

Georgia

Author: Alexandre Kukhianidze¹

Introduction

Since the collapse of the Soviet Union in 1991, Georgia has made substantial progress in the field of local democracy. Until 2001 the president of Georgia appointed all local government mayors and *gamgebelies* (district administrators), who did not feel accountable to citizens. They concentrated power and resources in their hands and behaved like local feudal lords empowered by the president. Corruption and organised crime flourished.² The Organic Law on Local Government and Self-Government was adopted in 1997 but it did not work properly due to serious problems with implementing Georgian legislation in general. The laws on local budgets, property and the formula for inter-governmental transfers were not adopted, and local authorities were not able to carry out their functions. The situation partially improved after the Rose revolution in 2003 with the United National Movement (UNM) in power. After parliamentary and presidential elections in 2012–13, the new ruling party, Georgian Dream (GD), continued local government reforms.

Georgia signed the European Charter for Local Self-Government (the Charter) on 29 May 2002 and ratified it on 8 December 2004. It signed the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities on 24 July 2006, though still did not sign the Additional Protocol to the

About ICLD

The Swedish International Centre for Local Democracy (ICLD) is part of the Swedish development cooperation. The mandate of the organization is to contribute to poverty alleviation by strengthening local governments.

This report is part of a publication series that investigates local democracy in the 19 countries where the ICLD municipal partnership programme operates.

This report covers events up to 31 May 2019. Events occurring after this period are not considered.

European Charter of Local Self-Government on the right to participate in the affairs of a local authority. Georgia adopted local government legislation, developed a reform strategy for decentralising local government, accepted direct election of mayors and modernised the auditing system. It slightly developed mechanisms for citizens' participation in decision-making processes and officially recognised the representative position of the National Association of Local Authorities of Georgia (NALAG). The new Organic Law of Georgia 'Local Self-Government Code' which was adopted in February 2014, increased the number of self-governing cities from five to 12 and introduced direct local elections for mayors for both self-governing cities and municipalities. But in June 2017, the Parliament of Georgia adopted a new Local Self-Government Code which the political opposition and leading NGOs sharply

¹ , Professor, Department of Political Science, Ivane Javakishvili Tbilisi State University Georgia
Email: alexandre.kukhianidze@tsu.ge

² By 2003, Georgia was one of the most corrupt countries in the world, ranking 124 out of 133 countries in Transparency International's Corruption Perceptions Index.

criticised as a step backwards to centralisation and weak local governance. Seven of the 12 self-governing cities lost their status and were reduced to only five, and a number of municipalities were merged. Despite a presidential veto and sharp critique from the leading civil society organisations – such as Transparency International Georgia (TI), Georgian Young Lawyers' Association (GYLA), International Society for Fair Elections and Democracy (ISFED) – the ruling GD party managed to get the amended legislation through Parliament (Svanishvili 2016).

Possibilities: in most cases the municipalities are open to learning, training, partnerships and cooperation with Western international and local organisations.

Barriers: lack of transparency and openness, public trust and limited communication with their constituents; nepotism, corruption and a lack of professionalism; deep conflict between the ruling GD party in local self-government bodies and the political opposition (UNM), especially during local, presidential and parliamentary elections (DRI and GYLA, 2018).

General country analysis

Over the period 2012 to 2024 the Georgian political power structure will change from a presidential to a parliamentary one. Since 2013 the Parliament of Georgia has elected the prime minister; November 2018 was the last time that citizens directly elected the president of Georgia. Under the constitutional amendments adopted on 26 September 2017, the next president will be elected in 2024 by the college of electors composed of 300 members, including MPs, and local and regional government representatives, without prior debate on the parliament floor through open ballot, for five years and two terms only. After that the country will transfer to fully proportional parliamentary

representation, completing its evolution towards a parliamentary system.

The president remains the head of state, representative in foreign relations, and the commander-in-chief but no longer controls the functioning of the Cabinet of Ministers. The next parliamentary election will be held in 2020 using the current mixed electoral system, whereby voters elect 73 MPs in majoritarian, single-seat constituencies, while the remaining 77 seats are distributed proportionally in the closed party-list contest, with a 3 percent threshold and parties allowed to form electoral blocs. From 2024, the parliament will transfer to full proportional representation. Two parliamentary opposition parties – the UNM and the European Georgia (EG) – opposed these amendments and refused to take part in the vote. The prime minister organises government activities and appoints and dismisses ministers. He/she is accountable for the activities of the government before the parliament, and presents the annual report on implementing the government programme to the parliament. According to the amendments, Article 78 stipulates that the constitutional bodies shall take all available measures within their competence to ensure Georgia's full integration into the European Union and the North-Atlantic Treaty Organization – a strategic long-term goal aimed at Georgia's national and local democratisation (Civil Georgia 2017).

In 2013, Chapter Seven on local self-government was added to the Constitution of Georgia. According to Article 101-2 of this chapter: powers of local self-government shall be delimited from those of state bodies; a self-governing unit shall exercise its powers independently and by its own responsibility as determined by the legislation of Georgia; a self-governing unit shall have the right to take any decision on its own initiative, provided that the decision does not fall within the competence of any other government agency or is not

prohibited by law; and state bodies may delegate rights and powers to a self-governing unit on the basis of legislative acts and agreements only by transfer of relevant material and financial resources. (Constitutional Law of Georgia no. 3710, 2010)

Although political power structures are formally defined, Georgia has an oligarchic-mafia style of government, run by Bidzina Ivanishvili, a Russian billionaire of ethnic Georgian origin. He is the key decision-maker in the country; the prime minister, ministers, MPs of the ruling party, Chair of the Parliament, Head of the State Security Service, courts of all levels, and local government officials depend on him, and in most cases are loyal to him. Formally and legally Georgia looks like a modern democracy with competitive local, presidential and parliamentary elections, an independent media and a vibrant civil society, but in fact informal key political decisions entirely depend on one person who does not occupy any governmental positions (although he is Secretary of the ruling GD party) and who is not responsible for any political or economic consequences of his decisions. Under such rule, social and economic conditions for most of the population have deteriorated, and the ruling party's popularity has plummeted. To maintain the power, this forced the GD to falsify the last presidential elections, which accelerated the GD's de-legitimisation. The upcoming parliamentary elections of 2020 and the next local elections will likely lead to a very sharp political struggle between the UNM and the GD (including the local level), and a change of power.

Traditionally, local authorities demonstrate their loyalty to central authorities, trying to help them to win parliamentary and presidential elections. This is why central authorities always try to control local elections and authorities.

Fiscal decentralisation

According to Article 101-3 of the amendment: local self-government shall have its [own] property and finances; decisions made by self-governing bodies within the scope of their competence shall be binding in the territory of self-governing units; and state supervision over the activities of local self-government bodies shall be carried out as determined by law, and further, that state supervision shall be exercised in proportion to its goals. (Constitutional Law of Georgia no. 3710, 2010). During the last decade, the financial capacity of local self-governments was strengthened, but not significantly.

Barriers: Lack of independent financial resources. Although local self-government authorities have full autonomy to plan their own budgets, they are highly dependent on financial transfers from the central budget. The tourism industry is the most rapidly developing branch of the Georgian economy, and agriculture is a second promising branch – both are essential sources of income for local budgets, especially in rural regions. In the capital Tbilisi, in Batumi (a Black Sea resort), and in Kakheti (a rich agricultural region), the local governments' income is high and in most cases self-sufficient. However, most mountainous rural regions and small towns with collapsed old Soviet industries are depressed and cannot survive without transfers from the central government.

Political decentralisation

According to the 2013 constitutional amendment, citizens of Georgia who are registered within the self-governing unit area shall elect a local self-government representative body (*Sakrebulo*) by direct, universal, equal suffrage through secret ballot. Usually local elections are highly competitive. Political parties play key roles in this process. Candidates have better chances of winning if they are affiliated

with one of the political parties, rather than running independently. International and local monitoring of elections is quite well established and efficient. Different public opinion and exit polls publish results of research organisations. Central authorities and law enforcement strictly control the legality of local government activities. There have been several cases of arrests of corrupt local government officials in Georgia, such as the recent arrest of the mayor of Zigdidi in the Samegrelo region.

Yet there is a lack of local accountability mechanisms (beyond elections) in the decentralisation – especially covering the periods between local elections. Georgian Law on Public Officials obliges them to provide any public information to citizens within 10 working days; this does work, although civil participation in local government affairs still is weak. Traditionally local governments are subordinated to central authorities because of a lack of finances, political party affiliation, or political pressure. But formally, the Georgian legislation clearly distributes competences between central and local authorities (Angelopoulos and Dickson 2018).

Conclusion: possibilities and barriers for municipal partnerships

Possibilities: The existing legislation supports the development of municipal partnerships in Georgia.

Barriers: Partnership and cooperation may be difficult or impossible to implement due to sharp political tensions between the leading political parties – the GD and the UNM – and because local government officials in different municipalities belong to different political parties. To facilitate partnerships, a thorough analysis of the situation in each municipality should be carried out to anticipate the possible complications and to elaborate a workable plan.

References

- Angelopoulos, M. and Dickson, S., 2018. 'Local and regional democracy in Georgia,' Congress of Local and Regional Authorities of the Council of Europe, Monitoring Committee Report, November, Tbilisi, Mtskheta. Accessed 26 August 2019, available at: http://www.mrdi.gov.ge/sites/default/files/adgilobrivi_da_regionuli_demokratia_sa_kartveloshi_1.pdf
- Civil Georgia., 2017. 'Key Points of Newly Adopted Constitution,' Civil Georgia, September, Tbilisi. Accessed 30 August 2019, available at: <https://old.civil.ge/eng/article.php?id=30474>
- DRI (Democracy Reporting International) and GYLA (Georgian Young Lawyers' Association), 2018. 'The high price of extreme political polarisation in Georgia' (fact-finding report), Democracy Reporting International, 15 August 2018. Accessed 25 August 2019, available at: https://democracy-reporting.org/dri_publications/the-high-price-of-extreme-political-polarisation-in-georgia-report/
- Svanishvili, A., 2016. 'The Local Self-Government Code of Georgia, the Issue of Self-Organization, and the Concept of Self-Government According to the European Charter of Local self-Government.' Journal of Politics and Democratization. Accessed 29 August 2019, available at: <https://gipa.ge/uploads/files/Svanishvili%201-1.pdf>

- Transparency International, 2003. Corruption Perceptions Index. Accessed 24 August 2019, available at: https://www.transparency.org/research/cpi/cpi_2003/0

Legislation

- Constitutional Law of Georgia no. 3710 of 15 October 2010, Chapter 7. LHG I, No 62, 5.11.2010, Art. 379, pp. 26-27. Accessed 27 August 2019, available at: <http://csb.gov.ge/uploads/2081806.pdf>