# GEORGIA: DEVALUED PUBLIC CAPITAL AND THE THIRD SECTOR AT THE CROSSROADS

## Beka CHEDIA

Bachelor of Political Science (Tbilisi, Georgia)

In the last ten years, civil society institutions in Georgia have been gradually gathering momentum even though the process has been somewhat lopsided. The very idea of civil society was misinterpreted from the very beginning along with the natural and traditional institutions of civil society, such as the media, the Church, trade unions, and higher educational and academic institutions. In recent years, the term has been appropriated by a narrow circle of the Georgian political community, which did not add popularity either to the term itself or to the phenomenon. It should be said, however, that the impact of civil society institutions' on all aspects of the country's public life and the political processes in particular is still felt. The term "civil society" can hardly be described as popular with the Georgians mainly because of the politically engaged NGOs that have remained on the scene long enough to become associated with certain political forces. This gave Georgia its Third Sector, which can only be described as an imitation of the true thing: everything that was done, and is being done, in the country in its name (in the name of NGOs) merely imitates civil society. This radical assessment has become even more applicable after the Rose Revolution, which revealed all the institutional shortcomings and even digressions from democratic values of those local NGOs that posed as the vanguard of the democratic developments in the republic.

## Civil Society Institutions: Typology

Civil society institutions were set up under Eduard Shevardnadze; the process accelerated in 1995 after the civil war ended and all the paramilitary structures operating outside the legal field were disbanded and the country acquired its first post-Soviet constitution. This was when the edifice of non-state institutions (in the form of nongovernmental organizations) was built along with the state institutions and structures. From the very beginning, NGOs formed the core of civil society not because they expressed its real interests, but because the smartest of them captured the money sources.

Those NGOs that sided either with the government or with the opposition and claimed political changes and democratization as their aims were also funded by their partners.

Typology will supply the reader with a clearer picture of Georgia's Third Sector.

So far we have no reliable official figures about the total number of NGOs operating in the republic, but we do know that after the Rose Revolution, the Third Sector neither widened considerably nor upgraded its performance. We can guess, however, how many of the old NGOs are still in oper-

ation: according to certain sources, in 2003 (the year of the velvet revolution and the peak year of NGO activity) there were over five thousand registered NGOs in Georgia.<sup>1</sup>

Practically all of them were (and remain) small groups; some of them consist of one person only; most of them exist only on paper, the reason for which can only be found in why they were set up in the first place. It is no secret that most of them were set up for material/financial reasons and never pursued public interests: in Georgia, as across the whole of the post-Soviet expanse for that matter, international funds pay NGOs for all sorts of projects. This suggests typology based on the NGOs' relations with international funds. There are two groups of them: privileged and non-privileged, while their specialization divides them into the following categories:

- 1. Human rights organizations that claim to promote the rights of national minorities, gender issues, freedom of speech, etc.;
- 2. Associations of creative workers;
- 3. Student and youth NGOs;
- 4. NGOs engaged in scientific or similar activities;
- 5. NGOs operating in the media sphere;
- 6. Ecological and other NGOs.

They differ not only in their spheres of activity and amount of outside funding, they also have different "historical roots," no matter how strange this sounds. There are NGOs that are commonly considered to be vestiges of the Soviet past, such as the Union of Writers and the unions of other creative workers. They are no different from other NGOs, but because they served the communist regime and kept the creative intelligentsia under control, they were pushed to the back burner once the Soviet Union fell apart. Under Shevardnadze, however, before the Rose Revolution, they enjoyed state funding and continued operating by the force of inertia.<sup>2</sup>

The Rose Revolution put an end to their cushy existence; their property was expropriated (in the summer of 2007, the Ministry of Economics confiscated the sumptuous office of the Writers' Union in the center of the Georgian capital).

The United Trade Unions, another chunk of Soviet heritage, stand apart from all the other structures that outlived the Soviet Union. In the West, trade unions are the main component of the "third sector" and the force behind the public movement. The Soviet stereotype is still alive in Georgia, therefore the public refuses to treat trade unions as a civil society institution. Indeed, trade unions have remained bureaucratic structures; before the Rose Revolution the chairman of the United Trade Unions of Georgia regularly attended Cabinet sittings, very much like one of the bureaucrats. The trade unions changed hands after the revolution and became, at least formally, NGOs. So far, however, their presence in the country's civil movement is hardly felt. According to certain sources, the United Trade Unions is the largest public organization in Georgia. The teachers' trade union, which claims a membership of 141,000, is the largest in the country<sup>3</sup>; according to the latest sociological polls, its members earned it a place among the top five NGOs the public trusted. According to other sources, trade unions are only visible on 1 May, International Workers' Day, when several scores of activists go out into the streets in front of their offices to draw attention to themselves.

<sup>&</sup>lt;sup>1</sup> See: O. Melkadze, *Grazhdanskoe obshchestvo: problemy formirovania*, Political and Legal Literature Series, Book XIX, Tbilisi, 2004, p. 50.

<sup>&</sup>lt;sup>2</sup> Imedi TV, Re-action Talk-show, 20 April, 2007.

<sup>&</sup>lt;sup>3</sup> See: Stroitel'stvo demokratii v Gruzii. Diskussionnye materialy Kavkazskogo instituta mira, demokratii i razvitia, Series No. 1, 2003, p. 71.

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The NGOs born in the last 10 to 15 years look very different from the "relicts of the Soviet past," the most active of them being the Institute of Freedom, the Association of Young Lawyers, and Fair Elections.

Their activity is well paid; money comes from all sides: in the last 10 to 12 years, all sorts of civil initiatives and projects with money to spend, as well as branches of such international funds as the Open Society—Georgia (the Georgian branch of the Soros Foundation), USAID, Eurasia, the U.N. Development Program, etc., came to the republic to stay. Their money is spent on selected structures and carefully avoids most of the local NGOs.

The well-paid NGOs positioned themselves as fighters for democracy and for political rights and freedoms; they were entitled to speak in the name of civil society. This is especially true of the Institute of Freedom, which headed the crusade against the Shevardnadze regime; it gave rise to the Kmara youth movement, which played an important role in the Rose Revolution. It was the revolution that revealed the fact that the country had acquired quasi-political structures in the previous 10 to 12 years instead of genuine NGOs, the vanguard and striking force of the local political groups. The Institute of Freedom, for example, was closely connected with the Group of Young Reformers set up inside the power structures. It was headed by Zurab Zhvania (speaker of the parliament before the revolution and prime minister after the revolution) and Mikhail Saakashvili, the current president of the country.

There is another tell-tale point: when President Shevardnadze and the young reformers parted ways, the Ministry of Security suggested that a law (presented as a counterterrorist measure) on monitoring monetary flows from the international structures should be adopted. In fact, this was an attempt to control the NGOs that were growing rich on foreign grants (they were known as "grant-eaters").<sup>4</sup> President Shevardnadze, however, was removed from office before he could limit the money flows.

## The Third Sector: Personnel and Value Crisis

The Rose Revolution sent the Third Sector into a crisis: before the velvet revolution its most active part had been pursuing political aims. In 2003, they were achieved in the form of the regime change; for some time the Third Sector sort of disappeared from the scene<sup>5</sup>: its activists moved up to the top. The Institute of Freedom delegated its members to the highest posts in the country: Giga Bokeria is a deputy and the de facto parliamentary majority leader; Givi Targamadze heads the parliamentary Committee for Defense and Security; Gigi Ugulava is the mayor of Tbilisi; Ivan Merabishvili is minister of the interior, Sozar Subari is ombudsman, Tamara Kintsurashvili is general director of public TV and radio; Alexander Lomaia, former director of the Soros Foundation-Georgia branch, fills the post of secretary of Georgia's Security Council; and Levan Tarkhnishvili chairs the Central Election Commission.

They left many gaps behind, not only because there were no people to fill the vacancies, but also because none of Georgia's NGOs were truly civil organizations. In fact, there was no clear line between nongovernmental and political organizations.<sup>6</sup> The new NGOs borrowed the old pattern and mode of action to fight the official powers and side with the opposition. What is more, the Association of Young Lawyers, which opposes government on all issues, is closely connected with the opposition

<sup>&</sup>lt;sup>4</sup> See: Stroitel'stvo demokratii v Gruzii. Diskussionnye materialy Kavkazskogo instituta mira, demokratii i razvitia, Series No. 1, 2003, p. 60.

<sup>&</sup>lt;sup>5</sup> See: "The Nongovernmental Sector is Waiting for New Heroes," *Mtavari gazeti*, 12 June, 2004 (in Georgian).

<sup>&</sup>lt;sup>6</sup> See: "The Vast Crisis of Civil Society," *Mtavari gazeti*, 12 June, 2004.

Republican Party. The Association is known in governing circles as the Republican Party's branch. This structure initiated by people inside the government and prominent opposition members had an important role to play in setting up a new, post-Soviet legal school in Georgia. Today it is engaged in the Georgian Government in the Scorching Sun project to reveal what they see as illegal acts of the Cabinet of Ministers and misappropriation of budget funds and the president's personal fund.

The Institute of Equality, a fairly young NGO, is opposed to the post-revolutionary government; it has already stirred up trouble, for which its activists had to pay with 30 days in prison. It applies the methods the NGO Institute of Freedom used against the Shevardnadze regime. The Institute of Equality is using similar methods against the Saakashvili regime by acting hand in glove with the regime's opponents.

Former minister for conflict settlement Georgy Khaindrava (evicted from the Cabinet two years earlier because of disagreements with Mikhail Saakashvili's team) joined the Institute of Equality. His brother is one of the leaders of the opposition Republican Party.

As for the Institute of Freedom, it is absolutely loyal to the regime. The NGO has even developed into the government's "brain trust;" today it is administered by former Kmara members. The NGO has the informal right, better described as a privilege, to offer legal political initiatives which the people at the top invariably take into account. It was the Institute of Freedom (which in the past actively supported freedom of the press) that drafted the law on ethics for TV and radio companies, which can be best described as an infringement on the freedom of speech.

This is more proof that civil society and the Third Sector have been developing in the wrong direction: indeed, instead of NGOs, the country acquired well-paid politically biased structures.<sup>7</sup>

After the Rose Revolution, the civil sector as a whole (with the exception of the structures mentioned above and some other NGOs) did not gain political weight for several reasons. Foreign funding, the bulk of which was controlled by the state, was one of the reasons. Mr. Soros, the founder of the fund that bears his name, announced after the Rose Revolution that the pre-revolutionary forms of the country's advance toward democracy and support of the civil sector had exhausted themselves. It was more important, he stated, to support the Georgian government; for some time the ministers received their wages from the fund.

The 2003-2006 Soros Foundation spent the following sums:

2003 (the year of the Rose Revolution)

#### **Total budget**—\$2,800,733.

The money was spent mainly on three priorities:

programs in the legal sphere—\$587,012;

election programs—\$332,179;

economic development programs—\$324,000.

#### 2004

#### ■ Total budget—\$2,138,939.

Three priority programs:

economic development—\$412,193;

public health—\$300,000;

regional information infrastructure-\$289,643.

7 See: Ibidem.

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#### 2005

#### ■ Total budget—\$2,723,277.

Three priorities:

public administration and local self-government—\$546,590;

public health—\$513,828;

the legal sphere—\$350,757.

2006

#### ■ Total budget—\$2,499,700.

Three priorities:

the rule of law and public administration—\$884,567;

integration and civil education-\$560,149;

support of civil society and the mass media—\$365,431.8

Today the money goes to NGOs engaged in research; very much like before, however, grants are limited to the chosen few that claim to be engaged in "expert activities" and refer to themselves as "reformers," "pro-Western" structures, etc.

Nearly all of them are closely associated with the government, which entrusted them with the task of brainwashing the public through the media. This part of the civil sector has developed into a caste of experts that monopolized the TV and newspapers, on the one hand, and a very limited group that monopolized the grants coming to the republic, on the other. Here is what they say about this in their research papers: "Foreign grants stir up social protest or envy: the incomes and living conditions of NGO members are much better than those of most of the nation."<sup>9</sup> Strange as it may seem, NGO members admit that foreign funding closes the doors of their structures to new recruits.<sup>10</sup>

Recruiting new people into already functioning NGOs is a very painful process, while most new nongovernmental structures will be left without foreign financial support, which dooms them to inaction. The lucky ones spend the money on issues of little importance for Georgian society; more often than not their projects are token (conferences, symposia, and presentations) and ignore the most urgent issues—they are busy spending the donor money on banquets rather than projects. The NGOs engaged in research activities demonstrate no mean enthusiasm when it comes to publishing works of their own members, many of which are not up to par.

Significantly, after the Rose Revolution, the donors re-channeled their money away from political toward scientific-research projects because some of the previously privileged NGOs (which positioned themselves as fighters for democracy and pro-Western structures) had moved toward academic institutions where they usurped power.

Corruption among the officials of the foreign funds is one of the worst headaches of civil society in Georgia. It is a well-known fact that the grants are limited to the NGOs represented in the donors' boards of directors. This creates a vicious circle with no light at the end of the tunnel.

<sup>&</sup>lt;sup>8</sup> See: [www.osgf.ge].

<sup>&</sup>lt;sup>9</sup> Stroitel'stvo demokratii v Gruzii, p. 59.

<sup>&</sup>lt;sup>10</sup> See: G. Tevzadze, *Georgia: "Power has Returned"*, Tbilisi, 2003, p. 77 (in Georgian).

# The Opinion Leaders or Quasi-Experts: How the Mass Media Falsify Public Opinion

Civil society in Georgia has names of its own: these are the names of those who the media popularize and whose political commentaries are actively promoted. This is especially true of television, which skillfully ignores the prominent cultural figures the nation respects and whose opinions are cherished to fill its time with the same faces making the same statements.

The media explain their obsession by claiming that the people they present as opinion leaders, who express the will of civil society, enjoy authority and popularity among the public.

The Georgian electronic media divide this selected group of opinion leaders, or defenders of the interests of civil society, into several categories: experts (political scientists and economists); a narrow circle of journalist colleagues; cultural figures (writers, film directors, artists, etc.); sportsmen; and showmen.

They form the very narrow circle the electronic media describe as popular and, on the strength of this, allow them to address the TV audience in the name of the civil sector. This practice alienates civil society from the media, since the latter are creating a "micro-civil society" of their own, a sort of a virtual world in which they rule and refuse to look for new faces in civil society.

In some cases, members of civil society pose as Third Sector activists, in others they present themselves as academics or journalists (or both together). Members of the same NGO, for example, control numerous funds, universities, and even public television. In the past, it was television that moved these NGOs to the forefront and called them the "civil sector."

Later, the same NGOs and the so-called experts that belonged to them monopolized the public sector. On the one hand, cooperation between the media and the NGOs—together they form the core of the Third Sector—can be described as natural. In Georgia, however, the politicized media are exploiting politicized NGOs in pursuit of political aims, or vice versa, the NGOs are exploiting the media to simulate a reality in which the public has no say. In this way, the wrong people are speaking in the name of civil society, while the right people with the will to promote public interests have no money to work for the good of society. They are left out in the cold, behind the closed doors of such civil institutions as the media.

For example, public TV runs a daily Commentary of the Day program that uses the same "experts" to inform the nation about the country's political life. Sometimes this ends in absurdities: as soon as one program ends on one channel, the host and guest change places to start another analytical program in the same studio. Such "experts" know everything, ranging from Georgia's integration into the Euro-Atlantic structures to global warming and the decline of the reproductive function in Georgian women. Recently the founder of one of the "expert" NGOs analyzed the economic situation in the country on the radio. When asked by one of the listeners about some details of the subject under discussion, the expert explained: "I know next to nothing about finances—I am an expert in economic issues." The larger part of the "expert" NGOs consist of this type of character who wants nothing but money or, at the very least, contacts with the media. In this way, experts with neither professional knowledge nor adequate experience become the "faces" of civil society.

The Georgian media have a weakness for NGOs with names that include important-sounding words such as "international:" in fact, they mesmerize many (at least that part of society with fairly limited ideas about the world). The press multiplies such opinions with great enthusiasm. They all follow the rule: the opinions NGO members offer the media should fit the interests of the media which,

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in turn, obey the instructions of their owners. This explains why in this country the NGOs and the media do not defend public interests and cannot be described as *vox populi*. They have a different role to play—that of political supporters of the groups engaged in political struggle.

This was amply confirmed by the pre-term presidential election held on 5 January, 2008 and the personnel shifts at the very top the elections entailed. Obviously, the country's political elite has strong doubts about those NGO members who, abetted by the media, assumed the role of experts or even of national "spiritual leaders." Not long ago, the most active "experts" spoke in the name of professional (the political scientists' community among others) and public circles. The opposition used the recent presidential election to accuse them of complotting with the government, even to tag them as "satellites of power." The fact that, together with foreign observers, the members of 44 Georgian NGOs also monitored the presidential election merely added fuel to the fire.<sup>11</sup> The most active of them were the NGOs that indirectly sided with the government. The nation was infuriated by the fact that the exit polls (ordered by three Georgian TV channels) were conducted by the NGO headed by the wife of Levan Tarkhnishvili, Chairman of the Central Election Commission. The nation was offered one more surprise: two political experts who demonstrated no mean activity in the exit polls as representatives of the public were appointed ministers. These exit polls' results essentially coincided with the official figures which supplied the government with an additional argument for denying the accusations of election result falsifications.<sup>12</sup> The appointments revived the talks about the crisis in the Third Sector.

## Conclusion

Today the government and the opposition have monopolized the playing fields of Georgian politics and public life. The institutions of the political system, which should be independent of the two players and pursue democratic values, lost their positions.

In recent years, some of the institutions of civil society have acquired additional influence, but this did nothing to stir up the public movement, which should in principle remain independent of the government sector and other political entities (political parties, elites, etc.). At the same time, the country has a vast (still undeveloped) resource in the form of so-called public capital, which will sooner or later become strong enough to replace the surrogate Third Sector.

<sup>&</sup>lt;sup>11</sup> See: Speech of President of Georgia Mikhail Saakashvili to the Parliamentary Assembly of the Council of Europe, 24 January, 2008.

<sup>&</sup>lt;sup>12</sup> Rustavi-2 TV Channel, Prime-Time program, 28 January, 2008.