

Nations in Transit 2007
Georgia

	1999	2001	2002	2003	2004	2005	2006	2007
Electoral Process	4.00	4.50	5.00	5.25	5.25	4.75	4.75	4.50
Civil Society	3.75	4.00	4.00	4.00	3.50	3.50	3.50	3.50
Independent Media	3.75	3.50	3.75	4.00	4.00	4.25	4.25	4.00
Governance	4.50	4.75	5.00	5.50	5.75	n/a	n/a	n/a
National Democratic Governance	n/a	n/a	n/a	n/a	n/a	5.50	5.50	5.50
Local Democratic Governance	n/a	n/a	n/a	n/a	n/a	6.00	5.75	5.50
Judicial Framework and Independence	4.00	4.00	4.25	4.50	4.50	5.00	4.75	4.75
Corruption	5.00	5.25	5.50	5.75	6.00	5.75	5.50	5.00
Democracy Score	4.17	4.33	4.58	4.83	4.83	4.96	4.86	4.68

EXECUTIVE SUMMARY

Since independence, Georgia has created a hybrid regime haunted by instability. Wars for secession from 1991 to 1993 brought some 15 percent of the country's territory under the control of unrecognized governments in Abkhazia and South Ossetia, and there were two unconstitutional changes of power in 1992 and 2003, though the latter was peaceful and did not generally unsettle the stability of the country. The 1995 Constitution conformed to primary democratic criteria—through the rest of the 1990s, it allowed political parties to compete freely for the most part, and independent media and civil society developed into formidable social actors.

However, under President Eduard Shevardnadze, the executive power was ineffective and corrupt, elections were increasingly rigged, and Georgia was often referred to as a “failing state.” The new government that came to power in 2003 as a result of the Rose Revolution has made a number of important achievements. It brought Achara, run by a local autocrat, back into mainstream Georgian politics. It has carried out a number of important reforms leading to greater effectiveness in public service, curbed corruption, and set joining NATO and the European Union (EU) as major national goals. But no comparable success has been achieved in advancing democratic institutions: The February 2004 constitutional amendments strengthened the presidency at the expense of the Parliament; the trend toward electoral fraud has been largely overcome, but elections are less competitive in practice; and energetic measures to reform the court system have led to lower trust in its political independence.

The local elections in October 2006 were the most important political event of the year. They occurred without significant violations and confirmed the strong mandate of the government but also the inability of the opposition to put up serious competition. Some cases of human rights abuses by law enforcement led to public protests in the spring and summer. Government reforms bore fruit as the World Bank and International Finance Corporation recognized Georgia as the “best reformer” in the world in terms of

creating a better environment for business. At the end of the year, growing tensions with Russia led to an effective economic blockade of Georgia by its northern neighbor and created new challenges to Georgia's security and economic development, but also greater consolidation of the society.

National Democratic Governance. Georgia has a mixed political system that secures major civil and political rights and provides for political pluralism and meaningful expression of the public will. However, the government's numerous imbalances, most notably the domination of the executive branch over all other state agencies, leads to authoritarian tendencies in different spheres of public life and prevents Georgia from becoming a consolidated democracy. Civil society has influence over some aspects of state policy, but political participation—save for elections or public protests—is concentrated within a small elite. About 15 percent of Georgian territory is controlled by the secessionist regimes of Abkhazia and South Ossetia, which are backed by Russia. The effectiveness of the executive government has increased considerably since the Rose Revolution, especially in attracting public revenue and providing public goods. *As Georgia is a hybrid system with considerable democratic freedoms but still lacking fully consolidated state institutions and sufficient governmental checks and balances, and the government's authority does not extend over the entire territory, the rating for national democratic governance is unchanged at 5.50.*

Electoral Process. Elections since the Rose Revolution have been considered generally free and fair. Overcoming widespread fraud, hitherto endemic to the system, constituted a major achievement. The 2006 legislation on public financing for political parties and free television time for electoral campaigning created a more level playing field for the government and opposition parties. However, the level of political competition remains low owing to the weakness of the opposition. Use of state administrative resources by the party in government may be part of the problem. *Owing to the steady trend toward eliminating electoral fraud and new legislation aimed at creating a more level playing field for political parties, Georgia's rating for electoral process is upgraded from 4.75 to 4.50.*

Civil Society. Legislation regulating the activities of nongovernmental organizations (NGOs) is quite liberal in Georgia. Nonprofit organizations are easy to register, their number is growing, and they can operate freely. A majority of the public appreciates the role of civil society in advancing democratic causes. However, after the Rose Revolution the sector's visibility has diminished. NGO cooperation with the government is productive in some areas, but there is no stable mechanism for interaction between the government and civil society. There are organizations with illiberal, extreme right-wing agendas, but their influence is marginal. The social base for NGOs is rather narrow, and organizations in most regions outside the capital are less developed. They are dependent primarily on foreign funding. The 2005 tax code instituted tax breaks for charitable activities, though these legal provisions are rarely used. Trade unions exist but have little influence. In September 2006, the function of NGO registration was moved from the Ministry of Justice to the Taxation Office. Also during the year, several organizations created a coalition to influence the government through mobilizing protest actions. *The rating for civil society remains unchanged at 3.50.*

Independent Media. The Georgian Constitution and legislation ensure a liberal environment for the development of independent media. The 2004 Law on Freedom of Speech and Expression took libel off the criminal code and relieved journalists of legal criminal responsibility for revealing state secrets. However, after the Rose Revolution part of the media proved vulnerable to behind-the-scenes pressure from the government. Weak editorial independence, using media outlets to promote the political interests of owners, and low professional standards constitute major concerns. Pluralism of the media and their readiness to cover all newsworthy stories and voice views critical of the government are guaranteed by the diversity of the ownership structure. Almost no state-subsidized media remain. Journalists are occasionally abused by authorities outside the capital, but there is an increasing trend in the prosecution of such abuses. There are no strong formal associations of media, but in 2006 the Media Council made the first steps toward enforcing professional standards to which most media have subscribed. *As the government took more consistent measures to protect media freedoms outside the capital, the rating for independent media in Georgia improves from 4.25 to 4.00.*

Local Democratic Governance. The Constitution does not define the territorial arrangement of the country or the competences of subnational institutions of state power. Legislation adopted in 2004 regarding the Autonomous Republic of Abkhazeti left little power to the regional council. In December 2005, the Georgian Parliament adopted legislation laying the groundwork for new local government institutions—the creation of these began after the local elections in October 2006. These will be established at the district level, plus Georgia's six largest towns and the capital, Tbilisi, which will be governed by locally elected councils with their own budgets and property. However, these local government units may have insufficient authorities and resources. *Owing to the important step made to create functional and independent local government structures, the rating for local democratic governance improves from 5.75 to 5.50.*

Judicial Framework and Independence. The Georgian Constitution provides important safeguards for the protection of human rights and the independence of the judiciary. However, after the Rose Revolution the judiciary still finds it difficult to withstand political pressure. Although there is a notable decrease in torture at preliminary detention facilities, there have been scandalous cases of abuse by law enforcement officers and serious problems in the penitentiary system. In 2006, the government took positive steps to increase the independence of the judiciary, creating better safeguards for excluding torture through amendments to the criminal procedures code and reforming the penitentiary system. *The rating for judicial framework and independence remains at 4.75.*

Corruption. Although corruption continues to constitute an important concern in Georgia, the resolute anticorruption measures of the government started to bear fruit. This is reflected in the considerably lower perception of corruption among both the general public and experts. While in the aftermath of the Rose Revolution anticorruption efforts consisted of strong but somewhat erratic punitive measures with insufficient respect for due process, later the anticorruption policies became more comprehensive and orderly.

Lack of transparency in a number of public institutions contributes to continuous concerns about corruption. In 2006, the customs and tax bureaus were united into a single agency, the anticorruption system is functioning better, and some members of Parliament (MPs) were prosecuted on corruption charges. *Owing to the persistent anticorruption measures of the government and important improvements in the perception of corruption in Georgia, the country's corruption rating improves from 5.50 to 5.00.*

Outlook for 2007. Several challenges await the Georgian government and society in 2007. Easing tensions with Russia and managing the precarious balance in the uncontrolled territories of Abkhazia and South Ossetia will be an especially demanding task. These tensions may have an adverse effect on internal stability and democratic pluralism as well. The government plans to take steps to reform the social security system, an area in which no clear policy has been formulated. The new system of local governance is expected to start functioning, and 2007 will be an important test of its viability. As low trust in the judiciary system constitutes one of the major concerns of the society, the government is expected to prioritize this area as well.

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