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## **LOCAL SELF-GOVERNMENT PECULIARITIES AND DEVELOPMENT PROSPECTS IN GEORGIA**

### **Abstract:**

Local self-government a sign of the country's democratic development, one of the basic principles of people's government. For real decentralization implementation it's necessary to improve legislation in this field. Countries Economic growth, sustainable economic development and solving of social problems is achievable with suitable local self-government system. Local self-government is in the process of formation in Georgia.

The goal of the study is to evaluate the role of self-government, reveal its the problems in Georgia and identify its developmental perspectives. The practical study is based on the qualitative study of the self-government of Georgia. The study used questionnaires and interviews, as well as graphical, grouping and comparison methods.

The research outcomes show the peculiarities of establishment and trends of development of self-government in Georgia. The novelty of the research is the opportunity to evaluate the existing state of self-government and prospects for its development and work out the recommendations to improve the efficiency of the self-government in the country.

### **Keywords:**

self-government, decentralization, democracy, local development, independence

**JEL Classification:** A19, R58, R50

## **Introduction**

Local self-government plays one of the most important roles in the state government system. It is the right of the citizens to form local bodies at the self-governing units consolidated by the Constitution and solve the local problems through them (Narmania, 2012). Local self-government is the mechanism and the people's opportunity to solve the local problems without engaging any forces from the high echelons, elect local self-government at their discretion and control it (Svanishvili, 2010).

The question of local self-governing is particularly important in Georgia. Following the challenges of the country, with territorial, social-economic, internal ethnic, demographic and global problems being most important, this question seems even more topical. In recent decades, significant steps were made in this direction. However, the establishment of self-government takes a slow course. There are still difficulties on the way to achieve the desirable level of self-governing. This, on the one hand, needs relevant supporting measures from the state administration and greater understanding of the local bodies of their extended role in accomplishing the local activities on their own (Mikiashvili, Chokheli, 2013).

Consequently, the goal of the study was to reveal the peculiarities typical to the local self-government in Georgia and identify the ways to perfect it. Following the above-mentioned, the following objectives were identified:

- Identifying the role of self-government.
- Evaluating the peculiarities of self-government in Georgia.
- Developing the recommendations to perfect self-government.

The object of the study is local self-governing authorities of Georgia. The research process is based on the qualitative and quantitative studies. The study uses questionnaires, interviews and information sources of the companies, as well as graphical, grouping and comparison methods.

The results of the study are important for self-governing bodies and any concerned entity to understand their roles and accomplish their activities independently and efficiently what will contribute to the improved wellbeing of the society.

## **Development of local self-government in Georgia**

Establishment of local self-government in Georgia is important, like for any European country. Local self-government secures the right of the local authority to regulate an important part of social life within the limits of the law, under its responsibility and in the local people's best interests (Narmania, 2010).

The history of statehood of Georgia gives numerous facts of local self-government. However, the famous events having taken place long ago, specifically, the demolition

of the Georgian state and the political and social-economic situation in the country halted the development of the self-government in Georgia.

The first phase of the self-government development can be considered the 1860s when the administrative reform led to the formation of the city self-government enjoying some independent, but limited rights (Svanishvili, 2010).

The next stage lasted from 1921 through 1991, marked by the establishment of the local Soviets oriented on the realization of local activities. However, in the Soviet era, centralism was recognized as the main principle to build and run the local self-government system formally allowing the independence and the initiative of the local bodies of government, but factually, establishing a system realizing the principles of strict centralization of the authority. With such a state of affairs, it may be said that the Soviet system of local government had nothing in common with the local self-government.

Active development of the system of local self-government started in 1991-1997, following the multi-Party Elections on October 28, 1990. It was in this period when the shift from the centralized system to the decentralized one and formation of the local self-governing bodies was planned. Laws "On the Self-Governing Bodies in the Transient Period" and "On the Competence of Sakrebulo, the Representative Bodies of Local Government, and Organization of Their Performance" designed to establish the legal basis for the transitional system of local government were adopted.

Decentralization was considered as the basis to realize self-government in 1997-2003. Transformation of the centralized government, establishment of self-governments and isolation of the responsibilities and resources of the state central and local bodies was legally formulated in 1997 by adopting the Organic Act "On Local Self-Government and Government".

The years of 2003-2012 can be considered as the next stage. An important document ratified by Georgia in October of 2004 and enforced on the territory of Georgia on April 1, 2005, was "The European Charter of Local Self-Government". The major principle of the European Charter underlines that the principle of local self-government must be recognized in domestic legislation, and when practicable, in the Constitution. Under the Charter, "Local self-government denotes the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interests of the local population". However, despite the attempts to establish the self-government and declaration of the urgent need for decentralization, this period, and the year of 2008 in the first instance, and the following period, is considered as the period of hyper-centralized administration, when the central authority instituted strict control over the rights of the local self-government.

Planning a number of measures regarding self-government in 2012-2014 and the following period to the present day can be considered as the next stage of the development aiming at changing the existing system of government in the country,

which failed to render adequate public services to the population or engage the society in the decision-making process. The strategy of decentralization of the government of Georgia and development of self-government was developed. The major principles of the strategy were the establishment of the self-government in the country with the focus on the country citizens and realization of real decentralization (). This process in Georgia is ongoing and has certain peculiarities.

## **Methodology**

The study aimed at identifying the peculiarities of self-government and considering the developmental perspectives. The study was based on the qualitative and quantitative analysis by using the governmental reports and assessments of various organizations. Within the scope of the study, questionnaires were developed and distributed among the self-governments both, via mail and personal communication.

Local self-governments were selected for the study. At present, there are 69 self-governing units in Georgia, including 64 municipalities and 5 cities with special status (Tbilisi, Kutaisi, Batumi, Poti and Rustavi). Most thorough information was received from 35 self-governing units and 4 cities with special status. The gained data were analyzed by using computer software MS Excel-2012 and by using graphical, grouping and comparison methods.

The following questionnaires were used during the study:

The first questionnaire inquired about the degree of readiness of the self-governing units and special-status cities to realize the self-government principles locally, without the interference by the central government.

The second questionnaire inquired about the major problems on the way of the realization of the principles of self-government.

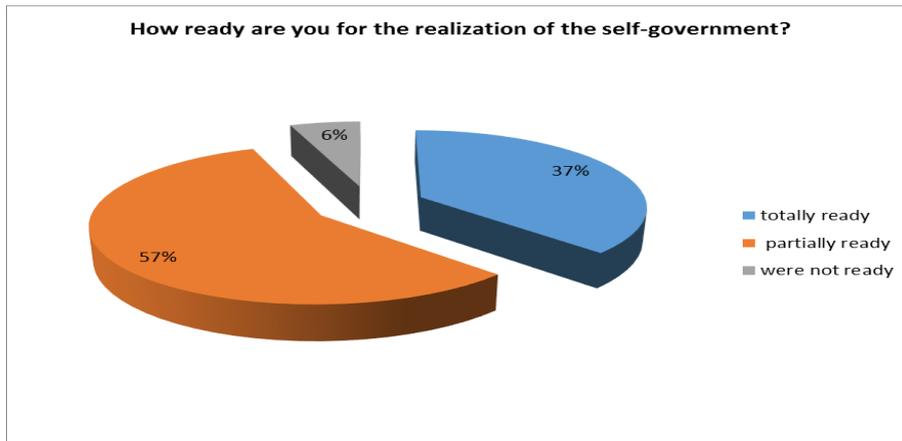
The third questionnaire tried to evaluate the activities of the local self-government by the local population.

## **Results**

The study gave the following results:

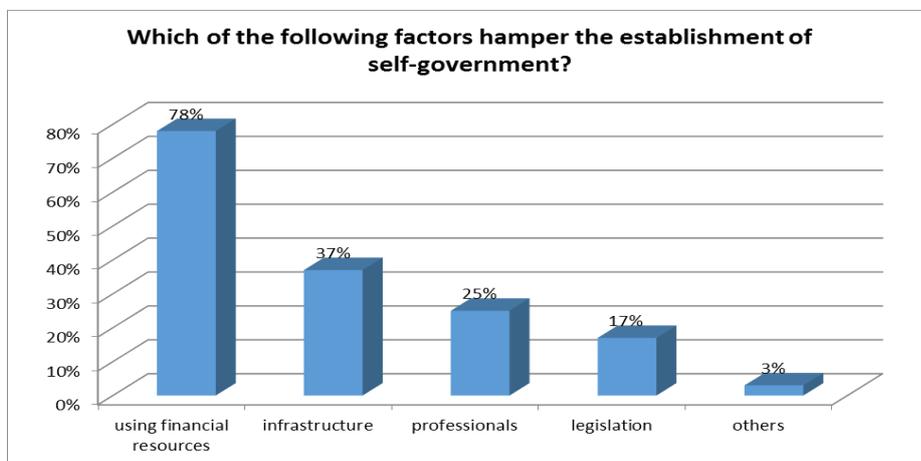
As the results of the first questionnaire show, 30% of the local self-governing bodies and 100% of the cities with special status were totally ready to realize the principles of self-government, 75% of them were partially ready, while the remained respondents consider that they were not ready for this arrangement (Figure 1).

Figure 1. Readiness for self-government

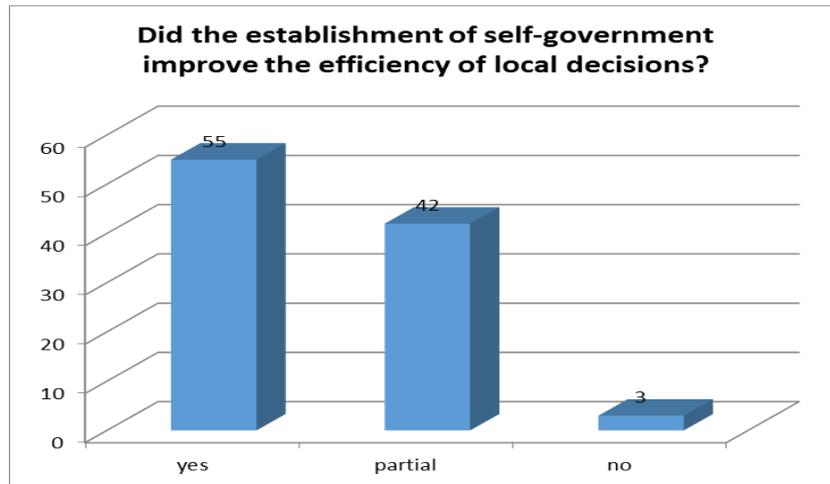


As the results of the second questionnaire show, the municipalities name the lack of independence in using financial resources, as well as lack of the appropriate infrastructure, imperfect legislation and lack of professionals as the factors hampering the self-governing. Specifically, 78% of the municipalities consider the lack of autonomy in using financial resources as the hampering factor, 37% of consider the problem is the lack of relevant infrastructure, 25% of respondents think that the lack of professionals is the problem and 17% of them think that the legislation needs improvement (Figure 2).

Figure 2. Self-government factors in slowing



As the results of the second questionnaire suggest, most of the population considered that the establishment of self-government and measures accomplished in 2012 have helped solve many problems of the municipalities, which could not be solved for decades. Specifically, 55% of the population thinks that self-government has improved the efficiency of problem-solving, 42% think that such improvement was partial and 3% think that there was no improvement (Figure 3).

**Figure 3.** Effectiveness of self-government

### Conclusion and Recommendations:

Following the results of the study, we may conclude that the model of local self-government is still inefficient in Georgia. It fails to ensure the thorough realization of the administration functions and consequently, fails to contribute to the efficiency of the decisions made at the administration level.

Consequently, the following measures seems appropriate:

- ❖ Ensuring maximum improvement of the effective legislation in the field of local self-government.
- ❖ Giving the opportunity to the citizens to participate in the decision-making processes of the self-government.
- ❖ Giving more freedom for the managers in decision-making.
- ❖ Securing more financial independence for the self-governments and more freedom for the managers in decision-making. At present, the municipalities have no appropriate budgets needed for efficient administration. They receive the funds from the budget and only few decisions are financed through the local budgets. The degree of autonomy of the municipalities is consequently low.
- ❖ Attracting and employing qualified personnel, as one of the reasons for the management inefficiency at the local level is often the lack of the duly qualified personnel.

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