

Georgia on the Eve of Parliamentary Elections

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Washington, D.C.

Welcome/Moderator:

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Former U.S. Ambassador to Georgia

Speakers:

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RICHARD MILES: Could we begin to begin please? Could I ask the people in the far room who are visiting – (inaudible) – to come on in.

MS. : (Off mic.)

MR. : OK, do some rounding up then.

MR. MILES: Mm hmm. Sorry, we're off to a little bit of a late start. (Off mic.)

MR. : Still about 20 people out there.

MR. MILES: (Laughs.)

MR. : We'll have to be patient. This is Georgia.

MR. MILES: Well, we almost have a critical mass, and I'd like to begin – first of all, it's very nice to see so many old friends in the audience. I really appreciate your coming, and I appreciate your interest in Georgia and, in some cases, your service in Georgia or in other places.

MR. : Ambassador –

[00:02:14]

MR. MILES: You all have this biographic sheet and – of the participants, and of me, and I'm not going to read it to you. You can all read it for yourselves, but it's a very good panel, and I look forward to it, and I'm sure you do to, and with that, I'm going to get off the stage here and we'll begin with Tom, and then we'll proceed right on over in a(n) order here at the table. I think each speaker will speak for maybe ten minutes or something like that, and then we'll open it up for questions. And then your questions, they will urge you to make them questions and not speeches. We've all maybe been to some of these Georgia-related events in recent days, and there is a tendency for people to make campaign speeches and we're not going to vote here on the Georgian election, we're just here to discuss it, so appreciate it. And also, if you'd turn off your cell phones please. Thanks.

[00:03:08]

THOMAS DE WAAL: Thank you, ambassador, and thank you all for coming. So we're just – I think we're going to go from left to right, starting with myself. I just – today is Tuesday. I think I'm – I – the election's next Monday. I left Georgia on Wednesday and, obviously, as you all know, the situation has been in dramatic flux, and since Tuesday, when these videos of abuse in Georgian prisons, and particularly in (olgut ?) Gldani Prison in Tbilisi were released, and I think this has definitely raised the temperature of this election even more, so I'd like to begin with that. And clearly, I think, it's clear that the – some of these videos date back to 2011, so clearly the timing of this release, just two weeks before the election, was obviously politically motivated.

But having said that, I think they – that is a secondary consideration in the minds of most people I've talked to. I do think it supports – it's hurting the government, the – quite badly, these films. I do think it supports the opposition narrative that the – that the government is arrogant and

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unaccountable, and this is obviously a war of two narratives over Georgia that we're seeing in this election. Obviously, these were very shocking films, especially for a conservative party – a conservative society like Georgia, particularly the one with the male rape, but Georgia's quite a small society. I think it was – if not the detail, the fact that this was going on, I think, was fairly widely known, you know, just – the driver taking me to the airport in Tbilisi just anecdotally said that his neighbor, at the age of 18, had gone into jail, spent three months in this prison, and he said under those three months had been full of horrible beatings, and it being like 10 years for him.

So the prison population in Georgia has risen very sharply over the last 8 or 9 years; it's quadrupled from 6,000 to about 24,000, and one result of that is that most people know someone, a neighbor or a cousin who is or has been in prison. And so it was the – this bit of an open secret, the state of Georgian prisons in society, and I think that an additional problem for the government is – with, you – this sort of systemic, but this is part of a policy of suppressing crime through brutality, and that some of the people who have been responsible for prisons are now in senior positions, members of the inner circle. The Prime Minister, Vano Merabishvili, who was responsible for prisons as interior minister until 2008; the Justice Minister, Zurab Adeishvili, who is now currently responsible – former prisons minister Dimitri Shashkin is now defense minister, so a lot of senior people have been responsible for prisons.

[00:06:48]

I think there are different elections going on in Georgia. This is a country of regions, and this is why we've put up this map, which is actually an interactive map. If you look at our website – I wouldn't do this, but you can click on different parts of Georgia on the map and get information. I think it's trying to make the point that Georgia is a country of regions, and there are many different elections going on. So when it comes to Tbilisi, I think this is where this prison scandal will have the greatest impact. I think Tbilisi – the standard (being ?) more oppositionally-minded has been, traditionally, under the last four Georgian governments, and if you look at the coloring on the map, that sort of – the darker red is more pro-government, and the lighter yellow is more pro-opposition, and you see that Tbilisi, obviously, is the most pro-opposition place in the last election, and has about a third – (calls ?) for a third of the votes in Georgia. So I think we're seeing, as it were, the urban professionals who are more oppositionally-minded will be especially affected by this prison scandal, because this is the narrative on – people that are in favor of the opposition for different reasons, and I think that in Tbilisi, human rights is a key issue.

In a way, in a slightly different, I'm maybe – maybe make a slightly provocative comment – you could say the same about Moscow and the ruling party there, that the opposition is strongest in Moscow and St. Petersburg. So I had a – I was in Georgia for about a week, and I also – Batumi and Zugdidi, where very different things are going on. Batumi down on the southwest coast in Adjara, and Zugdidi just north of there on the border with Abkhazia. If I had to make a big generalization, I would say that there's more – there's quite an oppositional mood in Georgia, but it's not – wasn't terribly well-focused, whereas the government, the United National Movement, the governing party was – that's a – mobilized. So sort of a clash of two positions there.

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Each side has its core voters, and the government can also probably rely on, as in most post-Soviet countries, on the votes of most public employees, army, police, and also the ethnic minorities

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in the south, the two red regions down at the bottom, Samtskhe and Javakheti, with its large Armenian population, and Kvemo Kartli on the right with its largely Azeri population, but they're more likely to vote for the ruling party. So I would say that the United National Movement is a coalition of both believers, people who believe in the reforming project of the last few years and believe that it deserves to continue, and also bureaucrats, people who have a vested stake in the system. And a lot has become of Saakashvili narrative about the success of Georgia is very much based on buildings and construction and this book – rather lavish book founded by – funded by various Georgian banks and companies has been distributed free to, I think, tens of thousands of houses, households in Georgia. It's called "New Georgia," (In Georgian). And it's basically a lot of pictures of buildings, and this is – this is, I think, part of the Saakashvili narrative that he is the new David the Builder for Georgia, and indeed, the David the Builder Airport in Kutaisi is due to open on Thursday, just by coincidence, just a few days before the election, and last week, the new cathedral in Kutaisi was also opened with the patriarch.

[00:10:52]

So when it comes to – but a strange thing I often notice about this election, that most elections are a referendum on the incumbent. You could say that the U.S. election is a referendum on Barack Obama. Well, I felt that most of the conversations I have in Georgia were actually about the leader of the opposition, about Bidzina Ivanishvili. In a sense, this – in a rather bizarre way, this election is a referendum on the leader of the opposition and a whole range of opinions from enthusiastic support a deep skepticism, but a lot of the questions about him. When it comes to Ivanishvili and his Georgian Dream Coalition, I would say it consists of – again, this is generalizing, but three main elements. One is, as I already mentioned, in Tbilisi, urban professionals who think that they're in a one-party state and want to see more competition, want to see an opening of the political space and therefore want to vote for the opposition for that reason. It's a little bit stifled by Georgia as a one-party system. Interestingly, I think we've – (inaudible, background noise) – students have been leading the protests on the present issue in recent days. We thought of the youth vote as being – youth being more behind the government, but we're seeing a lot of youth now behind the opposition, particularly in Tbilisi.

[00:12:17]

And then a very different group in the regions, of where – where unemployment is absolutely the number one issue. So the more marginal social groups in the regions supporting the opposition, and quite a nationalist tinge, a sort of – Georgia remains quite a conservative society, so quite a nationalist tinge to a lot of the opposition in the region, framed as economic nationalism, but with a bit of xenophobia hanging in the background in some of the candidates. In Adjara, on the Black Sea – which has seen a very spectacular construction boom which you will expect to favor the government – a lot of locals complaining that this has passed them by and Adjara is being sold to the Turks. This feeds into, like, an old Georgian narrative about this region, which used to be part of the Ottoman Empire, and the main candidate for Georgian Dream in Batumi is really a barely-concealed nationalist called Murman Dumbadze. And the third group I would describe as formers, people who used to have power in Georgia and lost it, and see Georgian Dream as their route back to power. In Adjara, this includes several officials from the former regime of Aslan Abashidze.

So quite a diverse group, from very democratic people to very nationalist with some former bureaucrats in the middle, and if you asked me – very rash to do this a few days before an election,

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but if you were to ask me to make an estimate, I would say that in terms of popular vote, the government in Georgian Dream are running about neck and neck, possibly 45-45 or something like that, with the others squeezed at the edges. Arithmetic is going to be very important in this region, because this has been a – quite a competitive election, but definitely not a fully fair one. The opposition has many legitimate complaints about media, about administrative resource, about intimidation, and they will be counting their number of seats in parliament on October 2nd or October 3rd, and I think if they get beyond a certain number, they will – they will decide to try and continue their fight from within the system, within parliament. If they get less than that certain number, they will probably try and contest the election, and point to all its shortcomings.

Again, there's a—because of the way the electoral system works, the governing party is likely to do much better in their 73 majoritarian seats. So even if the two parties get roughly the same amount of votes, it's very likely that the UNM governing party will still win. So just to finish, arithmetic will be important. The magic figure may be 51 seats, which would be a third of the parliamentary seats, which would be enough to have a blocking constitutional minority for the – for the opposition. A very likely scenario is, you know, both government and opposition being well-represented in the new parliament and taking the fight forward to next year, the presidential election, who becomes Prime Minister in 2013. This will be difficult because we've seen the clash of the titans, we've seen the clash of two very big figures in Georgian politics, Saakashvili and Ivanishvili, who do not want to share power. They both are claiming total victory, and this, obviously, will have some impact in the U.S., because both sides will be looking to the U.S. and calling them – on the U.S. to be arbiter, which is rather an unrealistic thing to happen, but I think Washington's going to have to brace itself for those calls.

MR. MILES: Thank you very much. I'll turn to Cory Welt.

[00:16:14]

CORY WELT: Thanks, ambassador, and Tom. Since – Tom, you left Georgia just as all this was breaking out, I think it's fair to blame you for anything – (laughter) – that develops, but what – and most of what Tom has said, I agree with, so I could be very boring and just wrap it up there, but I'm going to try a slightly different tact today, but it – you know, I would just first want to underline one of the main messages that Thomas communicated, which is that we do seem to be in a very different environment this week than we were in the week before. There was a panel at the Atlantic Council on the same topic and it took until the very last panelist for us to mention the prison abuse scandal and the potential implications. Ambassador Miles also heard that discussion. Now we can't possibly have a discussion without addressing the issue and the potential impact on elections, but I'd also agree with Tom that for – that the election – I mean, in general, my assessment of the election so far is that it has been unfair, but it's not only, I think, at this point, have we seen that the opposition has had the ability to campaign in a competitive fashion, which is the phrasing that – as the – that the U.S. government has used, but I also agree that the race, at least at the party list level, does seem to be competitive. I would hesitate to make the – to assume that levels of support are neck and neck right now, but it's certainly a lot closer than it was perhaps a week before.

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And not – and that may be because some people have changed their minds, but it also may be because more people are willing to go out and vote in ways that they wouldn't have. They would have just sat at home and stayed out of politics, and now you see, sort of, the security of the masses should encourage more people to come out and vote. Tom also mentioned the fact that there are, in Georgia, many different elections, Tbilisi vs. the regions, and in the regions there's a diversity of election climates and diversity of opinions, but I'd go a little bit further and suggest that there are – there are many different views of the same election. It's a little bit like "Alice in Wonderland," "Through the Looking-Glass," where you can have people looking at the exact same developers and drawing very different conclusions, and one of the things I think we have now is sort of a – our – we're grasping for analogies, we're grasping for examples that we've seen elsewhere, and I would just suggest we can, you know, choose your own analogy. Are we looking at a new Rose Revolution, which is certainly the paradigm that many in opposition would like to promote? Are we looking at this – is this really just stage three of a series of protests, 2007, 2008, the protest of 2009 where you have a very vocal and impassioned, disgruntled minority who is seeking to sway the opinions of the masses now in ways that are indeterminate, and according to the government, in ways that are illegitimate. Are we looking at a new kind of Arab Spring, are we looking at what Tom alluded to as some kind of Russian winter – although that's not very politically correct to suggest – where you know, Tbilisi is gone to the opposition, but we don't quite know what's going to happen out in the countryside?

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But there's more. Are we looking at the possibility of something akin to the – I don't even know it was called in Kyrgyzstan, the revolution after the Tulip Revolution – (laughter) – where something happens irrespective of an electoral process, with something that happens through violence, but through that violence, very negative violence, we've seen some signs of positive change, so, there are any number of complex developments, and the last one I've got on my list is Ukraine, right? Is it going to be a democratic election that an opposition wins, and the government would suggest if it did so, then you might see some very negative tendencies that you didn't expect. So I'm not going weigh in on which one of those narratives I find to be most compelling, but you – we do have to emphasize that different people are looking at the situation in very different ways.

[00:20:19]

There is one analogy that I am going to throw out there, which I think is imperfect, but it resonates with me in a particular way that I think it's important to underline now, and that's the analogy of the emergence of Georgia from – into independence at the time of the collapse of the Soviet Union. Two major regime changes at the time, the 1990 Supreme Soviet elections that brought Zviad Gamsakhurdia to power in a democratic defeat of the communists, and then the – one year later, the very brief but intense civil war that unseated Gamsakhurdia and ushered in the rise of a new coalition that brought about the Shevardnadze era. What these two periods were – they exemplified a few different trends. One is that regime change, and – I think we need to keep this in mind all the way through to the Rose Revolution and beyond – regime change can create as many problems as it solves, which is not a call for the status quo today, but it's also a call not to assume that simply a transformation of power, if one were to arise, would suddenly usher in a brand new future for Georgia.

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But more importantly, I think what this period of time suggests is that Georgian political culture, on occasion, periodically, tends to develop in a very polarized fashion, one that, if institutionalized through a vote, can be normal and healthy and kind of akin to ours, but when it's not, and when it's couched in what has increasingly become the language of civil war, and increasingly it's a polarization that's occurring in an environment where the logic on both sides is to defeat, to crush the opposition, and to a certain extent, its supporters after elections, then I suggest that we're in a much more dangerous and unpredictable environment.

Now to stop being neutral for a moment, I would say that a lot of this polarization, the government has contributed to over the course of the last year. But what you're finding in the prison abuse scandal is a certain logical and symmetrical response on the part of the opposition, which is understandable. But it does suggest a certain potential for instability, which is contributed to by both sides.

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So, I want to leave lots of room for discussion, so I'm going to turn now to some things that we should be taking into consideration as we move into election day. In general, I think it's a very tense and tricky situation for those who are seeking to promote and defend democracy in Georgia, so what is it that we can do? Well, there's a few things I think that we shouldn't necessarily be doing, or shouldn't – we shouldn't have been doing all this time. One thing is I think that it's a terribly wrong step to insist that the verdict of international observers is the right verdict, and the one that everybody should accept and embrace and move on from there. I think that puts an enormous and unwarranted amount of responsibility on the international observation process, and it sort of suggests that international observers can't be wrong. Well, one, we've seen that they've been wrong. I think there are many cases where we've taken issue with the findings of international observers. But more importantly, international observers tend to give nuanced messages, and they've become much more mature and professional about this. So it's not quite clear what the OSCE mission, the ODIHR mission is going to say, which would allow us to decide whether this – whether it's reached the bar. So it's a very dangerous test that we've essentially set up.

So I think instead, what needs to happen, is first of all, there have been shortcomings, there have been a lot of problems in this election. As I said, I think that this election has generally been unfair. But now the scales have tilted to a degree, so I think that it is possible now to focus very closely in on election day, and to ask all parties to be extremely diligent on respecting the integrity of election day, and to protect the free and a fraud-free vote. The government, government officials, national movement members, Georgian Dream, civil society NGOs and international observers. But frankly, at this point, I don't think that's going to be sufficient.

[00:24:36]

I happen to think early on in the summer the Georgian Dream was right, when there was a discussion about a code of conduct that was important for all participants to sign up to. I think the Georgian Dream was right to focus on one requirement, which is that all disputed issues about election results be resolved solely through a peaceful and constitutional way. Now, that language might be too general, there might be ways to refine it or word it differently, but I think the important message to emphasize is that election is not – this election is not going to end on election day. And I don't think it should. There is a legal process in place for complaints and appeals, and all parties ought to be prepared to follow that process in good faith, wherever it may lead, including,

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as necessary, possible recounts and revotes. And this is a message that I think is important for us to communicate, that our verdict, the verdict of the international community generally, is going to depend on a broad process that does extend past election day, and that verdict need not be rushed either. And the actions and the behavior of all stakeholders, through this entire process, will factor into our consideration.

[00:25:43]

So I will leave it at that. Thanks.

MR. MILES: All right, thank you very much.

Mamuka?

MAMUKA TSERETELI: Thank you. Thanks for the invitation. I'll be brief as well.

I'll start with the – (inaudible) – time, the fact that I think mood and atmosphere in this room is different from obviously – obvious reasons, from atmosphere that is dominating Tbilisi and some other places. Mood is very tense, environment is very difficult, and I think the primary objective at this point for everyone, government, opposition and everyone else, is to bring the situation to the election, and conduct the election in proper manner, and so move on from that point. Because of the developments in the streets of Tbilisi, that process may be somehow damaged. So that's a primary political objective at this point, to bring situation to the elections.

In terms of one purely logical question, is there a level playing field for the parties that participate in political process, I think there is not, and (feel ?) government has many advantages, including administrative resources, expressed in many different ways including some arrests of some of the student movement leaders and – Tom, let me disagree with you. People who are protesting and students in Tbilisi, they are not necessarily affiliated with any political party, or even – (inaudible) – international movement, they are just students, first-time for – (inaudible) – Georgian history, students expressed their will by physical demonstrations. And some of them were arrested, some of them afterwards were released. But that's again, the kind of pressure that is imposed on an entire process, I would say.

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Going back to this issue of prison views and this pretty difficult issue for all of us to talk about and to discuss, unfortunately, this system and – we should add to that, I've always emphasized – the pretrial detention mechanism that Georgia has – always was used for many different purposes, and it's part of the Georgian social, economic, political life. And if you go to Tbilisi and ask people about it, they can indicate a lot of people who give – gave up their properties because of that system, gave up their businesses for that system, and so forth.

And the fact that people demand resignation of some of the officials – not just the minister of interior group, who resigned, and I think it was right decision by the government to push him out and some other government officials – but also the students demand the resignation or investigation of role of justice, minister of justice, and prosecute the general, because they had thousands of complaints of people who went through this system and who knew exactly what was going on in that system, and who have lived in Soviet system, and unfortunately, there was no reaction over anybody on this.

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So I had discussions myself, personally, many, many times with officials about these issues. So that's very unfortunate development for the image of Georgia and so forth, but that's the reality where we are right now and the students who are demonstrating peacefully to demand to government to have, you know, larger impact on what's going on, and maybe reacted a little more adequately on this – on this situation. I think it's something that needs to be supported and in a sense praised.

[00:29:42]

I would like to say also a few words about the kind of environment. We hear a lot of discussions about opposition leader, Bidzina Ivanishvili, having huge financial wealth, and his arrival to politics is, obviously with his money, changes the picture. And I always say it, but personally, I always don't like to have very wealthy individuals into politics, because they may distort normal developments in events, of the events. But in Georgia's reality, that was the only way to open political space, to have pro-Western politicians to return, to have them return into politics. And from that point of view, I think we should consider this development of having two more or less equal parties in the – in terms of – in terms of resources they have. I'm not comparing financial wealth now. I'm just comparing resource that two parties have into – coming into elections.

I think it may work out pretty well for Georgia's future, because we could not continue with the one party system that we had so far. I mean, we all know that incumbents enjoy lots of benefits of being part of the, you know, government and being in the government system. And when you're talking about financial resources and money, big money finally coming into politics, it's ridiculous.

If you look at the – and I use this example all the time, but this is very good example that describe system very well. In 2010, the mayoral elections, the mayor of Tbilisi, the incumbent mayor, a male member of the United National Movement Government Party, Mr. Ugulava, spent hundred times more money, 14 million laris, than candidate who finish second, who spent only 140,000 laris. A hundred times more, and received 20 percent of votes when the incumbent received about 65 (percent). Not discussing other kinds of violations and so forth—(inaudible) – in the system, not affecting, obviously those violations, didn't affect ultimately the result of the elections, but they were there as well.

[031:51]

So – and I think this is something that needs to be taken into consideration. One important factor is what is going on with the media. And again, I cannot resist myself to say a couple of words about that. You know, it's – I think it was right decision by government to follow the recommendations of international advisors to introduce this – (inaudible) – principle, and through that system, by the way, 225,000 Georgians received access to some of the more –

MR. : Households.

MR. TSERETELI: Households, I'm sorry, households – to receive information from alternatives office of information, Georgia's most listed TV and follow – get the information from TV, press is probably, I don't know, very minor, minor fraction of the – as a source of information. And so that's very positive development clearly. Unfortunately, we don't know what's going to happen next day after election, whether the – (inaudible) – principle will be still in place or not, so it should be in place. And that's something that needs to be taken care of, I think.

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Number two: I was in Georgia for the summer for two months, and in July, government, actually agencies went to the big, like, flea market-type thing outside of Tbilisi and confiscate all the satellite dishes that were there. And it was follow – it was following to expropriation of the satellite dishes brought into country by organizations, businesses supported by Mr. Ivanishvili, and they – it was considered to be – because he was intending to distribute those satellite dishes free among population, it was considered to be the under the new financing law of Georgian pre-election law – election law, as a bribing of, a bribery of the, of the voters. But this case that I'm describing did nothing to do with Ivanishvili, it was just dish – satellite dishes that were just for sale in flea markets.

In addition to that, we know that another TV station, Maestro also brought some satellite dishes, so there was some discussion between government and Maestro owners, and they couldn't agree on the terms of distribution. There are still 50,000 dishes, as I understand, sitting undistributed. And can you think about it? Satellite dishes, if you prevent distribution of satellite dishes, what type of environment you have for election, for anything else. So it's pretty negative I think. Unfortunately, the governmental commission that was playing very important stabilizing role in 2010 elections, and who also played very important stabilizing role in August, in particular after some of the preliminary reports of OSCE and – (inaudible) – others, and which is entitled to play this kind of role of, like, moderator in between the parties, and to address re-election violations and so forth, as my understanding is, and – I actually praised this institution on my hearing statement last week – but since that, since last week, I don't see them actually being the player at all. Maybe they are and we don't know about that, but I don't hear them being proactive force anymore. Probably it's because of the environment, and so forth.

So, and my last point and probably for the – for the purpose of fairness, it needs to be mentioned as well that some of leaders were released yesterday, today, that actually accuses – (inaudible) – opposition supporters to try to bribe some of the police officers to take – to make them change – switch sides. It's – very hard for me to judge (authenticity?) of those videos, but that increases, obviously, intensity of the environment, intentions of some people who were arrested again, and so that's again increases the kind of temperature in an environment.

There are kind of big list of kind of recommendations we could give to all sides, but I don't that that's appropriate at this particular moment anymore, because we are almost at end of the end electoral process. I just want to say all parties should stay engaged, whoever has any power in this kind of situation environment. I also probably – some of the documents that were released by OSCE Observer Mission's second document needs to be absolved – observed, because I think they have some interesting details about how this kind of assessment of the level playing field being – (inaudible) – established for the players. That description leaves pretty good understanding of what's going on inside the country.

Thank you.

[00:36:51]

MR. MILES: Thank you, Mamuka.

Well, I want to thank the panel – (inaudible) – for the reaching out and the interesting remark. We're leaving on interesting remarks, but also for – (inaudible) – keeping it to within the 10

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minute limit. They've all opened up any areas for questioning, and we'll now open the floor for questioning. If you would identify yourself and your affiliation before you ask you question.

Q: (Name inaudible) – Foreign Service Institute. I haven't been to Georgia for a while, so I wanted to explore this idea of the level playing field. Let me throw out a provocative idea that maybe Georgia doesn't matter. It's a small country that has an active – (inaudible). Am I right, or are there areas that are still so isolated – (inaudible)?

MR. MILES: Who wants to handle that? Mamuka, maybe you?

[00:38:04] MR. TSERETELI: Well, there are definitely some areas where penetration of the – unless you have a state-controlled free channels, Channel 1, Rustaviori (ph) and Imedi (ph), there are still lots of areas of Georgia where you cannot other channels, where there's no satellite dishes and where there is no cable TV. You actually cannot get those things.

Q: You know, I understand, but it's a small country of people traveling back and forth.

MR. TSEREVELI: Yeah I mean, some people travel, some people don't. And some people are engaged in trade and economic activities, some people not. So there is some penetration – (inaudible) – in Georgia – by the way, in the cities, in towns, but to a lesser degree, in rural areas. So that's my answer.

MR. WELT: Can I add? Just – (inaudible) – just, it's not only about information, it's about the ability to adjust voters' expectations of what will happen depending on whether or not they vote and who they vote for. So it's about incentives and bribes and a whole range of administrative resources. So I – I think it's just – it's beyond just information.

MR. DE WAAL: Just to add. I think the interesting thing about the polling has been the high number of don't knows and refuse-to-answers in the polls, up to 40 percent, particularly refuse-to answers, which suggests that there's – and we can argue about whether there's been active intimidation, but there's certainly – you know, these are still post-Soviet citizens with a post-Soviet DNA, where the instinct is to, is for loyalty, and if you vote for the opposition, you feel disloyal. And so that narrative has been created in Georgia, like most post-Soviet countries, and so when 20 percent of people are refusing to answer the polls, that's suggesting that a certain narrative is being – is being created in the country which people feel – some people definitely feel a bit uncomfortable with.

[00:40:03]

MR. MILES: Another question? Yes, Wayne.

Q: Wayne Merry, the American Foreign Policy Council. I'd like to ask the panelists to comment on what they may know about the integrity of the electoral registration role. As an old election observer in this part of the world, I mean, one of the things that obviously can be a problem in terms of – on election day is many people showing up and finding out that they were removed from the electoral roles or that they've been assigned to a different precinct or in some way they have – things have been manipulated to limit the number of people who actually can vote on election day. I'm wondering if you've seen any evidence that this will be a problem in Georgia.

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MR. MILES: This is a question about Georgia, not Texas, right? (Laughter.) Cory, you want to start?

MR. WELT: OK. Go ahead.

[00:40:59]

MR. TSERETELI: I think in Georgian case we have different type of problem probably. It's not about people not being in the list, but the problem is too many people being in the list. We have today – and I have number in front of me – 3,621,256 registered voters in Georgia – 3,621,256. That's the largest number in 20 years in Georgian elections. Taking into consideration that – (inaudible) – people we are emigrating from the country in large numbers, different estimates – 500,000, 1 million, some people say a million and a half. My expert opinion on this – and I follow this and I study this issue and I'm interested in this issue – at least 1 million people are out of country.

So that gives you – and only about 50,000 Georgian living abroad are registered as voters at this point. So that simple math gives you lots of kind of food for thought on how this environment can be used for manipulation. You know, frankly, I believe – again, that's my expert opinion – that Georgia could not have more than 3 million voters at this point inside the country – residents of it. So that would be a very optimistic assessment. So that's where the problem is.

One of the problems of electoral system – this one – by the way, for those who are in the room, maybe from some donor institutions – Georgia hasn't had census since 2002, and even then, it was not very appropriately and properly done census. So I think country needs to have a census and then it will be easier for us to judge everything – how many people live there, how many voters are there, how many – what is it – ratio of certain segments of population and so forth. This is a very essential thing to do.

MR. MILES: It's a great question. And it is a whole Pandora's box, this voter registration business.

Yes, sir. You have one?

[00:43:24]

Q: Yeah. Andrew Schultz (sp), Peterson Institute. Sorry for coming late, but I'm missing a couple of the major elements in this context. The first is that Georgia is by far – (inaudible) – the best reformer in the last decade in the former Soviet Union. It's the only old Soviet country that is – (inaudible) – in terms of control of corruption. It has done massive end to bureaucracy and it has – not just – and it has the sound economic growth. This is an economic success from coming out of total chaos. And of course, this is something which should be brought to this discussion.

The other element that I'm missing is who is Boris Ivanishvili? We know him well in Russia. He was a partner of the, Vitaly Malkin in Rossiysky Kredit. Rossiysky Kredit was one of the worst considered oligarchic banks, but nicely went bankrupt '98. Vitaly Malkin was here this summer as a senator of Russia and successfully managed to push the Magnitsky Act through the Congress by spreading all kinds of – (inaudible) – about Magnitsky.

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Ivanishvili was also deeply involved in the late 1990s in the mining industry in Russia, which was then considered one of the most criminalized parts of the Russian economy. This has a lot –

MR. MILES: Is there a question – is there a question there?

Q: Yeah. There are two questions. Why have you left out Mr. – (inaudible, laughter).

MR. MILES: OK.

MR. DE WAAL: Well, let me – let me have a stab at this – (inaudible). I mean, this is obviously – first of all, this is a question about the Georgian elections and, yeah, this is – this is definitely part of Georgia in general, but I would – I would sort of quote a senior American in Georgia who says that this – the people who run the government in Georgia are modernizers first, Westernizers second and democrats third. And obviously we're focusing, because this is an election, more on the third part.

[00:45:44]

And definitely, you know, if I can also – I've written about this in this report, where I'm quite critical of democratic issues in Georgia but, you know, give a lot of credit for the – for the modernizing reforms. But I think – our problem then becomes when there seems to be a bit of a backlash within society, that a lot of people in society's feeling left out by these reforms, feeling they'd be done in spite of them rather than in consultation with them and therefore that there's a backlash within Georgian society. And a lot of kind of reform fatigue, shall we say in Georgia, with particularly very high unemployment.

And so the economic picture is quite uneven. You see pockets of very impressive growth in places like Tbilisi and Batumi and then right next door to it, you know, high unemployment, people leaving. And in western Georgia, people telling me that every family has someone working as a – (inaudible) – in eastern Turkey. And so eastern Turkey is actually drawing workers which can't work in western Georgia. So it's not – Georgia is not an EU country, on that level it's maybe an EU level country. It's done good stuff with the elimination of bureaucracy, but the economy still has – is very patchy. And Mamuka can also talk about this.

[00:47:06]

When it comes to Ivanishvili, I mean, I mentioned this earlier, we don't know – yeah, we don't know a lot about him.

Q: We do know –

MR. DE WAAL: Well, you know, we don't know – we know that he's been in – hasn't been in Russia for 10 years. You know, and a similar charge sheet could be leveled against, for example, Kakha Bendukidze and his – you know, he was involved in Uralmash and lots of very – the criminalized car industry and so on. But as – in Georgia, he has a very different reputation. A lot of – and Bendukidze is the one who's brought Russian business into Georgia quite successfully.

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So I met Ivanishvili a couple of times. He's full of contradictions. He's appointed some very, you know, progressive, pro-Western people around him. And he's a – if I have one thing to say, he's a bit of a political novice. He's learning. He's forming opinions. I think he's still a bit of a blank slate. And the people in Georgia know him for different things – for being a benefactor, for being a friend of the church, for supporting business, for collecting art, for collecting – you know, he's still a bit of an enigma.

[00:48:25]

And if you look at the people around him, you can – you know, they range from Tedo Japaridze and Irakli Alasania to the guy I met in Batumi – (inaudible). So he's – I think there are questions about him, but I don't think we – I don't think we necessarily should draw conclusions about him as much, as I said, we can draw conclusions about Bendukidze.

MR. MILES: Cory.

MR. WELT: At the risk of sounding too populist, I don't think that your opinion of Ivanishvili and the advances of the Georgian government or my opinion about Ivanishvili and the advances of the Georgian government are that relevant to the course of election day. We have Georgian voters who know what the state of the economy is, know what the accomplishments are that the Georgian government have provided and are going to make up their mind whether those are sufficient or not.

And on Ivanishvili, it's not like what you're saying is any big – first of all, it's not any big secret. The government has spent every effort to tell everybody who Ivanishvili is. The Georgian people have heard it and they're going to make up their mind, again, on whether this is just a smear campaign without any significant for the course of the election and the future of Georgia or whether this really matters.

You could say a lot of the same things about the politicians in the Russian opposition. Democrats are sitting in jail in Russia. So it's not quite clear why we would want to emphasize his past history without any grounds for suggesting that this is going to have a substantial impact on the Georgian future.

MR. MILES: Mamuka.

[00:49:59]

MR. TSERETELI: I'll start with the second kind of point. I think if he had something that would compromise his participation in the process somehow, I think it would have been – if the government had something to make public, the government would have done it. So from a legal point of view – and I agree – I accept that – I mean, all the points that Cory made – at this point we have to go through the elections. There are some questions, but there will be probably answers to those questions down the road – down the road.

But let me get back to the primary kind of part of your question, at least from my perspective, which is about the issues of reforms. And I'm just letting you know that I respect your opinion very much. There are two things here. One is – first, let's talk about the corruption issue.

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What I always say that Georgia managed to eliminate bribery. This is different from corruption. There is still corruption in Georgia. In certain areas of business you cannot start.

[00:51:05]

If you have 20,000 (dollars), 30,000 (dollars), \$50,000, you want to start some kind of business – maybe importing, let's say – not enough money – but oil or sugar or something like that, it will be very difficult for you to do that. So there is no free agents in certain areas of business. That's number one. So that's not completely free of – businesses change hands using this pretrial detention and prison system many times based on where people stand in their political sort of affiliation, unfortunately.

By the way, I have to make a disclosure that I'm the president of America-Georgia Business Council and I speak on my behalf, not the business council's behalf. And by the way, I also personally invest in Georgia, or throw a little money ahead. So I trust that country. And I hope that there will be good times there. And I also agree the government did some good things in the process. But there are also issues that are absolutely necessary in order to – why this issue of unemployment?

I strongly believe that one of the reasons why we do not have growing employment in Georgia is exactly government's treatment of businesses and people. It's – I've said it many times, and I repeat myself again, that if you treat people – if you show somebody – if your neighbor knows what type of treatment you got when you did not pay 10,000 lari on time as taxes, and people end up in prison for that type of violations, then you don't want to start a new business.

And we should also look at Georgia's rankings in, let's say, property-wise and some other issues. But Georgia is now 120th in the world. And if you look at the judiciary independence, if you have case against the government, your chances to win it is less than 1 percent. So – and somebody may ask me the question, why you are investing there. (Laughter.) And I invest there because I know there are mechanisms how you can protect yourself using – (inaudible) – versus private – and some other mechanisms.

[00:53:06]

And if you have this type of mechanism in place, you're in a better condition. But for Georgians, particularly, and for those who are less educated maybe in business and less sophisticated, it's very difficult for them to make successful progress in there. So that's – I agree that there's progress in many areas. The fact that they are even looking at the driver is tremendous progress. And I'm proud of that, frankly.

When I brought my students this last summer to Georgia, we traveled around and they drove the cars, the kind of meet people and so forth. And they saw that there is – there is no petty corruption in the country. So that obviously makes us proud. But there are other problems. Thank you.

MR. MILES: Yes, sir. It's coming.

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Q: (Inaudible.) Thank you very much for these very important presentations. I have two small questions. This one is concerning the – (inaudible) – in Georgia. As you know, there are – (inaudible) – in Georgia. And I would like to know – (inaudible) – the Azerbaijan – (inaudible) – in the elections. And second question is the importance of how the elections in Georgia are perceived in the neighboring countries – in Armenia and in Azerbaijan.

MR. MILES: Good question.

MR. DE WAAL: On the first – I'm not sure I have anything to say on the second question. Obviously, you know, anything that happens in the south Caucasus is watched very closely by the other countries. But beyond that rather generalized comment, I don't have much to say. On the – on the Armenian-Azeri vote, they – looking through the path you list it's rather disappointing that none of the major parties have ethnic minorities – you know, there are some candidates but very few. So that's a big disappointing as a first observation. Georgia is a multiethnic country and it would be nice to see a plurality in the party votes.

[00:55:14]

Having said that, Armenians and Azeris, as I said, do tend to support the government. And that's partly just a kind of genuine – general kind of instinct of self-preservation of minorities towards government. But I can be a bit more generous than that and say that something that I do give credit to this government for is towards tolerance towards minorities. And the legislature they passed on religious freedom, giving status to the Armenian Church, for example, was very unpopular with the Georgian Orthodox Church, and still they pressed it through.

In Batumi, you know, there's quite – very strong anti-Turkish feeling in Batumi at the moment, which rather surprised me. And again, you know, the government – the government has pushed back against that and said, no, we're going to carry on with Turkish investment and supporting Muslims and so on. And so that's one of the many elements in this picture.

[00:56:16]

MR. MILES: Any other comment?

MR. WELT: Can I just –

MR. MILES: Cory.

MR. WELT: -- briefly. Probably – and maybe half of you probably received the same information sheet I received recently – a lot of people working this issue, the Georgian elections, in this town. But that – there were some stories of that – the opposition wasn't – or some members of the opposition were not expressing such great tolerance or expressing in kind of skewed ways towards the ethnic minorities. Regardless of whether the stories are true or not, the point is that once this information gets out and is in the public domain, it's going to make it that much harder for the Georgian Dream to get the support of either Armenian or Azeri votes. So they're already at a disadvantage here, it's going to make it even harder.

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MR. DE WAAL: Oh, I just forgot to mention, if you click on an electoral map on – (inaudible) – you’ll see that one peculiarity of the last election was in one precinct the United National Movement got 136 percent of the Armenian vote. (Laughter.)

MR. MILES: Yes, sir.

Q: I’m Mr. Wilde (sp) from the University of Maryland. The screen shows that the population of Georgia is 4.4 million. My first question is, how many of these 4.4 million – how many of these are college graduates and professionals? And want to know, how influential are they in the political and social system of the country? Thank you.

[00:57:44]

MR. TSERETELI: Unfortunately, I cannot tell you. I don’t know if somebody else has the data, but a lot of Georgians have high education. And – but I don’t have exact numbers with me. And they are obviously influential in the sense that most of these people who are demonstrating today in the street of Tbilisi are students from high education institutions. But I cannot give you exact number. As I said, unfortunately, there was no census for a long time. And we don’t even know exactly how many people are leaving country, how many people have immigrated and so forth.

MR. MILES: A corollary question might be what is the literacy rate in Georgia? It’s extraordinarily high. It’s in the high 90s.

Let me go to the back of the room. Yes. Got it?

Q: David Zapatas (sp), (inaudible). I think we are moving a little bit away from the main topic of our discussion for this session so I want to return to the main topic and ask a question which was not – an issue that was not mentioned earlier in the discussion. I was out for a couple of minutes and maybe during – (inaudible). We have some developments in recent days – basically I’m talking about last three or four days.

Well, of course, they started – (inaudible) – scandal, but still what we are witnessing is the authorities are arresting activists of the Georgian Dream, including some members of the local election commission, some other activists, and putting them in jail, not – (inaudible) – trial, but giving them, like, a time of 15, 20, 30 days so that they remain in jail on the election day.

[00:59:31]

And the same on the smaller scale happens with the student movement. The student protests that were mentioned here, these are really one of the most important developments in recent days in Georgia. And those – movement – that movement is not political. As the leadership of the movement says repeatedly, they don’t affiliate with any political party, but they protest against the violence. So – and during first couple of days they protest, they are very peaceful. The authorities tried not to interfere, but now we see that some of the leaders of the student movements have been arrested, put in jail. Some of them were fined; some of them, you know, got, you know, several days in jail. So my question to all panelists is how you assess this situation. Do you think

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this is important development? How this can affect the election – maybe not outcome, but election day voting. Thank you.

[01:00:41]

MR. MILES: Mamuka, do you want to start?

MR. TSERETELLI: I think I referred to those events when I mentioned that we previously saw more priority role of intergovernment commission, and we don't see that role anymore somehow. That was very worrisome, those news that the people were arrested, and particularly people who have functions to perform during the elections. So I think if there is no reaction to those facts, I don't – I don't know how this will impact on the results of election. I mean, you need people in commissions to have – to – (inaudible) – to perform their duties.

So I also – unfortunately, the details of the events that are occurring are – we have like, fragmented details. But I think these last two days are very worrisome, because yesterday there was a – definitely we were pretty close, I think, in the streets of Tbilisi for some kind of confrontation, and – between police and students. And that's obviously something that we need to obviously try to call parties to avoid. So while primary objective is to arrive to the election day and have elections conducted, obviously the parties need to have equal treatment and access to get to that day. Otherwise it will be hard to call it legitimate election. So that's what's – government, I think, needs to take into consideration – or people who perform those atrocities.

[01:02:20]

MR. WELT: I mean – you know, in general, it seems the message of domestic observers should be watching this process very closely, as should international observers. But the information comes so fast and furiously with all sorts of different details. And sometimes these arrests may be totally unwarranted; other times, there's plenty of people in the streets now who are willing to – and think it's proper to be committing acts of civil disobedience, as any righteous, proper protester might consider. And if that happens, generally speaking, there's going to be a number of cases where the police feel they should be arresting these people.

So I think part of the test is – and it's – again, it's a very tense and difficult environment because we're only a few days until election day. Normally I would say, if they're detained and released in a short period of time, it has some function of intimidation. But it also might correlate with the actions that people themselves choose to take. The problem is this is not the kind of environment that we would like to see in a few days before election day, but there's nothing to be done about it.

MR. MILES: Tom?

MR. DE WAALT: Yeah, I mean, I think the problem is that this election is being pulled in two different directions. There's obviously the – a deep polarization, as we've already mentioned. And equally – and you hear, obviously, much less about this in Georgia, but I'm – it is – has been going on – people talking behind the scenes. You know, Georgia is a small country, as we've already mentioned, and people know each other. And there are all sorts of people who, you know – whose major objective is that there's no confrontation. The church, I think, is an obvious institution which

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has enormous respect in society, has connections with both government and opposition, doesn't want to see confrontation, and I'm sure has been discreetly talking behind the scenes to both players. The trouble with this kind of confrontation is that this lessens the chance that on October 2nd, 3rd, 4th, deals can be made within the system, and that this – and increases the chance that, you know, the – this is going to be contested on the streets after the election.

MR. MILES: Way in the back.

[01:04:29]

Q: Stanley Kober. Following on the previous question, I'm looking at an article by Charles Fairbanks, who used to be with the Central Asia-Caucasus Institute, and it's stunning. "As a long-term observer of Georgian politics," he writes – this was posted yesterday on The Atlantic website – "my impression now is that the government counts on fear as the decisive element in an electoral (victory ?)" "Counts on fear as the decisive element." I'd invite the panelists' responses. Would they agree with him?

MR. DE WALL: I think there's – I do think there's an element of that in – especially in the provinces. I mentioned already the refused answers. And I think it's very difficult, however, to kind of pin this down, because a lot of it, as I say, is in the kind of Soviet DNA, particularly of older people who – you know, some of whom may prefer just to sit at home rather than go, and they may sympathize more with the opposition but will sit at home rather than refuse to go and vote, because they feel a bit, you know, cajoled, encouraged, intimidated – use the word you want. I think there's a lot of that around.

[00:65:48]

But then that's also part of the opposition narrative, so we have to be – have to be careful. And the fact that, you know, again, this is a regional split, I think that's probably quite a relevant consideration in rural areas. But on the streets of Tbilisi, where you've got thousands of students protesting, it's clearly not a – (inaudible).

MR. TSERETELI: I think one point here is that, in my opinion, in my view, I don't think that – (inaudible) – events occurred and videos were released and students and public in general went to streets, I think that particular moment was a decisive factor in the recent days and recent developments. And that was – that was something that I referred to earlier, that in this room we cannot exactly probably feel what is going on. I think people are free of fear right now. I agree that there was a fear of (state ?) in Georgia for last several years, and I think I described it – this in my presentation. But at this particular moment, I think all those youth, students, others who are in the streets, I think they are free of fear. And that was probably what – is a very powerful factor in this entire kind of story in last several days.

That doesn't eliminate probability, high probability that there will still be beatings of people, arrests, intimidation or so forth. But for last several days, as we saw, people kind of adjusted to this reality and they go outside, there is no fear, although you see elements of fear being – trying to be implemented.

MR. WELT: And to underline, it's – you know, it's not just in Tbilisi. We see the photos of the opposition demonstrations in Zudidi (ph), a town in western Georgia, was huge, huge

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demonstration. They had opposition leaders saying all sort of oppositional things, and that also didn't look like a very afraid population. And in some respects, in some places, the government is on the defensive. The (clan ?) that supports the government is Zudidi (ph) is on the defensive. Unfortunately, that might mean that they might also respond aggressively in the next few days, and that's also of concern. But the fear factor seems to have been diminished, at least in many areas.

[01:08:17]

MR. MILES: For three years in the 1960s, I was director of a black political organization in South Carolina. I must say that a lot of that goes for me in this conversation.

We'll take this question. You had your hand up several times.

Q: Ambassador, if you allow, I will have to comment instead of – (inaudible).

MR. MILES: I thought you might.

Q: My name is – (inaudible). I'm the deputy chief of mission, embassy of Georgia. And as you – (inaudible) – couple of remarks –

MR. MILES: Make sure there's a question in there somewhere. (Laughter.)

Q: But I may have one question. Actually, I will start with a question. (Inaudible.) You just admitted you are part of the corruption?

MR. TSERETELI: Why?

Q: You said that you know all the rules saying – you know the –

MR. TSERETELI: Rules meaning how you can protect yourself from being intimidated.

Q: And just to our investing, using those channels.

[01:09:09]

MR. TSERETELI: What do you mean by channels?

Q: That's what you said.

MR. TSERETELI: I said that there are institutions that can protect you from government intimidation, like OPIC (ph) and others.

Q: In a broader context, with regard to the elections, I think that the discussion here was about what is the role of the United States or the friends of Georgia. And we never had question that people sitting at this table or also (truly ?) friends of Georgia and they do want to see Georgia emerging stronger from this situation. And there has been this notion of the litmus test. And I guess it's extremely important to understand that the litmus test is applicable to all the stakeholders of this process.

It's not only the government who has to prove that it's capable to handle the situation. According to the international democratic standards, it's also the society that has to approve that it is

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mature enough to feel in the – it's – (inaudible) – in this process is that it is also applicable to the opposition, is applicable to any individual in the country.

[01:10:23]

I think it is very important to mention that in these processes, every stakeholder, be it the ruling party, opposition, government officials, civil society have participate over past years into the contribution of the – Georgia becoming from the state, a failed state, into something that is now clearly a (fashioning ?) democracy. And in that respect, there is a very big risk of blurring the situation and being not able to clearly see the line, what is between the politically motivated factions and between the – threatening the statehood or the state institutions.

What we see now, we see several attempts – and there's probably some of the – the comment on what Cory has been mentioning about the possible scenarios we see in – (inaudible). Going beyond the political – pure political motivation of staging or creating the environment for the coup d'état or for some power games, we see the participants of some hidden agenda being yet related with the political parties. So it is extremely important for every stakeholder to clearly see where the line is between the threatening of the state institutions and being politically active.

I also would like to comment on a – generally about the elections and what is at stake and how the transformation of power transition is considered. Georgia is certainly at the very important stage, because it is moving to the new political system, with more diffusion of power and with much more complexity. The complexity requires more intelligence in a political processes. And again, this is something which the whole Georgian society will have to realize and live with that, because the system that we will be living in in 2013, from 2013, will be much different from what we are now – have.

[01:12:33]

I wanted also to comment on what Mamuka mentioned about the students' rallies. I think that that's not really the historically first case. I mean, it would be –

MR. TSERETELI: At least in – (inaudible) –

Q: Sorry?

MR. TSERETELI: Since the Soviet collapse and –

Q: Oh, I don't mean the rallying. I mean the – (chuckles) – (inaudible) –

MR. TSERETELI: So that's what I'm saying. Yeah –

Q: I saw that you mentioned that it's –

MR. TSERETELI: Recent history. I said recent history of this government, so –

Q: OK.

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MR. TSERETELI: Government generally supported this government. I mean, the young – youth generally supported this government.

Q: Yeah, and I think that that's very important to have extremely, you know, clear cases in all those rallies, give – some people are defeated and some people are detained, and they're in custody. They should be certainly – the issues should be certainly addressed, and I believe though they are skeptics that are on the – (inaudible) – task force. It has been proven over and over and it is handling the situation and is responsive to every possible allegation.

[01:13:29]

And finally, fear. I don't think that there is a fear in Georgia. I don't think there ever has been, whether early '90s or middle '90s or in the Rose Revolution or after that. I think it's on the margin of respect of law. I think that this is also kind of a philosophical question, and the society is going on with this transition. Calling for an – (inaudible) – is not necessarily a manifestation of not fearing anything.

I think that Georgian society has proven in numerous occasions that it can understand the difference between the respect to the law and respect to the statehood and being (fear ?) of something. So I think that the processes in Georgia, we see is – (inaudible) – not the proof that there is no fear, but there is kind of a thoughtful process of selecting which – (inaudible) – in the country, and I think would have a – (inaudible) – first, and that's the – (inaudible) – which is going to see the truce.

MR. MILES: OK, thank you. Anybody have a comment on that?

MR. TSERETELI: I can make one – OK.

MR. DE WAAL: Yeah, I mean only one observation in the sense that then that, you know, the quality of Georgia's democracy is obviously under scrutiny here, so in the sense the biggest success of this government, paradoxically, would be that if they were to lose, you know, that they would – if they were to – and therefore to show that, you know, an opposition could win. I mean, maybe this won't turn – it probably won't turn out that way. But I'm – I suppose the point I'm trying to make is that a test for functioning democracy is if a – if a ruling party can share power, as in a – you know, and no country in the Caucasus – neither Georgia nor Armenia, Azerbaijan – has yet seen a peaceful transition of power on election day.

[01:15:26]

You know, I came back to Georgia through Belgrade, and Serbia's just held an election where the opposition won by – you know, by 3 percent. The opposition president – he's not a very popular figure in the West, you know, Mr. Nikolić. But you know, life went on. The world didn't stop when he won. Now – so I'm not advocating a Georgian Dream victory here. I'm just saying that it's not the end of the world if the opposition does well. In fact, it's actually rather good for Georgia. And you know, this is the bumpy road of democracy that a country like Georgia is only very much at the beginning of.

MR. MILES: Mamuka?

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MR. TSERETELI: The last thing Georgia needs today – and I agree with that notion – (inaudible) – that last thing Georgia needs is a – is a revolution or coup d’etat or something like that. We’ve lived through it, we’ve seen it, and we know that nothing can be worse than that. Even rose revolution, which some people consider to be the positive factor – it played some positive role in developments afterwards – as a factor, it also distorted the normal political process that was happening in the country. And party that received 25 percent of votes in November election 2003 ended up being the glorious, victorious party with a hundred – (inaudible) – percent of support of population because they won in rose revolution.

So we don’t need any rose – (inaudible) – or any kind of revolution right now. We just need normal constitutional process to conduct elections, and whoever wins to continue a process to the – to the day of transition of power from the president to another president, and then to arrive to the day of 2013, of whatever date exists – no one knows exactly what date is that – in November of 2013 there will be constitutional sort of transformation when new rules will emerge.

[01:17:23]

MR MILES: OK. Over here in the corner.

Q: Thank you. Kelli Hash-Gonzalez with SOS International. I’ve been touch with a politically engaged Georgian friend in Tbilisi who pointed out that he notices a growing anti-American sentiment there because of the support we’ve given Saakashvili over the years. And now of course someone who felt that way before would be even more angry with us potentially. I wonder if any of you have picked up on this, and if that’s the case, if it might make any difference on Georgian politics or relations with the U.S.

MR. MILES: Tom, you were most recently there.

[01:17:58]

MR. DE WAAL: The short answer is yes. I did – I did – I did pick this up, an anti-American sentiment in a lot of ordinary people. And when, you know, I would say: But wait a moment; Tom (Melia ?) has just been in Tbilisi and made this statement; didn’t you hear about it? And ironically, because it wasn’t – this – the – reported on the government channels, the American – those kind of statements, people don’t know about it. They still think that they’re living in the same sort of American support as they had in 2008.

So yeah, I think it is a problem. I think that there is actually more pro-Russian sentiment in Georgia than we believe. I’m not saying there’s going to be a huge geopolitical shift back towards Russia. But I think in that sense – I think the society is definitely more skeptical of the West and more – a bit more pro-Russian than the government. So there’s a – there’s a bit of a mismatch there which I think could have bad consequences, yes.

MR. MILES: Mamuka?

MR. TSERETELI: I would say that, you know, if – let’s say – it depends on who you talk to. Obviously government supporters do not express – (inaudible) – type of sentiment. And some

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of the opposition people are expressing mostly disappointment with the official position and lack of sort of frank and open discussion about situation in Georgia. That was – they say. But I think a lot of things can be – lot of risks may be mitigated if today or tomorrow – (inaudible) – tomorrow – let’s say an embassy stop, or ambassador meets – (inaudible) – student movement representatives and talks to them and so forth – just to show that, you know, these values that they try to kind of enforce and support is something that is – that this country stands for. And just expressing that would be – would make a lot of – lot of positive, I think, difference in the mood of public in the streets and elsewhere.

So I think little bit more proactive engagement of U.S. embassy there would definitely help process. But in general, it’s a reflection of the frustration with the Georgian government, mostly, other than – and the fact that U.S. government supports this government. That’s the perception that is there, and probably that is – the perception has some grounds behind it.

MR. WELT: Just – Tom, I wanted to ask a clarification. You said that most Georgians didn’t hear Melia’s statement because –

[01:20:24]

MR. DE WAAL: Well, I think – I think the problem is that there’s still quite a heavy spin in – I mean, I can’t prove this, because I don’t, you know, watch the – (inaudible) – every day, but that the U.S. government is behind Saakashvili, and people said, for example, that when he came to Washington, you know, every step of the way was reported on those two channels. Those, you know, 48 hours was just pretty much wall-to-wall coverage of Saakashvili in Washington.

So I think that creates a perception amongst the population that the U.S. position is as strong towards Georgia as it was in 2008. Obviously the U.S., I think, is trying to think of a more nuanced message and towards Melia, you know, giving that statement about we’re behind the process rather than – rather than any particular candidate. But I’m not sure that’s got through to the population.

MR. MILES: Yes, sir. (Off mic.) It doesn’t matter. Whichever. (Chuckles.) He’s bigger than you are. (Laughter.)

Q: Stephen Keat (sp), U.S. Department of State. The question is directed at Cory, but anyone else can comment on it. Cory, you were talking about a question against an overreliance on the reports of the election observers. Now, of course, there’s going to be reports done by various embassies and so on. Those are going to be confidential. So for the world as a whole, the day after the election and the days after, who would you recommend that they rely on if not the OSCE and the other observers?

[01:22:04]

MR. WELT: What I meant mostly to say is that we shouldn’t rely – it’s this litmus test issue. The – it’s a misconception to think that the OSCE observers then issue some big rolling banner which says they passed their test. And they’ve been very cautious as the years have passed not to say something so explicitly. I wonder if they were even asked if they were going to be part of this litmus test or not.

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So it should be taken seriously. The observation mission does take into consideration the findings of domestic observers. But it's a little – I would warn against using that to try to discern whether or not Georgia passed a test and whether or not it was fully free or fair. The outcome is going to be messy inevitably, and we're going to be able to pick and choose what we think of this election. So that's the main issue, I'd say.

MR. MILES: OK. Out here .

Q: Thank you. I'm Rick Bennett. I'm with Department of War Studies at King's College, London. My question is related to – there's this fascinating episode after the election, preceding the Rose Revolution, where the Italian commander, who is actually – had been – (inaudible) – Italian who had been trained by the U.S. receives all these phone calls from Nino, from – (inaudible) – office wondering what the army is going to do. Are they going to come out to the streets? And in the end, they stay in the barracks.

[01:23:37]

And I'm curious, is there a potential for Saakashvili, if there are protests in the street following this election, to call on the armed forces? Or is it – is it – and what implications that might have for U.S. relations given the fact that – (inaudible) – said this is still ongoing and we still aren't training – (inaudible) –

MR. MILES: I'm not sure anyone can give you an accurate answer, but we might try.

MR. DE WAAL: Can you – can – can you confirm that that happened in –

MR. MILES: There was some concern over involvement of the armed forces, but keep in mind there are a number of – there were a number of institutions in Georgia that had arms – official institutions. So it wasn't just the army – the imperial troops, the special guards around the presidency and some sort of SWAT team from the Ministry of Internal Affairs and so on and so on, so it wasn't just the army.

But one of the things which the embassy did do, and I did it personally, was to go around to everyone who had a – officially had a gun, and urge him to be very cautious in any kind of application of force. And I did the same things with the opposition, saying that, you know, use of force would not be a wise thing and would not be well-received by the international community and by the United States in particular.

[01:24:54]

And the church also – I talked to the patriarch, and the Orthodox Church issued a very helpful statement about the importance of not – (clears throat) – excuse me, nonuse of force, and I thought that was a very helpful statement. So at that time, it was a concern. And we did deal with that concern. And both sides actually were restrained, and there was no use of force in the Rose Revolution, which is a remarkable thing. I don't know if anyone can speak about the present situation. I'm happy to let any of the panelists try.

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Mamuka.

[01:25:30]

MR. TSERETELI: Just my personal view is that I don't think that the government is relying on the military in this situation at all, and they never relied on the military in internal situation. There are special forces trained for this type of activities. And probably if there is some kind of confrontation or clashes – (inaudible) – they will be called, not (an army?). But I don't expect army to be – (inaudible).

MR. MILES: One difference between the Rose Revolution in 2003 and the present time is that the government does have nonlethal means of crowd control at its disposal. Shevardnadze did not. And it was – it was one of the weaknesses of his government in the sense of no rubber bullets, no tear gas, no water cannon and so on. Saakashvili has all of those things at his disposal, so that is a difference between the two periods of time.

I've been kind of neglecting this corner here. Yes, sir.

I'm – (name audible) – a master's student at Johns Hopkins SAIS, and I was a Fulbright in Georgia some years ago. I had the distinct pleasure of serving as an election monitor in one of those districts that won over 100 percent of the vote – (laughter, inaudible).

My question is about the role of policies in this election. And the discussion today has lacked any commentary on policy ideas. Elections are exciting because they're a competition. But aside from hearing about unemployment and fear of Turkish influence in Batuni (ph), for example, I wonder if the panel couldn't give us a better idea of what some of the primary policy issues are in play in this particular election. Thanks.

[01:87:12]

MR. TSERETELI: I can start –

MR. MILES: OK.

MR. TSERETELI: I mean, to me, I don't think that this is a clash of ideas in any ways. Unfortunately, the parties are competing with the mostly populous sort of statements, one party distributing the vouchers for 1,000 lari for each Georgian citizen and the other one is promising \$1 billion for Georgian agriculture. So these are not the things that will serve Georgia's developmental purposes.

And so in terms of this battle of ideas, unfortunately, it's mostly a battle of personalities, battle of political groups. It's not about – it's not about policies – although, there are a couple of things that differentiate two groups, probably. One is that, particularly in the wake of this prison abuse scandal and so forth, that the treatment of sort of people in the prison system, I hope and I'm pretty confident that something like that will not be happening in Georgia in the future. So obviously both parties emphasized that. But technically, there is a limited trust to the government in that regard, and so there's an in general kind of feeling that the power structures of the country should be organized in different manner. They shouldn't be factored in the local, political or businesses development on issues like this.

[01:18:46]

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MR. WELT: One possible policy distinction that I think we can discern is – and I'd be curious, though, what (Mamuka ?) has to say on this – is the opposition's efforts to emphasize that, OK, as the government put a lot in their infrastructure, maybe did some good there, but then it sort of has been preoccupied with all these large projects of uncertain benefit to the Georgian population or the country, and one of the things that Ivanishvili really says he wants to focus on is small business and more of a business-friendly environment that's more equitable to more people. So that seems to have been one distinction.

[01:19:25]

The Israel foreign policy is – it's been – there's been a difference. There's undoubtedly been a difference. But I feel – particularly with regard towards Russia – but I feel it's the difference between less of ideologies and more of opposition in government, that Ivanishvili is saying that he wants a new approach towards Russia. We have to figure out a way to get along with Russia, although we're committed to our Euro-Atlantic orientation, and my team is the team to do that and to mend fences with Abkhazs and South Ossetians. But you know, I mean, Saakashvili was saying exact same thing when he was running for office several years ago as well. So it's just hard to tell whether that would actually translate into associated policy difference.

MR. DE WAAL: The – there's a Greek scholar, Colfilio Robanis (ph), who came up with a phrase to describe Georgian politics. It's "pluralistic feudalism." And what he meant by that was that was – you have these parties which have a very strong leader, and they have quite intense competition, but you know, the leader is bidding not to have a kind of – a democratic mandate, so not just a kind of feudalistic role to be the leader of society. I think, unfortunately, that's what we're seeing the Saakashvili, Ivanishvili – (inaudible) – you know, a classic kind of pluralistic feudalism. And this is why these – they both have these very diverse coalitions around them.

Just to give you an example, in Batumi, the opposition candidate was this nationalist called Moman Dubansi (ph), and the government candidate, who I met, was Kiyam Baramitzi (ph), the kind of English-speaking, Georgetown-educated man in favor of Europe integration. (Inaudible) – government candidate is Rolan Akheliyev (ph), the chief prosecutor, strongman, doesn't want to see me, has a very repressive reputation. The opposition candidate is Arakya Alasanya (ph), the English-speaking, U.S.-educated, pro-Western figure. So complete mirror image in two fights. And they just got personal loyalties there which are more important than the ideological – (inaudible).

MR. MILES: We have time for two more questions, I think.

Yes.

Q: Wendy Silverman with the State Department's Bureau of Democracy, Human Rights and Labor. Wendy Silverman, State Department's Bureau of Democracy, Human Rights and Labor. I – we've heard some recommendations for the international community. Cory highlighted the importance of not rushing to judgment, for example, and letting the electoral process follow its natural course.

[01:31:54]

I want to invite everyone to share any particular additional recommendations as far as the role of the international community and things that are particularly helpful in the coming days. Thanks.

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MR. DE WAAL: Well, I think one advantage that this is a parliamentary election is that there's not going to be a kind of – in a presidential election, you know, there's one winner and one loser. Because there are 150 seats at stake here, I think you can afford to take a more nuanced picture and say, you know, generally, it went well, but we have concerns – if concerns are raised in certain constituencies that they – those races could be rerun. So the fact is you have a bit of leeway to wait for more detail, and there will be a lot of devil in a lot of details when these elections come out. So I think that gives the international community some leeway to give a more nuanced verdict. I think that's one thing.

And I think the other thing is to say that Georgia does have legislation; it does have processes. So it's about keeping both sides, government and opposition, to observe those processes and to exhaust all legal channels before they start to, you know, contest things on the – on the streets. And fortunately, Georgia also has very good scrutiny, you know, has a young lawyers association, Transparency International – has some very active NGOs – and encourage them to be part of the process, which means that there'll be faith – more faith in the process if some of those NGOs – (inaudible).

[01:33:37]

MR. WELT: There's two things I would add. One is, again, with regard to respecting the – well, both of them are related to respecting the process. One is, again, to underline that – to make sure that the OSCE mission also is very careful about its rush to judgment, making sure that it provides a cautious preliminary and clearly preliminary assessment when it issues that statement and generally not to make too much of that preliminary assessment and to wait it out for a few months until they've come out with their final assessment, since I – you know, we probably are stuck with this litmus test model, and – but the litmus test should depend more on that final assessment, which is always much more thorough than the immediate impressions and the emotions.

And the second thing – well, maybe there's three here. The second thing is, in terms of respecting the process, to not only pay attention to detail but to be willing to call bull – BS to the government on using legislation that may be properly written – and maybe they didn't fill out X and X form properly, the opposition – to make sure that they follow the process not only by the letter of the law but by the spirit of the law and in good faith and to be open to making sure that all complaints are addressed fully.

And then the third thing, I think, is just to maintain constant dialogue with both sides, really – we have two sides here, I think, right now – on recognizing that the political life in Georgia is going to continue, and maybe the opposition is going to win. Maybe the national movement is going to win. We don't know. That's a good thing. And there – I mean, it's – they're going to have to get along somehow after the next day, and that is probably to our interest more than to see just continuing strengthening of one single party of power, regardless of which party that is.

[01:35:33]

MR. TSERETELI: I think first thing is that we still have few days before elections. Yesterday Central Election Commission adopted a rule which contradicts Georgia law. And we need to avoid – and government needs to avoid any kind of contradictory decisions. That's about presence of press and media in the – in the precincts. So it contradicts laws about elections. So first

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thing first is to prevent any dramatic changes or – in the environment and set up the regulation that leads to the election.

Number two – number three, I support Cory's and Tom's ideas about being properly staffed election days, on recounts and so forth. There will be probably recounts, and so U.S. – the international community needs to be engaged until the – probably process is somehow resolved, and be engaging proactively and also not to rush into judgment.

One other thing I wanted to mention is that the U.S. needs to be – and this is a recommendation for U.S. government – probably engage a little bit in more details about internal developments, at least to know exactly what's going on there.

[01:36:52]

If you recall, there was a case last year about photographers who were accused of being Russian spies. And one of them actually gave the confession that he was spying for Russia. Today – actually, yesterday he went public and said that he was under pressure. And I don't want to describe the story he described over there why he was under pressure. So if you look at those type of developments, we had cases before, and State Department has the human rights report that describes some of the cases. There were people given political asylum in this country who were affected by those allegations, I mean, the – (inaudible) – atrocities. And they are now politically covered by United States. So it means that we knew something about those developments, right? So unfortunately – (inaudible) – so if we have to – let's say, to the case of photographers, last year probably we at least would have saved some of those poor people in the prison system.

MR. MILES: One last question. Oh, all questioned out. Yes, sir.

Q: Anchar Tole (ph) at Virginia Tech. Exit polls are one way in which the legitimacy of an election is determined independently of the process, when the process is seen as being in the hands of a state and a government. And I understand that the Georgian Green coalition has invested quite a bit of money in developing exit polls. But I heard that I am totally – I don't know that it – that is the case. Can the panelists just address the scenario whereby there's a sort of significant divergence between exit poll information which is generated and then the actual count?

MR. MILES: I'm sure it was very important in 2003.

[01:38:41]

MR. DE WAAL: Yeah, I had this – a conversation about this with someone, a sociologist. I think the problem is we're going to see different exit polls, as you mentioned. I think – and this lady said to me who does polling – she said to me if it's – the only way you're going to get fair exit polls is if you give people to – are allowed to anonymously kind of fill in a form and then put it in a box without any contact with the person. As soon as they're talking to a person, they get a perception about who that person is, whether they're Georgian Green or government, and that's going to skew the answers of a lot of people, unfortunately. So unlike in 2003, I'm not confident the exit polls are going to give us (a proper treatment?).

MR. WELT: Does anybody know if there's going to be a parallel vote tabulation?

Q: Yeah, there will, two.

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MR. WELT: And conducted by –

Q: ESTAT (ph) is doing one, and NGNI is doing a second.

MR. WELT: Because those have traditionally tracked a little bit – have tracked more closely, but then we have to be aware that the PVT (ph) doesn't capture all of the possible problems on election day.

[01:39:50]

MR. DE WAAL: I was also told that this NGNI has no experience at doing this and may not be up for the job. But I'm – I don't – the public –

Q: (Off mic) – for the last two elections, and they are very well-experienced and have – (inaudible) –

MR. DE WAAL: OK. Well, OK, I had heard – I've heard that – I heard a concern about NGNI, but maybe this – maybe I should strike that from the record because I'm – I had heard that from one person. But – (inaudible) –

MR. MILES: Another – any comment?

MR. TSERETELI: Well, I mean, in 2008 there were lots of (issues ?) related to the exit polls, and I – at this point I don't know exactly what's the procedures. I know that – I think the general – (inaudible) – of government – I mean, public television – (inaudible) – one exit poll. That's my understanding. And there will be probably something alternative, claimed by, I think, Maestro (ph). But I'm not sure about that.

MR. MILES: Well, thank you very much, and thank the panel. (Applause.)

[1:40:50]

(END)