

Conflict Studies Research Centre



**Georgia: The Death
of Zurab Zhvaniya
"A Setback for President,
Government & Country"**

C W Blandy

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Key Points

- * The loss of Zhvaniya removes the balance of power between ambitious factions in the government.
- * Presidential control could be increased without the restraints imposed by the partnership of Zhvaniya and Burjanadze.
- * With hawks in the ascendant, more extreme policies may be followed over issues such as Abkhazia and South Osetia.
- * Observance of the law and the constitution could be further flouted if it suited the executive.

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Introduction

“Without overstatement it can be said that Zurab Zhvaniya was one of the pillars of Georgian politics in recent times. It is obvious that without the late premier, would there have been a 'Rose revolution'[?] – if Mikheil Saakashvili was its face, then Zhvaniya was its brain centre. Even enemies acknowledged his outstanding talent as an organiser and experienced politician.”¹

The sudden, untimely death of 41 year old Prime Minister Zurab Zhvaniya in Tbilisi in the early hours of Thursday 3 February 2005 was a devastating blow to the aspirations of the Georgian government in its mission of radical reform and the creation of a viable, modern, sovereign republic, in which the writ of central government would run unhindered throughout its territory, revenue from taxation would flow unimpeded to the exchequer and the insidious blight of large scale corruption would be eradicated: in essence the removal of the slur of being a ‘failed state’.²

During the autumn of 2003 Zhvaniya and Nino Burdzhanadze with their “United Democrats” formed the coalition with Mikheil Saakashvili’s “National Movement” which brought about the by-now famous “Rose revolution”. When the new government took office at the beginning of 2004 Zhvaniya was directly involved in establishing a framework to improve the state’s finances through the introduction, implementation and conduct of a series of administrative reforms in the system of collection and coding of taxation. These reforms led within one year to a 250% improvement in revenues to the country’s budget.³ This was a prerequisite for ‘clawing back’ recalcitrant regions, notably Abkhazia, South Osetia and the precariously balanced Adzharia. Furthermore, revenue is required to improve the appalling state of the infrastructure, in particular internal communication links:⁴ road, rail, bridges, ports and airports, together with internal refurbishment in towns and cities, such as the urban central heating systems, the absence of which has led to a significant number of deaths throughout the winter months.⁵

Improvements to the infrastructure are a vital ingredient not only in improving the economy but also for internal cohesion. In particular the Tbilisi-Akhalkalaki-Kars highway, which would integrate Javakheti with its predominantly Armenian population into the Georgian economic space, was mentioned by President Saakashvili amongst many other forward looking construction projects in his speech on 30 December 2004.⁶ Appendix 1 provides an indication of the volume of the problems which face the government.

Doubts Over the Circumstances of Zhvaniya's Death

However, the government's reform policies and the nomination of a new Prime Minister were sidelined by suspicion and distrust over the incomplete nature of the government's official statements⁷ regarding the circumstances of Zhvaniya's death and that of his 25 year old friend and colleague Raul' Yusopov,⁸ deputy governor of Kvemo-Kartli region, whom he visited late on the night of 2/3 February. It will be remembered that Kvemo-Kartli with its densely populated Azerbaijani population poses its own particular problems for the central government, most recently concerns about violation of Azeri rights regarding land ownership.⁹ Zhvaniya often visited friends and colleagues.¹⁰ Government officials from the outset claimed that it was a tragic accident resulting from carbon monoxide poisoning from a faulty heater.¹¹ As both men were young and comparatively fit, conspiracy theories have gathered apace, particularly following the car bomb explosion on 1 February which killed five people and wounded 27 others at Gori and on 4 February the alleged suicide of Giorgi Khelashvili, an official in the presidential administration.

An interview with Roman Gutseridze, Chairman of the Budget-Finance Committee of the Georgian government on 4 February provided an interesting insight into the Georgian mentality, where the Russian government is seen to be behind every misfortune:

*"I think that it was a tragic accident. But far from all the people in Georgia think like that. The fact of the matter is in our country, even if an apple dropped from a tree, Georgians would say; didn't Russia cause this? It summons disbelief. It's not Russians in general – we have a love for them but it is the Russian government."*¹²

As Vitaliy Portnikov wrote on 3 February: *"The death of the Georgian prime minister Zurab Zhvaniya enlarges the list of secret deaths in post-soviet space – of those deaths, which to outward appearances look fully understandable and explainable tragedies, but they all leave many questions"*.¹³

Later speculation¹⁴ on the private life of the late prime minister to some extent may explain the haste with which the Georgian authorities, in an effort to avoid public disquiet, asserted that Zhvaniya's death was an unfortunate accident. The Georgian authorities were certainly faced with an extremely delicate and difficult situation. It would have been more prudent to have waited until a full investigation had been completed before excluding the possibility of a third party's involvement in the deaths of the two men.

However, it should be remembered that there had only been a cabinet reshuffle on 14 December 2004, the second in a year. Apart from weeding out unsuccessful office holders, doubtless the president and his prime minister felt that there was a need to spread experience in the cabinet as a whole, but the downside is that ministers do not spend sufficient time in a particular post. Table 1 provides some examples where senior ministers have been switched to other posts to widen their overall experience in the spheres of Defence, the Interior and Security.

Table 1 – Changes to Senior Ministers in Georgian Cabinet¹⁵

Cabinet Minister	Post in First Cabinet	Post in Second Cabinet (10 Jun 04)	Post in Third Cabinet (14 Dec 04)
Giorgi Baramidze	Interior Minister	Defence Minister	State Minister for European Issues & Vice Premier
Vano Merabishvili	Secretary National Security Council	Security Minister	Police & Public Security
Irakli Okruashvili	General Prosecutor	Interior Minister	Minister of Defence

Whilst Zhvaniya may have been one of the most important men in Georgia, “*he was not the most loved*”.¹⁶ One only has to cite the anti-corruption campaign against members of Shevardnadze’s close circle and Zhvaniya’s stance with regard to Russian business, privatisation and investment which had attracted considerable criticism from the parliamentary opposition:¹⁷ there were many potential enemies dispossessed of corrupt earnings and those opposing Russian control of Georgian companies. Nevertheless, “*according the opinion of the Conservatives, privatisation in Georgia was happening ‘secretly’, and the people and executives of this process are people who are not confiding in the population – Kakha Bendukidze and Zurab Zhvaniya*”.¹⁸

However, the president very much supports privatisation and the maximisation of receipts for the country. During the 12 years of Shevardnadze's time, 90% privatisation occurred but with only some US\$ 25 mln accruing to the exchequer. In 2004 alone US\$ 50 mln went to the treasury. At a time when foreign relations between Russia and Georgia are complicated by problems over Abkhazia, South Osetia, Russian military bases and encroachments by the US and NATO, the appearance of *Vneshtorgbank Rossiya* into the Georgian market, according to Zhvaniya “*was a significant event which will enable the development of business relations between Georgia and Russia*”.¹⁹

The Future

There can be little doubt that Zhvaniya’s death will weaken the cohesion and unity of purpose in the party of government, in as much that Zhvaniya formed those regional party organisations on which the ‘vertical’ of government power depended. There is also a serious danger that the government could fracture into ‘Zhvaniya’s people’ and ‘Saakashvili’s people’. The cabinet of senior ministers had worked in harmony until comparatively recently,²⁰ due largely to Zhvaniya’s experience as a politician. He not only possessed the undisputed authority of a prime minister, but he was also a good listener, able to offer balanced judgements and advice together with a flexibility to achieve compromise, eschewing a confrontational approach to problems such as the de facto position of South Osetia. According to Eduard Kokoyty, President of South Osetia, “*Zhvaniya was one of the few Georgian politicians who tried to resolve the problems with South Osetia by peaceful means*”.²¹ Consequently, despite calls from President Saakashvili to remain calm, there is considerable foreboding that unity could evaporate, with doves being replaced by hawks.

One of the outcomes following the death of Zhvaniya is that:

“The firebrand president is now left without a steadying force, a trustworthy ally with enough political weight to challenge the president’s decisions or opinions. Zhvaniya could manage a powerhouse of cabinet ministers packed with ambitious politicians and run it as a united team. In Saakashvili’s hands, personal relationships might deteriorate, leaving an imprint of instability and unpredictability on the administration’s actions. Without any serious opposition to speak of, pessimists say, Saakashvili’s team could degenerate into an uncritical group of yes-men to the president, becoming inbred and eventually wither away, damaging Georgia’s ambitions and forfeiting the public’s confidence.”²²

The Government of Zurab Nougaideli

The announcement that Zurab Nougaideli was to become the new prime minister was made by the President on 9 February 2005, within seven days of Zhvaniya's death in accordance with the Constitution. Nougaideli did not announce his cabinet until 17 February 2005.

Table 2 – Prime Minister Nougaideli’s Cabinet of Ministers²³

Person	Post	Remarks/Previous Post
Zurab Nougaideli	Prime Minister	Finance Minister
Vano Merabishvili	Interior	See Table 1 above – Police & Public Security
Irakli Okruashvili	Defence	Defence Minister wef 14 Dec 04
Salome Zourabichvili	Foreign Affairs	
Valeri Chechelashvili	Finance	Former Ambassador to Moscow, replaces Nougaideli
Lexo Alexishvili	Economy	Replaced Kakha Bendukidze in Dec 04 Reshuffle
Kote Kemularia	Justice	Formerly Chairman of Supreme Court, replaces Giorgi Papuashvili
Nika Gilauri	Energy	
Lado Chipashvili	Healthcare	
Kakha Lomaia	Education & Science	
Goka Gabashvili	Culture & Sport	
Eter Astemirova	Refugees & Accommodation	
Goga Khaindrava	Conflict Resolution Issues	
Zinaida Bestayeva	Civil Integration	Replaced Guram Absandze in Dec 04 reshuffle
Giorgi Baramidze	State Minister & Vice Premier	See Table 1 above. Euro-Atlantic integration issues. In Dec 04 reshuffle he replaced Tamar Beruchashvili
Kakha Bedukidze	State Minister for Economic Reforms	Promoted from Economy Minister in Dec 04
Giorgi Papuashvili	Environment	Replaces Tamar Lebanidze

The nomination of Nougaideli as Prime Minister might in the short term preserve stability and the legacy of Zhvaniya, but over time the followers of Zhvaniya will lose influence and power. The announcement of Nougaideli’s promotion from Finance Minister initially was met with surprise and opposition from Nino Burdjanadze who claimed that Nougaideli as a finance minister was fine, but she doubted whether he had the necessary flexibility, experience and qualities for the post of Prime Minister. Burdjanadze had actually been offered the job but declined on the grounds that she wished to continue her work as Parliamentary Speaker.

Box 1 – Opinions on Nomination of Zurab Nogaideli²⁴**Gia Nodiya**

Despite the fact that Zurab Zhvaniya was a first rate politician, it not possible to say the same about Nogaideli, his appointment does not signify changes in direction. His main mandate will be the course of economic reform, whilst Zhvaniya was occupied with both economic and political reforms simultaneously. Nogaideli in the political area will only be a formal figure. In the near future the adoption of constitutional changes and amendments in the duties of prime minister are excluded. The natural change which will follow after the confirmation of Nogaideli in the appointment of premier will further increase the powers of the president. If Zhvaniya controlled the government independently, Nogaideli will be unable to do this. As for conflict resolution, in this Nogaideli has absolutely no experience and is inflexible on this question.

Paata Zakaremishvili

In the position of finance minister Zurab Nogaideli was not an independent person. In this sphere everything was done under the policy of the World Bank and the IMF. Concerning his political career, he was never a political figure. The nomination of Zurab Nogaideli to be prime minister on one hand means that the interests of 'Zurab Zhvaniya's team' are preserved, but [Nogaideli] will not be able to be the protector of the interests of his team like Zurab Zhvaniya. Having nominated Nogaideli, a member of Zhvaniya's team, the president can avoid the expected scandal which would be fully realised if he had nominated a member of his own team. It is a well calculated choice that makes possible the gradual sinking of Zhvaniya's team and the redistribution of political figures such as Baramidze or Machavariani to the teams of Saakashvili and Burdjanadze.

Iya Antadze

The process of Zurab Nogaideli moving to the post of premier can be divided into three parts. From one side President Mikheil Saakashvili has accommodated the requirements of the Zhvaniya team concerning the preservation of the principle, ie the triangle of Saakashvili, Zhvaniya and Burdjanadze. From the other side, the post of prime minister will be abolished as a result of amendments to the Constitution. The fact that constitutional changes will take place is confirmed by the fact that on 8 February a meeting took place with the Chairman of the Constitutional court Dzhoni Khetsuiani and the Speaker of the Parliament Nino Burdzhanadze. It is logical and completely expected. Thus, until constitutional changes Zurab Nogaideli will be a formal figure. And third, Zurab Zhvaniya and Zurab Nogaideli were close friends and lately Zurab Zhvaniya interested his friend Nogaideli in the process of privatisation. And this would enable a continuation of the work which Zhvaniya had begun.

Flaws in Government

The political situation in Georgia was far from rosy even before the cabinet reshuffle in December and the death of Zhvaniya in February.

Box 2 – Synopsis of Situation in Georgia by Davit Usupashvili, Legal Expert²⁵**Post-Revolutionary Situation**

Whilst much has changed since the Rose Revolution, growth of public involvement supplanting the previous nihilism and pessimism, bringing hope to society, the post revolutionary period has uncovered many failures as well. Before the events of November 2003, the opposition as it was then only needed to criticise the old authorities and offer new plans to the population. One of the flaws is that the present government continues to use revolutionary rhetoric and expedience which in many ways runs counter to the supremacy of law. For instance revolutionary methods achieved the overthrow of Abashidze in Adzharia, but later on the continued style by the new Adzharian leadership created serious problems of governance and administration. Activities informally conducted behind closed doors neglected the law, leading to the misuse of power by officials. We can openly say that the government's campaign [in August] failed in South Osetia.

Failure of New Constitutional Norms

The principle of separation of powers does not work today in Georgia. The parliament fails to make decisions independently without instructions from the executive, likewise with the judicial system.

According to the constitutional model as well as in practice, power is not distributed in Georgia. It is concentrated in the hands of the president and his inner circle and the decisions made there are subsequently adopted by parliament or the courts.

The style and methods used by the authorities against political opponents hampers the development of a constructive opposition.

Freedom of Speech

The present authorities react aggressively to freedom of speech. For example, when society asked questions regarding South Osetia, instead of giving convincing answers, the authorities chose to insult their opponents. A system which has such reactions to criticism prefers to cut private deals with owners of media companies.

Corruption

The new government suffers from a trend of financing civil servants by funds generated by an unclear process which creates additional decay in the workings of democracy. When money is extorted from businessmen to finance 'great' deeds and there are several examples, this flow of money through informal channels generates many potentially corrupt interactions.

One of the reasons for the revolution and one of its aims was to eradicate impunity of government officials. The showcase arrests were thought to demonstrate how fearless and principled the new government was. But when the planting of arms and narcotics, violation of the procedural norms [of investigation] became commonplace this all became unacceptable.

Human Rights

There is a serious division in society of 'us' and 'them', where the 'them' are treated like second class citizens.

But despite all of these negative trends, the authorities still have a chance to change these processes for the better and to restore their image, both inside and outside the country.

The president himself was guilty of not observing the Constitution following the announcement of Zhvaniya's death. Correctly, at the beginning he appointed Baramidze who was Vice Premier as acting Prime Minister in accordance with the Constitution, but then he assumed the powers of Prime Minister himself, albeit for a short period.

Box 3 – Comments on Military Affairs by Kakha Katsitadze²⁶**Lack of National Security Concept and Strategy**

The country has not developed any military strategy so far. The country needs to have a national security concept and strategy which lays the foundation for a military doctrine in the country which will include the state's vision regarding the construction of the Armed Forces ... Without these comprehensive documents the construction of a Georgian army will not be effective.

By the way, one of the key recommendations of Georgia's Individual Partnership Action Plan (IPAP) envisages the adoption of documents regarding military strategy. However, I am afraid that our authorities do not completely understand how important it is to adopt these documents.

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Military Operations in South Osetia

The so-called South Osetian campaign which ended in failure in August can be considered as a flaw. The campaign was not planned effectively from either the political or the military point of view.

Defence Budget

The budget is drafted from above and I have no idea what the criteria for allocating funds are. For example, 119 million Lari will be allocated in 2005, however nobody could explain to me exactly why 119 million and not more or less.

Irakli Sesiashvili, Director of *Right and Freedom* added to these comments that “*Saakashvili had made a series of mistakes in the military structure, due to the fact that there was no concrete plan of reform in the armed forces, neither security concept nor military reform*”.²⁷ The International Seminar on the “National Security Concept for Georgia” held in January 2003 seems a very long time ago!

The public altercation over corruption allegations between Irakli Okruashvili²⁸ and Giorgi Baramidze²⁹ at the beginning of January 2005, although quickly flattened by the president, remains an indication of tension between two factions within the cabinet of ministers, the Saakashvili team (Okruashvili, Merabishvili) and the Zhvaniya team (Nogaideli, Baramidze). Perhaps the tension derives from personal ambition, taking into account their youth, particularly Okruashvili. “*Reliable sources from government circles say that Okruashvili will continue targeting officials from Zhvaniya’s team which will eventually result in Okruashvili taking over the position of Prime Minister*.”³⁰ Speculation says that the closest ally of Okruashvili in his drive to take over the premiership is the Prosecutor General Zurab Adeishvili, supported by Givi Targamadze, Chairman of the Parliamentary Committee for Defence and Security.³¹

Another violation of the constitution was perpetrated by Okruashvili in dismissing the Georgian General Staff following a three minute meeting where he invited them to submit their resignations.³² It would appear that Okruashvili has usurped the presidential prerogative. This action adds additional import to the view that the ‘hunt’ for members of Zhvaniya’s team is on, hence the sacking of Brigadier General Vakhtang Kapanadze who had been appointed as Chief of the General Staff in August 2004 by Baramidze.

Conclusion

It should be recalled that in the sphere of re-incorporating recalcitrant regions Saakashvili gave himself two years. There will be mounting pressure on Saakashvili to use more forceful means than those seen hitherto to achieve this. Many in the Saakashvili team are seen as hawks, in particular Irakli Okruashvili over South Osetia. He was born in Tskhinvali and has spoken about restoring Georgian territorial integrity within five years.

Other problems which require urgent attention are the Parliamentary Assembly of the Council of Europe’s (PACE) criticisms with regard to the constitutional changes which were adopted in February 2004, namely the excessive powers granted to the president and the recently adopted “*inadequate model of autonomy*” for Adzharia.³³

It will be remembered that there have been calls for the resettlement of Meskhetian Turks. There are also continuing tensions in relations with Russia, over Chechens

in Pankisi and the unresolved problems of Russian military bases in Georgia, together with suspicions over Moscow's support for the separatist regimes in Abkhazia and South Osetia.

The death of Zhvaniya has dealt a body blow to President Saakashvili, the government and the country. Previously, the triumvirate of Saakashvili, Zhvaniya and Burdjanadze had the properties of a three-legged milking stool of yesteryear, which wherever it was placed it would be a stable platform. For now, there are only two legs. There is no one to replace Zhvaniya's experience, political skill and balance in the foreseeable future. Furthermore, at the present time there does not appear to be anyone who can act as the thermostat on the heat generated by the frenetic pace of presidential thought and subsequent activity.

Finally, there are many things that need tackling in Georgia. Many mistakes have been and are still being made. However, the West, in particular the United States, must allow Georgia to make mistakes and to have the opportunity to learn from them. Otherwise, it will be the continuation of a system where responsibility for Georgia's governance lay with another state, although there is a need for a form of ultimate shield in defence of its territory and interests. The simple question should not be forgotten concerning Zhvaniya's death: who benefits?

ENDNOTES

¹ <http://www.kommersant.ru/archive/archive-material.html?docId=544587>, "Kommersant b", No 19, 4 February 2005, "Gruzinskaya revolyutsiya lishalas' glavnogo – pogib Zurab Zhvaniya".

² See C W Blandy, "Georgia at the Crossroads", CSRC, Occasional Brief 100, December 2003.

³ <http://www.civil.ge/eng/article.php?id=8883>, *Civil Georgia*, 25 January 2005, "Report: Tax Administration Improved in 2004". "A report published by the Georgian-European Policy and Legal Advice Centre shows that while Georgia's economic performance did not change significantly in 2004, tax administration has improved dramatically. The government's performance in tax administration has improved significantly. Tax collection over the year has improved by 51%, which affected all budget revenues. Nominally, budget revenues grew over the year by 66% and constituted GEL 1.114 billion. Of these 81% were composed of tax revenues, 16% by non-tax revenues and 3% grants. Although administration of taxes improved, changes in the collection of indirect taxes are most impressive. Collection of VAT improved by 34% over 2003 and the collection of excise duty improved by 93%.

⁴ <http://www.civil.ge/rus/article.php?id=6813>, 30 December 2004, "Saakashvili nazvyvayet 2004 uspeshnym i vozderzhivayetsya kommentirovat' nedostatki"; "Speaking about plans in the future, the president stated that much has been done, but much more needed to be done. The main accent the president devoted to the re-establishment of the country's territorial integrity. Furthermore, special attention in the president's plans was also devoted to the development of the infrastructure of Georgia. The development of Georgia's economy will depend on the infrastructure. It is important to attract investment to develop tourism."

⁵ http://www.newizv.ru/news/?id_news=19249&date=2005-02-04, *Novyye Izvestiya*, "Gazovaya zavesa – uzhin s drugom okazalsya dlya prem'yer-ministra Gruzii rokovym" by Svetlyana Gamova. Statement by Roman Gutseridze, Chairman of the Budget-Finance Committee of the Georgian Parliament: "Poverty killed Zhvaniya - heaters such as in the apartment where Zhvaniya died (Iranian manufacture) are installed by the poorest people. Those who are able to, buy ones of higher quality, but they cost over US\$ 100 more. From inferior gas installations in Georgia just in the last year 180 people died."

⁶ <http://www.civil.ge/eng/article.php?id=8700>, 30 December 2004, transcript of President Mikheil Saakashvili's televised speech on December 29. The transcript does not include questions and answers, which followed his speech. **"Plans for 2005 –** First of all I mean construction of roads. Almost no roads have been constructed in Georgia since independence. We will completely deal with roads in Tbilisi and with the main roads in Kutaisi, Zugdidi and in other towns. Next year we will construct a new highway connecting Zugdidi, Chkhorutski, Tsalenjikhe and Senaki. This will be a 91 km long highway which will be opened on 23 November [the anniversary of the Rose Revolution]. I hope that from next year we will start construction of the Tbilisi-Akhalkalaki-Kars highway. This project is vital from both the political and economic point of view. Tbilisi will have a new international airport on 23 November 2005."

⁷ <http://www.civil.ge/eng/article.php?id=8988>, 5 February 2005, "Georgian Press Review". The Georgian press review castigates the authorities, in particular the Interior Minister Vano Merabishvili's initial statement.

⁸ http://www.ng.ru/cis/2005-02-04/1_georgia.html, *Nezavisimaya Gazeta*, No 21, 4 February 2005, "*Politiku delayet neschastnyy sluchay*" by Yuriy Simonyan, Anatoliy Gordiyenko. "About the person who died with Zurab Zhvaniya, little is known. A native of the Azerbaijani village of Karadzhal in Marneul'skiy rayon Raul Yusopov entered the close circle of Zhvaniya during the leadership of Eduard Shevardnadze. He was an activist in the 'United Democrats' party which had been created by Zurab Zhvaniya and worked with the population of Kvemokartlinskiy kray, where the majority of the population were Azerbaijani. In the spring of last year Zurab Zhvaniya, head of the government at that time, invited Yusopov to work in the State Chancellery. At the end of last year he was nominated Deputy Governor of Kvemo Kartli."

⁹ http://www.civil.ge/eng/article_ngo.php/d=8542, "*Azeri NGOs Concerned over Azerbaijanis' Rights in Georgia*", 9 December 2004.

¹⁰ <http://www.kommersant.ru/archive/archive-material.html?docId=544587>, "*Kommersant b*", No 19, 4 February 2005, "*Gruzinskaya revolyutsiya lishalas' glavnogo – pogib Zurab Zhvaniya*".

¹¹ http://www.newizv.ru/news/?id_news=19249&date=2005-02-04, *Novyye Izvestiya*, "*Gazovaya zavesa*" by Svetlyana Gamova: "The opinion of technical experts confirmed yesterday's opinion of medical experts. They announced that in the apartment of Yusopov a gas heater of Iranian manufacture had been installed two days ago (centralised heating had not been working for at least 15 years in Georgia), but in this safety rules were disregarded. The gas burned badly, as a result of there being no ventilation, carbon monoxide fumes filled the space. Specialists maintained that 15-20 minutes were sufficient for someone to die from a lack of oxygen."

¹² http://www.newizv.ru/news/?id_news=19249&date=2005-02-04, *Novyye Izvestiya*, "*Gazovaya zavesa*" by Svetlyana Gamova.

¹³ <http://www.politcom.ru/2005/gvozdz553.php>, *Politka*, 3 February 2005 "*Smena prem'era*" by Vitaliy Portnikov.

¹⁴ <http://www.polit.ru/news/2005/02/07/kp.html>, 7 February 2005, "*KP: prem'yer-Ministr Gruzii otpravilsya posle nochi Muzhskoy družby*". Republished from *Komsomol'skaya Pravda*.

¹⁵ <http://www.civil.ge/eng/article.php?id=7105>, 10 June 2004, "*List of Government Members*"; <http://www.civil.ge/eng/article.php?id=8578>, 12 December 2004, "*Government Reshuffle Announced*".

¹⁶ <http://2005.novayagazeta.ru/nomer/2005/09n/n09n-s22.shtml>, *Novaya Gazeta*, No 9, 7 February 2005, "*Udar v tsentr ravnovesiya*" by Yelena Milashina.

¹⁷ <http://www.strana.ru/stories/01/11/26/2093/239602.html>, 3 February 2005, "*Gibel' Zhvanii mozhet lishit' rossiyan vygodnyye kontrakty*". "Zhvaniya actively enabled the penetration of Russian business into Georgia, where over the last months many Georgian enterprises had been bought up. Just in 2005 Zhvaniya had signed several large scale contracts with Russian companies: Vneshnorgbank Rossiya obtained a controlling packet of shares in the United Georgian Bank, Yevraz Holding acquired the joint stock company *Chiaturmarganets* and Kaskad Vartsukhel GES, having gained a tender from an Ukrainian company belonging to Leonid Kuchma. A

Russian company “Dema Computers Limited” purchased AO “Elektrovozostroitel”. In the aim of Russian companies – tens of Georgian enterprises.”

¹⁸ <http://www.politcom.ru/2005/zloba5214.php>, *Privatizatsiya v Gruzii: Ekspansiya Rossiyskiykh kompanii* by Aleksey Makarkin.

¹⁹ <http://www.politcom.ru/2005/zloba5214.php>.

²⁰ <http://www.civil.ge/eng/article.php?id=8736>, 6 January 2005, “*Allegations over Misuse of Funds in the Army Triggers Cabinet Row*” – “The Georgian government is now facing its first internal crisis, as the Defence Minister (Irakli Okruashvili) and State Minister for Euro-Atlantic Integration (Georgi Baramidze) sparred publicly over the alleged cases of misuse of power and misappropriation of funds in the army.”

²¹ http://www.newizv.ru/news/?id_news=19249&date=2005-02-04, *Novyye Izvestiya*, “*Gazovaya zavesa*” by Svetlyana Gamova.

²² <http://www.civil.ge/detail.php?id=9032>, 9 February 2005, “*Death of the Guardian*” by Jaba Devdariani.

²³ <http://www.civil.ge/eng/article.php?id=9096>, 17 February 2005, “*Reshuffled Cabinet Faces Confidence Vote*”.

²⁴ <http://www.civil.ge/rus/article.php?id=7152>, 9 February 2005, “*Mneniya ekspertov po kandidature Zuraba Nogaideli*”.

²⁵ <http://www.civil.ge/eng/article.php?id=8231>, 1 November 2004;

<http://www.civil.ge/emg/article.php?id=8231>, 1 November 2004, “*Q&A with Legal Expert Davit Usupashvili*”, interview by Nino Khutsidze.

²⁶ <http://www.civil.ge/eng/article.php?id=8304>, 10 November 2004,

<http://www.civil.ge/eng/article.php?id=8304>, 1 November 2004, “*Q&A with Military Expert Kakha Katsitadze*”, interview by Nino Khutsidze.

²⁷ <http://www.izvestia.ru/world/article1227411>, *Izvestiya*, 5 February 2005, “*Ministr oborony Gruzii ostavil armiyu bez Genshtaba*” by Aleksandr Iashvili.

²⁸ <http://www.parliament.ge/gov/ministries> **bio Irakli Okruashvili**. “Irakli Okruashvili was born in 1973 in Tskhinvali. In 1995 he graduated from Tbilisi State University, Faculty of International Law and Relations with qualification in Jurisprudence. After graduation, from August to December 1995 he worked in the Central Electoral Commission as the Leading Specialist. Then until February 1996 he was the Consultant of the TACIS Project 'State Service Board'. From February 1996 to 2000 he was a lawyer in the juridical firm Kordzadze, Svanidze and Okruashvili. In the same period he was a member of the Young Jurist Society, the World Jurist Society and Jurist International Society. From October 2000 to October 2001 he was Deputy Justice Minister. In June 2002 he was elected to the post of Member of Tbilisi Sakrebulo and in November 2002 to the post of Chairman of the Sakrebulo Inspection Commission. Since 2003 he is the Accredited Person of the President of Georgia in the Administrative – territorial units of Gori, Kaspi, Kashuri, Java and Tskhinvali. In November 2003 he became Prosecutor General, then in May 2004 Minister for Home Affairs (Interior Minister). Speaks Russian and English, married with one child.”

²⁹ <http://www.parliament.ge/gov/ministries> **bio Giorgi Baramidze**. “Giorgi Baramidze was born on 5 January 1968 in Tbilisi. In 1984 graduated from School No. 2, in 1992 graduated from the Politechnical Institute of Georgia, Faculty of Chemical Technologies. In February–June 1995 he studied at the George Marshall European Center of Security and Defence the economy of Germany, in 1998-1999 he was a university researcher of the Foreign Service School at Georgetown University, USA. In 1986-1988 he passed the obligatory military service. In 1991-1992 he worked as the Executive Secretary of the Greens Movement of Georgia. In 1992-1995 Member of Parliament, then Secretary of Commission on Human Rights and National Minorities Affairs. In 1995-1999, MP and then Chairman of the Temporary Investigation Commission on Corruption. 1999-2003 MP, Chairman on Committee of Defence and Security, Chairman of the faction “United Democrats” and a member of the Trust Group. 1989-2004 Member of the Greens Party of Georgia, 1995-2002 member of the CUG, and since 2002 member of the political council of “United Democrats”. He speaks English, Russian and French. Married with one child.”

³⁰ <http://www.cascfen.org/news.php>, CASCFEN.org 33 Khagani St, Baku AZ1000, Azerbaijan.

³¹ Ibid.

Georgia: The Death of Zurab Zhvaniya "A Setback for President, Government & Country"

³² <http://www.izvestia.ru/world/article1227411>.

³³ <http://www.civil.ge/eng/detil.php?id=8876>, 24 January 2005, "PACE Endorses Critical Resolution on Georgia" by Giorgi Sepashvili.

Appendix

Georgia – Drivers of Instability

Internal Issues

Limitation of national sovereignty

Large tracts of country outside the control of Central Government in Tbilisi

Aggressive regional and ethnic separatism

Abkhazia AR

South Osetia AO

Adzharia AR

Dzhavakheti (Armenia) and Maneuli (Azeri) areas tense

Pankisi

Challenge of regimes in Abkhazia and S Osetia causing:

Obstacles to repatriation of refugees

Military, political and social tensions

Obstacles to collection of taxes, ineffectiveness of customs

Aftermath of civil war – Mingrelia:

Fear of new civil war

Fear of another Gamsakhurdia

State Structures: low level of efficiency and prestige, endemic corruption

Failing national economy: corruption

Unacceptable scale of 'Black economy'

Under-developed market infrastructure irrelevant to actual economic requirements

Inefficient economic management system

Chaotic market conditions, smuggling, clientelism in national economy

Large-scale tax evasion

Unresolved energy and budgetary crises

Failure to collect taxes: corruption

Need to amend and simplify tax systems

Degradation of social environment:

Impoverishment of large part of population

Inefficient and corrupt system of social security, employment, pensions and social services

Health care and medical services

Decline in public health – medicines too expensive, increase in serious diseases and patients

Large scale emigration:

Of well-educated, professionally trained young healthy citizens

Undermining demographic balance of nation

Disregard for responsibility & accountability under the law

Legal nihilism and mass public disobedience

Development of lawless zones and social groups

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Inefficiency of legal structures
 Politically dependent and corrupt judicial system
 Appalling state of prisons: corrupt administration, lack of supervision and documentation of inmates

Lack of Equality before the law – disregard for ethnic and religious minorities

Human Rights violations
 Minorities – Armenians, Azeris, Abkhaz, Meskhetian Turks

Deterioration of the environment:

Felling of forests
 Water pollution
 Depletion of fauna and flora resources
 Excessive utilisation of national natural resources
 Contamination of environment – uncontrolled disposal of waste material
 Environmental disasters
 Need to repair and develop transport/communication infrastructure

Increase in crime:

Expansion of serious organised and cross-border crime
 Increase in drugs trade
 Police and law enforcement agencies' proneness to corruption: low pay contributory factor
 Pankisi – drug distribution centre

Overstretch and incomplete education reform

Low level of professionalism and qualification
 Reduction of scientific research potential
 Decline of scientific prestige and pedagogical activity

External Issues

1. Georgia-Russia

Russian unhelpful influence on breakaway administrative territorial entities

Georgian-Russian tensions over:

Abkhazia
 South Osetia
 Adzharia

Georgian-Russian tensions over withdrawal of Russian bases at Batumi and Akhalkalaki

Moscow wants 10 years to arrange withdrawal
 Tbilisi wants them to go now

Russian pressure on Georgia exerted through

Energy supplies – gas and electricity
 CIS treaty
 Political leverage – Pankisi problem – haven for Chechen separatists/Muslim extremists
 Engineered military provocations on borders and violations of airspace

Russian interest in Baku-Tbilisi-Ceyhan oil pipeline/Baku Erzerum gas pipeline

Possibility of proxy interference – pipelines traversing Samtske-Javakheti could be affected by deterioration of situation in Javakheti (Armenians)

Proxy interference through environmental lobby: pipeline will spoil area of outstanding natural beauty (Borjomi)

Encouragement of idea amongst Georgians that there will be no economic benefit for them. In turn activating farmers' resistance

US presence in Georgia could hinder improvement of relations between Tbilisi and Moscow

Establishment of permanent presence of US military in Georgia?

2. Georgia-Armenia

Georgian-Armenian relations could be complicated by deterioration of situation in Samtskhe-Javakheti and affect oil and gas pipelines due to

Economy of Samtskhe-Javakheti

Russian military withdrawal from Georgia (Batumi and Akhalkalaki)

Strained relationship between Batumi and Tbilisi

Size of Armenian population in Javakheti

Future rehabilitation of Meskhetian Turks to Samtskhe (formerly Meskhetia)

Alignment of Georgia to Turkey and Azerbaijan pipeline politics

Georgian psyche – memories of Bechofer and Gamsukhurdia

Want to Know More ...?

See: C W Blandy, "*Georgia At the Crossroads*", Conflict Studies Research Centre, OB100, December 2003, <http://www.da.mod.uk/csrc>

Dr Tracey German, "*Faultline or Foothold? Georgia's relations with Russia & The USA*", Conflict Studies Research Centre, P41, January 2004, <http://www.da.mod.uk/csrc>

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