

## Conference Paper

# The Changing Shopping Space in Georgia: The Influence from the Chinese ‘Belt and Road Initiative’

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## Abstract

The Caucasus region is where the east meets the west and is known as an area in which conflicts and opportunities occur simultaneously. The development of this region used to be constricted by its geographic and political conditions. However, due to advancements in transport and the dissolution of Soviet Union, the Caucasus region has become a strategic region for development.

This research focuses on Georgia in Caucasus due to the country’s intimate relationships with many European and Asian countries. In addition, China announced that it will invest more infrastructure and capital in Georgia. Due to the influence of the Chinese ‘Belt and Road Initiative’ (B&R), Georgia is currently undergoing many changes, despite discussions focusing on political or economic perspectives.

With the global free market and the Chinese ‘Belt and Road Initiative’, Georgia seeks to increase its economic development. Shopping space is one of the most affected spaces of development. Attributes such as the placement of shops can be analysed to indicate the change of internal public space, as shops become very Chinese style and the traditional Georgian shopping spaces gradually disappear due to the constant chasing of cash flows. As a pilot study, this research hopes to uncover potentials and threats of shopping space development in Georgia, and it aims to discover the underlying principles for the changes. Mapping and case studies are employed in the investigation. The research hopes to contribute to a healthy urban development by finding the balance between economic and spatial development.

**Keywords:** Georgia, China, ‘Belt and Road Initiative’, Balance between Economy and Space, Healthy Urban Development.

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## 1. Introduction

Georgia is a pivotal country in South Caucasus. It borders its previous coloniser, Russia at the north side, and neighbours countries such as Azerbaijan and Armenia on the south side. The coastal line lies between east and west Europe. The important location between the east and west has drawn invasions and conflicts both nationally and internationally. Recently, the political situation in Georgia has stabilised, despite conflicted

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area such as Abkhazia in Georgia still seeking independence. The comparative stability in Georgia has allowed the country to seek further economic and urban development.

The Chinese 'Belt and Road Initiative' was initiated in 2013 at Kazakhstan. It is known as a strategy that aims to recover and expand the old Silk Road, linking the east with the west, and has become a huge advantage for Georgia. Politically, cooperation and support from China would further ensure the political stability of Georgia due to the consistent aspects of control Russia aims to hold over Georgia. Economically, becoming a logistic hub for China would largely stimulate the manufacturing and commercial development of Georgia, contributing to its economic advancement. Spatially, which is seldomly discussed, Georgia would encounter even more drastic challenges since the architecture and urban fabrics used to be strictly controlled and influenced by rigid Soviet Union governance. As a result, its spatial development, especially commercial spaces, are very open to the influence of Chinese architectural attributes.

This research aims to investigate the interrelation between politics, economics, and shopping space in Georgia and countries like it which encounter changes and opportunities. It is vitally important for spatial development and economic growth to improve simultaneously for the sake of healthy urban development and a better standard of human life in the cities.

In terms of methodology, this research contains a literature review documenting previous research into shopping space and shopping space development in Georgia. In addition, literature regarding the important Chinese 'Belt and Road Initiative' will also be reviewed to identify the importance and relevance of this study. Mapping and case study will be used to support an understanding of how spatial attributes are influenced and changed by political and economic factors. Conclusions are made as to whether there is an important interrelation between the factors that need to be addressed. Furthermore, the research seeks to find ways and potential recommendations for balancing between economic and spatial determinants.

## 2. Literature Review

### 2.1. Shopping Space in Georgia

In *The Harvard Design School Guide to Shopping* [1], Leong describes shopping as one of the only means by which people experience public life. In 2003, Miles and Miles suggest that consumption has become the primary function of cities. Shopping space is an essential part of the urban environment because shopping is a means

of creating a living environment where people can meet and communicate with each other [2]. Also, McMorrough [3] states that shopping space is a constituent part of urban life and could be reckoned as a means of control or a manipulation of the richness of public life. Evidently, the importance of shopping activity becomes overt due to its everyday necessity. Therefore, shopping space, understood as the container of shopping activities, is important because it is recognised as the man-made object which organises the environments for everyday public life [4].

Despite the above listed importance of shopping activity and shopping space, shopping space in Georgia was not developed in a healthy and stable manner, largely because of the unstable political and economic conditions. This research seeks to understand the relationships between politics, economy and space. It therefore focuses on the changing shopping space in Georgia from the period of Soviet Union governance to the current free market period.

When Georgia was part of the Soviet Union, Georgian architecture was very politically driven by the strong control of the Soviet Union [5]. Most architecture at that time was designed and built for the communist purpose. For example, the Ministry of Highways [6] was an administrative building that served governmental use, with very strong symbolic meanings rather than functional meanings. During that period, many common interests were sacrificed for communist purposes, thus, the very capital oriented commercial activities were developed slowly and there was little documented evidence on shopping space development. Arguably, the main reason for this was stagnated development or retrogression. With the dissolution of the Soviet Union, the Georgian political power sought changing opportunities with the desire to clean up the traces of Soviet influence [7]. However, due to economic stagnation and political corruption, there were plenty of large construction projects left unfinished [5]. Many of them became scars of the country. In Batumi, the 'Georgian Las Vegas' [8] built some westernised buildings but they were left vacant, highlighting the government's economic ambitions, but lack of investment into spatial change. Commerce remained suppressed and under great control by the government.

After the Rose Revolution in 2003, the building industry was prioritised by the government and large-scale constructions were built through top-down decision-making [7]. However, with the economic crisis in 2008, the construction industry was destroyed by the financial bubbles and the unfinished buildings became ugly reminders of the country [9]. Architecture in this period reflected elite interests, and the public interests were arguably backgrounded again. Shopping space in this period attempted to mirror westernised styles of spatial development. The homogeneous urban space violated

social integrity and brutally dictated the values of commercialisation [10]. However, the Chinese 'Belt and Road Initiative' is considered as a great opportunity in Georgia due to the growth of investments and infrastructures from China stimulating commerce in Georgia. Many Chinese shops emerge in Georgia, despite some people criticising China's overwhelming influence in many countries of the Global North and South [11].

## 2.2. The Chinese 'Belt and Road Initiative'

The 'Belt and Road Initiative' was commenced by the Chairman Xi Jinping of China, in Kazakhstan in 2013 [12]. It aims to rebuild the original 'silk road' and expand it into more countries. It is mainly an economic strategy despite some sustained belief that China also seeks to expand its political influence in Eurasian regions.

Geographically, the region of Caucasus is very strategic since it is the pivotal area in which Europe, Asia and Middle East link to each other [13]. It is a bridging space which has the potential of acting as a crossroad and logistical hub. Its geographical importance includes not only Georgia, but also the surrounding countries. However, due to political or economic reasons such as conflicts, restrictions, or blockades, Georgia has appeared to have superior advantages.

Despite Georgia acquiring its political independence after the collapse of Soviet Union, Russia still asserts a level of influence over Georgia for historical reasons [14]. Russia is still one of the world's strongest powers; thus, it seeks to maintain its influence in the Caucasus region. The Russian EAEU (Eurasian Economic Union) is a strategy initiated by the USSR which aims to regain the political influence over the previously Soviet Union ruled regions. Because the EAEU exhibits Russian political ambitions, the Chinese BRI seeks more mutual economic development which is accepted and welcomed by these regions [15].

Economically, the geographical advantages and political preference make Georgia more inclined to work with China and the development of the B&R has already been conducted efficiently in Georgia. The signing of the 'Free Trade Agreement between China and Georgia' in 2017 has accelerated the process [16]. The provision of infrastructure and financial support from China act as stimuli for Georgian development. Due to the free trade agreement between Georgia and European countries, products have to be manufactured in Georgia before being exported to the EU. This gives Georgia more opportunities of becoming a logistic hub in the Caucasus region, such as the Deep-Sea Port in Anaklia [17].

In terms of architecture, discussions based around the B&R are mostly focused on its political and economic aspects. Instead, the spatial effects of the B&R on Georgia have been greatly ignored in research. The architectural history of Georgia portrays Georgia as a country of mixed political and economic contexts overtime [10]. Despite there being few current discussions over the changing architecture resulting from the B&R, the author observes some drastic changes in its shopping spaces such as streamlining shopping malls and reduced social spaces, which will be further explained in the case studies.

### 3. Research Methodology and Analysis

#### 3.1. Mapping

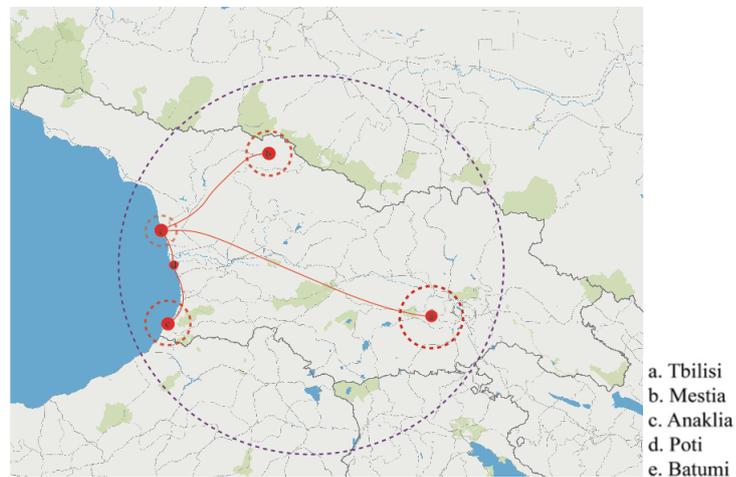
Mapping is a tool typically used to represent places in a graphic and abstract way through scope, symbol, legend, etc [18]. Kevin Lynch [19] uses mapping in a cognitive way to represent how people perceive spaces and spatial interrelationships. In social science, maps are used across disciplinary arts, geography and linked with broader social or political issues [20]. Here, the research utilises mapping as a method to record the economic activities initiated by the 'Belt and Road Initiative', and later on compares through mapping the proposed 'Tbilisi Land Use Plan' to show whether the economic development matches future political ambitions in regards to the spatial perspective.



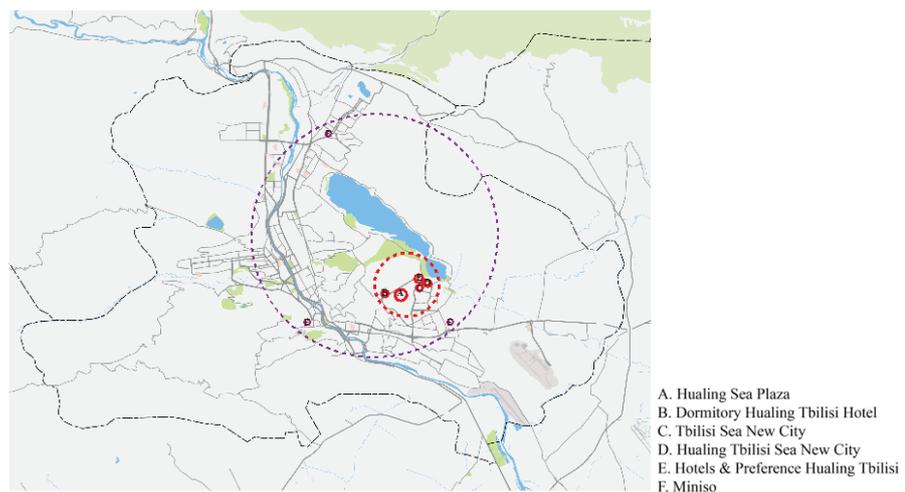
**Figure 1:** Polycentric Development (City Institute Georgia, 2016).

Figure 1 is a future vision proposed by the City Institute Georgia who propose a 'Tbilisi Land Use Plan' for 2030. It demonstrates that Tbilisi will expand its urban development

along the River Mtkvaria and will expand the existing traffic system. Compared with the existing model, the city centre stays crowded in the old town district. Tbilisi expects to multiply the city centres; classifying them as city sub-centres, district centres and special centres according to existing conditions. An integrated centric system is planned to meet potential needs and challenges.



**Figure 2:** The Commercial Activities Activated by China in Georgia.



**Figure 3:** The Commercial Activities Activated by China in Tbilisi.

Figure 2 and Figure 3 represent the commercial activities influenced by China occurring in Georgia both at national and local city levels. Figure 2 indicates that China utilise the boundary advantages of Georgia. The economical and spatial linkages run throughout the whole country, from the eastern capital, Tbilisi to the western Anaklia and from the northern Mestia to the southern Batumi. China invested not only in prosperous cities such as Tbilisi or Batumi, but also in cities considered to be developing with great potential. Anaklia is considered an example of such a city with high potential

despite its current underdevelopment. The economic and spatial expansions are very economically and politically driven.

Figure 3 shows the current commercial activities initiated by Chinese companies in Tbilisi. The B&R encourages Chinese companies to expand businesses in Georgia. Most of them are quite far away from the existing old town centre, and they do not take the existing urban conditions into consideration; the transport system is a key example of this. Hualing, a Xinjiang company, becomes one of the largest private investors in Georgia, or even in the Caucasus. Here it can be seen within the red circle on Figure 2, where five large commercial projects, including the Hualing Sea Plaza - the largest shopping space in the Caucasus - are finished and put into use.

Overlapping the first and last maps shows that the commercial activities and spaces activated by Chinese companies are actually consistent and in tune with the future prospects of Georgia. However, these Chinese invested commercial spaces have neglected the existing urban surroundings. More details will be revealed in the case studies.

## 3.2. Case Study

Case study is a research design that allows researchers to explore the specific details within a chosen context [21]. Yin [22] suggests a case study is a meaningful way to conduct research about a phenomenon within its real context by utilising multiple sources of evidence. Case studies are often not generalisable and are qualitative in detail. With the macro view and analysis acquired from the former research method of 'mapping', this research zooms into details of two specific cases to allow in-depth investigation of the shopping spaces in Georgia. The first case study is the Chinese Hualing Sea Plaza and the second is the traditional Georgian Underpass Shopping Space in the city centre of Tbilisi. The distinct difference between these two cases shows how altering spaces can affect people's public life.

### 3.2.1. Hualing Sea Plaza

Hualing Sea Plaza (Figure 4) was constructed in 2016 and opened on the 30<sup>th</sup> September 2017. It is one of the largest retail and wholesale shopping centres in the Caucasus. It has a total building area of 150,000 square metres, including 24,000 square metres of brand show rooms, and 18,000 square metre general service hall and a 15,000 square metre tariff-free and storage zone [23].



**Figure 4:** Hualing Sea Plaza (Hualing, 2017).

From Figure 4 it can be observed that this shopping mall is a giant complex compared with its immediate surroundings. It is located in the current suburban area of Tbilisi which appears isolated in terms of other leisure activities. People travel from the faraway urban districts to this mall with their direct shopping desires in mind. It can be observed that this building complex is very different in style compared to that of a conventional Georgian style building.



**Figure 5:** Modular Spatial Arrangement of Hualing Sea Plaza.



**Figure 6:** Internal Space of Hualing.

Figure 5 shows the modular system of Hualing Sea Plaza. The connected road system and spatial arrangement show that the Hualing mall seeks to maximise its efficiency. With a grand mall at the front, four entrances on its geometric centres, visitors can come and go at ease. By maximising efficiency and convenience, the mall appears very economical. People visit this space to shop for their desired items. They have to arrive into the plaza using private cars. Therefore, people have less reason to stay around if they do not have shopping intentions. Shopping space is originally designed to enrich people's public life. In this mall, the experience of shopping in terms of a leisure activity is missing. The internal shop arrangement and unpopulated public space confirm this point (Figure 6).

### 3.2.2. Underpass in the City Centre of Tbilisi

The second case study is the underpass in the city centre of Tbilisi (Figure 7). Five underpasses - A. Metro Station Avlabari, B. Freedom Square, C. Parliament, D. Opera and Ballet Theatre of Tbilisi, E. Rose Revolution Square - were selected and analysed to acquire a detailed view of how the passageways are integrated with the shopping spaces and how they become vitalised. The collage of these five underpasses (Figure 8) conveys some common attributes of this particular space in Georgia. They are quite different from underpasses in other countries. They have a length between dozens to hundreds of metres with the function of allowing the passing of pedestrians. Most of them are in clean condition as they are regularly checked because of the purpose of holding commercial activities inside. The constant pedestrian flows, as well as the clear divided small shops, provide an comfortable environment outlook with strong local spatial attributes. Political posters, advertisements and street arts give off a lively and meaningful environmental impression.

It can be observed that the underpass makes use of its ideal location and human flow by transforming the limited space into a shopping space. Despite the passageway being narrow - usually around 8-10 metres broad - businessmen still maximize the space usage. They contain their small shops inside these modular small boxes to encounter the needs of passengers walking through the halls. People like to stay, look around, and wander around the shops as a leisure activity.



**Figure 7:** Five Selected Underpass in Tbilisi.



**Figure 8:** Collage of Common Attributes of Underpass in Central Tbilisi.

## 4. Findings

The ‘Belt and Road Initiative’ does influence Georgia in many aspects. Here, the research focuses on the spatial ramifications. The research looks at the shopping activities and shopping spaces at both urban and architectural scales. Key findings are listed below.

1. From the urban scale, it is evident that the Chinese projects do not take the urban conditions into consideration since they are rather isolated from the existing urban fabric.
2. However, the Chinese projects appear very consistent with the prospect 'Tbilisi Land Use Plan'. As a result, the projects appear very politically orientated in terms of their geographic locations which emerge from a top-down approach.
3. At the building scale, Hualing Sea Plaza shows that the B&R brings a very efficient Chinese shopping space mode to Georgia, which can bring greater profits to the developer. It does, however, reduce the likelihood of communication and social life for the general public.
4. Compared with the Hualing Sea Plaza, the underpass in Tbilisi utilizes the location, pedestrian flows and limited underground space, whilst also creating a vitalised shopping space. It provides a strong link between shopping space and social life for the general public in comparison to the Hualing Sea Plaza.

## 5. Discussion and Conclusion

There is no doubt that Georgia seeks to grasp the opportunities that the B&R provides after the political conflicts and economical struggles. It can be observed from both the urban and architectural scales that Georgia has applied its political intentions and economic ambitions to its urban plans and architecture. However, the spirit of traditional Georgian shopping space is degrading, and people's public life in the shopping space is invaded by the maximized shopping efficiency and developers' economic agendas.

The research provides a general picture of the changing urban forms and architecture projects in Georgia that are influenced by B&R. It is difficult to assess the overall influence and impact in terms of its positive or negative consequences because of a range of varying contextual factors. The main difficulty lies in the lack of standard criteria to measure the spatial quality. However, what is certain is that the social life in new shopping spaces in Georgia is gradually disappearing. Therefore, there appears to be a demand to find a healthy way to balance the development of political requests, economic benefits, and space demands in Georgia. This research reveals existing problems for future study.

## 6. Limitation and Recommendation

Due to the limited time and the availability of data, this research offers initial findings that can be expanded. Firstly, in regards to the mapping method, a land use map of Tbilisi, especially about mapping the shopping space, could be completed if there was more time. With it, the overlaps between the future developed orientation, the current land use and the Chinese invested space map could produce more valuable results. Secondly, because of business confidentiality, some commercial data is not easily acquired. Thus, the case studies lack the shopping data analysis. Thirdly, since this research is only a pilot study, a more in-depth analysis, solutions or suggestions for healthy urban development could come afterwards.

Aside from Georgia, future research could expand its scope to all the south Caucasus countries since these countries are in similar political and economic conditions which are all influenced by the B&R. Their urban forms and architecture are worthy of being investigated to acquire a broad picture of the interrelationships and interactions between politics, economy and space of Chinese intentions and the Caucasian countries.

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