

Sanctions Must Awaken the Georgian Public, Not the Government

When authoritarian leaders face sanctions, they often project a facade of resilience, claiming that the penalties do not affect them. Leaders from countries like Iran, Venezuela, Zimbabwe, and Russia usually assert that sanctions validate their policies and frame the West as an adversary attacking their rightful governance. This propaganda, whether from Kim in North Korea or Putin in Russia, consistently portrays the global West as an entity attempting to destroy their states, with sanctions serving as evidence of such attempts.

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In Georgia, leaders of the ruling Georgian Dream (GD) party make similarly bold declarations, dis-

missing fears of sanctions. Their rhetoric mirrors that of North Korea and Venezuela, blaming American imperialism and, in the case of the Georgian Dream, the “Global War Party” for trying to embroil Georgia in a conflict with Russia.

Across all of these regimes, presenting a brave front in the face of sanctions is standard practice. Recently, the GD parliamentary majority leader even sang the reworded Georgian Football National Team chant - “We are not afraid of sanctions.” Such dismissals highlight local resistance and heroism but consistently overlook the significant long-term damage that sanctions can impose on a nation’s economy and political landscape. Ultimately, these regimes prioritize maintaining and strengthening their grip on power, which remains the most crucial goal for authoritarian leaders.

The Georgian Dream has suffered a significant defeat on the international stage, losing its partners’ support and international legitimacy. However, it



TEMURI YAKOBASHVILI
Contributor

Ambassador Temuri Yakobashvili distinguishes himself as an accomplished leader in government, crisis management, and diplomacy. As the founder of TY Strategies LLC, he extends advisory services globally. A pivotal figure in co-founding the Revival Foundation, aiding Ukraine, and leading the New International Leadership Institute, Yakobashvili held key roles, including Georgia’s Ambassador to the U.S. and Deputy Prime Minister.



SERGI KAPANADZE
Editor and Contributor

Dr Sergi Kapanadze is a Professor of International relations and European integration at the Ilia State and Caucasus Universities in Tbilisi, Georgia. He is a founder and a chairman of the board of the Tbilisi - based think - tank GRASS (Georgia’s Reforms Associates). Dr Kapanadze was a vice - speaker of the Parliament of Georgia in 2016 - 2020 and a deputy Foreign Minister in 2011 - 2012.



still has the potential to secure the more critical internal power struggle. If sanctions against the Georgian Dream are not timely, public, well-targeted, and serious, ineffective and haphazard measures may allow the party to portray its international isolation as a success through its propaganda and disinformation machinery. The West must be cautious of this.

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Western states and institutions considering sanctions on Georgia should first ask: Who exactly

should these sanctions aim to awaken? Should they target the Georgian government to change its policies or the Georgian people to change their government in the upcoming elections? Our stance is that sanctions should primarily aim to alert the Georgian people rather than attempting to change the nature of the oligarchic regime, as the latter is an unrealistic goal.

Visa Bans as “First Tranche”

The US is the first nation to sanction the Georgian government after the adoption of the foreign agents bill, with the State Department announcing the “first tranche” of sanctions on June 6, 2024. These sanctions target members of the Georgian Dream party, parliament, law enforcement, and private citizens involved in anti-democratic activities such as undermining peaceful assembly, attacking protesters, intimidating civil society, and spreading disinformation.

Under the [Immigration and Nationality Act](#) Section 211 A 3C, the US visa restrictions aim to punish those responsible for Georgia's anti-democratic turn. Although the US State Department [indicated](#) that several dozen individuals are subject to these visa bans, their identities cannot be made public due to personal information protections.

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The visa bans are particularly impactful as they prevent sanctioned individuals from entering the US and can also affect their family members. For example, if Georgian Dream party Chairman Irakli Gharibashvili and his family were sanctioned, his son studying in the US might have to suspend his education. However, in Georgia's case, the identities of those affected by the visa restrictions remain unknown, and the ruling party's defensive propaganda quickly dismisses local media speculations.

The general response from the ruling party is a denial of receiving any notification and an assertion that they have no plans to travel to the US. To demonstrate their purported unaffected status, the head of the State Intelligence Service even un-

dertook a working visit to Washington, DC, in late June. The opposition, crying wolf about sanctions for too long, has little choice but to guess the list of sanctioned individuals by examining the appearance of the Government representatives at the US embassy events, assuming that sanctioned ones won't be invited.

Therefore, it seems that the U.S. administration's visa ban-oriented "sanctions lite" are not only "too little, too late" but also counterproductive. The vague and mysterious travel ban has become a laughing stock among the ruling elite, who feel emboldened and more powerful than ever to withstand pressure even from the superpower 'for the sake of the national interests.'

While the issue with the American visa bans lies in their non-publicized nature, the EU is not even considering such measures. The primary reason is the lack of consensus among EU member states to blacklist Georgian anti-democratic forces. The main obstacle [appears](#) to be the current EU presidency held by Hungary, which has long positioned itself as a close ally of Georgia's ultra-right-leaning, anti-democratic government. Prime Minister Viktor Orbán even briefly [attended](#) a reception hosted by Georgia's Prime Minister in Berlin during Euro 2024, mainly to showcase that the Georgian government was still welcome in Europe and that no sanctions were in place.

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In 2020, the Baltic States unilaterally [sanctioned](#) 30 Belarusian politicians and then [added](#) another 118 individuals to the list in 2021, ultimately black-listing several hundred Belarusian officials and law enforcers. Other EU states only later followed the lead of the Baltic states. In Georgia's case, however, EU states are refraining from a similar approach, fearing it might backfire. Given the lack of EU consensus on sanctioning anti-democratic politicians in Georgia, a unilateral policy by individual states might be the only practical approach.

Painful Financial Sanctions, but Not Now

The US is also considering asset freezes and financial sanctions as outlined in the [proposed](#) MEGOBARI Act (Mobilizing and Enhancing Georgia's Options for Building Accountability, Resilience, and Independence Act) introduced by US Rep. Joe Wilson (R-S.C.) in May 2024.

If enacted, the US Secretary of State, in coordination with relevant US government agencies, will have 60 days to identify key Georgian government officials responsible for undermining democracy, human rights, or security in Georgia. This includes agents or those significantly influencing government actions. Sanctions may be applied under the Global Magnitsky Human Rights Accountability Act and the anti-kleptocracy and human rights sanctions of the Consolidated Appropriations Act of 2023, thereby targeting the Georgian leadership with financial sanctions. Additionally, visa bans will also be imposed on these individuals and their families.

Financial restrictions would further isolate sanctioned individuals from the global financial system, barring them from using major payment systems like Visa and Mastercard and severely limiting their banking transactions, even within Georgia. This was previously demonstrated when [sanctions](#)

against former prosecutor Otar Partskhaladze resulted in his exclusion from banking services.

If the US were to calibrate the adoption of these acts in September and early October, public awareness of the concrete punitive measures would increase to the maximum, and the chances of GD propaganda downplaying the importance of these acts would be minimized.

While financial sanctions would be the most painful for those targeted, their implementation is not imminent and is unlikely before the October parliamentary elections. First, the MEGOBARI Act must pass through Congress, which might take a few months. Similarly, the Senate is [considering](#) the Georgia People's Act, which might later be reconciled with the MEGOBARI Act. This could also be time-consuming. Federal agencies will only get involved after the legislative framework is set, receiving the green light to pursue financial and other serious sanctions. Before that, any discussion of severe financial implications for the Georgian leadership will be met with mockery and rebuttal. However, if the US were to calibrate the adoption of these acts in September and early October, public awareness of the concrete punitive measures would increase to the maximum, and the chances of GD propaganda downplaying the importance of these acts would be minimized.

While the US is at least considering financial sanctions, the EU is not even close to such a decision. The main obstacle is the absence of a legal mechanism to blacklist Georgian Dream MPs or human rights-abusing law enforcers. The most straightforward mechanism for the EU would be to act if individuals in a particular country facilitate the circumvention of sanctions imposed on Russia after its aggression against Ukraine. However, few

cases prove that the Georgian government is responsible for allowing the circumvention of sanctions. Regarding financial sanctions due to human rights violations, the EU has recently become very cautious due to a number of legal challenges it received through the European Court of Justice.

Certainly, the EU could adopt a special framework for targeted restrictive measures that undermine democracy in Georgia. A similar framework was established for Moldova in 2023 when the EU created, at the request of Chisinau, a framework for targeted restrictive measures against those undermining the sovereignty, independence, democracy, rule of law, stability, or security of the Republic of Moldova. For a similar framework to be applied to Georgia, ideally, the request should come from Tbilisi, which is unlikely, but more importantly, adopting the framework would require consensus in Brussels, which is currently lacking because of Budapest's position.

Therefore, the problem with the most efficient sanction instrument – financial sanctions – is that it is not yet tangible. And the more intangible a threat, as every authoritarian regime knows, the less likely it will affect the regime's grip on power.

Sticks-and-Carrots of Overviewing Bilateral Relations

Both the EU and the US are considering how to influence the policies of the Georgian Dream by contrasting the potential negative and positive outcomes for Georgia. They aim to paint a bleak strategic picture if the GD continues its anti-democratic policies and a promising one if it changes its course.

The messaging of this sticks-and-carrots policy is misleading. The West should make it clear that the carrots will be gone with the Georgian Dream in power. This should also come with the strategic

message about the need for a “peaceful and democratic transition of power” in Tbilisi. This message will undoubtedly be heard loud and clear.

For Washington, this sticks-and-carrots approach currently involves potentially stopping support for defense and security and suspending the US-Georgia Strategic Partnership Charter. For the EU, it might mean freezing candidate status or not starting negotiations while maintaining a politically cold relationship.

Conversely, both the EU and the US are offering extremely attractive incentives to Georgia. The US suggests closer economic ties and the prospect of enhanced trade relations. If Congress receives clearance from the President or the State Department indicating “significant and sustained progress” towards reinvigorating democracy, including conducting free and fair elections in October 2024, it could pave the way for closer economic, security, and people-to-people ties.

This clearance would enable the US Trade Representative to initiate negotiations for a comprehensive preferential trade agreement between the two countries. Additionally, a policy package will be created to strengthen people-to-people contacts, academic exchanges, and visa liberalization between the US and Georgia. The MEGOBARI Act bill also includes provisions for an economic development and modernization package for Georgia, developed in collaboration with international partners.

Regarding defense and security, the MEGOBARI Act mandates that the President, in consultation with the Secretary of Defense, prepare a package for Georgia. This package will include security and defense equipment tailored for territorial defense against Russian aggression, as well as training, maintenance, and operational support.

On the other hand, the EU has a very tangible in-

centive—the opening of accession talks, albeit conditional on some painful reforms in the judiciary, power sharing, and democratic oversight. In both cases, the incentives are well formulated and straightforward, but they must be better publicized for them to work. Moreover, the contrast between what Georgia could have and what it could lose must be made clearer and starker, particularly starting in September as the pre-election campaign heats up.

In a similar vein, if accession talks with Georgia will not be opened in 2024, the EU must let the Georgian citizens know about it before the October 2024 elections.

Lessons from Other Sanctions

Sanctions on government representatives, including parliamentarians, for undermining democracy have become a crucial tool for international actors seeking to promote democratic governance and accountability. The USA and European Union member states have implemented similar measures against individuals and entities in Guatemala, Venezuela, Belarus, Myanmar, and other countries to support democratic processes and deter anti-democratic activities. However, sanctions did not lead to the desired changes in the policies or the actions of the sanctioned governments in any of these cases.

In Guatemala, Canada imposed sanctions on individuals linked to corruption and human rights violations to support the democratically elected government of Bernardo Arévalo.

In Belarus, the US sanctioned officials following the contested 2020 presidential election and the violent crackdown on protesters, redirecting financial aid to support civil society and independent media.

In Myanmar, sanctions were imposed after the

military coup in February 2021, targeting military leaders and regime-controlled entities to pressure the junta to restore democratic governance. Financial assistance was redirected towards humanitarian aid and support for civil society groups, bypassing the military-led government.

Similarly, in Cambodia, the US sanctioned officials responsible for suppressing political opposition, reducing direct financial aid to the government, and increasing support for NGOs promoting human rights and democratic governance.

In Venezuela, extensive sanctions were imposed on members of the National Assembly and the Constituent Assembly involved in electoral fraud, human rights abuses, and corruption. These sanctions resulted in a significant shift in financial aid strategies, with funds redirected toward humanitarian assistance and support for the population through NGOs.

Russia and Zimbabwe have also faced sanctions targeting officials for actions against democratic movements. These sanctions have reduced economic and diplomatic engagement while maintaining humanitarian aid and support for civil society.

The cases of Iran, Russia, Venezuela, and Belarus clearly indicate that even the harshest sanctions cannot necessarily result in regime change or alter regime behavior. They can even be counterproductive by pushing those sanctioned regimes towards ‘foreign policy alternatives,’ which are usually more authoritarian and have worse human rights records.

While sanctions can indeed weaken rogue governments, if political opposition and non-governmental institutions remain fragmented and underfunded, they stand a negligible chance of being relevant and effective. Hence, in parallel with sanctions, robust and open support of local forces

of change is indispensably critical.

At the end of the day, getting rid of sanctioned regimes is only possible through local actors across the political aisle who oppose the regime's policies. They should be emboldened by active support from the independent media and non-governmental institutions, which, together with the political opposition, are obvious primary targets for the ruling regimes.

Need to Target Public Perceptions Instead of Policy Change

Sanctions have not succeeded in changing the actions of authoritarian leaders in the past, and they are unlikely to be effective in Georgia's case either. Western powers seem to have recognized the authoritarian nature of the Georgian regime only recently after the Georgian Dream party rushed through a Russian-style "foreign influence" law. This law, set to take effect in early September, threatens to shut down Georgian NGOs and the media. For years, local civil society organizations and experts have issued numerous warnings. Still, these were largely ignored despite occasional strong verbal reactions and isolated measures such as the EU freezing a EUR 40 million loan or the US sanctioning individual judges.

Unlike Venezuela, Zimbabwe, Russia, or Myanmar, Georgia remains an electoral democracy until the 26 October parliamentary elections. However, similar to these other states, the Georgian regime is unlikely to change its policies in response to sanctions for two main reasons.

Firstly, backtracking on the law on foreign agents, improving the democratic environment, and abandoning authoritarianism would be political suicide for the Ivanishvili regime, which is fully committed to its current grab-the-power-at-all-costs path ahead of the October elections. Yielding to

external pressure would signify a defeat the government cannot afford.

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Secondly, the Georgian Dream does not yet believe in the seriousness of the sanctions. Most sanctions are not yet causing significant discomfort for Georgian Dream leaders. Visa bans are obscure and intangible, financial sanctions have not yet been implemented, and the overhaul of bilateral relations is too distant, hinging on electoral outcomes in Washington and new power dynamics in the EU, including the results of the French parliamentary elections and the potential influence of conservatives and the far right in the EU.

Georgian case may seem quite complicated, but in reality, it is surprisingly simple. Georgia has one and only decision/policy maker – Bidzina Ivanishvili; therefore, targeting only his minions does not make much sense. They are easily disposable and substitutable unless the Big Boss feels a heat personally. So far, he managed to dodge any attempts by the West to reason with him or "send a message" to him by sanctioning politically insignificant players.

The West still has time to reconsider its approach to sanctions. From now until the parliamentary elections, the intensity of the sanctions and pressure should be increased. This involves deciding to list new individuals, withhold funds, or publicly shun Georgian Dream officials. These steps should be carefully calibrated in the lead-up to the elections.

The goal of these sanctions should be to generate significant negative public sentiment towards the ruling Georgian Dream party among Georgians rather than hoping for policy changes from

the current regime. As the Law on Foreign Agents kicks in early September and Civil Society Organizations start shutting down or become paralyzed because of impossible fines, the EU and the US must step up their sanctions, showing unwavering support to the CSOs and letting Georgian people know that with the current Georgian government in helm, Georgians will lose European perspective and strategic partnership with the US. This has been said already, but the right time to further push for this narrative will be September.

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Historically, Western sanctions have aimed to change authoritarian regimes or their policies. In Georgia's case, the announced but not yet enforced sanctions seem to still aim to change the regime's policies. This approach might prove futile and unsuccessful, considering that the Georgian system of governance is heavily influenced by a billionaire who is not easily swayed by Western rhetoric and half-hearted sanctions.

However, if played smartly, the West can indeed have Georgia correct its policies. But only after the current regime has been changed through the October parliamentary elections, which could indeed become a game-changing moment if Western robust sanctions is complemented by equally robust support for the opposition forces inside or outside the Georgian political spectrum. ■