

**CICERO FOUNDATION GREAT DEBATE PAPER**

**No. 13/02**

*April 2013*

---

# **DEMOCRACY IN GEORGIA: DA CAPO?**

**STEPHEN F. JONES**

*Professor of Russia Studies*

*Mount Holyoke College, South Hadley, Mass.*

Cicero Foundation Great Debate Paper No. 13/02

© Stephen F. Jones, 2013

All rights reserved

The Cicero Foundation is an independent pro-Atlantic and pro-EU think tank.

[www.cicerofoundation.org](http://www.cicerofoundation.org)

The views expressed in Cicero Foundation Great Debate Papers do not necessarily express the opinion of the Cicero Foundation, but they are considered interesting and thought-provoking enough to be published. Permission to make digital or hard copies of any information contained in these web publications is granted for personal use, without fee and without formal request. Full citation and copyright notice must appear on the first page. Copies may not be made or distributed for profit or commercial advantage.

## **The Cicero Foundation**

### **FRANCE**

**13, rue Washington**

**75008 PARIS**

**Tel. +33 1 45 62 05 90**

**Fax +33 1 45 62 05 30**

**Email [info@cicerofoundation.org](mailto:info@cicerofoundation.org)**

### **THE NETHERLANDS**

**Hondertmarck D 45**

**6211 MB MAASTRICHT**

**Tel. +31 43 32 60 602**

**Fax +31 43 32 60 828**

**[cicerofoundation@gmail.com](mailto:cicerofoundation@gmail.com)**

## Democracy in Georgia: Da Capo?

Stephen F. Jones\*

### *Introduction*

Could it be, after twenty years of experimentation, that the peaceful transfer of power by a free vote in Georgia on October 1, 2012, has brought the country close to the fabled epoch of a “consolidated democracy?” The victory of the Georgian Dream-Democratic Georgia coalition (GD) represents the first time in Georgia’s independent history, when one government has voluntarily turned over power to another. Georgia has not reached Samuel Huntington’s “two turnover test,” (Huntington believes the change of power should occur *twice* to ensure all parties adhere to the democratic rules); much depends on how the new government, headed by prime minister Bidzina Ivanishvili, manages the opposition, and how the UNM, in the cold after ten years of easy dominance, manages its secondary role.<sup>i</sup> Western pundits, European MPs and US Congressmen, condemning the series of arrests and trials of former government officials that began soon after Georgian Dream’s accession to power, have expressed doubts about the transition; they condemn “democratic backsliding,” and wonder whether Georgia is destined to a repeat performance of one-party dominance.<sup>ii</sup> Actually, what we are seeing is a repetition of misinformed Western observers, who so often get Georgia wrong. Western opinion makers initially misinterpreted the first Georgian president, Zviad Gamsakhurdia, as a brave former dissident fighting for human rights. They supported Eduard Shevardnadze long after systematic electoral fraud was obvious to Georgians themselves, and they welcomed the “reforms” of Mikheil Saakashvili, a youthful and dynamic modernizer, despite early signs that democracy and the law were

subservient to his determination to build a strong state. These errors of judgment have consequences; Western support for Saakashvili prolonged his period in office and encouraged his ambition to remake Georgia, regardless of the social and political cost. Add to this the absurd democratic standards Western governments hold Georgia to, but can barely sustain themselves. Such standards have become mechanical benchmarks obscuring the devil in the details. The EU and the US, bogged down by their own economic and democratic deficits, should be more humble about exporting policies and institutions which, in many cases, do not meet Georgia's needs or solve its problems.

### *Saakashvili's Economic Policy: A Neo-Liberal Fancy?*

President Saakashvili's party, the United National Movement (UNM), lost the election in 2012 because it failed over nine years to improve the lives of ordinary Georgians. The majority remained impoverished, unemployed, and unable to secure basic health needs. The government's disastrous economic policy was an ideological neo-liberal fancy which fetishized Foreign Direct Investment (FDI), eliminated jobs, neglected the rural economy, stimulated corruption, and economically and socially marginalized the vast majority of Georgians. Saakashvili should be given some credit: he brought Georgia out of the post-Soviet era into the twenty first century; he ended the "feckless pluralism" of the Shevardnadze era, removed the old Soviet nomenklatura, expanded state capacity, increased the budget, and propelled Georgia toward Europe and NATO. At the same time, he created a corrupt surveillance state, dangerously close to Putin's model of the "power vertical." Saakashvili's version combined constitutionally supported super-presidentialism with informal mechanisms of political control (of the media, for example), a monopoly on resources, and widespread intimidation. This was why the October election was so vital. The political and economic power of the Georgian Presidency had to be constrained, and the goals of the democratic revolution expounded by Gamsakhurdia, Shevardnadze and Saakashvili, had to be restored. The

“beacon of liberty” as George Bush described Georgia, had been sputtering for a long time: one more government victory and it would have likely been extinguished.

The tragic almost Shakespearian cycle of hubris that brought all three Presidents down may be poetic justice, but for the political scientist, it needs explanation. Are these patterns of political aggrandizement and democratic decline systemic? Should we seek an answer in the reveries of revolutionaries (perhaps Karl Popper could help us explain what went wrong), or should we look into deeper cultural sources for the rise of Georgia’s authoritarian Presidents?<sup>iii</sup> Each leader has come to power promising to reverse his predecessor’s democratic failures. Gamsakhurdia pledged an end to communist oppression, Shevardnadze declared he would bring stability and pluralism, and Saakashvili guaranteed an honest and open government. Western leaders, enamored by Shevardnadze’s experience, and by the Western educated youths of the Rose Revolution, failed to learn the lesson that promising political origins are no guarantee of results.

### *The Georgian Habit of Centralizing*

There has been a pervasive cycle in Georgian politics over the last two decades; a “democratic” breakthrough against repressive rule quickly reverts to a new form of authoritarianism. What are the reasons for this pattern of political regression in Georgia and are Georgians condemned to follow it this time? Let me identify a number of impediments, which may help explain why Georgian politicians have not so far reached a consolidated democracy. First, Georgians have a strong political habit (I don’t know what else to call it) of centralizing. In the early 1990s, this was a response to a dissolving state, but by the turn of the millennium, decentralization was accepted by most Georgians as a better solution to democratic state building. After 1995, multiple laws were introduced to promote local self government. Shevardnadze considered a federation. The Rose Revolutionaries in 2003 assured Georgians of greater openness,

honest elections, and constitutional reform. But no measure over the last two decades, despite public acknowledgement by all of Georgia's leaders that it would be a good thing, has de-concentrated power. Centralization expanded continuously into the 2000s, stimulated by a system of presidentialism and an informal practice of patronage. A second feature which accentuated Georgia's regular slide into authoritarianism, was the unbridgeable chasm between governed and governors. This is not just a Soviet legacy; it was perpetuated after 2003 by self-proclaimed neophytes insistent on the ideological and economic reconstruction of society along Western lines. Since independence, all major political decisions in Georgia have been made by a small and politically isolated circle of Presidential advisers and ministers (the interregnum of 1992-1995 was a partial exception). This lack of accountability has led to poor decisions (August 2008), corruption, and popular disenchantment. In 2003, the governing elite's isolation ended in a revolution; in 2007 it sparked a constitutional crisis; in October 2012, it led government leaders to believe they would win the elections. A third obstacle to democratic development in Georgia has been the inability of all governments to create an independent judiciary. This is a result of a legacy of Soviet thinking and practice, economic insecurity and poverty, and a flawed judicial structure designed to bolster political control. The Rose Revolutionaries, trained in Western universities, and insistent on reform, were no better than the old Soviet nomenklatura under Shevardnadze in de-politicizing the judiciary. This was evident when a prison abuse scandal erupted on the eve of the October 2012 elections; it revealed systematic torture had been going on in prisons for years, unchallenged by judicial institutions. From Gamsakhurdia to Saakashvili, law in Georgia has been a consistent instrument of political manipulation. This is tied to a fourth feature of Georgian politics; the fusion of political and economic power. Political power in Georgia is a source of self-enrichment; economic power is a source of political patronage. These two spheres are joined at the hip, and the loss of power in one leads to the loss of power in the other. This underscores the lack of separation between private and public spheres which pervades the entire system and creates networks of interdependence that corrupt civic values and eat at the heart of

democratic governance. Businesses in Georgia have always been vulnerable to government pressure; if they do not buckle, they end up in the courts owing colossal back taxes.

### *Blending of Public and Private Spheres*

This blending of the public and private spheres impacts every profession: teachers who were told to vote for the UNM in 2012, did so in most cases because they believed they could lose their livelihoods. It may seem paradoxical that the carriers of the neo-liberal torch of non-intervention indulged in a systematic process of state intrusion, intimidating domestic businesses to raise revenue, and manipulating media ownership to augment their influence, but such interventionism was a logical outcome of neo-liberalism in a political and business environment unconstrained by law. Deregulation multiplied the opportunities for patronage capitalism and encouraged businesses to seek influence with a customary source of power – the state. Finally, there is a psychological feature to Georgian politics that in the last two decades has torn at the consensus required for liberal democracy. Georgian groups and politicians have been unable in the last two decades to engage in effective dialogue. It is both the result of, and a stimulus to, political polarization. It is not a “temperamental” problem, but one connected to a culture of honor and shame, to a lack of political practice, and to the post-Soviet emptiness of organizational life. Ilia Roubanis identified the problem as follows: Georgian politicians have ‘no strings attached [to their] power,’ because they face no interest articulation or organized social constituencies from below.<sup>iv</sup> In its milder form, such polarization leads to boycotts and hunger strikes, at its worst it leads to violence. Either way, it drives parties in opposite directions; it undermines their crucial bridging function, which builds the broad political consensus required for effective governance.

The combined result of all these features has been a form of political schizophrenia characterized by facades and fantasies on the one hand, and realities and revolts on the other. The duality of this system is most obvious in the economy, characterized since 2003 by a smart modernizing center in Tbilisi (and maybe Batumi), and an impoverished and neglected periphery in the cities and countryside. For two decades, this systemic duality has divided Georgian democracy into a public rhetorical space of rights and the free market, and a secret space of control, corruption and intimidation. Parliament, despite short interludes of debate and competition, has been a forum during most of its history for a single dominant party. In the provinces, self-government is emasculated by managed elections and central government control of resources through the Ministry of Finance. In the judiciary, self-governing structures like the High Judicial Council were institutional levers for Presidential appointments to the bench. At frequent intervals, government fantasy clashed with the reality outside the narrow corridors of power: in October 1990 (the election of the Round Table-Free Georgia Bloc); in the winter of 1991 (the destruction of Gamsakhurdia's presidency); in October 2001 (the government's resignation after the clumsy suppression of Rustavi 2, a popular TV channel); in October 2003 (the Rose Revolution); in November 2007 (a constitutional crisis following government brutality against public demonstrations); and in October 2012 (the victory of the Georgian Dream coalition). The question is can the newly elected government, led by Bidzina Ivanishvili, a 57 year old billionaire who repeats the familiar formula of accountability, economic liberty, and citizens' rights, break the Georgian cycle of democratic promise and decline which ends so often in crisis, revolt and a new savior.

### *Georgian Dream's Electoral Program: Promising?*

A first place to look is the Georgian Dream's electoral program. Like all electoral programs, it is a promissory note.<sup>v</sup> It describes what the new government perceives as its major tasks. But do the program's recommendations challenge Georgia's systemic dualities, in particular the impediments to Georgia's democratic consolidation?



Regarding the concentration of political power, the program is promising: it calls for an end to “political messianism,” for a reinforced system of checks and balances, supports a parliamentary system (a change promoted by Saakashvili in his second term), a strong parliamentary opposition, a simplification of the rules of impeachment, and an emphasis on subsidiarity in local government. In principle, this should help tackle the issue of trust and participation, and narrow the breach between ruler and ruled. The proposal to “depoliticize” education, promote self-governance in schools, protect teachers’ employment rights, revise the current labor code (which practically eliminates employees’ civil rights at the workplace), and a whole series of measures to promote national minorities and women into administrative and management positions, will, if implemented, increase confidence in the government. The commitment to an employment policy and the pledge to introduce a “basic universal healthcare package” are acknowledgments of government responsibility for citizens’ welfare. Such proposals connect human security to citizen integration into the economic system. For the last two decades, the majority of the population has been active only in the economy’s margins.

Central to sustaining popular trust in government, is an independent judiciary. The program urges judicial independence by detaching the High Council of Justice, the judges’ self-governing body, from presidential control, depoliticizing the Prosecutor General’s Office, reforming criminal law and procedures, and increasing the competence of the Constitutional Court. Such institutional measures are inadequate on their own, but if implemented, they will weaken the synergy between political and economic power. If anti-monopoly measures, as promised, are introduced alongside independent courts, corrupt state officials will be significantly constrained. Advocacy of a strong opposition, and measures to ensure its incorporation into the legislative process, may help deal with political polarization. But without a change in leadership, style, and political practice, the results will remain formal.

British prime minister Harold Wilson noted that a week is a long time in politics; we might add that five months is a short time in politics. The government is new, inexperienced, and despite a majority in parliament, faces a hostile President with veto powers. It faces colossal economic and political tasks with an ambitious program and limited resources. We cannot judge the outcome of proposed legislative changes yet, nor, crucially, how the government will exercise its power. It is bound to be uneven. However, the situation has changed dramatically in the last five months; there is a “new politics” in Georgia in style, strategies and objectives. The government has abandoned the self-congratulatory rhetoric of the previous administration. Its language is far less “ideological” in tone. Spectacular government ceremonies, often associated with new roads, military parades, or the construction of new prisons and schools, have gone, and the self-imposed isolation of the previous administration has been reversed. New cabinet ministers and the prime minister are communicating with the public at press conferences, through open letters, and on TV. The government has learned that political isolation undermines support, but this new openness needs to be properly institutionalized.

#### *Incorporating the UNM into the Legislative Process*

Style and language are vital to the prospects for collaboration with the opposition. The UNM must be incorporated into the legislative process, despite its tendency to boycott parliamentary votes (walkouts occur in Western legislatures too). Parliament is now a genuine debating chamber – the almost two decade tradition of one-party dominance has gone. Georgia has a functioning multiparty system. So far, the legislature has been more successful at compromise than the President and prime minister. In March 2013, the Georgian Dream coalition and the UNM jointly passed controversial constitutional amendments to reduce the President’s power to dismiss parliament, and agreed on a joint statement on foreign policy. The personal enmity between President Saakashvili and Prime Minister Ivanishvili, however, makes cooperation between the two parties

difficult. The “language of civility” called for in the GD’s electoral program is not evident at the highest level. Ivanishvili expresses his disdain for any dialogue with the President, and Saakashvili has not dropped his own polarizing language. Their personal conflict is fodder for the press and obscures important principles behind their differences. This will be resolved in October 2013 when President Saakashvili leaves the presidency, but their current relationship suggests egos continue to overshadow politics in Georgia.

Prime Minister Ivanishvili is Georgia’s chief policy maker. His cabinet appointments, so far, suggest he is not afraid of independent voices. He has placed a potential rival in the Ministry of Defense (Irakli Alasania), a risky non-conformist in the Ministry of Reintegration (Paata Zakareishvili), and a tough and honest jurist into the Ministry of Justice (Tea Tselukiani). David Usupashvili, leader of the Republican Party (a member of the GD coalition) and a natural conciliator, was elected Chairman of the parliament. The cabinet mix is healthier than under Saakashvili when the criteria of youth and a Western education separated most of the cabinet from the needs and concerns of ordinary Georgians. Georgian Dream remains a coalition. This is important - it ends the role of one-party dominance in the cabinet, which under Saakashvili reinforced deference to a single leader.

Along with style must come substance, otherwise we are back to the cycle of public disenchantment and mass protest. Five months is insufficient to make any conclusions on the longer term effectiveness of reform. At this stage, we can only examine the government’s strategies for change. Given limited space and the incompleteness of reforms, we will touch briefly on only three features: parliament and the judiciary, local government, and the economy. A dramatic change since October 2012 is parliament; it has regained its independent legislative role. Unhappily for the GD, but fortunately for the health of the Georgian political system in this transitional period, GD does not have a constitutional majority. It must bargain for constitutional change and incorporate the minority into its deliberations. After years of dormancy, debate is lively; parliament has

reestablished some balance into the relationship between executive and legislative power. The judiciary is undergoing rapid reform. Judicial reform, as Justice Minister Tea Tsulekiani put it, is the “litmus test” for genuine structural change.<sup>vi</sup> No rule of law, no democracy, might be the refrain. The government has promised a new bill on the common courts which has as its central provision the reform of the High Council of Justice, the body responsible for the appointment of Georgia’s judges. The bill will, in effect, remove the President’s appointees by restricting the appointment powers of the Chairman of the Supreme Court (a presidential appointee), and create broader participation in the High Council from bodies outside parliament. Six candidates in the fifteen member body will, for the first time, be elected by parliament from nominations by legal advocacy NGOs, law schools and the Georgian Bar Association.<sup>vii</sup> Other elements in the bill open the courts to cameras and recordings, banned in 2007, and guarantee judges a secret vote for internal judicial elections. The new government has announced it will expand the jury system, reform the criminal procedure code to ensure greater rights for the defendant, end abuse of the plea-bargaining system, and reform the labor code to ensure greater employee rights. If these measures succeed, it will represent a fundamental break with the “telephone law” of Georgia’s past. An important test of the sincerity of the new government will be the conduct of trials of former government officials. Both the Organization for Security and Cooperation (OSCE) and the Office for Democratic Institutions and Human Rights (ODIHR) have been invited to monitor the trials, and in a gesture of reconciliation, the new parliament has consented to a wide-ranging amnesty for high-ranking officials in Saakashvili’s administration.

### *Strengthening Local Government*

Local government in Georgia has never functioned effectively, undermined by the lack of fiscal resources, the intervention of centrally appointed governors, inadequate jurisdiction over local public services, and weak accountability to electors. No government since 1991 has had the courage to decentralize power to Georgia’s citizens.

Under Saakashvili, the number of local government units was dramatically reduced. The new government produced a concept paper in February 2013, which suggests this habit of centralization, historically shaped by a fear of what citizens may do, especially if they are not ethnically Georgian, could be reversed.<sup>viii</sup> Directly elected assemblies will be introduced at the village level; the number of local municipalities will be expanded (following the principle of subsidiarity) and mayors, currently indirectly elected by local councils, will be directly elected by the population. Municipality budget revenues will be increased through income tax allocations. Governors will be retained, but elected regional bodies will nominate the candidates to the central government. We will see how these measures are implemented in practice. The retention of governors could easily undermine the reforms; the latest poll by the International Republican Institute (IRI), conducted in November 2012, suggests the population overwhelmingly supports direct popular control over governors (between 83% and 97% depending on the region).<sup>ix</sup> However, we might still conclude that greater accountability at the local level is on the agenda. Genuine local government entities may finally emerge in the neglected provinces and diminish the wide disparities in Georgia's dual democracy.

The economy presents the greatest challenge to the new government. The economic achievements of the Saakashvili administration have been wildly overrated and highly uneven. Lack of progress for unemployed Georgians may quickly sour support for the new government. GD's electoral program suggested there would be a dramatic change in economic direction. While recognizing free market principles, the program argued for the replacement of "market fundamentalism" with "modern approaches that emphasize the role of the state in ensuring social welfare and social security." It went on: "the key role in the process of system transformation must be given to the state."<sup>x</sup> This is a real reversal of the *laissez faire* policies of the previous government. Georgia is moving from a Singaporean model, perhaps, to a German one. The new priorities are reflected in the 2013 budget: agriculture, healthcare and social security, and education and science received massive increases. The budgets of the Defense and Internal Affairs Ministries

were cut to finance a 29.5% increase for the Ministry of Labor, Health Care and Social Affairs, a 11.5% increase for the Ministry of Education and Science, and a 61.8% jump for the Ministry of Agriculture.<sup>xi</sup> Another measure currently working its way through Georgia's interest groups, is a new competition law, designed to end what the government terms Georgia's oligopoly; in the World Economic Forum's 2011-2012 Global Competitiveness Report, Georgia ranked 135<sup>th</sup> in "effectiveness of anti-monopoly legislation" and 128<sup>th</sup> in "intensity of local competition."<sup>xii</sup> However, it is too early to talk about the effectiveness of such reforms. Given Georgia's grim economic situation and Europe's financial crisis, it will be difficult to increase employment; the new government is hoping to shift growth from the financial sector to agricultural and small businesses. The strategy may be right for Georgia (in 1995, agriculture supplied 47% of GDP compared to 9% today), but the question is how, and for most Georgians, when.

Georgian political structures are beginning to regain their autonomy. Laws under discussion are promising; the new stewards seem aware that procedures are as important as goals. A new pragmatism is emerging in foreign policy, and trade with Russia has been partially restored (83% of Georgians in November 2012 supported dialogue with Russia). The tasks ahead are enormous, and if economic reform does not improve the lives of Georgians, popular support could soon turn to cynical indifference. In the November IRI poll, 46 % of Georgian citizens placed unemployment as the most vital issue, far above any other concern.<sup>xiii</sup> For now, the "new politics" in Georgia is popular, and the government has a better chance than ever before of avoiding the familiar cycle of democratic failure. It's up to Georgia's citizens to make sure it does.

## NOTES

---

<sup>i</sup> Samuel P. Huntington, *The Third Wave: Democratization in the Late Twentieth Century*, (Norman: Oklahoma University Press), 1991, pp. 266-67.

<sup>ii</sup> See, for example, “European Parliamentarians Address to Bidzina Ivanishvili” (March 6, 2013), <http://www.civil.ge/files/files/2013/EPP-MEPs-Letter-to-PM-Ivanishvili.pdf>

<sup>iii</sup> Karl Popper in his book, *The Open Society and Its Enemies* (London: Routledge & K. Paul) 1966, argues it is revolutionary abstractions when applied to complex societies, which lead to forms of despotism.

<sup>iv</sup> Dr Ilia Roubanis, “Georgia’s pluralistic feudalism: a frontline report”, July 3rd, 2009, [www.opendemocracy.net/article/georgia-pluralistic-feudalism](http://www.opendemocracy.net/article/georgia-pluralistic-feudalism) (Last accessed July 22, 2012)

<sup>v</sup> I want to thank Tedo Japaridze, Chairman of the Georgian parliamentary committee on Foreign Relations, for sending me a copy. It is titled “Electoral Coalition Bidzina Ivanishvili – Georgian Dream: Platform.” Any references are to my personal copy. There are no page numbers.

<sup>vi</sup> Tea Tsulekiani, “Georgia’s Legal Reform Revisited: Agenda for Improvement,” Lecture delivered at the *Carnegie Foundation for International Peace*, Washington D.C., February 22, 2013. <http://carnegieendowment.org/2013/02/22/reforming-justice-system-in-georgia/ffqi>

<sup>vii</sup> “MPs Endorse Revised Bill on Reforming Judicial Council,” *Civil.ge*, March 23, 2013, <http://www.civil.ge/eng/article.php?id=25881>

<sup>viii</sup> “Govt. Lays Out Local Self-Governance System Reform,” *Civil.ge*, February 22, 2013, <http://www.civil.ge/eng/article.php?id=25778>

<sup>ix</sup> “IRI Releases First Georgian National Survey After Elections,” Feb. 8, 2013, p. 43, *IRI*, <http://www.iri.org/news-events-press-center/news/iri-releases-first-georgian-national-survey-after-elections>

<sup>x</sup> “Electoral Coalition Bidzina Ivanishvili – Georgian Dream: Platform.” *Ibid.* (no page numbers)

---

<sup>xi</sup> Mikheil Kukava, “2013 State Budget: Analysis and Recommendations,” *Transparency International Georgia*,

<http://transparency.ge/en/blog/2013-state-budget-analysis-and-recommendations>

<sup>xii</sup> Nicholas Clayton, “Building on the Georgian Miracle,” *Investor.ge*, Issue 5, October-November 2012, [http://www.investor.ge/article\\_2012\\_5.php?art=11](http://www.investor.ge/article_2012_5.php?art=11)

<sup>xiii</sup> “IRI Releases First Georgian National Survey After Elections,” *Ibid.*, p. 4.

\* Stephen F. Jones is author of *Georgia: A Political History Since Independence*, (London and New York: IB Tauris), 2012.