

## 22. Case Study 2: Imereti

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Imereti is the only region of Georgia which does not have a border with neighbouring countries, and it has no coastline. It is divided into 12 districts which comprise 14 urban and 158 rural municipalities (*c.* 550 villages). In terms of territory it is the fifth-largest region in Georgia (9 per cent of the country), and by size of population (*c.* 15 per cent) it is second only to Tbilisi. By the end of the 1980s, it accounted for 20 per cent of Georgia's gross domestic product (GDP). Together with Ajara, it was the most densely populated region of Georgia, with a population density of 120 people per square kilometre (km<sup>2</sup>) in 1989, when the average for Georgia was 78 per km<sup>2</sup>.

Of all the non-mountainous regions of Georgia, Imereti suffered most severely from a shortage of agricultural land: it had only 7 per cent of total agricultural land of the country. Industry, however, was relatively well advanced, encouraged by such favourable conditions as plentiful manpower, natural resources (manganese, coal and construction materials) and key highways connecting western Georgia with the east, which were built across the region. During Soviet times it was divided into two social-economic zones: (a) the agricultural zone, which covered by far the greater part of the territory; and (b) the industrial zones with extractive and metallurgical industries, large-scale motor manufacturing and their immediate hinterland, where agriculture played a supplementary role. The centre of the region, the second-largest city in the country, Kutaisi, belonged to this zone, and was an important cultural and educational centre.

Manganese extraction, developed in Chiatura since the 1870s, was the principal branch of industry. At the beginning of the 20th century, Chiatura was an important source on the world market of manganese, an irreplaceable raw material of ferrous metallurgy. Under the Soviet Union, in 1933, the Zestaphoni ferro-alloy plant was opened, based on the manganese of Chiatura. The Kutaisi Car Building Plant, established in 1945, the Tkibuli Coal Mines, several motor manufacturing and assembly plants, chemical and light industry, and the railway junction of Samtredia (the largest in the South Caucasus during the 20th century) played a significant role in the economic life of the region.

The majority of the population was engaged in agriculture, but this branch of the economy was secondary. As a rule, a large part of the population working in industry also maintained small income-generating farms.

The political developments and the economic collapse of the 1990s changed Imereti's appearance greatly. The new balance both resembles and differs from those of other regions of Georgia.

The political battles that took place in the capital, as well as in the autonomies (Abkhazia and former South Ossetia) and neighbouring regions (Samegrelo), affected Imereti to a lesser degree. The civil war affected it only briefly, touching its westernmost parts in autumn 1993. Nor did Imereti experience the full aftermath of civil war—the raids by illegal groups or criminal gangs such as seriously damaged neighbouring Samegrelo. In contrast to Samegrelo, the powerful tribalist tendencies which as a rule fuel confrontation were never seen in Imereti.

Imereti is ethnically homogeneous: almost 100 per cent of the population are ethnic Georgians. Conflicts on ethnic grounds were therefore impossible. This gave the region a relatively stable image. The challenges it faces are mainly social and economic. The economic crisis in Georgia, mostly manifested in the stagnation of strategic industries, affected Imereti far worse than the more agrarian-based regions. The situation was aggravated by the flow of internally displaced persons (IDPs) into exile following the ethnic cleansing in Abkhazia.

At the meeting held by International IDEA with people from Imereti, a series of problems affecting the region were set out. They can be divided into three interlinked blocs—political, economic and social.

### 1. The Political Situation

In the political life of Georgia, Imereti plays a peripheral role. Its role as a leading region in the west weakened as a result of the general economic breakdown and sharp deterioration of living standards.

Imereti does not have the degree of autonomy Ajara has. Its independent structures mean that Ajara can

confront the central government frequently and have its interests accommodated. The asymmetry between the centre and the region generates frustration among the population of Imereti, who believe that Imereti is humiliated because it is law-abiding. On the other hand, its relations with the centre are not as complex as is the case with Ajara.

The ruling elite of Imereti believe that their views have to be paid more attention when the appointment of local officials or other issues are in question. This perception is encouraged by the fact that a hidden fight between economic 'clans' for hegemony over large-scale industrial enterprises is currently under way in Georgia. However, frustration that the interests of local bodies are not even considered by the centre is expressed only in passive ways.

Concerns are voiced over the double subordination of public bodies. Many effective public institutions (education, health care, the police and so on) are formally subordinated at one and the same time both to centre-based ministries and to the heads of the local administration. In reality the centre (the ministries and the State Department) exerts full control over these structures, for instance, the Minister of Education appoints all the principals of schools in the region. Without municipal property or self-government bodies, the region cannot resist the full control of the centre. This leads to frustration among the majority of local political and economic groups. This is clearly reflected in the position of Temur Shashiashvili, the President's representative (governor) in the region: on the one hand he supports the political direction of the President; on the other hand he permanently criticizes the central government's personnel policy. The Governor had tense relations with the government party, the Citizens' Union of Georgia (CUG), which was formerly headed by the President (now chaired by the Minister of State).

In municipal bodies, as a rule, groups consolidate around particular persons, government officials or structures. Party affiliation is less important. Relationships with the Governor are especially central: for instance, several political parties are represented in the *sakrebulo* (council) of Kutaisi, but they consolidate around the Governor (who for several years was also acting Mayor of Kutaisi) and thus accord greater importance to Shashiashvili than to the needs of their own parties.

The use of populist methods by the central government in Imereti must be mentioned. Under the influence of the authorities, live television transmission of working sessions of local government representatives, in which the Governor publicly criticizes different senior officials and accuses them of ignoring the will of the population, has become a daily event. (Still, as conversations with representatives of the society of the region reveal, none of the government officials has built up any popularity as a result.)

### **Criminality and Illegal Methods**

Illegal methods are employed in the party political confrontation of the region: government groups misuse the levers of public authority to subdue their political opponents. The following two examples illustrate the present picture.

First, during the 1999 parliamentary elections, political parties resorted to what is called the carousel method, when the same group of voters cast votes several times. The society is well aware that a group of 120 persons, mobilized by one of the political powers, used different identity papers and cast votes in several districts. Although this was a clear case of violation of the electoral laws, no one, even political opponents, endeavoured to reveal it openly.

Second, during the 1998 elections to the first self-governments at municipal level, several opposition parties won a majority in some municipalities. The authorities in the region responded to this by allowing these municipalities (e.g., villages Kvemo Sakara and Meore Svir) only 6 per cent of the funds allocated by the central budget. It can be imagined how serious this is when, under the system in effect, transfers make up 85–90 per cent of local budgets.

The police are an outstandingly powerful force in Imereti and are actively involved in political and economic life: for instance, they intimidate voters during elections and are involved in racketeering by small and medium-scale businessmen. One instance was reported of a police officer eating the security pass that belonged to the lawyer of a suspect in detention, so that he was not allowed to see his client. Both the detainee and his lawyer were physically abused.

Over the years the staff of the Ministry of Internal Affairs has grown. There has not been a crack-down on crime as a result; rather, it has escalated. There is a widespread belief that police officers illegally protect businesses and often act as drug dealers themselves.

## 2. The Economic Situation

In comparison with other regions of Georgia, the decline in Imereti's economy, and especially the living standards of the population, led to exceptionally serious results. The reason for this is the dominance in Imereti's economy of the former industrial areas (Chiatura, Tkibuli and Zestaphoni) and so-called 'dead-end' territories (far away from main roads). In 2001, when a survey of poverty was carried out, Imereti, Guria and Kakheti were listed as the poorest regions of Georgia (see annexe 20A). Today we can no longer speak of industrial and agricultural zones in Imereti, as the industrial zones have completely lost their position, and Imereti lags behind the rest of Georgia especially in the development of small businesses and services.

According to data from the State Department of Statistics, during the three years 1997–1999 the increase in the average monthly salary of workers in the processing and mining industries nationally was minimal, from GEL 51 to GEL 54. The average monthly income earned by people engaged in agriculture and trade almost doubled (from GEL 13 to GEL 27 and from GEL 22 to GEL 38, respectively). (We must also bear in mind that in the agricultural and trade sectors, given the share of the shadow economy, the true data exceed the official reports.) The average income of a family in Georgia was GEL 238 per month in 1999 (*Statistical Yearbook of Georgia 2000*:59–60).

While the average salaries of employees in the industrial sector stagnated, their number fell from 49,000 (1994) to 21,000 (1999). The income of the service sector in 1996–1999 increased by only 13 per cent, or from GEL 4.5 million to GEL 5.1 million (over the same period this figure doubled for the country as a whole, from GEL 23.6 million to GEL 42.3 million) (*Statistical Yearbook of Georgia 2000*: 175–176, 230).

### **The Interweaving of Political and Economic Power**

According to press reports, Tbilisi-based clans are trying to control developments in industry. There are no obvious local groups that could exert economic or political influence. The effective managers of businesses, the local bureaucratic elite and representatives of the criminal world are connected with different centre-based clans: for instance, according to information from independent experts, two groups have been fighting to seize control over the Zestaphoni Metallurgical Plant. The first group (the present manager of the plant, several Russian firms and the Governor of Kutaisi), was associated by public opinion with the clans of family members and relatives of the President, and the second group (the Egrisi company), was linked to the interests of pro-Western 'young reformers' (the former Speaker of Parliament and a former Minister of Justice). It is difficult to judge the truth of this, but it illustrates public attitudes well and indicates the interweaving of economic and political power.

Against this background, effective economic relations are likely to be lacking: for instance, the manganese from Chiatura was sold abroad at a price below the international price, but when the plant in Zestaphoni imported the same raw material it was obliged to pay twice as much. This policy led not only to a reduction of salaries and rising unemployment but also drastically damaged the economic standing of enterprises: for instance, the Kutaisi Car Building Factory cannot even pay the tax due on the land on which parts of the plant are built.

### **The Plight of Small Business**

Conditions in small-scale business are also unfavourable. Several years ago, to improve public hygiene in Kutaisi, street trade was prohibited. Outflows of small-scale business capital to Tbilisi followed as a result, as no ban was introduced on street trade in the capital. Local production, even with its quality or low prices, cannot compete with smuggled imports and is being reduced to bankruptcy: the soap production in Bagdati is an example.

Obtaining credit involves major problems for small-scale business development, made worse by the fact that information on aid programmes often does not reach local small-scale businessmen. On one occasion a Western aid-oriented programme was extending interest-free loans to the amount of GEL 50,000 to encourage small-scale businesses, but the population knew nothing of this opportunity, as the relevant government office only cared about informing their friends and relatives.

There are some relatively developed types of business—petrol stations, commercial information products, and small-scale enterprises producing alcoholic and soft drinks—but there is a prevalent perception that successful businesses can only operate under the patronage of criminal or state structures.

Some precedents of change may be singled out: for instance, ordered by the Governor of Imereti, a special commission was set up which developed recommendations on the economic rehabilitation of Kutaisi; a USD 750,000 programme supported by the European Union (EU) Technical Assistance to the

Commonwealth of Independent States (TACIS) programme has been launched to aid the development of the region; and Kutaisi Aircraft Enterprises received an order from the United States Agency for International Development (USAID) to build 15 Mercury-type aircraft; but these programmes either were not launched or were unsuccessful.

To summarize:

1. The tendency for economic activities to become criminalized is obvious.
2. The branches of the economy are either completely stagnant or geared to the rules of the shadow economy.
3. Relative to the capital, business in the regions is developing at a slow pace, and the gap between living standards in Imereti and in Tbilisi is growing constantly.
4. The local consumer market is weak given the poor purchasing power of the population.
5. The economic policy of the state is underdeveloped and its reform in practice is not geared towards expanding the competences of municipal units.

### 3. The Social Situation

Imereti stands out from other parts of Georgia (Samegrelo, Guria and Ajara) because tribalist relations have relatively little influence there, either on the personal or on the public levels. At the same time, a series of surveys have shown that the level of popular support for democracy is relatively low in Imereti compared to other regions.

A survey carried out in 1997 showed that the majority of the population of Imereti had no preference as to whether the head of local administration is appointed or elected (Caucasian Institute of Peace, Democracy and Development and Arnold Bergstraesser Institute 1997; and Losaberidze 1998:37–39, 98). Rather, the population requires the government to fulfil its social liabilities. This is especially clear-cut in the former industrial territories, where living standards during Soviet times were higher than those in agricultural regions.

The rise of pro-Russian attitudes among the local population may be seen as a manifestation of nostalgia for Russia.

The level of mistrust in official bodies is rather high in the region. Cooperation with official bodies (the police, the Prosecutor's Office and the courts) within the scope of law is considered unethical. The ordinary citizen prefers to solve his or her problem using unofficial methods.

These attitudes are reinforced by the chaos and corruption in the official bodies. Some typical examples of violations of the law by the state follow.

1. There are cases of a government body requiring 15 days to respond to a request for information instead of the 10 days set out by the law. This delay is quickly resolved by resort to mechanisms of corruption. The same system works when citizens request the issuing of any document that requires formalities to be completed.
2. Pensions, meagre as they are, are paid five months or even more in arrears. As a rule, the local bureaucracy use the pension funds for their own interests. When this is revealed, pensioners are threatened not to report the incident.
3. Certain groups attempt to control all spheres of public life. A so-called *samegobro* (circle of friendship or 'brotherhood') was set up in Kutaisi composed of representatives of the old Komsomol *nomenklatura*. This is a closed elite circle which distributes all influential posts among its members and often employs illegal methods against the 'other'.
4. Interests often collide: for instance, the wife of the head of the local administration in Tskaltubo opened a kindergarten attended by children of municipal employees, who pay a high fee. If they move their children to another kindergarten the parents may lose their jobs.
5. Discrimination against public employees is manifested in the collection of 'indirect taxes' from ordinary policemen. Even though the state is obliged to provide the police with their uniforms, police officers are required to pay GEL 80 for a new one, which is roughly equal to a month's salary for an ordinary policeman. Naturally, this practice indirectly furthers the rampant corruption in the police.

Such facts reinforce the cynicism of the population, aggravated by the lack of awareness among a large section of the population of their rights. Demonstrations and other protest actions voicing social demands are rare. Public protest is expressed openly only in connection with political issues.

## Emigration, Internal Migration and Social Tension

Relative to other regions of Georgia, Imereti stands out for its high levels of unemployment and emigration. These are further aggravated by the challenge of providing employment opportunities to IDPs living in the region in hotels or other institutions in resorts. People move mainly to Tbilisi or abroad. A tendency has been detected in Tbilisi lately for migrants from Imereti to make up the lowest-paid, least-respected layer of society, for instance, working in the street retail trade.

Intra-regional migration is also intense in Imereti. People are moving in large numbers from the cities to the countryside, where the majority own plots of land. Former workers and intelligentsia survive on agricultural production, although, given the population density and the shortage of agricultural land, the resources to support this internal migration are rather restricted.

Lately, along with signs of social apathy, social tension has escalated. A large part of the population considers the government to be its principal enemy (although at the same time they believe that, compared to other regions—Ajara, Samegrelo and Kakheti—the centre pays less attention to Imereti). There are fears that this tension could build up into social unrest. If it does, the population will follow any leader who can attract attention with harsh criticism of the government and populist slogans.

The ‘third sector’—the non-governmental or civil society organizations—is rather weak in the region. Despite the number of non-governmental organizations (NGOs)—there are up to 200 in Kutaisi alone—they are weak or exist only formally (see also chapter 14). The independent media are less developed than they are in the capital, and access to electronic information products is enjoyed mostly by official circles or those close to the government. Those same groups influence the press.

Against this background, civil activity is very infrequent, although instances still occur. During the 1999 parliamentary elections, in two electoral districts of Imereti (Terjola and Zestaphoni), opposition party candidates with the support of the population gave the local clans (the head of the service that supplied the region with bread and the director of the Zestaphoni Metallurgical Plant) a taste of serious defeat. The centre-based government system did not attempt to involve itself forcefully in the electoral process. At the municipal elections of 2 June 2002, voter turnout in Imereti was rather high (twice or three times that in other regions). Turnout was higher in the regions than in the capital in general, which once again points to the importance of municipal systems at the regional level. Another instance of successful civil activity is the establishment, at the initiative of teachers in the region, of the Solidaroba independent trade union, which is gradually assuming the role of a nationwide association.

## 4. Conclusions: the Peculiarities of the Region

Some indicators single out Imereti from other regions of Georgia.

1. Because of geographical and ethnic factors, it did not experience political or ethnic confrontation to the same extent as other regions.
2. Open confrontation with central government is not apparent. There is no clearly distinguished regional clan in Imereti. The influence of Tbilisi-based economic and political groups is considerable.
3. Given the former importance of industry in Imereti’s economy, the experience of economic breakdown has been harder than in other regions. Rates of growth in agriculture and small business development are the lowest in the country.
4. Tribalist tendencies are not as powerful as they are in Samegrelo or Ajara. The population is concerned with political issues more than with economic and social problems.
5. The level of unemployment is very high, and this is encouraging migration and adding to social frustration. Even so, demonstrations voicing social demands are rare.

## 5. Prospects and Recommendations

The prospects for Imereti’s development, if the present political situation continues, do not look good. Unless its economic situation improves, Imereti will be on the one hand a zone of emigration and internal migration and on the other hand a central source of social upheaval and political destabilization. To avoid this threat, in-depth structural adjustments must be made in the system of government.

1. The role and function of the regions in the state must be determined. The model of territorial arrangement must be established. The interests of the regions must be better secured at the centre.
2. Governments at municipal level must have more powers to resolve issues of local importance. The

legislation of Georgia must clearly set apart administrative, property and fiscal competences for local governments.

3. Appointments to all senior posts at local level must be by election. Local leaders must be accountable to the population and not only to central government. The mechanisms of public control over local representative and executive structures must be reinforced.

4. To curb the corruption in the government system and secure political, civil and social human rights, more attention must be concentrated on promoting the civic education system, and the establishment of civil society organizations and codes of behaviour must be supported.

5. A strategy of economic development must be defined. The role of small and medium-size businesses and services in the economy must be promoted; they have to take the place once held by heavy industry in the economic infrastructure. Proceeding from the particular characteristics of Imereti, the cultivation of some agricultural products must be made a priority. The development of leisure businesses in the region is also potentially promising.

Overcoming the prevailing apathy among the population at large and the public's negativism about the law will be the key to achieving these goals. Both central government and international organizations must give more attention to Imereti. The recent increase in foreign donors' interest in the region is welcome, and this process should be taken further.

There are some grounds for optimism in the promotion of the role of civil society in the electoral processes and in the higher voter turnout in several regions: the development of organizations advocating the public interests, the increasing power of human rights NGOs and the still rudimentary trade unions offer hope that if essential support is provided Imereti will overcome the present crisis.

## References and Further Reading

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