Western Oriented Autocracy:

The Economic, Social and Political Success of Georgia

By

JemalZabakhidze

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Supervisor: Professor Laszlo Csaba

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Abstract

This paper is dedicated to analysing how an autocratic government can benefit an undeveloped country by setting a Western orientation for their regime. In order to conduct this analysis, I will be looking at the case of Georgia and comparing it to other post-Soviet States. More specifically, this paper will examine how the Western oriented autocratic governance of the United National Movement (UNM) party in Georgia, from 2003 to 2012, improved the country's economic and political performance, in addition to increasing the pro-Western attitude in the Georgian society. Previous literature on the topic of what type of governance is best for undeveloped states is mostly in support of democracy, rather than autocracy, while those justifying autocratic governance don't talk about how it can increase the pro-Western attitude in societies. By comparing Georgia to other non-European Post Soviet States, mainly Armenia and Azerbaijan, this paper finds evidence that the Western oriented autocratic governance of the UNM party was beneficial for Georgia and has potential implications for other undeveloped countries as well. The first finding of this paper is that the various policies enacted by the UNM party, combined with their general approach towards ruling the country, could potentially be beneficial for improving the economic and political situation if applied to any undeveloped state. Second finding is that, while the method used by the UNM for promoting pro-Western attitude can be used for other Post Soviet States, it might not work for most undeveloped states, as the UNM's approach relied heavily on anti-Russian propaganda in the promotion of a pro-Western attitude within the society.

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List of Abbreviations

APG-Alliance of Patriots of Georgia

CIS-Commonwealth of Independent States

EBRD-European Bank for Reconstruction and Development

ECU-Eurasian Customs Union

FDI-Foreign Direct Investment

GDP-Gross Domestic Product

GeoStat-National Statistics office of Georgia

NATO-The North Atlantic Treaty Organization

PSS(s)-Post Soviet State(s)

UNCTAD-United Nations Conference on Trade and Development

UNM-United National Movement

Introduction:

It is no secret that the developed countries of the West are years, if not decades, ahead of other developing, or underdeveloped nations of the world in various fields of economic, social, or political development. With the gap between the two worlds showing no sign of reduction, regardless of the continuous effort of the Western nations, there is a clear need for a solution on how to help the underdeveloped countries catch up. This thesis proposes a somewhat controversial approach to the topic that is rarely discussed in Western academia, which is that a Westernoriented autocratic government can be beneficial for the catching up of the said nations. While there is a plethora of evidence on the negative effects of such governance, there is also some evidence on its benefits, however, no study has yet discussed how the Western orientation of an autocratic government can benefit a country. In order to propose an alternative solution, to the ones discussed in the existing literature, the case of Georgia, that managed to transform, from an underdeveloped and nearly collapsed Post Soviet State (PSS) to a developing and relatively well functioning state, while being governed by an autocratic government, will be used. The first chapter of this thesis will provide a brief literature review, underlining the lack of Western research on the benefits of Western oriented autocratic governance and highlight the success of Georgia in comparison to other non-European PSSs. Second chapter will provide an overview of the case study, including the relevant historical events that lead to the complicated situation in Georgia in the 1990s and the overview of the social, economic and political changes that took place from the early 2000s to this day. Third chapter is dedicated to discussing the various

¹ Referring to both developing and undeveloped countries.

policies implemented by the autocratic government led by the United National Movement (UNM) that were aimed at Westernizing Georgia and putting it on a fast track to becoming a developing nation. Fourth chapter will provide a brief summary of the developments in other PSSs in the relevant time periods and outline how they differed from the case of Georgia. The fifth chapter will lay out the economic, political and other various consequences of autocratic governance in Georgia, together with an overview of all the atrocities committed by high ranking government officials from UNM. Sixth chapter will concentrate on the change of attitudes toward the West and Russia both in the Georgian society and political sphere, looking at the recent developments in the country and highlighting how the Georgian society today is closer to the West than ever before. Chapter seven will be providing statistical data on different variables, from Georgia, Armenia and Azerbaijan, in order to analyse how Georgia benefited from a different regime type from the two. Finally, the eighth chapter will discuss the potential counter arguments. The conclusion will sum up my findings and implications on how an autocratic government can be beneficial, not only for the economic or political stability, but also for the increase of a pro-Western attitude in the societies from underdeveloped countries.

The main goal of this thesis is to understand how a conservative, economically and politically weak, nearly collapsed Post Soviet State managed to achieve progress in all three of these fields in a short period of time, while being ruled by an autocratic government. In order to achieve this goal, I will be taking "How an autocratic government managed to get Georgia closer to the developed Western world?" as my primary question. I hypothesize that by setting a pro-Western orientation for the development of Georgia and at the same time being autocratic the United National Movement party, that was in power from 2003 to 2012, was able to first of all benefit the Georgian economy, secondly prepare the country for a democratic transition and

finally increase the popularity of the pro-Western attitude, while also decreasing popularity for the pro-Russian one, in both the general society and the political discourse. In order to support this hypothesis, I will be comparing the economic and political situation, together with attitudes towards West and Russia, of Georgia to those of other non-European Post Soviet States, mainly Armenia and Azerbaijan. Considering the critical state Georgia was in at the end of the 20th century, the main motivation for this thesis is to provide guidelines for an alternative regime to both democracy and autocracy for the countries in the undeveloped world that are in a constant state of crisis; thus, aiding their transformation to developed, Western oriented states. While this Western oriented autocratic regime might not be an ideal solution, it certainly worked for Georgia and has potential to work in other cases as well.

1. Literature Review:

For the last few decades Western scholars have been heavily invested in spreading the liberal Western values to the rest of the world, they dedicated significant time and effort to support these values in a variety of fiends, including the economic and political fields. It is an almost undebated belief that democracy is the best form of government in the developed countries, however when it comes to undeveloped countries there is no clear champion between the types of governance. While there is no single academic text summarizing the ideas of the Western scholars about democracy in the developing countries, the overall tone and style of research done by Western scholars on the topic is quite positive; some authors claim that democracy works under certain conditions, while others claim that democracy directly causes growth. Unfortunately, due to the lack of fully democratic states amongst undeveloped countries the true effect that a democratic government can have on the development of underdeveloped countries is hard to examine; nevertheless, the effects are still examined.

Wickrama and Mulford conduct a study on 82 countries, more than in typical studies, to examine the effect of democracy on well-being in developing countries and find that "political democracy has independent and significant effect on well-being". Acemoglu et.al examine the effect of democracy on economic growth in developing countries at early stages of economic development and find that "democracy is more conducive to economic growth than its detractors have argued and that there are many complementarities between democratic institutions and

²Wickrama K. A. S., and Charles L. Mulford. "Political democracy, economic development, disarticulation, and social well-being in developing countries." *The Sociological Quarterly* 37.3 (1996): P387;

proximate causes of economic development"3. These are just two examples from a plethora of studies providing statistical examination of the positive effect democracy can have. Even though some papers by Western scholars do provide an analysis of negative effects democracies can have they tend to not criticize democracy, but rather point out the flaws in the countries due to which the democratic regime was unable to yield benefits.

When it comes to the effect of autocratic governance on underdeveloped countries the discourse around it is mostly negative, criticising such regimes for their illiberal governance, with a limited number of studies not necessarily encouraging it, but rather providing autocratic governance as a better substitute to democracy for growth. Some studies outline the effect of benevolent autocracies and how good leaders can help autocratic countries prosper4, others compare autocracies to democracies in regards of their economic performances, but there is no study, at least publicly available, that encourages the use of autocratic governance as a means to help the underdeveloped world either catch up to the developed Western world, or to bring the underdeveloped countries to a level of stability at which they could implement democracy. It has been shown that when it comes to specifically income distribution implementing a democratic regime in an unstable country may have negative results, for both the economy and the political situation of the country, due to the fact that "if a democratic regime is inaugurated in a country with an extremely inegalitarian distribution of income, high inequality is likely to undermine the legitimacy of the regime and cause democratic institutions to be replaced by authoritarian rule"6. Another study, by Laszlo Csaba, which is most similar to this thesis, covers the cases of

³ Acemoglu Daron, et al. "Democracy does cause growth." *Journal of Political Economy* 127.1 (2019): P96-97.

⁴ Easterly William. "Benevolent autocrats." Work. Pap., Dev. Res. Inst., *New York Univ., New York* (2011): P46;

⁵ A study by Benhua Yang, called "Autocracy, Democracy, and FDI Inflows to the Developing Countries", is fully dedicated to analysing the effect of a political regime on the FDI of a country;

⁶ Muller Edward N. "Democracy, economic development, and income inequality." *American Sociological Review* (1988): P66;

successful illiberal economic reforms, discussing the success of Hungary, Russia, China and the East Asian States (South Korea, Taiwan, Hong Kong and Singapore)7. While all four cases discussed by professor Csaba are great examples of economic success through illiberal reforms, research about them does not discuss how governments have brought these states closer to the West. With Russia and China being viewed as competitors to Western powers and Hungary being part of Europe, meaning that external pressures could have played a role in its westernization, research is needed in order to aid underdeveloped states become pro-Western. Dani Rodrik provides a deeper insight into this matter, portraying the various examples and studies that show how democratically elected governments are not necessarily the best choice for underdeveloped countries: "Liberal democracy has been difficult to institute and sustain in developing countries. This has to do both with ideational factors—the absence of a liberal tradition prior to electoral mobilization—and structural conditions—the prevalence of mass mobilization along identity rather than class cleavages"8.

While there are also studies discussing the various effects of regimes other than democracies or autocracies, current research shows a need for more research on how a Western oriented autocratic governance can be used to bring underdeveloped countries closer to the developed world. As there is no existing research on Western oriented autocracies bringing countries to fruition, this paper will be contributing to the field by providing insight from a very specific case study, the conclusions of which might have implications for other underdeveloped countries, both from within the post-Soviet cluster and outside of it. In addition to this, the Georgian example shows how a government can stabilize the overall situation in the country to

⁷ Csaba Laszlo. "Illiberal Economic Policies." HOLMES,S- SAJÓ,A.- UITZ,R.eds: The Routledge Handbook of Illiberalism. London: Routledge (2020): P10-16.

⁸ Rodrik, Dani. "Is liberal democracy feasible in developing countries?." Studies in Comparative International Development 51.1 (2016): P1.

then start implementing economic policies, such as those discussed by professor Csaba in his work, thus making it potentially applicable to underdeveloped states with highly unstable situations.

2. Background on Georgia

Similar to most Post Soviet States, Georgia had a rough decade in the 1990s, however due to its geographic location and political conflicts, both external and internal, the 90s were especially harsh towards Georgia. Soon after the breakdown of the Soviet Union in 1991 two wars took place that escalated the deregulation of the state, collapse of the economy and spread of organized crime activity. The first war took place in Abkhazia between 1992 and 1993 and was caused by the unstable situation in the region. The situation in Abkhazia started deregulating in the 1980s as the government of the autonomous republic wanted to secede from Georgia, while still being in Soviet Union. The deregulation led to the war breaking out during which both sides suffered heavy losses, however unlike Abkhazia that received aid from Russia, Georgia was left to struggle with its political and economic collapse on its own. Simultaneously with this war, the civil war was taking place in the capital of the country Tbilisi from 1991 to 1993, even though the scale of this war was comparatively small, it hit the economic center of the country and led to the rise of the notorious crime syndicate that was disguised as a paramilitary group called "Mkhedrioni"9. While often acting in government interests there is no question on the criminal activities of the group; some members of the "Mkhedrioni" became well known criminal authorities "thieves in law" with enough power to control some government actions. The group itself was powerful and influential enough to alter government decisions, thus even though there was a government led by Eduard Shevardnadze some might say that the country was dictated by criminal authorities. While the two wars had tremendous negative effects on the overall state of the country, their true effects were only observed after a few years. The wars 9 Cavalry in English;

acted as catalysts for a chain of events that consumed Georgia throughout the 1990s and early 2000s. Even though there is no statistical data on the exact economic, political or social situation in the country, it is known to every Georgian that the 1990s was a decade dictated by corrupt officials and mobsters.

Georgia was saved from a full collapse by a revolution in 2003 that is now referred to as the "Rose Revolution". During this revolution the party called United National Movement (UNM), led by Mikheil Saakashvili, took over the parliament and removed the previous government. Almost immediately after being put in power the party started coming down on organized crime groups with an iron fist by implementing a "zero tolerance" policy which meant that every person affiliated with organized crime members or groups was being sent to jail. The party reformed the whole police force of the country, turning it from a Soviet "მილიცია"(Militia) into a more Western "პოლიცია"(Police) by retraining every single officer, providing them with better equipment and most importantly imposing heavy punishments on any king of corruption within the police. The second most important change was the shift towards a more Foreign Direct Investment (FDI) seeking economic policy model. Most economic and business reforms made by the UNM were aimed at increasing the Ease of Doing Business Index of the country: "Economies are ranked on their ease of doing business, from 1–190. A high ease of doing business ranking means the regulatory environment is more conducive to the starting and operation of a local firm"10; these reforms included reduced taxes for foreign investors, better property rights protection, decrease or complete removal of fines for a variety of businesses and many others.

10 World Bank. "Ease of Doing Business rankings." World Bank (2020).

While the two above mentioned changes were aimed at, first of all stabilizing the overall situation of the country and then increasing economic growth, they were also contributing to the ultimate goal of the UNM which was westernization, or more concretely Europeanization of Georgia. The general belief of the party was that Georgia was supposed to move further from the Post-Soviet world and closer to the developed Western world in order to reach its full potential, this can be seen in various unsuccessful attempts of the government at the time to join the North Atlantic Treaty Organization (NATO), in addition to all the speeches given by a variety of highranking government officials of the time 11. This belief was imposed on the society in mainly two ways, first one being the public speeches mentioned above and the second one being the media. As there was almost no freedom of media during the UNM's time of power, they had almost full control of what the people of the country got to see, the online media sources were not as widespread at the time. The television networks were concentrated on broadcasting more European and Western content, ranging from children's TV shows to some American reality shows, thus exposing the conservative society of the country to some values of the West from a very early age. Even though there were some non-government related television networks they were mostly concentrated on political TV shows and news programmes. There is no existing research on how any of these government actions affected the Georgian society and made it more pro-Western when compared to many other non-European PSSs, but what is evident is that Georgia was different from other PSSs in three main ways: strict police reforms, more Western FDI concentrated economic model₁₂ and heavy broadcasting of European or American TV shows. As no other non-European Post Soviet state experienced similar changes, to the ones

¹¹ Said speeches stressed the European, rather than Soviet or Post Soviet, character of Georgia;

¹² Seeking investment from Europe or the US.

mentioned above, it can be assumed that these changes played a crucial role in promoting the pro-Western attitude in Georgia.

Aside from taking over the media, the autocratic character of the UNM can be seen throughout the many years they spent in power. Actions, ranging from using the reformed police force for their own political interest to murdering peaceful protesters, demonstrate the negative and dark side of an autocratic governance and there is no justification for the overabundance of atrocities committed by the government officials; however, the fact that the result of years of suffering is positive in undeniable. By reforming the police, the country was stabilized, by concentrating on FDI the economy saw a rapid boost and by stressing the need for westernization, by various means, the attitude towards the West of the society changed over time. While it can of course be argued that the costs of such a success outweigh the benefits, the government led by UNM certainly prepared Georgia to transition into a democratic state as the 2012 parliamentary elections were the first fully democratic elections in the history of the country. What can be observed at this point in history is that the crime rate is stabilized at a relatively low level, the economic growth is increasing, even though not as rapidly as during the UNM's time in power and most importantly that the Georgian youth and society as a whole are embracing the Western values of liberty and equality 13.

¹³ This can be observed from the peaceful protests in Tbilisi, during May 2018, that resulted in a wave of protests demanding liberty and equality;

3. Policy Overview in Georgia

As previously mentioned, the three main policy fields affected by the UNM were business, law enforcement and media; the strain of changes and various reforms resulted in Georgia being named the "Best Reformer" of 2007 by the World Bank. One of the reasons why the UNM was striving to receive this title was to of course increase the interest in Georgia worldwide, thus getting closer to the goal of integrating Georgia in the developed Western world.

The reform of the police sector resulted in petty corruption decreasing at a rapid pace due to the fact that all policemen were equipped with video cameras that monitored their actions, thus preventing them from taking any bribes. In addition to this, "The system of predatory policing was broken in Georgia by creating a smaller, better paid police force and by replacing the vast majority of Shevardnadze-era personnel, thus destroying economic patronage links between the lower ranks and their superiors" 14. This reform, however, did not have only positive effects: "Police reform in Georgia should only be considered a relative success because whereas the police now perform their duties more equitably, deliver services with better effectiveness and efficiency, and are responsive to some of the wishes of the communities they police, both they, and other criminal justice actors, fail to do so in a number of areas. The post-Revolution crackdown against crime and corruption has resulted in a criminal justice system in which acquittals are almost impossible, the prisons are overcrowded and brutal, and the MIA is the most powerful and hierarchical organ lacking transparency, with one prominent commentator arguing that Georgia has gone a long way toward looking like a benign police state. Mirroring

¹⁴KakachiaKornely, and Liam O'Shea. "Why does police reform appear to have been more successful in Georgia than in Kyrgyzstan or Russia?." *The Journal of Power Institutions in Post-Soviet Societies*. Pipss. org 13 (2012): P5.

the government's wider prioritization of state building over democratization, the police system has become tightly centralized and there is a lack of accountability to bodies or persons outside of the government. The police are also perceived to be instruments of political control. During protests in 2007 and the closure of an independent television station, the police were widely criticized for their heavy-handedness and excessive violence"15.

The reforms of the business sector resulted in the overall economic boom in Georgia that lasted for almost ten years and even managed to maintain its momentum after 2008, when the crisis struck the world and Georgia had a war with Russia. Unlike the police reforms, the reforms in the business sector can't be outlined in detail due to the sheer amount, however their aims can certainly be observed. The primary aim of these reforms was to increase of Foreign Direct Investment, by making Georgia more appealing to foreign investors. In order to achieve this the government minimized some fines for foreign owned companies, while also removing some fines completely, reduced taxation and made it extremely easy to both register a company and get any type of permit in the business sector. Combined with the decreasing crime and corruption rates, due to the police reforms, the policy changes in the business sector increased the appeal of Georgia on the international market. By the end of UNM's time in power the country's Ease of Doing Business index had increased significantly and Georgia was named one of the world's Top Reformers by the World Bank in 2008. According to the World Bank "Georgia reformed in six areas. It strengthened investor protections, including through amendments to its securities law that eliminate loopholes that had allowed corporate insiders to expropriate minority investors. It adopted a new insolvency law that shortens timelines for reorganization of a distressed company or disposition of a debtor's assets. Georgia sped up approvals for construction permits and simplified procedures for registering property. It made starting a business easier by eliminating 15Kakachia& O'Shea; P3.

the paid-in capital requirement. In addition, the country's private credit bureau added payment information from retailers, utilities, and trade creditors to the data it collects and distributes."16.

While the police and business sectors were changed by various policies and reforms, the media, that was at the time one of the most influential factors shaping public discourse 17, was changed via the use of brute force. In 2007 "Heavily armed special troops raided the private television station Imedi, threatening and ejecting the staff and damaging or destroying much of the station's equipment. Outside the studios, Imedi staff and their supporters found themselves set upon by riot police again using teargas and rubber bullets and pursuing those who fled. Extensive photographic and video evidence captured that day by journalists and others illustrates these incidents."18. Imedi was one of the many television stations in Georgia at the time, however it was amongst the two stations that had the most popularity in the people. The second station was Rustavi 2, however, even though not officially confirmed, it known in public that this TV station was operating under the direct of the UNM party as it was only broadcasting positive news about the party in addition to portraying the opposition in bad light and not providing any information about the wrongdoing of the party. This is evident from the fact that in September 2012 several videos of people being tortured in prisons, allegedly by the direct orders of government officials, Rustavi 2 was the only station to not broadcast these news. Having the two most influential TV stations under their control the party was able to first of all deceive the public and maintain internal stability in the country for almost a decade and also control what entertainment people had access to. As previously mentioned Soviet content was very restricted from being shown on the television, only on occasional holidays did the channels broadcast old

¹⁶ World Bank. "Most Improved in Doing Business 2008." World Bank (2008);

¹⁷ Social media was not as influential during 2001-2012;

¹⁸ Human Rights Watch. "Crossing the Line: Georgia's Violent Dispersal of Protestors and Raid on Imedi Television." *Human Rights Watch* (2007).

Soviet movies that the people were accustomed to watching and even then, the movies were either made by Georgian directors or were featuring Georgian actors. Most entertainment that was broadcasted on television was either Western (American or European) movies and TV shows (including cartoons for kids), or some Georgian made content. While the freedom of media is crucial for development of social thought and the overall society, the strict, unofficial, regulations on reducing Soviet content from television certainly was an effective method of bringing the Georgian society closer to the Western world.

4. Developments in non-European PSSs

The key difference between Georgia and other Post Soviet States located outside of Europe is the fact that Georgia has shown great interest in integrating itself into the Western Society, while most others created a bubble of their own and are showing no or very little interest in joining the West. While looking at the developments in PSSs, those states that are within Europe will not be taken into consideration as most of them have come under heavy pressure from strong European states to speed up their integration. Since these countries were severely weakened towards the end of the Soviet Union and after it's breakdown their developments can be attributed to the EU pressures.

The police sector changes across non-European PSSs differ greatly, however the case of Georgia manages to stand out as the effects are clear and undeniable. The two most similar countries to Georgia, Armenia and Azerbaijan, have also had some police reforms, but none as effective and significant as the Georgian ones. Armenian police reforms, similarly to Georgian ones, are a debated topic as they produced both positive and negative outcomes, some areas saw significant improvement while others lack reformation as they have been neglected by the officials 19. Azerbaijan, on the other hand did not have any significant reformation in the police sector since the early 1990s, which might be one of the causes of why the country is significantly less democratic than either Georgia or Armenia. A study by Kakachia and O'Shea outlines why exactly the Georgian reforms were more successful than those in other states such as Russia and Kyrgyzstan. The two authors sum up that what Georgia did differently was that it concentrated

19Shahnazarian Nona, and Matthew Light. "Parameters of Police Reform and Non-Reform in Post-Soviet Regimes: The Case of Armenia." *Demokratizatsiya: The Journal of Post-Soviet Democratization* 26.1 (2018): P86.

the reforms on eliminating the petty corruption within the police, which was not done by either Russia or Kyrgyzstan₂₀. While this particular paper examines only three countries, the situation is similar to that of Russia and Kyrgyzstan across most non-European PSSs.

When it comes to the business sector, it should simply be said that no other Post Soviet State, including those within Europe, has reached the same level of Ease of Doing business as Georgia²¹. No other non-European PSS saw such a drastic change in their economic policy as Georgia, this can be attributed to the fact that Georgia was the only state concentrating on attracting investments from the Western states, while others maintained strong economic ties between one another, but mainly Russia. While Georgia also maintained relatively strong Economic ties with Russia until the war in 2008, which resulted in these ties being severely weakened, or in some cases cut completely. Since no other non-European PSS had a major conflict with Russia²², within the timeframe being discussed, they were not motivated to concentrate on seeking Western investment, thus resulting in this difference.

The analysis of the two above mentioned policy fields is relatively easy when compared to the analysis of media and general discourse in the Post-Soviet States. The only thing that can be said for certain is that unlike many politicians in non-European PSSs Georgian politicians and government authorities were vocally resisting any Russian or Soviet influence on the general discourse.

20Kakachia and O'Shea; P14-15;

²¹World Bank "Doing Business Data." World Bank (2020);

²² As annexation of Crimea happened in 2014 it should not be taken into consideration here.

5. Consequences of Autocracy in Georgia

As the police reforms in Georgia were aimed at and succeeded in decreasing crime and corruption levels, this chapter will be analysing how this success affected the various economic factors within the country. In addition to the effect of the police reforms, the economic statistics that will be discussed further should also be attributed to the success of the economic policies that concentrated on increasing FDI and Ease of Doing Business index in Georgia.

5.1 Police Reforms

Two graphs below show that the reformation of the police did in fact decrease crime and corruption significantly in the 2003-2012 time period:

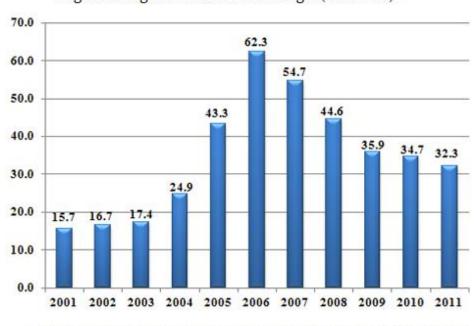


Figure 1: Registered Crimes in Georgia (thousands)

National Statistics Office of Georgia. "Criminal Justice Statistics." (2019)

133 130 120 120 120 130 100 84 85 67 66 68 64 60 2000 2004 2008 2012 2016 2020

Figure 2: Georgia Corruption Rank

Source: TradingEconomics | Transparency International

Even though the graphs portray a rapid decline in both variables, two factors should be taken into consideration in order to understand the real picture. Firstly, the crime statistics until 2005-2006 should not be taken at face value as it is a known fact that neither were most crimes reported until those years, nor were they accounted for in official documents. Secondly, the corruption statistics show a rapid decrease in petty corruption on low levels, however the so-called elite corruption is not accounted for, neither before the UNM came to power, nor after. While the implication of the crime statistics is not changed by the above-mentioned fact, the case with corruption statistics is different. It has been proven that "Foreign investors may shun corruption because they believe it is morally wrong. They may also try to avoid corruption because it can be difficult to manage, risky, and costly"23, however this might only refer to petty corruption. Corruption in Georgia was only spread on higher levels of government in very small circles, the corrupt were concentrated on attracting investors, thus offering them extremely favorable conditions and creating the effect of a "helping hand". This phenomenon is explained by 23Habib Mohsin, and Leon Zurawicki. "Corruption and foreign direct investment." Journal of International Business Studies 33.2 (2002); P303.

Nathaniel Leff as a type of corruption that aids economic growth by making the receiving country more appealing for investment: "The possible dangers arising from the government's extensive role in the economy are increased because of the failure of representative government to put an effective check on arbitrary action. The personalist and irrational style of decisionmaking, and the frequent changes in government personnel and policies add to the risks. Consequently, if entrepreneurs are to make investments, they must have some assurance that the future will not bring harmful intervention in their affairs. We can see an illustration of these difficulties in the fact that in periods of political uncertainty and crisis, investment shrinks, and economic stagnation occurs. By enabling entrepreneurs to control and render predictable this important influence on their environment, corruption can increase the rate of investment"24. This phenomenon has been revisited by various authors, most notably Peter Egger and Hannes Winner, who in 2005, after conducting a study on 75 countries, concluded that "The finding of a positive short run and long run impact of corruption lends empirical support to existence of the "helping hand" type of corruption with regard to foreign investment"25. This leads me to believe that while being corrupt and autocratic, UNM still managed to attract foreign investment, thus supporting the hypothesis that their model of Western oriented autocracy might be beneficial.

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²⁴Leff Nathaniel H. "Economic development through bureaucratic corruption." American Behavioral Scientist 8.3 (1964); P11;

²⁵Egger Peter, and Hannes Winner. "Evidence on corruption as an incentive for foreign direct investment." European Journal of Political Economy 21.4 (2005); P949.

5.2 Economic Policies

As Georgian economy was most impacted by the FDI, growth of which was a direct result of reduction of crime and petty corruption, it is crucial to understand the significance of the change in FDI levels. The following graph illustrates this perfectly:

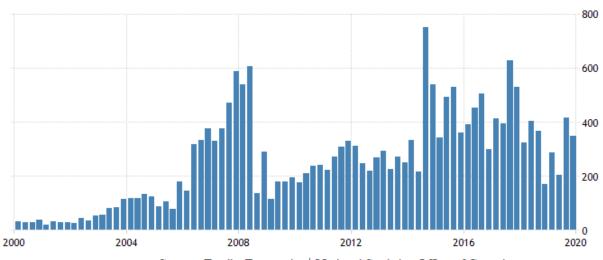


Figure 3: Foreign Direct Investment Rates in Georgia (USD Million)

Source: TradingEconomics | National Statistics Offica of Georgia

As the graph shows, the FDI levels skyrocket starting from 2005 and even after the 2008 crisis they maintained a stable rate of growth up until 2012 when the elections took place. Following a similar pattern as FDI the poverty rates in the country started decreasing, while not with an as impressive rate as FDI was increasing, and GDP started increasing:

20% 19.1% 19% 18.3% 17.99 18% 16.5% 16% Percentage of population 16% 4.9% 14.8% 14.4% 14% 12.6% 12% 10% 200 201 201 2012 2013 2014 2015 2016 2017 2016

Figure 4: Poverty Rates In Georgia

Source: Statista | World Bank

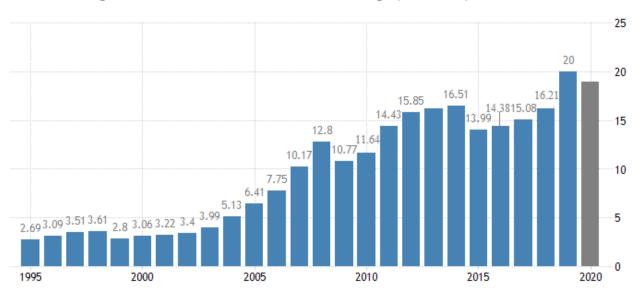


Figure 5: Gross Domestic Product Statistics in Georgia (USD Billion)

Source: TradingEconomics | World Bank

These statistics show that there is a certain pattern that all three variables are following, however in order to understand causation and exclude the possibility of reverse causation it is important to address previous literature on this topic. Since there is no research on the links between FDI and poverty rates in Georgia specifically, literature from multinational studies needs to be used to make assumptions. There is a plethora of work signifying the stability of this correlation, most notably a study conducted for the World Bank claims that FDI is "one of the most effective tools in the fight against poverty"26. The relationship between FDI and GDP is similar to the one mentioned above, it is widely believed that FDI is in fact one of the main motivators of GDP growth. A study by Mohammad Amin Almfraji and Mahmoud Khalid Almsafir conducts a literature review of different papers written on the topic from 1994 to 2012 and finds that, while there are some inconsistencies in the form of exceptions, FDI does incentivise GDP growth according to a vast majority of the reviewed studies27. Moreover, a study conducted on Georgia specifically found that in the years 1977-2010 "causality direction runs from FDI to GDP"..."in the case of Georgia"28. The reason why the GDP statistics are important is that it is known to be the best measure of economic growth, thus when comparing Georgia to the two countries from the region further in this thesis, Armenia and Azerbaijan, GDP will also be taken into consideration together with FDI. While the poverty rate statistics for Georgia are important for observing the effects of UNM's economic policies, these statistics will not be compared to those of either Armenia or Azerbaijan for the reason that in that comparison this paper will only be concentrating on the overall economic performance of the countries in regards of economic

26Klein Michael, Carl Aaron, and BitaHadjimichael. "Foreign direct investment and poverty reduction."

World Bank (2001): P1;

²⁷Almfraji Mohammad Amin, and Mahmoud Khalid Almsafir. "Foreign direct investment and economic growth literature review from 1994 to 2012." Procedia-Social and Behavioral Sciences 129 (2014): P208; 28Gürsoy Faruk, and HuseyinKalyoncu. "Foreign direct investment and growth relationship in Georgia." International Journal of Economics and Financial Issues 2.3 (2012): P270.

growth (GDP) and ability to attract investors (FDI and Ease of Doing Business Index), rather than their treatment of poverty and inequalities.

5.3 Negative Consequences

While the information and data provided above paints a utopian picture of a third world country that managed to pull through hardships and overcome its obstacles, the real picture is quite different. Even though the UNM party was and still remains pro-Western and anti-Russian, the crimes committed by them portray a different image. The situation in the country was stable in the first half of the 2000s with no official reports of government officials involved in criminal activities against the people of Georgia, however unofficially there were rumors from the very first year of the party's time in power about oppression of business owners and drug abuse amongst officials. First major accusation took place in 2006 when a journalist by the name of Sandro Girgvliani was murdered in the outskirts of Tbilisi after a conflict with some officials at a bar in Tbilisi. While a friend of Girgvliani acted as a witness during the case, as he said he was there when the murder took place and managed to escape, nobody was arrested. This led to a first major protest which ended with a raid of peaceful protestors, however not in an excessively violent fashion. Death of Girgvliani marked a turning point in Georgian history as protests against the government started taking place almost every year, yet with no effect. Second most memorable event was the violent raid of protests and TV station Imedi, mentioned above, in 2007. During the raid of the TV station the journalists had some minor injuries, but the raid of the protest was significantly more vicious. As the peaceful protesters were being raided the policemen used excessive force which resulted in broken limbs for some protestors and cost the lives of several. November 7 2007 can be called the day the UNM "showed its true colors" as

their reign became even more violent and uncontrollable afterwards. Second major protest against the government took place on May 26 2011 and had the exact same results as the 2007 protest, no change whatsoever and an excessive amount of injured civilians. These three major events, in combination with countless other accusations, resulted in the people growing increasingly impatient of the government's actions. Years of hatred towards the government manifested themselves in 2012 when tens of thousands of people marched the streets of the capital after several videos of prisoners, both adult and underage, being tortured and raped in prisons, allegedly by the orders of government officials. Only months after this the elections took place and the UNM lost to the current ruling party the Georgian Dream coalition led by billionaire Bidzina Iyanishvili.

In addition to the atrocities mentioned above, it is crucial to mention the attitude of the UNM members towards their responsibilities towards the final few years of their rule. As already mentioned most of them were accused of drug abuse, soon after the 2012 elections the members of their private guards, hotel employees and restaurant workers, together with many other people of different occupations, started talking about witnessing "drug orgies" which took place behind the closed doors within the circle of select few UNM high ranking officials. While these were mere rumors, there is footage available of different officials being visibly under the influence of heavy drugs in public places, most notably the ex-president Mikheil Saakashvli in 2012 during the opening ceremony of a church. Photos of the said "drug orgies" have also been leaked online, however most of them were deleted soon after except for those of the ex-mayor of Tbilisi Gigi Ugulava that are still available on any search platform. All of this just shows that a group of individuals put in the place of power with no authority over them whatsoever are likely to spiral the situation out of control. The immoral acts of government officials make many people

question whether the westernization, growth and development that took place during those years was worth being ruled by an immoral autocratic government, however the answer to this question is unclear as the public opinion is still divided on this topic, even though the evidence is undeniable.

6. Changes in Attitudes

In the 1990s and early 2000s the Georgian society as a whole was extremely conservative and did not demonstrate much interest in either liberal values, such as freedom and equality, or setting a pro-Western course for the country, in addition to this the sphere of politics was still closely tied to Russian interest, however over time these tendencies changed drastically. While the public protests mentioned in the chapter above were demanding basic human rights, the shape of social activism has changed significantly which can be seen in the most recent protests demanding even more freedom and liberty in addition to protesting any affiliation with Russia. Together with the social activism changing its shape, the political discourse also saw a momentous innovation. While in the 1990s many Georgian politicians were closely affiliated with Russia and were largely influenced by this connection, the members of the UNM were resentful to such connections. During the UNM's rule no evidence was discovered of any government official being connected to Russian politics, in addition to this the term "Russian agent" is being used as a slur word by Georgian politicians, from both the opposing and the ruling parties, on a daily basis nowadays. The opposition and the ruling party use this term so often that one might get confused into thinking that members of both parties are working for the Russian government as neither side is capable of presenting any evidence to back up their accusations, but overall what is clear is that in their public speeches all major politicians, except for a select few that will be discussed later, are showing resentment to people affiliated with Russian politics.

6.1 Social Changes

Looking at the history of social activism in Georgia it is evident that there have been no protests with as much pro-Western character as in the last two years (2018-2019). In addition to the pro Western characteristics of the new wave of social activism in Georgia, the recent protests are significantly more frequent than ever before in the history of Georgia. During the 1990s there were no peaceful protests, with the most significant protest in 1991 against the government ending up in a civil war. Protests in the early 2000s were based around the demand for change of governance and were mostly led by UNM activists demanding more westernization. Still all of these protests had a political character and were led by people tied with one or another political group's interests. The first protest in the history of Georgia that did not carry the interests of any political group took place in May 2018 and was the result of police raiding several night clubs. There is still controversy around these raids as some argue that they were necessary due to the fact that the raided clubs have been known for alleged drug abuse by their visitors, while others argue that night clubs should be places where drug use is not regulated. Regardless of one's position on this topic, what happened that night was that, in mere minutes after the raids, thousands of people gathered in front of the parliament to protect their right to "party" in peace. On the first night of the protest there were several attempts by politicians from various groups to politicize the protest, however unlike other cases they were not allowed to do so by the protestors. This protest acted as somewhat of a turning point for Georgian social activism as later protests were inspired by the peaceful and non-politicized nature of this protest. This event is now referred to as the "Bassiani night" and is often referenced in both media and general discourse as an exemplary protest, due to the fact that both the protestors and the police behaved themselves in an exemplary fashion. There was a minor attempt, however unsuccessful, of organizing a counter-protest by the alt right members of the Georgian society, however with the combined efforts of police and protestors the crisis that could have been caused by the two groups clashing was avoided. What was also unusual about this event was that this was the first time when government officials out right condemned the actions of the alt right movement and took the side of the protesters, who were protesting the actions of the government in the first place.

While the "Bassiani night" marked a turning point in Georgian social activism, the protests that started on June 20th 2019 were equally as significant in portraying the change in the beliefs of the Georgian activists and people in general. These protests started because of a crucial mistake on behalf of the Georgian government which was to let Sergei Gavrilov to sit on the chairman's seat in the Georgian parliament. Gavrilov is a member of the Russian parliament representing the communist party since 2007, thus it should have been expected that the people would have a negative reaction towards the decision of the government. The spread of information about the government's decision happened at an astonishingly fast pace and within a few hours tens of thousands of people were protesting on the streets of Tbilisi. The quantity of people, however, started decreasing as the members of the UNM party started taking over the protest and using the masses for their own benefit. It should be pointed out that this protest was peaceful for several hours, however as the political figures started taking over the situation became less stable to a point where clashes between the police and protestors were happening nearly every 10 minutes in front of the parliament gates, where the politicians and UNM activists were mobilized. Amidst the chaos one of the current leaders of the UNM party Nikoloz Melia called for a break-in into the parliament building29, which is an illegal action against the state. The people who were near the gates, who, as already mentioned, were mostly politicians and 29 OC Media. "Opposition MP Nika Melia stripped of parliamentary immunity." OC Media (2019);

political activists, started to push into the building and the government forces were ordered to disperse the protest. While the process was in fact violent and many people were injured, two individuals lost an eye, the protests did not stop, in fact this action was met with more people joining the protest the next day. The next day two government officials IrakliKobakhidze and Zakaria Kutsnashvili left their posts3031, which was the first time the government actually responded to the demands of the protestors. Unlike the two protests in 2007 and 2011 that stopped once they were raided, the 2019 protest kept going for several months which was the result of both the public being more demanding and the people not being as afraid of the government as they were before.

6.2 Political Changes

These two events demonstrate the change in social activism in Georgia and an overall change society, from being open to partnership with Russia to fully resenting any relationship with the aggressor state. While the shape of protests provides a decent overview of said changes, what shows the greatest pro-Western agenda amongst the public is how little support the only far right, in this case meaning pro-Russian and anti-Western, party in Georgia has been getting for the last few years. In the most recent elections in 2016, the alt right party Alliance of Patriots of Georgia (APG) received only 6% of the votes, while the rest were divided between the Georgian Dream and UNM. Aside from a low percentage of votes the party is often criticised for its anti-Western and pro-Russian agenda both on social media and on various TV channels. Overall, every single far right group in Georgia is ostracised from the society by the society itself, they

30 Georgian Journal "Zakaria Kutsnashvili renounces his MP mandate." Georgian Journal (2019);

³¹ OC Media "Georgian Parliamentary speaker resigns amidst anti-Russia protests." OC Media (2019).

are not taken seriously and are deemed as stuck in a dark past from which the Georgian people have long moved on.

The APG is in fact the only party in Georgia with an anti-Western stance, the two major parties the Georgian Dream and the UNM both share a pro Western agenda. Realistically there is no difference in the general agenda of the two major parties, both of them want Georgia to be more closely integrated with the developed Western world and both of them are resenting the actions of the Russian federation against Georgia and its people. As already mentioned, the single most frequently used slur on both sides of the political discourse is "Russian agent", which directly shows that neither party wants to be affiliated with Russia. The only real difference between the parties, as they currently stand, is that one of them is led by a billionaire who is referred to as an "oligarch" while the other is led by politicians who have been convicted for a wide variety of illegal activities. With transparency being on minimal levels in both parties there is no telling of what their true agendas are, however on the surface they both present themselves as pro-Western, pro liberalism and pro-democracy, which means that there is no serious and competitive anti-Western party in Georgia.

Regardless of the confusing nature of Georgian politics, an analysis of the foreign politics of the country clearly demonstrates that the country is certainly on a pro-Western track. A study by KornelyKakachia and Salome Minesashvili explores the Georgian foreign policy behavior over the years and connects it to ideas and identities. While this connection is irrelevant for this thesis, as this paper is examining how policies affected the country and not what gave motivation for these policies, their overview of the foreign policy agendas and speeches of various politicians, starting from ones in the late 1990s and ending with the more recent ones, clearly



7. Comparison of Georgia, Armenia and Azerbaijan

7.1 Corruption and Crime

As previously mentioned, Georgia differed dramatically from all PSSs when it came to the three policy fields in question, however did this difference yield beneficial results for Georgia once compared to others? After a comparison of different statistical variables, it can be said that Georgia has in fact gained more than either of the two countries from the region by choosing a Western orientation. First of all, a comparison of corruption rank between the three countries will show that Georgia ranks highest amongst the three, indicating that harsh, but effective, measures taken by the UNM were beneficial33:

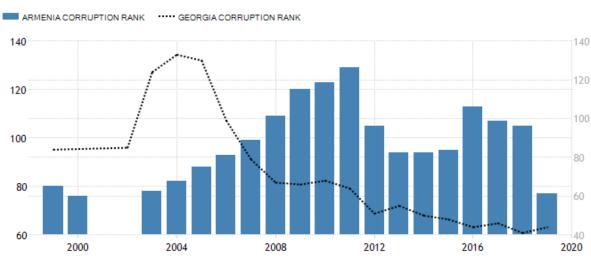


Figure 6: Corruption Rank (Georgia vs Armenia)

Source: TradingEconomics | Transparency International

³³ Note that numbers on the left column apply to either Armenia or Azerbaijan, while those on the right side apply to Georgia.

AZERBAIJAN CORRUPTION RANK · · · · GEORGIA CORRUPTION RANK

Figure 7: Corruption Rank (Georgia vs Azerbaijan)

Source: TradingEconomics | Transparency International

Aside from corruption rates, the overall crime situation in Georgia is also better than the two countries, while not as significantly. According to Numbeo, Georgia boasts the level of crime being at 15.98, meanwhile Azerbaijan has 26.26 and Armenia 18.6234. Even though, neither of the three countries is in a state of crisis when it comes to crime, Georgia is still considered the safest of the three, which should be attributed to the harshness of the police reforms made by the UNM.

7.2 Economy

While the corruption and crime rates have been significantly lower in Georgia than either Armenia or Azerbaijan, various economic factors also hint that the style of UNM's governance was more effective than those of parties in the other two countries. When it comes to FDI, ³⁴Numbeo "Crime in Armenia", "Crime in Georgia" and "Crime in Azerbaijan"; *Numbeo* (2020);

Georgia is receiving significantly less than Azerbaijan, but comparatively more than Armenia, as shown on the graphs below35:

ARMENIA FOREIGN DIRECT INVESTMEN.. GEORGIA FOREIGN DIRECT INVESTMENT

800
400
200
100
2000
2000
2005
2010
2015

Figure 8: FDI Armenia (USD Million)

Source: TradingEconomics | Central Bank of Armenia

³⁵ Note that numbers on the left column apply to either Armenia or Azerbaijan, while those on the right side apply to Georgia

2500 800
2000 1500 2000 2004 2008 2012 2016 2020

Figure 9: FDI Azerbaijan (USD Million)

Source: TradingEconomics | Central Bank of the Republic of Azerbaijan

In order to understand why the Georgian case was a relative success compared to the either of the two countries, some things should be outlined. When it comes to Armenia the level of FDI is significantly higher in Georgia, and has been over the last decade with some exceptions, but the FDI in Georgia recovered from much lower levels and at a much faster pace than that of Armenia. Case of Azerbaijan is considerably more difficult to explain, as it is receiving higher levels of FDI, but also has more conditions for high FDI unlike Georgia. First of all, Azerbaijan is a member of both the Commonwealth of Independent States (CIS) and the Eurasian Customs Union (ECU), together with Armenia, which significantly increases the likelihood of FDI inflow into the country. Unlike Armenia, however, Azerbaijan is a country rich with oil which results in it being the most attractive for investment and almost exclusively involved in projects related to oil services. While there is no one study summing up the structure of FDI in Azerbaijan over the last two decades, the "General Profile: Azerbaijan" by the United Nations Conference on Trade and Development (UNCTAD), clearly shows that most of the investment has been going into the

oil sector. GDP and GDP per capita also follow the similar pattern as FDI in all three countries, with Azerbaijan leading, Georgia second and Armenia in the third place₃₆. When it comes to Ease of Doing Business Index, however, Georgia is clearly the leader in the region₃₇:

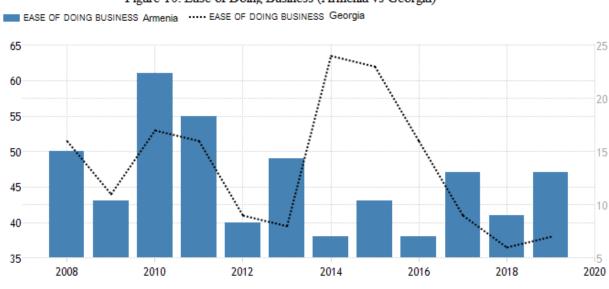


Figure 10: Ease of Doing Business (Armenia vs Georgia)

Source: TradingEconomics | World Bank

³⁶Trading Economics "Georgia GDP", "Armenia GDP" and "Azerbaijan GDP"; *Trading Economics* (2020) 37 Note that numbers on the left column apply to either Armenia or Azerbaijan, while those on the right side apply to Georgia

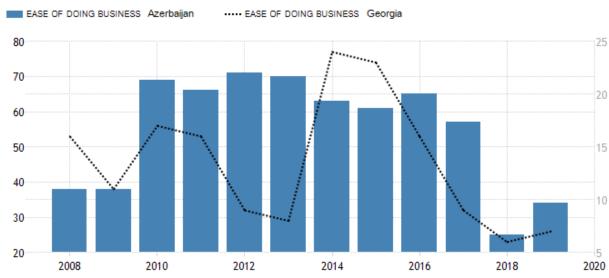


Figure 11: Ease of Doing Business (Azerbaijan vs Georgia)

Source: TradingEconomics | World Bank

The conclusion that can be drawn from the information above is that, while not outshining the two countries in the region, the policies implemented by the UNM managed to guarantee a high level of Ease of Doing Business for Georgia, thus guaranteeing that the country would be able to compete with Armenia and Azerbaijan, even though it is neither a member of either CIS and ECU, nor is it rich with oil. In addition to this, the Western orientation of the economic policies, managed to make Georgia less dependent on Russia as shown by information provided by the National Statistics Office of Georgia (GeoStat). According to GeoStat, the percentage of Russian investment in the overall FDI of Georgia has been decreasing for the last 20 years, with the most recent dataset showing Russia being only the sixth largest investor, significantly falling behind the top three:

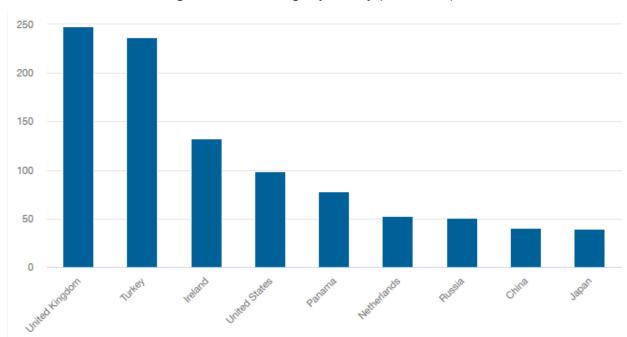


Figure 12: FDI in Georgia by Country (USD Million) 2019

Source: National Statistics Office of Georgia

While similar statistics are not publicly available for either Armenia or Azerbaijan, an overview of the two countries from 2019 by Lloyds Bank points out the dependence of the two on Russia. According to the overviews Russia is first amongst the four top investing countries, with Russia being the main source of FDI for Azerbaijan38. Overall these overviews combined with data from GeoStat indicate that out of the three countries from the region Georgia is the least dependent on Russia.

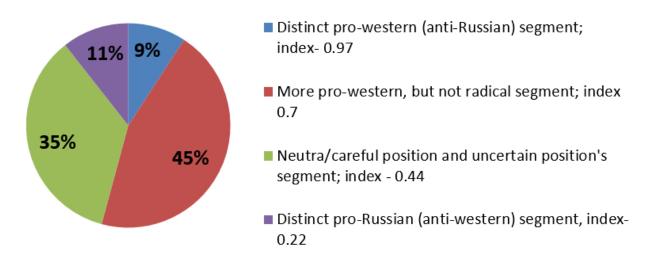
7.3 Politics and Attitudes towards West and Russia

When it comes to political development in the three countries only one thing is evident, Azerbaijan is the only authoritarian state out of the three. While Georgia and Armenia are both considered hybrid regimes and are placed numbers 86 (Armenia) and 89 (Georgia) in the Economist Intelligence Unit's 2019 "Democracy Index" rankings, Azerbaijan is placed 146th. While the success of Armenia is a case of its own, the failure of Azerbaijan can be attributed to two main factors, close ties with Russia (Ranked 134) and the abundance of oil in the country. A 2016 study by George Mchedlishvili called "Changing Perceptions of the West in the South Caucasus: Adoration No More" analyses the attitude of the three governments towards the West and finds that "with the partial exception of Georgia, governments in the region have remained reluctant to open up politically and democratize." 39.

The attitudes of people towards the West and Russia varies between the three countries, with only Georgia being openly anti-Russian. Unfortunately, there is no research available on the attitudes toward the West from either Armenia or Azerbaijan; however, a study conducted by IPM Research in 2017 shows that only 9% of the Georgian population is pro-Russian:

³⁹Mchedlishvili George. "Changing Perceptions of the West in the South Caucasus: Adoration No More." Chatham House (2016): P1.

Figure 13: Populaition's Segmentation According to the Attitude Toward Country's Political Course



Source: IPM Research "Georgian population remains mainly pro-western"

While there is no study on the attitude of Georgian people towards the West or Russia from before the Rose Revolution, the low level of anti-Western attitude found in this study suggests that the Georgian society is on the right path to westernization. These statistics combined with the recent wave of pro-Western activism, mentioned earlier, suggests that Georgian society is the keenest on joining the Western world, as the scale of pro-Western activism in both Armenia and Azerbaijan is significantly smaller.

In addition to everything mentioned above, the 2019-20 European Bank for Reconstruction and Development (EBRD) Transition Report indicates that, out of the three countries, Georgia is the one that improved the quality of their institutions the most:

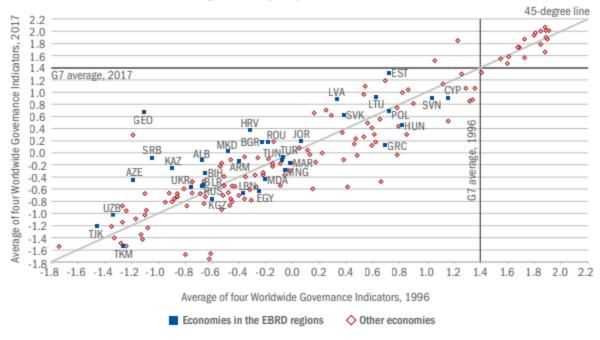


Figure 14: Quality of Institutions

Source: EBRD Transition Report 2019-20 (P14)

This shows that, in the time period of 1996-2017, the policies implemented by Georgian authorities were quite effective in increasing the quality of institutions. As the UNM was the one party most concentrated on increasing this quality this success should be mostly attributed to them. This graph also shows that, while all three countries saw some improvement in the given time period, Georgia has the biggest progress moving from -1.1 on the graph in 1996, to 0.7 in 2017, suggesting that UNM's policies were more effective than those of governments from Armenia and Azerbaijan.

8. Counter Arguments

The first counter argument that can be posed is that all these changes were not a result of a Western oriented autocracy, but rather of other factors that have not yet been examined. This argument is partially disprovable if we go back to previous chapters, especially chapters four and seven, where it is explained that the only realistic difference between Georgia and other non-European PSSs was that Georgia had a pro-Western government. No other PSS shows as much resentment for Russia as Georgia, both in the political sphere and in social discourse and no other PSS is as much concentrated on joining the Western world in order to distance itself from Russia and the rest of the Post-Soviet world. As the only difference between Georgia and these countries was the Western orientation of the government there is no other major factor that could have affected this drastic change in attitude. Aside from major and visible factors there could have of course been micro factors that cannot be identified without a close sociological study, but regardless the clear difference in social narrative between Georgia and other PSSs hints that the Western oriented autocratic style of government was influential in the promotion of pro-Western attitude.

Some might also claim that the pro-Western attitude in both the government and the people was manifested by two separate wars with Russia and years of being part of the Soviet Union, however this is not necessarily the case. After the first war in Abkhazia there was of course some tension between Georgia and Russia, however there were close to no signs of the government wanting to join the Western developed world, rather more interest in rebuilding relations with Russia. While there is no statistics available on how many Georgians were involved in economic and social activities with Russia, it is common knowledge that 1990s was a

decade when many Georgians were closely connected with Russia, thus it can be claimed that the war did not do much in changing the pro-Russian attitude. The second war in 2008 did in fact cause a major uproar in the society and gave a boost to the "Russophobia" in the Georgian society, however even before the war, starting from the early 2000s, the narrative in both political and social spheres was mostly pro-Western and anti-Russian. Realistically, looking at the political sphere will show us that until from 2003 to 2012 there was no pro-Russian political party in Georgia, with "Union of Citizens of Georgia" being the last party to have close connections with Russia on their general agenda. Overall there is no doubt that the two conflicts did play a role in moving Georgia away from Russia, however the pro-Western attitude was given a boost mostly by the UNMs actions. As Georgia is amongst a select few countries that is tied to Russia both geographically and historically, the impact of wars on separating Georgia from Russia should not be taken into consideration when discussing how a Western oriented autocracy might benefit underdeveloped states.

When it comes to the negative impact that an autocratic government can have on a country, which was seen in Georgia as well, it can be argued that nowadays these effects can be minimized. It can be argued that the UNM was as atrocious as it was, because there was virtually no consequence for them in doing so, they had almost full control over the media and had the capacity to control what information the channels that they did not control had access to. In recent years, however, social media has proven itself as a useful tool to control and monitor government actions 40. The increase in social media activity over the last decade also influenced the ability of people to organize better, thus affecting the performance of social activism41, while

⁴⁰Chun Soon Ae, et al. "Promoting transparency and accountability through ICTs, social media, and collaborative e-government." Transforming Government: People, Process and Policy (2012): P86-87; 41Cammaerts Bart. "Social media and activism." The International Encyclopedia of Digital Communication and Society (2015): 1-8.

not having a direct effect on the ideology of activists. With social media being an additional source of information that can rarely be controlled by a government, aside from a select few cases of dictatorial governments, it can and should be said that an autocratic government that is interested in integrating their county in the Western developed world will avoid any controversy or accusation on the social media platform, thus decreasing the likelihood of the situation spiraling out of control like it did in Georgia towards the second half of UNMs time in power.

Conclusion

What can be said overall is that, while having problems and being largely debated to this day, the Western oriented autocratic regime implemented by the UNM in Georgia was beneficial for the country on economic, political and social levels. To answer the first question, which is: "How an autocratic government managed to get Georgia closer to the developed Western world?" it can be said that, by stressing the importance of Foreign Direct Investment and increasing the Ease of Doing Business Index of the country, the policies implemented by the party set Georgia on a Western oriented economic course with an increasing level of growth over the years. The economic policies also made the Georgian economy more diversified as it became less dependent on Russia and more dependent on a variety of Western sources for FDI. The police reforms that were concentrated on stabilizing the situation in the country managed to significantly decrease both corruption and crime levels, much more efficiently than those in either of the two countries from the region of Caucasus. The overall narrative of the party and the limiting of Soviet entertainment on television should be held responsible for the increase of pro-Western attitudes and decrease of pro-Russian, or pro Soviet, attitudes in the Georgian society. As demonstrated by the style of social activism in Georgia, that is unique in the region of Caucasus and amongst all non-European Post Soviet States, the demand for even more westernization in Georgia is extremely high. Westernization aside, the various economic indicators of Georgia demonstrate the effectiveness of the UNM's style of governance. While a comparison with Azerbaijan will demonstrate that Georgia is weaker economically, the reason for that is the abundance of oil in Azerbaijan. When compared to the more suitable Armenia, however, Georgia is leading in both the overall levels of FDI and economic growth, which is

measured by GDP. While the level of democracy in Georgia and Armenia is quite similar, the quality of institutions is considerably higher in Georgia and has recovered from a much worse condition than that of Armenia, thus indicating that the UNM's governance was also beneficial in the political field.

In conclusion, my findings suggest that Western orientation of an autocratic regime was economically and politically beneficial for Georgia and could be beneficial for any underdeveloped state. When it comes to increasing the pro-Western attitude in public the approach used by the UNM has potential to work in other PSSs, however, in order to make assumptions on how this approach would work for the rest of the underdeveloped world, a more thorough study is needed. Since the UNM party used anti-Russian propaganda to promote their pro-Western narrative, this approach is only applicable to countries that can select a significantly stronger state as a threat and antagonize it in order to promote interest in its counterpart, in this case the West. While the same approach can be used for PSSs, for states in regions with no major powers to antagonize the strategy of promoting pro-Western attitudes designed by the UNM might not work as efficiently, or not work at all. Thus, a question needs to be asked on how to spread a pro-Western attitude in societies from underdeveloped countries without antagonizing an opposing major power?

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