

Історико-політичні проблеми сучасного світу:  
Збірник наукових статей. – Чернівці:  
Чернівецький національний університет,  
2018. – Т. 37-38. – С. 99-109

Modern Historical and Political Issues:  
Journal in Historical & Political Sciences. – Chernivtsi:  
Chernivtsi National University,  
2018. – Volume. 37-38. – pp. 99-109

УДК: 321.5/.8(479.2)

© Константин Шубітідзе<sup>1</sup>,  
© Торніке Тевдорадзе<sup>2</sup>

### Порівняльний аналіз політичних систем країн Південного Кавказу

Кавказ є одним із найпопулярніших регіонів світу з політичної точки зору. Три країни – Грузія, Вірменія та Азербайджан є частиною цього регіону. Незважаючи на тісні зв'язки між собою та сусідством, вони мають схожість і розбіжності у політичній системі. У дослідженні ми будемо вивчати та порівнювати ці три країни з різних точок зору: політичні режими, види влади, кількість міністерств, економіка, політична культура, політичні партії в парламенті та демографія. Ми дізнаємося, яка з країн попереду, які їхні проблеми та перспективи, який їх основний політичний курс і як вони взаємодіють один з одним. Крім того, ми підтвердимо наші гіпотези статистичними даними щодо рівня демократії або політичної прозорості. Представлено деякі наявні проблеми в регіоні та показано чітку картину політичного середовища в регіоні.

**Ключові слова:** політичні режими, демократія, Грузія, Вірменія, Азербайджан, міністерства, уряд, політичні партії, демографія, економіка, політична культура.

### Comparative analysis of Southern Caucasus countries' political systems

Caucasus is one of the most popular region for the world in the political view. Three countries – Georgia, Armenia and Azerbaijan are part of that region. Despite of the close ties between them and the neighborhood, they have political system similarities and differences as well. In the paper, we will discuss and compare those three countries from different points of view: political regimes, types of government, number of ministries, economics, political culture, political parties in the parliament and demography. We will find out which country is much forward in these spares, what are their problems and perspectives, what their main political course is and how they interact to each other. In addition to that, we will also discuss and prove our statements by the statistical data of democracy level or political transparency. In addition, it will show some actual problems in the region to the reader and finally it will draw clear picture of the political environment in the region.

**Keywords:** Political Regimes, Democracy, Georgia, Armenia, Azerbaijan, Ministries, Government, Political Parties, Demography, Economy, Political Culture.

---

“Many forms of Government have been tried, and will be tried in this world of sin and woe. No one pretends that democracy is perfect or all-wise. Indeed **it has been said** that democracy is the worst form of Government except for all those other forms that have been tried from time to time...”

*Winston Churchill*

---

**Source:** <https://richardlangworth.com/worst-form-of-government>.

**Type of Political Regimes.** From the very first view, political regimes in south Caucasus are similar and quite different at the same time. In every state of the region the main political regime is democ-

---

<sup>1</sup> Кандидат наук з міжнародних відносин, запрошений викладач з міжнародних відносин, Державний університет Тбілісі, E-mail: konstantine.shubitidze@tsu.ge, <https://orcid.org/0000-0003-1182-397X>, <https://doi.org/10.31861/mhpi2018.37-38.88-101>.

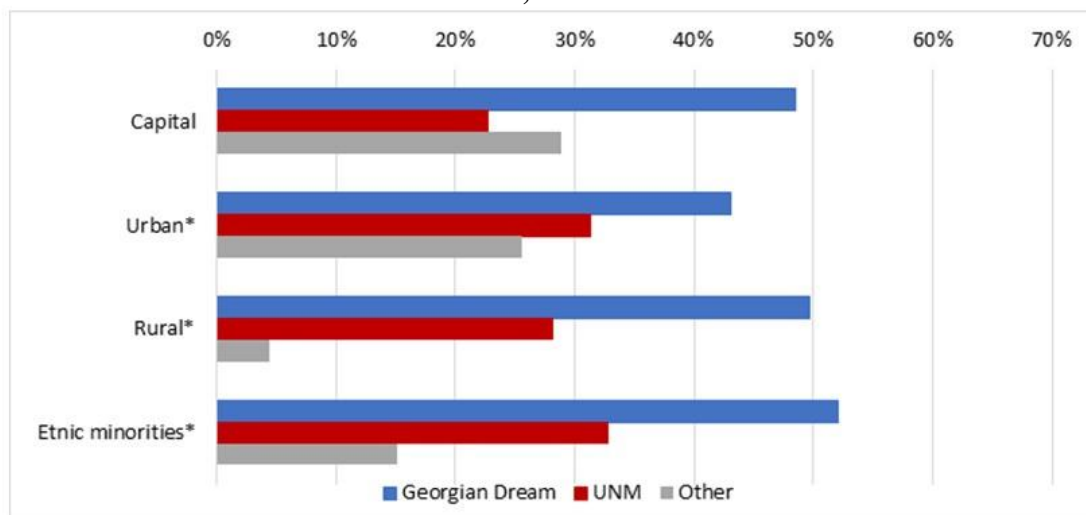
<sup>2</sup> Бакалавр, Державний університет Тбілісі, E-mail: torniketevdoradze@yahoo.com, <https://orcid.org/0000-0002-7709-1575>, <https://doi.org/10.31861/mhpi2018.37-38.88-101>.

racy, but not with the first understanding of it. As we all know, “democracy” means people’s ruling, but it completely changed today. We can’t find the state, which will be fully democratic, all around the world. Thus, the level of democracy in the countries is counted on the scale depended on a lot of aspect, like transparency, elections, freedom of media etc.

The whole world and Georgia as part of it are actively involved in building democracy. For our country, the success of the “democratization process” has a special significance in the modern world to take its own worthy place. Despite the fact that in 2005 President George W. Bush described Georgia as a “beacon of liberty in the region and in the world”, is still actively arguing about the quality of Georgian democracy, both within and outside the country. (Chitaladze Ana, 2015) Georgia doesn’t have long history of independence, thus neither history of democracy. It is clear that the state started building democracy one or two decades ago and now it still continues step by step. Our main, pro-western course contains building as complete democracy as possible, which in my opinion is being done step by step. However, the most important question is not how strong democracy is in the country today, but how well do we go for it? Democracy is one of the vaguest term in socio-political sciences, but the most important thing that makes it out of the rest of the form of governance, and therefore gives such a fascinating uniqueness as follows: Democracy has the same value as the opinion of the majority and the minority. But, because the crucial thing is the desire of the majority, it is difficult to maintain the golden margin. It is true that Georgia’s 2012 parliamentary elections have received positive feedback and many are talking about the importance of Georgian democracy. Therefore, we can say that the main obstacle to the Georgian society and the state is not neglecting the opinion of the majority, but not the desire of the minority.

One of the most indicator for the democracy is elections. Based on Georgian example, we can say that capital is always main power in political changes. If political environment changes in Tbilisi, some years later it will change in villages also. I want to say that, people living in Tbilisi has more information, more motivation and more opportunity for being closer to the politics. The example, mentioned above can be clearly seen on the following diagrams, that shows the percentage of elected representatives from two main Georgian political parties: United National Movement and Georgian Dream.

### 1 October, 2012 elections



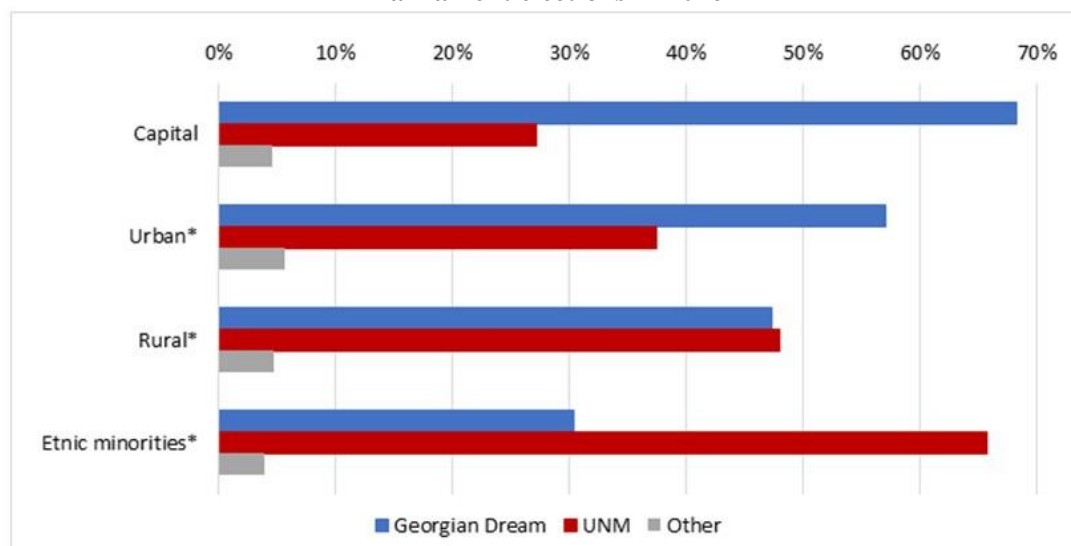
*Source:* <http://www.iset-pi.ge/index.php/ka/iset-economist-blog/entry/2017-11-07-14-05-24>.

We also can say that people in the villages elect the government that was ruling the country before. In addition that, the level of corruption in Georgia is low, on the other side transparency, civil services and Impartiality is high. (Mzhavanadze Giorgi, 2017).

Political regime in Armenia is much closer than political regime in Azerbaijan to Georgian one. Democracy is the main regime in Armenia as well but it, we may say, is more hybrid, closer to authoritarian. Armenian democracy started building between 1918 and 1920 but it was just even trying of building government. The experience in reality has proven that democracy building is not a sequence of some steps and it does not have a direct impact, automatic self-evolution, as it was presenting during the first years after the collapse of the Soviet Union. The existence of traditional perceptions, the

dominant experience and practices of the autocratic system, as well as the absence of democratic-civic resources in the paradigm of national values are all proportionally opposite to the declared objectives of establishment of democracy. Simultaneous with the adoption of the new electoral systems, new technologies of electoral fraud were being elaborated. The first parliamentary elections of independent Armenia took place in 1995 as formally the 1990 elections of the Supreme Council were under the jurisdiction of the Soviet government. Regardless of the different evaluations, those elections were unique for Armenia: first, as a result of a referendum the Constitution was adopted, and second, a new legislative entity was formed – the National Assembly.

#### Parliament elections in 2016



*Source:* <http://www.iset-pi.ge/index.php/ka/iset-economist-blog/entry/2017-11-07-14-05-24>.

The parliamentary elections in 1995 were significant for two important and, in the sense of their content, contradictory realities, those elections occurred under the cloud of the banning of the principal opposition party, the Armenian Revolutionary Federation whose media facilities were also shut down, but on the other hand these were the first multiparty elections. Though the elected National Assembly was characterized by party homogeneity and absence of strong opposition, it was unique for both its positive as well as negative practices. One of the characteristic feature of previous parliament elections in Armenia was the large number of businessmen candidates. Many famous businessmen were introduced through both proportional and majority representation systems. They were not united into a political organization to protect their financial-economic corporative interests; however, the businessmen did form the political targets of their ideology. The main leitmotiv was to enter the Parliament to protect business interests, which did not necessarily mean personal interests, as for the financially sustainable layer of the population global development of economy was an insensitive.

The following table shows us the levels of democratic indicators and democracy at the end. The level derives from 1 as the most democratic, to 7 as the least democratic. As we can see, the level of democracy in Armenia is 5.39 out of 7, while Georgia has 4.68 and Azerbaijan – 6.93.

To conclude democracy in Armenia shortly, the key governance challenge in Armenia is corruption and the lack of genuine checks and balances. As governance is based on the consensus of elite groups, Armenia suffers from the inconsistent application of the rule of law as well as from the exclusion of civic input to legislative processes and policy formation. In addition, civil society is atomized, heavily donor dependent, and not widely seen as representative of the public's interest. The media suffer from limited resources and lack diversity of viewpoints and professionalism. Consequently, citizens have low levels of trust in governance institutions, NGOs, and the media alike. (USAID, 2018). Political regime in Azerbaijan officially is democracy and the state is called as a democratic republic as well, but in reality Azerbaijan democracy is under the question mark, is it more Authoritarian or democratic. Everything started in 2002 when the tradition of the transfer of power by the government was laid. According to the results of the referendum, the prime minister was ordered to fulfill the functions of the head of state in case of president's resignation. President Heydar Aliyev named his son as the head of the government seriously ill. In the 2009 referendum, Azerbaijanis made it possible to elect a presi-

dent for more than two terms. Ilham Aliyev was given the third option. By 2016 the Azeri government was disturbed by the frequency of elections and the voting procedures. With the last plebiscite the president's term of office increased from five to seven years. All was crafted by President Aliyev appointed by his wife and chairperson of the gymnastics federation, Mehriban Aliyeva as vice president of the country in 2017. (Lortqifanidze Levan, 2017).

**Nations in Transit Ratings and Averaged Scores**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
National Democratic Governance	5.25	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	<b>6.00</b>
Electoral Process	5.50	5.75	5.75	5.75	5.75	5.75	5.75	5.75	5.75	<b>6.00</b>
Civil Society	3.50	3.75	3.75	3.75	3.75	3.75	3.75	3.75	3.75	<b>3.75</b>
Independent Media	5.75	6.00	6.00	6.00	6.00	5.75	5.75	5.75	5.75	<b>5.50</b>
Local Democratic Governance	5.50	5.50	5.50	5.75	5.75	5.75	5.75	5.75	5.75	<b>5.75</b>
Judicial Framework and Independence	5.25	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	<b>5.50</b>
Corruption	5.75	5.50	5.50	5.50	5.25	5.25	5.25	5.25	5.25	<b>5.25</b>
<b>Democracy Score</b>	<b>5.21</b>	<b>5.39</b>	<b>5.39</b>	<b>5.43</b>	<b>5.39</b>	<b>5.36</b>	<b>5.36</b>	<b>5.36</b>	<b>5.36</b>	<b>5.39</b>

*Source:* <https://freedomhouse.org/report/nations-transit/2017/armenia>.

Azerbaijan has been in a downward spiral in terms of democracy and human rights for many years now. There have been numerous well-documented cases of human rights violations, particularly in relation to opposition parties, independent media and youth organizations. International organizations monitoring the situation in Azerbaijan have been outspoken in their observations, for example Freedom House, which has consistently ranked Azerbaijan at the bottom of the global list of countries when it comes to political and civil freedom, as well as Reporters without Borders, which has called the Azerbaijani leader an 'Enemy of the Press'. (Freedom House, 2018) (European Greens, 2018) Moreover, everyone is persecuted who goes against the president or his family. Even journalists who streams propaganda or objective information that is against him. The list of prisoner, who were treated in a bad way is increasing day after day. That's why they have 6.93 point of democracy level out of 7 and they stay on almost the last places (27/29) in the rank of Freedom House. (Freedom House, 2018).

To sum up, The Georgian democracy is the most developed among all the democracies of the South Caucasus. The Economist Intelligence Unit believes that hybrid regime operates in Georgia, which is very close to "partial democracy". Georgia occupies the 79th place in the world and 15th in Europe. At the same time, "elections and pluralism" are far ahead of many developed democracies. According to the survey, the most problematic aspect of Georgia is "effectiveness of government activities". This indicator cannot reach five in the country on the axle scale. On the other hand, the political regime in Armenia, as well as in Georgia – is hybrid. However, in Armenia it is closer to authoritarian. From the five indicators analyzed by the EIU, Armenia has the worst "political culture" developed. Armenian democracy occupies 111<sup>th</sup> place in the world and 21 in Europe. And last, Azerbaijan is behind Georgia and Armenia with almost all the indicators. In the category "Elections and Pluralism", the country received only half a point from ten points. However, according to EIU analysts, political culture in Azerbaijan is developing twice as much. Azerbaijan is also the last place in the world ranking and throughout Europe. (JAMNEWS, 2018).

**Type forms of government.** Georgia is democratic republic county from gaining independence from Soviet Union in 1991. According to Article 48 of the Constitution of Georgia "The Parliament of Georgia determines the main directions of domestic and foreign policy, controls the government's activities and exercises other powers within the Constitution". The President shall lead and exercise the internal and foreign policy, it guarantees the unity and integrity of the state bodies in accordance with the constitution. State of democratic development in the first place will depend on the political branch-

es of government, the distribution of powers between the actual relevance of the Constitution in Article 5 of the announced “separation of powers” principle. On the principle of distribution of power, the Constitution of Georgia recognizes the three branches of the government: legislative, executive and judicial authorities. It should also be noted that the principle of distribution of power and the control and interconnection system in it determine the shape of the country’s governance and its respective political regime. Consequently, the Constitution’s interpretation gives us the opportunity to define the form of governance of Georgia as a presidential republic within which the government’s distribution principle is relevant to note that it is the important function of the President to ensure balance between the branches of the government. This is mainly due to the competence of the Parliament, the President and the judiciary, through which they exercise their power and interact with each other, controlling each other’s activities. This mechanism plays an important role, on the one hand, the right of the President’s veto and the possibility of the parliament to overcome the president’s veto. By the way, after the elections in 2012 president’s power got weak and weak step by step. (NPLG, 2018).

The government of Armenia was previously carried out under the system of a semi-presidential representative democracy. In 2015, however, the citizens of the country voted to approve a referendum that made the country a parliamentary republic. This action took veto power from the President and made the position ineligible for reelection. As in Georgia, the executive branch in Armenia is generally referred to simply as “the government” and is considered to be an executive council of ministers. It is formally led by the President and the Prime Minister – however, the Prime Minister holds more power and is considered as the Head of Government. The President acts as the Head of State and is Commander-in-Chief of the military as well. The person in this position represents the country in international relations, including negotiating agreements and carrying out foreign policy.

The legislative branch of Armenia is made up of the National Assembly, a unicameral parliamentary body, which is constructed with the members from the political parties, that was chosen on elections. Each member serves for a 5-year term and is part of an ad-hoc committee within the National Assembly. The committees work to investigate specific issues and submit expert opinions and guidance to the legislative body in order to ensure appropriate resolutions and regulations are passed. Currently, two special committees have been formed: the Committee on Ethics and the Committee on Studying the Gas Supply System in the Republic of Armenia.

On the other hand, the judicial branch is responsible for administering justice in this country. This is accomplished through a hierarchical system of courts, including the court of the first instance of general jurisdiction, the court of appeals, Court of Cassation, Constitutional Court, and specialized courts. The Court of Cassation serves as the highest court of appeals and ensures that the law is carried out justly across the country. For matters concerning the constitutional validity, the Constitutional Court has jurisdiction. The judicial branch operates independently of the executive and legislative branches. The power between three branches of the governance in Armenia is carefully balanced as in Georgia as well, which don’t allow one or two of branches to get stronger and rule the country. (Pariouna Amber, 2017).

Azerbaijan gained independence from the Soviet Union in 1991. Azerbaijan is a unitary semi-presidential republic based on a political system of separation of power among its three branches. The president is the head of state and the head of the executive. The prime minister heads the legislature and acts as the head of government while the judiciary exists independently of the executive and legislature.

The president, elected for a five-year term (unlimited), is the head of the executive. The president, prime minister, and the cabinet make up the executive. The executive of Azerbaijan has the responsibility of drafting and ensuring the execution of the state budget, overseeing implementation of state economic and social programs and advising the president on policy issues. The legislature formally exists as an independent body from the executive. Under the constitution, the national assembly is responsible for making laws and approving some of the executive decisions such as the appointment of cabinet members and approval of state budgets. On the other hand, the judiciary is the arm of government responsible for interpreting and applying the constitution. The judiciary also arbitrates disputes at various levels. The judiciary is made up of courts, the highest being the Supreme Court, a court of appeal, magistrate courts, district courts and the constitutional court. The president nominates Supreme Court judges who are then appointed by Parliament to serve for ten years.

As we can see, the type forms of the government in three countries of south Caucasus are almost same. The structure for states are similar, but there are differences inside power balance. Azerbaijan is completely presidential republic, despite the constitution president can control everything, which gets more and more similar to authority. Situation in Armenia is similar also but with soft differences. For Georgia, which was presidential republic from 2003, we can say that it gets much and much closer to parliamentary type of government, after cutting huge power from the president. (GraphicMaps, 2018) (Chepkemoui Joyce, 2017).

**Number of ministries in governments.** From 2003 the structure of Georgian government was same all the time before 2017, when new government started reconstruction. As a result of structural and staff changes in the Georgian government, the number of ministries has decreased from 18 to 14. Accordingly, the Office of the State Minister for Euro-Atlantic Integration, Ministry of Sport and Youth, Energy and Environmental Protection has been abolished. The Ministry of Foreign Affairs of Georgia joined the Office of State Minister for European and Euro-Atlantic Integration. The Ministry of Sport and Youth Affairs of Georgia joins the Ministry of Culture and Monument Protection of Georgia. Ministry of Environment Protection of Georgia, Ministry of Energy joins Ministry of Economy. (ITV, 2017).

Until the beginning of 2018 Armenia had 18 ministries, but after structural changes inside the government it decreased to 17. At the moment the government is ruled by 17 ministries and the same number of ministers. (Panorama, 2018).

As in Georgia and Armenia, Azerbaijan also has big number of ministries. For now the government of Azerbaijan consists with 19 ministries, which are responsible for foreign or domestic policies.

**Number of political parties in parliaments.** As we already mentioned above, the main problem of Georgian democracy was the majority of one or two political parties in parliament. This fact is clearly visible in numbers, while 26 political parties are registered in Georgia in general and just 5 of them are the part of Georgian parliament. Moreover, most of places in parliament are taken by the dominant parties – Georgian Dream and UNM. For others, their seats derives from 1 to 5.

On the other hand, the government body of Armenia previously consisted of 131 members, but with the previously mentioned referendum of 2015, that number is now 101. According to the new system, the National Assembly may reach up to 200 seats in an extraordinary circumstance. Currently, 105 members sit on the National Assembly, representing the following political parties: Republican party (58 seats), Tsarukyan Alliance (31 seats), Way Out Alliance (9 seats), and ARF (7 seats). And again, Armenia has the same situation as Georgia. As we can see just 4 political parties are members of parliament, while 37 political parties are registered in general. And one more similar problem is the majority parties' domination.

We also can say that it is more or less similar situation in the parliament of Azerbaijan too. Just 9 political parties managed to enter parliament, while 29 parties exist in general. Comparing the facts above, we can say that this aspect is quite similar in southern Caucasus countries.

**Demography.** The modern demographic situation in Georgia is acuter. Grave economic conditions and the unstable situation in the country reduced the birth rate and increased mortality. In the 1980s, in Georgia every year an average of 94 thousand children were born, now the number of newborns is almost halfway. Outward migration processes have become more intellectual, mainly due to severe economic conditions, and millions of people have left the country in recent years and have gone to other countries to find a place for physical existence. As a result of this, the whole population is reduced to a young group and increases the share of the old population over 60 years. Georgian government tries to pass demographic politic to give people the reason for staying inside the country or having more children then they have now. Thus, there are some financial grants for 3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup> children, free education and free health care. (The Healthy World, 2016).

After registering a steady increase during the Soviet period, the population of Armenia declined from the peak value of nearly 3.6 million to 2.92 million in 2016. Armenia is the only republic of the former Soviet Union that has an ethnically nearly homogeneous population. It is also the third most densely populated post-Soviet state. Ethnic minorities include Russians, Assyrians, Ukrainians, Iranians, Greeks, Georgians, and Belarusians. The country's population has declined due to increased emigration since the break-up of the Soviet Union. The rates of emigration and population decline, however, have decreased in recent years, and there has been a moderate influx of Armenians returning to Armenia. (The Government of the Republic Of Armenia, 2018).



Azerbaijan is currently the most populous state in the South Caucasus with a population twice that of Georgia and three times that of Armenia. According to the medium scenario of the UN population projections<sup>1</sup>, the population of Azerbaijan will reach 11 million by 2045 whereas the population of Georgia and Armenia will decline to 3.6 and 2.8 million people, respectively. One of the most important characteristics features of Azerbaijan's demographic situation is the relative rate of increase of the population number that depends on the fertility and mortality rates, balance of the external migration and the peculiarities of the population structure by sex and age. One more factor is religion, in Christianity usually it is 2-3 children in one family but in Muslim culture it is much more in general. (Alexandre Avdeev, 2015, 12-27).

At the end, it is noteworthy that in the South Caucasus, where indigenous peoples – Georgians, Azerbaijanis and Armenians live, the demographic development of Georgians differs substantially from the democratization developer of Armenians and Azerbaijanis. At the same time, it is noteworthy that the South Caucasus is one of the regions where natural and climatic conditions, the general way of life is closer to each other. Despite this, the indicators of fertility, mortality and natural growth in Georgia are much worse than in neighboring countries.

**Economy.** Economy of Georgia is much stronger than in Armenia but it is far behind from the economy of Azerbaijan. Although, Georgian economy keeps growing step by step despite some failures time after time. Georgia has overcome the chronic energy shortages and gas supply interruptions of the past by renovating hydropower plants and by increasingly relying on natural gas imports from Azerbaijan instead of from Russia. Construction of the Baku-Tbilisi-Ceyhan oil pipeline, the South Caucasus gas pipeline, and the Kars-Akhalkalaki railroad are part of a strategy to capitalize on Georgia's strategic location between Europe and Asia and develop its role as a transit hub for gas, oil, and other goods.

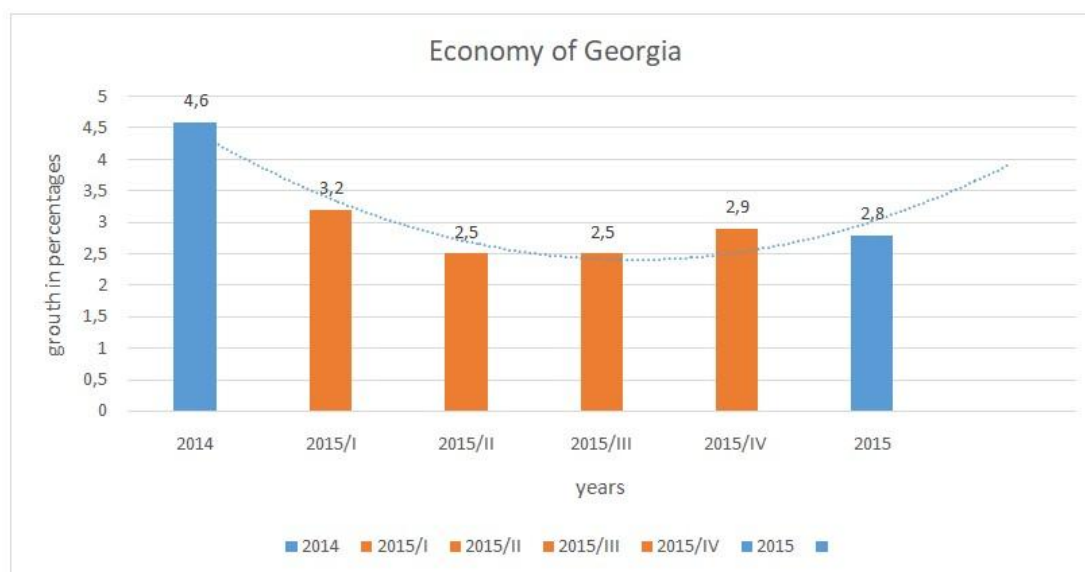
Georgia's economy sustained GDP growth of more than 10% in 2006-07, based on strong inflows of foreign investment and robust government spending. However, GDP growth slowed following the August 2008 conflict with Russia, and sunk to negative 4% in 2009 as foreign direct investment and workers' remittances declined in the wake of the global financial crisis. The economy rebounded in the period 2010-17, but FDI inflows, the engine of Georgian economic growth prior to the 2008 conflict, have not recovered fully. Unemployment has also remained high.

The country is pinning its hopes for renewed growth on a continued effort to liberalize the economy by reducing regulation, taxes, and corruption in order to attract foreign investment, with a focus on hydropower, agriculture, tourism, and textiles production. Georgia plans to improve the domestic investment environment through a four-year economic plan targeting the tax system, educational standards, infrastructure, and governance. The government has received high marks from the World Bank for improvements in business transparency. Since 2012, the Georgian Dream-led government has continued the previous administration's low-regulation, low-tax, free market policies, while modestly increasing social spending, strengthening anti-trust policy, and amending the labor code to comply with International Labor Standards. In mid-2014, Georgia signed an association agreement with the EU, paving the way to free trade and visa-free travel. Georgia also expanded trade with China, concluding substantive negotiations on a trade agreement in October 2016. (Index Mundi, 2018).

As we can see from the chart, economy level started growing from the ending of 2015. During 2015, foreign trade turnover decreased by 13% compared to the previous year. Out of this, exporting of goods decreased by 23% and imports by 10%. In addition, Turkey, Azerbaijan and Russia are the largest trading partners in 2015. Azerbaijan is the first place to export. On the other hand, Tourism is one of the fastest growing sectors of the Georgian economy. In 2016 tourism was an important factor in economic growth. In 2016 revenues increased by 11.9% from international tourism and its share was 65% of service exports. One more indicator for the economy is state debt. The amount of debt for Georgia is approximately 40% of GDP of Georgia. To make it short, Georgian economy had a lot of problems but it keeps growing slowly though. (Ministry of Economy and Sustainable Development of Georgia, 2016).

Under the old Soviet central planning system, Armenia developed a modern industrial sector, supplying machine tools, textiles, and other manufactured goods to sister republics, in exchange for raw materials and energy. Armenia has since switched to small-scale agriculture and away from the large agro industrial complexes of the Soviet era. Armenia has only two open trade borders – Iran and Georgia - because its borders with Azerbaijan and Turkey have

been closed since 1991 and 1993, respectively, as a result of Armenia's ongoing conflict with Azerbaijan over the separatist Nagorno-Karabakh region.



*Source:* [https://mof.ge/images/File/BROSHURA/2016/BROSHURA\\_01.pdf](https://mof.ge/images/File/BROSHURA/2016/BROSHURA_01.pdf).

Armenia joined the World Trade Organization in January 2003. The government has made some improvements in tax and customs administration in recent years, but anti-corruption measures have been largely ineffective. Armenia will need to pursue additional economic reforms and strengthen the rule of law in order to raise its economic growth and improve economic competitiveness and employment opportunities, especially given its economic isolation from Turkey and Azerbaijan.

Armenia's geographic isolation, a narrow export base, and pervasive monopolies in important business sectors have made it particularly vulnerable to deteriorations in the global commodity markets and the economic challenges in Russia. Armenia is particularly dependent on Russian commercial and governmental support, as most key Armenian infrastructure is Russian-owned and/or managed, especially in the energy sector. Remittances from expatriates working in Russia are equivalent to about 7-8% of GDP. Armenia joined the Russia-led Eurasian Economic Union in January 2015, but has expressed interest in expanding its economic ties with the European Union as well, and in March 2017 an EU-Armenia Comprehensive and Enhanced Partnership Agreement was initiated. Armenia's rising government debt is leading Yerevan to tighten its fiscal policies – the debt almost reached the debt to GDP threshold set by national legislation as of March 2017.

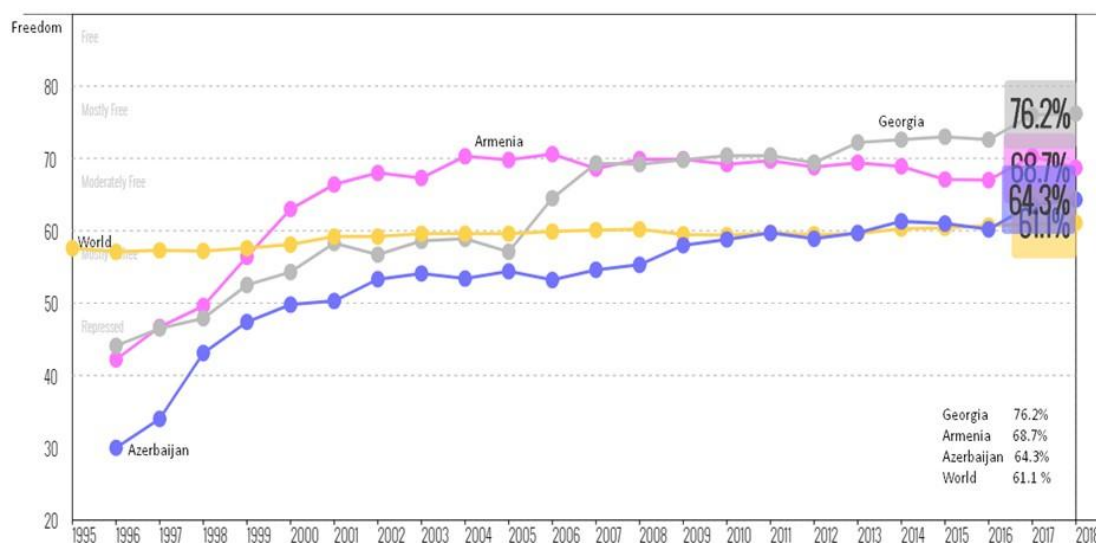
The economy of Azerbaijan is the strongest in southern Caucasus, which is caused by the natural resources, specially oil/gas, which is called “black gold”. Azerbaijan is rich with “black gold”, but its economy strength is closely tied with the price of oil in the world. Declining global oil prices since 2014, Azerbaijan's high economic growth was attributable to rising energy exports, and some non-export sectors. Oil exports through the Baku-Tbilisi-Ceyhan Pipeline, the Baku-Novorossiysk, and the Baku-Supsa Pipelines remain the main economic driver, but efforts to boost Azerbaijan's gas production are underway. The expected completion of the geopolitically important Southern Gas Corridor between Azerbaijan and Europe will open up another source of revenue from gas exports. Declining oil prices caused a 3.1% contraction in GDP in 2016, and a 1% decline in 2017, reinforced by a sharp reduction in the construction sector. The economic decline has been accompanied by higher inflation and a weakened banking sector in the aftermath of the two sharp currency devaluations since 2015.



Azerbaijan has made limited progress with market-based economic reforms. Pervasive public and private sector corruption and structural economic inefficiencies remain a drag on long-term growth, particularly in non-energy sectors, but the government has made efforts to combat corruption, particularly in customs. Several other obstacles impede Azerbaijan's economic progress, including the need for more foreign investment in the non-energy sector and the continuing conflict with Armenia over the Nagorno-Karabakh region. While trade with Russia and the other former Soviet republics remains important, Azerbaijan has expanded trade with Turkey and Europe and is seeking new markets for non-oil/gas exports, mainly from the agricultural sector, for example with Gulf Cooperation Council member countries, the US, and others.

Long-term prospects depend on world oil prices, Azerbaijan's ability to implement export routes for its growing gas production, and its ability to improve the business environment and diversify the economy. In late 2016, the President approved a strategic roadmap that identified key non-energy segments of the economy for development, such as agriculture, logistics, and tourism. (Index Mundi [II], 2018)

As we already mentioned, Azerbaijan has the strongest economy in the region, then it comes with Georgia and last, with Armenia. Moreover, while Georgia and Armenia are agriculture country, Azerbaijan is industrial. But it doesn't mean, that Azerbaijan is forward in every sector related to economy. As we can see on the following chart, general economics' level of Freedom in Georgia is much higher than in both countries. Georgia is followed by Armenia and then Azerbaijan. In addition, we need to specify that, world's average freedom level is lower than in three mentioned states.



Source: <https://www.heritage.org/index/visualize?cnts=armenia|georgia&src=country>.

Thus, Georgia is the best business destination for investments. Moreover, because of the same region for the states, they are close economic ties between each other, except between Azerbaijan and Armenia though.

**Political Culture.** Political culture in the country is the determination of the health of democracy. Assessment of political culture is especially important in countries with small experience. Georgia is democratic for only 21 years. That is a small and weak democracy is one of the reasons for the low level of development of political culture. The weakness of parties is a sign of the development of political culture in Georgia. They do not know how important it is for the party to follow one direction and principle. In the speeches and statements of party leaders often we encounter ideology and unreal promises.

During the pre-election period, political parties often have promises that do not fit their ideology at all. For example, priority of the United National Movement's pre-election program is employment and

agriculture problems. These issues suggest the deviation of the party's left-wing, although the National Movement has a right-centered direction. This is a low level of political culture. Throughout the period of independence in Georgia, all political parties, which were in power, were dissolved after their resignation and failed to stay in opposition. Of course, this is another indicator of the weakness of political culture. However, UNM has changed this trend.

The weaknesses of political culture should really be attributable to the fact that most of the population in Georgia has no political education at all. This leads to the support of the party not because of ideology, but because of the good attitude towards the leader. Media outlets should take care of people's education and understanding. However, there is no impartial press and television in Georgian reality. Most of them are governed by the authorities, and they promote the spread of one's opinion instead of education. (Benashvili Giorgi, 2016).

Political culture in Armenia is quite similar as in Georgia. As we already mentioned above, the main problem in political life is the lack of strong opposition and political parties. Not a lot of people are interested in being active civic citizen and take part in politics. 55% percent of Armenians vote that they are not interested in politics at all, while just 35% voted for "interested" and just 10 % of them don't have an answer. They are passive activists. This situation is caused by the lack of political education and information propaganda in the country. Media should be the main engine for the political education and information sharing, but it is also occupied and subjective. Thus, citizens doesn't have objective information about political parties or their ideologies. Almost always, Armenians are voting for the leader and not for the party he is coming from. All in all, political culture in Armenia is not quite well and it needs to be improved in a better and faster way.

On the other side of coin, political culture in Azerbaijan is different. As we already mentioned, it is almost the last country in Europe by the level of democracy, cause democracy is closely tied with political culture, it clarifies that political culture is also very low. Because of the ruling way of the country, which we described above not a lot of people can be active in politics. Opposition doesn't exist and if it sparkles somewhere authoritarian government vanish them.

To sum up, the development of political culture and the level of democracy are interdependent. The low level of political culture prevents the development of democracy in the country. Political culture in Georgia is weak and this is caused by the ideological weakness of the parties, the political illiteracy of the population and the unhealthy function of the media. The same political situation is in Armenia as well. Azerbaijan, in that point of view, is a different example, where political culture is very low.

**Conclusion.** To sum up the words above, we can say that there is huge differences and similarities as well between the political systems of southern Caucasus region countries. It is clear that, political regimes, officially, are democratic in the states, but we also can sort them by the level of democracy as – Georgia, Armenia and at last Azerbaijan. By the type of government all, three countries are democratic republics, but another question is how the balance of power is kept between three branches of the government. In addition, I discussed the number of ministries and political parties in the parliament as well. First one shows us the level of government and second one – democratic level, opposition and political culture though. By this corner, Georgia is forwarding them again, then it comes Armenia and the last Azerbaijan. Moreover, I found out, that Azerbaijan is much authoritarian then democratic in a real political life. I also compared these countries by their demography situation, as a result the worst evidence is in Georgia, where the population of the country is decreasing too fast, then it is followed by Armenia and then by Azerbaijan. Situation in Azerbaijan is much better, because of economic wealth. Based on my paper, Azerbaijan gets 1<sup>st</sup> place for economy strength, but it is last in the freedom level of economy. In that case, Georgia takes 1<sup>st</sup> place, because of last actions of Georgian government. Armenian economy is the last by strength but second by freedom level. Political culture and democracy are interdependent to each other. At one side political culture defines democracy and at another vice versa. As we can understand, we can say that Georgia is more democratic, free and transparent country then Azerbaijan and Armenia, on the other side Armenia is much democratic then Azerbaijan, but the last one has the strongest economy in the region.

## References

1. Alexandre Avdeev, "POPULATION SITUATION ANALYSIS: Beyond the Demographic Transition in Azerbaijan", 2015, "Baku" edition, 12-27 p.

2. Ministry of Finance of Georgia, “*Economical Overview*”, January 2016, link: [https://mof.ge/images/File/BROSHURA/2016/BROSHURA\\_01.pdf](https://mof.ge/images/File/BROSHURA/2016/BROSHURA_01.pdf).
3. Ministry of Economy and Sustainable Development of Georgia, “*Economical Overview*”, 2016, link: [http://www.economy.ge/uploads/publications/economy\\_8484723758fdf66e4c9332.50742461.pdf](http://www.economy.ge/uploads/publications/economy_8484723758fdf66e4c9332.50742461.pdf).
4. Stephen F. Jones, “*Democracy in Georgia: Da Capo?*” April, 2013, mount Holyoke College, South Hadley, and Mass – cireco foundation.
5. Caucasus analytical digest, “*Democracy in the South Caucasus*”, 15 January 2009, No.2, Article.
6. Matsaberidze Malkhaz, “*Political system of modern Azerbaijan*”, 2017.
7. Chitaladze Ana, Rikadze Giorgi, “*Georgian democracy*”, 2015, online article, published by Tbilisi State University, Link: <https://politikuriideologiebi.wordpress.com>.
8. Mzhavanadze Giorgi, “*Georgian democracy: how the red country got blue*”, 30 October, 2017, Online Article: <http://www.iset-pi.ge/index.php/ka/iset-economist-blog/entry/2017-11-07-14-05-24>.
9. USAID, “*DEMOCRACY, HUMAN RIGHTS AND GOVERNANCE*”, 2018, Online article, Link: <https://www.usaid.gov/armenia/democracy-and-governance>.
10. Lortqifanidze Levan, “*Democracy and Azerbaijan*”, 28 April, 2017, Online Article, Link: <http://mastsavlebeli.ge/?p=14007>.
11. Freedom House, “*Azerbaijan - Country Profile*”, link: <https://freedomhouse.org/report/nations-transit/2018/azerbaijan>.
12. European Greens, “*Human rights violations and lack of democracy in Azerbaijan*”, online article, link: <https://europeangreens.eu/content/human-rights-violations-and-lack-democracy-azerbaijan>.
13. JAMNEWS, “*Southern Caucasus’ countries in the rank of world’s democratic states*” February 5, 2018. Online link: <https://jam-news.net/?p=84451&lang=ka>.
14. Michael Cecire, “*Georgia’s Long-Shot Democracy*”, October 20, 2016, Online link: <https://www.foreignaffairs.com/articles/georgia/2016-10-20/georgias-long-shot-democracy>.
15. Japaridze Tedo, “*Georgia’s Democracy Test*”, November 19, 2015, Online Link: <http://nationalinterest.org/feature/georgias-democracy-test-14388>.
16. NPLG, “*the constitutional law of Georgia*”, chapter 20 – “*Balance and control between the branches of the government*”, June, 2018, Online Link: <http://www.nplg.gov.ge>.
17. Pariona Amber, “*What Type Of Government Does Armenia Have?*”, 1 August, 2017, Online article, Link: <https://www.worldatlas.com/articles/what-type-of-government-does-armenia-have.html>.
18. GraphicMaps, “*Azerbaijan Government*”, May 1st, 2018, Online Article, Link: <https://www.graphicmaps.com/azerbaijan/government>.
19. Chepkemoi Joyce, “*What Type Of Government Does Azerbaijan Have?*”, August 1, 2017, Online Article, Link: <https://www.worldatlas.com/articles/what-type-of-government-does-azerbaijan-have.html>.
20. 1TV, “*The number of ministries decreases to 14*”, November 13, 2017, Online Article, Link: <https://1tv.ge/news/saministroebis-raodenoba-14-mde-mtsirdeba/>.
21. Panorama, “*Armenia’s new government to have 17 ministries – justice minister*”, March 6, 2018, Online Article, link: <https://www.panorama.am/en/news/2018/03/06/Armenia-government/1915732>.
22. The Healthy World, “*Demographical situation in Georgia*”, September, 2016, Online Article, link: <http://www.hwngo.org.ge/analytics/54-demografiuli-mdgomareoba-saqartveloshi>.
23. The Government of the Republic Of Armenia, “*Demographics*”, 2018, Online Link: <http://www.gov.am/en/demographics/>.
24. Index Mundi, “*Armenia vs. Georgia*”, 2018, Online link: <https://www.indexmundi.com/factbook/compare/armenia.georgia/economy>.
25. Index Mundi[II], “*Azerbaijan vs. Georgia*”, 2018, Online link: <https://www.indexmundi.com/factbook/compare/azerbaijan.georgia/economy>.
26. Benashvili Giorgi, “*Weak political culture in Georgia*”, 2016, online article, published by Tbilisi State University, Link: <https://politikuriideologiebi.wordpress.com>.