

## **Institutional Preferences of Elites and Society: Paradoxes of Economic Development in Georgia**

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**Abstract :** Article aims to discuss the controversial character of the institutional preferences of elites and society in modern Georgia. Desktop research method is used to formulate the findings and analyze the outcomes. It is accepted that transformation process in Post-Soviet Georgia went with the prevalence of elites' institutional preferences over the needs of the society that induced voluntarism in the process of formation of institutions. Hypothesis of 'quasi-inclusion trap' is put forward in the article as an effect of authoritarian modernization that is proved by instable paces of wealth and economic growth in the post-authoritarian period. On the one hand, monopolization of institutional choice by the elites, blocking formation of inclusive political and economic institutions for fear of losing status-quo worsen perspectives for achieving free availability regime. On the other hand, consciousness of the society is dominated by informal institutions, judicial nihilism and orientation on 'self-survival values.' This hinders its consolidation as a 'collective principal' against 'institutional utilitarianism,' result of which is hindered economic development.

**Keywords :** elites, hypothesis of 'quasi-inclusion trap', institutional preferences, post-Soviet Georgia

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