factor

- ? The 2002 census recorded a near even mix of urban and rural population (52.3% urban and 47.7% rural).





# Environmental Stress and Human Development

- ? Poverty levels are high. In 2002 the level of poverty was 52%
- ? Government spending on education is only 2.5% of GDP
- ? Inadequate supplies of potable water exist.
- ? Toxic chemical waste has created localized soil pollution.



# Stabilizing Factors

- ? 79% had access to an improved water source
- ? The average life expectancy is high at 78 years in 2003
- ? The infant death ratio is low at 24 per 1,000 live births. 102 children out of 1,000 die before the age of 5
- ? The maternal mortality rate is relatively low at 50 per 100,000 live births
- ? Less than 0.1% of adults aged 15 to 49 are known to be infected with HIV
- ? Child labour laws are generally respected and enforced
- ? Poverty levels are declining in Tbilisi and Imereti

Indicator	1998	1999	2000	2001	2002	2003	Trend
Child Labor							Stable
Sudden Infant Death							Stable



# Stabilizing Factors

- ? US is spending \$64 million to train and equip border guards and establish an effective anti-terrorism force
- ? NATO based **Partnership for Peace** program is improving quality within the military
- ? Ukraine has been assigned by NATO to assist in transforming Georgian troops

# International Linkages

- ? Russia maintains bases in Batumi and Akhalkalaki, failed to internationalize its peacekeeping forces in Abkhazia, and supports separatism in Abkhazia, South Ossetia and Ajaria
- ? Visa regime instituted by Russia exempted South Ossetia and Abkhazia indicating "that Russia remained interested in integrating territory and populations and that it effectively considered Georgia a domestic rather than foreign affairs issue
- ? Russian arms sales and other military involvement in Armenia, Chechnia, and other neighboring countries poses a continual threat.

# Stabilizing Factors

- ? A member of UN, CIS, OSCE, TWO, and Council of Europe.
- ? A member of PfP and desires membership in NATO
- ? Signed a partnership and cooperation agreement with the EU
- ? A Russian Peacekeeping mission under the authority of the CIS is stationed in Abkhazia. Their activities are hampered by land mines and guerilla activity
- ? An international group, including the US, France, the UK, and Russia, working through the UN and the OSCE, is encouraging a comprehensive settlement to the Abkhazia conflict
- ? Good relations currently exist with Azerbaijan and Ukraine.
- ? Georgia is viewed as a key transit country on the Southern Caucasus corridor and identified by Western companies and governments as their preferred route for bringing Caspian oil and gas from Azerbaijan to world markets without passing through Russia.

# Possibilities

# Worst Case Scenario Return to Violent Conflict



- ? *Worst Case Scenario: Return to Violent Conflict and State Failure*
- ? Violent overthrow of government by hard-line groups.
- ? Resumption of separatist conflicts with Abkhazia and/or South Ossetia.
- ? New separatist conflicts involving Javakheti, Samegrelo, Adjara, and/or Kvemo-Kartli.
- ? Capital flight and economic recession.
- ? Widespread unemployment, poverty, civil unrest and inter-ethnic and inter-religious conflict.
- ? Disruptions in international trade.
- ? Conflict on border regions with neighboring countries (Russia, Armenia, Turkey, Azerbaijan) resulting in militarized disputes, refugee flows, and border closures.

# Best Case Scenario Peaceful Coexistence



? *Best Case Scenario: Peaceful Coexistence*

- ? Heightened sense of national cohesion coupled with a decline in ethnic, religious, and regional tensions.
- ? Significant declines in government corruption at all levels.
- ? Reintegration of Abkhazia, South Ossetia, and Ajara into the federal political system.
- ? Central government establishes more equitable power sharing arrangement with the territories.
- ? Disputes with Russia over military bases and visas resolved amicably.
- ? Integration of regionally based autonomous security forces with national security forces.
- ? Internal refugee crisis is resolved through the use of resettlement programs.
- ? Integration into North Atlantic Treaty Organization.

# Most Likely Scenario Building on the Status Quo



- ? Continued ethnic and regional tensions.
- ? Greater government transparency and reductions in corruption.
- ? Continued economic stability and steady growth.
- ? Growing trade, especially in the natural resources sector, resulting in lower unemployment and greater overall prosperity.
- ? Generally stable relations with neighboring countries; however, "frozen conflicts," tensions with both Russia over military bases and "peacekeeping force," and Chechnya over the operation of Chechen fighters in Georgian territory may continue to be a problem.
- ? Continued modernization of security and defense forces.
- ? Stronger ties with United States and Europe.