

GEORGIA TODAY

• MARCH 17 - 23, 2023 • PUBLISHED WEEKLY





The Other Side: Georgia's Pro-Russian Movement Takes Its Turn

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BY MICHAEL GODWIN

or two nights the area around Georgia's Parliament shook with the shouts of the crowds and the booms of police riot weapons. With the eyes of Europe upon them, the protestors resisted the advances of the ruling party to enact laws against the will of the people. When the gas and crowds cleared, the bill had been rescinded back to the dark depths from whence it came.

However, not all were elated at the victory the people had wrought from the jaws of defeat. Contrary to the natural growth pattern the country is poised to follow, there lies another group staunchly determined to derail it. Consisting of largely the older male generation of the country, a loose conglomeration of far-right and ultra-traditionalist parties seek to thwart Georgia's European aspirations and revert it back to its place in the Soviet Union. Continued on page 4



Alt-Info and Conservative Movement group members burn the EU flag. Photo from Telegram

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| | | | Prepared for Georgia Today Business by | | | | | | | |
|------------------------------|---------------------|-------|--|---------------------------|-----------|--------|------|--|--|--|
| Markets As of 13-Mar-2023 | | | | | | | | | | |
| BONDS | Price | w/w | m/m | STOCKS | Price | w/w | m, | | | |
| GRAIL 07/28 | 86.29 (YTM 7.18%) | -1,9% | -2,8% | Bank of Georgia (BGEO LN) | GBP 24.35 | -18,8% | -10, | | | |
| GEBGG 07/23 | 99.94 (YTM 6.13%) | -0,3% | -0,3% | Georgia Capital (CGEO LN) | GBP 7.64 | -9,0% | +0, | | | |
| GEOCAP 03/24 | 98.52 (YTM 7.72%) | +0,5% | +1,3% | TBC Bank Group (TBCG LN) | GBP 22.40 | -10,6% | -8, | | | |
| SILNET 01/27 | 98.21 (YTM 8.93%) | -0,1% | -0,1% | | | | | | | |
| TBC 06/24 | 98.52 (YTM 6.99%) | +0,0% | -0,0% | CURRENCIES | Price | w/w | m, | | | |
| GGU 07/25 | N/A (YTM #N/A N/A%) | na | na | GEL / USD | 2,5830 | -0,7% | -2, | | | |
| | | | | GEL / EUR | 2,7720 | -0,2% | -2, | | | |
| COMMODITIES | Price | w/w | m/m | GEL / GBP | 3,1459 | +0,6% | -2, | | | |
| Crude Oil, Brent (US\$/bbl) | 80,77 | -6,3% | -6,7% | GEL / CHF | 2,8335 | +1,4% | -2, | | | |
| Gold Spot (US\$/OZ) | 1 913,70 | +3,6% | +3,2% | GEL / RUB | 0,0342 | -0,6% | -5, | | | |
| | | | | GEL / TRY | 0,1361 | -1,0% | -3, | | | |
| INDICES | Price | w/w | m/m | GEL / AZN | 1,5209 | -0,7% | -3, | | | |
| FTSE 100 | 7 548,63 | -4,8% | -5,0% | GEL / AMD | 0,0067 | -0,5% | -1, | | | |
| FTSE 250 | 18 825,08 | -6,2% | -6,5% | GEL / UAH | 0,0699 | -0,9% | -3, | | | |
| DAX | 14 959,47 | -4,4% | -2,8% | EUR / USD | 0,9319 | -0,5% | -0, | | | |
| DOW JONES | 31 819,14 | -4,8% | -7,1% | GBP / USD | 0,8208 | -1,3% | -0, | | | |
| NASDAQ | 11 188,84 | -4,2% | -5,9% | CHF / USD | 0,9119 | -2,0% | -0, | | | |
| MSCI EM EE | 31,92 | -6,4% | -5,0% | RUB / USD | 75,4187 | -0,1% | +1, | | | |
| MSCI EM | 961,50 | -3,2% | -5,1% | TRY / USD | 18,9658 | +0,3% | +0, | | | |
| SP 500 | 3 855,76 | -4,8% | -6,8% | AZN / USD | 1,6970 | -0,0% | -0,0 | | | |
| MSCI FM | 2 107.53 | -1.9% | -4.0% | AMD / USD | 388.3200 | -0.2% | -1.6 | | | |

2 **NEWS**

Ukraine War Updates: Relations Between the US, Kremlin in Dire State after Drone Incident



COMPILED BY ANA DUMBADZE

he fallout from an encounter between a US drone and Russian fighter jets on Tuesday continues to be monitored closely, just as another incident between NATO countries and Russia was recorded, with British and German fighter jets scrambled to escort a Russian aircraft away from Estonian airspace.

Tuesday's drone incident marked the first time Russian and US military aircraft have come into direct physical contact since Russia launched its invasion of Ukraine just over a year ago, and is likely to increase tensions between the two nations, with the US calling Russia's actions "reckless, environmentally unsound, and unprofessional."

Russia said on Wednesday that it would try to retrieve the remnants of a US drone

that crashed into the Black Sea.

The large MQ-9 Reaper drone plunged into the water on Tuesday. The US said $it\,brought\,down\,the\,damaged\,drone\,after$ it became "unflyable" when a Russian jet clipped its propeller - but Moscow has denied these claims.

Speaking on state television, Russian security council secretary Nikolai Patrushev confirmed Moscow was attempting to find the aircraft. "I don't know whether we'll be able to retrieve it or not but it has to be done," Patrushev said.

He also said that the drone's presence in the Black Sea was "confirmation" that the US was directly involved in the war. Senior Washington official John Kirby said the US was also searching for the aircraft, but stressed that if Russia beat them to it, "their ability to exploit useful intelligence will be highly minimized."

That message was reiterated by General Mark Milley, America's top military general, who said the US had taken "mitigating measures" to ensure there

was nothing of value on the downed drone.

He said it would be challenging to retrieve the drone, noting the water where it crashed was anywhere between 1,200m to 1,500m deep.

US military officials said the incident happened on Tuesday morning and the confrontation lasted around 30-40 minutes.

In a statement, the US said Russian jets dumped fuel on the drone several times before the collision.

Pentagon spokesman Brig Gen Pat Ryder told reporters the drone was "unflyable and uncontrollable", adding the collision also likely damaged the Russian aircraft.

Russia has denied its two Su-27 fighter jets made any contact with the US drone.

KREMLIN: RELATIONS WITH US IN DIRE STATE **AFTER DRONE INCIDENT**

The Kremlin said on Wednesday that in spring.

relations with the United States were in a "lamentable state" and at their lowest level, after Washington accused Russia of downing one of its reconnaissance drones over the Black Sea.

Kremlin spokesman Dmitry Peskov told reporters that there had been no high-level contact with Washington over the incident, but said Russia would never refuse to engage in constructive dialogue.

RUSSIAN MERCENARY LEADER CLAIMS FURTHER **ENCIRCLEMENT OF BAKHMUT**

The head of Russia's mercenary force - the private military company known as the Wagner Group, fighting for control of Bakhmut in eastern Ukraine, said Wednesday that Russian forces have taken control of a village to the north of the city.

"Assault detachments are expanding the encirclement of Bakhmut. This morning, the settlement of Zaliznyanskoe [known in Ukraine as Zaliznyans'ke] was taken by assault detachments of PMC Wagner," Wagner Group leader Yevgeny Prigozhin said in an audio comment on his business' Telegram channel that was reported by Russian state news agency TASS.

Bakhmut remains the hottest spot in the war in Ukraine today, with intense battles between Ukrainian forces trying to defend the city against regular Russian units and mercenary forces within the Wagner Group. Both sides are claiming they are inflicting significant personnel losses on the other on a daily basis.

Russian forces claim to control all paved roads into the city and analysts say they surround the city to the north, east and south. Ukraine has vowed to defend Bakhmut to the last, despite doubts over the merits of that strategy.

Kyiv is seen to want Russia to expend its manpower on fighting in Bakhmut while it awaits more weaponry from its international allies which will enable it to launch a renewed counteroffensive

MISSILE ATTACK ON KHARKIV CITY DAMAGES SCHOOL, OFFICIALS SAY

A Russian missile attack on the city of Kharmiv in northeast Ukraine has damaged a school building and infrastructure, Ukrainian officials said Wednesday.

"A shell landed near the school, the building was partially damaged and the windows were broken. There were no casualties," Andriy Yermak, the head of the Ukrainian President's Office, said on Telegram.

Separately, Oleh Syniehubov, head of the Kharkiv Regional Military Administration, said on Telegram today that the city's civilian infrastructure had been targeted in a strike, without providing further details of what location had been struck.

"The enemy once again struck the city's civilian infrastructure. According to preliminary data, there were no casualties. Emergency services work at the scene. The destruction scale is being clarified," he said on Telegram.

Russia says it does not target civilian infrastructure, but there have been repeated strikes on energy infrastructure, civil infrastructure like schools, hospitals and theaters, as well as residential buildings.

FIVE SHIPS LEAVE UKRAINE UNDER BLACK SEA **GRAIN INITIATIVE**

Five ships carrying 183,543 metric tons of grain and other agricultural products left Ukraine's Chornomorsk and Odesa ports this week.

The ships are destined for China, Spain and the United Arab Emirates, and are carrying corn, barley and wheat.

The Black Sea Grain Initiative, a deal brokered last July between Ukraine, Russia, Turkey and the United Nations, eased Russia's naval blockade and saw three key Ukrainian ports reopen.

So far, more than 700 ships have sailed from Ukrainian ports.



MEP Kubilius: Georgian People Have a Strong Desire to Join the EU, the Gov't is the Main Obstacle

Vashadze: We are Discussing With MEPs How Not to Punish Georgia & What to

Builder, Droa, National Movement, Girchi - More Freedom held a meeting with representatives of various political groups in Strasbourg regarding the issue of Georgia's European integration.

As the leaders announced after the meeting, the European aspiration of the Georgian people has the great support from the European parliamentarians although the Government does not expressthe will of the citizens of Georgia. According to Giorgi Vashadze, the leader of Strategy Builder, the task is for Georgia to receive candidate status from the European Union, and the opposition is ready to undertake any responsibility for this. "The dilemma is this - the Government is directed towards Russia, the people - towards Europe. How not to punish Georgia and the Georgian people and what to do with the Government - this is the content we are discussing and here



provocations regarding the Foreign Agents law, and I think there will be more provocations, and the pro-European opposition is an alternative that can protect the interests of the Georgian people in connection with the European Union accession, - said MEP Andrius Kubilius after a meeting with Georgian opposition politicians in Strasbourg. Kubilius noted that the Georgian peo-

ple have a really strong desire to join the European Union, but, "unfortunately, the Government is becoming the main obstacle [to that]".

"It was a really good meeting. We asked the Georgian opposition representatives how they assessed the situation and what their next steps and plans were, because we see that the Georgian people have a really strong desire to join the European Union and unfortunately, the govern-

e have seen political ment is becoming the main obstacle to integration.

> "We have seen political provocations regarding the Foreign Agents Law, and I think there will be more provocations, and the pro-European opposition is an alternative that can protect the interests of the Georgian people regarding EU membership. How they will do it, what will happen after next year's elections and so on - we discussed all these issues. Our interest is to help the Georgian people to achieve the goal related to European integration, and therefore we are very interested in seeing the Georgian opposition offering an alternative, real path to the European Union," said the MEP.

The representatives of four opposition parties - Strategy Builder, Droa, National Movement and Girchi - More Freedom held a meeting with representatives of various political groups in Strasbourg regarding the issue of Georgia's European integration.

we agreed that we, the opposition, must maintain the unity and common pressure that we have created with the participation of Georgia's youth, civil sector, journalists, which can bring the final

victory our European partners are waiting for," Vashadze said.

The delegation from Georgia continues its meetings in Brussels, in the executive bodies.

Lawyer: Mikheil Saakashvili's Weight Has Dropped to 60 kg

he lawyer of the former president of Georgia, Shalva Khachapuridze, says Mikheil Saakashvili's weight has dropped to 60 kg.

Khachapuridze claims that the former president's condition is so serious that it may lead to "bad results," where

Saakashvili himself wrote more specifically in the week that those bad results mean organ failure.

"Saakashvili's condition is extremely serious, his weight is down to nearly 60 kg, very bad results can be expected at any time," Khachapuridze noted. He also responded to the readiness

expressed by the newly appointed Public Defender Levan Ioseliani to meet with the former president. Khachauridze noted that as Ioseliani is a former parliamentarian, he could hear what statements were being made regarding Saakashvili's health, and he should indeed see the condition of the former president for himself.

GEORGIA TODAY MARCH 17 - 23, 2023

Ted Jonas on Georgian Dream's Russian Choice

INTERVIEW BY VAZHA TAVBERIDZE FOR RFE/RL

ed Jonas is an international business and environmental defense lawyer, a dual US-Georgian citizen, who has lived and worked in Tbilisi for nearly 30 years. He was responsible for the opening of the National Democratic Institute in 1994 and worked very closely with Zhvania and Saakashvili in engaging with the Shevardnadze government that was in power at the time, as well as with characters like Jaba Ioseliani and Kitovani, who were also part of the political scene. In 1996, with Georgian partners, he founded Dentons law firm.

"Even as somebody who's worked in business for a very long time, serving as a member of corporate boards, such as Silknet and the Anaklia port, I've nonetheless continued to try to participate in public policy and law debates and environmental protection," he tells Radio Free Europe's Georgian Service. We began our interview by asking him about the controversial foreign agents law proposed by the government's ruling team.

WHAT DANGER DOES THIS LAW POSE? WHY SHOULD WE BE CONCERNED?

First of all, the law is overbroad, catching up any person or organization that receives funding from a foreign source. This includes organizations that help the environment, organizations that do academic work, organizations that do

THE BILTMORE

TRELLS

Xeme

scientific work, organizations that support religion, so it's an infringement on freedom of speech, it's an infringement on freedom of religion, it's an infringement on freedom of association, that is how it would be seen.

The biggest danger is the context in which the law was adopted. The sponsors of the law, such as Mr. Kobakhidze, have made it very clear that this law is directed at the funding that Georgian nonprofits, including, for example, the Caucasus Nature Fund, receive from the European Union, from the German government or the French government or the British government or the US government. The law is anti-Western. They never talk about the Russian funding of political parties, Russian funding of media, Russian funding of organizations. In contrast, the US law they mentioned (FARA) was adopted in 1938, and was directed against enemies of the US, which was mainly Soviet Russia and Nazi Germany. Those were the targets, and what the Georgian Government is saying when they compare their bill to the US law is "we consider the EU, the US to be equivalent to Nazi Germany and the Soviet Union." In the prosecutions brought by the US Justice Department in the last 15 years under that law, seven of the 14 cases are against Russia, two of the cases are against China, and one was against Saddam Hussein's Iraq. They were selected prosecutions against either enemies of the United States or companies in some gray area, but illegally involved in politics.

the environment, organizations that do academic work, organizations that do



The March 7 anti Russian law protest outside Parliament. Photo by Katie Ruth Davies/GT

to the Georgian police, to the Georgian Military. We, the United States, support all aspects of Georgian society. Are we an enemy?

IN SUPPORT OF THE LAW, GEORGIAN DREAM SAYS THAT "IT'S IN THE NAME OF TRANSPARENCY."

My understanding is that NGOs, to comply with the tax laws, and to comply with various financial reporting requirements, already have to report their sources of income under Georgia law. The US FARA law has nothing to do with sources of income: It's about whether the receiving entity in the US is controlled or directed by a foreign party.

YOU'VE WITNESSED THE GROWTH OF GEORGIAN

DEMOCRACY OVER THE YEARS. HOW SIGNIFICANT WERE THE RECENT EVENTS FOR GEORGIAN DEMOCRACY?

Very important, and I believe it has a lot to do with why the government changed their position that day. The demonstrations were full of fury. Georgians came out to the streets in big numbers to say, "This is a direct threat to the Western course of this country and you will not get away with it!"

It's not surprising that there was some vandalism, because people are furious, just like in Ukraine and 2014. The Ukrainians said: "You shall not take us from our European path." The Georgian people said, "You shall not take us from our European path!" I think it was profoundly important, as important as some past demonstrations that had a major effect on governments, such as, for example, the demonstrations in 2007 against Saakashvili and his government, which led to his resignation, and which is an example that this government should remember well.

IS THE MAIDAN COMPARISON JUSTIFIED? AND SHOULD WE EXPECT EVENTS OF A SIMILAR MAGNITUDE?

The reason the government backed down is exactly because they recognize the Maidan comparison. Yanukovich didn't back down; he was caught between Vladimir Putin on one side who had a gun to his head, and his own people who were going to force him out of office. He didn't back down, he went to Vladimir Putin.

Continued on page 6

EXPLORE OUR BELOVED CITY FROM THE BIRD VIEW Xeme restaurant is located on the 31st floor in The Biltmore Tbilisi Hotel





POLITICS

The name of the restaurant Xeme speaks for itself, as it means the arctic fork-tailed gull.

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POLITICS 4

Georgia ()|)ay WARCH 17 - 23, 2023

Where Do We Stand and Where Are We Headed For?

OP-ED BY NUGZAR B. RUHADZE

his may be the nastiest question one might have asked in the last 30 years! The question is unsavory because it reverberates in our collective national mind so painfully that it inhibits all of us to the point of intellectual impotence, and this is because we don't know precisely where we stand or where we're headed for.

It all started in the late 1980s, when the Soviet Union was shattered with the weird Gorbachovesque Glasnost (openness) and Perestroika (reconstruction), masterfully imposed on the Kremlin policy-makers of that time by the Western powers, in hopes that the West was enthusiastically ready to help Russia out of its abrupt socioe conomic degradation if it would only allow the peaceful disintegration of the USSR. And so it happened, although Russia received zero assistance from the West, being left to its own criminal devices to grow into one of the most corrupt and abandoned nations in the world.

The other 14 republics of the Union, including Georgia, automatically became quasi independent nations, torn apart by civil unrest and wars. As a result, Sakartvelo went through excruciating changes of power and territorial configuration: Nothing was the same; the national intellectual energy, one that

shrunk country was on the verge of collapse; most of the people were at a complete loss; the standard of living went down to its nadir; the red-hot political struggle reached its acme; families were torn between the erstwhile habitual soviet way of life and the incipient puzzling new model of public and private behavior; and the national currency could not buy a thing. The impression was that we had been left in a jungle, with no way out, and the inability to at least climb a tree if a beast approached to dine on our trembling body. Back then, even if you were an educated genius, it was almost impossible to translate your knowledge into bread.

And then came an existential moment when, without governmental help or instruction, as oft happened in the bizarre soviet era, decisions were made on how to continue living independently. Georgia needed to know with the accuracy of a rifle scope what new direction to take to get to the safer and prettier side of the murky watershed to survive. It also needed to be conscious of where it was stranded, and where to go from that shaky and unfamiliar place. Instead, we were all plunged into perpetual vicious bickering among hysterical and unqualified political forces, each pulling the country in a blurry, unfounded direction, each inevitably leading to an abyss.

There was an uncanny lack of healthy



Choosing a path, needing the right leader to get us there. Image source: Getty

should have been capable of determining in the most correct way where the country stood in the motley global geopolitical pattern, and the most rational vector to follow, tailored to our history, nature, experience, capability, talent and creative potential, to somehow fit into the then-international model of global order.

The newly chosen leaders, as popular and perhaps trustworthy as they were, simply could not manage it. The people were ready to follow a good leader, but the brainwashing so overflowed that the

options, making disastrous errors in choosing their leaders, feeling like a herd, cantankerously but still obediently nodding to those who had enough acumen, cunning and political energy to slip into a leader's skin and head the nation into the unknown.

Finally, cherished peace and calm were achieved, but this intermingled with a bad premonition that the long-sought for heavenly nirvana was not to last. Something ominous has recently started reminding us of those bygone days of strife and discord, when the subversive public became lost in the multitude of calls and thoughtless battle-cries propel it's time to live and learn?!

us once again to destruction. The sense of inevitable repetition of what we have already lived through is becoming real. Following the conventional logic, we should have learned something from the numerous historical lessons life has tried to teach us, but it seems Georgia will not be allowed to independently discern between good and evil, because the definers of our fate in this tightly intertwined world are those who are so eagerly poised to make decisions for us without even asking us how we feel. There is so little in fact at our own discretion. Surely

The Other Side: Georgia's Pro-Russian Movement Takes Its Turn

Continued from page 1

Leading these groups is the Conservative Movement, a political entity founded by Alt-Info in 2021 with the aim "to establish Christian democracy instead of liberal democracy in Georgia," party chairman Zurab Makharadze stated. Despite claiming to represent the majority of Georgians, the political party has never held any seats in Parliament nor won any electoral races since its inception. Its geopolitical views have been succinctly described as pro-Russian and anti-European.

Most infamously, the group was allegedly the mastermind of the assaults on Tbilisi Pride protestors, police, and the press in the July 2022 events near Parliament. Sources close to the group have



Their recruitment is based on the routine misinformation peddled out of the Kremlin, only recently enhanced as its $military \, flounders \, in \, the \, Ukrainian \, mud.$ It is also, far more sadly, a form of weaponized religion and perverted religiouspolitical beliefs.

Using the imagery of the most radical and isolated instances of "European liberalism," as well as the threat that they will bring this into their homes, they target vulnerable men. Many of these are either without jobs or are in lower wage positions, making them easy for exploitation. When these methods don't work, they resort to false characterizations about the effects EU integration would have on the nation.

The use of religion is, and has been for

revealed that some of the group's expenses, including web design and hosting of their websites, were paid for by Russian bank accounts. Unsurprisingly, the members are rarely shy to disclose their desire to see the nation return under the purview of the Kremlin.

However, rather than confront the protestors on the two nights that rattled the government so much so as to withdraw their legislation, the group gathered during the working day - a day when most working people would be away and gainfully employed. Starting at the Georgian Technical University, claiming the organization was up to no good, they left after finding their jeers falling on deaf ears. Their next target would be Parliament.

Finding no suitable soft targets to engage, they turned their attention to the European Union flag flying above the square. While police rushed to halt the predations of the group, they managed to tear it down, relishing their victory at burning it in front of their own

Members and supporters of the Alt-Info group protest outside the Georgian Technical University. Photo via Telegram

government building. Shota Martynenko, the leader of the Conservative Movement took to the stage, issuing his demands as passersby continued about their day.

His demands were as ludicrous as the scene they had made with the EU flag. They demanded that the people facing justice for their assaults in 2022 be released, the people responsible for overturning the 'foreign agent' law by protest be arrested (something he referred to as a coup), and that the matter of the foreign agent bill be decided by popular referendum. Makharadze, making an appearance to publicly confess to the desecration of the EU flag, also stated that there would be no war or revolution in the country because his aging and seemingly jobless group of followers kneel before "our father" and that "Georgia is above all".

Despite not being entirely clear on what a coup actually is, he is also woefully unprepared for the results should a popular referendum be held. Georgia has routinely polled in the high 70s to high 80s when asked about integration into European social and political bodies. According to an IRI poll in 2022, "85% of Georgians either "fully support" or "somewhat support" joining the alliance. Among those who support joining the EU, 60% support joining even if it

means cutting trade relations with Russia."

"Citizen demand for joining the European Union remains very high," Steve Nix, Senior Director for Eurasia at IRI. said in a report. "Georgians' desire to join the EU has been remarkably consistent in previous surveys, and this new poll reinforces that position." To drive this point further, a National Democratic Institute (NDI) and CRRC Georgia poll in 2023 shows that EU support has grown to 81%, indicating Georgian citizens' unwavering support for European integration."

Thus invites the question; why do these groups gain a following and persist?

some time by Russia, a tool to pry people away from any pro-Western stance. The alleged infallibility of the Church, or more accurately its very-human clergy members, is held over them. The connections between the Russian and Georgian Orthodox Church further cement their decision to move towards Moscow and away from Brussels. Despite clear examples of the desolation and poverty that occurs when Russia controls territory, the groups persist that life will somehow be better under the now-shattered economic power of the Russian Federation.

When talking about extremist elements and "radicalism", as termed by Parliament speaker Shalva Papuashvili, the government would do well to address these groups. Their intolerance, violence, and irrationality have no place in a European and modern Georgia. While their voices should be respected as free speech, their ideologies only serve to show why the nation should move West at an evermore quickening pace.

Political Roundup: A Week of Protests, Flag Burning and Determination to Gain EU Candidacy

COMPILED BY KETEVAN SKHIRTLADZE, STORIES BY TEAM GT

he Parliament of Georgia rejected the draft law "on transparency of foreign influence" in the second reading last Thursday, following two days of heated protest from thousands of civilians who rallied on Tbilisi's central Rustaveli Avenue.

112 legislators attended the session, 35 MPs did not support the bill in the second reading, one MP was in favor.

The Chairman of the Parliament, Shalva Papuashvili wrote a letter to the President of the Venice Commission, Claire Bazy Malaurie, asking her to disregard the earlier request to review the law and offer a legal opinion.

"Unfortunately, the initiated regulations caused differences of opinion in Georgia's society. False narratives and labeling misled citizens and reinforced confrontation. Therefore, as a responsible actor careful about peace, stability, and prosperity, the ruling party has made a decision to withdraw support for the draft laws and stop their further legislative consideration," he wrote.

RESPONSES TO THE REJECTION OF THE DRAFT LAW

"I want to congratulate Georgian society on its first victory," President of Georgia Salome Zurabishvili said, responding to the government's decision to withdraw the Russian draft laws from Parliament.

She claimed that it was the first sign of depolarization, because everyone had united around this one goal.

"I welcome the decision made by the government to recall the law. This decision was made taking into account the real power of the people, which was demonstrated on the streets of Tbilisi. With this unity, if we are a democratic nation, it will be impossible for a government or parliament not to take into account the will and the voices of the people.

"This will of the people was demonstrated wonderfully. This was shown not only in Georgia but also abroad. All our partners saw this extraordinary attitude and really the will of the people towards the European path of Georgia," stated Zurabisyhili.

Khatia Dekanoidze, a member of the National Movement party noted: "this is the merit of the youth and their protest, who were not afraid of raids, poisoning, or gas. This is the merit of the unity of society. Georgian society has taken a very important step - the world rediscovered it; the country has returned to the world agenda as a European society.'

Dekanoidze pointed out that despite the efforts of the Georgian Dream, Georgia would not return to Russia, and this was the message of the youth.

"The moral condition of most was obvious- Bidzina Ivanishvili had morally destroyed them," she said.

the funds that enter the country from abroad and which are used to finance political parties.

THE PM'S INTERVIEW

Prime Minister of Georgia, Irakli Garibashvili, in an interview with the TV channel Imedi spoke about the draft law on 'agents of foreign influence' and the events that took place in the country on March 7-8.

Garibashvili noted that his team had decided to pass the draft law with the first hearing and send it immediately to the Venice Commission.

"If it had been heard by sensible and responsible people, who care for the future of our country, they would have understood it well. Yet there were those who do not want to understand and such were part of the people who were politically agitated, and those who simply - to put it mildly - got confused in the given circumstances.

"After forwarding the draft law to the Venice Commission, we would have had 3-4 months to continue with public discussions. Irrespective of this intention, one good thing happened when the strength of the country and wisdom of its authorities was demonstrated with a decision to withdraw the draft law. In the given circumstances, it was the most prudent decision in the context of statehood, as we on the one hand demonstrated that nobody will ever be given a chance to destabilize, create chaos, and disorder, launch a second frontline, or other atrocities," Garibashvili said, claiming that the opposition's aim is to keep the country in chaos and permanent destabilization and disorder. He added they might have killed several young people themselves.

"However, we said that with this step we cared for the most valuable asset of our country - stability and peace. We rejected war! We refused the War Policy, which was their key goal in holding these rallies. I am referring to a destructive, extremist group, collectively known as the UNM," he said.

ALT-INFO REPRESENTATIVES BURN THE EU FLAG NEAR PARLIAMENT

A rally of the violent, pro-Russian party Alt-Info took place in front of the parliament building on Tuesday. Participants took down the EU flag from in front of the legislative body and burned it. They hung the Georgian flag instead.

In January 2022, a law entered into force in Georgia, which stipulates punishment for insulting the official symbol of the European Union, NATO or another international organization erected/exhibited by a public institution.

"The European Union flag will be returned to its place with due honor," Speaker Papuashvili said. "Radicalism begets radicalism. Such behavior is unacceptable, no matter who it comes from. The EU flag will be returned to its place with due respect. As for those sloganloving MPs, I want to tell them that they should have thought about Europe when the windows of the Parliament building were being broken. If they talk about Europe, the flag should fly in their heart and their behavior should be European. The flag will return to its place!" he added.



Image source: parliament.ge

Later, law enforcement officers raised a new EU flag in front of the Parliament building.

FOREIGN REACTIONS TO THE PROTESTS

On Twitter, the European People's Party expressed concerns about the Georgian Dream Party's attempted attack on Georgia's democratic values.

"We are concerned about the Georgian Dream Party's attempted attack on the country's democratic values. It was contrary to the European aspirations of the people! The ruling party proved to be the only 'radical force' and the 'machine of lies' in Georgia", says Miriam M. Lexmann," reads the Tweet.

MEP Viola von Cramon stated at the debate on the issue of Georgia in the European Parliament that the Georgian government is doing everything to sabotage the country's European future, and noted that she believes that the Georgian people deserve EU membership, that the Georgian people are different from the Georgian government.

"Colleagues, all masks are off! The position of the Georgian government is clear, but the population will not accept this position. There is no way for the population of Georgia to go back to Russia. The Georgian people are very different from Georgian government. Everyone went out and made their voices heard in Brussels, Moscow, etc., not only in Tbilisi, Batumi and Kutaisi. The opinion was expressed that "you cannot burn our European identity by burning the flag of the European Union: We are fighting for freedom".

"An article in the Constitution of Georgia requires the Government of Georgia to ensure Georgia's accession to the European Union.

governmental organizations, civil society, and other members of the parliamentary, pro-European opposition.

The party believes that the President of Georgia, Salome Zurabishvili, should closely cooperate with the council.

"The obstacles artificially created by Georgian Dream in the process of obtaining candidate status for joining the EU caused serious concern among the partners of our country.

It has been clearly stated that the EU does not have a reliable partner from the Georgian Government. At the same time, the agenda of the European Union is for Georgia to successfully carry out the reforms that the EU expects, and thereby pave the way for the country to join the European Union. In this process, the main partners of the EU should be those organizations and parties that actually work to ensure the country's European future," reads the statement.

The party claims that it is clear that this government will not ensure Georgia's accession to the European Union.

"Lelo's position is that for the real and final success of Georgia's European path, political changes are needed and Georgian Dream should be removed from the reins of the country's governance through elections," reads the statement.

The opposition parties Girchi, Droa-More Freedom, and Strategy Aghmashenebeli have announced consultations with opposition parties, non-governmental groups, and civil society on the EU's 12 recommendations.

Strategy Agmashenebeli leader Giorgi Vashadze said that clear steps should be

"We have already begun consultations with the political spectrum and civic society to develop concrete steps. We will coordinate and cooperate with our

same argument applied: To what extent it was American, and to what extent did Georgia, as opposed to America, have the authority to enact such a law? On both matters, the Venice Commission has a conclusion. The only distinction between these two laws is that in Ukraine, the registry is maintained by the Security Council under the President, whereas in Georgia, the government is in charge, which is understandable, given that the President of Georgia has other duties. On the second question, whether Georgia can adopt this type of law or not, there is also a judgment on this, and there is no objection in this case. They have created suggestions that the terminology be carefully clarified, which we also mentioned when we discussed this project. What it means, for instance, to be politically active or to have sway over the media, procedural safeguards, the chance to appeal, etc. Making sure the outcomes are proportionate is also important. There are particular recommendations that we will take into consideration, and a decision will be made as a result," Papuashvili remarked.

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In addition, as Papuashvili noted, the Venice Commission does not have any serious remarks regarding the draft law on Common Courts, and recommendations have been presented.

"The Venice Commission has no comments to make about the amendments that we have created for the second issue. the law on Common Courts. The Venice Commission in this case addressed not only this paper but also generally evaluated the recommendations provided by them in the previous two to three years, so they have proposals about additional topics at the same time. Again, they make no significant criticisms of the modifications that the Georgian Parliament has already made; but they do make some new suggestions that we will address. As you are aware, we requested a combined conclusion from the Venice Commission and the OSCE/ODIHR when we provided both documents to them. Both authorities assured us from the start that the findings would be independent. As a result, we are still awaiting the OSCE/ODIHR report on both projects; it is likely that the OSCE/ODIHR will release its findings next week. The relevant parliamentary committee will start working on these materials once we obtain the OSCE/ODIHR report. We'll complete the task soon, ensuring that these criteria are met," Papuashvili added.

The Speaker of the Russian Duma, Vyacheslav Volodin, stated that Washington was preventing Georgia from becoming a sovereign state.

"The draft laws on foreign agents submitted to the Georgian Parliament was unacceptable to the United States, as it aimed to limit the influence of Washington on the domestic political life of the country. By removing it from consideration in Parliament, Georgia lost the chance of sovereignty," Volodin wrote on Telegram, claiming Washington had used "soft power levers" to take people to the streets.

He added his opinion that only the United States can make a decision independently, while all other countries exist under the rules of Washington.

"Any state that doesn't agree with this is at risk of receiving a "color revolution" in response," the Russian MP noted, adding that if the laws had been adopted, Georgia would have the right to control

The Ministry of Internal Affairs released a statement regarding the removal and burning of the EU flag outside the parliament building, noting that law enforcement officers will identify and fine the violators.

"The Ministry of Internal Affairs, on the basis of Article 17418 under the Code of Administrative Offenses, launched administrative proceedings, which implies desecration of official symbols of the European Union, the North Atlantic Treaty Organization or other international organizations, or desecration of the flag or coat of arms of other states. The law enforcement officers will identify and fine the violators." reads the statement.

"Those who are in the Parliament betrayed their people, they forced the people of Georgia to take to the streets. The population of Georgia deserves to become a member of the European Union, even though its government does not," said Cramon.

FULFILLING THE 12 EU REQUIREMENTS

As a result of consultations with European partners, the 'Lelo for Georgia' party announced its initiative to form a public council for monitoring the fulfillment of 12 requirements of the European Union.

As noted in the statement released by the party, the task of the council will be to force Georgian Dream to fulfill all the obligations that the European Union expects from the country's authorities and to ensure the right of Georgian citizens to be accurately informed about the challenges relating to the above process

"Lelo will hold consultations with non-

Western partners in the coming session weeks," he declared. "We must again come together, protest, and show great unity if we see the regime again turning to Russia," he continued.

SPEAKER: VENICE COMMISSION DID NOT OBJECT TO GEORGIA ADOPTING PROPOSED DEOLIGARCHIZATION LAW

Shalva Papuashvili noted there is no objection from the Venice Commission for Georgia to adopt the submitted law on de-oligarchization, noting however, that there are recommendations, which will be considered and a corresponding decision will be made.

"Two topics were covered in the political discussion on the bill on de-oligarchization. One was whether it was truly a translation of Ukrainian law, and the other was whether Georgia had the authority to do so given the circumstances. The conversation we had on the draft law on the transparency of foreign influence is comparable to this one. The

In its interim opinion on the draft law of Georgia on de-oligarchization, the Council of Europe's body of constitutional experts, the Venice Commission, called on the Georgian authorities to adopt systemic reforms rather than targeting specific individuals, in order to achieve "de-oligarchization."

Georgia Ioday MARCH 17 - 23, 2023

POLITICS 6

New World Order, Violence and Adaptability

ANALYSIS BY EMIL AVDALIANI

rdering is about violence. It is an inherent process within each such grand enterprise, and the liberal internationalism as a missionary project is no exception. It has often turned to violent measures to spread and uphold its ideas. Nevertheless, liberal internationalism is a far more benign order in comparison with its predecessors or the present challenges portrayed as alternatives.

The liberal order faces a multi-layered challenge today, ranging from America's crisis of authority and external dimensions, coming as a result of unrestrained liberal expansion, to the Eurasianist pushback headed by Russia, China and multiple other states.

But as much as the crisis is real and markedly different in gravity in comparison with previous challenges, picturing the coming end to the liberal idea could be a hastily reached conclusion. Liberal internationalism is surprisingly resilient. It has been made and remade by various historical processes, and adjustment to rising external and internal challenges served as a constant. Nowadays, as the global shifts accelerate, liberalism is likely again to be responding by adapting. Adaptation might be a long and painful process filled with both successes and failures, but it neverthe-



Image source: VCG

less points to the idea's flexibility. The liberal idea proved especially resilient and progressive in times of grave challenges, such as the Nazi and Soviet communism menaces. Even now, liberalism's elasticity and attractiveness are evidenced by a number of states of various sizes and in different regions becoming part of the order. True, some evolve into imperfect democracies (as in the case of the South Caucasus states), but large parts of those countries' societies nevertheless embrace the liberal idea and strive for improvement in governance. Larger failures too happen. With China and Russia, liberal attractiveness has not worked, and has even produced radically opposite results, as both states are building their institutions based on alternative ideas. Liberalism, despite its internal contradictions, is nevertheless a more benign formula than any of its alternatives. The idea is also attractive for its aspiration to and successfully carrying out of a relatively even spread of economic benefits among its participants. Indeed, the elasticity of the liberal order was proved when Russia began that fullscale invasion of Ukraine in February 2022. The thinking in Moscow was evident: The liberal order is not only weak, but it actually experiences fundamental troubles and it is only a matter of time until it breaks down. Perhaps Putin thought he could even nudge it a bit in this direction and thus accelerate the

demise of the liberal system.

The Kremlin-linked Russian analysts and politicians in Moscow have long gloated over the idea of the rise of Asia (an undeniable fact) and the simultaneous self-destruction of the West. What was unrealistic in their discourse was that the rise of Asia does not necessarily entail the automatic destruction of the West; rather, a redistribution of power is taking place where several major centers with relatively even potential are being formed.

Moscow also miscalculated on China's approach. Beijing supported the idea of the indivisibility of European security, whereby Russia's security concerns were legitimate. Overall, though, China remained impartial. It avoided (at least initially and in the mid-term) siding with Moscow through more concrete measures. Reasons vary, but several of them stand out most for our discussion. Russia's campaign shattered one of China's most cherished principles: Non-interference in another country's domestic affairs. Beijing therefore needs to reconcile this core "Westphalian principle" with its close ties to Russia.

China also saw that Russia's adventurism strengthened rather than weakened the collective West. With a stronger and more united attitude on Russia, a revived West may also take a more confrontational approach toward China. More crucially, this comes in the wake of China's falling prestige in Eastern Europe, as well as NATO and the EU openly seeing China as a concrete geopolitical threat.

Generally, Beijing does not want Russia to lose because that would boost the collective West. Beijing is also concerned about Russia's adventurism escalating into a larger global conflict, which China would be unable to avoid due to the possible security and economic consequences. In light of these factors, a longterm standoff between Russia and the West that does not devolve into a "hot war" would be most advantageous to China, giving it time to adjust to new geopolitical realities while the US concentrates on places other than the Indo-Pacific.

But perhaps Moscow's biggest failure was the expectation of the West failing to mount a concerted effort against Russia. Divisions within the trans-Atlantic community were seen as too fundamental, while Hungary and others as less pliable to common European interests. Moreover, the EU was seen as a defunct organization, an attitude seen well before 2022 when the Kremlin openly denigrated Brussels and did not see it fit for grand geopolitical bargains.

The reality proved totally different in the first months after the Russian invasion: The liberal system showed it can sustain itself and mount definitive counter-attacks on the perpetrators. Russia was sanctioned with wide-ranging measures, which if not immediately then in the longer run are planned to cripple Russian economy.

Ted Jonas on Georgian Dream's Russian Choice pendence and sovereignty only in the entirely conceivable that Ivanishvili, or

Continued from page 3

This government backed down because they recognized that this was an existential threat that wasn't going to go away. Now, that doesn't mean that I entirely trust their retraction, because their conduct leading up to this moment has been egregiously bad- they lied to the public in a major way, completely at the direction of Russia and in order to satisfy Russian interests. That doesn't go away in 24 hours simply because they've changed their position. The Georgian people have to be very vigilant about what is happening here.

WHO ADVOCATED FOR THIS LAW?

When all your friends and partners, at least on paper, tell you you shouldn't do it, and you go and do it anyway, that means you disrespect those so-called friends and partners. One of the things that has irritated people so much, including me, is the complete disrespect this government has shown to European countries, to the EU and US. Now, if we didn't support Georgia, if all we did was terrorize Georgia and bother Georgia. well, that would make sense. But we support Georgia, we finance Georgia, we have helped Georgia maintain its independence for 30 years, and to show this kind of disrespect to us, and to show that kind of aggression, means that they view us as their enemy. I was shocked and outraged by this. No Georgian government, and I go back to 1994 here, would ever have disrespected the EU and US in this way. Whose rhetoric were they using? If you ask me, it was very similar to Russian rhetoric, and to the right-wing populist rhetoric of Eastern Europe.

High Middle Ages. But, in general, through most of Georgian history, they have had to either accommodate Iran, Turkey or Russia. And the situation is true today - if Georgia does not have a strong relationship with the United States and the European Union, it's going to have a strong relationship with the other big power that influences this region, which is Russia. You could also list China, Iran, or Turkey, but Russia is still the major heavyweight in the region, despite how much it's been weakened by the war in Ukraine. And even China, Iran and Turkey will defer to Russia's historical interest in this region.

PESKOV SAID RUSSIA HAD NOTHING TO DO WITH THE FOREIGN AGENT LAW.

I don't think that Peskov is someone I would believe. As spokesman, it's his job to lie and spin information.

What goes on inside the Georgian Dream party and leadership is a black box, we can't see into it, there is no transparency there. We know that the unelected official Bidzina Ivanishvili has a major influence on Georgian Dream. There have for years been these hanging questions: Does Mr. Ivanishvili directly follow instructions from Russia, or does he act in his own interests in a way that may coincide with Russian interests? I personally believe it's a combination of both. I think the escalation of the Georgian government's anti-Western actions after the Russian invasion of Ukraine had to have been at least partly a message from the Russians that "we are in a fight in Ukraine, we are in a dire situation in Ukraine, and you damn well better stay loyal and stay on our side, because we're very nervous about any

somebody within the Georgian Dream apparatus, actually has a conversation with the Russians in this situation, says, "Look, guys, we could get overthrown. Because of this situation, we are in a desperate and dangerous situation. You need to give us a break. You have to give us a little bit of room to accommodate this domestic opposition. We tried in good faith, look at how much sacrifice we made to try to push this agenda. But it got very dangerous." And maybe they said, "Unless you want to see another Maidan in Georgia, you need to give us some space to back off."

I can see that kind of thing. In my opinion, Mr. Ivanishvili prefers a Georgia where he is not subject to European-type laws and regulations. I think that this has a lot to do with his own interests, as well as Russia's. I don't think it's a pure diktat relationship, I think there's some dialogue and give and take in it. But the bottom line is still the same, which is that Russia wants Georgia in their camp. As everyone can see, in the last year, the government has been anti-Ukraine, anti-Western; they've acted in Russia's camp, and that has not suddenly changed because they withdrew this law.

COULD THE CASE BE MADE THAT THIS CONCILIATORY TONE HELPED ENCOURAGE THE **GOVERNMENT'S ACTIONS?**

A little. But the criticism from the West is not what affected their conduct. What affected their conduct was what happened in the street. And the fear that the Georgian public was really going to finally, in majority, actively turn against them, and toss them out. A Maidan scenario.

AND IF THE WESTERN RESPONSE HAD BEEN STRONGER?

Like sanctions? Sanctions are a legal act that has to be legally grounded. And as much as it may be emotionally satisfying to see sanctions against Bidzina Ivanishvili and sanctions against certain figures in the government, the basic issue there is that the legal groundwork has not been established. You have to meet certain specific criteria to impose sanctions. There has to be proof that Ivanishvili really is carrying out instructions for the Russian government, or that there are sanction evasions by Georgia. There's certainly the impression floating in the air that that's exactly what's happening. But unless there is solid evidence of it. it can't be done. It's a judgment call by lawyers in the US Treasury Department and in the United Nations and EU. It's a legal judgment, and it needs the legal groundwork and proof to be established in order to institute sanctions.



Source: BM.ge HOW MUCH CREDIBILITY AND TRUST DOES THE GEORGIAN **GOVERNMENT HAVE LEFT IN** THE EYES OF THE WEST?

The Georgian Dream government had a lot of credibility with the Western governments at the end of 2020, because the elections, from their point of view, were relatively ok, and the opposition looked bad for refusing to enter Parliament. And then, all of a sudden, for some reason, in 2021, GD starts engaging in conduct that gratuitously, unnecessarily sought to provoke and alienate the country's Western interests.

I believe they have lost trust in this government and it mainly happened in the last year, after the Ukraine invasion, because the rhetoric of the government got so anti-western The West didn't start that fight, they did. I think these people - Mr. Kobakhidze and others, I used to think: Oh my god, how can they be so stupid? But they are not stupid. They know what they're doing.

IF THEY SEE THE WEST AS AN ENEMY, WHO DO **THEY SEE AS FRIENDS?**

Primarily Russia. Georgia is a small nation, as our audience well knows, surrounded by big countries. Every small nation in history has struggled to maintain its sovereignty and independence from large nations that surround it. Georgia was able to preserve its inde-

other threats." Russians have been desperately seeking allies. That's why Lavrov is going all over Africa to find any dictator, even one in a small country, that might support him. I believe the relationship between Ivanishvili, Georgian Dream, and the Russians, on the other hand is a bit of their own interests and on the other a bit of the Russians' interests. And it is cal.

THE REASON THE GOVERNMENT WITHDREW IT WAS THE **PEOPLE IN THE STREETS** AND NOT BRUSSELS BEING VERY CONCERNED" AND **"CONDEMNING IT IN THE STRONGEST TERMS." WILL** THE GEORGIAN DREAM NOW BE ALLOWED BACK INTO THE GOOD GRACES OF MONSIEUR MICHEL AND CO.?

I think the EU and US representatives will take a more moderate and conciliatory tone because their objective is to maintain the relationship with Georgia. It is their job as diplomats to deal with the government that is in power. Other actors from the EU, the outspoken MEPs like my friend Viola von Cramon, or outspoken figures in the US like Senator Jeanne Shaheen, or retired General Ben Hodges, I think people like that will continue to be far more skeptical and criti-

SO THAT IS THE ONLY THING **STOPPING THEM? THEY CAN'T** FIND THE LEGAL PROOF?

My personal opinion is yes. I can't speak for the US government; I can only speculate about it. But if the legal evidence was there for sanctions against Mr. Ivanishvili, meaning proof of a direct connection to Russia, I think the West would beglad to impose those sanctions, because it's clear that they are not happy with this government. The government is insulting them on a daily basis; is aggressive towards them on a daily basis. This government is not on board with US foreign policy, it is not on board with EU foreign policy- it's on board with Russian foreign policy, and Russia is an adversary of the United States.

AND WHERE DOES THAT PATH LEAD?

It can only lead into Russia's orbit. Because again: small nation, difficult neighborhood surrounded by big powers. Georgia doesn't have David Agmashenebeli or Queen Tamar, and we don't have the Seljuks in retreat. We live in a world today, where Georgia, like many other small nations in difficult areas, needs outside help and support. And if it's not getting that from the West, it's going to get it from Russia. So if you are not here with the West – and everybody knows it. Shevardnadze knew it. Zurab Zhvania knew it, Misha Saakashvili knew it, and Gamsakhurdia knew it, from what I understand - if you're not with the West. then you are going to be falling over to the Russian side.

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At the Crossroads of Choices: When Too Much Is Confusing and Too Little Is Restricting. Part 2

BY VICTOR KIPIANI, CHAIRPERSON OF GEOCASE

n general, it is widely believed that for several decades after the end of the Cold War, the world was dominated by the so-called unipolar Pax Americana. One of the established perceptions of the recent period is that talk of unipolarity now has no basis and is being replaced by a bipolar world order. Obviously, the mentioned concept has both its grounds and specific features, which significantly distinguish it from the bipolar structure well known to the older generations.

Let me begin by saying that two is two, but this time the composition of the two is qualitatively different. Whereas after World War II the global balance was created jointly by the United States and the Soviet Union, the latter has now been replaced by China.

Regardless of the figurants, there is one principal expectation regarding the bipolar order as a whole, that it will be relatively stable, and international relations of the subjects participating in the tandem will be subject to a certain predictability. In this connection, it is probably not accidental that the previous variant (with participation of the USA and the USSR) was called the longest period of "peace" in the bipolar world. Of course, the word "peace" here is still conditional, given the numerous wars, armed conflicts, interventions and externally supported internal insurgencies.

However, the most important thing in this context is that none of the confrontations (proxy wars) in which both poles participated openly or covertly went beyond the limits of what is acceptable and did not turn into a direct conflict between the USA and the USSR or into a nuclear war. This is probably why in today's debates, many international figures and experts prefer to divide influence in the world into two areas again. And this, along with the redistribution of spheres of influence, also means taking responsibility to an appropriate degree for resolving controversial issues and for systematic relations in the tandem format.

In any event, this limits the theorizing on the various variants of bipolarity, while the specifics are determined again and again by the essence of the bipolar system in the relevant time and circumstances. Much is being written and many important opinions are being heard today about the nature of USA-China bipolarity. The evolution of comparisons and opinions along this line must be constantly observed, as changing circumstances, both objective and determined by the personal qualities of any given leader, are directly linked to this evolution. Obviously, it is impossible to discuss in the bipolar system mentioned above modern bipolarity in the course of a is determined by the same regional single article, although several charac- nature of the conflict: The fact is that teristic theses deserve to be mentioned the actual "line of contact" between the bipolar world of the USA and China would not seem to be as stable as a USA-USSR world. The bipolarity that emerged from World War II was the joint result of both actors of that time: the two superpowers who had won the war created the rules of the post-war world by reconciling or confronting each other. As a result, there was no such lag between the influences that either pole was willing to express direct aggression against the other. Thus, the "cohabitating" United States and the USSR found common ground (despite the fact that at times they even reached the threshold of acute crisis) and gave the subjects in their spheres of influence the means to "find common ground" as well. The lack of sustainability of the new bipolar system involving the United States and China is explained by the peculiarities of the relationship "between the two" among which we will try to highlight several fundamental ones.



US Army and China's People's Liberation Army military personnel attend a closing ceremony of an exercise of "Disaster Management Exchange" near Nanjing, Jiangsu province in China in 2018. REUTERS/Aly Song

THE THUCYDIDES TRAP

Indicates a trend in which a dynamically growing actor in terms of influence is trying to take over primacy and, virtually, hegemony from a longstanding and influential actor. The risk of a confrontation turning into a direct military conflict is associated with the "Thucydides Trap", when the strengthening of the Chinese factor threatens the United States with the loss of its role as the sole leader in the world. Speaking of the above trend, it should be noted that such an open and large-scale conflict is so far unlikely, because: (a) China's military potential is not adequately prepared for it, and (b) Chinese "courage" at this stage is driven by the desire to establish itself as a regional hegemon rather than a global one. However, it seems that this view is only partly true. First, in order to strengthen the role on a global scale in today's environment, along with the military factor, economic and the so-called "soft power" potential are equally necessary. China has advanced quite far in this regard over the past two decades, and the only question is to what extent the military, economic and soft power components complement or balance each other. And second: it is true that Beijing is still busy expanding its "Monroe Doctrine" in the region, but this does not completely exclude the danger of any regional conflict (say, the Taiwan issue) turning into a global one. One of the factors that contribute to avoiding a major conflict

ventional measures that creates the volume of e-commerce is also important. essence of modern conflict and determines the effectiveness of preventive or countermeasures. All of this is a subject of discussion on the basis of expertise beyond the scope of the article presented.

INTERDEPENDENCE

That is, the close relationship between the economic interests of the United States and China, which undoubtedly gives a certain uniqueness to the socalled Cold War of the second version - in comparison with the analogue of the last century. Despite repeated statements and partial steps taken in this regard, it has proven very difficult to actually achieve "decoupling" and end the existing economic interdependence. While not providing extensive statistical analysis, we will only point out a few circumstances.

From agricultural products to various raw materials and components needed for manufacturing, China continues to be the largest U.S. export market. As to the trade turnover, although it is true that it has declined somewhat between the U.S. and China, but this deficit is due to the penetration of Chinese exports into the U.S. market from third countries (Vietnam, Malaysia, Taiwan, Indonesia) rather than directly from China. The

In order to meet the goals set by the protectionist policy of the US, the current administration has applied a series of legislative initiatives, which should have led to the possibility of greater political maneuverability towards China and increased economic space. For instance, we would like to specifically mention the Inflation Reduction Act passed to support domestic production in the US, or the adoption of a legislative embargo package aimed at limiting future microchip production by China.

This was supplemented by some political measures taken by Washington to weaken EU trade ties with China or to diminish the role of the World Trade Organization in US-China relations. The palette of such examples can be enriched by mentioning the measures implemented as part of Beijing's obviously protectionist policy. It is a fact that in the context of the unfolded first world economic war the US-China relations have a significant impact on the formation of not only the bipolar, but also the whole new global (dis)order.

Here we should also note the circumstances that are manifested in the form of systemic challenges to the Chinese economy in the context of bipolar confrontation with the United States. Contrary to the widespread opinion about the "boundlessness," "enormity" and "guaranteed" resource of China's economic potential, in fact, this is not the case. The main reason for these challenges is to be found in the macroeconomic structure, which is unbalanced. This inequality is largely manifested in the prevalence of the real estate sector, and the investment resources needed to reduce the existing imbalance, including investments by local companies in their own production, are considered insufficient at this stage. Thus, long-term high-interest economic growth, which is so important for the stability of China's political and social background, is problematic and poses a challenge that amounts to a national threat to official Beijing. Moreover, a significant challenge to the country's development may become (if it has not already become) a phenomenon in the economy known as the "average income trap": that is, a situation in which a slowdown in the required pace of development of productive capacity and lagging behind high-income countries directly affects the average income of the population. In sum, this negative process manifests itself in a weakening of global influence.

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It is a fact that complete and effective "separation" is almost impossible, and both sides are aware of this. This is what makes the bipolar world of the United States and China different from the bipolar world of the United States and the Soviet Union, where the modern version, unlike its predecessor, is much less ideologized. The explanation should be sought in several key aspects. We have already briefly described the export destination of the other country for each of these countries.

It is also necessary to mention the geopolitical and geoeconomic role of the U.S. dollar as a world currency, which is difficult for Beijing to ignore. In addition, for maintaining the dollar's role in the U.S. Treasury securities portfolio the Chinese ownership share is leading immediate or significant sales of debt securities would critically affect U.S. bonds and the interbank interest rate. Similarly, with regard to U.S. foreign exchange reserves, the "pegging" of the Chinese yuan to the U.S. dollar is a determinant for the value of the dollar. Therefore, Washington and Beijing should bear the burden of this very critical segment of the bipolar system "forcefully and with dignity," with due prudence and consideration of reciprocal obligations.

To be continued.



To begin with, there is the view that a United States and China runs along a relatively small sea area, not over the global ocean or land. It is likely this is only for now.

> It is also a fact that in order to achieve possible stability between the US and China a major role is assigned to the potential of Chinese nuclear weapons. i.e. to bring them to a level that would make these weapons, just as in the confrontation between the USSR and the US, a real deterrent. Here we should also say that in the era of great power competition the nuclear factor has a number of other determining "errors" (including misinterpreting the adversary's intentions and basing countermeasures on an incorrect consideration).

> The use of new forms and methods to spread influence, especially in cyberspace and other spaces, is also considered under the same theme. Their effective use is a kind of introduction or even a prerequisite for enhancing the military or political outcome, since it is the combination of conventional and non-con

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The date and theme of the second round will be announced later.

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8 | **BUSINESS**

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The ISET Policy Institute (ISETPI, www.iset-pi.ge) is an independent think-tank associated with the International School of Economics at TSU (ISET). Our blog carries economic analysis of current events and policies in Georgia and the South Caucasus region ranging from agriculture, to economic growth, energy, labor markets and the nexus of economics, culture and religion. Thought-provoking and fun to read, our blog posts are written by international faculty teaching at ISET and recent graduates representing the new generation of Georgian, Azerbaijani and Armenian economists.

Price Controls and their Impact on the Economy

BY SALOME GELASHVILI AND SALOME DEISADZE

ver the past few years, food prices have been increasing and Georgia has been facing food price inflation in the double digits. This is primarily due to international market trends that reflect concerns over decreased production, increased crude oil prices, as well as COVID-19 pandemicrelated restrictions. Russia's full-scale invasion in Ukraine increased pressure on international food markets already struggling with soaring prices.

The food prices in Georgia experienced a sharp increase of 22% on a yearly basis in May 2022, but there was some moderation afterward, and the average annual increase during the rest of the year was 16.5%, as shown in Figure 1. Overall, the average price increase in the category of food and non-alcoholic beverages was 17.9% in 2022. In 2023, food prices continued to increase on an annual basis but at smaller pace of 15% in January. This is particularly concerning as households in Georgia allocate almost half of their total budget towards food expenditures: the share of expenditure on food in total household consumption expenditure increased from 43% in 2019 to 48.7% in 2021 (Geostat, 2023). As a result, the high food prices are putting significant financial strain on the general population, with the low-income families being particularly affected.

THE GOVERNMENT'S NEW INITIATIVE

In the wake of the pandemic and Russia's invasion of Ukraine, the Government of Georgia (GoG) has been faced with the significant challenge of maintaining low and stable food prices. The current circumstances have heightened the importance of this issue, as the economic impacts of these events have already put significant strain on the population. As a result, the government has been working to address this challenge and ensure that food remains affordable for all.

In the attempt to lower the food prices earlier this year, in February, the Ministry of Economy and Sustainable Development (MoESD) of Georgia was given the task of creating a new draft law aimed at regulating food prices (Business Media Georgia, 2023). Government officials have indicated that the draft legislation is being developed in accordance with the European Union's Directive 633 of 2019, which focuses on promoting fair competition in the market. According to the government, the purpose of the draft law is to optimize processes at various levels of supply chain, which should ultimately lead to reduced profit margins and prices (Business Media Georgia, 2023). The government has stated that the proposed draft law aims to address several key issues related to food pricing, such as setting standard payment terms for suppliers, including taxes and marketing expenses, promoting transparent sharing of stock information, and establishing guidelines for returnable products. The government has emphasized that these measures are directly linked to optimizing processes and maintaining reasonable profit margins.



FOOD PRICE INFLATION



Source: Geostat, 2023. Note: Same month of the previous year=100

tiative, analyze price control mechanisms, and examine their potential impact on market economies. We also discuss alternatives to reduce food prices and their volatility.

THE EU DIRECTIVE 2019/633 ON UNFAIR TRADING PRACTICES

The European Union has taken steps to address unfair trading practices within the food supply chain, which can harm farmers and small operators due to imbalances of power between larger and smaller entities (European Commission, 2023). These practices deviate from good commercial conduct and violate principles of fair trading. To better protect farmers, as well as small and mediumsized suppliers, the EU has enacted mandatory rules that prohibit certain unfair trading practices. The EU Directive 2019/633 on unfair trading practices in the agricultural and food supply chain was approved by the European Parliament and Council on April 17, 2019, and requires EU member countries to adopt the Directive into their national laws by May 1, 2021, with enforcement beginning six months later.

The Directive distinguishes between "black" and "grey" practices. Black practices are those that are always prohibited, regardless of the circumstances. These include practices such as late payments, cancellation of orders at short notice, and unilateral changes to contracts. Grev practices, on the other hand, are those that may be allowed if they are agreed upon beforehand in a clear and unambiguous manner. These practices include things like payment for shelf space and marketing costs, provided that the terms are clearly agreed upon in advance and do not unfairly disadvantage the supplier. By banning black practices and providing clearer rules around grey practices, the Directive aims to create a more level playing field for farmers and SMEs in the food supply chain, and to ensure that they receive fairer treatment from their larger trading partners (European Commission, 2019).

lined in the Directive (European Commission, 2019).

Although the Directive may have an indirect impact on food prices, there are no predictions or assumptions about this matter. The Directive is more likely to have an impact on how value added and profits are distributed across the value chain. Contrary to the Directive, GoG's proposed approach resembles price controls and is in conflict with the principles of competitive market economies, which Georgia aspires to be.

WHAT DOES ECONOMIC THEORY SAY ABOUT PRICE CONTROLS?

Price controls are a policy tool that can take mainly two forms: price floors and price ceilings. Price floors refer to minimum prices set by the law - minimum wages are the most well-known example of price floor. Unlike price floors which prevent the prices from being too low, price ceilings are typically implemented to prevent prices from becoming too high and involve setting a maximum price that sellers can charge for a product or service. In the context of government intervention, the regulation of prices suggests the imposition of a price ceiling on certain goods such as food products or petrol. This would mean that sellers of these products would be prohibited from charging a price above a certain limit set by the government. While they might not be officially prohibited from charging the prices they want, the government "indirectly hinting" the need to reduce the price still implies the government using price controls to regulate the market. According to economic theory price controls have several negative consequences. First and foremost, they often lead to shortages, as the price of a product is artificially lowered below its market equilibrium point, creating excess demand. Additionally, price ceilings can result in a reduction in the quality of the product, as manufacturers may cut corners to keep costs down. Sellers can evade the law by cutting quality rather than raising price. Consumers may also experience search costs, such as long lines or wasted time trying to find a product that is in high demand but in short supply. Usually, given that paying higher price is illegal, buyers find other ways to pay more through bribes which

eventually leads to higher levels of corruption. Furthermore, price ceilings can cause a loss of gains from trade, as sellers may be unable or unwilling to produce goods at the artificially low price. With price controls, some profitable trades will not be made. This creates a deadweight loss, which is the total of lost consumer and producer surplus when not all mutually profitable gains from trade are exploited. Lastly, price ceilings can lead to a misallocation of resources, as producers may shift their attention away from the affected market and towards more profitable areas, leaving consumers with fewer choices and lower-quality products.

Moreover, controlling profit margins might eventually result in higher prices on some food products. That is because a relatively low-quality product usually sells for a lower margin and a high-quality product - for a high margin. If a cap is placed on the margin, even a lowquality product could become more expensive because sellers of high-margin products will not be able to make enough profit. Vulnerable groups who cannot afford higher quality products tend to buy lower quality ones, so setting limits on margins could disproportionately affect this vulnerable population.

Since market in the economy are interlinked, price controls imposed on one

not making enough to maintain them. Therefore, buildings deteriorate and become unsafe for living. For example, this is the case in India, where rent controls exacerbate real estate market crisis.

In case of prices for drugs, lower prices lead to lower revenues, which force the producers to find ways to reduce costs. This typically results in lower investments in research & development and therefore less innovative products appearing on the market. The US has experience in controlling medicine prices. The federal government enacted a law in 1990 that restricted the expenses of medications for state Medicaid programs (American Legislative Exchange Council, 2022). When pharmaceutical companies were obligated to offer Medicaid the same discounted prices as their lowest price to any other customer, they decreased the discounts they provided. Therefore, this law caused drug costs to rise for numerous private purchasers (CATO Institute, 2001).

Regarding energy markets, the US government began significant involvement in the 1930s and continued until the 1970s. A set of laws and executive measures were introduced to regulate energy prices, limit competition, and control imports. In 1970s, policymakers deregulated the market and did not apply price controls since then even during the 2008 crisis.

An examination of the fuel markets in 97 nations indicates that in 60% of them, fuel markets are deregulated, and the prices of retail fuel are determined by market forces (Global Petrol Prices, 2023). The majority of countries that fall under this classification have a high degree of economic advancement. In the remaining 40% of the countries, wish are less developed countries, the government is involved in the retail fuel pricing with a price ceiling or a fixed price.

While most of the economists believe that limiting prices charged by companies, distorts the markets through shortages and other supply chain problems, some countries still consider applying measures that can indirectly regulate food prices (CNN Business, 2022). For example, Bulgaria is going to introduce a mechanism to monitor and control food prices across the entire supply chain (CNN Business, 2022). According to Bulgarian government officials, they are not going to violate the established rules of free competition, but are going to work towards increasing customers' awareness on price differences between supply chain actors. The German capital of Berlin, for example, has sought to set price ceiling on rent. Regulators in the United Kingdom impose restrictions on the amount of money that consumers can be charged for energy and certain types of rail fares (CNN Business, 2022). The latter markets are more of a natural monopoly where public intervention might be beneficial. Food markets, on the contrary, are mostly competitive markets where government intervention leads to distortion.

In this policy brief, we compare the EU Directive 2019/633 to the GoG ini-

EU member states have the option to implement the Directive into their national laws with stricter regulations that exceed the Directive's requirements. Nonetheless, they are not permitted to provide less protection than what is outmarket affect other markets as shortages in one market create breakdowns and shortages in other markets. Therefore, effect of price controls expands into markets without price controls eventually distorting those whole economy.

OTHER COUNRTRIES' EXPERIENCE WITH PRICE CONTROLS

Some of the most common examples of price controls include rent control, where governments set a maximum amount of rent that a property owner can charge and limit the yearly rent increase, as well as the regulation of drug prices to increase the affordability of medication and healthcare. Throughout the history price controls have been also applied to fuel and food prices.

As a result of rent control, when prices are too low for housing, there may not be enough supply, thereby increasing unmet/excess demand. For instance, landlords may let the condition of their properties deteriorate because they are In spite of the history of failure, regulating prices seems tempting to many policymakers including the GoG.

ARE THERE ANY ALTERNATIVES TO PRICE CONTROLS?

Combating food price inflation is a challenging task that involves gathering and meticulously examining data to develop solutions that align with the principles of a market economy.

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GEORGIA TODAY MARCH 17 - 23, 2023

Silknet - the Presenter of the First World Championship in Georgia



BY KETEVAN SKHIRTLADZE

he Georgian mountain resort of Bakuriani successfully hosted the World Championship in Freestyle, Snowboarding, and Freeskiing from February 16 to March 5.

Silknet was the company presenting the first World Championship in Georgia, its brand having been associated with winter sports for more than 10 years. Since its establishment, Silknet has been the general sponsor of the Georgian Ski Federation.

To find out what it takes to prepare for this high-ranking championship, GEOR-GIA TODAY sat down with Kato Javakhishvili, Director of the Silknet Marketing Department.

HOW DID SILKNET PREPARE FOR THE 2023 WORLD CUP? HOW DID GEORGIA WIN THE RIGHT TO HOLD THE **CHAMPIONSHIP IN GEORGIA?**

Georgia hosted the World Championship for the first time. These were spectacular and memorable days to be proud of. 700 highly rated athletes from 42 countries competed in Bakuriani, Freestyle, Snowboard, and Frisk. More than 175 million people watched the championship live. I think it was pretty logical that Silknet, which has been the main supporter of skiing sports in the country for years, was the presenter of the World Championship.

Work kicked off in 2018, at the Congress are already planned.

of the International Skiing Federation in Greece, where the candidacy of Bakuriani was considered for holding the championship along with famous sports resorts. It was quite challenging for our country to compete with the experienced and better-known mountain resorts of the world. However, we were successful in convincing the international federation and delegates. In achieving this, Giorgi Ramishvili, the founder of Silknet and a huge supporter of skiing sports, played a great role. Long before the establishment of Silknet, Giorgi made all the effort to help with the development of winter sports in Georgia and assisted numerous athletes to compete at the international level. After winning the right to host the World Cup, Georgia began the humungous work needed to prepare.

Very high-level delegations and ski federations of different countries attended the World Championship. Observers and international media were constantly on the ground. It was emphasized that Georgia has everything needed to become a destination country for winter sports. In a short time, with the involvement of the government and the state and the infrastructural projects implemented in the resort, Bakuriani has become a completely modern mountain sports resort and the center of attention, something that was highlighted by all the athletes, for whom Bakuriani was a discovery. There, they found a comfortable environment, modern competition tracks and got to enjoy the energy of the fans and Georgian hospitality. Comments of admiration were heard during all broadcasts about Georgia on international channels.

For the World Championship, in Bakuriani, within five years, 3 new cable cars, a 29 km long artificial snowmaking system and 6 new competition tracks were built. In total, the state invested 270 million GEL to host the championship in Bakuriani

When the president of the International Ski Federation visited Bakuriani, that's probably why he couldn't hide his admiration that in this short time, with the work of the government, our federation, and many people, Bakuriani has become a world-class resort. This legacy remains in Georgia, and new perspectives have already emerged. The next two seasons BAI

SILKNET SPONSORS NUMEROUS **INTERNATIONAL AND LOCAL COMPETITIONS IN WINTER SPORTS. WHY IS THIS FIELD INTERESTING TO YOU AND** HOW DOES YOUR COMPANY **CONTRIBUTE TO DEVELOPING** WINTER SPORTS IN GEORGIA?

The Silknet team put a lot of hard work into organizing the first World Cup. It was a completely new experience and at the same time glorious and huge responsibility that we were involved in, creating completely new potential for the country. The company chose to support the endeavor of developing winter sports at its establishment. Silknet has been the general sponsor of the Georgian Ski Federation for more than 10 years. At that time, very few people believed in the development of winter sports and Georgia's potential. Through consistent cooperation with the Georgian Ski Federation, in recent years, we have been able to host various international tournaments. We were able to encourage the national team of Georgia and an individual athlete to participate in the international competition. These years logically led us to new challenges. We are glad that many people wanted to participate in Bakuriani 2023 and that other businesses also got involved in this important work for the country.

TELL US ABOUT OTHER PROJECTS SUPPORTED BY SILKNET. WHAT ARE YOUR FUTURE PLANS?

The thing Silknet values most is the accessibility of education. I will single out several large-scale projects in this direction.

10 years ago, with the support of Silknet, the Georgian version of the international magazine National Geographic was published in the country. Every month, readers receive information about scientific, social, and archeological news and important research conducted in various fields in the Georgian language. With the support of Silknet, meetings with readers are systematically held, something which has already gained great popularity in society.

This year, we have the jubilee year of another project, the Tsinandali Music Festival. Five years ago, our company became the presenter of this unique festival held on the Chavchavadze Estate. A festival with its own content, it also takes into account the education component. In addition to the rich concert program, young performers can attend the masterclasses of famous musicians during the festival. The Pan-Caucasian Youth Orchestra was created on the basis of the festival, which unites the youth of the region. The "Magic Days" of 2023 will begin on August 31 and will gather world stars for ten days.

As part of the educational direction, several years ago, the "Home School" project was created on the initiative of Silknet, which provided a lot of help to students and their parents during the pandemic. This project won a very important corporate responsibility award in the "Quality Education" category at the annual event organized by the Global Compact Network Georgia.

The "Wounded Fighters Support Fund" project, which Silknet founded a few years ago, is also very important to us. The activity of the fund involves the assistance and rehabilitation of military personnel and veterans that participated in the wars of Abkhazia and Samachablo, as well as those who take part in international peacekeeping missions. We are glad that hundreds of businesses and private individuals are already involved in donating to the fund together with Silknet, and this number is growing every year. We also received the "Forbes Georgia Social Impact" award for the establishment of the fund.

For us, as one of the leading companies in the industry, social responsibility is very important and we believe that consistent and systematic support of such projects has a positive impact not only on the company but on the development of the country in general.

Price Controls and their Impact on the Economy

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To stabilize food prices and prevent market distortion, the following options can be explored:

ents later than 30 days for perishable agricultural and food products: Payment later than 60 days for other agri-food products; Short-notice cancellations of perishable agri-food products: Unilateral contract changes by the buyer;

manage the risks associated with food price volatility.

Promote market transparency: Improving market transparency through the col- advantage of price differentials between lection and dissemination of information different markets and reduce the impact on food production, demand, and prices can help to reduce the uncertainty and volatility in food prices. Collecting information on the distribution of value added among the actors of supply chain can be helpful in designing policies related to fair trade practices in the supply chain. Diversify import markets: Diversification of import markets can provide greater resilience to food price volatility by reducing dependence on any one supplier or region, increasing competition, providing access to alternative sources of food products, and reducing the impact of local supply shocks and price fluctuations. It can help to reduce the dependence on a single supplier or a market, which can cause prices to spike due to any disruption to the supply chain (e.g., Georgia depends on imports of wheat flour and sunflower oil from Russia and the trade restrictive measures taken by Russia put and upward pressure on food prices). In addition, import diversification can increase competition among suppliers, leading to more stable

prices over time. Furthermore, diversification can create opportunities for price arbitrage, allowing buyers to take

Increase competition: Encouraging competition among food producers and retailers can help to lower prices. To promote competition GoG can support new market entrants, encourage innovation, prevent monopolies, provide market information to consumers and support international trade.

Increase agricultural productivity: Increasing agricultural productivity through better farming practices, improved agricultural inputs, and modern irrigation systems can help to increase food supply and reduce the impact of and improving farming techniques can increase productivity, which can lead to lower production costs and ultimately lower food prices.

Enhance storage and transportation infrastructure: Developing storage and transportation infrastructure can help to mitigate the impact of supply shocks and price fluctuations. Having adequate storage facilities can allow for the temporary storage of excess food during

Ten black unfair trading practices

 Risk of loss and deterioration transferred to the supplier; Refusal of a written confirmation of a supply agreement by the buyer, despite request from the supplier; Misuse of trade secrets by the buyer. Commercial retaliation by the buyer; Transferring the costs of examining customer complaints to the supplier.

ated to a specific tran

Payment of the supplier for stocking, display and listing. Payment of the supplier for promotion; Payment of the supplier for marketing;
Payment of the supplier for advertising;
Payment of the supplier for staff of the buyer, fitting out premises.

price shocks. Investing in agriculture Diagram 1. "Black" and "grey" practices under EU Directive 633

released into the market during periods of low supply, helping to stabilize prices. As to the transportation infrastructure, improving transportation infrastructure can facilitate the movement of food from areas of surplus to areas of deficit, reducing regional imbalances in food availability and price fluctuations.

Reduce food waste: A significant amount

times of high supply, which can then be of food is wasted each year, which contributes to higher prices. Reducing food waste through better storage, transportation, and distribution can help to lower food prices.

> Promote risk management tools: Government can promote the use of risk management tools, such as contract farming, insurance or forward contracts, to help farmers and other stakeholders

of price volatility.

Reduce reliance on traditional energy sources: Prioritizing alternative energy sources is crucial for the sustainable development of economy in the longterm. Regulating energy prices may impede the adoption of alternative energy sources, making it even more challenging in Georgia, where the adoption of alternative energy sources is slow. Overall, while some degree of regulation may be necessary to ensure fair competition and protect consumers, a market economy is generally seen as the most efficient and effective way to allocate resources and promote economic growth. That why is it essential to remain on a right track and design government policies in line with the principles of market economy.

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Six grey unfair trading practices

SOCIETY 10 |

More Meta Team: Svaneti

BLOG BY TONY HANMER

he adventure continues. It's my chance of a lifetime, being videoed both by interview and as I shoot new photos out in the field. I describe what I'm shooting, answer the guestions about all forms of art I'm active in, seeing the overlap between them. How does my reading inform my writing, the words lead to photos and back to words? Sculpture to photos? Chaos theory to them all, fractal structures revealing their details in different scales? Geometry to logo design? The feedback cycles may also reveal "strange attractors", shapes which tend to appear as something somewhat random but repetitive, like the form a teaspoon makes in the bottom of my coffee mug as I stir.

Back in Tbilisi... getting used to the luxury of central heating in our new apartment this winter has meant I'm also getting unused to spending a few hours in Svaneti's ongoing deep snows. A cough develops, which persists as I write this from the apartment, attacked by medication and vitamin C. My stomach muscles start to get sore from the coughing: They are weaker from not getting the whole upper body exercise of some years ago, milking two cows twice a day and chopping my own firewood!

The team, though, are on point. Eight people coming not only from the USA and Canada but also Iran, China and our Georgian interpreter. They handle lighting, sound, video from up to two cameras at the same time on tripods and/or gimbals; shot lists and schedules. I arrange drivers and accommodation with people who have hosted me since 2007.

We move on: First to Ushguli, to the Ratianis, with whom I lived for the winters of 2007-2009. Always great to see them again, even though we have to lug our gear 20 minutes through snowbound little streets to reach their house from as close as the Delica vans can get.

Bebo (Granny) hasn't aged a day, as usual. We add an interview with Temuraz, brother of Georgia's Salvador Dali, the painter Pridon Nizharadze, who died a couple of years ago. Temo handles his house and gallery. There have been offers to relocate everything to better and more accessible conditions, but Temo wants the wildly surrealist work and impressionistic landscapes to remain where they were made. He reveals that he and others were afraid of Pridon's symbolic pieces and asked him to stick to realism. The result is a body of work in at least two very different styles. I am sorry I didn't somehow get a piece from Prison while he was alive: They're now moving away from affordability for me.

We shoot more around the village, and I discover a pod of dolphins swimming under the snow near Lamaria monastery. There's nothing else they could be, those

long streamlined forms. Svaneti in deep snow remains as beguiling as ever to me. A new thing this trip is the texture of the snow everywhere we go: The same patterns I noticed in Etseri are here too, 75 km away, unique to this winter. Fond goodbyes, then down to Mestia for a final night. Here, Roza Shukvani and her husband

Vita Chartolani, with whom Lali and I stayed the winter of 2011-12, host us. They apologize that they can't give us supper as they currently have no cook, so we have that meal and lunch too in the town. More exploring, including the fabulously well-stocked and carefully looked-after main museum with its gatherings of Georgia's national treasure, sent up here for safekeeping when the lowlands were being invaded over centuries and kept to this day. But I remember when those delicate thousand-year-old icons were stacked like a shelf of books and anyone could rifle through them with their bare hands! My first photos of them date from this time, when Shevardnadze was still president.

We do a drone shoot ascending the outside of a watchtower to find me perched on its roof, admiring the town spread out below me. I go home and let the team have supper out without me, www.facebook.com/hanmer.house.svaneti

feeling the cold getting to me more than I like; they bring me leftovers and meds. Next morning, we are shocked to meet a refusal of any pay for our stay, but Rosa and Vita won't be swayed. We give them all three remaining boxes of chocolates and about 15L of petrol for the useless (and unnecessary) generator, bow our deep thanks, and pledge privately to make this huge kindness up to them.

Off we go back down, the 500 km journey to Tbilisi. It's been an introduction to Svaneti for five of the crew, and they'll never forget it, especially having come up in winter. Now we reverse our backward time travel of a whole season: between Jvari and Zugdidi, all the daffodils are in full bloom. I take my cold with me, but it could be worse; I wouldn't trade. Thank you, Meta Team! It's a wrap, for now!

Tony Hanmer has lived in Georgia since 1999, in Svaneti since 2007, and been a weekly writer and photographer for GT since early 2011. He runs the "Svaneti Renaissance" Facebook group, now with nearly 2000 members, at www.facebook.com/ groups/SvanetiRenaissance/ He and his wife also run their own guest house

in Etseri

Georgian UFC Fighter Merab Dvalishvili Defeats Petr Yan





SPORTS

Georgia Ioday WARCH 17 - 23, 2023



Photo source: www.crystalsport.ge

t UFC 221, in Las Vegas, the Georgian fighter Merab Dvalishvili defeated one of the best fighters in the UFC. former champion of the division, the Russian Petr Yan.

With the unanimous decision of the judges, Dvalishvili won a historic victory and convincingly defeated one of the best fighters in the UFC.

Dvalishvili has thus become one of the main candidates for the championship belt.

"I represented my country, my people, and my team, which created additional pressure. We worked hard. I was not interested in any other fight, no matter who I lost to, but if I lost to Yan, I would probably kill myself," said Dvalishvili.

The Georgian fighter won his ninth victory in a row. He now has sixteen wins and four losses.

"I know that I had many Ukrainian supporters. Glory to Ukraine, glory to Georgia, glory to peace!" he said.

Georgia's Infinite Hospitality at the ITB Berlin



Tetu Charkviani, Visit Georgia Administration Director, at their booth

BY LILY FÜRSTENOW

eorgia Infinite Hospitality was the motto of this year's International Tourist Messe Berlin (ITB Messe), the world's leading travel trade show that takes place yearly in the capital of Germany. Georgia took part for the second time in this colorful fair, last being represented there 30 years ago, where hotels, spas and tourist destina from the whole world present their best amenities, tourist spots, sights and locations to encourage more visitors travel to their countries.

This year, Georgia had the honor to be the guest land at the ITB, receiving special focus, and presenting an impressive variety of local arts, crafts, delicious foods, and the best of hotels and travel tour possibilities within Georgia. According to Caucasus Travel Ltd. Chief and Co-founder Saba Kiknadze, a former alpinist, it all began because he and his friends wished to introduce more people to Georgia's magestic mountain landscapes and invite them to climb. During their first ITB partitipation, many people confused the country with Georgia in the USA, but a lot has changed since then, and the Caucasus Mountains have become a favorite destination for both climbers and tourists. In its beautifully presented catalogue, Caucasus Travel offers an impressive range of tours for visitors to see and

experience the remarkable year-round variety of Georgian countryside, villages and big cities with their architectural highlights, museums and natural beauty. The tours are tailored to tourists wishes and are well thought through: from planning family holidays and supporting sporting events, to assisting film companies and businesses looking for special locations in the Caucasus countries, including Armenia and Azerbaijan- all are within the scope of the Caucasus Travel services.

Another tourist agency, Visit Georgia, had a stunning booth showing mountain landscapes with images of villages lost in green, mounted as colorful photographs that created a lively and envigorating ambience, taking visitors there. Visit Georgia also provides adventure tours for anyone interested in the land's history and culture, sport and nature, historical monuments and centuries old villages and small towns that one otherwise would never find without the help of experienced guides. Particularly fascinating are the "wander tours" for visits to remote mountain villages in Tusheti and Svaneti that are only reachable during the summer and early autumn



centuries-old traditions and rituals kept up by the very small communities still living there. The tours are precisely described as to their duration, height of the mountains, ascent and descent distances and the times of arrival and departure. Special interest tailored tours include horse riding, ski sport tours in winter, car tours, and bicycle tours.

Visit Georgia offers tours throughout Armenia and Azerbaijan to the respective cultural sights and capitals, among then Yerevan, Baku, and Sevan Lake, and translation services for guests into European languages, Japanese and Russian. Further offerings include hotel reservation services, business and corporate travel support, family holiday tours, short trips and wanderings.

According to Tetu Charkviani, Visit Georgia Director of Administration, they're already 20 years in business, and each year is better than the last as the country's popularity is on the rise and the guests are delighted with their hos-

or late spring months, villages boasting Cave. A 20-minute bus tour from Kutaisi is the Gelati Monastery, dating back to the 12th-14th century and featured on the UNESCO cultural monuments list for its unfogettable frescos and architecture. Other must-visit destinations are Bagrati Cathedral in Kutaisi, Vardzia- a cave city carved in stone, the Borjomi mountains with their mineral water springs, and the adjascent Likani spa and its former Russian Tsar Residence Palace and park. Sea lovers shouldn't miss Batumi, with its exaggerated contemporary architecture and revamped city scapes, hotels and all the maritime delights of a seaport. In winter, Gudauri and Bakuriani are the ski destinations for sports and to show off your skills on the slopes.

ITB Berlin is an incredibly fascinating and inspiring tourist fair, where the whole world is invited to sparkle and shine and offer the best of hospitality and hotel services to spoil guests with the luxury and relaxation of holiday promises. One can get lost in the sight of the profusion



tions, hotels and food. In 2012, Visit Geor- guests and visitors and exceptional divergia was nominated as the best enterprise sity of lands, traditions and cultures of the year and was awarded the Mercury 2012, adding to other awards and accolates throughout the years of its operation. The must-see destinations for any visitor travelling in Georgia include the ancient capitals Tbilisi and Mtskheta (former capital of Georgia) with its magestic Jvari Monastery, Kutaisi the capital of the former Colchis Kingdom in western Georgia, famous for its Golden Fleece legend, Medea and Prometheus

pitality, services, the choice of destina- of booths, presentations, amount of

presenting their best, side by side. Probably one of the most exciting fairs of Berlin, Georgia had an exceptional opportunity this year to rise and shine as the exotic tourist destination in Eurasia situated in the Caucasus at the crossroads where the Orient and the Occident meet. The food, art and crafts, as well as other enterprises represented at the Georgian booth will be reviewed in a following article. To be continued.



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Reg. # 06/4-309

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I am Georgian and therefore I am European Zurab Zhvania, Council of Europe, 1999



