

GEORGIA

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RICHARD L. STOCKMAN Communications Officer Tbilisi (1992)

Richard Stockman was born in 1940 in Kansas City, Missouri. He went to seminary at Cape Girardeau in Missouri, and was then drafted into the U.S. Army in 1963, where he spent most of his tour in Germany. Mr. Stockman entered the Foreign Service in 1966 as a communications specialist. He served in Brazil, Honduras, Singapore, Togo, Switzerland, Ireland, Saudi Arabia, Canada, and the Soviet Union. Mr. Stockman was interviewed by Charles Stuart Kennedy in 1993.

Q: So we are talking around October, 1992. You went into some detail about how things were in Tashkent, what was different in Tbilisi?

STOCKMAN: I think just about everything was different in Tbilisi in a sense that Tashkent seemed to be a template of Moscow in many respects, whereas Georgia was very much Georgian, not only in the topography, the weather, but I think more importantly in the people, their independent nature. As we know right now the armed conflict has really not settled down. No thanks to the Russians taking sides surprisingly in a kind of unappreciative way towards Shevardnadze, but I guess maybe that is predictable too. It was basically from the very start a much different trip. The simple logistics of getting into Tbilisi, which is a very poverty stricken country today, with, I think, very limited resources. Almost the entire infrastructure of the country seems to be coming to a grinding halt.

Transportation, for example. We had to wait in Vienna, Austria because the plane was delayed twelve hours. It is a very unique arrangement that the Austrians have with the government of Georgia to ferry people back and forth. Due to the severe lack of fuel of all kinds for both heating and transportation, but particularly transportation, flights in and out of Tbilisi are limited

to once a week, on Saturdays, or at least they were at that time. I doubt that things have improved a year later. At any rate the Austrians had built two marvelous four star hotels, one in Tbilisi, Georgia and the other one up in the Caucasus Mountains. They seem to have a monopoly on the tourist industry there, what little there is. Basically they would be catering to rich Europeans and other Westerners who ski and want to get away to a unique romantic type of place. At any rate they also have locked into this hotel arrangement, one charter flight a week, which is a small Aeroflot type plane which carries both cargo and people once a week on Saturdays. That is how we managed to get in there in October.

In the course of that two and a half months of TDY there it was very interesting. By the contrast the Georgian people are very lively. They are well known for their dancing, their culture, their songs, their history and likewise their food, at least in the times when it was plentiful. They are marvelous entertainers. They will offer 50 toasts a night at any Georgian table to which one would be invited. And yet, it is very sad to be there because you can see the strong, horrible evidence of a civil war that took place right in the heart of Tbilisi where very selectively key government buildings were literally destroyed in the civil war which took place I believe December, January, February of say late 1991, early 1992. Consequently it is almost a miracle that anything of any real importance was left in tact and that Shevardnadze could still run a government. But apparently they did have new parliamentary elections some time in early or mid 1992. His fledgling government was trying to hang on when I arrived there in October, November and December. Consequently what one was able to do in terms of getting a real look at the country was somewhat limited and by that I mean primarily because of very high risk security factors. Travel was or should have been restricted to daylight hours only. At night it was not uncommon to hear gunfire randomly all night long on and off throughout the city and therefore unnecessary travel was completely discouraged. All of us were housed in the four star hotel there at the time for lack of housing, with, I think, two exceptions. Two of the single female officers had found accommodations that were, I guess, adequate. But at any rate the city at night was extremely dark and dangerous and we were pretty much confined to the hotel. We did have a satellite dish on the balcony of my room, which we used for emergency communications after hours. There were numerous military flights, humanitarian assistance in a project called Project Hope, and the third or fourth flight was taking place during the time I was there.

But to answer your question, this would be somewhat of an explanation of the contrast between the two places.

Q: Could you explain the state of relations between Georgia and the United States? What were you doing and how were things working out?

STOCKMAN: Well, I think the relationship between the two governments, in light of recent past history with Shevardnadze, were probably as excellent as one could expect. Certainly I would imagine that we were doing everything possible to support him and to try and convince the people that this was a beginning, one in which we were quite interested and of course we were doing everything that could be done, piecemeal fashion, to begin to put things together.

One thing I noticed taking place there that I suppose has also happened in other countries out here, is that there was a team of international jurists there at the time. Apparently they were working together with the new government trying to give them some idea of how to start writing a new constitution. That would really be the first real fundamental legal step in establishing, I suppose, a new democracy that they were not accustomed to.

Q: For the historian later, what was the civil war about?

STOCKMAN: What little that I could piece together, apparently there were many, not unlike other CIS countries, many ethnic groups who, over perhaps decades and decades had their axes to grind. Perhaps family feuds, turf battles, political battles of whatever sort. I suppose if one uses a little imagination, and perhaps even reads Fitzroy McLean, a British diplomat's book, Eastern Approaches you could get a real feel for what Joseph Stalin did and the repercussions many years later. His mass deportation of ethnic groups to opposite ends of the Soviet Union obviously had its accumulative effect, in my opinion. I believe we are starting to see reaction to this purging, or ethnic cleansing or whatever you might call it.

Then the fact that he who was in power in the old system had all the perks. And those who were in power didn't want to leave it because it would probably mean a lost of an apartment, a car and all the things that went along with it. So there is a classless society in today's new democracy starting to show what power struggles really mean.

Q: Dick, how were we setting up our embassy at that time?

STOCKMAN: Well the embassy there in Tbilisi was certainly a very unique setup. The government had apparently pointed out one building in the early days and designated it as the most suitable for the US embassy. Apparently that was it, there were not many alternative choices. It was a very old, classical building. The very architecture of the building, quite honestly, did not make it very functional for diplomatic purposes. The ceilings were perhaps 20 feet high and it would be very difficult functionally to use all that space effectively, let alone to heat it in the wintertime, which we found out very quickly. The electrical wiring in the building was dilapidated. And yet you could see obvious signs that this was the equivalent of some ministry building with very ornate woodwork and doors, the high ceilings, the tapestry, expensive and old oil paintings in various places throughout the building. In some locations there were fireplaces. So with a little imagination you could just about picture the old establishment, perhaps even the last days of the Tsar, living the life of Riley. And, of course, that came to a quick end.

Q: Who was our Ambassador while you were there?

STOCKMAN: Kent Brown.

Q: Was he an experienced Soviet hand?

STOCKMAN: Well, I understand that most all of these Ambassadors at one time or another were very experienced Soviet hands. I did not know any of them personally not having served in

the Soviet Union or behind the Iron Curtain. But I would certainly say he and his wife were probably two of the most charming people and in my opinion expertly chosen to be ambassador and leaders for a new embassy. They were really, really appreciated by all the embassy staff. And the team loyalty that they had generated was showing obvious results there. Because it is a difficult post in many respects to work in and yet the morale seemed very, very high for obvious reasons, they had very strong leadership.

Q: *How was it communications wise?*

STOCKMAN: The com set up was pretty much the same as it is in all of these embassies. It was effective. The Achilles heel to all of it, of course, is the city power that we rely upon...most of these embassies that don't have real true generators that we need for emergencies, during power failures in the city... for all practical purposes the telephone installation there and the communications gear was very effective. Thank god.

Q: *Well, you were there for how long?*

STOCKMAN: Two and a half months.

Q: *Was there any consideration because of the fighting that they might close it down again?*

STOCKMAN: At that point in time I don't think there was any such consideration. There was not actually out right civil war in the city during the time I was there. There were factions, of course, that were doing their thing at nighttime, primarily gun running and smuggling I suppose of all kinds. Of course the lack of fuel kept that to a minimum too. The real true fighting was up in the one corner of the country where they are having the secessionist effort, I believe the Russians are backing to some extent. It did make you feel nervous because after all you came out of the hotel in the morning and you would see the ground covered with shell casings on the street and you could hear it at night. Sometimes umpteen animals would come strolling into the hotel, the lobby, with their automatic weapons, somewhat drunk. So anything could have happened without any advanced notice. So you had to keep your wits about you and look and observe and literally stay out of trouble or avoid it.

JOHN HELM
Administrative Officer
Tbilisi (1992)

Mr. Helm was born and raised in Tennessee and educated at Carson Newman College. Entering the Foreign Service in 1973, he served in posts throughout the world, primarily in the field of Administration, including General Services, Communications and Foreign Buildings. His overseas posts include: Banjul, Gambia; Panama City, Panama; Seville, Spain; Quito, Ecuador; Mogadishu, Somalia; Tbilisi, Georgia; Bonn, Germany and San Salvador, El Salvador. His

Washington assignments were also in the field of Administration. Mr. Helm was interviewed by Charles Stuart Kennedy in 2004.

Q: What was the situation like in Georgia at that time?

HELM: Georgia's birth as a republic had been very difficult. There had been major fighting, warfare, in the city, and there were at least three civil wars going on in the city at that time. I could sit out on my balcony in the evening and watch the star shells and artillery blasting away in downtown Tbilisi. Each night a company of soldiers cordoned this particular hotel. It was a very nice hotel, very modern, Swiss management, American assistant managed, incidentally. They manned machine gun positions and bunkers around the hotel all night. In the early morning hours they would disappear. It was very tense. You couldn't move around very well. During the daytime it was okay, but at dark, chaos ruled. Everybody was off the streets at night. There was a dusk to dawn curfew, you would hear a lot of gunfire every night. There was a police post just below the hotel; I could see it from my balcony. A policeman would be there with a little stick, like a piece of broomstick about a foot long, with reflective tape on it. Any car that drove along, he would wave this stick and the car was supposed to stop and he would check the papers and find out the bona fides of the driver and passengers. If a car disregarded the policeman, it would go about another 50 feet, and a .30 caliber machine gun manned by the troops would just blow it away. So you'd be asleep in the hotel room and the .30 cal would go off right below your window and kill some poor people.

Q: Work wise, how could you get anything done? It would be your particular business to go out and get local supplies and get stuff done, and it doesn't sound like a very promising atmosphere in which to work.

HELM: The first thing we had to do, that we were working hard on, was assembling a local staff. I was the second admin officer; the embassy had actually been in operation for about a month when I got there. We were mainly attempting to hire the employees of the hotel. The hotel management threatened to kick us out if we persisted in this effort. We agreed that anybody currently working for the Metechi Palace Hotel was off limits. But of course their friends and relatives weren't. So we were networking in that way as best we could, trying to hire people. Of course there was no way we could do background investigations or loyalty checks or anything like that. And there was no way that we would know whether these people were KGB (Russian language acronym for the Committee on State Security) plants or not. We just assumed they all were. We were particularly concentrating on people that spoke English, since I didn't speak a word of Russian.

We probably did have KGB in that first group, but if they could do a job, that was good enough. The ambassador one day was called by Shevardnadze and he said, "I'm coming to the hotel; you ride with me." So the ambassador went and got in Shevardnadze's car with his bodyguard and they drove to a building that had been a very large, nice house, a very ornate, private residence. Shevardnadze walked in the door and announced to a young lady sitting inside the door at a desk that he was Shevardnadze, the president of the country, and effective that minute the building was being given to the Americans and it was going to be the American embassy, and that her organization had to leave. Well, this was just the receptionist; she ran off to tell the leadership

that Shevardnadze was here, taking the building. We moved in to one room on the second floor of this building. The building tenant was the Friendship Society, which was the public affairs arm of the KGB. Shevardnadze had wanted to get rid of them, and Moscow had quit paying these people, but they kept coming to work anyway. So he was using us to displace them. We never left the room on the second floor. We slept there. Somebody was always in the room. We built a tent inside the room and set up a laptop computer and an STU (secure telephone unit) telephone on an InMarSat pointed out the window. And that became our comcenter. You had to go into this tent because you didn't know if there were video lenses pointed at your screen. The only way you could be sure you could type anything on this computer was to be inside of the tent. It was hotter than hell in that tent.

We had to sleep with our equipment. At night, when the KGB people, the Friendship Society People, would go away, we would sneak out and take over another room. Throw their stuff out, then fight with them the next day. It was hilarious in a way. It was extremely tense. Because of the situation, you couldn't move go outside after dark; you had to stay in this building. It was a neat old building. It had been built by one of the generals that fought at Waterloo. One of the Russian generals was Georgian, and he stayed in Paris for ten or 15 years after the battle of Waterloo. When he came back he brought, they told me, a hundred wagon loads of stuff from Paris, loot that he had obtained, and built this fancy house. You could see it had a lot of Parisian architectural features: grand ballroom, the music room, etc. It was lovely, but it hadn't been kept up. It was filthy. It had gigantic chandeliers, but they were absolutely black. Anyway, we gathered up a group of about eight or ten Russian nationals working with us. They weren't really hired - we didn't have any personnel structure. So I sat down and wrote a personnel structure, a handbook, and everybody was paid out of the cashbox, in rubles.

When I got there the ruble was worth about 100 rubles to the dollar. When I left three months later it was about 5,000 to the dollar. We obtained permission to pay the FSNs in US dollars. We became the most popular employer in all of Georgia. Our money could be spent. I would fly up to Moscow about every two weeks and bring back a mail pouch full of US currency. You'd simply go out to the airport, fly to Moscow, go to the embassy, and they would hand you ten thousand or twenty thousand dollars in small bills. You were supposed to go to the airport by yourself, fly back to Georgia, get met by someone from the embassy - you hoped - while carrying this quantity of money. It was a recipe for getting your head busted. My first trip up there I've got \$10,000 in ones and fives. How am I going to transport this safely? I also had a shopping list of things I needed, and the biggest item on the list was cleaning supplies. We simply could not get the most basic cleaning supplies. So I went to the little embassy association store in Moscow and I bought every kind of cleaning supply I could find. I bought an iron. I had a huge mailbag full of cleaning supplies, soap and whatnot, and I put the money way down in the middle of it, and I put a padlock on it. I thought, "Anybody that steals this has got to be very strong to outrun me carrying this thing" because it must have weighed 70 pounds. I dragged this out to the airport, and got onto a Russian plane.

I don't know if you've flown Russian planes, but the seats are tiny. There's really no place below the seat to stick anything. I couldn't check the money. So I had to sit there the whole flight with this huge bag on my lap. They sold standee seats on the planes, just like the Greyhound bus; they would put as many people on the plane as would fit. I would be on the airplane with all this

money. On one of these trips, I remember, I had dropped the bag. I heard something, a glass bottle down in there, break. Oh boy. There wasn't anything I could do about it. When I got to the embassy, opened it up, it was a bottle of ammonia. All my money was soaked in ammonia, but it still spent. And there was no doubt where that money came from. Nope, nope, nope.

One time I went up there. The rule was, if you went to the cashier and he handed you a broken package, you had to count every bill. But if he handed you a sealed package with the bank seals intact, you could take that without breaking it open and counting it. I went to the embassy and he handed me a stack of twenties, which was \$10,000, all sealed in plastic with seals on it. It was ten-dollar bills [sic]. I looked at the package and said, "Hey, look - this package is all broken. The bottom is all messed up." The cashier said, "Oh, you're right, take this one." So I grabbed that one and threw it in my mailbag, signed for it, and came back to the embassy in Tbilisi. I put the whole bag in the safe and opened it the next day. Looked at it, and it was 20-dollar bills. I'd signed for \$10,000 and I had taken \$20,000. I thought, I don't want to make the cashier look bad, because there was a lot of internal politics up there. I'm going to send a message back to Moscow that said, "John Helm and the twenties arrived safely."

So I sent that message off as a front channel cable and didn't hear anything of it. Nobody said anything. I went ahead and spent the money. While I was there, an FSN accountant came from Belgium, to audit me. He inspected all of my financial records, counted my money, and discovered that I had \$10,000 too much. I explained to him what had happened and he said okay, he'll take care of it, and thank you for not making a big issue of it. It would have been terribly embarrassing to this cashier in Moscow. He was a British guy, actually, Steve Wilkins. The next day he flew to Moscow and straightened it out. A few weeks later I ran out of money and went back to Moscow to get more. When I got there, the cashier took me out to the Irish Bar and bought me lunch. I said, "What's this for?" He says, "You could have kept the ten thousand. I didn't know where it was. We had no idea what had happened to that money. I thought I was going to have to pay for it out of my salary." I said, "But I sent you a message that said John Helm and the twenties. Didn't you pick up on that?" "No - THAT's why you said that. I wondered why you said that that way." "Yes, yes - but I didn't steal the money, did I? So all is well."

So there we are, six of us, running this embassy. We sent a diplomatic note over to the ministry announcing that the embassy was now in full operation, and a young man came from the foreign ministry and asked about the diplomatic note. I said, "Yeah, well this is a diplomatic note." He said, "Why did you word it this way?" "Well, that's how notes are always worded, everywhere in the world. It's part of the basic Vienna Convention diplomatic heritage that you write diplomatic notes in this rather formal way." He said, "Oh. You used different paper for the diplomatic note. You didn't use your ordinary letterhead paper." I said, "No, we have very special paper and envelopes that we use for diplomatic notes." Now we only had one package of this paper, but we did have one package. He says, "Well, what is the ministry supposed to do when we get this note?" I said, "Well, typically, the ministry will reply in some way to a note that says we received your note, or welcome to Georgia, or something. And typically there is some sort of a welcoming ceremony at the foreign ministry that the chargé would go to and be welcomed to the country." He says, "Oh. Is that all?" I said, "Well, most countries have some sort of a document on nice paper that they give to the chargé saying that they're here. What do

you want to do?" He said, "Well, why don't I just tell you we got the note and thank you." I said, "Well that's fine. That's all I could ask for. Thank you." And he went away. Nice young guy, spoke good English.

Came back a week later and said, "We've gotten diplomatic i.d. cards. We sent off to Moscow and had them printed for us." "Do you have one to show me?" He says, "Yes, I do. It's here in my pocket. And there's a problem. We want to know what you think about it." He showed it to me. It was a nice little hardbound booklet i.d. card, typically used by European countries. It said Republic of Georgia, but it had the Soviet emblem. I said, "Why do you have the old Soviet seal?" "That's the only seal they had. We didn't have the mold made for our Georgian seal." I said, "Do you really think you want to issue this with the Soviet seal?" He said, "Yeah, we were questioning that. We didn't know if we wanted to or not." I said, "You know, I really wouldn't." So he went away, and then it turned out that the country had produced passports also with the Soviet seal. It was difficult, starting a country.

Q: In a way, the Cold War was over and space was far more important than things like secret equipment, which sounds like it was pretty outmoded anyway.

HELM: This fellow was quite upset at us. I think he probably told the military guard to shoot us, but since I already had the guard on my payroll, he didn't shoot. We found that spreading five dollar bills around rather frequently did wonders for making our lives better.

Q: Were there American Georgians who appeared?

HELM: There was one American Georgian that appeared. I'll get to him in a sec. I was holding one-hour classes for all the FSNs to explain American government and democracy and the diplomatic system, what diplomats are. One of the questions that came up constantly was, "Why are you here? Why had America come to Tbilisi, Georgia? What do you want from us?" And our stock answer was, "We want you to join the family of nations as a peaceful, successful country. We want you to become part of the world diplomatic and economic system." They never were sure we really meant that, but since they were on the payroll they went along with that as the official story. They were used to getting the official story.

While I was there we got a visit from the Secretary of State, Jim Baker. Here we are, this little six man embassy, and we're getting a visit by a 90 person delegation. How are we going to put on this visit? They sent me a message from the department that said, "What do you need?" And I asked for a communications officer, some security officers, and money. I said, "Send a lot of money."

Q: In small bills.

HELM: "Small bills. Green dollars, small bills. Send me a bunch of money." Guthrie Guilline a communications specialist, arrived from Moscow a couple of days before the visit. He came to see me and said, "Are you John Helm?" "Yes." "Can I see some i.d.?" "Well, yeah, here's my DOS building pass." "Okay, I have fifty thousand dollars in cash and a million rubles for you. Sign here." So I had my communicator and my money. There was no shortage of security

officers once the plane arrived with the Secretary. In that delegation was the military commander of all of Europe, a fellow by the name of Shalikashvili. He is of Georgian decent.

Q: He was head of the American army in NATO (North Atlantic Treaty Organization), I think.

HELM: I just figured he was the number one general in Europe, a four star general. His parents had emigrated from Georgia and he spoke some Georgian. On top of that, he was related to everybody in the country. He was the returning hero. He upstaged the Secretary at every venue. They didn't want to see Baker; they wanted to see Shalikashvili. He was a superhero. And he's the only Georgian-American that I ever saw there. There was a crowd in front of the hotel all claiming to be his relatives. We set him up in a hotel meeting room, almost like a throne room. He had a whole military delegation that traveled with him, and they were just leading people through. He would shake their hands, they would write down their name and his relationship to them. He had some kind of souvenir that he gave them, a card with his picture on it. He was giving these out until they ran out. It ran practically from dawn to dusk. When he would go to a meeting, people would simply stand there until he got back.

Q: How did you use the \$50,000 and million rubles?

HELM: I paid all the expenses, all the hotel bills, lots of rented cars, drivers. Everybody was paid in cash. Truthfully, I had so much money that I was able to run, without having to go back to Moscow, for the rest of my time there. I was there from May to August. It was a very exciting time because there was so much happening. I had a whole army of people, once I started paying in dollars. The back of the Chancery building had been a dump. Literally, it was just heaps of trash. I had laborers come in, got dump-trucks, and they hauled trash out of the back of the building for two weeks. As they dug down we discovered that we had a fireplug in the courtyard, it was paved, cobblestones, we found rooms down there that we didn't know we had, we hauled trash, trash, trash. I had eight or ten women working upstairs cleaning the ballrooms, scrubbing them. I went and bought a Russian floor polishing machine. They told me it was no good, it wouldn't last. It actually worked for a couple of weeks before it burned up. It cost \$15, or something like that. I was spending the money, doing anything I could to make the place look more like an embassy.

One thing that occurred during my period there was the fourth of July. We cleaned and we scrubbed. We got the ballrooms looking fairly good. We had no decorations, no fourth of July anything, but one of the things that had been shipped to me was an 11' by 17' American flag. The ballroom was tall enough that we were able to hang that flag vertically. That gives you an idea of the size of this place. It had about a 20-foot ceiling. You can imagine the magnitude of the room that you could do that in. We had probably 200 guests. We had the Patriarch of the Georgian Orthodox Church, we had Shevardnadze, all of the people from his government. It was amazing the number of dignitaries that appeared out of the woodwork, considering that we started from nothing. We didn't know a soul the day we arrived.

Q: Was it a problem of various forces that were engaged in this civil war trying to co-opt the embassy?

HELM: No, we were never approached by anti-Shevardnadze forces. There was no attempt to coerce us. We had no security, though. None. One day a delegation of old women dressed in black dresses showed up, and they wanted to see the chargé. The Russian militia men and our locally hired watchmen just basically got out of their way and they came in and they invaded the embassy. It was as close as we ever came to being overrun. The only room they didn't get in was our original communications room. And we were vastly outnumbered by these women. There were five or six of us, and 200 of them. "Holy mackerel, how am I going to get these women out of here, what's going to come of this?" We'd been overrun. They were everywhere, in every room.

Q: Looking at everything.

HELM: Oh yeah. And they all had pictures of their relatives who had been disappeared or had bad things happen to them during this period of civil war. I went out in the hallway through the crowd of women, and there was one that seemed to be the leader. She was holding up an 8 by 10 glossy, and it was a picture of an attractive young girl laying face up naked on a stone slab, like a morgue, and she had been disfigured. The woman was saying - I didn't know at the time but was later told - that this was her daughter who'd been taken by Shevardnadze's forces and gang raped, tortured, and murdered, and that she'd been sent a picture of her taken at the morgue. I grabbed this picture and looked at it. This was horrible. I walked down the steps carrying the picture, and the woman followed me, and all the rest of them followed her. I led the whole crowd, like the pied piper, walking and saying, "This is horrible, this is the most awful thing I've ever seen in my life," and it truly was. I walked all the way out to the street, crossed the street into a park, still holding this lady's picture. When the last of them had left the embassy following me, they locked the doors of the building. That left the embassy restored, but it left me standing in the park with this picture. Now what the hell am I going to do? So I went by the street, and here came a taxi. I had a dollar bill in my pocket, might have been a five, and I pull it out and waved it at the taxi and he stopped. I handed the woman her photograph, got in the taxi, and drove away. Went about three blocks, got out, and walked to the back door of the embassy. It pays to be crazy.

Q: It does, it does. Also, I think you got a good insight into what is known as "babushka power."

HELM: Yes. They can walk through anything. It was funny that they all followed me. They didn't steal anything, break anything, misbehave. They simply wanted somebody to see what horrors had been done to them and their families by the Shevardnadze government. Well, what can we say? We're supporting Shevardnadze. He's our host. That was one time when not speaking a word of Russian may have been the best possible thing. I spoke to them in English and said, "This is the most horrible thing I ever saw. Look at this, this is terrible." And other sympathetic noises. And was able to extract myself from the crowd and get away.

LAWRENCE DUNHAM
Department of State: Office of Protocol
Washington, DC (1983-2005)

Mr. Dunham was born and raised on Nantucket Island, Massachusetts and was educated at Catholic University and George Mason University School of Law. After working briefly in the United States Customs Service in Washington, DC, he joined the Department of State's Office of Protocol in 1983. He worked in the Office of Foreign Missions as Diplomatic and Consular Liaison until 2001, at which time he was appointed Assistant Chief of Protocol, serving in that capacity until 2005. Mr. Dunham was interviewed by Charles Stuart Kennedy in 2007.

Q: I got you. Ok, I am not sure if it was in your time or not but there was a horrendous case of somebody from, was it Ukraine or one of the former Soviet countries of an automobile accident. Did that come up in your time? (January 3, 1997)

DUNHAM: It did.

Q: Could you explain what it was.

DUNHAM: Definitely. I wasn't primarily involved in this case. Matters involving motor vehicles were and still are handled by the Office of Foreign Missions. Since the Foreign Missions Act was passed in '82 (OFM was up and running in about 1984-'85), they have handled responsibility of registering motor vehicles, issuing the license plates and issuing driver's licenses. As a result, they also had responsibility for dealing with motor vehicle related infractions which included parking tickets, moving violations and in this case, incidents involving allegations of driving under the influence of alcohol. Now in this particular case, the diplomat involved was the deputy chief of mission from Georgia. Apparently the accident occurred late one evening or early in the morning, I think it might have been in the spring or early summer. The diplomat was driving down Connecticut Avenue. Just as you get to DuPont Circle, you can either go under the circle on Connecticut Avenue, or to your right where there is a short exit ramp which brings you right up into the circle area. He was apparently going very fast. They estimated that he was traveling at about 80 miles an hour. He had been drinking; there is no question. He was intoxicated. He mistakenly got into a lane that took him up into city traffic. When he came up off Connecticut Avenue into the intersection, there were three or four cars backed up at a stop light. He came up and smashed into the back of that lane of cars with such great impact that he pushed one car forward and actually pushed another one into the air. That car came down upon another car and killed one of the occupants and injured another. There may have been people in other vehicles who were injured as well. So that was the case you are talking about. Now in that instance the diplomat actually had to be brought to the hospital to be treated as well. The incident was highly publicized. I am sure there were reporters on the scene because it was just so horrific and so graphic. They were taking photos of it. It was reported on the news the next day. The State Department asked the local police to conduct a thorough investigation of the incident and gather all the information and to provide a report to the State Department. That report was transmitted by the State Department to the prosecutor in the jurisdiction with a request, but for immunity would you bring an action in this case? If the prosecutor comes back with an affirmative decision, as happened in this case, the State Department requests a waiver of the individual's immunity so that he or she can be prosecuted locally. Now in this case, as I said I was involved tangentially, but I was aware of what was going on. So a waiver was made to the ambassador, a written waiver was presented to him. The

Government of Georgia took it under advisement. In addition to the formal request which was presented to the ambassador, Secretary Christopher called President Shevardnadze and made the request orally to him. Around that time as well, Congress was considering a financial aid package to Georgia. There was some discussion on the Hill as to whether or not this would be approved if the waiver weren't granted. Eventually the Georgians to waive Makharadze's immunity. He went to court and pled guilty to charges. He was sentenced to something like seven to 21 years in jail. I don't know whether he was fined also. He started to serve his sentence in the United States. Subsequently, the Georgians acceded to a treaty, or established a treaty, with the U.S. allowing for the exchange of prisoners in U.S. jails to serve their time in their home country. He was transferred to Georgia and was serving time in jail there. I don't know whether he is out or not. In that case a waiver of immunity was granted and justice was served. In addition, in accordance with the Foreign Missions Act, all diplomats are required to have to have motor vehicle insurance, and he had motor vehicle insurance. I am not certain what happened on the civil side, but I am sure that an arrangement was made with the family of the girl who was killed, and perhaps with others who were injured.

RUDOLF V. PERINA
Special Negotiator for Eurasian Conflicts
(2001-2003)

Ambassador Perina was born in Czechoslovakia when that country was under communist control. He escaped with his family to Morocco, then Switzerland and finally the United States. The ambassador was educated at the University of Chicago and Columbia University. Entering the Foreign Service in 1974, Mr. Perina specialized in Military-Political Affairs at posts abroad, including Moscow, Berlin, Brussels, Vienna and Belgrade. In Washington he served on the National Security Council, specializing in Soviet issues. From 1998 to 2001 Mr. Perina was US Ambassador to Moldova. Ambassador Perina was interviewed by Charles Stuart Kennedy in 2006

Q: So what was the next conflict you worked on?

PERINA: Let's turn to Abkhazia. This is a region on the Black Sea within Georgia that seceded from Georgia when the Soviet Union came apart. The reasons also stemmed from ethnic hatred with a very long history. There was a war between Georgians and Abkhaz in 1992, and it was a very cruel and bloody war. Probably twenty to thirty thousand people were killed, with atrocities committed on both sides. I recognized the minute I started working on this that it would be the most difficult of the four conflicts in my portfolio to resolve. The hatred between Abkhaz and Georgians was the worst I had ever seen in either the Balkans or the Caucasus. It was even greater than that between Serbs and Albanians. This was for historic reasons but also because of the cruelty and nature of the war. It was an unusual war. In most ethnic conflicts of this sort a majority ethnically cleanses a minority. In Abkhazia, however, the reverse was true. The Abkhaz had been an ethnic minority of about 100 thousand people out of half a million but with Russian and Chechen help they ethnically cleansed several hundred thousand Georgians. The entire

region after the war had a population of about 175 thousand, which is fewer than the number of displaced Georgians. This meant that the Abkhaz were dead set against any settlement that would allow even a portion of the Georgians to return, which was the prime demand of the Georgians. So there was very little common ground to work with for a settlement.

I always believed that another reason for the difficulty of resolving this conflict was that Abkhazia was really worth fighting over. It is gorgeous, with mountains coming right down to the Black Sea. Since I was the negotiator, I had opportunity to visit all of these secessionist regions, even though American diplomats were normally restricted from travel there because we did not recognize the regimes. I never found Transnistria or Nagorno-Karabakh or for that matter Kosovo particularly attractive, and South Ossetia least of all. But Abkhazia is prime real estate, potentially a big Club Med. I visited during tangerine season, and there were these orchards of tangerine trees right by the seacoast with a Mediterranean climate and beautiful scenery. It was also fascinating because driving from Georgia proper to Sukhumi, the capital of Abkhazia, there were all these abandoned houses and villas along the road. This was because after 200,000 Georgians were expelled, the Abkhaz could not fully populate the area. There were some groups that started coming, particularly Russians and Armenians, but it was not enough to re-populate the region and fill all those abandoned homes.

Q: Were there Russians in the region?

PERINA: There were, in many different capacities. There were a growing number of Russian tourists and also Russian investors and businessmen who saw the potential of the area. There were several Russian bases in Georgia, including in Abkhazia, that were a holdover from Soviet days but still held by the Russians. But most importantly, there was a peacekeeping force in Abkhazia of several thousand Russian troops. This had been part of the ceasefire arrangements in 1994. The peacekeeping force was supposed to be a CIS (Confederation of Independent States) force but in practice it was all Russian, and it was one of the big political problems. The Georgians agreed to the force in 1994 but thereafter recognized that it was really functioning as a protective force for Abkhazia. In my time, the Georgians were always demanding that the Russians pull out but then backed away after the Abkhaz said this would lead to a renewed war. This was a lot of discussion of finding a substitute force from other countries but no agreement was ever reached on one, and not many countries volunteered to be peacekeepers. So there was always a crisis when the time came for the annual renewal of the CIS peacekeeping mandate but in fact it was always renewed.

Q: So how did the negotiations work?

PERINA: The negotiating structure was totally different from the one in Nagorno-Karabakh. The United Nations was in charge of this conflict and not the OSCE. There was in fact a United Nations Observer Mission in Georgia (UNOMIG) that was responsible for overseeing the ceasefire and the work of the peacekeepers. This did not work very well because the Russian general in charge of the peacekeepers did not feel at all responsible to a civilian UN diplomat who was in charge of the Mission. UNOMIG had a presence of several hundred people in Sukhumi but this was no match to several thousand Russian troops. The UN role did determine that the political negotiations regarding Abkhazia took place in UN contexts, on many different

levels. There was a formal negotiating process of which we were not members and that involved the United Nations, Russia, the Georgians and the Abkhaz. This very soon got bogged down and was not going anywhere. Then there were negotiations in New York, in the Security Council, within a group called the Friends of the Secretary General on Georgia. This friends group was basically a number of countries that had expressed interest in this conflict and met periodically to discuss it and give recommendations to the Secretary General. The Friends Group included the United States, Russia, France, the UK and Germany, among a few others. So a lot of negotiating was done in this context. But then in addition, a special mechanism was set up in my time to try to activate discussions between the Georgians and the Abkhaz. This effort was undertaken by the UN Undersecretary for Peacekeeping, a Frenchman named Jean Marie Guéhenno. He organized a series of meetings at UN headquarters in Geneva to discuss the Abkhaz issue among the key members of the Friends Group and with the Georgians and Abkhaz. I was the U.S. representative to these meetings, and the first three were held in my time—in February and July of 2003 and then in February of 2004. The first one involved just the UN, U.S., UK, Russia, France and Germany, and the following two included the Georgians and the Abkhaz.

Q: Anything come of these?

PERINA: Unfortunately, I can't say it did. Within the Friends group, the Russians were clearly protective of the Abkhaz, and when we did get an Abkhaz representative to Geneva, he was absolutely unrelenting in refusal to engage in any discussion that would imply the slightest Georgian sovereignty over Abkhazia. And this was supposedly one of the more moderate Abkhaz leaders, their so-called Foreign Minister Sergey Shamba. So the effort was made and a lot of opportunity for talks existed but the process never took off. I think perhaps the only function of it—and this is something of value—was again that the existence of the process reduced the pressure on the Georgian side for military action against Abkhazia. The Georgian government was under a lot of pressure from the 200,000 refugees to do something about Abkhazia. If a negotiating process had not existed, the calls for war would have been even greater. As I was leaving the Special Negotiator job, I felt that this was the most dangerous of the conflicts I had worked on, and that a definite danger existed that it could erupt into a hot war. It became even more dangerous and unstable after Saakashvili became President of Georgia. During my tenure, the President was still Shevardnadze.

Q: Were you there during the Rose Revolution?

PERINA: No. That came after I left. I was there during Shevardnadze's time.

Q: What was Shevardnadze's attitude?

PERINA: I met with him a couple of times during my visits to Tbilisi. Frankly, he was a bit past his prime. There was a lot of unhappiness with him among Georgians, and his popularity ratings had fallen to single digits in some polls. He said all the right things about resolving the Abkhaz conflict but there wasn't much energy behind the words. He was confused on how to go forward and seemed just to be coasting in his presidency. Our meetings were pleasant but never very productive.

Q: Was he afraid to stand up to the Russians?

PERINA: It is difficult to say. He was critical of the Russians, though certainly not as much as his successor Saakashvili. The Russians were playing a dirty game in Abkhazia. Formally they said they were against secession but in practice they did everything to help Abkhazia stay independent of Georgia. This was similar to what they were doing in Transnistria and South Ossetia. The Russians could have helped force a settlement if they wanted to. Abkhazia is not really viable as an independent state. It has less than 200,000 people since the end of the fighting. It would have a very difficult time remaining independent. Probably, it would sooner or later join Russia, and that may be exactly what the Russians are hoping. During my time, I had the suspicion that the Russians and Abkhaz were working toward an eventual partition of the region in which a strip in the south would go to Georgia and the rest join Russia. There is a region in the south of Abkhazia called Gali where in fact the Abkhaz had a very different policy than in the rest of Abkhazia. They were allowing Georgian refugees to return and so on. They may have been working toward an eventual partition as a compromise with Georgia to end the conflict. But this is just a suspicion based on what was happening in Gali. I have no real evidence for it.

Q: OK, what is the next conflict?

PERINA: That would be South Ossetia, a small region in the north of Georgia on the Russian border. It is only about two and a half hours by car from Tbilisi. It is called South Ossetia because there is a North Ossetia within Russia proper, right across the border. This is another case of secession by an ethnic group that did not want to be part of an independent Georgia. The story is similar to that of Abkhazia but on a smaller and far more muted scale. There was also a hot war between South Ossetians and Georgians in 1991 and a ceasefire imposed on Georgia by Russia in 1992. Probably about a thousand people died in the fighting, and tens of thousands of Ossetians fled to the north, into Russia. South Ossetia had a population of about 100,000 before the war, divided roughly into two-thirds Ossetians and one-third Georgians. The population now is probably not more than 70,000, in roughly the same proportion. You can see that this was a smaller war, and the stakes are smaller than in Abkhazia. It also was not as brutal. But still it remains an unresolved conflict because the region does not accept Georgian sovereignty and is protected in this by Russia.

Q: Did it seem that this conflict could be resolved more easily?

PERINA: Definitely. This is what many people believed, and I believed as well. There was a different dynamic to this conflict. The hatreds were not as deep as in Abkhazia or Nagorno-Karabakh. In fact, most of the history of the region had been peaceful. Inter-marriages between Georgians and Ossetians were not unusual. The outburst of Georgian nationalism after independence had sparked the conflict but there seemed to be hope of bringing the ethnic groups together again. There was no more violence underway by the time I got involved, and a peacekeeping force of Russian, Georgian and Ossetian forces, plus an OSCE monitoring mission, were keeping things fairly quiet. The conventional wisdom about South Ossetia was that it was not a dangerous conflict and that the Ossetians were waiting to see how the Abkhaz conflict would be resolved and then try to piggy-back on it in cutting a deal with the Georgians.

Q: What kind of a deal?

PERINA: Well, that would depend of what kind of deal the Abkhaz cut. But at one point I had the notion that perhaps we should try reversing this—rather than waiting for South Ossetia to copy Abkhazia, we should start by resolving South Ossetia and seeing if that might help promote an Abkhazia settlement. So I made a trip by car to the South Ossetian capital Tskhinvali to meet with the leadership. Unfortunately, however, there was a power struggle underway within this leadership. A rather moderate President, or so-called President, who many thought would be willing to find a resolution of the conflict had just been replaced with strong Russian backing by a hardliner named Eduard Kokoity. Kokoity was in Moscow when I visited and so I was told I could only meet with one of his deputies, a person so unremarkable that I honestly do not remember his name, though it will be in the reporting cable. He was also pretty hardline in not willing to even discuss any compromise to South Ossetia's so-called independence. The one thing he did want to discuss was any possibility of American economic assistance to the region. This was not surprising given the incredible poverty of the region, which was the most salient thing that I remember about it. Tskhinvali was this dusty little town with empty streets and hardly any people that I could see. It was a very depressing place. There was more life to be seen on the road to and from Tbilisi but it consisted largely of open air markets where things like old automobiles and machinery appeared to be on sale. I was later told that this was indeed part of the basically black-market economy of South Ossetia, where stolen and custom-free goods were sold and smuggled into Georgia proper. Like Transnistria except on a smaller and poorer scale, South Ossetia basically found a niche in black-market dealings. One person facetiously called it a big parking lot for stolen cars.

Q: So the black market kept it going?

PERINA: I think it was a big part of the reason. I would say two things kept it going: the economic interests that stemmed from the black market and then Russia. There was probably a lot of overlap between these two. The Russians had both economic and political interests to keep it going. My impression, and everything I heard from other observers, was that most of the population would have been ready for a settlement. There was in particular a real desire for Western economic assistance. The region was terribly poor. One Westerner in Georgia who had been watching the situation for a long time told me that basically South Ossetia could be bought for 100 million dollars. Not literally bought, of course. He meant that an offer of such an assistance program would convince most South Ossetians to re-join Georgia. I think that the European Union tried the approach of offering a large amount of assistance. The European Union in fact took a special interest in this conflict, perhaps also thinking that it was the one most likely to be solved. The EU was looking for projects to enhance its international profile and would very much have wanted itself to be seen as the main force in resolving one of the frozen conflicts in the Caucasus. The EU did a lot in South Ossetia but the main reason it all failed was, in my view, Russian resistance. Moscow was just not ready to give up the region, particularly after Saakashvili came to office and Russian–Georgian relations plummeted. The Russians wanted to hold South Ossetia, if only as additional leverage against Georgia.

RICHARD M. MILES
Ambassador
Georgia (2003-2005)

Ambassador Miles was born in Arkansas in 1937. He earned an associate degree from Bakersfield College, Bachelor's degree from University of California, Berkeley and a master's degree from Indiana University. He joined the Foreign service in 1966. His overseas posts include Oslo, Belgrade, Moscow, Leningrad, Berlin, Azerbaijan, Bulgaria and Georgia. Ambassador Miles was interviewed by Charles Stuart Kennedy in 2007.

Q: Well then, 2002, did you leave?

MILES: Yes, 2002. I turned 65 in January 2002 when I was still in Bulgaria, and that meant mandatory retirement, you know, unless you had the Career Ambassador rank, which I didn't. And so I was getting ready to retire, but I had written a letter to Rich Armitage and to Beth Jones, who was Assistant Secretary for European Affairs at that time, Armitage being Deputy Secretary. I knew them both well, and I said that I was getting ready to retire and I was perfectly happy to do that but that I was still interested in working if something was available. Now, 99 times out of 100, a letter like that would either result in a polite, negative reply or maybe not even that. But in this case, the timing was good. Joe Presel, a good friend of ours who had been Ambassador in Uzbekistan and whose name had been moving forward to be Ambassador to Georgia, decided he would retire from the Foreign Service and would no longer be in consideration for that assignment. So when Joe dropped out, I got a phone call from Washington when I was out on the Black Sea coast, during an official visit out there, and Beth asked me if I'd be interested in going to Georgia. Sharon was with me. I remember talking to her over the roof of the car. We had just stopped for the evening and I said, "Well, they're offering me Georgia. Do you want to go to Georgia?" And we always liked Georgia—who wouldn't? And so she said yes and I said yes and the next thing I knew I was on my way to Georgia.

Q: Okay. Well then, let's take Georgia. You went to Georgia from when to when?

MILES: Well, I went out there pretty fast. I left Bulgaria a little early because they needed someone in Georgia and so in the summer of 2002 I arrived in Georgia and then I left in August of 2005. So I was in Georgia for three years and three months.

Q: Okay, 2002 what was the situation in Georgia before you got there?

MILES: Now, I had been in a lot of difficult places, a lot of places—I mean, hell, coups in Azerbaijan, turmoil in Leningrad and in the Baltic States. We even went to war in Serbia. So I had been in a lot of places where there was economic and political malaise, but I had never been in a place in which hopelessness on the part of the population, and even on the part of the leadership, was so palpable as it was in Georgia. Eduard Shevardnadze was the President. He had a good reputation. He had been a tough corruption-fighting communist official in Soviet Georgia as Minister of the Interior and, later, as First Secretary of the Party. He had demonstrated that he could be tough enough. And it was on that basis that he rose to national prominence. He was

Soviet Foreign Minister in the last days of the Soviet Union and he worked closely with Secretary Baker and with the European leaders to help with the peaceful dismantlement of the Soviet empire. Then he had returned to Georgia to help bring Georgia forward into the 21st century. And all well and good. He had a lot of friends in the United States, from the President's father on down, and knew many senators and congressmen, and he knew the Western European leadership. In other words, he came very well recommended. We all thought highly of him. We had a good relationship with Georgia but it was clear back in Washington and doubly clear when I arrived in Georgia that, by 2002, Shevardnadze had lost the will to govern and in a certain sense had lost the capability of governing. People were basically just waiting until April of 2005 when his second term would end—they have term limits in Georgia—and some new president, no one quite knew who it would be, would be elected, whether it would be one of the young opposition leaders who had begun to spring up or whether it would be someone from within the apparatus. But people just could hardly wait until that would happen and there might be a chance for the country to move forward. People both within and without the government saw no chance of moving forward while Shevardnadze was president. A most unfortunate situation.

In 2002, revenues were hardly being collected. Bills weren't being paid. The American energy company AES which U.S. taxpayers had helped to subsidize was hemorrhaging money because they couldn't get private consumers of electricity to pay their bills and, in fact, they couldn't even get the state institutions to pay their bills. The state railway system is an electrified railway system and was actually a money making operation—it was one of the few money making operations in Georgia since, at that time, it carried much of the crude oil from the Azeri Caspian Sea deposits over to the port of Batumi and on out for sale to Western markets. So it had money but it didn't want to pay its bills either and Shevardnadze wasn't willing to make it pay its bills. Later, under pressure from me and others, it did force the company to pay up, but not in time, and not enough to save AES which sold out to the Russian energy company RAO-UES [Unified Energy System of Russia].

Even worse, pensions, which, on average, were only \$7 a month, weren't being paid. Civil service salaries weren't being paid. Teachers' and medical workers' salaries were in arrears for as much as two years or more.

Q: But, you know, it seems governments usually build and exist just on the amount of vitality of one leader, you know, particularly where it's not a Stalinist form of government. I would have thought that Shevardnadze could have retired to a beach resort and somebody else could have been pressed into taking over. What was happening?

MILES: If he had retired to a beach resort that might have happened but he didn't do that. He remained in his office and the psychological-political situation was such that neither the members of the parliament nor the opposition seemed able to act. In essence, I think they were waiting for the April 2005 elections. There was going to be a parliamentary election in the fall of 2003 and political activists were preparing for that as a kind of a rehearsal for the presidential election. In 2002, people were not really looking for street action nor were they engaged in conspiracies to oust Shevardnadze. They were going through the motions of the democratic system but with the idea that change was still a year and a half or two years away.

In 2002, crime and corruption were rampant. You had to pay bribes to accomplish the most simple thing, policemen were not paid basically. A police or Customs Officer job was considered a license to steal. Policemen would buy their jobs from the local police chief or the regional police chief or the Minister, depending on how high up the job was, and he would then buy his uniform and his equipment, such as it was, and then he would collect bribes.

Physical conditions in the hospitals, clinics and schools were unbelievably bad. No electricity, no heat, no running water; 400 children and the teachers would have to go out and use an outhouse in the back. Buildings not painted or repaired for 10 years; the windows broken and replaced with a piece of cardboard. In one school I visited where we had provided a little bit of assistance, individual classrooms—and I think this was fairly typical—were heated by little tin stoves. I grew up in an environment where we heated our house with a wood stove and there is nothing wrong with a reliable cast iron wood stove but these were little, leaky stoves made of very thin sheet metal and with a stovepipe running out through one of the panes where the window was. And each child, every day, had to bring in a couple of sticks of firewood to fuel the fire in this little tin stove to heat the class room that day. And the teachers, who had not gotten paid in years, were teaching out of simple dedication to their profession.

I remember more than once visiting schools with Sharon and there would be no blackboards. They had been stolen by thieves or sold by the administration or whatever, and I'd ask, "How can you teach mathematics or how can you teach language without a blackboard to write on?" And they said, "Well, it's not easy." And they couldn't buy one out of their own salary because they weren't getting a salary. It was truly pathetic.

And it was worse than pathetic when it came to the medical system where the same conditions prevailed, where the equipment which had been there, old Soviet equipment, had broken down long ago and was generally not working, and where there was no heat and no electricity and maybe no running water. I mean, it was terrible.

I remember going to one maternity clinic over in the Azeri-speaking part of Georgia where one of the American oil companies had been doing some exploratory work and they had put a little bit of money into rehabilitation of this maternity clinic. And even after having been rehabilitated, the clinic was just pathetic. But the local people were very proud of the fact that in the delivery room in this maternity clinic they now had windows in the window frames because people had stolen or sold off the very frames of the windows, the windows and the frames, so it was just an open hole where the windows had been and women were delivering babies in the summer in the heat with the flies and all that and in the winter they would just put a blanket over the window and try to keep out the cold. It was dreadful. But in this case, this one case, the American company had been able to provide a frame, a window and a screen for the windows and so there was a semblance of sanitation and so on.

And again, the medical workers weren't being paid and in order to get medical care, you would pay the doctor directly—you'd bribe the doctor in essence to provide you with a little bit of medical care, and your family would bring food for you and maybe a brazier and some charcoal to the hospital ward for a tiny bit of heat. I could repeat that experience throughout the whole

society: streetlights burned out and curbs beginning to break down on the side of the roads; enormous potholes in the roads and streets.

I remember going down from Tbilisi to Yerevan, the capital of Armenia, a trip which should take about two hours, and it took more than five hours. It was just washboard construction up and down, sideways, and you were just jiggled to death. In some places, the paved road had just disappeared. Interestingly enough, that same road continuing on into Armenia was in much better condition there—almost normal, in fact. And of course a lot of people in that part of Georgia are farmers and they were trying to bring eggs to market or watermelons or something like that and I'm sure that a lot of the produce was lost simply from being jiggled about on these awful roads. If you had a small truck and the truck was bounced up in the air about a foot and then came down with a crash you can imagine what would happen to 40 dozen eggs you might have; you'd end up with two dozen eggs and be glad to have them.

Well, before I left Washington I was told by an old colleague, Dan Fried, over at the NSC, “We have great regard for Shevardnadze, we appreciate who he is, but the country has become almost moribund and is in a dangerous condition.” I was told I should practice tough love—that was the expression that they used—I should practice tough love to Shevardnadze to get him to implement some of the reforms that were necessary to get the society moving, starting with the collection of state revenues so the state could begin to pay some of the back pensions and the civil servant salaries and all and then to begin to work on the infrastructure and to make better use of our USAID programs that we provided. And, of course, I was to do what I could to help AES, the American energy company out.

And meanwhile there were serious security problems in several places. There was tension between Georgia and Russia over the presence in Georgia of several hundred ethnic Chechen fighters. Chechnya borders Georgia on the North East, the high ridge line of the Caucasus Mountains marking the border. Just south of the border there is an area called the Pankisi Gorge where ethnic Chechens, called Kists, have been living for several hundred years. This is a small area, tapering to a point in the north and broadening to a distance of a few miles toward the south. During the fighting in Chechnya, several hundred Chechen refugees had come across the border to take refuge with their ethnic kinsmen in the Pankisi Gorge. Subsequently, several hundred—maybe as many as 700—Chechen fighters also began to come over the mountain passes before they froze up in the winter. They'd winter over in the Gorge and then, when the passes thawed out in the late spring, they'd go back to Chechnya and kill Russians. Not surprisingly, the Russians didn't like this state of affairs. The Russians were putting a lot of pressure on the Georgians to a) deal with it, b) allow the Russians to deal with it, or c) let them engage in joint efforts—“We'll send a patrol and you can join us; we'll clean these fellows out for you.” The Georgian authorities had lost control of the Gorge and they didn't like any of these options. So the Russians began to threaten unilateral action. Russian airplanes would fly over for reconnaissance, perhaps a helicopter would fly over. And on one occasion an aircraft or a helicopter, it was never quite clear to me, but probably a fixed wing aircraft, dropped a couple of what are called iron bombs. These were just regular World War II-type bombs. They probably thought they were striking a camp site which the Chechen fighters had been using. Whether it was a Chechen fighter encampment or not, there were no fighters there and the bombs

unfortunately killed a woman gathering wood. In other words, the situation was getting rather perilous.

Shortly before I arrived, Shevardnadze asked President Bush, George W. Bush, to provide some American military training to his totally disorganized armed forces in order to provide a force capable of backing up the Ministry of Internal Affairs' troops and special services. The idea was that the Ministry's paramilitary forces would go into the Gorge and restore Georgian authority there. And by the way there was a lot of purely criminal activity in and out of the Gorge, gun running, narcotics and so on, kidnapping for money, not to mention the presence of a sizeable handful of international terrorists who had found a safe haven in the Gorge.

President Bush had agreed to provide that training and the first Special Forces trainers arrived in Georgia almost the same week I did. I think I was there in May of 2002 and the trainers arrived just about the same time. They trained one battalion at a time, 400 to 500 men and a few women. On my recommendation, we got special permission to salt in a few members of the Ministry of Internal Affairs troops to allow better coordination later. After training the first battalion, the Special Forces went back to the U.S. to train up for Iraq, and Marine Forces Europe, MARFOREUR, took over. The Marines had not had as much experience at the Special Forces guys in training foreign troops, but they learned fast and did an excellent job. This training proved quite successful and after training up the first four battalions in succession, under GTEP, the Georgia Train and Equip Program, the training program was resumed under slightly different parameters and renamed—it became SSOP. I can never remember what SSOP stands for: Sustainment and Stability Operations Program, I think. SSOP training was very similar to GTEP training except, under SSOP, there was more of an emphasis on peacekeeping since so many Georgian troops were joining the Coalition Forces in Iraq. At one point, there were 2000 Georgia troops in Iraq. A remarkable contribution for a small country.

Well, as soon as the training had begun, Shevardnadze did as he said he would. He sent his Ministry of Interior troops along with some of his special services into the Pankisi Gorge. The Army, tanks, artillery and all, backed them up at the southern end of the Pankisi Gorge. The special services people went to the leaders of the Chechen fighters and said, "OK. Your welcome is over. If you want to stay here, hand over your weapons—and no more crossing the border. If you want to go back to Chechnya, go, but don't come back." Well, this all worked rather smoothly. There was only one serious incident. A group of fighters went back into Chechnya. They passed through the first group of Russian border guards either through bribery or trickery on the part of the Russians. So they went further in where they were then severely mauled by a second group of Russian border guards. The Chechens somehow got back across the border in reduced numbers but with their weapons and at that point the Georgian internal troops surrounded them and told them that they could stay in Georgia until their wounds were healed and all that but they had to cache their weapons; they wouldn't be allowed to take their weapons back down into the Pankisi Gorge. The Chechens didn't want to give up their weapons and there was quite a standoff for a while but in the end they had to accept the Georgian conditions.

Then there was a big diplomatic fuss. It was a tragicomedy in a sense. Of those in this group, the Russians asked that that 13 of them be extradited to Russia to be tried as terrorists and the Georgians really didn't want to do that. They just wiggled and squirmed about that, asked for

detailed information and so forth, but, under pressure, they finally did return most of them to Russia. But in at least two cases the Chechen fighters had provided a *nom de guerre*, you know, a made up name for themselves; they hadn't provided their real names, and the Russians nonetheless came back with detailed indictments using the *nom de guerre*. Either they didn't know that these were not their real names or they didn't care.

So that was one issue. And then the other major issue was the separatist provinces. There were three. Adjara on the southwestern Black Sea coast, then Abkhazia, on the northwest Black Sea Coast and finally, South Ossetia, which is inland a little bit and which has a common border with North Ossetia in Russia. Abkhazia and South Ossetia had broken away from Georgian control during the civil war in '91-'92 and had never come back under Georgian control. They are not under Georgian control to this day and the situation remains quite difficult. There are Russian peacekeepers in both provinces. In the case of South Ossetia there is a small detachment of 500 Russian peacekeepers. By agreement there is a 500 person Russian battalion. There's another battalion of 500 South Ossetian peacekeepers and third battalion of 500 Georgian peacekeepers. And there's a very small observer group from the OSCE, seven or eight officers, who keep an eye on all this. There is constant tension back and forth, constant difficulties, shooting, abductions, silly political maneuvers; I could talk a long time about it but in essence in this little tiny place of 60,000 people there is a very real danger of a spark that could bring about a bigger war and that's still the situation after all these years.

Abkhazia is larger in size but maybe a little less volatile. Abkhazia has a population of several hundred thousand people and the Abkhaz are an ethnically different group from the Georgians. They speak a different language. That's true for Ossetia too; the Ossetes are ethnically differently and speak a different language. In both Abkhazia and South Ossetia there are economic interests, more so in the case of Abkhazia, I'd say. Because of the continuing separation from Georgia, Russian passports have been issued to the population in both provinces. There's a Commonwealth of Independent States peacekeeping force in Abkhazia of several thousand men, about 1800 as I recall. Technically it's Commonwealth force but it's really made up entirely of Russian soldiers and officers. There's a UN military observation group, UNOMIG, United Nations Observer Mission in Georgia, in Abkhazia, which is unarmed but which contains slightly more than a hundred officers from different nationalities. UNOMIG observers go on patrol occasionally in the demilitarized area between Abkhazia and Georgia proper but they're accompanied by the Commonwealth peacekeepers who are armed and there have been incidents in which firearms have been used. So there is something of a dangerous situation in Abkhazia, but because of the size of the population, the size of the peacekeeping force, the presence of a significant group of international observers, the situation is probably less dangerous than the situation in the much smaller places of South Ossetia.

Q: I was talking, I think it was to Rudy Perina and he was saying that one of the things was that it was a popular place for retired Russian military.

MILES: Right, it is.

Q: So we have Ossetia and Abkhazia separate from Georgia somehow.

MILES: Abkhazia is a little bit like northern Florida or northern California. It's really quite beautiful. Stalin had dachas there, several dachas, actually. Beria had dachas there. I have been to Abkhazia many times and it's truly a very beautiful place. I always enjoyed going down there. I even had lunch in Stalin's dacha once.

Q: Well, did we have any bone in this fight?

MILES: Well, the bone is that we were supportive of the sovereignty and territorial integrity of Georgia and, at the same time, we didn't want to see the Georgians get engaged in a serious fight in either place. We believed that the Russians almost surely would get involved in any fighting which broke out in Abkhazia or South Ossetia. And frankly we weren't prepared to fight Russia over these issues and the Georgians, who would like nothing more than to see us fight Russia over the issues, were not always much help in avoiding incidents. Oddly enough, official Russian policy also supports Georgia sovereignty and territorial integrity and this policy has been repeated by Mr. Putin several times. But having said that, the Russians often do take measures that belie that statement and undermine, certainly undermine, the territorial integrity and sovereignty of Georgia. But at the same time I don't think the Russians want to see a fight break out. I think what they really want to see is the Georgians coming to them on bended knee and asking them to sort things out, but the Georgians always have preferred to work with their Western friends or with the international community which has set up various mechanisms, OSCE, United Nations, whatever, to try to deal with these situations. The Russians would prefer to bypass those organizations and deal directly with the Georgians as a supplicant. So what we have is a very dangerous and volatile stalemate complete with shooting incidents, bandit raids, kidnapping; you know, it can be rather violent there in the Caucasus.

Q: Did you have many face-to-face meetings with Shevardnadze?

MILES: Oh, scores.

Q: What was your reading of the man?

MILES: I suppose I met with Shevardnadze at least once a week while he was President, that is, for the first 18 months of my assignment. I always got along with him well but I became increasingly exasperated with his unwillingness or incapability of taking decisive action. I'm sure my exasperation showed from time to time, but never to the point of losing my temper. Shevardnadze is a real gentleman, he has a certain sense of humor, he is a democrat himself, at least he didn't have pretensions of grandeur. In contrast to his successor, Saakashvili, Shevardnadze was content to work through me rather than trying to establish direct lines of communication to the White House, the State Department and the Congress. I could always see Shevardnadze when I needed to. Sometimes I would bring someone along, sometimes I'd go alone, sometimes I'd have an interpreter, sometimes I wouldn't. In his office he didn't like to speak Russian; his Russian was of course impeccable, but in his office, he preferred to speak Georgian. He had a good tri-lingual interpreter so it didn't matter to me. And it took me a couple of meetings to realize that the reason was not linguistic nationalism or protocol or anything; the reason was he was tape recording all these conversations so that he could mine those recordings later for his memoirs and he just preferred to do it all this in Georgian. And so we'd use these

interpreters who were excellent, both my interpreter and his interpreters. And of course he spoke a little English. His Russian was perfect, my Russian was pretty good, and so there was never any problem with communication. And whenever there would be a little pause over a phrase of a word, you know, there would be about four people around the table who would fill in whatever language we needed to sort it out so that communication was very precise with no doubt whatsoever about it and the emotions were conveyed well and so forth. So he always was understanding, he always was prepared to say the right thing. That was never the issue. The issue was his willingness to implement the decisions that he had made and by the stage of his career when we were together from 2002 to 2003 he either was no longer capable of implementing unpleasant decisions, unpopular decisions or really unwilling to. He would say to me that he would do this or that and then either he wouldn't do it or he couldn't do it. It took me a little while to realize this and, of course, the Georgians had long since figured it out. That's one of the major reasons why you had this enormous feeling of hopelessness on the part not only of the population, but even on the part of the members of parliament, even the leaders of the parliament, his own ministers, his own personal staff; the feeling of hopelessness was absolutely and totally pervasive and depressing as hell.

I attended several cabinet meetings that he held. One, I remember, was at my request and it was to—there had been incidents in which the AES Company and another company, I can't remember the name of it, I'm embarrassed—it was an American, USAID-sponsored company which had taken over the distribution of electricity outside of Tbilisi. AES was a commercial company which was largely responsible for the Tbilisi electrical supply; the other company, the name of which escapes me, was a USAID-formed entity to help administer electricity outside of Tbilisi. And as part of the process that company had ordered power cutoffs to certain quarters of towns in Georgia where there was a very high percentage of non-payment over a lengthy period of time.

Well, the local governors out there, who were appointed by Shevardnadze, were under pressure from the population and the businesses. As a result, the mayors would send their local police, who nominally were supposed to be controlled out of Tbilisi, out to the power stations to turn the power back on. Now, in Georgia, these stations were very dangerous places because of the antiquated and overloaded equipment, water standing around on the floor, you know, 10 or 20,000 volts of electricity zapping around. There was obsolete and very inefficient equipment all over the damn place, you could easily electrocute yourself in there—and they would turn the power back on. It was a miracle that no one got killed doing this and, of course, the process meant that no one in his right mind was going to pay for electricity.

So I asked Shevardnadze to convene a meeting to which he would invite these offending governors, and mayors and representatives of both AES Company and of the USAID organized company—wish I could remember the name of it—and his own Minister of Energy and so on. And he did that. And we all had our say, basically, and then he spoke very sternly to the assembled governors and mayors saying that he had ordered that authority be given to the American companies to rationalize energy distribution system. He made all the right points. The companies have to collect money in order to operate, he said, you must allow these cutoffs and you must encourage the people under your jurisdiction to pay their bills. Well, several of the governors and mayors got up and said, “Eduard Amvrosievich, we can't do that. The population

won't allow us to do it and we won't be able to carry out your order." And he said, "This is an order and you will carry it out." And they said, "Well, we can't do that for you, we are simply unable to carry it out." And that was the end of the meeting. Well, I was stunned. What a hopeless situation! I couldn't believe it—a virtual collapse of presidential authority right in front of my eyes—and in tiny, little Georgia, a nation of only four and a half million people, for goodness sake.

Q: What was the pressure on the AID thing? Wasn't there a certain point to say screw it?

MILES: Well, we knew that if we threw in the towel the situation would get drastically worse, could even cause a popular uprising. You could easily have had violence and worse and not just in the capital.

Q: So did we keep—

MILES: We kept that USAID-sponsored company going but AES itself decided to sell out. It had an exposure of maybe as much as \$200 million in investment, what with new equipment and all that, and it sold out to RAO-UES, the Russian electric company for about \$40 million, plus the Russian company agreed to pay AES' debts in Georgia. So they took a huge loss but the mother company was now clear of that Georgian albatross around its neck.

Shevardnadze never did understand that. When I'd talk to him about it, I'd say this is going to happen, that is going to happen, and he'd say, "Oh, no, they're just bloodsuckers. They'll come around because they're making money out of this." And I said, "No, Mr. President, they're losing money over this." And he just didn't understand it himself, basically. And when Jim Baker came out in the summer of 2003 to talk about the election process for the parliament—and we might even get around to that today—that was a big story too. Baker of course is an energy sector person himself, had dealt a lot with energy issues around the world, and he knew about this situation. This was just before AES decided to sell out and he and Shevardnadze discussed it. I was there, and Shevardnadze said naively, maybe even disingenuously if I may say so, "Well, what's the problem?" Baker deferred to me and I said, "The problem, Mr. President, is the state enterprises won't pay their electric bills and the private people won't pay their bills and, as you know, there have been serious difficulties in carrying out the unfortunate measures which the companies are trying to impose to make the system more viable." Shevardnadze said, "I will guarantee payment to the company." And I said, in front of Baker and to the President, I said, "Mr. President, it has really gone beyond that now. I really don't believe you're in a position to be able to carry out that statement." And indeed the company sold out a few weeks later. Isn't that an unusual conversation to have with the president of a country?

Q: Did you have a feeling that this is part of the greater Russian movement of looking to gobble this up?

MILES: No, no, I think there was a combination of extreme poverty on the part of the Georgians at that point plus government incompetence and widespread bribery and corruption. Not much to do with the Russians, actually. AES put that company on the open market. The French were nibbling around a little bit, there was another American company that was interested in it, but

only the Russians were willing to buy it. Anybody could have bought it. And I never got the impression, despite a lot of Georgian charges of Russian sabotage and blah, blah, blah, I never got the impression that Russian strategic interests were particularly involved.

Q: When I think of Georgia I think of being sort of a country with a lot of lush agricultural produce and all that stuff.

MILES: Well, You're not far off. That's how they survived. They survived in two ways. One is they are self-sufficient in food stuffs with the exception of grain. They don't produce enough wheat for the bread and they are big bread eaters so they have to import bread, mostly from Russia, some from the Ukraine, some from us actually; we sold them a lot of grain. So they basically are self-sufficient with food—meat, poultry, vegetables and fruit—and eager to export some of it. And second, they have this enormously strong network, we can't even conceive of it, of family support. I mean, if you think about it, here's a country the size of South Carolina, population of four and a half million people, and they've been marrying each other for at least the last three or four thousand years, and you can only imagine the interrelationships that have developed.

What it means is that virtually everyone is related to virtually everyone else. Now when the collective farms and state farms were broken up, individual farm families got little plots of one or two hectares of land. These are not absentee landowners like in Bulgaria. These people live on those little plots. They grow vegetables enough to provide for themselves and maybe sell a little bit in the nearest town or in Tbilisi. And the poor relatives in the city would go off to the village in the summer and would bring back 50 kilos of potatoes or 25 kilos of onions, maybe some corn meal, and basically they'd live on that, trading with their neighbors and somehow surviving until the next growing season. That's how the people of Georgia have survived since independence.

And then those few people that had state jobs—bureaucrats, teachers, policemen—would support a number of their relatives and friends. This wasn't easy—the average state salary was probably no more than thirty to forty dollars a month and even this was usually in great arrears. But when they got money, they would share it. In our case, in the Embassy, we had a fairly large number of Foreign Service National employees and we paid them a decent wage; they'd make several hundred dollars a month instead of just thirty dollars. Each one of these Embassy employees was probably supporting 25 or 30 people beyond their immediate family. And in that way the Georgians survived as they had survived for thousands of years. Very strong ties. In our case we would probably, unless someone was a real Scrooge, we would probably support a family member in dire straits. They'd have to ask us and we might be a little bit miserly in responding, and some people would even say no, I have to take care of my own. In Georgia you wouldn't have to ask and the response wouldn't be miserly. You'd be given whatever your relative could afford to give you, literally. And so somehow people survived. When I say "survive", I mean just that. They weren't living healthy lives and the socio-economic statistics were all pretty dire. You can't feed your family on nothing but baked cornmeal cakes and not have a bad effect on their health.

And of course, and Americans always forget this, in the whole European communist world almost the only substantial thing that you could own was your apartment; you could buy your

apartment. In the case of a big factory where the factory would own the apartment building, when the Soviet Union began to fall apart, many of the factories sold those apartments and so at a time of hyperinflation, you could buy that apartment for \$1500, something like that, and anyone who, for whatever reason, had not already bought their apartment would now buy it. And so the homeownership in places like Georgia is probably something like 80 percent and all paid for. No mortgages. In our case in America, it's not that high, and what there is is all mortgaged, but it's different there. So I knew people who couldn't afford electricity to heat their apartment or pay the gas if they had gas heat and basically they'd just huddle in coats and blankets in the winter. It would be like ancient Rome where you had apartment buildings but no utilities or anything and that's the way they lived. But they weren't paying any rent either. It was your apartment, you could live in it, and if you had heat great, but if you didn't, you at least were out of the elements. And that's how they lived.

Q: How did our war in Iraq play there while you were there?

MILES: Well, there was a little concern on the part of the Georgian population and on the part of a few people in the parliament that somehow Iraqi weapons of mass destruction might be used to strike Georgian territory if Georgian territory were being used by Americans to attack Iraq. So there was a little concern about that. That concern abated when it was clear that there were no weapons of mass destruction nor were we interested in using Georgian territory for such purposes. And then the Georgian leadership under Shevardnadze was really quite supportive of our efforts in Iraq and I think that's one of the reasons why he was so embittered when we didn't support him after the fraudulent parliament elections in 2003. He thought somehow he had earned our gratitude and that we weren't repaying it very nicely.

Here are two examples of what they had done to support our efforts. The U.S. government asked all U.S. Embassies around the world, maybe with a few exceptions, to ask the host governments if they would be willing to be included in a list of countries which supported the Coalition in military intervention in Iraq. And in the entire world, as I recall, there were only 30 countries that said, yes, you may include our name in that list of countries. And Georgia was not only one of those countries but Shevardnadze himself wrote a handwritten letter to President Bush, which I thought was very eloquent. I had it translated, of course, but it was quite moving, about the historic role of the United States in the defense of freedom around the world and about the support which the United States had given Shevardnadze when he had been the Foreign Minister of the Soviet Union in the final years of the Soviet Union, and about the support which the United States had given to independent Georgia. It was an amazingly eloquent letter, really, and it was very important because in the entire world only 30 countries had said, yes, you can use our name, and in a couple of nations that consent was given rather grudgingly. Nor was there a handwritten, evocative letter from anyone else, as far as I know.

And the second thing was that when we ended the active combat phase, we asked some countries around the world, not all of them but some of them, if they could provide a small troop contingent to help with security duties and that kind of thing—security, internal security there in Iraq—and the Georgians again said, “Yes. We thank you for the training that you've been giving to our own armed forces and yes, we'll begin to rotate in a small detachment.” So the Georgian military involvement started out with a small detachment of, I think, about 70 men and women,

and they'd stay for about six months and then they'd rotate back to Georgia. It's now grown to the point where, the last time I checked this, there were 800 men and women serving there in various guard capacities, and Saakashvili, the current president, had promised to go up to 2000. Now, if you take even 800 on a per capita basis, that's a very large contribution. Remember, the entire population of Georgia is around four and a half million. Georgians take pride in this deployment. They feel like they are somehow part of the Western world's effort in this struggle. I am not a fan of the Iraq war but I think you have to say the Georgians have been very supportive. Of course, this is excellent training for the Georgian officers and soldiers as well.

And then the other thing which they did and this took a little more effort including on my part—well, two things. One was, we asked a number of these former communist countries if they would pass appropriate legislation which would exempt our armed forces from being tried by the international tribunal in the case of alleged criminal activity. And we also asked if they would sign a status of forces agreement to cover our military personnel who were in Georgia. And in the case of the exemption from being tried by the Hague Tribunal, an Article 98 exemption I think it was, well, this caused a big fuss in many countries. But in Georgia it didn't cause any fuss at all. It was approved by the parliament with the support of the government and became Georgian legislation.

There was a little difficulty with the status of forces agreement. There was an appropriate committee in their parliament which was under the control of some kind of wacky combination of nationalist and pro-Russia politicians, I'd say, and they were putting up all sorts of difficulties. And so I said, "Look, I would like to come down and talk to your committee. I'm not going to appear as though this is a hearing at which I am testifying, rather I just want to meet with the committee on a semi-formal basis in which I will discuss with you the significance of what we are asking, what the U.S. government is asking you to do, and you can raise your questions with me and I'll try to answer those questions." So I went over to the Parliament with the Defense Attaché and we had a rousing session with these fellows. I did really get quite angry at some of the more obnoxious members of the committee. I remember one of them saying, "Well, when the Russian forces were here in our country"—and they still were in their country—"many of them were selling weapons and gasoline and so on. How do we know that your American soldiers won't do the same thing?" You know, it was stuff like that and I got really annoyed at that and I said, "Look, you've had Russian soldiers here for the last three hundred years, you had Soviet troops here, you have Russian troops here right now and you've never had any kind of an agreement with them and yet you've been able to handle these kind of difficulties which arise naturally from time to time. Soldiers are soldiers, after all. However, our army is a different kind of an army and that's why I'm asking you to sign this agreement so that we'll have legal measures in place to handle these things. Basically we'll take care of criminal activity on the part of our people and frankly this seldom occurs. We just want a legal understanding with Georgia of how to handle these situations when they do arise. And we have to have such an agreement with you if we are to continue our present level of military cooperation."

In the end, all the members of that committee voted to recommend approval of the status of forces agreement with one exception; the Chairman of the Committee. So Georgia was pretty much on board with our policy in Iraq and also with our training program for their military.

Q: You mentioned the fraudulent election of 2003. How did we see that at the time and what happened?

MILES: That is what brought the Shevardnadze government down, basically. This was the regularly scheduled parliamentary election. I forget the exact term of the parliament, four or five years, and it was time for the parliament to be re-elected. And it's a real parliament; it's not a rubber stamp in Georgia. Well, we felt as the Georgian felt, that the November 2003 parliament election was a rehearsal for the presidential elections in April 2005 and so we wanted to do everything we could to get the Georgian authorities to run an open and honest and decent election. It didn't have to be perfect but it should be something like our own elections, except for Florida I guess, and we really went at it hammer and tongs. We spent a lot of U.S. taxpayer money on this process—I'll give some examples. We set up an election advisory committee of all the ambassadors who were interested in this issue and we included the Russian and the Chinese ambassadors if they wanted to come. The Russian ambassador would come from time to time, never did anything, but he'd attend from time to time. I never saw the Chinese ambassador but he was invited. You know, we wanted to make this a—this wasn't an American thing, in other words. We involved the EC, we involved the UNDP, UN Development Program people there, we had the European Commission representative, we got the British and the others to provide a fair amount of money; we ourselves put up a lot of money through USAID mostly in the form of grants to various non-governmental organizations.

We organized a massive campaign to rectify the voter registration list. In Georgia this had all been done on pretty much a precinct by precinct basis across the whole country, over a million and a half voters. Again, total population of Georgia four and a half million: total voters about 1.5 million, something like that, a little bit more maybe. And the voter lists were all organized on a precinct basis, often on the basis of a handwritten list. So you can imagine there were a lot of dead people on there and, maybe even more important, there were a lot of people who were not on there who should have been. That list was just a bloody mess and so through USAID we rented a huge, vacant building, like a gymnasium; we filled it up with tables and chairs, computers, of course, and then we hired a small army of young people who would sit and type these lists precinct by precinct into the computer in a way in which you could cross-check names. So you could eliminate duplicate names, not always on the computer but you would see where the duplicate names were and then a human being would go and sort it out with the appropriate local election commission. And these corrected lists were then posted on the internet and were available in written form, available in the election commissions all around the country so that individuals could go and see whether their name was on the list or not or could say, wait a minute, you listed seven people with the same name and there is only one such person living in our village so six names are fraudulent. Or this person is long since dead, his name should be removed. Whatever. So the result was a pretty useable list. That cost over \$1 million; I think \$1.8 million or something to do all that. Now, I have to confess that, in the end, these lists were often ignored by the various election commissions—they preferred “their” lists which were easy to manipulate. But where you had a more progressive set of local election officials or a certain balance in the local electorate, then the lists were a wonderful asset.

We provided training, which we do in a lot of countries, but we did a lot of it in Georgia. It didn't matter which political party, the government party, the opposition parties, the radical

parties—we would provide training for them, for election workers, even for people working in the political campaign. How do you run a political campaign? How do you organize a political rally? And so on. How do you do media? We organized working visits to the United States but we also had U.S. experts coming to Georgia.

We had a leading American expert on exit polls come to Georgia and help set up a professional exit polling system for Georgia so everyone would have a rough count of how the election was looking as the day went on. This proved quite valuable when I had my conversations with Shevardnadze after election day.

Oh my, it just went on and on, anything we could think of that would make this a good election, we would do it. I went around and of course talked to the government people a lot but I also went around and talked to the opposition leaders and even to some of the more corrupt regional members of the government to say, you know, this is very important, we are putting a lot of stock in this, you could lose your reputation in this election or you could make your reputation, depending on how you run the election in your little part of Georgia, whatever. And they would say, yes, we understand, we'll do our best. Now, no one is going to say to the American Ambassador, "No, we're not going to run an honest election. We're going to employ every dirty trick in the world to steal this election. Well, I'm not naïve. I was cutting my teeth on shady election antics back in South Carolina decades ago. But I figured, nothing ventured, nothing gained. I'm going to make sure these fellows know that we'll be watching on Election Day and that, maybe there will be a reckoning depending on how things work out.

Meanwhile, the ambassadorial election committee had been meeting once a week for almost a year and there were subcommittees, by the way, which would meet on more technical issues. For example, there would be a subcommittee of the different countries' representatives who would meet to work on problems of the voter registration list. Another group would work on the issue of training. But the icing on all this huge cake of preparation for the election came because of an impasse in the selection of the members of the Central Election Commission, which was to oversee the whole election process. The CEC had to name members of the regional election commissions and had to certify the results of the election. There was an impasse caused by the inability of the government and the major opposition parties in the parliament to agree on the composition of the Central Election Commission. Certain follow-on steps couldn't be taken until the Commission was formed and we were approaching a point at which the election itself might have to be postponed. That would not have been good. And so in talking to Washington about this we agreed that we needed a hired gun to come out here and bring some sense to this because time was running out and so, very wisely, Washington decided that they would ask Jim Baker to do it. Baker had been the U.S. Secretary of State during the time when Shevardnadze was the Foreign Minister and they had worked very closely together. They knew each other well, they respected each other, they were on a first name basis. Shevardnadze had been to Baker's ranch and Baker had been to Georgia, so on and so on. He was an excellent, even a perfect choice.

Well, he came out with a very small entourage. He met twice with Shevardnadze and twice with the opposition. Baker has got a very good mind and he himself had figured out a compromise on the trip coming over which would get them over the obstacles they themselves had created. Final resolution was reached at an 8 o'clock in the morning meeting on a Sunday which is something

that Georgians don't do; they aren't early morning people and damn sure on a Sunday they're not morning people. But anyhow Baker got the opposition members and the government to agree to this compromise. Now when Baker had talked to Shevardnadze he emphasized the importance of having an honest election. Shevardnadze said, and I'll never forget his words—I was sitting right there with Baker and Shevardnadze—and Shevardnadze said, “Well, Jim, in sum, the quality of our relationship with the United States will depend on the quality of these elections?” And Baker said, “Yes, Eduard, that's it, exactly.” And that in fact did sum it up.

And off Baker went, having accomplished quite a lot, and we continued our work. Then Election Day came. And actually the first returns on election morning indicated that things were going smoothly but then it got worse during the day and it was clear that the election wasn't going well

Q: Was this anti-Shevardnadze?

MILES: Yes; well, partly. The exit polls showed that the opposition parties were winning the majority of the seats in the parliament, not one opposition party but two or three opposition parties, which all together would have developed a majority in the parliament, and Shevardnadze's government party was coming in third or fourth and so they would have been relegated to a minority position in the parliament which they controlled up to that point.

Well, the situation got worse during the day and meanwhile there were 600 foreign observers there in a country of four and a half million people; that's a lot of observers. And they issued a scathing report. My own people reported some of the weird things which they had seen. I went out and looked at a few polling places myself; it was just a debacle. I don't know what Shevardnadze was thinking but I was told by one of his own people later, I'd rather not say who, but he was well placed, that Shevardnadze thought this fuss over the election would blow over and that he would be able to get away with this. Well, he couldn't. It was too obvious, too massive, too well documented by the foreign observers and the Georgian observers, too much at odds with the rather scientific exit polling which had been done, and he ran up against a very determined and dedicated and intelligent opposition in the form of Saakashvili, the current President, but also backed up by Nino Burjanadze, the Speaker of the Parliament then and Speaker of the Parliament now, and by Zurab Zhvania, who later became Prime Minister, who had been in the government before and had fallen out with Shevardnadze. And the three of them called for a rally of their supporters down in the main city square of Tbilisi. A lot of people turned out, and to make a long story short they stayed for a month down there during very bad weather; this was already November. Tbilisi has relatively mild winters but it does snow and blow and it can get pretty damn cold and unpleasant. And the people stayed through all that. The organizers were very good at changing the venue slightly, bringing in entertainment, declaring, “Okay, we're going to take a day off. Everybody go home and have a shower and a hot bath if you can and drink some tea and come back the next day and we'll do this again” and so on. And Shevardnadze just wasn't willing to compromise. I know I did and others, I'm sure, suggested various things he could do to recount—

Q: You'd seen him afterwards?

MILES: Yes, sure, immediately.

You could have a recount, you could have a rerun of the whole election, declare the whole thing null and void, rerun the election; you could have a recount in the more corrupt provinces where it was quite clear that the numbers were totally skewed in the wrong way. You could just throw out the results from the provinces where the results were egregiously fraudulent. You could declare—you could rerun the election in just those provinces, you could declare the election in those provinces null and void and just rerun them. However, it quickly became clear that the opposition leaders and the demonstrators on the street were more interested in forcing Shevardnadze's resignation than in correcting the results of the parliamentary election. Now this was not something which Saakashvili or anyone else had ever talked to us about. Saakashvili, in contrast to the other leaders of the opposition, had immediately called for Shevardnadze's resignation. Now, this was a parliamentary election and, logically the Georgians really should have focused on correcting the parliamentary election and worried about the presidency later, because after all the presidential election was set for April 2005—only a year and a half away. But Saakashvili saw the moment and in an astute, if demagogic, political move, began immediately to call for Shevardnadze's resignation. It's interesting to note that the other opposition leaders didn't themselves echo this demand. In fact, for them, the whole exercise became something of a tar baby. Neither Burjanadze nor Zhvania had planned to appear continuously at the demonstrations downtown. They wouldn't discourage their followers from attending the demonstrations but they, themselves, would take a step back from them by not appearing at every opportunity. But they simply couldn't break away—the demonstrations were simply too big and too enduring—so they began to reappear more frequently than they had planned.

I should mention for the historical record that several of the major opposition parties stayed away from the demonstrations: the Labor Party, the New Rights Party and the Industrialists Party all boycotted the demonstrations.

Well, people were already fed up with the Shevardnadze administration. They were unhappy over the poor collection of revenues, the abysmal state of the infrastructure, the failure to pay salaries and pensions and the increase in crime and corruption, and they responded to Saakashvili's repeated demand for Shevardnadze's resignation and so there began to be increasing pressure on Shevardnadze, not just to rectify the election but to resign. And we ambassadors talked to him about various possibilities, but he was simply unwilling to admit that the election had been flawed, let alone to talk about steps to make it right. I really believe that a compromise could have been found rather easily but Shevardnadze's intransigence only fed the anger of the mob.

Well, all during this considerable Sturm und Drang, violence was avoided and if I did one thing during that post-election period, it was to try my best to keep both the government people, especially those who had authority over men with guns, and the opposition leaders committed to non-violent measures and counter-measures. And I spoke to everybody from the President on down; I spoke to the ministers of internal affairs and of defense, to the leaders of the intelligence organizations and to the various SWAT team types; the head of the internal troops, the President's protective detail, whatever. I spent hours talking to them about what was going on and an almost equal number of hours talking to the leaders of the demonstrations about the

importance of keeping down hooliganism. I would say, "You don't need a lot of broken windows; you don't want police cars overturned and burned and that kind of thing. This wouldn't look good on television"—and, by then, all the international print and TV media was represented in Tbilisi. And, in the end it was quite non-violent, quite bloodless.

Q: Is this the so-called Rose Revolution?

MILES: Yes, this was the Rose Revolution. It was a major political development and all achieved bloodlessly.

Q: Why roses?

MILES: It was a kind of a gimmick, actually the idea of Mark Mullen, of the National Democratic Institute. I expect he was as surprised as anyone to see the way in which this became the symbol of the democratic movement in Georgia. But it was designed to demonstrate the non-violent nature of the opposition. Amazing, the over-sized role such gestures can assume. In the last days just before Shevardnadze resigned, the opposition leaders called on their supporters to march on the parliament building. Shevardnadze had decided to open the parliament based on the fraudulent returns. Predictably, the opposition declared this an illegitimate parliament, refused to attend the session and had then marched on the parliament in a demonstrative way, carrying roses as a symbol of non-violence—you know, "We're not carrying guns, we're not carrying clubs, we are carrying roses." There were rings of uniformed police and internal troops around the parliament building and with corresponding levels of weaponry. So you first would have policemen with linked arms and then you'd have policemen with shields, plastic shields, and then you'd have policemen with clubs and batons and then you'd have guys with guns. And as the opposition leaders approached the parliament, and Shevardnadze was already in there speaking, the ranks of the uniformed policemen opened like Moses parting the Red Sea and the demonstrators poured into the parliament building waving their red roses and declaring that this is an illegal parliament and people should disperse and go home. And Shevardnadze was—

Q: This is tape 11, side one, with Dick Miles. Yes.

MILES: Shevardnadze was hustled out by his security guards, Saakashvili took the podium, the rostrum, and ceremoniously drank the tea out of Shevardnadze's glass that had been left sitting there on the rostrum and declared that the people have taken power, or whatever, and then everybody went home. They actually stayed around the building for a while but basically they went home.

Then began a peculiar round of "non-talk" between Burjanadze and Zhvania and Shevardnadze about what to do now. Saakashvili had refused to meet with Shevardnadze anymore because he felt Shevardnadze was living in some kind of political Never Never Land and wasn't being realistic and, in turn, Shevardnadze refused to meet with Saakashvili because he felt he wasn't being respectful enough and was rude and impertinent. And they both were right, of course, but still life has to go on.

I had been meeting with Avtandil Jorbenadze, the State Minister, something like a Prime Minister, and I remember the last time we met. He was in one of the rooms of the President's Office Building in the Presidential Compound. Due to the demonstrations, the President and his people could no longer use the Presidential Offices in downtown Tbilisi. Shevardnadze was not available, and Jorbenadze asked me what was going on in the talks between the opposition leaders and Shevardnadze. I thought it was a peculiar thing; here is the number two person in the Georgian government asking me what's going on, and I said, "Well, you know, you're up here where the meetings are going on; I'm down there in the Embassy. So, I'm asking *you* what's going on." And Jorbenadze said he had no idea. And about that time Russian Foreign Minister Ivanov decided that he'd come to Tbilisi to see what he could do to help sort things out. The Russian Ambassador and I arranged for Secretary Powell to call Ivanov at the airport as he landed. The Secretary used some talking points that we had provided, suggesting things that might be helpful in this situation, noting that the Patriarch of the Orthodox Church had been a very useful player in this process, trying to keep the situation non-violent. The Patriarch had to mediate and had offered the venue of the Patriarchate. If Shevardnadze and Saakashvili couldn't meet at the President's office, maybe they could meet at the Patriarchate. The Secretary told Ivanov that if he needed any help from the American Embassy, he should just let the Ambassador know and we would be perfectly happy to help. It was quite a friendly gesture, I thought, and I think it was taken in that way by the Russians although they then totally ignored it.

Ivanov was able to convince Saakashvili to join in a meeting with Shevardnadze. And when the three opposition leaders went in to see Shevardnadze, Ivanov went to go in with them and the opposition leaders said this is a Georgian affair now; we thank you for bringing us all together but we won't need you in this meeting. That was really a great Georgian put down.

Ivanov then flew off to Adjara, the autonomous province of Georgia on the southern Black Sea coast run by a little tin pot despot down there named Abashidze. It's important only because that's where Batumi is, the historic oil port where a lot of the Caspian Sea oil has historically arrived, and still arrives, by rail and is then pumped into tankers bound mostly for Mediterranean markets. Abashidze had turned Adjara into his personal fiefdom and he was very close to the Russians. So Ivanov flew down to brief Abashidze about what was going on and while he was down there the news came that Shevardnadze had announced his resignation. Now we all thought that that was an increasing possibility but I don't think that any of the foreign diplomats, much less Ivanov, thought that was going to happen at that moment and so we were all taken by surprise.

That evening, as usual for the past month, there were tens of thousands of people out in the streets of Tbilisi. This was late at night; I was at the Embassy with the team, and you began to hear this roar. We were close enough to where the people were to hear the roar of the crowd and at the same time they were broadcasting the news on the TV and on the radio and simultaneously, and I don't know what insightful civil servant had thought about this, but fireworks broke out. I mean, I'm talking about the kind of big fireworks that you have on the mall here on the Fourth of July. So some guy in the parks department had somehow managed to get his hands on some very serious fireworks and the instant that resignation was announced, poom, off into the air went these fireworks. It was a pretty amazing thing, really.

Q: Well then, you left there in 2005?

MILES: August of 2005.

Q: How did it play out? How did—?

MILES: Well, we were very supportive of the new government. In accord with Georgian law, an interim government was formed with an acting President. The troika, Zhvania, Saakashvili and Burjanadze, met and had agreed that Burjanadze would become the acting President. Nino Burjanadze is the woman who had been the Speaker of the former parliament and who is the Speaker of the present parliament. So she would become the acting President during a 45 day period; Saakashvili would become the opposition's candidate for President in a special election. When I say "opposition", remember that several of the major opposition parties hadn't joined the demonstrations against the election results. They didn't like the election results either and they also didn't like the way Shevardnadze had allowed the governmental institutions to wither away. But they had a visceral dislike and mistrust of Saakashvili so they remained aloof.

But anyhow, the troika declared that there would be a unified candidate and that would be Saakashvili for President in 45 days according to Georgia law. Burjanadze told me at that time that she thought that either she or Zhvania would make the better president but that the political moment belonged to Saakashvili and they were not in a position to deny the office to him. And so that was done; it was a reasonably honest election, I think. It was by popular acclaim almost. Everyone wanted to get on the band wagon. Even Saakashvili joked about the results. They were so high, he said, that they could only go down, not up. The new government immediately asked us for support. I got a call from Zhvania the day after the election, saying, we've looked in the government treasury and it's empty and so we need immediate assistance to help pay policemen's salaries and that kind of thing, to simply run the government. I said we'll do what we can to help and then I passed this on to Washington immediately. Because Georgia is a small country one didn't need a whole lot of money to do this and Washington basically scratched the bottom of the various assistance barrels for every penny they could get their hands on and they came up with—I don't remember the exact figure, but it was like \$21 or 22 million of assistance and much of that is what they call bridging assistance, which is basically cash that you give to a foreign government. The U.S. Congress hates that. They don't mind giving assistance but they want it in the form of a program in which you hire an American NGO to do this or that and the money all goes there; it doesn't go straight into the pockets of the government to balance its budget or pay civil servant salaries or whatever. But because of the emergency situation the Congressional leadership agreed we could do this. So the package was made up of everything from little bits of DOD money to little bits of AID reprogramming to little bits of the exchange program; I mean, everything they could possibly pull together they did. And it was enough to help the government to survive that first 90 day period, let's say. It was very useful, I think.

And then after that, because the government immediately embarked on a serious reform program, and I'm not saying they did that perfectly and maybe next time we can discuss a little bit more about that, but it was so vastly superior to what the Shevardnadze government had done that there was no question that we would support these efforts and would be very helpful to them in the process. So we began doing things that we would not have dreamed of doing before with

Shevardnadze. Because the police were so incredibly corrupt and incompetent we had never provided any kind of police training to them of any sort. We pretty quickly began providing training to the Ministry of Internal Affairs.

Q: Well, I think we can stop at this point.

MILES: Yes, and then we'll start with the new Saakashvili Government.

Q: We'll start with the new thing.

One question too I wanted to ask while we're—during these efforts that were being made of people coming in looking at the election and all, was there U.S. congressional representation, people coming there to take a look at it?

MILES: We had lots and lots of CODELs [Congressional Delegations] during the whole time I was there. I don't think I've ever had so many CODELs in such a short period.

Q: Was the OSCE a player?

MILES: Yes, ODIHR [Office for Democratic Institutions and Human Rights] was heavily involved. The International Foundation for Electoral Systems [IFES] was also very active in Georgia.

Q: Okay. So we'll pick this up next time at—how do you pronounce the name?

MILES: Saakashvili. Don't feel bad if you can't do it.

Q: I can't do it, because the problem is you end up by coming up with our army chief of staff.

MILES: Yes, that's right; that's right. Shalikashvili. Also of Georgian descent.

Q: Yes.

Okay. Today is the 25th of July, 2007. Dick, so we're really talking about the Rose Revolution or what was it called?

MILES: The Rose Revolution, yes.

Q: So what happened when that happened? I mean, we may be duplicating it but I can't remember—I take it our response was that we were delighted this happened?

MILES: I think we would just as soon have seen Shevardnadze continue until the end of his second term, which would have been April of 2005 but only if he would finally get off the dime and institute some of the reforms to deal with issues that absolutely were crying out for resolution, like raising the taxes, I mean gathering the taxes, paying the salaries, paying the

pensions, beginning to repair the infrastructure and ending some of the corruption. But frankly there wasn't a whole lot of chance of that.

Q: Were we looking at it—was this a medical problem do you think?

MILES: I think, having talked to people who know him better than I and who have spent years working with him, that the second assassination attempt against him, which occurred shortly before I arrived there, took an enormous toll on him, both physically and psychologically.

Q: Was he hit?

MILES: It was an explosion underneath his armored car. I saw pictures of the armored car, it was just—it was an armored Mercedes, which is a good armored car—and it just looked like a twisted mangled mass of metal. It was hard to believe that anyone could have survived that blast, armored car or no armored car. And I saw pictures of him also that were taken in his torn tee shirt with blood on his body and on his face and he looked shocked then, as anybody would be. People tell me that before he had been reasonably aggressive in pursuing his policies and I think he was something of a democrat at heart, certainly not a tyrant or a despot. There were some of those around in Georgia, but I don't think Shevardnadze was one. I think he was a small-D democrat and wanted to bring Georgia into the 21st century but he didn't really know how to do it. And then when the assassination attempt occurred, I think he lost the will and even the ability to do it. And his wife, to whom he was devoted, always had the reputation of nagging him to do more for the family, which is a Georgian tradition; it's not considered really corruption in their society. You know, if you can do it, you make sure that Cousin Georgi has got a good job and that your Uncle Irakli is taken care of and so on. It's just what you do in Georgia. It's almost a requirement. After the assassination attempt, maybe with an eye to his own mortality, Shevardnadze began to pay more attention to the welfare of his family than he had in the past and so a certain degree of corruption began to set in at the top and began to be widespread throughout the country.

I don't believe there was any aggrandizement on his part personally. I never had the impression that he was particularly motivated by or even very much interested in luxury or money. But the corruption certainly involved family members and relatives and that would have been all right in Georgia; I think people would have even accepted it as sort of normal under Georgian circumstances if, repeat if, the government had been actively trying to improve the lives of the people, trying to pay the pensions, raise the employment level, trying to reform the society; but it wasn't doing any of those things. It sounds like a simple thing to say that there's electricity for only three hours a day, but remember, without electricity, the water isn't pumped to the upper floors of apartment buildings so you can only cook, wash or flush the toilet with water you have stored, and if you've forgotten to store it, you're out of luck. Virtually all the services that we've come to expect, at least in an urban environment, had ceased to function normally in Georgia in 2003. People really were fed up, and so when the flawed election occurred in November 2003—and there is no question but that it was flawed—the opposition, led by Saakashvili, began immediately calling for not just a rectification of the wrongs committed during the election but for Shevardnadze's resignation. It was a rather bold political move and one might say it was just hyperbole and rhetoric but I don't think it was ever just rhetoric to Saakashvili and the people,

because they were so fed up with the lack of activity and organizational ability on the part of the government. The constant and continued corruption was piling up minor and major irritations every day; traffic police were notorious for the bribe taking and to get anything at all done, to get the necessary permits and all that, you had to pay innumerable tiny, tiny bribes—only a dollar maybe, but it was a dollar every time you turned around and everyone knew that that sixty cents of that dollar went into the pocket of the bribe taker while the other forty cents was passed up for his bosses to take their share. People were just fed up with it and so they responded to Saakashvili's sloganeering and, in the end, they not only didn't go away from the demonstrations but their numbers even grew, and Shevardnadze's rather feeble efforts to rally his own supporters, so few as they were, but anyhow to rally them, didn't take hold either, and so in the end he decided the best thing was to resign and I think that he was wise to do so.

By that point we weren't sorry to see him go but it was certainly never our intent that he go and it wasn't one of our policy goals that he go. Our goal was to have a decent, honest election for the parliament in November of 2003 and we expended a lot of time, effort and money to bring that about. Not just we—I say we, I mean the international community—but we certainly did use a lot of U.S. taxpayer money to try to bring it about. We saw the parliamentary elections as a rehearsal for the all-important presidential election which would take place in the spring of 2005. So that's what we wanted to do. But in the end, and I know this is a very long answer to your short question, I think we weren't displeased with the change of government despite the messiness of the process.

Q: Alright. When the new government came in, this was when?

MILES: Well, it came in in December/January of 2004. The parliament election was in November of 2003; there was a hiatus while the protestors were on the street and Shevardnadze then resigned. I don't recall exactly but I think it was in December—either late November or early December of 2003. And then, by Georgian law, and they actually did this pretty well I'd say, by Georgian law under unusual circumstances of that sort an interim president is appointed for a short period and then a special presidential election is held to fill the office of the president. The interim government had to tidy up the results of the flawed parliamentary election as well. So the three primary leaders of the opposition organizations, that is, Nino Burjanadze, who had been Speaker of the parliament, Zurab Zhvania, and Saakashvili formed a kind of a troika, a working troika, and they decided among themselves, probably wisely, that Nino Burjanadze would become the interim President and they would propose Saakashvili as their sole candidate in the special presidential election that would be held at the end of the interim period. There were a couple of other almost throwaway presidential candidates from other organizations or individuals who just wanted to run for president but it was quite clear that Saakashvili had the popular mood and the popular vote in his hand and indeed he won overwhelmingly when the election was actually held.

During the period of the interim government we had sent out Deputy Assistant Secretary Pascoe with an interagency group from Washington to see what the immediate needs of the Georgian government might be and to try to meet those needs. In the evening of the first day when the interim government took over from Shevardnadze, I was called by Zurab Zhvania and told that the coffers of the state were virtually empty and they needed immediate financial support. Now, I

sent that request off to Washington and I was told to tell the new authorities that we would be helpful. We didn't know exactly how much we could provide; we would have to sort that out. We would first assess their immediate needs and then we'd do what we could on an emergency basis. So a team was hastily assembled in Washington, held a couple of meetings there to determine what might be done and then came out to Georgia. In the end we were able to come up with, I believe it was in the neighborhood of \$21 million of bridging assistance and much of that was direct budget support, which, of course, is usually just anathema to the U.S. Congress. But consultations were held with the appropriate congressional leaders and they understood the special circumstances and so they didn't have any problem with our doing what we were doing. And that meant a considerable infusion of money for the Georgian government to simply pay the back pensions, pay the police salaries, pay the army salaries; provide just a modicum of money to various state institutions so they could simply function. And then there were some Agency for International Development programs which were already in the works. These programs were strengthened and accelerated. Anyhow, all that made a package of about \$21 million which they didn't have before and I think that really was a big morale boost for them and gave them a little breathing space.

One of the things that Saakashvili did rather quickly—he had a number of good ideas—when he became President was to develop a special fund to pay senior executive and parliamentary deputy salaries. He obtained a considerable amount of money, in the neighborhood of \$1 million from George Soros personally and another million, it was not quite a million but roughly another million, from the United Nations Development Program for this purpose. Already in Georgia there was a program in existence which paid an extra salary to the judges to try to get at the corruption problem. The judges were getting \$400 or \$500 a month. The Georgians had also, even prior to this, been paying the troops that were being trained by the Americans \$400 or \$500 a month. Four hundred to five hundred a month was a very good wage in Georgia at that time—probably still is a good wage by many people's standards in Georgia. But after the development of the UNDP and the Soros Fund, Saakashvili, the Prime Minister, the members of the cabinet, basically, received salaries of \$1000 or \$1200 a month and the key people in the organs of power—that is, the police, the SWAT team-type people, the secret police, the military—they were beginning to be paid a certain amount of decent money as well. And then when the government actually began to take hold and revenues began to flow in because Saakashvili and company made it very clear that they expected these taxes to be paid—they were not onerous taxes particularly but no one had been paying them because the government hadn't been carrying out its enforcement policy—so he made it very clear that the laws would be now be enforced and money began to flow in. And very quickly the new government paid the back pensions and the back salaries of the civil servants and then began to do some infrastructure repair work as well. So all and all the new government got off to a rousing start. And I think it was mostly their own drive and determination that did it but also it was aided considerably by that initial \$21 million that we gave them.

Q: Well then, were we playing any role other than supplying this money once they got on the—you know, the new government came in and they were going to reform things, what were we doing?

MILES: We did two basic things. First of all, Secretary Powell, who was then Secretary of State, came out for the inauguration and had good conversations with the leadership including Saakashvili. Powell promised to do what we could to help—as long as they continued on a genuine reform path, we would make a good faith effort to try to help support them. So that message was well received.

Second, we already were doing the GTEP military training and so we continued that. We hadn't done police training before because the police were so corrupt that it just would not have been practical to try to do it and maybe not even permissible under American regulations. You know, we control the assistance to the police maybe a little more strictly than we do other forms of assistance and rightly so. But one of the things that Saakashvili did early on with the police became one of the most popular moves that he ever instituted. In Georgia the traffic police had gotten completely out of control. I mentioned they were notorious for taking bribes. Make that a "Notorious" with a capital "N". I mean, you could hardly drive a kilometer in Georgia anywhere without being pulled over and being subject to some silly bribe of a dollar or whatever. It was almost like feudal Europe where you couldn't go 10 kilometers without paying someone to lift the toll gate to let traffic through. It was just awful and people were just fed up with it. I remember speaking to the Director of the Tbilisi Symphony Orchestra. He had just driven his Mercedes back to Tbilisi from the coast, a distance of no more than 200 miles, and had been pulled over constantly. In the end, he had paid almost \$200 in petty bribes during that short trip.

Well, Saakashvili first tried to talk to the leadership in the traffic police—they are a separate branch from the ordinary police and they are a nationwide service—and tell them that they had to reform, that he would pay the traffic police officers adequate salaries but that they had to stop taking bribes. To make a long story short, he worked with them repeatedly on this issue but none of it worked. So, within a pretty short timeframe, he sacked the entire lot. I mean, he sacked, I think the number was about 6000 traffic police, and he didn't hire more than five or six people back from the old traffic police. Now this was a big shock in Georgian society because people simply don't get fired in these former communist places. I mean, it just isn't done. And people in Georgia who have very close family ties and connections, you know, for that to happen was a big shock. But it was a very popular move with the public. And Saakashvili not only did that but he raised the salaries of the traffic police, he gave them new uniforms, new weapons, new equipment, new radios and new VW Passat police cars and he put up Georgian and English billboards around the country saying if you believe you have been unduly harassed by the traffic police, please call this number. It was the equivalent of a 1-800 number and there was somebody at the other end to answer it. Well, that was an amazingly popular act.

And so with that and other things which the new government did, we began to provide a fair amount of assistance to the police. We provided I think about four and a half million dollars to help rehab their police academy, which was in God awful condition, I mean unbelievable. You know, rooms where even the parquet on the floors had been stripped up and sold off to light fires for barbecue or whatever; windows totally taken out of their frames, I mean even the frame missing, just a hole in the wall; just ghastly. Well, we provided four and a half million dollars to do everything from a little bit of rehabilitation of the building to actually training the instructors and buying some audiovisual equipment and that kind of a thing. The French did a bit of that also. And we brought over—through INL, the bureau in the State Department that deals with law

enforcement cooperation—experts, retired police people basically, who oversaw this and who also taught some classes at the academy. And that was just one of the things that we did which we hadn't been doing before.

The other thing which took a little longer—and I don't recall the exact timeline on this; I'd have to go back and check it—but you're familiar with the Millennium Challenge program in which democratically inclined countries which are below a certain poverty level can become eligible to work with us to develop a special long-term assistance program, a new program of economic assistance, which once agreed upon provides multi-year money rather than the traditional USAID year-by-year funding. The Millennium Challenge Corporation provides money over a period of three to five years and the money is given to the host government to carry out the program rather than to American contract organizations as is the case with USAID. We, of course, audit the MCC operation in country, it is taxpayer money after all, so we audit it. We work with the host government to develop an agreed program and we make sure that they continue to meet the criteria. But basically the money for the multi-year program becomes the money of the host government. It's their money to carry out their programs which they had proposed rather than the usual way we do assistance which is to maybe coordinate with them, maybe not, but to set up programs which we think would be helpful and which are usually carried out by American partner organizations. So MCC represents quite a difference in our way of doing business. The Georgians did qualify for the Millennium Challenge program and as a result they signed what is called a compact. They signed a compact, the terms of which would provide them several hundred million dollars over a multi-year period and in theory, we were told, that was supposed to be in addition to the ordinary economic and military assistance programs. Well, you know what happened; you've been around the government. As was inevitable, the U.S. economic assistance funding did decline in Georgia after they signed on to the Millennium Challenge program although it wasn't supposed to. I was really annoyed at that but in a way it was predictable. But we still do have a separate economic assistance program for Georgia and of course we've continued the military training program for Georgia.

Q: Well now, what about some other governments? I'm thinking particularly Germany, France, England, and the United Kingdom. What sort of role were they doing?

MILES: Well, they were helpful. The UNDP was helpful. The European Commission was helpful; they had a representation in Georgia. The problem with the other donor countries and organizations, maybe especially with the EC, is that they are very slow in providing the assistance, very slow in coming up with new programs, very slow in providing money even for existing programs much less new ones. But they did; they did help. The Japanese funded some programs separately. The Germans did; they were quite good about it actually. I mentioned the reform of the traffic police and the new cars that were provided. Saakashvili got the Germans to provide those cars and several hundred more for the regular police. The Dutch provided some assistance; they also were very good about this. Of course, Saakashvili's wife is Dutch which certainly helped in that regard. She's a very energetic and competent lady by the way. Sharon and I liked her a lot. Nothing from Russia. I used to tease my Russian colleague about that and the answer, which was very carefully thought out in Moscow was, well, we have about one million ethnic Georgians in Russia and they send remittances back to Georgia and that is a form

of assistance. Well, really. On the basis of that logic we could simply end our assistance programs to most of the countries in the world.

Q: On the Russian factor, were the Russians messing around there while you were there? We're talking after the revolution. Were they seeing this as a target of opportunity or what were they up to?

MILES: They were as surprised as we were at Shevardnadze's resignation and they missed their opportunity, although it was a very small opportunity, to develop a good relationship with the new government under Saakashvili. They really had had an extraordinarily bad relationship with Shevardnadze. There was some residual unease on the Russian part dating back to Soviet times when, as the Soviet Foreign Minister, he had been instrumental in helping to bring the Soviet Western Group of Forces back from Germany peacefully and to dismantle the Soviet Union and so on. Shevardnadze wasn't a popular person in Russia almost entirely because of that history and that has carried over, unfortunately, to the new leadership in Russia. And the Russians of course had put a lot of pressure on the Georgians over the safe haven for the Chechen fighters in the Pankisi Gorge. So the Russians had a low opinion of Shevardnadze and relations between the two countries were somewhat strained.

But, having said that, there was no intrinsic reason why they couldn't have cozied up to the new government quickly, provided some symbolic economic or military assistance if nothing else and announced that a leaf had been turned in the book of history and that this was a time when we Russians and Georgians should work together to try to improve the relationship. That's what I would have done if I were in a position of influence in Russia, but they didn't do that. They remained quite aloof. They had had a supportive relationship with the Abkhaz separatists. They would probably deny that but I think it's objective reality to say that. They had been perhaps less supportive of the separatists in South Ossetia but the Georgian perception was that they were supportive of the separatists and the Russians could easily have taken steps to change that perception. But they didn't do that either.

And then they had—again, it was more a perception than reality—a rather close relationship with this little despot down in Adjara, Aslan Abashidze. Adjara is an interesting place. It has traditionally enjoyed an autonomous status within Georgia dating back to the 1920s and dating from the Treaty of Kars between the Soviet Union and Turkey. And the little dictator down there—despot would be perhaps a better word because it's such a small place—Abashidze, tried to keep a cozy relationship with the Russians, particularly with Mayor Luzhkov in Moscow, but also with others. And of course Batumi, the capital of Adjara, has a certain revenue of its own because of the Caspian oil that comes over from Azerbaijan by rail and then is shipped out on tankers. And so Abashidze had a bit of money at his disposal as well. He had long since stopped sending any tax money to Tbilisi, since, as he told me, no money ever came back from Tbilisi. In fact, he claimed that he had to pay the salaries of the Georgian government bureaucrats in Adjara since Tbilisi wasn't capable of paying them. I believed him.

When Russian Foreign Minister Ivanov had been disinvited from the negotiation sessions—which he had brokered—between Shevardnadze and the opposition in the last day or so of the Shevardnadze government, he, Ivanov, flew down to Batumi to consult with Abashidze. Well, to

everyone's surprise, Shevardnadze abruptly resigned and that left Ivanov stranded down in Batumi with his buddy, Abashidze. Ivanov didn't return to Tbilisi but flew directly back to Moscow.

Then the question arose of whether or not the Adjarians were going to participate in the special presidential election. I went down several times to try to convince Abashidze that there was a new breeze blowing in Tbilisi, that we were supportive of this new government and that he needed to mend his fences with Tbilisi the way he had never quite been able to do with Shevardnadze. He would listen to me; we were on good personal terms. He was a very intelligent man, a very small man but with an ego as big as a house. I mean, I don't want to bore you and the readers with all this—they can read my book later maybe—but I have never seen anyone with quite such an ego except maybe Saakashvili himself.

Q: Can you give a feel for how this was apparent?

MILES: Well, dinners at his residence would last, if you can believe this, five, six, seven hours, and during most of this time you would be subjected to a monologue on his part, basically, where he would talk about the great things that he had done, was doing and would do for the people. Then he would have an aide come in and would show movies on a big widescreen television of some of these great things. He was especially proud of a children's opera company in which Italian opera stars and others would participate and the children of Adjara would present these full-length operas with enormously rich costumes and full orchestra and so on, and this would be all attributed to him, and indeed it should have been. I mean, a children's opera on this scale wouldn't have existed anywhere on earth without someone putting the money out. Not only that but all this would then be broadcast all around the world over the satellite television station that he maintained with transmitters in Rome. All this was just incredible from this little tiny, rather poor place.

I'll give you an example of his psychology. The dinner would reach about 10 or 11 o'clock at night and—I tend to go to bed early—I'd be nodding my head at that point or trying to stay awake. Abashidze would bring in his grandson, a sweet little boy, angelic, maybe four or five years old, and he would sit the little boy on his knee, and his mother's sitting there, of course, the little boy's mother, and Abashidze would say, "So, tell everybody how much you love your mother." And the little boy would gesture with his hands like a fisherman describing the one who got away—his hands would be about a foot apart. And then Abashidze would say, "Now, tell everybody how much you love your grandpa. And his hands would be about two feet apart." I thought that was just disgusting, quite frankly.

I remember at one point during one of these interminable dinners saying, "Well, this is fine, but we have a full program tomorrow and so it's time to go." Sharon was with me on that occasion. And he said, "It's not time to go. I am the host and I am not done talking." And I said, "Well"—by now it was past midnight—and I said, "Well, actually, I'm done listening and so it's time to go. We're going to go now." I stood up and he brought in this enormous dog. They have a special breed of dog down there, a Caucasian wolfhound, I think they call it. Looks kind of like a big burly bear and weighs probably about 125-130 pounds. And the handler, who was a kind of a wrestler type with heavy gloves had the dog on a chain and was kind of holding him back, and

honest to God he deliberately moved that dog between us and the door. Then Abashidze took a plate of raw steaks—each one maybe half a pound—and tossed them to the dog, one at a time—snarf, smack, gulp—the steaks were gone. I could picture my arm or leg going down that same gullet. So there I was, the plenipotentiary American Ambassador, stymied by this fierce dog. Somehow this was not covered in the Ambassador Training Course at FSI.

Q: While you were there how did this play out with him?

MILES: Well, he listened. He was intelligent and well educated. He was from an old Adjara family, actually. Anyhow, he listened and he did go along with the election participation—very grudgingly. He made a very grudging concession on that, which was good, but it was just too big a jump for him to give up the cozy, autonomous, virtually independent existence which he had enjoyed down there. He was like the king of a Greek city-state—and shift to what, in essence, would be the appointed governor of Adjara or the appointed mayor of Batumi, a little town of about 120,000 or something, and would have to send the government revenue to Tbilisi and all that. He and Shevardnadze had never quite agreed on the revenue flows and so while he acknowledged that he was supposed to pay a share of the revenue to Tbilisi, he had announced, publicly, that since Tbilisi was not capable of providing the services which the federal government should provide and he was actually providing them, that he was no longer going to send money to Tbilisi. In a sense this was understandable but he should have changed his tune when the new government came in and he refused to change his tune.

So actually there was—by this time Saakashvili was now inaugurated in office—there was something of a military confrontation at the administrative border between Georgia proper and Adjara. I went down several times to what amounted to the command post that Saakashvili and the Ministry of the Interior had set up near the border to try, first to find out what was going on and second, to encourage a non-violent approach. A motley crowd of very excited and undisciplined young men gathered on both sides of the administrative border and there was some low tech military equipment on both sides as well; Abashidze had purchased some military equipment. It was small scale stuff, but you could kill people with it; and, indeed, shots were fired. Happily, no one, to the best of my knowledge, actually died during this confrontation but the situation was building up and came to a peak when one of Abashidze's "military" types blew the little bridge on the road leading down the coast to Batumi. At that point Saakashvili decided to push his force, such as it was, on through the border and on down to Batumi. Abashidze, who had been in touch with his Russian friends, got them to send a plane in for him and he then flew out, in a sense was evacuated with his family to Moscow where he remains to this day. I spoke to Abashidze on the phone on the evening he left. Abashidze was arrogant as I have indicated but, usually, he was a very polite man. He was a very dapper man, always dressed immaculately, looked like he had just stepped out of a fashion catalog or something, and he was always very polite to me. I mentioned his aggressive hospitality but even then he was polite, and when I called him on that final evening the conversation was rather sad. I said, "How are things going?" and he said, "Not so well." I said, "At a time like this you have to think about your role in history and your legacy and you don't want to do things that are going to cause bloodshed. The times have changed now, you need to think about that." And he said, "Well, times have certainly changed." And then I kept talking along those lines until I realized he had wandered away; the phone was still live, it was a live connection, but he just was in a bit of a daze and never said

even good-bye, never continued the conversation, and I had no further connection with him after that. I have been back to Moscow several times subsequently but I didn't want to bother looking him up.

Q: Was Baku sort of reintegrated into Georgia in a way?

MILES: You mean Batumi.

Q: Batumi, I mean.

MILES: Yes, almost immediately. Abashidze fled the province. The new government quickly did away with the autonomous status of Adjara, which I think was not a wise thing to do because the Abkhaz looked at that and said, well, they were offering us in Abkhazia autonomy and we see what autonomy means to the present leadership. So, in my opinion, this was not a smart move. But Saakashvili wanted to—I think he wanted to demonstrate that he and his government were definitely in charge. Patience is not one of Saakashvili's virtues

Q: Excuse me.

MILES: He wanted to demonstrate that he and his government were certainly in charge of things Georgian and that this autonomy business was just not going to stand. And so he put his own people in office. My son Richard actually went down to Adjara for a while. Richard is now a police officer in Virginia, but he was doing private security work at that time. He had come to Georgia several times to visit us and had spent some time with the Georgian police. When the new Minister of the Interior sent his deputy, David Glonti, down to Adjara to be the so-called Minister of Internal Affairs in Adjara, I said to David, if you want my son Richard to come and just give you advice, just to look around, see how things are going, let me know. And so he took me up on this offer and my son spent a fascinating four or five weeks down in Adjara. David gave him a letter with stamps and seals and all that on it, which said basically something like, "This is Richard Miles. He is acting as Inspector General on my behalf. Please show him whatever he asks to see." Richard would go into these police stations and the police were still operating as they had in the old Soviet Union—you know, you don't reform organizations overnight—and through the interpreter or with his own Russian, Richard would say I'm here from the Minister's office and I'd like you to tell me what you have been doing for training, how often do the officers practice their marksmanship, or how many people are on the force here, or where is everybody—the station appears to be empty here this morning, where is everybody—what's going on, that kind of a thing. And they would be dismissive and then he would show them the letter and all of a sudden there were heels clicking and ties being straightened; quite a different situation indeed. And he was able to report back to David, I think, very nicely, that you've got a real problem on your hands here in Adjara; they have been basically a private police force reporting to Mr. Abashidze for years and good luck with your reform because these guys don't have a clue. And in essence they had been lying to the new Ministry officials who were down there trying to make sense out of all this. They were saying that they did a certain amount of training, that they fired a certain number of rounds at the firing range, that they were doing so many miles of patrol and all that and, you know, my son has been around, he was able to ferret out these lies pretty quickly. So he performed a very useful purpose and at no cost to anybody. I

paid—well, except to me—I paid his way over to Georgia and back but he didn't get any salary or anything from anybody.

Q: Well, you were there when the new administration came in in 2004.

MILES: Yes.

Q: When did you leave?

MILES: August of 2005. So my time was almost divided equally; I was there three years and three months. My time was divided almost equally between Shevardnadze and Saakashvili.

Q: How did you see the new administration, the problem of corruption? Because this of course is the Achilles heel of all new governments everywhere. I mean, we've talked about the traffic police but how about other elements?

MILES: The word went out quickly that the previous level of corruption was no longer condoned and that no corruption would be permitted, but the emphasis really was on the petty corruption that interrupted people's lives and annoyed them and also on the corruption at the top of the Shevardnadze regime. I think the leadership was wise enough to know that there is a level of corruption in every society and maybe even more so in Georgia where these family relationships and personal relationships mean so much. In Georgia, you do a favor for someone, he does a favor for you and sometimes gifts are exchanged, sometimes money is exchanged. Some of these things would be considered corrupt in our society but not necessarily so in theirs, so a little bit of this continued and was tolerated. But it was quite clear that major levels of corruption were to stop, and the government demonstrated that almost too vigorously. For example, they went after a number of Shevardnadze's associates and relatives in a way which resembled a vendetta. On one occasion, a former official was stopped in his car, pulled out by guys in black ski masks and hauled off to jail. This was shown on television.

They put Shevardnadze's son-in-law, Gia Jokhtaberidze, in prison. Because of the son-in-law's relationship to the Shevardnadze family, he had been allowed to become the 51 percent shareholder in MagtiCom, the major telecommunications company in Georgia; the other 49 percent being held by an American company. He was put in prison and he was told, basically, "You don't deserve the position in which you were placed. You have taken money which belongs to the Georgian people and you must pay us that money in order to be released." And this was done openly; not that the money which was being extorted in this way would be put in someone's pocket, rather it would go into the state treasury. It was a form of governmental extortion and similar "extortion" was imposed on a number of other former officials and businessmen. Well, the American partner got quite upset—after all, this was his company that was being destroyed and he was the one who, in the end, was going to have to pay the money. I spent many, many hours with the American businessman, both in person and on the phone. The American partner hired Covington and Burling to represent them and Stu Eizenstat was the one that was representing the American company. Stu has had a distinguished career in several departments of the government. I spoke to Stu on the phone several times and I did spend a lot of time talking to Zurab Zhvania who had become the Prime Minister by then. I spoke to Zhvania,

whose responsibility it should have been, but then, Georgia being Georgia, I also spoke to President Saakashvili about it because everything is very personal in Georgia and, in essence, anything of that magnitude would come from the President and only the President could make it right. Well, there were many, many conversations about this case and, in the end, the American company had to come up with, I forget the exact amount of money, I think it was about \$15 million, to get the son-in-law out of jail and also to change the American partner's share of the company from 49 per cent to 51 per cent. There was a rather amusing dénouement to this. When the authorities went to Jokhtaberidze's cell to tell him that he was now free to go, he refused to leave. He said, "I'm not guilty of anything and I demand a hearing in which I'll be found innocent of whatever charges have been brought against me and I'm not leaving until I'm vindicated." And they had to actually take him out by force.

In another case a ring of kidnapers was arrested. I mentioned, I think, in one of the earlier tapes that kidnapping for money had become a kind of a Georgian vocation and often the police were involved and that was the case this time. There was, I believe, a former police general who was involved and some other individuals, and we heard word that one of the key individuals who had been arrested in this raid had been tortured in prison. And I mentioned this to the Minister of Internal Affairs who said they would look into it. Then I mentioned it to the Prime Minister and then to the President. Well, the rumors persisted and so I said to the Minister of Justice, "Look, I know this is unusual. I have no right to see this person, who is a Georgian citizen, but I think it would be in everyone's interest if one of my officers were to go see him to try to lay these charges to rest, because you're getting a bad image in the United States and in Western Europe." Well, the Minister agreed that we could do this. One of the officers working in the Political Section was a former military officer and he had certainly been exposed to force and violence in his career, and I told him to go to the prison and just give me his candid assessment. And his assessment was that the man had surely been beaten and most likely some form of electrical shock had been applied to him. And I went back and told that to the Prime Minister and to the President and to my knowledge they then stopped that mistreatment. I took it to the Minister of Internal Affairs and to the Minister of Justice. The latter said that he accepted what I was telling him and would assemble a commission which would look into it. If the people that allegedly did it were found guilty, they would be punished. So that was a pretty good response. Now I can't verify what actually happened after that, but the reports of mistreatment certainly stopped.

I'll give you another example. There was a rather nasty gang operating out of the town of Zugdidi, which is over near the Abkhaz border; robbers and bandits, basically, engaged in some small scale smuggling, but nasty people. Well, the police descended on them with helicopters and automatic weapons, there was a shootout, a couple of them got killed, others were wounded, and I don't know how many people were hauled off to prison. All of this was shown on Georgian television. So, you know, the message began to percolate through Georgian society that, well, times have changed. These new people are serious about trying to eliminate some of this corruption and some of this permissive atmosphere in which the criminals have been allowed to conduct their business as though it were a business. People began to respond and to appreciate that and I think the Georgian government has remained relatively clean. Now, I've been away for two years. I am not in a position to state with authority that some degree of corruption hasn't crept back in but compared to the situation prior to the Saakashvili government taking power, I think it is vastly improved and Saakashvili and his people deserve great credit for that.

Q: By the time you left how was our military action in Iraq viewed?

MILES: I mentioned previously that Shevardnadze had sent a handwritten letter to President Bush stating, for a number of reasons, which he laid out I think rather eloquently, that Georgia would allow itself to be listed in the coalition of the willing in support of the American intervention in Iraq and the Saakashvili government—and they had allowed a small contingent from the Georgian forces which we had begun to train to go to Iraq to serve in various kinds of security programs. They were kind of a—at that time there were three rings of security basically around Baghdad and they were in one of the outer rings of security. So they were in harm's way, basically. Well, we continued the training, of course. While all this was going on, the training continued without stop and the new government rather quickly agreed to increase, in fact, they volunteered to increase the number of troops in the Georgian contingent and they continued to increase it during the time I was there and only a couple of months ago, actually, they agreed to increase it to 2000 troops. Now, 2000 troops from a country the size of Georgia is a significant amount and in fact I think it raises their contribution on a per capita basis to the highest of any of the countries that are there, including our own, and even in terms of actual numbers I think it puts them about in third place. So they have been quite supportive.

At the same time they have had an interest in developing a friendly relationship with Iran and I think it would be fair to say that they would not see entirely eye to eye with us on U.S. policies in the Middle East. But that never became an issue; they were rather subtle about this and they never took on American policy directly in any way.

Q: Were the Kurds a problem there or not?

MILES: No, no. There were a few Kurds in Azerbaijan, and if there were any in Georgia—

Q: But it wasn't—there wasn't—

MILES: No. There are a few Kurds in Georgia—they are called Yazidis. But they are such a tiny number that the group is virtually insignificant demographically.

If I may say so, I went out of my way to develop a good relationship with the representatives of the Islamic community in Georgia. There are a lot of Azeris living there and a few Turks. And I tried really hard to, first of all, to tell our side of the story of what we were doing and what we were trying to do in Iraq and, second, to try to understand what they were thinking, what was their attitude, and frankly there was also an element of self-protection in this because the last thing in the world I wanted was any kind of a terrorist attack against the Embassy or against my family or our people. I don't think that Islamic fundamentalism was a real issue in Georgia. I'm a little out of touch with Azerbaijan now, and I wouldn't want to speak for Azerbaijan, but in Georgia I found the Muslim community to be very moderate, and any Islamic fundamentalism was lying pretty low. And while there were things to watch, which is what we did, it wasn't an issue which appeared to us at the time to be threatening or even something about which we should be terribly concerned.

Q: Well, Dick, when you left there, sort of whither Georgia? How did you feel things were going?

MILES: There were two things that bothered me, well, three things, that bothered me about Georgia. One was the personality of President Saakashvili, who was a rather impulsive person. And while he had basic democratic instincts he was also a real Georgian and didn't mind stepping on toes in order to achieve his immediate goals, which maybe is understandable for someone in that position but it bothered me, it caused me some concern and I'll give you a good example later on.

And I was bothered by the fact that the Georgians couldn't seem to bring themselves to improve their relationship with the Russians, and in fact I'd say it got worse after I left, not because I left, of course, but the circumstances were such that the relationship with Russia got even worse after 2005. And it has remained strained. And I never understood why the Georgians didn't make more of an effort to improve that relationship. But despite my rather constant advice they just didn't seem to want to do it.

And my third concern was the fact that the Georgian government, I thought, wasn't making enough of an effort to put people to work. I discussed this with the government officials at all levels: if I had been in a position of leadership in Georgia I would have started some kind of WPA-type [Works Progress Administration] project just to get some of these unemployed people doing something and put a little money in their pockets. I would have encouraged even more the development of small business. There was an increase in the number of boutiques and small businesses that opened after the new government took power because they were free of some of the bribes and whatnot of the past and they had a safer atmosphere in which to work. But it was still a slow process and the small business sector was not really employing a great number of people. You know, it's a truism that most jobs are actually in the small business sector, not in factories that hire 14,000 people or whatever. But of course in Soviet times people tended to think in terms of those factories, and in the former Soviet Union, they still do. I always encouraged the Georgians to try to free up that entrepreneurial spirit which they always had. Of any ethnic group in the former Soviet Union, the Georgians were the great entrepreneurs, so they know how to do it, they know how to make money, you just have to create the right conditions for them.

Q: It used to be the small merchants who kept the capitalist spirit alive by playing to Moscow and selling stuff and, I mean—

MILES: Oh yes, fly up with melons and whatnot, mandarin oranges, peaches and so on, sell them on the sidewalk. And also the tourist business in Soviet Georgia was quite a strange business. I mean, they had what amounts to bed and breakfast places where tourists would come down from Moscow in the days of the old Soviet Union and would be allowed to go to someone's home and rent a room and have breakfast there, whatever, for money. I mean that was pretty much unthinkable anywhere else in the former Soviet Union but the Georgians did it. So they were quite capable of working hard and developing the economy but I just didn't see the government trying hard enough to encourage that free enterprise spirit. Oh, they talked the talk, but I don't think the new crowd of political leaders really understood business any more than the

old crowd did. To them it was just a revenue source and they wanted to harvest that revenue before the harvest was ready.

They did try hard to attract the large investors and they made their peace with the telecom company that I mentioned earlier. They also made their peace with a rather interesting Danish fellow, Jan Bonde Nielsen, who owned the Green Oaks Company which was involved in a number of enterprises down in Adjara. He had had a cozy relationship with Abashidze involving oil terminals and refrigerator facilities at the port and God knows what, and one would have thought that if anyone would be on the outs with the new government it would be Jan Bonde Nielsen. But he was clever enough and the new government was clever enough to work out a *modus vivendi* and so he's still there, still doing business. I just read something on the internet the other day about some new investment that he was making there and that's good and I'm glad to see it. I just would have liked to have seen a little more effort being put to the small business sector and also to the agricultural sector. There was some but not enough and there still is a major unemployment problem in Georgia. So those are the things that mostly worried me.

There had been a problem earlier, and I'll mention this as an example of Saakashvili's impulsiveness. Always the Georgians had talked a lot about their desire to regain authority over the separatist provinces of Abkhazia and South Ossetia. And in the summer of 2004, without going into all the minute details of it, we became aware that there was a military buildup along the borders, the southern borders of South Ossetia, which is not very far from Tbilisi, by the way, and that there was a corresponding buildup in South Ossetia itself and a resultant rise in military tension. Well, to make something of a long story short, this spilled over into active hostilities which quickly became a fiasco on the Georgian side. The Minister of the Interior and the Minister of Defense were both up on the frontlines directing their troops to move and to fire over mobile phones with no security at all. It could have been an absolute disaster. As it was it was bad enough. I don't recall the exact death count, I think it was something like 16 soldiers died on the Georgian side. The Ossetian side, while I was there, never announced the number of Ossetian soldiers or civilians that died but I'm sure that some civilians died in addition to the soldiers; and a near disaster was diverted only when the Georgian authorities realized that not only did we not support this military adventurism but we condemned it; we were not in favor of it. And I delivered some pretty harsh messages along those lines. Special envoys came out from Washington to repeat those messages and pretty quickly the government pulled its troops back.

Q: Were EU representatives doing the same thing?

MILES: Not a lot, not a lot. The British Ambassador was. The OSCE had a small military observer group for South Ossetia headquartered in Tbilisi. They did try to keep OSCE member countries aware of what was happening in South Ossetia. However, this group was so small—I think it was a seven person mission—it was so tiny it would try hard to keep at least one man up in South Ossetia at all time. One man! They were doing some reporting but they didn't have very much clout with the Georgian government or with the Ossetian authorities, either. No, our criticism pretty much stood alone at that time.

Q: Why were we protesting?

MILES: We didn't want to see the situation resolved by force of arms and we were afraid that the Russians would intervene and you'd wind up with the Georgians fighting the Russians and the Georgians hoping or expecting, whichever, that we would come to their assistance when I think that it would be rather unlikely that we would do that. So it was a bad situation.

And, in fact, to head off any Georgian government effort to repeat that misadventure, I suggested to Dan Fried—at that time, the NSC Senior Director for that part of the world—that it would be useful for President Bush to visit Georgia and to make it clear to Saakashvili that we didn't approve of the use of force to settle the issues between Georgia proper and South Ossetia or Abkhazia. That was the primary purpose of the President's visit in May of 2005 and, I must say, President Bush was quite forceful in talking to Saakashvili about that.

Q: Well then, you came back in 2005?

MILES: Summer of 2005, yes.

End of reader