

Abstract

The first wave of post-communist transformation which resulted in a prolonged socio-economic crisis created preconditions for the political changes of 2003. After the Rose Revolution new government under the leadership of President Saakashvili initiated radical changes to the severe social, economic and institutional problems accumulated in Georgia. The neoliberal premises of the political elite was based on the theoretical assumption that radical market liberalization, deregulation, and privatization would lead to sustainable economic growth. The concept of economic development based on governmental theoretical assumptions entailed not only a purely macroeconomic phenomenon of economic growth, but it was essentially incorporating social dimensions with a strong emphasis on poverty reduction, job creation, and equitable growth. this paper seeks to investigate how the Georgian case of Neoliberal transition manifested itself from 2003-2012. more precisely, it aims to explain How Neoliberal theoretical premises deviated from the materialized outcomes? And how were the neoliberal reforms legitimized within the system by the political elite? For the purposes of the research, I employed qualitative research methods: The single case study, critical discourse analysis, and in-depth expert interviews. empirical analysis has demonstrated that neoliberal premises with the linkages of poverty reduction, equitable growth, and job creation strongly deviated from materialized outcomes.

Key words: Liberalization, Deregulation, Privatization, Neoliberalism, Poverty Reduction, Social Inequality, Economic Growth