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Institutional vs Economic development in Georgia

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ABSTRACT

Institutional development is an actual topic as developed as developing parts of the world. Institutional change process is more sensitive for developing economies. Georgia is posttransition developing economy with low incomes. Twenty five years have completed after the collapse of the Soviet Union, but economy of Georgia has not yet returned to the incomes level of the 90s. Besides successful institutional and economic reforms and years of high economic growth rates, GDP per capita in Georgia is lower than in other eastern European EU member countries. Post-Communist Georgia was characterized by both institutional and economic backwardness, while some post-Soviet economies have completed integration process into European economic and political structures.

KEYWORDS Institutional development; Economic development; Transition

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