

Weaponization of Poverty – A Primary Tool for Regime Survival in Georgia

A recent [research project](#) by the Eastern Neighborhood Bulletin examined why the Georgian Dream remained in power following Georgia's contested October 2024 parliamentary elections, the subsequent November-December protest wave, and ongoing protests throughout 2025. Drawing on structured reflections from the experts on Georgian politics based in Georgia, Europe, and the United States, the study sought to identify the factors that prevented mass mobilization from escalating into a regime-threatening crisis.

Across the assessments, several converging explanations emerged. First, analysts consistently pointed to the fragmentation, strategic incoherence, and limited societal legitimacy of the opposition spectrum, which proved unable to transform

protest energy into sustained political pressure or a credible alternative political project. Second, experts highlighted the Georgian Dream's extensive institutional [capture](#) and coercive capacity, including control over the judiciary, law enforcement, electoral administration, media, and local governments, enabling the regime to combine selective repression and legal harassment. Third, many emphasized heterogeneous public opinion, particularly the divide between protest dynamics in Tbilisi and more risk-averse regional constituencies that are more susceptible to regime propaganda. Finally, several contributors [underscored](#) the limited effectiveness of international pressure, noting that Western sanctions and diplomatic measures remained [fragmented](#), delayed, and insufficient to meaningfully disrupt the regime's material foundations.



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Taken together, these explanations are valuable and we have analyzed many of them on the pages of *GEOPolitics* over the past two years. However, they do not tell the full story.

I argue that the primary reason the Georgian Dream remained in power is the economy. On the one hand, the Georgian Dream has managed to maintain economic growth, largely based on tourism, shady trade with Russia, and the growing tech sector. These factors have been addressed elsewhere in the findings of [Gnomon Wise](#) and [Fact-Check Georgia](#). However, in addition to the economic growth, which allows the Georgian Dream to score propaganda points, the primary reason for its political survival is the ability to weaponize the economy, and more importantly, to weaponize poverty.

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understood when examining how poverty, economic precarity, and selective growth are deliberately weaponized to stabilize authoritarian rule. Beyond repression and institutional capture, the regime has systematically transformed social policy, employment dependence, regional inequality, and fear of material loss into mechanisms of political obedience. In contexts where large segments of the population rely on state-mediated access to jobs, healthcare, subsidies, and informal economic protection, political loyalty is increasingly enforced through material vulnerability.

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Georgia is Poor, but Growing

Georgia's recent macroeconomic performance, which the Georgian Dream often takes pride in, is outstanding, but it still reflects a low-income, poor European society in lived terms. Georgia's real gross domestic product (GDP) [grew](#) by 7.2% in November 2025, compared to the same month last year, according to data released by the National Statistics Office (GeoStat) on 31 December. In 2025, Georgia's economy [grew](#) by 7% (per EBRD assessment), and it is expected to grow by 5% in 2026. Between 2019 and 2025, Georgia's nominal GDP nearly doubled and is projected to exceed GEL 100 billion in 2025, while GDP per capita is expected to exceed USD 10,000, a claim recently [highlighted](#) by Georgian Dream's Prime Minister, Irakli Kobakhidze.

On paper, the figures appear impressive; however, they obscure poverty, which becomes apparent when either juxtaposed with European figures or analyzed more deeply. Georgia's GDP per capita of USD 9,241.5 in 2024 was less than one-quarter of the [EU average](#) of USD 43,145. Moreover, rapid growth from a low base of 9.7% in 2024 and around 7% in 2025 can generate record propaganda headlines while leaving most households materially insecure. GeoStat's own [welfare indicators](#) confirm this: 9.4% of the population lived below the absolute poverty line in 2024, with poverty sharply regionalized (11.9% in rural areas versus 7.8% in urban ones).

If one looks at the share of the population, [median consumption figures](#) below 60% (or at risk of poverty) are even more telling. At no point during the Georgian Dream's tenure has it come below 18.9% (2024), with the highest being 22.3% in 2017. Compared with the [EU average](#) at-risk-of-poverty rate of 16.1%, this number is relatively high. Methodological differences aside, the direction of the comparison is telling. Georgia's relative pov-

erty rate (18.9%) is already higher than the EU's income-based at-risk-of-poverty rate of around 16%. Importantly, Georgian numbers are measured using a consumption-based methodology, which, in countries with large informal sectors and high reliance on remittances, typically dampens the measured extent of poverty relative to income-based metrics. Consumption smooths volatility and often masks underlying income insecurity. If Georgia were measured using the EU's stricter income-based, equivalized disposable income methodology, the share of the population falling below the 60% threshold, or being at risk of poverty, would be remarkably higher than the headline consumption-based figure suggests.

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The same pattern is evident in Georgia's Gini coefficient of 0.36 (just 0.03 points better than the 2013 value), which indicates that the income inequality is moderate but clearly significant, well beyond what would be considered egalitarian, and high enough to have visible social and political consequences. This indicates that economic growth is unevenly distributed: gains are disproportionately captured by higher-income groups while large segments of the population experience limited improvements in living standards. In practical terms, this level of inequality means that GDP growth does not translate smoothly into welfare gains for the median household, exposing these families to political pressure.

These vulnerabilities are visible in day-to-day household arithmetic. GeoStat [reported](#) average monthly income per capita of GEL 590 in 2024, alongside an average monthly [nominal wage](#) of GEL 1,970.8 - numbers that can rise while still pro-

ducing a society where saving, exit options, and risk-taking are limited for hundreds of thousands of Georgians. And the classic “Engel’s law” signal of poverty – how much of a household budget goes to food – remains severe. A 2024 ISET policy paper [noted](#) that food and non-alcoholic beverages accounted for roughly 43% of household consumption spending in 2023 (after peaking earlier) compared with 14.8% in the EU (2021) and 25% in Romania.

Similarly, the analysis of the evolution of the subsistence minimum in GEL from 2022 to 2025 for both a working-age male and an average consumer shows a clearly upward trend, reflecting a steady increase in the cost of living. While the subsistence minimum for a working-age male stood at approximately GEL 226 at the beginning of 2022, it had risen to approximately GEL 292 by mid-2025. For the average consumer, the corresponding increase is from roughly GEL 200 to about GEL 255. This data indicates a sustained rise in basic living costs, suggesting that households require progressively higher incomes merely to meet minimum subsistence needs. And even if the numbers are unrealistic, as one cannot possibly survive on a meager USD 85 per month in Georgia, the numbers show that the life of an average Georgian is far from being well-off.

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Poverty in Georgia is also structurally embedded in the country’s pension system, which functions as a mechanism of economic discipline over one

of the most politically sensitive and active groups – older voters. While the average monthly salary [is](#) approximately GEL 2,200, the average state pension [is](#) GEL 350 (GEL 400 for those aged 70 and over), indicating that pensions account for only 18% of the average wage. Such a ratio is extraordinarily low by European standards and has no real analogue within the EU, where pension replacement rates are substantially higher. This gap shows that pensioners are treated as a residual social category rather than as citizens entitled to income security. The disparity becomes even more striking when elite compensation is considered. In EU member states, parliamentary salaries [are](#) typically four to seven times the average pension; in Georgia, a member of parliament earns approximately 30 times the average pension, a ratio that attests to the ruling elite’s insulation from the material realities of society.

This pension structure must be viewed within a broader demographic and socio-economic context. According to official data, Georgia has 881,000 [minors](#) with no independent income, 213,700 [unemployed adults](#), and 864,300 [pensioners](#) living largely on pensions of approximately GEL 400 per month. In addition, 314,000 wage earners [receive less](#) than GEL 1,200 per month, and 127,000 earn less than GEL 600. In total, more than 2.3 million people – over 60% of the population – either have no income or live on extremely low and unstable earnings. For pensioners in particular, this creates a condition of permanent vulnerability: even small discretionary increases to pensions, seasonal bonuses, or symbolic indexation measures can have disproportionate political effects. In such an environment, pensions become a tool of political management, reinforcing risk aversion, discouraging protest participation, and anchoring electoral loyalty among voters for whom any disruption, real or perceived, threatens basic survival.

This logic is reinforced by a wider pattern of electoral instrumentalization of social assistance. The

analysis of the increase in social assistance shows that the number of recipients of subsistence allowances systematically increases in the months preceding elections and declines afterward, a trend [observed](#) across multiple electoral cycles since 2008. While governments justify these fluctuations through methodological updates or crisis responses, the consistency of the pattern raises strong grounds for political inference: social assistance is not merely expanded in times of need, but selectively activated as an electoral resource. In this context, low pensions are not an accident of underdevelopment but part of a broader governance model in which poverty is managed, calibrated, and periodically alleviated in ways that maximize political leverage.

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Public-Sector Jobs as Administrative Resources

A central and often underappreciated pillar of the Georgian Dream's resilience is the political economy of public-sector employment, particularly outside Tbilisi, where the state (and the municipality) is frequently the largest and most stable employer. Multiple independent trackers have documented both the scale and the growth of this ecosystem. According to reporting based on the IDFI's [analysis](#), 320.5 thousand people worked as civil servants in 2023, a record high compared with the previous decade. In parallel, the country has seen a steady expansion of employment through state-affiliated legal entities—LEPLs and N(N)LEs—which are structurally well-suited for politically loyal hiring, particularly when staffing is done through more

flexible (and less merit-based) arrangements.

This matters because municipal LEPLs/NNLEs operate as a regional patronage mesh: they distribute salaries, contracts, and informal status through local networks that are easier to monitor and mobilize than private employment. A Fact-Check [review](#) of Finance Ministry execution data highlights that employment and wage spending in LEPLs/NNLEs has been on an upward trend and notes that non-staff (contract) hiring, procedurally easier than competitive staffing, has grown especially sharply since 2020, including a notable jump in 2022 (+7,745; +15.3% y/y). Moreover, the State Audit Office findings have repeatedly flagged that municipalities created entities whose necessity was weakly justified, with duplicated functions and unreasonably high headcounts, a pattern consistent with using these bodies as political and electoral infrastructure rather than service-delivery instruments.

Finally, this “administrative resource” is reinforced not only by headcount but by regularized pay rises that increase the opportunity cost of dissent. Transparency International Georgia's [analysis](#) of the 2026 draft budget indicates a baseline pay increase from GEL 1,460 to GEL 1,600 (≈10%), resulting in an additional GEL 385 million in annual labor remuneration and raising total wage spending in the budget to GEL 3.4 billion. GeoStat data also [shows](#) public-sector earnings rising (+13.0% in 2024 vs 2023). Taken together, this is not just a “big government” but a weaponization of poverty, particularly in regions where employment in LEPLs/NNLEs can be expanded, renewed, or withdrawn, and where salary policy can be timed and framed as benevolence, thereby converting economic vulnerability into political obedience.

In Georgia's regions, the public sector is often the main source of stable income, status, and day-to-day security. That makes it uniquely political. Education is the clearest example because of its scale

and its hierarchical management chain. GeoStat [reports](#) that 66,000 teachers were employed in general education institutions at the start of the 2024/2025 school year (up 3.7% year-on-year). Teachers are also embedded in a dense “local influence” ecosystem – schools, kindergartens, municipal social services – where reputations travel fast, and informal pressure is easy to apply. And unlike many private-sector jobs, these positions are often tied (directly or indirectly) to the Georgian Dream’s gatekeeping: contracts, attestations, workload allocation, bonuses, and institutional “discipline.”

This is where regional education resource centers matter politically. Formally, resource centers are territorial arms of the Ministry of Education that monitor schools and the learning process and oversee implementation tasks within their area. In practice, that monitoring function creates an administrative ladder through which pressure can be transmitted downward, especially in small towns where “a school job” is a household’s main safety net. The risk is highly practical: Georgian [watchdogs](#) have long documented the [politicization](#) of educational administration, including controversies surrounding politically motivated dismissals involving ministry territorial agencies (including resource centers) and school employees. International election observers have also repeatedly [flagged](#) patterns consistent with administrative-resource politics, including pressure on public-sector employees and misuse of state advantages during campaigns.

The salary channel further enhances the political utility of this ecosystem. The government implemented a major teacher pay reform starting 1 July 2024, [stating](#) that the average salary for public school teachers would rise by about GEL 500, with increases varying by workload/status. A teacher’s compensation under the new mechanisms consists of a base salary and potential bonuses. The base salary is categorized according to (1) educa-

tion and qualifications, (2) work experience, and (3) workload. Potential bonuses are divided into the following categories: functional bonuses for lead or mentor teachers, bonuses for teaching a full class, bonuses for teaching certain subjects in non-Georgian-language schools/sectors – Georgian language, Georgian history, Georgian geography – or as a class supervisor and bonuses for teachers working in public schools located in highland areas. This grants considerable discretion to the school directors who, in turn, are controlled and subordinate to the resource centers.

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This is precisely why education-sector pay is politically sensitive: when the electorate includes tens of thousands of teachers (and many more family members), a centrally announced “raise” can be framed as benevolence while the administrative system retains multiple levers that affect real take-home pay and job stability at the local level.

Debts and Credits

Georgia’s long-running “immigration as exit option” in reality serves as a pressure-release valve in the political economy. Official statistics [show](#) extremely large outflows in recent years: emigrants totaled 245,064 in 2023, and although 2024 emigration [fell](#) to 121,425, the migration profile remained heavily working-age (15-64), indicating that mobility continues to externalize labor-market pressures and household hardship rather than forcing a domestic political settlement around jobs and welfare.

Remittances then act as the financial counterpart to this externalization. World Bank data [indicates](#) that personal remittances received accounted for 11.9% of the GDP in 2024 – a very high share by European standards and large enough to matter for macroeconomic stability and household consumption. The National Bank's balance-of-payments [reporting](#) likewise highlights the scale of private transfers within current transfers, even when year-on-year flows fluctuate. Politically, this is essential: remittances can keep families afloat without the state having to deliver deep reforms (productivity, regional development, social insurance adequacy). They stabilize consumption and reduce overt desperation, yet they also create a model of survival that depends on external income rather than on accountable domestic governance. As we have [written](#) previously in *GEOpolitics*, Georgian migrants are largely viewed as ATMs by the Georgian Dream, ensuring that the cash is transferred to those who stay, but as politically unacceptable, as they are largely against the government. Hence, the recent initiative [has deprived](#) them of the right to vote in national elections.

Alongside remittances sits a second stabilizer with sharper coercive potential – a household debt. The National Bank's monthly lending statistics [indicate](#) that the resident household loan portfolio reached GEL 35.97 billion by the end of November 2025, following continued monthly increases. In its 2024 Financial Stability Report, the NBS [explicitly notes](#) that household credit growth remains high, discusses debt-service indicators (e.g., PTI), and emphasizes the role of macroprudential rules in containing risks, thereby implicitly confirming that household borrowing has become structurally significant. The IMF's 2024 Article IV [reporting](#) also flags that “high indebtedness and the significant exchange rate risk of unhedged borrowers still represent key vulnerabilities in the household sector.” In plain terms, a large share of households is now linked to the banking system in ways that make them highly sensitive to shocks,

fines, job loss, and any policy signals that could change monthly repayment burdens. This is a primary reason why tens of thousands of Georgians, who were discontent with the Georgian Dream's rising authoritarianism, decided to stay home and protest silently or on social media, especially when they have seen how the Georgian Dream has fired hundreds of civil servants who signed the petitions in late 2024 without hesitation and a sign of remorse.

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Comparative research helps explain why this matters politically. A growing body of literature finds that household debt and financial distress can reshape political behavior—often by increasing vulnerability to parties that promise relief and by discouraging risky political action. Wiedemann (2024) [shows](#) that household indebtedness has electoral consequences in contexts where welfare is under strain. Gyöngyösi & Verner (2022), exploiting debt- or distress during a currency/debt shock, [find](#) that distress can increase support for populist forces that champion aggressive debt relief. These findings make it clear that when a ruling party presides over a system in which households survive on remittances plus debt, it can credibly position itself as the only actor able to protect that fragile equilibrium through selective “mercy” and by amplifying the perceived risks of political change.

Poverty as the Hidden Pillar of Authoritarian Stability

The Georgian Dream's endurance in power is based on the successful weaponization of poverty. By weaponizing socio-economic vulnerability,

controlling access to relief, and politicizing survival, the regime has reduced the costs of authoritarian governance and increased the cost of dissent.

One of the clearest instruments of repression employed by the Georgian Dream in recent years has been the systematic escalation of administrative and criminal fines, particularly against protesters, critics, and politically active citizens. Under the guise of maintaining public order, the government has [repeatedly amended](#) the Law on Assemblies and Manifestations and the Code of Administrative Offenses, tightening them no fewer than five times within a single year. These changes began with a threefold increase in fines and culminated in the introduction of administrative detention and criminal liability for actions previously considered lawful forms of protest.

The new regime of penalties is deliberately broad and punitive. Citizens who participate in demonstrations by stepping onto the roadway or wearing face coverings now face administrative detention of up to 15 days, while repeated “offenses” can lead to criminal prosecution and prison sentences of up to one year. In practice, this has resulted in mass punishment: more than 1,000 individuals were fined, many on multiple occasions, and approximately 150 people were sentenced to administrative imprisonment within a few weeks. The financial burden of these fines, often imposed arbitrarily and without meaningful judicial oversight, functions not merely as punishment but as a deterrent designed to exhaust protesters economically.

Fines have also been used to restrict freedom of expression. Criticism of high-ranking Georgian Dream officials has increasingly led to administrative or criminal proceedings, with verbal insults or public criticism now punishable by fines of up to GEL 6,000 or by 60 days of imprisonment. This represents a dramatic departure from democratic standards, effectively reintroducing puni-

tive sanctions for speech and fostering a climate of self-censorship. Combined with rising living costs and stagnant incomes, the expanding system of fines operates as a form of economic coercion, disproportionately affecting ordinary citizens and turning administrative penalties into a central pillar of the ruling party’s authoritarian toolkit.

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It must be noted, however, that this strategy of weaponizing poverty does not eliminate dissent, but it raises its price. In a society where many citizens live close to subsistence, political change is perceived not as hope, but as risk. Authoritarianism survives not because people believe in it, but because poverty makes alternatives frightening. Understanding the Georgian Dream’s rule and the reasons why the protests have not been successful, therefore, requires moving beyond institutional analysis and confronting a harder truth: authoritarian power in Georgia rests not only on repression and propaganda but also on deprivation, carefully managed and politically exploited.

Weaponized Poverty and Authoritarian Durability

Research on authoritarian welfare and clientelism has long demonstrated that poverty and inequality shape political incentives in systematic ways, often helping authoritarian regimes to stay in power. Seen through this lens, the Georgian Dream’s governance trajectory appears less anomalous and more structurally intelligible. Poverty in Georgia has not been eradicated despite the rising economic figures, nor has it been meaningfully reduced in ways that would empower citizens. Instead, it has been managed. Social assistance, pensions, state jobs, and infrastructure projects have been structured and communicated in ways

that sustain dependence on the Georgian Dream, rather than independence from politics. Benefits are experienced by many citizens not as enforceable rights but as contingent goods, closely associated with the ruling party's continued dominance. The literature on authoritarian welfare, particularly studies of [child welfare](#) and [pension systems](#) in Russia, shows how such systems foster loyalty by keeping beneficiaries in a permanent state of vulnerability in which the loss of even modest assistance is perceived as an existential threat.

Recognizing the weaponization of poverty as a central pillar of the Georgian Dream's rule has implications that extend beyond academic explanation. If poverty functions as a mechanism of political control, then strategies by domestic opposition political actors cannot focus solely on human rights, media freedom, institutional reforms, or European integration. They must also confront the socio-economic structures that sustain political dependence and appeal to the voters who are trapped in the ready-to-be-weaponized poverty cycle ■