THE EU IN TIMES OF UNCERTAINTY – HOW IS THIS FELT IN GEORGIA?

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EXPERT OPINION

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The paper outlines some of the key political processes currently developing in Europe and dominated by widespread uncertainty and the universal sense of crisis and considers their potential implications for Georgia.

As a harbinger of the possible trend to come, this year’s World Economic Forum Annual Meeting in Davos was marked by the underrepresentation of some of the key world leaders such as US President Trump (as well as the US official delegation as a whole), British Prime Minister May, French President Macron and Canada’s Trudeau who decided to skip the summit due to pressing internal issues. Furthermore, neither Russia’s Putin or China’s Xi attended along with many other important persons and leaders. This development subtly reflects the sad fact that many parts of the world are in a deep crisis leading to an ever-increasing uncertainty at various levels, whether local, regional or global.

Indeed, around nearly every corner, uncertainties prevail – whether the US-China trade talks that are not causing much optimism and may end in a deepening trade war and global economic slowdown and not helped by the growing tensions in and around the South China Sea. There is also the ongoing crisis in Venezuela that apart from aggravating the continuing economic disaster in this oil-rich country may bring more instability to Latin America and exacerbate tensions between the West and the Russia-China alliance supporting Maduro, now apparently joined also by NATO-member, Turkey, that is increasingly playing a spoiler role in some other geopolitical confrontations as well.

The growing unpredictability and isolationism on the part of the US bring around tragic uncertainty for Syria and Afghanistan while the recent breakdown of the INF (Intermediate-Range Nuclear Forces) treaty is a harbinger of even more uncertainty regarding the security conditions in Europe and elsewhere. The EU is to face its security challenges that are further aggravated by the US’s increasing isolationism and withdrawal as manifested by the decision to pull out from Syria and Afghanistan, paving the way to the further strengthening of Russian and Chinese footholds in the Middle East.

However, current and future EU challenges do not end here. Internally, it faces a Brexit-related rather messy uncertainty while its unity is further challenged by ‘illiberal democrats’ within the union exemplified by
Hungary and Poland which are preparing an anti-immigrant Warsaw-Rome-Budapest axis with a nationalist ‘new vision’ for Europe while the recently popular grand vision for a stronger and reformed European Union promoted by France is turning somewhat illusionary – with popular dissatisfaction with the government in France that has further weakened the increasingly unpopular President Macron. At the same time, radical populists of all possible hues are preparing for their field day with the forthcoming elections to the European Parliament playing up widespread distaste for immigration, enlargement and even the unity of the EU. It is not accidental that a renowned American political scientist, Paul Viotti, subtitled his recent paper as “Fears, Uncertainties and Geopolitics in Europe.”

Ominous Changes in EU Politics and Leadership

Looking at the political leadership of the major EU member states, one can easily observe the changing pattern – and apparently not for the better. Politicians of all mainstream ideological denominations have become increasingly bland, populist and opportunistic, struggling to keep public support against the background of growing competition from even more populist and radical forces capably exploiting public frustration with economic woes amid growing inequality, and fearful xenophobia caused by accelerating immigration. The logic behind such a trend is well known - public trust toward the political establishment and traditional political institutions has declined over the past decade in core democracies around all of the world,\(^3\) causing either absenteeism in political life or the decision to choose alternative ways of doing politics – by mass protest and violence (exemplified by the ‘yellow vests’ phenomenon) or by supporting anti-establishment populism and the strongman style of governance.

Mainstream politicians often try to adjust to such a shifting reality by adopting a more radical and populist rhetoric (particularly in the areas of immigration or Euroscepticism) which only exacerbates the situation by causing even more mistrust. As a result, the political leadership in major EU states has weakened significantly. In mid-January, British Prime Minister May’s Brexit deal experienced a crushing defeat in the Parliament, followed by an impressive number of subsequent failures, including the first wave of defections from the ruling party faction – that will probably lead to a no-deal exit with dire economic and political consequences.
In Germany, Europe’s most charismatic and capable politician – Angela Merkel is preparing for her political retirement, leaving the field to less experienced and influential politicians as the mass arrival of migrants from outside the EU has polarized German society leading to the growing popularity of the far-right AfD (Alternative for Germany) which initially even called for Dexit (a German withdrawal from EU) in its draft manifesto for the EP elections, recently replaced with a call for making a ‘Europe of Fatherlands.’ In Italy, since the March 2018 general elections, the country is being governed by the anti-immigrant League party in coalition with the anti-establishment Five Star Movement, both at odds with Brussels as already demonstrated during the hard talks about Italy’s unbalanced budget plans. In France, Macron, once Europe’s rising star, is now struggling to save his image and vision to transform the welfare and economic system of the country but is facing a mountain of challenges at home – the yellow vest movements are back in the streets opposing Macron’s pro-business policies and calling for his resignation in a situation further aggravated by the mounting French-Italian spat. Although Macron’s parliamentary majority does not face elections until 2022, the upcoming European Parliament elections could turn into a vote for or against his policies in France.

While the European Union represents an unprecedented endeavor that has brought peace, political stability and economic prosperity to the troubled continent and has achieved tremendous success in bringing most European countries together through economic interdependence and removing barriers between member states, the current alarming developments remind us that every healthy optimism should be tinged with a good measure of realism, especially as the EU today faces a multitude of crises which are unfolding mainly due to the changing direction of global processes that a couple of decades ago where heralded to be moving toward the ‘end of history.’ Internal issues within the EU currently encompass a lack of a visionary, committed and capable leadership; the over-bureaucratization of EU institutions, the growth of Euroscepticism, nationalism and authoritarian tendencies; the North-South and East-West divide and a dangerous over-reliance on the currently unpredictable US for the provision of security against the background of re-emerging security threats from the East.

The weakened leadership in the key member states cannot be offset by the EU’s institutional leadership due to systemic reasons. Indeed, the EU
leaders are by design products of a political consensus, often achieved through informal arm-twisting and deal-making. Such practice means that the elected or appointed officials, being constrained by the ‘consensus contract,’ will have a rather modest ambition to implement any new vision without a priori support of their backers. Thus, for example, the president of the European Council needs the endorsement from the member states, making him just such a ‘consensus’ politician who is in fact not even elected by public vote but appointed by national leaders and while holding a rather prestigious position, actually lacks any executive power. The president of the European Commission is nominated by the Europarty (a federation of national parties acting as a party at the EU level) which has secured most of the votes in the European Parliament elections (the ‘lead candidate’ procedure may eventually change but inertia will last). In all of these cases, the room for EU leaders asserting their own vision is limited by both formal procedures and the will of the most influential national leaders enacted through the European Council. The excessive bureaucratization of the EU further slows down and dilutes decisions and shows rigidity toward new ideas, further exacerbated by the apportionment of decision-making among various institutions and agencies and, as a result, requiring gargantuan efforts for negotiation and compromise. While national leaders remain the gatekeepers and the ultimate centers of power in the EU’s overall politics, they naturally prioritize gaining or preserving their popularity and power at national levels as prerequisites for enjoying their influence at the EU level and hence would show little enthusiasm for investing too much into European-level politics.

Along with these leadership drawbacks, democracy in the EU itself shows signs of backsliding. The Freedom Houses 2018 report, entitled *Democracy in Crisis*, suggests that liberal democratic values are retreating in Europe. Another frequently cited measure of democratic performance, the Economist Intelligence Unit’s (EIU) Democracy Index, shows a decline in the European Union’s average democracy score from 8.13 to 7.89 between 2006 and 2016; that is, an overall falling back from ‘full’ to ‘flawed’ democracy. Apparently, such a drawback is mainly caused by weakening democratic institutions in Eastern European countries, such as Poland and Hungary, although this is little solace for the EU as a whole, rather leading to even more discord and division.

Indeed, it is clear that the paths and trajectories of democracies within the EU member states do not necessarily converge. In Hungary, President
Viktor Orban has created the sad spectacle of an authoritarian regime trying to hide its wrongdoings under the flag of ‘illiberal democracy.’ Currently, Orban is facing public protests caused by the passing of the so-called ‘slave law’ that loosens overtime protections for labor. In recent years, Orban has repeatedly clashed with Brussels over his rejection of Muslim refugees and migrants. However, he is not alone. The anti-democratic moves by Poland’s Law and Justice party, led by Jarosław Kaczyński, have weakened the country’s constitutional institutions and taken over the state broadcasting and the party is preparing for its political alliance with Hungary and Italy, creating an axis of a ‘New Europe’ according to Italy’s far-right Interior Minister and Deputy Prime Minister, Matteo Salvini.

As mentioned above, still another worrisome trend is the surge of (left and right) populist and nationalist parties which are preparing for the big shot – the EP elections, previously tranquil political events that will obviously be different this time around. All of the populist forces across the EU see the elections in May 2019 as a timely opportunity to test the power of their anti-integrationist and nationalist views. France’s Marine Le Pen, President of the National Rally political party, had already announced her campaign and used this moment to legitimize the anti-establishment ‘yellow vest ’ movement by calling for their support. Most observers note that the new composition of the European Parliament may become fragmented although the majority of the seats will probably be preserved by the mainstream parties. So, the EPP is expected to maintain the majority in the European Parliament but many other parties may enter the system, potentially leading to more chaos and dissent although this may also enable a more flexible and dynamic system for shifting coalitions.

**Fears and Hopes: EU Security**

One of the EU’s fundamental deficiencies is its incapacity to defend itself on its own against any massive security threat such as that potentially posed by Russia. Even although the summary military expenditures of the EU countries exceed Russia’s military budget, the EU as a whole possesses a very modest military capacity, habitually relying on the US-dominated NATO forces for its protection. While the EU is not hiding its ambition to be a global power, in the new security environment this can hardly be achieved without acquiring its own capacity for dealing with increasingly serious security challenges. EU-NATO relations, never particularly strong,
have become weakened of late while the US leadership in the person of President Trump has shown intermittently shifting attitudes toward NATO and the responsibility to unconditionally defend its member states under the Article 5 provision of the Washington Treaty. While talks about the strategic defense autonomy of the EU would sporadically be floated around, the realistic scenario for introducing a radically new approach in defense cooperation and strengthening the joint defense capabilities are very slow to realize. NATO leadership does not show any enthusiasm to see a European defense infrastructure in place unless it complements NATO, according to its Secretary General, Jens Stoltenberg, who argues that the EU can and should never replace or substitute NATO.

This uncertainty regarding European security will become even more so after Brexit as, according to NATO Secretary General, Jens Stoltenberg, approximately 80% of NATO funding will then come from allies outside the EU\(^6\) while the security partnership between the EU and Britain is another big unknown in the next year’s EU security agenda. The current draft UK withdrawal agreement does not say anything about cooperation within Europol, the EU’s law enforcement agenda, and Eurojust. Russia’s assertiveness is going nowhere. The recent escalations of tensions in the Azov Sea suggest that Moscow may still have more aggressive plans directed at Ukraine or possibly some other neighbors. Russia continues to bluntly disregard international law and treaties – the latest one related to the violations of the Intermediate-Range Nuclear Forces (INF). Now, both the US and Russia have declared to pull out from the INF in six months and intend to develop the previously banned short-/medium-range missiles. Such missiles are particularly dangerous for the European nations because while difficult to detect, they need just a few minutes to reach any of the European cities. Furthermore, they reduce the threshold for the use of nuclear weapons. Withdrawal from the INF will dramatically increase strategic uncertainty as it will probably mean that US short-/medium-range missiles with nuclear warheads will once again be located in Europe in order to counterbalance the Russian threat, further aggravating the risks of a nuclear conflict in Europe.

The Black Sea region and the Caucasus face dangerous instability as well in addition to the above-described security threats. The region’s accelerated militarization has been underway for more than a decade. The build-up of military forces in Azerbaijan and Armenia as a result of the Nagorno-Karabakh conflict, the militarization of southern Russia purportedly to
combat insurgents in the North Caucasus, the deployment of Russian military units and creating bases in the occupied regions of Georgia (Abkhazia and South Ossetia) and the build-up of Russian forward-deployed forces in Armenia – all occurred or started before the annexation of Crimea in 2014. However, since that year there has been a mounting concentration of military forces in and around Ukraine (both Russian-backed separatist and unacknowledged Russian regular units, aka ‘volunteers,’ plus the modernized Ukrainian forces). There is a particularly heavy militarization of Crimea and the Black Sea ongoing while the Russian and NATO military capabilities, the overall force size, and intensity of military exercises in the region have all dramatically increased.

What All of This May Imply for Georgia: Localized Uncertainties

The above-described processes in and around Europe are multifaceted and multidimensional. Respectively, how these processes evolve will bear significant importance for Georgia in many different ways. Probably, the most important factor here is the EU’s soft power and Georgia’s relentless aspiration to eventually join the European Union – as Georgians unwaveringly see the path to the EU as the only viable long-term option necessary to safeguard the country’s sovereignty and ensure democratic transition and progressive development. The core EU states represent the important role models in the areas of good governance and democracy for Georgia while the EU’s soft power has given multiple incentives to the country to undergo reforms in many areas of its economic and democratic transition. The signing and ratification of the Association Agreement (AA) between the EU and Georgia served as an ‘impressive affirmation of Brussels’ ‘soft power’ - according to the study prepared by the EP Policy Department, particularly due to the fact that the Association Agreements came ‘neither with a membership promise nor with the kind of financial assistance that was granted to the EU’s Central/East European member states.’

Indeed, the EU has played a crucial role in the state-building process of modern Georgia by generously supporting it during and after the very difficult early transition period of the 1990s. The EU has continuously provided political support to Georgia and its representative is one of the co-chairs of the Geneva talks between Russia and Georgia. Georgia is an EU associated country and the EU member countries summarily by far make
up its largest joint trade partner while the EU and its member states have provided and continue to provide very significant economic, humanitarian and technical assistance. At the same time, the EU contributes to some of the key aspects of Georgia’s national security, including the unarmed EU Monitoring Mission (EUMM) patrolling the dividing lines along the conflict zones/secessionist territories. Indeed, given Georgia’s troubled geopolitical location and its history of conflicts with Russian involvement, including the Russian-Georgian war of 2008 – Georgia’s northern neighbor – Russia obviously represents the greatest threat to its sovereignty and statehood.

While Georgia’s democratization process is underway, it is not irreversible and some key challenges persist. The country faces a high level of unemployment, especially among the youth, and is yet far from overcoming the enduring scourge of widespread poverty alongside the need to urgently and profoundly improve education, social welfare and healthcare systems. High unemployment and the reliance of Georgia’s economic growth on unproductive foreign investments (often focused on real estate purchases) have made it difficult for the government to introduce effective mechanisms for labor protection (Freedom House 2017 Report). Georgia also faces governance related challenges – the latest international reports speak about the informal governance dominated by unelected persons and the deficiency of the division of powers and the effective checks and balances system in the country\(^{10}\) while the political participation seems limited and the political decision-making remains under the domination of a single political party – the Georgian Dream (GD), lacking clear-cut ideological principles or a strategic vision for the country.

The Georgian economy is also characterized by structural underdevelopment, low productive efficiency and industrialization, the knowledge-based economy is lagging behind the majority of middle-income countries and about half of the labor force is engaged in unproductive agriculture hiding even higher levels of actual unemployment. As a result, Georgia is unable to fully benefit from the DCFTA regime with the EU while the overall trade deficit is catastrophic. Georgia suffers from significant out-migration and brain-drain while its previously well-educated labor force undergoes professional degradation.

Obviously, the security challenges are particularly high on the agenda, allegedly explaining at least in part its economic and other deficiencies.
and drawbacks. Having suffered from two devastating ethno-territorial conflicts, currently one-fifth of Georgia’s territory is controlled by de facto governments propped up by Russia which illegally keeps its military bases there and is internationally recognized as an occupying force. While Georgia’s military capabilities are minuscule even as compared to its other regional neighbors, not to mention Russia, there are no guarantees or mechanisms to safeguard Georgia’s security in the case of a Russian aggression as the sad history of the 2008 war illustrated. On one hand, Georgia strives to join the EU and NATO in order to achieve long-term stability and security but, on the other hand – any such progress bears the risk of prompting Russian military (or hybrid, as in Ukraine) actions that Georgia has too limited resources to thwart. And apart from the hard threats emanating from Russia, its relentless anti-Western propaganda and clandestine support for pro-Russian and anti-Western forces in the country present a probably lesser immediate danger but with significant long-term harm to Georgia’s European project.

Having said all that, there is little surprise that any development in the EU has a strong influence on Georgia’s state of affairs, security and development prospects. Even without the extremely valuable multi-faceted assistance that the EU provides to Georgia, it is the EU’s soft power that plays the crucial role in Georgia’s Europeanization and integration efforts. Therefore, any discord within the EU or any damage to the EU’s soft power will have a detrimental effect on Georgia’s European path. The weakening of European international influence caused by internal divisions and indecisiveness will also harm Georgia in that the country strongly relies on the EU’s political support in international affairs and, in particular, in its dealings with Russia. And of course, the diminished access to the financial, technical and other forms of assistance provided by the EU will have a very negative effect on Georgia’s economic and political development, leading to stumbling democratization, accelerated emigration and slowed economic growth.

On the other hand, in the situation of uncertainty and turmoil that the EU is currently encountering, it may appear that the friendship and respect of a steadily reliable and enthusiastic partner, like Georgia, should not be easily ignored and dismissed. According to polls, every second Georgian (49%) has a positive image of the EU which is the highest rate among the countries of the Eastern Partnership.¹¹ In the light of growing Euroscepticism and shrinking Euro-enthusiasm within some EU member states, Georgia’s
contrasting eagerness to advance on its EU integration path may become noticed and appreciated, putting Georgia in a more favorable situation in order to make further steps along its integration process such as becoming more engaged with EU institutions and sectoral programs. While granting the visa-free regime to Georgian citizens appeared to be a very important symbolic act rewarding Georgia’s persistence in its pro-European attitude and successful reforms, it seems there is now again a need to think of some other equally important symbolic and practical actions that would further motivate Georgians to look Westward and counterbalance the poisonous effects of the Russian anti-Western propaganda.

Currently, there are considerable efforts in the EU to re-appraise relations with its eastern neighbors. On the occasion of the EaP Brussels summit of 2017, the EP prepared a recommendation to the Council and the Commission which envisaged adopting a forward-looking attitude toward the EaP and setting a certain political vision. It recommended an ‘EaP+’ model for the successful associated countries and this model could offer access to the customs, energy and digital unions and the Schengen area. However, there is currently little eagerness among EU leaders to pursue such a path as they have their hands full with fixing domestic and other problems as well as tackling rising populism. Since rising populists are expected to attack not only immigration but also enlargement as threatening the status quo in Europe, the new initiatives or models related to the Eastern Partnership (EaP) are not likely to flourish if the radicalization of European political elites is significant. However, there is also a possibility of public disappointment in false populist promises and scaremongering as the pendulum may start moving in the opposite direction. It is important for Georgian society as well as for its friends in Europe, to be ready for either scenario in order to reduce harm or use the emerging opportunity, depending on how the current uncertainty unfolds.

So, as in the case of Brexit, the EU will definitively start elaborating new mechanisms and formats of cooperation with the UK – as a ‘third country,’ according to Michel Barnier, and this may mean that Georgia could also obtain some ideas and inspiration from these new formats while proceeding along the already tested route of slow integration and Europeanization. One thing is clear. Georgia needs to carefully consider all possible scenarios in its relations with the EU and develop a long-term strategy accounting for all of these possibilities and earlier or later, its persistence will be awarded.
To sum up, one may assume that while Georgia is not to expect any existential threats in the immediate future, it must tread carefully in order to both minimize risks in the longer-term perspective and also consistently move in the direction of its declared goal – integration into European and Euro-Atlantic institutions. At the same time, it will need to meticulously analyze the possible scenarios of developments in Europe and the world and be well prepared for both the worst and best turns of events as the world undergoes a rapid and possibly dangerous evolution toward the unknown.
References


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5. Economic Intelligence Unit Democracy Index. Accessible at: www.economist.com/graphic-detail/2018/01/31/democracy-continues-its-disturbing-retreat


7. Speaking at a Ukrainian military event, President Petro Poroshenko said Russia had deployed “more than 80,000 troops, 1,400 artillery and multiple rocket launch systems, 900 tanks, 2,300 armoured combat vehicles, 500 aircraft and 300 helicopters along their common border.” “Putin defiant as Ukraine cites build-up of Russian forces along border,” *Sydney Morning Herald*, December 2, 2018. Accessible at: www.smh.com.au/world/europe/putin-defiant-as-ukraine-cites-build-up-of-russian-forces-along-border-20181202-p50jnw.html


9. Ibid.


13. The UK could reapply for EU membership once it is a ‘third country.’ See: www.politico.eu/article/michel-barnier-uk-could-reapply-for-eu-membership-once-it-is-a-third-country/