



## GEORGIA

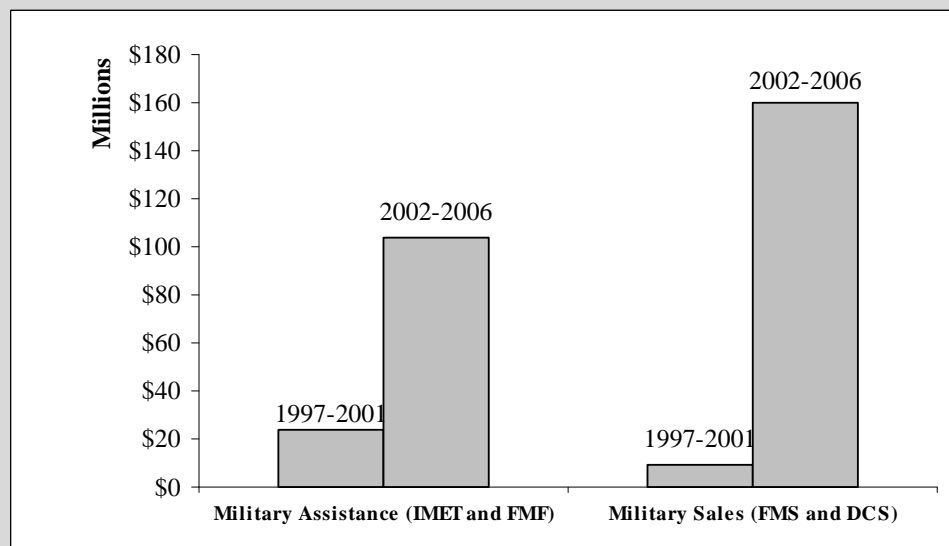
### Background

Located in the Caucasus region of Eurasia, the Republic of Georgia celebrated a short-lived independence from the Russian Empire in 1918 before its forced integration into the Soviet Union in 1921. It remained a Soviet Republic until becoming an independent state with the dissolution of the Soviet Union in 1991. A 1995 constitutional referendum established the Georgian government as a republic in which the

president is elected to a five-year term by popular vote with a two-term limit, and serves as both chief of state and head of government for the ministries of state security, interior and defense. The prime minister serves as the head of government for the remaining, less powerful ministries. Eduard Shevardnadze, a former Soviet official, took over as head of state in 1992 and served as president of Georgia beginning in 1995. Protests in response to tainted legislative elections in November 2003 forced Shevardnadze to resign in what is known as the “Rose Revolution,” and current President Mikheil Saakashvili was elected to replace him in early 2004.

Georgia has long-standing, but often strained relations with Russia, due in part to Russia’s perceived support for the separatist provinces of Abkhazia and South Ossetia, and Georgia’s bid to move closer to Western Europe and join NATO and the EU. Georgia is a member of the OSCE and NATO’s Partnership for Peace program, and was offered “Intensified Dialogue” with NATO in September 2006, a step which is generally considered the a precursor to developing a Membership Action Plan for accession into NATO. Georgia has been developing a close relationship with the United States, which extended substantial humanitarian assistance to Georgia following its independence in the early 1990s,

**U.S. Military Assistance and Sales to Georgia,  
Pre-Sept. 11 vs. Post-Sept. 11**



and has continued to provide extensive financial assistance for economic and political reform programs. This relationship has been solidified during the “war on terror” despite occasional tension over Georgia’s human rights record and the slow pace of democratic reform. The opening of the Baku-Tbilisi-Ceyhan oil pipeline in May 2005 enhanced Georgia’s strategic importance vis-à-vis the United States, as the pipeline represents an alternative to Russian oil pipelines, as well as a means to access Caspian Sea oil that does not involve Iran. U.S. congressional documents identify Georgia as, “a key conduit through which Caspian basin energy resources will flow to the West.” Additionally, the Baku-Tbilisi-Erzurum gas pipeline, which is currently under construction, is expected to diversify the regional gas supply that currently comes predominately from Russia.

Georgian-Russian relations have become more strained since the election of Saakashvili, and in September 2006 they deteriorated to a near-crisis state when the Georgian government arrested four Russian military officers on spying charges. In response, Russia recalled its ambassador, evacuated diplomatic personnel and deported more than 1,000 Georgians from Russia. Although Saakashvili and Russian President Vladimir Putin met for the first time in six months on Nov. 28, 2006 – when they both participated in a session of the Commonwealth of Independent States (CIS) Summit – their talk has done little to defuse the tension between the two countries. The two leader’s last one-on-one meeting occurred in mid-June 2006.

Georgia was heralded as a “beacon of freedom” by U.S. President George W. Bush during a 2005 visit, and has shown significant improvement in its human rights record, although the State Department’s 2006 report on human rights practices said that several serious problems remained in certain areas. Arbitrary and unlawful killings in South Ossetia and Abkhazia – areas which remain outside of government control – often go uninvestigated and unprosecuted. The executive branch continues to exercise more power than the other branches of government, impinging occasionally upon the functioning of the judiciary in particular. Corruption remains a problem in all sectors of the Georgian government and law enforcement officials continue to engage in arbitrary arrest and detention and privacy violations.

However, the Saakashvili administration is making strides to address these problems. Legislation passed in May 2005 transferred certain powers from the central government to local authorities, elected in October 2006. Further, the government has taken strides against corruption, including dismissing corrupt judges, and passed a constitutional amendment in 2006, establishing a more independent judiciary than previously provided for. The government has also stepped up monitoring of prison abuse and toughened penalties for abusers as a means to combat the torture and inhumane conditions plaguing Georgian prisons. International observers found some voting irregularities in the 2004 presidential and parliamentary elections, but stated generally that progress over previous elections had been made and that the country was closer to meeting international standards.

In June 2003 the U.S. government gave Georgia “Tier 3” status (worst on a three-tier scale) for its inadequacy in combating its human trafficking crisis. Under the Trafficking Victim’s Protection Act, this status causes a country to lose its non-humanitarian U.S. aid, but the Georgian government took required actions during the 90-day grace period that allowed it to be moved to Tier 2 status without losing any assistance. However, Russia’s closure of the Georgian-Russian border in July 2006 meant that goods and people traveling into Georgia had to pass through Abkhazia and South Ossetia, where Georgian authorities had no oversight. In addition to the border closure, corruption among border officials has continued to facilitate money and weapons trafficking across Georgian borders.

Georgia remains embroiled in two different intra-state conflicts in the regions of Abkhazia and South Ossetia. As the Soviet Union crumbled in 1991, Abkhaz and Ossetian separatists feared losing their autonomy within the emerging Georgian state, and announced their decisions to secede, then declared independence. These actions led to armed clashes with Georgian soldiers in the early 1990s, just as Georgia gained its independence from the Soviet Union. The conflicts in both regions have stalemated, and a fragile peace in those regions are monitored by international observers from the Commonwealth of Independent States (CIS), the United Nations Observer Mission in Georgia (UNOMIG), and the Organization for Security and Cooperation in Europe (OSCE). Sporadic violence, however, still occurs, and no lasting solution to either conflict has been reached. The Pankisi Gorge region, near Chechnya, has also been a region of concern, as it was home to and point of transit for Chechen rebels and international mujaheddin. The area is now largely under the control of the Georgian government, due to an influx of U.S. assistance following Sept. 11, 2001, prompted by Georgia's support for Operation Enduring Freedom and U.S. intelligence that suggested Chechen rebels and other militants operating in the area had ties to al-Qaida.

### **U.S. Military Assistance Prior to Sept. 11, 2001**

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Georgia did not submit records of any weapons imports from the United States to the UN Register of Conventional Arms between 1993 and 2001, despite receiving U.S. weapons during that period. Between 1999 and 2001, Georgia submitted a background report on "military holdings" to the register, which consisted mainly of Soviet and Russian weapons.

Georgia began receiving U.S. military aid in fiscal year 1994 (FY 94), when it was granted \$63,000 in International Military Education and Training (IMET) funds. From FY 94 through FY 01, Georgia received almost \$2.5 million in IMET. Between FY 97 and FY 01, Georgia received consistent amounts of Foreign Military Financing (FMF), totaling \$21.5 million. Direct Commercial Sales (DCS) to Georgia were sporadic prior to FY 02, totaling \$757,000. Between FY 99 and FY 01, Georgia concluded \$8.5 million in Foreign Military Sales (FMS) with the U.S. government, and received equipment, patrol boats, and a utility helicopter via the Excess Defense Articles program. In total, Georgia received slightly more than \$40 million in U.S. military assistance between FY 94 and FY 01.

### **U.S. Military Assistance Since Sept. 11, 2001**

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Georgia is considered a strong and reliable ally in the U.S. global war on terror. In the wake of Sept. 11, 2001, Georgia condemned the terrorist attacks, expressed its support for the coalition and offered the United States use of airfields and airspace. Since 2003, Georgia has also contributed troops to U.S. operations in Iraq. In March 2007, President Saakashvili announced that Georgia would increase the size of its contingent from 850 to nearly 2,000 troops. Of the troops currently serving in Iraq, 550 are currently working under the United Nations Assistance Mission for Iraq (UNAMI). Because of this cooperation, and because of its own domestic struggles to eradicate terrorist networks, the U.S. State Department considers Georgia to be a "front-line state" in the "war on terrorism."

Since Sept. 11 U.S. security assistance to Georgia has increased dramatically. In the five years following Sept. 11 (FY 02-06), Georgia has received more than three times as much military assistance than in the five years prior to Sept. 11 (FY 97-01). In FY 02 alone, Georgia received \$55.5 million in Foreign Military Financing – more than all prior FMF appropriations to Georgia combined. IMET

appropriations since Sept. 11 total more than twice all prior IMET appropriations combined. Estimated IMET and FMF appropriations for FY 07 and 08 alone are roughly equivalent to all military assistance appropriated to Georgia prior to Sept. 11.

In the five years following Sept. 11 (FY 02-06), Georgia has purchased more than 16 times the value of arms it purchased from the United States in the five years prior to Sept. 11 (FY 97-01). Direct Commercial Sales increased most dramatically, with roughly \$700,000 in DCS concluded between FY 97 and FY 01, as compared with over \$77 million between FY 02 and FY 06. Significant arms sales to Georgia since Sept. 11 have consisted of helicopters, airplane and missile spare parts, along with communications equipment and technical assistance. Additionally, through the Excess Defense Articles (EDA) program, Georgia has received several cargo and trailer trucks from the United States.

In addition to this assistance, Georgia is also a beneficiary of the Regional Defense Counterterrorism Fellowship Program (CTFP) through which it received \$200,000 in FY 05 and \$175,000 in FY 06, and is slated to receive \$100,000 in FY 07. In 2002, Georgia submitted a background report on its conventional weapon holdings, but has not reported any conventional weapons imports from the United States to the UN Register of Conventional Arms since 2001, despite continuing to receive U.S. weapons.

The United States has contributed substantial assistance and counterterrorism training specifically to assist Georgia in stabilizing the Pankisi Gorge. The presence of Chechen soldiers has caused tension in Georgia's relationship with Russia and the instability in the region could threaten the new BTC oil pipeline that runs through Tbilisi. Thus, the United States has encouraged Georgian-Russian cooperation on border security and created the Georgia Train and Equip Program (GTEP) in FY 02 to train five battalions of Georgian soldiers and equip the Georgian army to better conduct counterterrorism, border security, and territorial control operations. The GTEP ended in FY 04, but the United States has introduced the Security and Sustainment Operations Program (SSOP), a new initiative for GTEP-trained troops which will be funded through FMF appropriations, beginning in FY 07. Whereas GTEP was created to assist Georgian troops in maintaining control of the Pankisi Gorge region and preventing illicit trafficking across its borders, SSOP is designed to improve Georgia's capacity to support Operation Iraqi Freedom.

<b>U.S. Military Assistance and Sales to Georgia, FY 90 - FY 08</b>					
	<b>IMET</b>	<b>FMF</b>	<b>DCS</b>	<b>FMS</b>	<b>EDA</b>
<b>1990</b>	\$0	\$0	\$0	\$0	\$0
<b>1991</b>	\$0	\$0	\$0	\$0	\$0
<b>1992</b>	\$0	\$0	\$0	\$0	\$0
<b>1993</b>	\$0	\$0	\$0	\$0	\$0
<b>1994</b>	\$63,000	\$0	\$0	\$0	\$0
<b>1995</b>	\$82,000	\$0	\$0	\$0	\$0
<b>1996</b>	\$302,000	\$0	\$66,000	\$0	\$0
<b>1997</b>	\$312,000	\$700,000	\$66,000	\$0	\$0
<b>1998</b>	\$416,000	\$5,350,000	\$0	\$0	\$0
<b>1999</b>	\$394,000	\$7,950,000	\$0	\$19,000	\$9,227,040
<b>2000</b>	\$409,000	\$3,000,000	\$625,000	\$3,324,000	\$575,000
<b>2001</b>	\$481,000	\$4,490,000	\$0	\$5,171,000	\$575,000
<b>1990-2001</b>	\$2,459,000	\$21,490,000	\$757,000	\$8,514,000	\$10,377,040
<b>1997-2001</b>	\$2,012,000	\$21,490,000	\$691,000	\$8,514,000	\$10,377,040
<b>2002</b>	\$889,000	\$55,500,000	\$0	\$3,647,000	\$0
<b>2003</b>	\$1,184,000	\$6,900,000	\$0	\$9,825,000	\$4,525,054
<b>2004</b>	\$1,040,000	\$12,000,000	\$59,000	\$7,346,000	\$2,786,257
<b>2005</b>	\$1,413,000	\$11,904,000	\$20,462,000	\$11,582,000	\$0
<b>2006</b>	\$1,275,000	\$11,880,000	\$56,953,000	\$49,761,000	\$0
<b>2002-2006</b>	\$5,801,000	\$98,184,000	\$77,474,000	\$82,161,000	\$7,311,311
<b>2007</b>	\$1,235,000	\$10,000,000	\$867,000	\$10,000,000	\$0
<b>2008</b>	\$800,000	\$10,000,000	\$2,819,000	\$6,500,000	n/a

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