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# Bidzina Ivanishvili: Governing from the Shadows

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Ivanishvili is the linchpin in the current Georgian political system. If we are to understand the nature of Georgia's political system today, we need to examine Ivanishvili's personality and history more closely. In Georgia, outsized personalities have always played a decisive role in politics and have consistently abused their power. Ivanishvili is no different. But we argue that he has gone beyond his predecessors, Eduard Shevardnadze and Mikheil Saakashvili, to create an illiberal and anti-European system which leaves no political space for either party opponents or civil society activists. Currently, almost all of Georgia's major opposition party leaders are in prison. We call it a quasi-dictatorship. In 2025 Ivanishvili's Georgia has moved closer to the model of Alexandr Lukashenko in Belarus than the illiberal model established in Hungary of Victor Orban.

fter the fall of the USSR, Georgia held a special place for Western politicians.

During the early years of both

President

Eduard Shevardnadze (1995-2000)and President Mikheil Saakashvili (2003 -2008), Georgia became a democratic example for other lagging post-Soviet states such as Ukraine, Moldova, and Armenia. It was evidence that an



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energetic civil society, a dependable pro-European sentiment among the population, and pro-Western democratic leaders, would

> keep post-Soviet like democracies Georgia's, on track. All three propositions, we now know, were wrong. The trust in pro-Western leaders was perhaps the most naïve assumption of all. All of Georgia's leaders, regardless their pro-Western rhetoric and early

promise, remained unaccountable to their citizens.

Eduard Shevardnadze established constitution, Mikheil Saakashvili eliminated widespread corruption, and Bidzina Ivanishvili promoted democratic reform in the judiciary and local government. But none of these leaders left democracy any stronger than when they arrived. Pro-Western leaders are inadequate anchors for advancing democratic institutions. Democracy needs citizens. accountable state structures, independent public servants, and honest elections. The Ivanishvili regime, which came to power in four successive has "won" parliamentary elections, is singled out for but "democratic backsliding," this misleading. The foundation of Georgian state politics since the very beginnings in the 1990s has been democratic infirmity. The message of hope brought periodically by new Georgian political leaders has been repeatedly thwarted. Creeping authoritarianism, not democratic backsliding, is a better description of Georgia's political tradition over the last three decades. Yet we argue that Bidzina Ivanishvili's regime, while it follows the Georgian pattern, is a departure from the style and substance of former Georgian leaders.

### Ivanishvili's Deviation

What sets Ivanishvili apart is not his authoritarianism, but his ideological transformation from pro-Western reformer to

anti-European strongman, and his creation of an opaque system where power is exercised from the shadows. Ivanishvili's transformation since 2022 marks an ideological reversal that has brought Georgia to a new political juncture. Neither Shevardnadze nor Saakashvili imprisoned the entirety of the political opposition or condemned the European Union as harmful. Ivanishvili has done both. He has established an authoritarian system in his own image.

Georgia's political leaders, like monarchs, exercise authority through personal networks, political cliques, obedient retainers and loyal officers (the police). The sovereign also controls the budget. For the genus *homo sovieticus*, to which Ivanishvili belongs, political and economic power are indivisible. Decrees and laws are indistinguishable and the opposition is illegitimate. The concept of indivisible power is embodied in the system Ivanishvili has created. He cannot be separated from it.

There are two very important ways that Ivanishvili diverges from his political predecessors. First, he rejects the EU and its values. For Shevardnadze and Saakashvili, the EU was an ally, a patron, and a cultural homeland. For Ivanishvili, the EU is a threat to his economic and political control. The EU has lost both its relevance and its leverage to Ivanishvili and to his government.

Second, Ivanishvili has adopted a new political style. Zviad Gamsakhurdia (Georgia's first elected President after independence in1991-92), Eduard Shevardnadze and Mikheil Saakashvili were charismatic figures. They were not always transparent, but compelled to defend their decisions publicly. Ivanishvili has created an opaque political system in which he is practically invisible. There is no public accountability to the citizenry, nor to the goals of democracy or liberal pressures from abroad. Under the Ivanishvili regime, Georgian politics is like a camera obscura. It is a dark box and no one knows how decisions are made, who is responsible, and who is culpable. Ivanishvili appears to the public sporadically, usually when a major decision requires endorsement. Initially this was considered modesty, but this strategy keeps Ivanishvili's role in government concealed. To understand this opaque system, we must first examine the kingpin - Bidzina Ivanishvili.

### Bidzina Ivanishvili: the Person

Political personalities play an outsize role in Georgian politics. Authority in Georgia tends to be "charismatic." To understand the system, you need to know the personalities who run it, their psychology, where they came from and who their associates are. Ivanishvili is a difficult case. Unlike Shevardnadze or Saakashvili, he has little charisma and shuns interviews. His power comes from his wealth. Born in 1956 into a miner's family in the small

village of Chorvila in Western Georgia, he made his way to the Faculty of Engineering and Economics at Tbilisi State University and subsequently became a post-graduate at the Moscow Institute of Labor and Social Issues. He defended his Candidate's degree (PhD) in 1986. He made his fortune in the criminal world of Russian business in the 1990s, where protectionism, patronage, extortion and murder were instruments of survival and the skills required for success.

Living in Yeltsin's Russia was a formative Ivanishvili. Russia's experience for representative institutions by the mid-nineties were façades. Democracy had a bad reputation. Businesses were corrupt and acted illegally. Ivanishvili's most successful venture in Moscow was "Rossiyskiy Kredit" bank, founded in 1990 with partner Arkady Gaidamak, though he had stakes in other Russian giants like Gazprom and Sibirsky (later Rusal). In 1997, Aluminium established Cartu Bank in Georgia, but remained, despite incomparable riches (Forbes claimed he was worth \$5.5. billion in 2011) an invisible presence in Georgian politics. He was overshadowed in the 1990s and early 2000s by the Georgian billionaire Badri Patarkatsishvili, who was wealthier, brash, and a politically active media mogul.

Ivanishvili is presented by his PR team as a patriotic philanthropist – he financed the construction of the ostentatious Trinity

Cathedral in Tbilisi. He paid salaries to the impoverished strategically but placed representatives of Georgia's intelligentsia in the 2000s. Through artfully planned philanthropy, he created a stratum of officials, journalists and lawyers privately indebted to him. He is eccentric, an art lover and a collector of rare trees. He has a private zoo in West Georgia and a shark tank in his palatial palace situated on the hills above Tbilisi. GD officials stress his great contributions to Georgian society – most notably the defeat of the United National Movement (UNM) under Saakashvili in 2012. "When the people had lost all hope forever, a man appeared who gave it back to them." 1 This is how Irakli Gharibashvili, Georgia's prime minister from 2013-15 and 2021-24 described Ivanishvili's impact on Georgian politics. He is portrayed as a "family man," (he has four children), and as a defender of Georgian tradition.

Ivanishvili believes in conspiracy theories. He is paranoid about his security (including his drinking water) and is in pathological pursuit of the UNM as an enemy of the state. He leads the charge against the "global war party" and "the deep state" led by Europeans who, he imagines, want to bring Georgia into the

Russo-Ukrainian war. 2 He believes, after a prolonged court case with Credit Suisse, discussed below, that the West is punishing him. These fears and beliefs are relevant to any evaluation of Georgian politics because he is the country's de facto leader. His own moral concerns and financial needs are interwoven into Georgian state policy. His choices - over who gets to be Prime Minister, who gets a contract, who should be prosecuted, which laws need to be passed – are the mainspring of Georgia's domestic and foreign policy. Understanding this context – his experience with Russia's criminal business world, his vast wealth, and his deliberate seclusion from Georgian politics – is crucial to comprehending his political evolution.

# The Evolution of Ivanishvili's Power (2012-2025)

The Liberal Experiment (2012-2014)

Ivanishvili's entry into politics in 2011-12 heralded a new liberal era. His break with Saakashvili's government came after the 2008 Russo-Georgian war, driven by his belief that normalization with Russia was essential for territorial reintegration. Ivanishvili has

<sup>&</sup>lt;sup>1</sup> Felix Light, "Georgia's shark-owning billionaire tells voters: Don't risk war with Russia," *Reuters*, October 22, 2024.

<sup>(</sup>https://www.reuters.com/world/europe/georgias-shark-owning-billionaire-tells-voters-dont-risk-war-with-russia-2024-10-22/)

<sup>&</sup>lt;sup>2</sup> "Interview with Bidzina Ivanishvili," October 21, 2024.

<sup>(</sup>https://www.facebook.com/GeorgianDreamOfficial/videos/8572107046211342/)

consistently promoted normalization of relations with Russia witness his introductory letter to secretary of state Hillary Cinton in September 2012.3 It is a theme in Ivanishvili's geostrategic thinking. Relations with Russia have to be improved to ensure the return of Georgian territories - an assessment that many would consider naïve. Ivanishvili's personal interests are involved as a significant portion of his financial assets are still in Russia, often under the names of family members.

In October 2011, Ivanishvili announced he was running in the October 2012 parliamentary elections as the leader of a new democratic coalition called Georgian Dream-Our Georgia (GD). His declaration included a sharp rebuke of elite corruption,<sup>4</sup> state monopolies, and state control of the media and judiciary. This led to Saakashvili revoking Ivanishvili's Georgian citizenship and freezing his assets, including election campaign funds. Georgian Dream nevertheless October won the 2012 parliamentary elections with 54.97% of the vote. GD's initial partners in the new coalition

government included the liberal Republicans and Free Democrats. 5 Georgian Dream's electoral program called for a reduction in the prosecutor general's power, the breakup of the security services, and the strengthening of the public defender's office. As prime minister, Ivanishvili backed the depoliticization of the judiciary and the educational system (autonomy for universities) and urged harmonization of labor legislation with the EU. His government emphasized social needs and promised universal health care and reform of the pension system based upon EU legislation. It was a liberal manifesto.<sup>6</sup> In an interview leading up to the 2012 election, Ivanishvili declared:

If you want to succeed, you must inevitably base your actions on liberalism and democracy....What is democracy? The people must make the decisions. A businessman cannot succeed if he is not liberal and if he runs his business autocratically.<sup>7</sup>

https://wikileaks.org/clinton-emails/emailid/19734. Ivanishvili wrote: "You have much wider interests in our region that require cooperation with Russia, no matter how difficult that may appear to be at the moment. A freeze in relations between Russia and Georgia cannot serve your longer-term goals. Our goal is to help rebuild links with Russia by pursuing a new sort of diplomacy in our region, based on the vision you stated so eloquently during your visit to Georgia."

<sup>&</sup>lt;sup>4</sup> "Open Letter by Bidzina Ivanishvili," *Kviris Palitra*, October 12, 2011. (https://kvirispalitra.ge/article/9714-bidzina-ivanishvilis-ghia-tserili/)

<sup>&</sup>lt;sup>5</sup> The coalition consisted of Georgian Dream-Democratic Georgia, the National Forum, the Republicans, the Conservative Party of Georgia and Industry Will Save Georgia.

<sup>&</sup>lt;sup>6</sup> The authors have an English version of the program. The Gergian version is no longer findable on the internet.

<sup>&</sup>lt;sup>7</sup> "Ia Antadze's interview with Bidzina Ivanishvili," *ambebi.ge*, October 21, 2011.

In the first year of Ivanishvili's premiership, Georgian Dream retained its commitment to the EU's Eastern Partnership, and in 2013 negotiated an Association Agreement (AA) with the EU. Liberal reformers like the Republican party's Davit Usupashvili and Our Georgia-Free Democrat leader Irakli Alasania held important positions. Usupashvili was Parliamentary Speaker and Alasania Minister of Defense (Alasania left the GD coalition in November 2014). The June 2014 Association Agreement sealed Georgia's entry into the EU's Deep and Comprehensive Free Trade Area (DCFTA). It required certain democratic standards such as judicial independence and the defense of human rights. Georgian Dream responded with the 2014 Georgian law on the Elimination of All Forms of Discrimination which guaranteed legal protection to Georgia's religious and sexual minorities. The new law recognized Georgia's commitment European legal norms. Opposed by the Georgian Orthodox Church (GOC), it was endorsed by Ivanishvili who argued that the GOC should not be immune from criticism.8 In 2017, an amendment was added to the Georgian constitution requiring the Georgian government to promote the integration of Georgia into the European Union and NATO.

Other progressive legislation was introduced including an improved Labor Code, a new juvenile Justice Code, universal healthcare, and a local government reform which extended self-governing powers to seven additional Georgian cities. Ultimately, as with judicial reform, most of these measures were reversed.

Other warning signs emerged. There was the familiar pattern of any new Georgian administration of nepotism and corruption the appointment of colleagues, friends and business partners to leading positions. More serious was Ivanishvili's attitude toward the opposition. Many in Saakashvili's committed administration had crimes including extortion, the confiscation of private businesses, and beatings of political opponents and prisoners. Sandro Girgvliani, a young banker, was beaten to death by government goons after he insulted the Minister of Interior's wife in January 2006. 9 The Ivanishvili administration was in no mood for conciliation and pursued Saakashvili government officials relentlessly. Within months of coming to power, the courts had sentenced former officials to long prison sentences. While prosecuting past abuses was justified, the unbending pursuit of opposition figures established a pattern that extended to all of

(https://www.ambebi.ge/article/43106-ia-anthadzis-interviu-bidzina-ivanishvilthan/)

<sup>&</sup>lt;sup>8</sup> "Bidzina Ivanishvili disagrees with Patriarch's opinion on surrogacy," *kvira.ge*, February 4, 2014. (https://kvira.ge/6139)

<sup>&</sup>lt;sup>9</sup> "Girgvliani Murder Case-Related Charges Filed Against Merabishvili," *civil.ge*, June 24. 2013. (https://civil.ge/archives/122965)

Ivanishvili's political opponents, polarizing the political system.

A crucial turning point of this period came on November 20, 2013, when Ivanishvili stepped down from the premiership but continued to control government as an unelected leader. Such shadow rule disqualified Georgia as a democracy, but the scope of Ivanishvili's influence was hard to determine. It resembled the role of Lee Kuan Yew who became Singapore's Senior Mentor after leaving the cabinet. Ivanishvili's secretive demonstrated the weakness of the Georgian the systemic tolerance unaccountable power. Ivanishvili handed the premiership to Irakli Gharibashvili, his former employee at Cartu Bank. What appeared to be humility was Ivanishvili's strategic withdrawal into opacity and unaccountability.

Institutionalization of Shadow Rule (2014-2018)

After 2014 the systematic elimination of liberal coalition partners and the consolidation of one-party rule began. The scale of Ivanishvili's economic consolidation was unprecedented: Ivanishvili is number 1,362 in Forbes billionaire list,<sup>10</sup> but in Georgia, his fortune is equivalent to one quarter of Georgia's GDP. His money underwrites his political power. It was no

surprise to see his former company CEOs and business associates such Irakli Gharibashvili, Giorgi Kvirikashvili, Grigol Liluashvili, Shalva Tadumadze, and Irakli Karseladze, serve as prime ministers, cabinet ministers, state security chiefs, and prosecutors. Davit Sergeenko, Ivanishvili's Minister of doctor. became Health (Ivanishvili's dentist later occupied the same position) and his bodyguard, Vakhtang Gomelauri, became Minister of State Security in 2015 and Minister of Interior in 2019.

This is what Christophe Clapham terms patrimonialism: in the absence of established state institutions, a ruler controls government through personal loyalties, patron-client relations, business allegiances, and kinship. 11 Patrimonialism can coexist with liberal democracy but ultimately is incompatible with its emphasis on accountability.

Parties in the GD coalition which had liberalized the Ivanishvili administration quickly fell away. In 2014 a politically contrived scandal, most likely inspired by Ivanishvili and designed to prevent the signing of a defense agreement with France that Russia opposed, led to the prosecution and imprisonment of Free Democrats and their supporters who controlled the Defense

<sup>&</sup>lt;sup>10</sup> Forbes profile of Ivanishvili at <a href="https://www.forbes.com/profile/bidzina-ivanishvili/">https://www.forbes.com/profile/bidzina-ivanishvili/</a>.

<sup>&</sup>lt;sup>11</sup> Christopher S. Clapham, *Private Patronage and Public Power: Political Clientelism in the Modern State*, London: Pinter, 1982.

Ministry. <sup>12</sup> In 2016, the liberally minded Republicans, marginalized and alarmed at the unilateral actions of the GD leadership, abandoned the coalition. Georgian politics, as it had under Shevardnadze and Saakashvili, evolved into a one-party dominant system and the ascendancy of an uncontested leader.

Meanwhile, the opposition faced increasing persecution. Putting the opposition in jail was not a good start even though it was popular with voters. In 2015, the major opposition party, the United National Movement (UNM), was accused of preparing a coup, and in 2016, it was labelled a "criminal organization" by the Georgian prime minister. 13 The assets of the most popular TV channel, Rustavi 2, which supported the opposition, were frozen. The elimination of liberal coalition partners marked the end of Georgian Dream's brief experiment multiparty governance. with By 2016, Ivanishvili had transformed Georgian Dream from a democratic coalition into a vehicle for personal rule.

Ivanishvili's Shift to the Right (2018-2022)

By 2018, when Ivanishvili returned to public life as Chairman of the GD party, he had created a system inseparable from his personal rule. This period marked the beginning of his ideological transformation into an anti-Western siren. In November 2023, Georgia's goal to "rejoin" the European family was fulfilled when its candidacy EU for membership was accepted by the European Commission. But there were persistent conflicts with European governments over GD's conduct of national elections and its resistance to judicial reform. GD rejected a power-sharing compromise with the Georgian opposition in 2021,14 and failed to fulfill the 12 conditions set by the EU Commission for its candidacy.

Ivanishvili promoted conspiracy theories about the "global war party." He positioned himself as a defender of Georgian traditions and the values promoted by the Georgian Orthodox Church on marriage, gender, and homosexuality. GD's rhetoric against liberal European democracies became increasingly hostile. The main opposition parties were labeled the "collective UNM," and accused of an unacceptable tolerance of sexual deviance. They were portrayed as part of a "global party of war" aimed at bringing Georgia into a military conflict with Russia.

https://www.osw.waw.pl/en/publikacje/osw-commentary/2024-10-08/a-journey-a-glorious-past-three-terms-georgian-dream)

<sup>&</sup>lt;sup>12</sup> "Alasania Blames GD, Ivanishvili, for Scrapped Air Defense Deal with France," *civil.ge*, February 21, 2025. (https://civil.ge/archives/664578)

<sup>&</sup>lt;sup>13</sup> (Wojciech Gorecki, "A Journey into a glorious past: three terms of Georgian Dream," Center for Eastern Studies, October 18, 2024.

<sup>&</sup>lt;sup>14</sup> "Georgian Dream, Opposition, Except for UNM, EG, Sign EU Proposal," *civil.ge*, April 19, 2021. (https://civil.ge/archives/414150)

This ideological evolution accelerated as Ivanishvili returned to Georgian politics as Chair of the GD party from 2018-21, and again as Honorary Chair in 2023. He went further than the illiberal trajectory of Hungarian premier Viktor Orbán, who allowed the opposition, including NGOs and the media, some limited political space. A second turning point came in February 2022 with Russia's fullscale invasion of Ukraine. Ivanishvili in his interview for imedi in October 2024 admitted the Russian military escalation in 2022 was a watershed for Georgia in terms of its relations with Europe. This event provided him with the justification he needed for a complete break with the West.

# Authoritarian Consolidation (2022-2025)

The period since 2022 has seen Ivanishvili move from quasi-democracy to quasi-dictatorship. The Russo-Ukrainian war provided both justification and cover for authoritarian consolidation at home. He claimed that Western conspirators wanted to open a second front from Georgia. This fortified his arguments against European integration. In April 2024 Ivanishvili laid out

his plan. Between 2004-2012, he declared, Georgia "was ruled not by a government elected by the people, but by an externally appointed revolutionary committee, a foreign Everything agency." the Saakashvili-led government did "was ordered and directed by their masters from outside." He went on in recognizable Soviet tones to condemn NGOs as a "pseudo-elite nurtured by a foreign country.... They have no homeland; they do not love their country or their people because they do not really consider them to be their own." He warned that "after the elections [in October 2024], we will issue a strict political and legal condemnation to the collective UNM.... They will pay for all the crimes against the Georgian people."15

GD introduced oppressive legislation (the Foreign Agents Law) against civil society organizations (CSOs) in 2024. At an election campaign meeting that same year in the provincial town of Akhaltsikhe, Ivanishvili declared: "We will not allow anyone to insult our faith, culture, history, and the values with which we were raised." <sup>16</sup> In October in an open letter to Georgia's citizens, <sup>17</sup> he insisted the GOC would be recognized in the constitution

<sup>&</sup>lt;sup>15</sup> "Bidzina Ivanishvili Backs Anti-Western Policies, Threatens Repressions," *civil.ge*, April 29, 2024. (https://civil.ge/archives/602348)

<sup>&</sup>lt;sup>16</sup> "Bidzina Ivanishvili's Speech at Pre-Election Meeting in Akhaltsikhe, 1tv.ge, September 8, 2024. (https://1tv.ge/lang/en/news/bidzina-ivanishvilis-speech-at-pre-election-meeting-in-akhaltsikhe/)

<sup>17 &</sup>quot;Open letter by Georgian Oligarch Ivanishvili," *The Financial*, October 2, 2024. (https://finchannel.com/open-letter-by-georgian-oligarch-ivanishvili/122925/georgian-local-news/2024/10/)

as the existential foundation of the state of Georgia. That same month, in an interview with the pro-government TV imedi, he proposed the banning of all major opposition parties. 18 "You have to ban that which is the people's enemy and the country's enemy," he Georgian declared. Dream, after consecutive electoral victories (the last in 2024 was openly rigged against the opposition) has broken Georgia's party system. GD inhabits a deserted parliamentary building and has almost no interaction with the Georgian citizenry which is excluded from political life.

The government suspended negotiations over its EU candidacy in November 2024, and today all major opposition leaders are in prison.<sup>19</sup> In May 2025, GD introduced an amendment on the law of political associations to make opposition banning parties by Constitutional Court legal.<sup>20</sup> Like all dictators, Ivanishvili's survival depends on preserving a which maintains control system information, the law, and public servants like the police. Georgian Dream's monopoly of political and economic power means it no longer needs elections. Ivanishvili promised to

ban the current opposition parties from the electoral process.<sup>21</sup>

In November 2024, he used his newly acquired power as honorary chair of the party to nominate ex-footballer Mikheil Kavelashvili Georgia's new president. But next month, when French President Emmanuel Macron wanted to de-escalate GD-opposition tensions, the French President did not call the Georgian president or prime minister, but Bidzina Ivanishvili. 22 Ivanishvili took his Ivanishvili has reached a new apogee of power and has the ability to end all opposition in Georgia, whether it is political parties, NGOs, the media or external Western leverage. This resembles the Lukashenko school authoritarianism. It surpasses Victor Orban's authoritarian strategy which controls the judiciary and monopolizes the media, but permits an (admittedly severely constrained) opposition to exist.

# Language and Ideology

Dictators and the authoritarian systems they establish are symbiotic. The leadership makes

See video at https://www.youtube.com/watch?v=vjYPdzVumzY.

<sup>&</sup>lt;sup>19</sup> Laura Linderman "Georgia's Aborted EU Accession: A Political Crisis," *Central Asia-Caucasus Analyst*, December 3, 2024. (https://www.cacianalyst.org/publications/analytical-articles/item/13831)

<sup>&</sup>lt;sup>20</sup> "GD Parliament Passes Amendments Paving the Way for Banning Opposition Parties,"

Civil.ge, May 13, 2025. (https://civil.ge/archives/681064)

<sup>&</sup>lt;sup>21</sup> "Interview with Bidzina Ivanishvili," October 21, 2024.

<sup>&</sup>lt;sup>22</sup> "Macron Scolds Ivanishvili, Calls for Inclusive Dialogue," *civil.ge*, December 11, 2024. (https://civil.ge/archives/643649)

policy decisions, but the narrow constraints of authoritarianism shape leaders' choices. Ivanishvili's public language focuses on threat, coercion, and violence, but elections, even rigged ones, acknowledge the need for some form of consent. The existing opposition parties and NGOs are portrayed as alien to Georgian values; they are agents serving foreign forces.<sup>23</sup> In Ivanishvili's TV interviews, condemnation of the opposition is always the most passionate part. Using the language of homo sovieticus, Ivanishvili demonizes his rivals as enemies. Orwell reminded us in his novel 1984 that language, information, education and history are weapons of control. Ivanishvili, like his colleagues, willfully distorts Georgian history. He accuses Saakashvili, not Russia, of starting the 2008 war. 24 His former prime minister Giorgi Gakharia, who resigned in 2021, did so according to Ivanishvili " to tear down the Georgian Dream government and let those forces come to power that would immediately drag Georgia into war."25 Worst of all, Georgian youth is being corrupted. Young Georgians in the 2000s, he asserts, were "enslaved" by Western ideas.26 The EU's goal,

he maintains, is to undermine Georgian sovereignty, - or perhaps more accurately, Ivanishvili's "sovereignty."

# Ivanishvili's Financial-Political Complex

Ivanishvili's personal financial interests drive much of his anti-Western stance. Giorgi Gakharia argues Ivanishvili is motivated by two interrelated concerns - money and power. 27 Despite his promise to sell off his Russian assets, Ivanishvili owns Russian business through offshore companies. His Georgian companies are run by a tight network of family and friends who control broad spheres of Georgia's economy. 28 His animus against Europe and more broadly the "West" is part of a prolonged conflict with Credit Suisse over the fraudulent loss of millions of dollars in 2020. Ivanishvili won in the international courts, but Credit Suisse became symbolic in his own mind of a Western conspiracy aimed at blackmailing him, undermining his political position and his financial interests. 29 The mixing of private and state interests was displayed in Georgian legislation in May 2024

<sup>&</sup>lt;sup>23</sup> "Open letter by Georgian Oligarch Ivanishvili," *The Financial*, October 2, 2024.

<sup>24 &</sup>quot;Bidzina Ivanishvili talks about the August War.
2018, during Zurabishvili's election campaign."
December 17, 2022.
(https://www.facebook.com/watch/?v=1348800399200
829)

<sup>&</sup>lt;sup>25</sup> "Interview with Bidzina Ivanishvili," October 21, 2024.

<sup>&</sup>lt;sup>26</sup> Ibid.

<sup>&</sup>lt;sup>27</sup> "Gakharia: Attack on Me Is Ivanishvili's Political Revenge," *civil.ge*, January 24, 2025. (https://civil.ge/archives/655705)

<sup>&</sup>lt;sup>28</sup> (https://transparency.ge/ge/post/bizina-ivanishvilis-da-misi-natesavebis-rusuli-biznes)

<sup>&</sup>lt;sup>29</sup> "Interview with Bidzina Ivanishvili," October 21, 2024.

which, as sanctions tightened, gave Ivanishvili the opportunity to transfer money to Georgia with minimal penalties from his vulnerable offshore accounts.

Ivanishvili is unpopular with all manner of European and US leaders. The European parliament passed resolutions demanding Ivanishvili be sanctioned, and the EU effectively halted Georgia's accession process after the 2024 elections. But the EU remains hamstrung by the resistance of Hungary and Slovakia to any form of punishment directed against Ivanishvili. The US government faced no such constraints, and on December 2024, sanctioned Ivanishvili for "undermining the democratic and Euro-Atlantic future of Georgia."<sup>30</sup> The US House of representatives passed the MEGOBARI act on May 25, 2025, which will – if passed by the Senate – oblige President Trump to impose sanctions on Georgian individuals who undermine the country's Euro-Atlantic integration.

Ivanishvili's radical anti-Western turn is a puzzle for Ivanishvili's former GD colleague, Giorgi Margvelashvili. Margvelashvili was Georgia's president from 2013 to 2018. Ivanishvili could have followed Orban's example and remained a "nominal" democrat whilst benefiting from EU largesse. Ivanishvili's radical anti-Western rhetoric,

Margvelashvili believes, comes from a genuine fear of potential Russian actions both against himself and the Georgian state.

## The Context of Personal Rule

Ivanishvili alone cannot explain Georgia's turn to political illiberalism. Russia's powerful role in Georgia's social media, the outsized influence of the Georgian Orthodox church, the emergence of populist allies in Italy, Germany, Hungary and Slovakia, the EU's policy failures in Georgia, and the perceived threats of globalization among Georgians suffering from persistent economic insecurity, are equally important. The election of Donald Trump in 2016 and again in 2024 has had an enormous impact. Ivanishvili initially hoped for a greater connection with Trump, given similar authoritarian policies, but even without direct support for Ivanishvili, Trump has enabled the Georgian leader, along with Victor Orban, Robert Fico and other rising authoritarians. The closure of USAID programs in Georgia in 2025 devastated Georgian civil society, one of the major pillars of countervailing power to government control.

The veil over Georgian politics in parliament and in the ministries make it impossible to properly assess Ivanishvili's own responsibility for GD's abandonment of European

2024. (https://ge.usembassy.gov/sanctioning-georgian-dream-founder-bidzina-ivanishvili/)

<sup>&</sup>lt;sup>30</sup> "Sanctioning Georgian Dream Founder Bidzina Ivanshvili," U.S. Embassy in Georgia, December 27,

integration. Yet it is clear at rallies and during electoral campaigns that Ivanishvili is in charge. His ideas and policies make up what in the USSR was called the "general line" (general'naia linia). Policies set by the leader can be parroted but not challenged.

## Conclusion

Ivanishvili has followed the Georgian pattern – a dominant one-party system with power concentrated in a powerful executive. Essential elements of this system are control over the media and judiciary (especially Prosecutor's office), intimidation of public servants, loyalty of the police, and a "power vertical" which operates through personal networks, economic controls, and Ivanishvili's office. Ivanishvili has surpassed both the Shevardnadze and Saakashvili eras and moved Georgia to a system of quasi-dictatorship. It is model. new Opposition leaders. businessmen, former civil servants and NGO

activists are in prison. The European standard of democratic governance is discredited. Through a skillful propaganda campaign, Ivanishvili has generated public support for his reputation as a man of peace who will keep Georgia out of the Russian-Ukrainian war. Ultimately, however, the separation of Georgia from the West will not only damage the Georgian economy – the regime's greatest weakness – but will alienate his regime from citizens who hold the deep conviction that Europe is their natural home. Charles Maurice de Talleyrand, Napoleon's foreign minister, allegedly reminded his emperor that he can do anything he liked with bayonets, except sit on them. Ivanishvili should take note. The Ivanishvili system has no social base and in a crisis when it comes (and it will), the Ivanishvili system will quickly crumble.

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