# Georgian-German Relations in the Context of Euro-Atlantic Integration

How to Align Expectations?



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## **Executive summary**

Georgia and Germany enjoy a relatively close bilateral relationship marked by historical bonds and political and cultural affinities. However, bilateral relations are currently characterized by a sense of dissatisfaction and policy mismatches in three somewhat interrelated areas: relations with Russia, Georgia's NATO aspirations, and Georgia's European integration process. These differences in positions are mainly based on diverging foreign policy preferences, asymmetries in bilateral relations, and mismatched mutual expectations and (mis)perceptions.

On the Georgian side, a certain degree of scepticism about Germany's role in Georgia's Euro-Atlantic integration project prevails. Some voices in Georgia's political class even question the trustworthiness of Germany as a reliable partner and criticise Germany for having an indulgent attitude towards the Russian Federation. The Georgian side also calls for better rewards for its achievements and new incentives regarding the reform process. Germany, on the other hand, feels overwhelmed to some extent by Georgia's eager drive towards Euro-Atlantic structures and prefers a slower paced approach. Although Georgia has managed to establish itself as a frontrunner in the post-Soviet space in terms of democracy and good governance, the German side insists on full implementation of the respective regulations as a precondition for any further approximation.

While Germany and Georgia will not be able to solve all their differences anytime soon, an improved communication and readiness to better comprehend each other's concerns and interests will help to improve relations and reduce misperceptions. Increased cooperation in the economic sphere and closer contacts on the societal level could also help overcome mutual scepticism and energize bilateral relations.

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## 1. Introduction and Historical Background

During her visit to Georgia in August 2018, Chancellor of Germany, Angela Merkel told students at Ivane Javakhishvili Tbilisi State University that Georgia and Ukraine would be the next countries (after the Western Balkans) to be considered for a membership perspective.¹ At the same time, she emphasized that the process would take a long time. This message fell some way short of being advocacy for an official 'European perspective' and thus dashed hopes on the Georgian side that Merkel's visit would bring more outspoken support for Georgia's Euro-Atlantic integration. This was yet another incidence of Georgian aspirations being disappointed by Germany's foreign policy behaviour. The current relations between Georgia and Germany are characterized by a sense of dissatisfaction, particularly on the Georgian side, which prevents bilateral relations from reaching their full potential.

This development is especially unfortunate given the fact that Germany and Georgia have historically shared close cultural, economic, and political ties. The Russian empire invited thousands of colonists from southern Germany to resettle in the territory of Georgia in the beginning of the 19th century. In the late 19th century, Germany started to take a greater economic interest in Georgia and the Black Sea region. German companies were attracted by the region's natural resources, and German firms participated in the construction of what was then the world's longest pipeline between Baku and Batumi. Ties continued to expand in the early 20th century. In order to weaken the Russian Empire in the war, the German Empire offered political, financial, and military support to the pro-independence movement established in 1914 by Georgian emigrants. And after the collapse of the Russian Empire in 1917, Germany acted as the main guarantor of Georgia's statehood: almost 19,000 German troops were deployed to Georgia, and German political support enabled the Black Sea country to declare its independence from Russia. Germany's interests in this period were primarily of an economic and geopolitical nature: Berlin was interested in the rich mineral resources of the Caspian region and wanted to take advantage of Georgia's strategic location between Russia and the Ottoman Empire.<sup>2</sup> However, Germany was forced to leave the region after World War I, and Georgia was quickly absorbed by Turkey and Soviet Russia.

After the breakup of the Soviet Union, Germany was the first country to recognize Georgia's independence, and it supported the Black Sea country politically and financially throughout the turbulent times of the 1990s and afterwards. People-to-people contacts increased further after independence. Germany became the second most popular destination (after Greece) for Georgian citizens moving to Europe.<sup>3</sup> In 2017 approximately 25,000 Georgians officially resided in Germany.<sup>4</sup> Germany is also

<sup>1.</sup> Agenda.ge, "German Chancellor on Russian illegalities against Georgia: "Yes, this is occupation"," 2018, http://agenda.ge/en/news/2018/1772, accessed March 2019.

<sup>2.</sup> Simon Gelaschwili, "Deutsches Finanzkapital in Georgien am Ende des 19. und Anfang des 20. Jahrhunderts," 2010, p. 2, https://publishup.uni-potsdam.de/opus4-ubp/frontdoor/deliver/index/docId/4240/file/finanzdisk\_g13. pdf, accessed April 2019.

<sup>3.</sup> Pew Research Center, "Origins and Destinations of the World's Migrants, 1990-2017, Origins and Destinations of the World's Migrants, 1990-2017," 2018, http://www.pewglobal.org/2018/02/28/global-migrant-stocks/, accessed January 2019.

<sup>4.</sup> Statista, "Anzahl der Ausländer in Deutschland nach Herkunftsland in den Jahren 2016 und 2017," 2018, https://de.statista.com/statistik/daten/studie/1221/umfrage/anzahl-der-auslaender-in-deutschland-nach-herkunftsland/, accessed January 2019.

the main destination for Georgian students abroad. Around 2,500 Georgian students currently study at German universities.<sup>5</sup> In the other direction, Georgia's rich nature and culture has made it an attractive tourist destination for many Germans.

While societal contacts between the two countries have increased, political and economic relations are failing to live up to expectations—which are especially high on the Georgian side. This dissatisfaction and the unmet aspirations in the long run create the risk that Georgia—both its political elite and the wider public—will alienate itself politically from Germany in particular and its Western partners in general. This in turn might result in a stasis of or even backsliding in the democratisation and Europeanisation of Georgia. Such a scenario is in neither of the two countries' interest, which is why it is crucial to avoid or solve misunderstandings and to align expectations to the largest extent possible.

While the key differences are generally difficult to deal with, some of them are the result of communicative misunderstandings and misperceptions rather than irreconcilable or opposing interests. They can therefore be overcome by improving mutual understanding, taking into consideration each other's interests, and finding compromise solutions. This paper seeks to contribute to this task by analysing the main policy mismatches and misperceptions between Germany and Georgia and the underlying reasons for them.

The authors begin by outlining the major areas of disagreement in bilateral relations, namely the question of how to deal with Russia and the issues of Georgia's NATO and EU membership perspectives. They then go on to describe the two sides' diverging foreign policy priorities and trace the respective expectations and (mis)perceptions in the bilateral relations that account for these mismatches.

At the end of the paper, the authors provide several recommendations for the German and Georgian governments in order to align expectations and to improve relations between the two countries, despite their at times divergent interests. We argue that, since Georgia's membership in the EU and the NATO at the moment seems to be off the table and existing formats (both bilateral and multilateral) are running out of steam, Germany and Georgia should elaborate new ways of cooperation for achieving their respective key objectives: for Germany, stabilizing the EU's eastern frontiers, for Georgia, continuing the reform drive and achieving at least gradual Euro-Atlantic integration.

# 2. Major Areas of Disagreement: Russia, NATO and the EU

While both the German and the Georgian government share an interest in promoting Georgia's movement towards Euro-Atlantic structures, they disagree on the how to achieve this objective. Three key areas of disagreement are relations with Russia, potential NATO membership for Georgia, and Georgia's European integration.

#### 2.1 How to deal with Russia?

Georgia and Germany pursue very different approaches in dealing with the Russian Federation. Germany has traditionally opted for a cooperative approach, trying to keep communication channels with the Russian government open even in times of crises and avoiding open confrontation and a break of relations. This pragmatic approach is based on the fact that Germany does not perceive the Russian Federation as a security threat. Most German political parties' stances vis-à-vis the post-Soviet states, including Georgia, are a corollary of their Russia policy. Accordingly, while Berlin repeatedly stresses the friendship between Germany and Georgia, the German government is also careful to avoid rocking the boat with Russia.

Georgia on the contrary, like other Eastern European states, supports a harder line towards Russia. That position stems from the fact that the two countries are in a state of war, and Russia is occupying 20% of Georgia's internationally recognized territory. The Georgian position is also informed by negative historical experiences with Russia, based on which Tbilisi views Moscow as its main nemesis. Although Georgia's attitude towards Russia varies to a certain extent depending on which party is strongest—the current government pursues a softer and more economy-focused approach than the previous administration under Mikhail Saakashvili—political actors in Georgia do share the general conviction that Russia's actions should be met with strength and assertiveness rather than repeated offers for negotiations. Tbilisi would thus prefer its Western partners, and Germany in particular, to also assume a more sceptical and critical stance towards the Russian Federation.

The diverging approaches on how to deal with Russia are thus largely the result of differences in past experiences and differing perceptions of security threats, making it difficult to align the policies of the two countries in this area.

## 2.2 NATO Membership for Georgia?

The Russia factor has a significant impact on other policy issues as well, above all Georgia's membership prospects for NATO. Although Germany formally supports Georgia's NATO membership perspective, it has not committed to a specific time frame for accession. It promotes Georgia's integration with NATO, as long as this integration falls short of membership and does not have a strategic quality. With the support of Germany, Georgia recently signed the Substantial NATO-Georgia Package (SNGP) and became NATO's Enhanced Opportunities Partner country, a status which provides "all of

<sup>5.</sup> DAAD, "Georgien. Kurze Einführung in das Hochschulsystem und die DAAD- Aktivitäten," 2018, p. 18, https://www.daad.de/medien/der-daad/analysen-studien/laendersachstand/georgien\_daad\_sachstand.pdf, accessed March 2019.

the privileges that alliance members receive except for the collective security umbrella." The German side maintains that the alliance's focus is currently on implementing the SNGP and many things still need to be done. While Germany underlines that Russia should not have a de facto right to cast a veto and stop any country from choosing its own strategic alignment, it and other members of the alliance are reluctant to grant Georgia NATO membership out of fear of triggering a violent reaction from Russia. So Germany is not going back on its promise that Georgia will eventually become a NATO member, but at the same time it is unwilling to actually follow through.

Georgia perceives NATO membership as the foreign policy priority to safeguard its independence and territorial integrity. It is also strongly supported by the Georgian people (NDI polls show about 78% of Georgians support closer ties with NATO).<sup>7</sup> The continued perception that Russia's threat of retaliation is keeping the alliance from offering Georgia a concrete timeline for membership is fostering the impression that Moscow is being rewarded for its aggressive behaviour vis-à-vis its neighbourhood.

## 2.3 How to fashion Georgia's EU integration?

The issue of Georgia's European perspective also lays bare the differing foreign policy approaches of the two countries. For Germany, EU membership for Georgia (and other Eastern European countries) is currently not on the agenda as the EU is focused on domestic issues such as Brexit, rising populism, and EU-scepticism. The ongoing experience of democratic backsliding in some of the EU member states that joined in the 2000s, and the EU's apparent inability to successfully counteract these tendencies, has further decreased Germany's general readiness to welcome new members to the EU at present. Furthermore, the German government insists that, for an official EU membership perspective to be granted, Georgia must first fulfil the obligations to which it committed in the Association Agreement.

The Georgian government, for its part, does acknowledge that this is not a convenient time for a discourse on Georgia's EU membership because of both the current EU enlargement fatigue<sup>8</sup> and the rise of Eurosceptic parties in a number of states, including Germany.<sup>9</sup> In response to these challenges, the Georgian government unilaterally elaborated an ambitious "RoadMap2EU" initiative,<sup>10</sup> which is an informal plan for EU membership. It includes steps such as deepening relations in the areas of security and defence, intensifying Georgian involvement in EU programs and initiatives, and enhancing sectoral cooperation in a number of areas.<sup>11</sup> Therefore, there is an expectation

and a wish within the Georgian government to bring relations with the EU to the next level.

It is also important for the Georgian government to have more and real differentiation within the Eastern Partnership framework<sup>12</sup>—an initiative that unites different countries with at times diverse aspirations and interests. The German side, on the other hand, currently does not see a need to reform the EaP format, despite calls by Foreign Minister Heiko Mass for a new Ostpolitik including a reform of the EaP. It considers the format sufficiently flexible to accommodate differing aspirations and values the opportunity to work jointly with all six countries to achieve the objectives that are important for the region as a whole.

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<sup>6.</sup> EUobserver, "Nato should keep Georgia on its mind at summit," 2018, https://euobserver.com/opinion/142304, accessed March 2019; Bidzina Lebanidze, "NATO and Georgia: Waiting the Winter Out," ISPI, 2018, https://www.ispionline.it/en/pubblicazione/nato-and-georgia-waiting-winter-out-21098+, accessed January 2019.

<sup>7.</sup> Civil Georgia, "Public Attitudes in NDI-Commissioned Opinion Survey," 2019, https://civil.ge/archives/274820, accessed March 2019.

<sup>8.</sup> Silvia Stöber, "German Foreign Policy Explained," 2017, http://gip.ge/german-foreign-policy-explained/, accessed November 2018.

<sup>9.</sup> Silvia Stöber, "German Elections 2017: Continuity at the Top, a Looming Disaster from Below," 2017, http://gip.ge/german-elections-2017-continuity-top-looming-disaster/, accessed November 2018.

<sup>10.</sup> Interview with H.E. Elgudja Khokrishvili, Ambassador of Georgia to the Federal Republic of Germany. Berlin, 28.10.2018

<sup>11.</sup> Interview with H.E. Elgudja Khokrishvili, Ambassador of Georgia to the Federal Republic of Germany . Berlin, 28.10.2018

<sup>12.</sup> Interview with H.E. Elgudja Khokrishvili, Ambassador of Georgia to the Federal Republic of Germany. Berlin, 28.10.2018

# 3. Diverging Priorities, Perceptions and Expectations: The View from the Other Side<sup>13</sup>

In the following chapters, we analyse the underlying reasons and motivations that can account for the different policy approaches of the two countries, resulting in the frequent mismatches in bilateral relations. We pay special attention to the different foreign policy priorities and the diverging mutual perceptions and expectations of Germany and Georgia.

## 3.1 The German Perspective

## 3.1.1 German Foreign Policy between 'Ostpolitik' and Eastern Partnership

Following the historical experiences of World War II, the young Federal Republic of Germany (FRG) rooted its foreign policy in the following key principles: Westbindung, i.e. close alignment with the Western hemisphere; multilateralism; and restraint. At the same time, beginning in the 1970s, Germany developed a close relationship with its Eastern neighbours, the Soviet Union and the countries in its orbit, including the German Democratic Republic (GDR).

This Eastern vector of German foreign policy, Ostpolitik, was originally designed by the SPD-led government under Chancellor Willy Brandt. It pursued the ultimate goal of reconciliation with the Eastern neighbours and relaxation of relations between the two German states. It rested on the principle of détente and a belief in 'change through rapprochement', i.e. that through continuous dialogue and the easing of tensions, a transformation of the status quo was possible.<sup>14</sup> This policy also continued after the Christian Democrats returned to power in 1982. The combination of these two policy orientations, Westbindung and Ostpolitik, may seem contradictory at first glance. Yet their coexistence in fact reflects a pragmatic approach by Germany-situated in the geographical centre of Europe, with Bonn almost equidistant from both Lisbon and Moscow-for dealing with difficult geopolitical circumstances. Firmly rooted in the Western bloc, but geographically close to the Eastern bloc and pursuing the ultimate goal of national reunification, Germany was in a position to gradually improve relations with the Eastern neighbours. Egon Bahr, one of the founding fathers of Ostpolitik, summed up this foreign policy pragmatism when he stated that for Germany, "America is indispensable, but Russia is immovable."

What started out as a policy designed to ease tensions during the Cold War endured long after the Berlin Wall fell. Maintaining close relations to Eastern Europe, and Russia in particular, remained a core feature of Germany's foreign policy even after German reunification and the collapse of the Soviet Union in the early 1990s. <sup>15</sup> Still today,

amid once-again increased tensions with Russia, the German government continues to emphasize that Russia's status as a major power and permanent member of the United Nations Security Council (UNSC) makes cooperation with Russia essential for solving international crises. 16 From the German point of view, security and prosperity in Europe is only possible with, not against, Russia. This is also largely reflected in German public opinion, as a recent poll shows: when asked if Germany should cooperate more or less with Russia, 69% of respondents opted for more cooperation.<sup>17</sup> As a consequence of this long-standing Eastern policy dimension. Germany has developed close economic and cultural ties with its Eastern neighbours, first and foremost with Russia. Germany, for example, was one of the first countries to import gas from the Soviet Union during the Cold War and still today meets around one third of its gas consumption needs with Russian imports. The Russian Federation is currently Germany's 13th largest trading partner. 18 despite the economic sanctions. Germany's relations with its Eastern neighbours are not exclusively based on a bilateral footing, but rather are shaped, to a large extent, within the framework of the European Union (EU), which has increasingly taken on responsibilities in the sphere of foreign policy. Due to its close relations with Eastern Europe, Germany has traditionally positioned itself as an advocate of this region within European institutions and has been a driving force in developing the EU's Eastern policies.<sup>19</sup>

Germany strongly supported the admission of the group of Central and Eastern European countries into NATO as well as the EU's 2004 Eastern enlargement. The subsequent emergence of new direct neighbours at the EU's Eastern borders put Ukraine, the Republic of Moldova, and Belarus, as well as the South Caucasian countries, higher on Germany's foreign policy agenda. However, the 2004 European Neighbourhood Policy (ENP) did not include the regional differentiation for Eastern Europe that Germany had favoured. Instead it also included the Mediterranean countries, mirroring the diverging regional priorities of the Southern European member states and France.<sup>20</sup>

In the run-up to and during its Council Presidency in 2007, Germany maintained this regional focus by developing new approaches for an Eastern vector of the Neighbourhood Policy, as well as policies vis-à-vis Central Asia and the Black Sea region. <sup>21</sup> But it was not until 2009 that the EU launched the Eastern Partnership (EaP), the Eastern dimension of the ENP. The EaP was launched under the aegis of Sweden and Poland but strongly supported by Germany, as highlighted by Chancellor Angela Merkel's presence at the launching summit in Prague. Other major EU member states merely sent lower ranking

<sup>13.</sup> The following chapters are based on expert interviews and background talks with respectively German and Georgian (former) officials, parliamentarians and experts.

<sup>14.</sup> Tuomas Forsberg, "From Ostpolitik to 'frostpolitik'?: Merkel, Putin and German foreign policy towards Russia," International Affairs, no. 92 (2016).

<sup>15.</sup> Andreas Rinke, "Wie Putin Berlin verlor: Moskaus Annexion der Krim hat die deutsche Russland-Politik verändert," International Politik, no. 3 (2014), https://zeitschrift-ip.dgap.org/de/ip-die-zeitschrift/archiv/jahrgang-2014/mai-juni/wie-putin-berlin-verlor, accessed December 2018; Peer Teschendorf, "Eine europäische Ostpolitik Deutschlands - Koordination statt Dominanz," in Der Blick der Anderen: Deutsche Ostpolitik aus Sicht der Partner, eds. Matthias Jobelius and Peer Teschendorf (April 2017).

<sup>16.</sup> Bundesministerium der Verteidigung, "Weissbuch 2016 Zur Sicherheitspolitik und zur Zukunft der Bundeswehr." 2016.

<sup>17.</sup> Körber-Stiftung, "The Berlin Pulse: German Foreign Policy in Perspective," 2018, https://www.koerberstiftung.de/fileadmin/user\_upload/koerber-stiftung/redaktion/the-berlin-pulse/pdf/2018/The-Berlin-Pulse-2018. pdf, accessed March 2019.

<sup>18.</sup> Statistisches Bundesamt, "Außenhandel: Rangfolge der Handelspartner im Außenhandel der Bundesrepublik Deutschland," 2018, https://www.destatis.de/DE/ZahlenFakten/GesamtwirtschaftUmwelt/Aussenhandel/ Tabellen/RangfolgeHandelspartner.pdf?\_blob=publicationFile, accessed December 2018.

<sup>19.</sup> Frank Schimmelfennig, "Osterweiterung: Strategisches Handeln und kollektive Ideen," in Europäische Integration, 2nd ed., eds. Markus Jachtenfuchs and Beate Kohler-Koch (Wiesbaden: VS Verl. für Sozialwiss, 2006).

<sup>20.</sup> Katrin Böttger, "Deutschland, die Östliche Partnerschaft und Russland," in Handbuch zur deutschen Europapolitik, eds. Katrin Böttger and Mathias Jopp (Baden-Baden: Nomos, 2016).

<sup>21.</sup> Stefan Meister, "Deutsche Russland-Politik," International Politik, no. 6 (2012), https://zeitschrift-ip.dgap.org/de/ip-die-zeitschrift/archiv/jahrgang-2012/november-dezember/deutsche-russland-politik, accessed December 2018.

members of the executive.<sup>22</sup>

Regarding the further development of relations with the Eastern European partner countries, Germany assumes a central position among EU members: while the Baltic States and Central and Eastern European member states advocate a membership perspective, the Southern European states have relatively little interest in further developing relations.<sup>23</sup> Germany is interested in strengthening and intensifying relations, but at the moment it does not support granting the EaP countries a membership perspective.

This twofold approach of Germany's foreign policy towards its Eastern neighbours, on the one hand based on bilateral relations and on the other hand situated in the European framework, does not come without contradictions and tensions. The Nord Stream 2 pipeline is a prime example of these sometimes-conflicting interests. Whereas numerous EU member states criticise Germany for seeing through this project with Russia to the detriment of Eastern European members and its direct neighbours, Germany highlights the purely economic nature of the pipeline. Moreover, Germany's special interests and relations towards Eastern Europe as a whole are complicated by adversarial relations between Russia and many of the smaller Eastern European countries, in the context of which Germany is often pressured to take an either-or position.

Since taking office in early 2018, Foreign Minister Heiko Maas (SPD) has taken a more robust stance vis-à-vis Russia. He emphasizes the need for a "new Ostpolitik", i.e. cooperating with Russia while taking into consideration the interests of all European states and making more favourable offers to the EaP countries.<sup>24</sup> However, so far these calls have not been backed by specific policy changes from the German or European side.

## 3.1.2 Georgia's Role in German Foreign Policy

In (geo)political terms Georgia, as part of the strategically important Black Sea region with rich energy sources and major transit routes, plays a significant role in Western and thus also in German foreign policy. Georgia, with its clear pro-Western and pro-European orientation, has evolved as a key partner in a region where several major powers are competing for influence. Furthermore, Georgia is a crucial pillar of the EU's efforts to create a stable and democratic "ring of friends"<sup>25</sup> in its wider neighbourhood. Therefore, Germany, along with the entire EU, has a continued interest in resolving Georgia's territorial conflicts as well as in ensuring stability and economic prosperity in the region. To this end, the German government is actively supporting Georgia in its reform endeavours in order to ensure sustainable democratic development and rule of law as well as to create economic perspectives for the younger generations. In addition,

Germany has become Georgia's largest bilateral partner in the region in development cooperation.<sup>26</sup>

Georgia also has special importance with regard to democratisation and reforms. Georgia distinguishes itself from the other EaP countries through its unfaltering commitment to Euro-Atlantic integration, which is domestically almost uncontested.<sup>27</sup> At the same time, Georgia is considered an important player in the Black Sea region, as it seeks good relations with its neighbours by pursuing a pragmatic approach and can thus act as a balancing factor. This makes it an important partner for Germany in Berlin's efforts to stabilize the region.

Another factor that defines Georgia's place in Germany's foreign policy are special historical ties. The contribution of Eduard Shevardnadze, the former Soviet foreign minister and later president of Georgia, to Germany's reunification has not been forgotten, a fact reflected in the numerous obituaries of him in major German newspapers in 2014.<sup>28</sup> Georgia is also of importance to the German government because of the small German minority that has remained in the country since German emigrants arrived 200 years ago.

In economic terms, as a relatively small state in terms of population and economic might, Georgia plays a correspondingly small role in German foreign trade policy. In terms of export and import volumes, Georgia is a minor trading partner for Germany, ranking only 101st among German trade partners.<sup>29</sup> In 2018, Germany exported goods worth €359 million to Georgia, while imports from Georgia amounted to €72 million. The main export goods to Georgia are vehicle parts, machines, pharmaceutical products, and food products; Germany mainly imports copper ore, ferroalloys, and wine and grapes.<sup>30</sup> Among the other five EaP countries, only Armenia's trade volume with Germany is smaller than Georgia's. Ukraine is a comparably large outlet market, and Azerbaijan is an energy-producing country, so both consequently rank higher on Germany's agenda in economic terms.

## 3.1.3 Germany's Perceptions and Expectations of Georgia

The level of knowledge about Georgia in German society is relatively low.<sup>31</sup> For the most part, two rather contradictory perceptions prevail: on the one hand, Georgia is developing from a country considered an "insider's tip" to a very popular and more

<sup>22.</sup> Katrin Böttger, "Im Osten nichts Neues? Ziele, Inhalte und erste Ergebnisse der Östlichen Partnerschaft," integration 32, no. 4 (2009).

<sup>23.</sup> Katrin Böttger, "Deutschland, die Östliche Partnerschaft und Russland," in Handbuch zur deutschen Europapolitik, eds. Katrin Böttger and Mathias Jopp (Baden-Baden: Nomos, 2016).

<sup>24.</sup> Bundesregierung, "Rede des Bundesministers des Auswärtigen, Heiko Maas, zum Thema "Mut zu Europa – #EuropeUnited" am 13. Juni 2018 in Berlin," https://www.bundesregierung.de/breg-de/service/bulletin/rede-des-bundesministers-des-auswaertigen-heiko-maas--1147240, accessed January 2019.

<sup>25.</sup> Romano Prodi, "A Wider Europe - A Proximity Policy as the key to stability," European Commission, 2002, http://europa.eu/rapid/press-release\_SPEECH-02-619\_en.htm, accessed January 2016.

<sup>26.</sup> Auswärtiges Amt, "Georgien - Beziehungen zu Deutschland," 2019, https://www.auswaertiges-amt.de/de/aussenpolitik/laender/georgien-node/-/201924, accessed March 2019.

<sup>27.</sup> According to the recent opinion poll published on January 30, 2019, 83 per cent of population supports EU membership and 78 per cent - the NATO membership. Source: NDI. "Public attitudes in Georgia. Results of December 2018 survey." 2019. https://www.ndi.org/sites/default/files/NDI%20Georgia\_Issues%20Poll%20 Presentation\_December%202018\_English\_Final.pdf, accessed April 2019.

<sup>28.</sup> Uwe Klußmann, "Zum Tode Eduard Schewardnadses: Sargträger der Sowjetunion," Spiegel Online, July 07, 2014, http://www.spiegel.de/politik/ausland/eduard-schewardnadse-ist-tot-nachruf-auf-georgiens-expraesident-a-979632.html, accessed January 2019.

<sup>29.</sup> Statistisches Bundesamt, "Außenhandel: Rangfolge der Handelspartner im Außenhandel der Bundesrepublik Deutschland," 2019, https://www.destatis.de/DE/Themen/Wirtschaft/Aussenhandel/Tabellen/rangfolge-handelspartner.pdf? blob=publicationFile&v=7, accessed May 2019.

<sup>30.</sup> Ost-Ausschuss - Osteuropaverein der Deutschen Wirtschaft, "Georgien," 2018, https://www.oaoev.de/de/georgien, accessed December 2018.

<sup>31.</sup> Brigitte Baetz and Uli Hufen, "Eine Lange Nacht über Georgien. Das verunsicherte Paradies," 2018, https://www.deutschlandfunk.de/eine-lange-nacht-ueber-georgien-das-verunsicherte-paradies.704.de.html?dram:article\_id=427882, accessed April 2019.

mainstream tourist destination, especially among young people. Georgian culture and literature is becoming more popular in Germany, with Georgia's status as the guest of honour at the 2018 Frankfurt Book Fair further adding to this increased interest.<sup>32</sup> At the same time, media reports about Georgian citizens—allegedly some of them asylum seekers—involved in thefts and organized crime have added to a rather negative image of Georgians residing in Germany. This issue played a crucial role during the 2016 talks on visa liberalisation for Georgian citizens, when Germany together with France delayed the granting of visa-free travel and pushed for the introduction of a suspension mechanism.<sup>33</sup> In addition to that, a rapid increase of Georgian asylum seekers made headlines in the beginning of 2018, prompting calls by German politicians to consider suspending visa-free travel and declaring Georgia a safe country of origin.<sup>34</sup> The German Bundestag passed a law to change Georgia's status (along with that of three Maghreb countries), but the law is currently stalled in the Bundesrat and has not been ratified due to opposition from the Green party and die Linke.

Within the community of experts and officials dealing with Georgia, the country is perceived as a very ambitious partner with high expectations of Germany and Western countries in general. German decision-makers are impressed by the unyielding pro-Western orientation present among both the political elite and the general public. Germany also acknowledges the military contributions Georgia has made in Afghanistan and elsewhere. Georgia is thus seen as a close and approachable partner, albeit one situated in a very complex geopolitical position. With several major and regional powers in Georgia's direct neighbourhood, Germany is aware of the manifold pressures the country is facing.

At times, however, Georgia's partners have the impression of being overwhelmed by Georgia's high expectations and ambitions, as they are not always in a position to fulfil them. Simultaneously, German experts and officials point out that, by setting such ambitious objectives, Georgia runs the risk of neglecting the smaller, intermediate steps that are necessary to lock in reforms: sometimes more attention is paid to superficially fulfilling official requirements than to following through on effective implementation. As a consequence, when asked about the chances of EU membership, even in the distant future, German officials and politicians point to the fact that a number of reforms are still pending and that their sustainable implementation is a necessary condition for them to consider the possibility of membership. The tension between Moscow and Tbilisi also affects Germany's perception of its Georgian partners. Germany pursues a pragmatic approach of continuing dialogue with Russia, despite political tensions between Moscow and NATO as well as the EU. Some German decision-makers also see Georgia's position on Russia as sometimes too confrontational and welcome the less confrontational approach taken by the Georgian Dream party.

The German government expects Georgia to maintain its pro-Western orientation and

reform efforts in order to ensure the sustainable implementation of the Association Agreement and to adhere to fundamental European values, such as democracy, the rule of law, and respect for human rights, including the protection of minorities. Germany views integration into EU and NATO as two separate processes. Some German decision-makers maintain that it would be desirable if Georgia—instead of focusing on the ultimate goal of membership in those organisations—acknowledged the value of the current stage of integration and the possibilities that come with it. The Georgian government as well as the wider public should, they argue, perceive the reform process as an end in itself and not merely as a tool to achieve membership.

When asked about the quality of political relations in general, German interlocutors describe them as positive, close, and intensive. Consequently, the German side currently does not see a need to further strengthen and upgrade bilateral relations.

## 3.2 The Georgian perspective

## 3.2.1 Georgian Foreign Policy between Russia and the West

Like Germany's, Georgia's foreign policy represents a balancing act between the West and Russia; yet unlike Germany, Georgia has much less room for manoeuvre and must deal with a more hostile external environment. Since it gained independence in 1991, Georgia's foreign policy has been shaped by two constants: 1) tense relations with Russia and, therefore, the desire to keep its distance from it and 2) the goal of becoming a member of the Euro-Atlantic structures. This desire also stems from Georgia's self-identification as a "European" country. Both dimensions are closely intertwined and are major determinants of Georgia's attitudes and foreign policies, including its relations with Germany.

Georgia has a long history of strained relations with Russia. After the collapse of the Soviet Union, Georgia was the only country that initially refused to integrate into the Commonwealth of Independent States (CIS), deciding instead to pursue independent foreign policy objectives. However, with an inherited political culture lacking democratic tradition, an inexperienced foreign policy elite, and scarce financial resources, Georgia under the Eduard Shevardnadze government was eventually forced to join the CIS.<sup>35</sup> Georgia was further weakened by pressure from Russia, territorial conflicts, and civil war. Despite the fact that Georgia remained in Russia's orbit in the 1990s, the country never lost its desire to move outside of Moscow's influence<sup>36</sup>. Until the mid-1990s, Georgia had no other option as Russia was the hegemon and there was no alternative in the region.<sup>37</sup>

However, frustrated by Russian policies and the fact that—despite his then pro-Russian orientation—he could not get Russian support to resolve the conflicts, Shevardnadze

<sup>32.</sup> Silvia Stöber, "Deutsch-Georgische Beziehungen in turbulenten Zeiten – Was bleibt, was ändert sich?," Heinrich Böll Stiftung, 2017, https://ge.boell.org/en/2017/12/28/deutsch-georgische-beziehungen-turbulentenzeiten-was-bleibt-was-andert-sich, accessed January 2019.

<sup>33.</sup> Alexander Hertel, Georgien - Visafreiheit mit langem Vorlauf (MDR, 01.03.2017), https://www.mdr.de/heute-im-osten/georgien-visafreiheit-100.html, accessed January 2019.

<sup>34.</sup> Manuel Bewarder and Florian Flade, "Bundesregierung besorgt über hohe Asylzahlen aus Georgien," Welt, February 19, 2018, https://www.welt.de/politik/deutschland/article173722178/Innere-Sicherheit-Bundesregierung-besorgt-ueber-hohe-Asylzahlen-aus-Georgien.html, accessed January 2019.

<sup>35.</sup> Kornely Kakachia, "Georgia: Identity, Foreign Policy, and the Politics of "Euro-Atlantic Integration," in The South Caucasus - Security, Energy and Europeanization, eds. Meliha B. Altunişik and Oktay F. Tanrisever (London: Routledge, 2017).

<sup>36.</sup> Giorgi Gvalia and Bidzina Lebanidze, "Geopolitics and Modernization: Understanding Georgia's Pro-Western Assertiveness since the Rose Revolution," in Modernization in Georgia, ed. Giga Zedania (Peter Lang AG, 2018).
37. David S. Siroky, Alan J. Simmons, and Giorgi Gvalia, "Vodka or Bourbon? Foreign Policy Preferences Toward Russia and the United States in Georgia," Foreign Policy Analysis 13, no. 2 (2017).

leapt at the first opportunity to align Georgia with the West by taking part in various Western energy-political projects in the end of the 1990s. Initially, Western activities were rather ad-hoc. Institutionalized relations were superficial and only covered partnership agreements with NATO and the EU. Internal political weakness and bad governance further hindered the process of strengthening relations with the West. At the time, Shevardnadze's Georgia was practically a failed state. Therefore, neither Russia nor the West took seriously the Georgian government's statements about its desire to become a member of NATO and the EU.<sup>38</sup>

The situation changed dramatically in the beginning of the 2000s, for a number of reasons. The government that came to power after the Rose Revolution started to more actively and purposefully pursue a pro-Western policy; this was backed by an exemplary wave of reforms<sup>39</sup> that turned Georgia from a failed state to a leading regional reformist state in only a few years.<sup>40</sup> Western interest grew alongside this transformation. The Georgian government's successful reforms coincided with the domination of neoconservatives in the USA, who considered Georgia to be a successful example for their own agenda of spreading democracy and accordingly further strengthened their support for Georgia.<sup>41</sup>

At this time, the EU finalized its major enlargement towards the East and, as a result, started to pay more attention to the new neighbourhood, including Georgia. However, EU member states, including Germany, did not support Georgia's institutional convergence with Euro-Atlantic structures and its membership in NATO as decisively as the US. Therefore, the Georgian government placed all its hopes on Washington and decided to overcome European scepticism by fully relying on the US' persuasive power. However, this approach failed during the Bucharest Summit in 2008, when NATO membership for Georgia and Ukraine was only defined as a future goal without a specific timeline. This non-committal position was widely ascribed to French and German opposition to a quick accession for Georgia and Ukraine. As a result of the 2008 August War with Russia, the Georgian government became even more dependent on the EU. After the August War and the inauguration of Barack Obama as the president of the US, American support for Georgia lost some of its intensity. Meanwhile, the role of the EU increased significantly in the areas of security, economy, and institutional integration.

While the Georgian government's major goal prior to the August War of 2008 was NATO membership, today the country's aspirations towards NATO are complemented by a desire to integrate with the EU. There are practical reasons for this: while Georgia's NATO integration has been stagnant since 2008, its relations with the EU are developing more dynamically, showing tangible results such as visa-free travel and a free trade agreement. The Georgian Dream government maintains a strategic partnership with the United States, but it also believes that, at the end of the day, Georgia should join the

EU. So while it has boosted bilateral relations with the Trump administration, Tbilisi has also started to cultivate a more EU-centred foreign policy, focusing in particular on establishing special relations with Berlin and Paris. As a result, bilateral relations have become more intense, for example with more high-level visits between Germany and Georgia taking place.

However, as of today, Georgia's main geopolitical objective remains formal membership both in NATO and the EU, which is not met with particular enthusiasm from most EU member states. This incompatibility of interests might further deepen the impression in Georgia that it has exhausted all the advantages of the Eastern Partnership Initiative, the with no new initiatives on the horizon. On the other hand, since 2008 Georgia's relations with Russia have not improved either. Some would argue they have even worsened due to Russia's recognition of the independence of Georgia's breakaway regions of Abkhazia and Tskhinvali region (South Ossetia). The tense relations between Georgia and Russia became less confrontational after the change of government in 2012 that led to the reestablishment of humanitarian, economic, and transportation links. However, there have been no significant improvements in the areas of security and conflict settlement, and Russia still represents an existential threat to Georgia's territorial integrity and sovereignty.

## 3.2.2 Germany's Role in Georgian Foreign Policy

Georgia sees Germany as its most important European partner country, though it has identified room for improvement in many areas of the relationship. Due to its relatively influential position, Germany is a key country when it comes to Georgia's Euro-Atlantic integration, the future of the Eastern Partnership, and other formats for relations with the EU and NATO, as it strongly influences the pace and depth of Georgia's approximation to the EU and the NATO and is able to block crucial decisions. At the same time, Germany plays a decisive role for the Georgian government in terms of development cooperation.

The German government has also acted as a mediator and advocate for Georgia in the context of Georgian-Russian relations, actively participating in all international missions (UN, OSCE, EU) operating in Georgia. Germany was an active member of the Groups of Friends of Georgia that worked on the conflict regions under the UN Secretary General in 1990s. It was a German initiative that provided the basis for the EU to establish, in 2003, the position of Special Representative in the South Caucasus. Germany's active involvement in the conflict resolution process throughout the 1990s had a certain containment effect and prevented further escalation, yet Germany's diplomatic

<sup>38.</sup> Bidzina Lebanidze, Russia, EU and the post-Soviet democratic failure (Wiesbaden: Springer, 2019).

<sup>39.</sup> Silvia Stöber, "German Foreign Policy Explained," 2017, http://gip.ge/german-foreign-policy-explained/, accessed November 2018.

<sup>40.</sup> World Bank, Fighting corruption in public services: Chronicling Georgia's reforms (Washington D.C.: World Bank, 2012).

<sup>41.</sup> Lincoln A. Mitchell, Uncertain democracy: U.S. foreign policy and Georgia's Rose Revolution (Philadelphia: University of Pennsylvania Press, 2009).

<sup>42.</sup> Irakli Menagharishvili, Interview with authors, Tbilisi, 2018.

<sup>43.</sup> Kornely Kakachia, "A Reluctant Partner: Georgian-German Relations Revisited," 2017, http://www.ponarseurasia.org/memo/reluctant-partner-georgian-german-relations-revisited, accessed November 2018.
44. Certainly, the proper implementation of the EU Association Agreement will be lengthy process and will

generate more benefits for Georgia. However, the attractiveness of the AA as an incentive has declined after it was signed and formally launched.

<sup>45.</sup> Bidzina Lebanidze, Life Without EU Membership: The Case for a Multi-Speed EaP (Georgian Institute of Politics, 2017).

<sup>46.</sup> Tedo Dzhaparidze, "EU versus Russia: Lessons in Victory Classics. A View from Tbilisi," Russia in Global Affairs, 2013, http://eng.globalaffairs.ru/book/EU-versus-Russia-Lessons-in-Victory-Classics-A-View-from-Tbilisi-16133.

approach<sup>47</sup> failed to significantly contribute to conflict resolution or to an improvement of the overall security and political environment in and around Georgia. After the war with Russia, Germany also played an important role in deploying the European Union Monitoring Mission (EUMM) to the administrative borderline areas of the conflict regions— the EUMM was the only international presence in a region otherwise dominated by Russia. Hence, during the past 27 years Germany, alongside with the US, has been the main supporter of Georgia's territorial integrity and sovereignty.

From a Georgian perspective, there is ample room to improve relations in terms of trade and investment. Germany is only the sixth-largest trade partner for Georgia. Germany's role as an export market is even less relevant. In 2018, only around 2% of Georgia's total exports went to Germany, ranking it 14th among Georgia's export partners. German investors are also reluctant to invest in Georgia. Despite the presence of a simplified business environment for investors in Georgia (9th place according to the Ease of Doing Business Index, 2018), German firms and investors have traditionally avoided making large-scale investments in Georgia. In the first two quarters of 2018, Germany was in 10th place out of the 10 largest investors in Georgia, with investments worth 13.2 mln USD. In addition to factors such as the volume of resources and population size, German investments are dependent on the political and security environment around Georgia.

## 3.2.3 Georgia's Perceptions and Expectations of Germany

Historically, Georgia has perceived Germany as a political patron and key Western ally. However, over the last decade, Georgians have become increasingly critical towards Germany—perceiving it as a spoiler of its Euro-Atlantic ambitions. This attitude is mainly based on the role Germany (along with France) played in obstructing Georgia's chances of receiving Membership Action Plan (MAP) status for NATO in 2008. Georgia had expected Germany to support the MAP and was surprised by its resistance. Consequently, Georgia increasingly perceived Germany as untrustworthy and overly considerate of Russian interests.<sup>51</sup> The Georgian government at the time started to talk about a German betrayal of values because Germany started to try to actively renew the

talks on the EU-Russia Partnership and Cooperation Agreement just shortly after the 2008 Russian-Georgian war.<sup>52</sup>

Furthermore, Tbilisi expects more appreciation for its significant contribution to international security missions. Among non-NATO member states, Georgia has the highest number of soldiers serving in Afghanistan, more than most NATO countries.<sup>53</sup> Georgia laments the fact that, despite the success achieved and the sacrifices made, eleven years after the 2008 Bucharest Summit it still has not received more than the promise made back then—that Georgia will one day join NATO. Although Georgians realize that their country's contribution to the international missions does not translate into buying entry into NATO or EU, they do expect Germany and other European states to take reciprocal steps to demonstrate that Georgia's integration in the Euro-Atlantic structures is a reality.

Additionally, the Georgian public and the political class are irritated by Germany's behaviour concerning Georgia's European integration. Germany has again appeared to be an "inhibiting" factor: due to German concerns, the enforcement of the visa-free regime with the EU was postponed for several months, and Germany threatened to suspend the regime when the number of asylum seekers coming from Georgia rose. The threat of suspending the visa-free regime once again reinforced the negative perception of German policy towards Georgia: Berlin offering maximum support only to retreat at the last moment.

Tbilisi's perception that Germany is a spoiler for Georgia's Euro-Atlantic aspirations is also exacerbated by comments by Georgian politicians, especially from the previous governments.<sup>54</sup> Some politicians have a tendency to create high expectations and make unrealistic short term promises to their voters about Georgia's NATO and EU membership. These attempts to galvanise the population's support for Georgia's pro-Western foreign policy oftentimes merely result in more NATO- and EU-scepticism when these hopes are dashed.

Regarding future bilateral relations with Germany, one of the main hopes of the Georgian government is to establish an institutionalized structured dialogue format, which would include regular high-level meetings in the areas of security, defence, economy, and trade. This format would enable a regular analysis of Georgia's reform process, regional security issues, Russian occupation, and NATO-Georgia relations.<sup>55</sup>

<sup>47.</sup> See e.g. document prepared by Dieter Boden, German diplomat who acted as UN Secretary General's Special Representative for Georgia and as a Head of the UNOMIG in 1999-2002: ICCN, "The principles for division of competences between Tbilisi and Sukhumi," 2003, http://www.iccn.ge/files/boden\_document\_2003.pdf, accessed March 2019. Civil Georgia. "UN Security Council Calls Abkhaz Side to Discuss 'Boden Document'." 2003. https://civil.ge/archives/185248, accessed March 2019.

<sup>48.</sup> WTEx, "Georgia's Top Trading Partners," 2019, http://www.worldstopexports.com/georgias-top-15-import-partners/, accessed May 2019.

<sup>49.</sup> MESD, "Doing Business 2018," 2018, http://www.economy.ge/uploads/files/2017/reitingebi/doing\_business\_2018\_geo.pdf, accessed January 2019.

<sup>50.</sup> Geostat, "Foreign Direct Investments according to countries," 2018, http://www.geostat.ge/?action=page&p\_id=2230&lang=geo, accessed January 2019.

<sup>51.</sup> After the August War, representatives of the Georgian government openly accused the opponents of MAP, and Germany in the first place that by blocking MAP, they showed green light to Russia to wage the war against Georgia. A former Georgian official, ambassador of Georgia to Germany, who was chairing the Foreign Relations Committee of the Georgian parliament during the Bucharest Summit, told the authors of this paper that, despite the enormous preparatory work that the Georgian government undertook to receive MAP, "Merkel definitely blocked [the process of granting MAP to Georgia] in 2008 because of Russian factor, its request" and that it was Germany that was the problem, not France, because France was in favor of granting MAP to Georgia if Germany gave its consent.

<sup>52.</sup> Tagesspiegel, "Saakaschwili warnt Deutschland vor "Verrat"," 2008, http://www.tagesspiegel.de/politik/eurussland-abkommen-saakaschwili-warnt-deutschland-vor-verrat/1829816.html 17.01.17, accessed October 2018.
53. NATO, "Resolute Support Mission (RSM): Key Facts and Figures," 2019, https://www.nato.int/nato\_static\_fl2014/assets/pdf/pdf\_2019\_02/20190215\_2019-02-RSM-Placemat.pdf, accessed April 2019.

<sup>54.</sup> Tagesspiegel, "Saakaschwili warnt Deutschland vor "Verrat"," 2008, http://www.tagesspiegel.de/politik/eurussland-abkommen-saakaschwili-warnt-deutschland-vor-verrat/1829816.html 17.01.17, accessed October 2018.
55. Interview with H.E. Elgudja Khokrishvili, Ambassador of Georgia to the Federal Republic of Germany. Berlin, 28.10.2018

## 4. Conclusions and Recommendations

As shown above, the respective foreign policy preferences of Germany and Georgia are mismatched, and their perceptions of and expectations for the other side do not correspond. Currently it seems that both sides perceive the ball to be in the other's court; they feel that the other side is responsible for advancing political relations. Germany wants Georgia to follow through on reforms in the framework of Euro-Atlantic integration (both in the framework of the Association Agreement and the Substantial NATO-Georgia Package) and to acknowledge the required reforms as an end in themselves. Georgia, on the other hand, expects Germany and other European partners to better acknowledge its efforts and offer new motivational rewards to further support the reform process. In order to align expectations, both countries should make an effort to take into consideration the other side's views and constraints.

Tbilisi, on the one hand, should work more proactively to overcome any lingering reservations among EU partners, including Germany. Rather than pinning the blame on Europeans, Georgia should acknowledge that it did not pay enough attention to building ties over the past decade with European partners, at least not in the same way as it did with the United States. Although at this stage some European partners, including Germany, are creating uncertainty about Georgia's European future, Georgia must nevertheless consolidate its links with Germany, a country with both strong persuasive powers in European affairs and an important voice in the North Atlantic alliance. Georgia should take into consideration German and European reservations and take decisions that will move Georgia up on the EU's foreign policy priority list.

Berlin, on the other hand, will need to invest more political and financial resources in its bilateral relations with Georgia to achieve the goal of promoting stability, peace, and democracy in its neighbourhood. Germany's focus on the reforms as an end in itself is correct—yet if new incentives are not provided, the reforms risk running out of steam, especially since Georgia already enjoys some of the benefits available in the framework of the EaP. Berlin should also recognize the importance that Georgian decision makers and the general public attribute to symbolic gestures. Given that Georgian accession to the EU and NATO is not on the agenda for the time being, it is important to think about alternative formats of partnership, both at the bilateral level and at the EU or NATO level, in order to symbolically show the support for increased integration. Finally, Germany and other EU members states need to respond to the security challenges in the EU's Eastern neighbourhood posed by a resurgent Russia. Without resolute actions confronting Russia's coercive and violent behaviour, it will be impossible to achieve the goal of establishing a prosperous and stable "ring of friends" around Europe.

In view of their divergent positions in many areas, Germany and Georgia will not be able to solve all their differences anytime soon. Nevertheless, good will and readiness to comprehend the other side's concerns and interests could mitigate their differences in several areas. The following recommendations could contribute to further improving bilateral relations both in the political and economic sphere. The aim is to increase mutual understanding and reduce misperceptions both among political elites as well as the general public:

## For Georgian decision-makers

- ❖ Considering the differences of opinion and policy in German-Georgian relations, Georgia should stress the importance of values in order to avoid being trapped in a technocratic process with its German partners. More emphasis should be given to European values and to promoting bilateral relations as well as Georgia's European future.
- ❖ The Georgian government should attempt to foster a positive image of Georgia within the German public. To achieve this, Georgia might consider sponsoring ads on German televisions and newspapers or educational activities at German universities, including by financing Georgia-related study programs. Georgia should also actively promote youth exchanges between Germany and Georgia in different areas of society to strengthen societal contacts between the two countries and prevent stereotypes from influencing policy positions.
- ❖ The Georgian government should invest more financial, political, and institutional resources in deepening and diversifying diplomatic and economic relations with Germany on all levels. It is advisable to establish close contacts and open representations in some German states, especially those with vibrant economies and investment potential, such as North Rhine-Westphalia or Bavaria. In addition, the Georgian authorities should try to establish close contacts with all key political parties in Germany.
- ❖ Germany and Georgia enjoy rich cultural and political ties, yet these ties also remain patchy and ad hoc. Considering Germany's central role in Georgia's European integration, the Georgian government should do its best to keep its relations with Germany at a strategic level similar to that of its relations with the US.⁵6 This process will hopefully make Germany a strong advocate of Georgia's European ambitions.
- ❖ Georgia should attempt to attract German investment by creating a business-friendly and risk-free environment. Georgia's strategic location could give it a chance to develop into an economic and trade hub, especially when it comes to providing Europe with alternative energy routes and trade links to the booming markets of Asia. At the same time, the Georgian government should try to avoid the mistakes of the past, when German investors were denied participation in infrastructure projects such as the construction of the new Tbilisi Airport in 2004.
- ❖ The Georgian government should attempt to be included permanently, with Ukraine, on the agenda of EU-Russia and Germany-Russia security and political dialogues. Provided that the conflict between the West and Russia eventually ends or at least cools down, Georgia might also try to include Germany once again as an honest broker in mediation with Russia.
- ❖ Although Germany is considered a reluctant partner for Georgia in terms of support for NATO integration, it is neverthless important to deepen cooperation in the areas of security and defence. Georgia should attempt to further increase its participation in military operations in the framework of EU and NATO operations.

<sup>56.</sup> Within the U.S.-Georgia Strategic Partnership Commission, the US and Georgia hold annual high-level bilateral meetings based on the U.S.-Georgia Charter on Strategic Partnership which was signed in 2009. The priority areas covered by the Charter include democracy, defense and security, economic, trade and energy issues, and people-to-people and cultural exchanges. Source: U.S. Department of State. "U.S.-Georgia Strategic Partnership Commission." 2019. https://www.state.gov/p/eur/ci/gg/usgeorgiacommission/, accessed April 2019.

## For German decision-makers

- ❖ Germany should acknowledge the fact that symbolic gestures are important to Georgian decision-makers and the general public alike. It should thus consider offering Georgia a "strategic dialogue" as a reward for further progress in reforms, or at least allow for more differentiation within the EaP.
- ❖ Germany should acknowledge the existing differences within the EaP and recognize Georgia's desire to detach itself from other countries in the region that have considerably less interest in a close institutional partnership with the EU and do not fully adhere to European liberal-democratic values. In this spirit, the German Bundestag should consider removing Georgia from the South Caucasus parliamentary group and either establishing a separate group or regrouping it with Moldova and Ukraine.
- ❖ Despite the fact that Georgia is frequently seen as a frontrunner of the EaP region, Germany should consistently address democratic shortcomings, take a more active role in focusing on democratic reforms, and include local civil society actors as key stakeholders when it comes to putting pressure on Georgia's political elite to accomplish the unfinished process of democratisation.
- ❖ The German government should support the sustainable growth and economic integration of Georgia into the EU by establishing structural investment funds similar to the AATIF (Africa Agriculture and Trade Investment Fund), which could make Georgia attractive to otherwise cautious German investors.
- ❖ Similarly, as Georgia's EU membership is not on the agenda at the moment, Germany could support Georgia's convergence with other formats of partnership and integration such as European Economic Area (EEA), which the EU itself considers as a more suitable format for economic integration for neighbourhood countries.<sup>57</sup> The EEA or similar formats would keep Georgia on track and would give it a new, even stricter reform agenda to implement. A concrete next step could be integrating Georgia more closely into EU's labour market—the only remaining freedom which is not already covered by the AA and the visa-free regime.
- ❖ The German government could introduce a simplified format for issuing work permits for Georgian citizens similar to the "Westbalkan-Regelung," especially in areas where Germany has labour shortages and relies on foreign labour anyway.⁵ As Germany lacks a labour force in many areas and Georgia has qualified citizens, it could be a win-win solution. It would have significant economic and social impact for Georgia but would also significantly boost Germany's image among the Georgian population. It can also be expected that the prospect of legal work will lead to a decrease in Georgian asylum seekers.⁵9

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<sup>57.</sup> Lebanidze, Bidzina, Panchulidze, Elene, "Avoiding Gridlock: a Strategy for Georgia to Engage with Eurosceptic Europe," Policy Paper, 2018, http://gip.ge/wp-content/uploads/2018/05/PrintEleneBidzinaENG.pdf, accessed March 2019; European Commission, "A review of the functioning of the European Economic Area," 2012, http://www.europarl.europa.eu/RegData/docs\_autres\_institutions/commission\_europeenne/swd/2012/0425/COM SWD(2012)0425 EN.pdf,, accessed February 2018.

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#### **About Georgian Institute of Politics**

The Georgian Institute of Politics (GIP) is a Tbilisi-based non-profit, non-partisan, research and analysis organisation founded in early 2011. GIP strives to strengthen the organisational backbone of democratic institutions and promote good governance and development through policy research and advocacy in Georgia. It also encourages public participation in civil society-building and developing democratic processes. Since December 2013 GIP is member of the OSCE Network of Think Tanks and Academic Institutions.



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