

## Cities of the South Caucasus: a view from Georgia

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in questo numero in this issue

### Cities of the South Caucasus: a view from Georgia

A cura di | Edited by David Gogishvili & Alessandro Coppola

David Gogishvili & Alessandro Coppola\_p. 5

Editorial

Joseph Salukvadze\_p. 19 Urbanization Trends and Development of Cities in Georgia

Gvantsa Salukvadze & Temur Gugushvili\_p. 33 Geographic Patterns of Tourism in Urban Settlements of Georgia

Suzanne Harris-Brandts\_p. 45
Building Vacancies: Tourism and Empty Real Estate in Batumi

Madlen Pilz\_p. 59
Speaking, Building, Shopping:
A Social-Anthropological Approach
to the Post -Socialist Condition of Tbilisi

Joseph Sparsbrod\_p. 73 "There Was Communality." Narrating Transformations in Old Tbilisi

Appendice | Others

In the Caucasus\_p. 88
Progetto fotografico di | Photographic project by
Corinna Del Bianco

Profilo autori | Authors bio p. 101

Parole chiave | Keywords p. 104

# Cities of the South Caucasus: a view from Georgia

## **Urbanization Trends** and Development of Cities in Georgia

by Joseph Salukvadze

# Urbanization # City development # Georgia

After the collapse of the Soviet Union, urbanization rates dropped in Georgia. It was a result of mass out-migration of population and decrease of natural growth. The capital city of Tbilisi succeeded to retain most of its population, while the most of second-tier cities and smaller towns have experienced and still are undergoing population decline or significant shrinkage. Over a couple of decades, many settlements without obvious success are scrambling to find new economic bases to build the development on, and make their urban structures more competitive and attractive for investments, as well as for population. Meantime, the urban system of the country experiences unproportioned dominance of capital metropolis over the rest urban areas in terms of population, economic development and welfare continue to grow.

The internal structures and urban forms of cities, especially capital metropolises have also undergone significant changes. Privatization of real estate and land parcels along with the extreme commercialization of construction and development businesses dramatically changed many urban neighbourhoods, cityscapes, and strongly influenced the social composition and cultural traits of large cities. Over last two decades, housing development became by far the leading driver of spatial growth and, in some cases, territorial sprawl. Meantime, production of the huge amount of new housing spaces didn't solve a problem of housing affordability, homelessness, and urban poverty. Furthermore, new urban environmental challenges have occurred with private appropriation and reduction of public open spaces and green areas, while growing individualization of mobility patterns (use of private cars) and transportation modes added to ecological problems which always existed in big cities. Urban spatial planning has lost its former importance and often fell under influence of commercial and political interests.

The purpose of this chapter is to identify main trends and features of urban development in the cities of Georgia and provide an analytical overview on ongoing and upcoming urban processes across different types of cities.

#### Introduction

Georgia is a small country in the South Caucasus region with a territory of 69.700 km<sup>2</sup>. After ethnopolitical conflicts of the early 1990s and the Russo-Georgian war of 2008 two areas of Georgia – the Abkhazian Autonomous Republic and part of Shida Kartli Region (known also as South Ossetia) – have been occupied and put under the control of the Russian Federation. Georgia has a population of 3.718.2 thousand persons (as of 1 January 2017), out of 1 Further, in the text all which 57,2% lives in urban areas and 42,8% in rural places (GeoStat 2017).1 Georgia is classified by the World Bank<sup>2</sup> as a lower-middle-income economy.

data is presented for the territories under effective Georgian jurisdiction, if not stated otherwise.

<sup>2</sup> See http://data.worldbank. org/country/georgia

After a dramatic depression in the 1990s, when GDP per capita dropped below 1.500 USD<sup>3</sup>, the economy started to grow again and rose up to 3.852 USD<sup>4</sup> in 2016.

Following the collapse of the Soviet Union in 1991, as in the case of other post-communist countries, Georgia engaged in a long political, economic and cultural transition to capitalism. The transition imposed a strong imprint on the processes of urbanization and on the national urban system, on the one hand, and on the internal structures and urban forms of cities, on the other. Under the influence of a long series of neoliberal reforms, the economic basis of urbanization changed dramatically, the institutional set-up of city governance was deeply transformed, urban spatial planning lost its former importance, and the functional and social differentiation of the urban society accelerated.

In other words, Georgian cities underwent a process of *multiple transformations* which includes (i) *Institutional transformations* with democratic government elections, privatization of state assets, prices and foreign trade liberalization; (ii) *Social transformations* with economic restructuring, social polarisation and the rise of a postmodern culture and neoliberal politics; (iii) *Urban transformations* with city centre commercialization, inner-city regeneration, suburbanization, etc. (Sýkora & Bouzarovski 2011, p. 46).

Moving from this context, the purpose of this article is to provide a comprehensive overview on the process of urbanization in Georgia, identify main trends and features of spatial development in its cities, and analytically review ongoing and upcoming urban processes of change across different types of cities. In doing so, I mostly apply a desk research method which is based on the consultation of official statistical sources — mainly produced and published by the National Statistics Office of Georgia-Geostat — as well as on the review and analysis of scientific literature (see references), reports of international (e.g. the World Bank, UN-Habitat) and local agencies/ministries and other relevant publications.

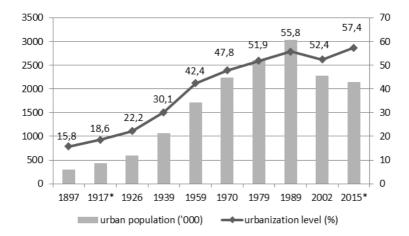
#### Demographic features and urbanization trends

After a relatively fast urbanization driven by the Soviet industrialization policy in 1930-1950s encompassing all member republics, Georgia's urban population experienced moderate growth rates and after the collapse of the Soviet Union in 1991 even started to experience a decrease. It was only in the second half of the 2000s that the share of the urban population started to grow again, reaching its all-time pick in 2015 (see Fig.1).

However, this rebounding of urbanization was coupled with an overall shrinkage of the national population. In fact, over the last 25 years, Georgia experienced a dramatic population decline with a drop from 5,4 mln to just 3,7 mln, i.e. almost by 1/3. While securing a very low but still positive natural increase rate (from 0 to 4 %) during the post-soviet years, Georgia became a country of mass emigration, especially during the 1990s, with a net

**<sup>3</sup>\_**See http://data.worldbank.org/indicator/NY.GDP.PCAP.PP.CD

**<sup>4</sup>\_**GDP in current prices in 2014 (see http://www.Geostat.ge/index.php?action=page&p\_id=119&lang=eng).



migration balance that in the years 1990-1997 was negative for ranging from a total 620.000 to 1 million people (Salukvadze & Meladze 2014, pp. 152-153).

Mass emigration led to a stagnant demographic situation in the entire country, as well as in its urban areas. By 2016 the crude birth rate in urban areas decreased to 15,2% and the crude death rate had significantly increased to 13,7% with the rate of natural increase consequently dropping from 7,8% in 1989 to 1,6% in 2016.

Very significant were also the changes affecting the age and sex composition of the population: in 2017, the share of population under 15 decreased from 24,3% in 1989 to 19,5% while the share of people of 65+ almost doubled from 7,8% in 1989 to 14,5%. In the period between the last two population censuses (2002 and 2014) the median age of the population grew by 2 years to 38,1 (35,9 for men and 40,1 for women) while the average size of urban households contracted from 4 in 1989 to slightly more than 3 persons in 2016.

Additionally, and most importantly, mass outmigration has constituted a brain drain that had a particularly negative influence on the availability of human capital in urban areas. In fact, "Whereas rural-urban migration made up merely partially for urban population losses, it compensated even less for the deficit in qualified urban labour" (UN-HABITAT 2013, p. 207).

**Fig.1**\_ Urban population change and urbanization rates in Georgia over last century (based on the population censuses).

Source: Compiled by the author based on Jaoshvili 1978, p. 63;

Various Authors 2003, p. 27, and National Statistics Office of Georgia (Geostat).

Note: \* data is based on estimation

#### The urban system and hierarchy

There are 91 urban settlements – 54 towns/cities and 37 dabas – in Georgia. Almost all of them – besides very few as in the case of Batumi, Mtskheta and a couple of smaller towns – have lost population since the collapse of the Soviet Union. The population decrease was the most dramatic in so-called monotowns – cities depending on a single industrial sector like Chiatura, Tkibuli, Zestaponi – that lost up to one-third of its inhabitants, a decline determined by the collapse of industrial production and the subsequent relevant worsening of socio-economic conditions (UN-HABITAT 2013, p. 214).

An underdeveloped urban hierarchy with an unproportional hegemony of the capital city over other urban settlements is characteristic of Georgia. Traditionally, Tbilisi has always been by far the largest city and its dominance has gradually strengthened during the Soviet period when the capital cities of smaller Soviet Republics became the object of large investments aimed at increasing their industrial and military potential, infrastructural strength and human capacity, while other cities were almost ignored. This trend continued in the post-Soviet free-market period with Tbilisi, almost the only internationally competitive city in Georgia, gaining even larger importance and strength compared to other cities of the country. Today, it concentrates more than half of the urban population and almost 30% of the overall population nationwide (Salukvadze § Golubchikov 2016). Moreover, the capital possesses a very high share of the economic, social and cultural capital — as well of their actual development potential- as compared to other urban settlements.

The population gap between Tbilisi – that stands at 1,14 million inhabitants – and the other cities is therefore very large (GeoStat 2017). The three largest cities following Tbilisi count a population ranging from 100.000 to 200.000, and they altogether concentrate less than 0,5 million citizens (18% of all urban population). Meantime, the difference between Tbilisi and the second largest city, Batumi – that counts 155.000 inhabitants – is more than 7-fold (GeoStat 2017).

Another significant gap in the Georgian urban hierarchy is that between the big and smaller cities/towns since there is no middle-size settlement with a population ranging from 50.000 to 100.000. Most towns (31) with a population under 50.000 have in fact less than 10.000 residents. Equally interesting is that fact that almost 96% of all urban settlements is represented by smaller cities, towns, and dabas that concentrate less than 1/3 of the total population.

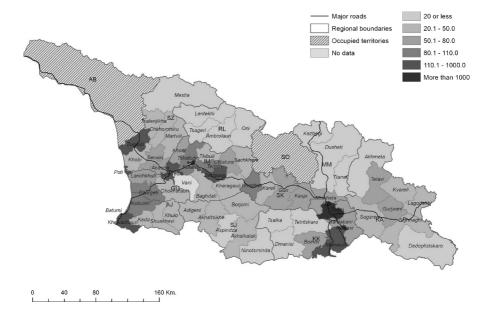
Furthermore, urbanization in Georgia is characterized by huge territorial disparities since the country is very unevenly covered by urban settlements. Almost 70% of the urban population is concentrated on 1% of the territory<sup>8</sup> that comprises the areas located within the administrative limits of the four largest cities: Tbilisi, Batumi, Kutaisi and Rustavi. This situation creates very large differences in urbanization levels between different municipalities and regions of the country, as well as it determines significant difference in population densities. The majority of cities in Georgia, especially the largest ones, are located in the narrow valley between the mountainous ranges, branches,

**5**\_Georgian organic law 'Local Self-Government Code' (adopted in 2014) distinguishes two types of urban settlements in Georgian context: Town (City) and Daba; the letter is a smaller non-rural place (translated as township or borough in English).

**6** Daba is a type of settlement in Georgia, a "small city". In present-day Georgia, daba is typically defined as a settlement with the population of no less than 3.000 and established social and technical infrastructure. which enables it to function as a local economic and cultural centre; it, furthermore, should not possess large agricultural lands. The status of daba can also be granted to a settlement with the population of less than 3.000, provided it functions as an administrative centre of the district (municipality).

7\_In this report we refer only to those settlements that are under effective control of the Georgian government; settlements on the occupied territories of Abkhazeti and Tskhinvali region (s.c. South Ossetia) are not considered.

**8**\_Territory of the entire Georgia, including occupied territories, is considered.



and plateaus of the Greater Caucasus and Minor Caucasus, along with the Fig. 2 Population density only highway running from the east to the west towards the coastline of the Black Sea (see Fig. 2).

by municipalities (persons/ km2).

While Georgia's national average population density amounts to 53,5 persons/km<sup>2</sup> the territories of few municipalities represented by the largest self-governing cities have densities exceeding 2.000 persons per km<sup>2</sup>, coming to represent the truly focal places in terms of population concentration in the country.

A World Bank study called "Georgia Urbanization Review" (Salukvadze 2013) showed that the location and economic performance of cities in Georgia are closely linked to market access indicators such as (i) proximity to major highways, (ii) distance to the capital city of Tbilisi, (iii) distance to Big Four cities (Tbilisi, Batumi, Kutaisi and Rustavi), and (iv) vicinity to the Black Sea ports (Batumi and Poti). Presumably, a better location is positively correlated with the population size and market size/capacity on the one hand, and further correlated with infrastructure and utility provision on the other.

#### Economic background of urban development

More than 70% of GDP is produced in urban areas, while the share of the primary sector – agriculture, forestry, and fishery- is less than 10% (7,9% in 2016, see Geostat). Trade, transport and communication and other tertiary and quaternary sectors that mostly cluster in urban areas show positive trends of growth. Their share in the national GDP during the last two decades rose from just over 45% to nearly 70%, while manufacturing also increased to more than 20% in recent years (24,5% in 2016) (Geostat 2018). All data that indicate a "sectoral shift away from agriculture and towards services" that "places the

Source: World Bank 2015, p. 17, based on Geostat.

spotlight on cities as engines of national growth" (World Bank 2015, p. 13).

Meantime, in spite of a strong correlation between urbanization and economic growth, urban areas could be performing much better as "Georgia is punching below its weight for its level of urbanization" (ibid., p. 9), lagging behind some of comparable regional neighbours like Azerbaijan, Romania and Slovakia, all of them with significantly higher GDP per capita rates.

An abrupt economic collapse followed the disappearance of the all-Soviet market in a couple of years after the demise of the USSR put Georgia's economy under tremendous pressure, impacting with particular violence the economies of mono-industrial mining and manufacturing cities. Most of them failed to recover up to now and still seek a new economic basis to leverage on to achieve future development. Along with population loss, many cities and towns are experiencing high rates of unemployment and therefore of poverty and social vulnerability. The existence of displaced people (IDPs) from occupied regions further aggravates this problem.

There is a clear correlation between urbanization share in GDP and regional production specialization. Tbilisi, the most urbanized place of the country generates almost half of the national Gross Value Added (GVA) that is entirely produced by the tertiary or quaternary (around 80%) and industrial sectors (around 20%). Imereti, Adjara and Shida Kartli, preceded by the three big cities of Kutaisi, Rustavi and Batumi contribute by about 10% each to the national GVA

Although the official statistics report a quite moderate nation-wide unemployment rate – 11,8% in 2016° – urban unemployment is quite high – more than 20%- a level that is about 4-times higher than in rural areas. However, it needs to be noted that "[t]his appraisal does not take into account the huge underemployment in the countryside, which does not reflect in the unemployment rate (ADB 2016, p. 57)". Underemployment and self-employment are often positively related with poverty, that is about 50% higher in rural places than in urban areas. Consequently, average monthly income per household is almost 25% higher in urban areas as compared to rural areas with the capital metropolis of Tbilisi (GEL 1.199) and the predominantly urban Adjara (GEL 1.022) on top of the list (Geostat 2015).

There is also a large gap – almost 10% – between urban and rural areas regarding relative poverty with the 2/3 of Georgia's relatively poor living in rural areas (MRDI 2015, p. 24). Persisting high poverty levels can be explained by jobless economic growth and low agricultural productivity, twinned with inappropriate human capital and narrow labour markets (Gugushvili 2011). Among the city poor, besides traditional groups such as pensioners, disabled and multi-children families, internally displaced persons (IDPs) should be mentioned: they were more than in 2014 with a large majority of them residing in cities (MRDI 2015, p. 7).

**9\_**See http://www.Geostat.ge/?action=page&p\_ id=145&lang=geo

#### Socio-economic patterns of Georgian cities

The huge differences between the cities and towns of Georgia in terms of population, economic profile, human capital and other factors determine their different roles in the urban system. According to their importance in the national economy and level of socio-cultural development, they could be grouped into three main types (World Bank 2015):

- (i) 'Big 4' growth poles Tbilisi, Kutaisi, Batumi, Rustavi;
- (ii) Regional centres with a more localized economic gravitational pull;
- (iii) Secondary urban economies with market access and opportunities depending on the growth potential of the 'Big 4'.

The 'Big 4' are the distinguished growth centres of Georgia. Besides Tbilisi's undisputed dominance in terms of population size, economic potential, share in GDP/GVA, etc., the aggregate strength of all big cities is even more impressive. Tbilisi's genuine diversified economic basis and most favourable investment environment, which allowed attracting nearly three-quarters of incoming FDI (Geostat 2016), in combination with the potential of the remaining three big cities make these group unchallenged: it almost fully represents Georgia's human, economic and intellectual capital. The cities of 'Big 4' are leaders of trade and business nation-wide and they have, especially Tbilisi, a broad obligation to lead Georgia's economy to a path of sustained growth. Additionally, Tbilisi is a centre of the largest and only agglomeration (TA) in Georgia concentrating around 1,5 million inhabitants although it hasn't any legal and institutional status so far.

Besides Tbilisi, all big cities take advantage of their location on the trade corridor, though each has a slightly different economic base and comparative advantage. Batumi draws its advantage from its strategic location as a tourism hub and Georgia's secondary port on the Black Sea, Kutaisi is a provincial capital with a faltering industrial base that needs to be reconverted, a traditional high education centre and a newly emerged tourism hub (after opening the international airport in 2012; see also Salukvadze and Gugushvili in this issue), and Rustavi is an industrial hub that enjoys the advantages of its proximity to Tbilisi (World Bank 2015).

Each of these cities could be doing better in terms of capitalizing on their market access through developing stronger private-public partnership, developing clear vision and priorities for city's development and combining business environment improvements with targeted sectorial interventions. In addition, they are positioned to facilitate the growth of secondary urban economies by establishing links with them as local input and output markets.

The Regional Centres are further away from the highway corridor and less connected to the growth centres. Nevertheless, these cities serve an important function as administrative capitals and serve a more localized market for smaller towns and rural areas in their vicinity. Gori in Shida Kartli, Telavi in Kakheti and Zugdidi in Samegrelo are good examples of such cities.

The Secondary Urban Economies are represented by relatively small towns

and some of them may be seen as the lower tier of growth centres for Georgia. The majority of them still struggle with fundamental issues such as adequate funding, basic services, and infrastructure.

It is obvious that in Georgia only big cities with population of more than 100,000 have enough potential in terms of population and economic growth, human resources, institutional capacity, economic performance, ability to develop innovative technologies and creative approaches, investments' attractivity to be considered as distinguished actors and major growth poles for sustainable urban and national development.

#### Changes in city development

Borén and Gentile (2007) in their discussion on metropolitan processes in post-communist states identify several key significant socialist-era legacies such as central planning, land allocation, <sup>10</sup> the second economy, the centrality of defence considerations that continue to mould the course of events in the urban scene. Meantime, when theorising the multiple transformations produced during the post-communist era and characterizing cities under these transformations, Sỳkora and Bouzarovski write: "Cities in former communist countries can no longer be seen as socialist cities... Yet, they are not fully developed capitalist cities either" (2011, p. 44). This perspective seems to apply to Georgian cities since, especially large metropolitan cities, perfectly fall under a general pattern of post-communist cities that while becoming modernized, market-driven, socially differentiated they still keep traits and legacies of Soviet cities.

Drawing from a quite limited body of scholarly research dedicated to problematics of Georgian cities such as housing, transportation, planning, public spaces (Assche et al., 2009, Grdzelishvili and Sathre, 2011, Neugebauer and Rekhviashvili, 2015, Polese et al., 2015, Gonçalves et al., 2016, Salukvadze and Golubchikov, 2016, Gogishvili, 2017) we can identify some main issues and trends.

The prime feature of post-communist transition in Georgia has been the mass privatization of land, housing, and other economic assets and sectors. Among all post-Soviet countries, Georgia introduced apparently the highest degrees of free-market liberalism through its reforms, however this shift towards private ownership and entrepreneurship did not always translate into economic growth and prosperity, as well as into a better city environment and urban order (Salukvadze 2009; UN-HABITAT 2013).

The second is the decline of the role of spatial planning that in soviet times was entirely centralized and subsidized by the state during. For almost two decades after independence Georgian cities have undergone changes without a strict and systematic abidance to master plans and other essential planning documents, driven mostly by real property market forces and influential stakeholders' - private business/developers, and governmental groups - interests. The departure from the Soviet spatial planning system produced a vacuum which was not filled up by any new system (Salukvadze 2009; Van

<sup>10</sup> Land allocation means delivery/arrangement of land parcels to different land users – public entities and/or private persons/tenants.

Assche and Salukvadze 2012). This trend has had especially strong and mostly negative impact on spatial changes of more vibrant bigger cities like Tbilisi and Batumi, while in smaller, economically stagnant towns, such changes did not occur at significant scale. Only in 2005, the Georgian law 'On Territorial Arrangement and Urban Planning' was adopted, which introduced new general principles and frameworks of urban planning and development (World Bank 2016, p. 30). However, the implementation of this law took more years and production of master plans of some important cities took place only starting with the 2010s. For instance, Tbilisi got its first post-Soviet master plan (general land-use plan) only in 2009 and in 2018 its updated version will be introduced.

The third is the leading role of housing construction played in the territorial growth in almost all cities. Immediately after independence, the housing stock in Georgian cities has been privatized and sold to sitting tenants (Vardosanidze 2010). After the so-called 'housing hunger' of Soviet times caused by a strictly limited provision of living space per dweller (less than 9 m²), a relatively low housing quality and the very long waiting lists to acquire new dwelling, the newly emerging homeowners rushed to improve their living conditions. During the 1990s when there was almost no new residential construction in the cities caused by political unrest and economic crisis, housing 'improvement' took mainly the form of so-called "apartment building extension" (ABE). This semiformal format of 'Do-It-Yourself' practices was a tool for the deployment of *in situ* housing adjustment and social resilience strategies (Bouzarovski et al. 2011) that have helped thousands of urban households to acquire additional living space, though at a cost of deteriorated building safety and aesthetic appearance.

From the 2000s, along with the relative improvement of the economic situation, the construction of new residential high-rises took place in the big cities and by the time being it reached a truly massive character. This production offered to better-off households new, spacious and better-quality housing that was non-existent in the Soviet times. The financial sector played an important role in the construction boom with banks showing "increasing willingness to finance these housing developments" (UN Habitat 2013, p. 220), Construction of new housing was also fuelled by remittances of those Georgians working/living abroad who considered buying real-estate properties to be a secure investment both in the perspective of re-selling an of renting the new apartments (Gentile et al. 2015). This triggered both heavy competition for the best urban sites for multi-apartment housing and significantly higher housing prices, which grew exponentially during last 15 years, reaching 1.5-2 thousand USD/m<sup>2</sup> in the central parts of Tbilisi. Mass provision of expensive commercial housing – often exceeding the still low average incomes – rendered housing unaffordable for the great majority of citizens (UN-HABITAT 2013; World Bank 2015). As large segments of the population remain unserved, housing inequality and segregation grew (Salukvadze 2016). The liberalization of urban governance, the deployment of deregulatory tools in property and construction activities, the simplification of bureaucratic procedures put Georgia on top of many international rankings (e.g. Doing Business surveys rank Georgia

among top positioned countries overall  $-9^{th}$  in 2017 and 2018- with high positions in property registration and issuing of construction permits).<sup>11</sup>

However, at the same time, the housing boom together with some other out-of-control urban processes like congested traffic, air and water pollution, etc., has threatened the urban environment and ecological situation in many cities, especially in urban metropolises. First, urban public open spaces dramatically shrunk as they became targets for investment from housing and other building developments as high-rises have mushroomed in city gardens, parks, boulevards and other vacant land plots - e.g. residential, industrial or school courtyards- especially in the centrally located areas of towns. Second, after the disappearance of more sustainable and clean public transport systems such as trams and trolleys already in the first years of the 1990s, private cars and micro-vans (so-called marshrutka) became the dominant mode of passenger conveyance in all cities (only Tbilisi has metro/underground transport). The dramatic growth of motorization in the last few years- according to experts<sup>12</sup> in Tbilisi car ownership exceeded 600 vehicles per 1.000 inhabitants ratio- of traffic congestion, unrestricted usage of obsolete second-hand cars and of low-quality gasoline became by far the primary reason of air pollution and of other ecological problems in urban areas. Third, unregulated, often informal, constructions in river valleys, poor utility provision- drinking water, heating, waste management- in several small towns and some peripheral urban districts, led to an increase in risks for the population and the environment, especially in case of natural hazards. The deadly flood of river Vera in Tbilisi in June 2015 demonstrated unpreparedness and low resilience of urban settlements to natural threats.

Finally, one more important trend over last decade is the launching of statebacked new urban development projects in some selected cities and towns. Acting as a sort of state-led gentrification, these projects aim on one hand at improving the urban environment and city life, and, on the other at promoting cities' international attractiveness and competitiveness through the building of their new images and branding, especially in the perspective of tourism development (Oriel 2016). Such projects have mostly been launched on ad hoc bases. They primarily took place in Tbilisi and included (i) renovation-rehabilitation of its historical core (e.g. the project 'New Life for Old Tbilisi', renovation of Agmashenebeli avenue), (ii) erection of new signature buildings in the city centre and close vicinity (e.g. Public Service Hall, "Bridge of Love", etc.); (iii) renovation of urban infrastructure and public services. It is remarkable that, besides Tbilisi, the state has conducted or supported projects in other bigger cities as well as smaller towns. In order to reduce the overwhelmingly commanding role of Tbilisi, in the context of under a decentralization strategy, the government of former president Mikheil Saakashvili relocated the Constitutional Court to Batumi and the Parliament to Kutaisi. These experiments, especially one with the Parliament, are still a source of many contradictions as it did not prove an efficient solution. On the other hand, the economic projects of opening international airports for low-cos airlines in Kutaisi and Batumi worked well and helped the conversion of Kutaisi into tourist and travel hub. Batumi along with Tbilisi became

<sup>11</sup>\_See World Bank Doing Business website - http:// www.doingbusiness.org/ rankings.

**<sup>12</sup>** Interview (12/08/2017) with Gela Kvashilava, a chairman of transport NGO.

a vibrant urban place attracting well-known hotel chains, housing, and office-space developers. The renovation of city centres of Kutaisi, Zugdidi, Telavi, Akhaltsikhe, Mtskheta, as well as smaller Signagi and Mestia, also were aimed at the attraction of tourists, a goal that was effectively reached. Nevertheless, some of these projects cause conflicts between the specialists and the local population in terms of their necessity and urgency, while socioeconomic conditions of a significant part of the population in those cities and towns still remain far from optimal.

#### Conclusions: Main challenges of transition

Contemporary Georgian cities while still undergoing a process of post-communist transformation are facing several challenges caused by new state policies such as deindustrialization, privatization, marketization, governance neoliberalization and deregulation. In this context, observers can easily notice the contradictions posed by both transition and globalization (Salukvadze and Golubchikov 2016) well represented by the internal struggle to find, on one hand, a new economic basis for development and, on the other, to obtain a decent positioning in a highly competitive urban hierarchy at the local, regional (within South Caucasus and beyond) and, in the case of Tbilisi, global levels.

Georgian urban landscapes that mostly have been shaped during the Soviet period are undergoing dramatic changes in terms of functions, structural setup, and morphology, sometimes forming strange and eclectic cityscapes containing old legacies and new developments in an often-contested manner. The entire post-Soviet period has witnessed a deeply imbalanced process of urban growth based on the avoidance of planning as a tool for urban regulation and consensus building. Meantime, ad-hoc fancy post-modernist signature projects launched in the name of modernization not always brought adequate good results, especially from a standpoint of the overall economic and social improvement of the quality of life in targeted settlements and urban areas.

The processes and trends that we have briefly presented in this contribution all stress the need of more balanced approaches to urban growth with the implementation of inclusive urban development tools, the strengthening of planning and assessment institutions and the design of effective urban strategies and agendas. Only in such case, we could expect a gradual resolution of systematic problems such as population stagnation, urban shrinkage, distorted urban hierarchization and of other dozens of intra-urban problems some of which that have been both inherited as a Soviet legacy and newly acquired during the recent transition.

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## Cities of the South Caucasus: a view from Georgia

After the collapse of the USSR and the regaining of independence, Georgia has experienced a dramatic set of political, economic and social changes which have had marked impacts on Georgian cities that further intensified with the early 2000s, political and economic stabilization and the greater role assumed by the state in leading urban restructuring initiatives. While similar developments in some other parts of the former Socialist Bloc have attracted much interest among urban scholars. the attention towards Georgian cities has been limited. With this special issue we make a step towards bridging this knowledge gap by providing contributions on topics such as spatial hierarchies and restructuring, urban regeneration, tourism, urban memories and lifestyles. But first, the editorial text by the editors of this special issue first introduces the reader to the broader transformations in Georgia and its cities since 1991, an overview of the topics treated by the authors and some conclusive points on further research on Georgian and South Caucasian cities.

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