

The 2013 Presidential Elections in Armenia and Georgia

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This article analyzes the pre-election periods in Armenia in February 2013 and in Georgia in October 2013 respectively. The outcomes of 2012 parliamentary elections in both states are analyzed in order to explain the specific conditions in each state's most recent presidential election. The article compares the two states' domestic political situations, focusing in particular on relations between governments and opposition, as well as relevant aspects of the international political context.

The article also provides detailed account of the developments in Armenia following the presidential elections, as the one-year period following the elections has already given rise to some specific outcomes, with both domestic and international implications. In particular, the abrupt policy shift towards further integration with Russia instead of initialing the EU Association Agreement may pose a new threat of regional destabilization, as Russian military presence on Armenian territory will increase.



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The re-election campaign of the incumbent president Serzh Sargsyan in February 2013 was not easy, however. Although his main rival in the previous presidential elections, Armenia's first president Levon Ter-Petrossian, decided not to run, and his supporters from the Armenian National Congress did not endorse any other candidate, former foreign minister Raffi Hovhannissian received 36.75 percent of votes – an unprecedented result for an opposition candidate.

The presidential elections in February 2013 consolidated the power monopoly for which the Republican Party of Armenia had been striving. Before that, in May 2012, the party had won a majority in the National Assembly, gaining 70 of 131 seats. It formed a coalition with its satellite Rule of Law party, which held six seats. The re-election campaign of the incumbent president Serzh Sargsyan in February 2013 was not easy, however. Although his main rival in the previous presidential elections, Armenia's first president Levon Ter-Petrossian, decided not to run, and his supporters from the Armenian National Congress did not endorse any other candidate, former foreign minister Raffi Hovhannissian received 36.75 percent of votes – an unprecedented result for an opposition candidate. American-born Hovhannissian managed to run a successful campaign without relying on traditional local campaign methods, which may partly explain his success, as well as by the large number of strategic voters whose main priority was Sargsyan's defeat. However, Hovhannissian was unable to mobilize large-scale post-election protests despite claims about election fraud, and any potential for unrest soon faded. Nor did the Yerevan city council elections in May 2013 provide a further platform

for political protest. In a similar situation in 2008, Ter-Petrossian, who according to the official declaration had won about 21.1 percent of votes, had organized mass demonstrations of around 300,000 people. The protests had only ended following the use of force on 1 March 2008, when 10 people were shot, and martial law was declared.

The usual problems concerning the organization of elections were not solved before the February 2013 elections. Following the 2012 parliamentary elections, a group of local and foreign experts had mentioned that

‘political parties and candidates were generally provided with equal campaigning rights and fair access to the media. Instances of violence during the campaign, on Election Day and afterwards were few and far between, in sharp contrast to previous national elections. However, on the other hand, abuse of administrative resources, vote-buying, political pressure on public and private sector employees alike, were even worse than in previous elections.’¹

¹ Iryna Solonenko (ed.), *European Integration Index for Eastern Partnership Countries*, Kyiv: K.I.S. Publishing, 2012, p. 36.

It can be argued that the same problems were present during the 2013 presidential elections, and that the situation actually deteriorated during the Yerevan city council elections in May 2013.

Political context of the post-election period in Armenia

After the elections, the Armenian government might appear well-positioned to amend laws and advance reforms, as the president enjoys the support of the parliamentary majority, and there are no nationwide elections scheduled until 2017. As negotiations on the Association Agreement with the European Union were ongoing, the European Commission and other international bodies expected Armenia to implement reforms. In a country progress report published in March 2013, the European Commission made several specific requests to the Armenian authorities, including to investigate the deaths that occurred during clashes following the March 2008 presidential elections, to amend the legislation on broadcasting in compliance with the recommendations of the OSCE and the Council of Europe, to ensure pluralism in the broadcasting media, to adopt a law on conscience and religious freedoms in line with international standards, to harmonize anti-discrimination legislation with the EU *acquis* in the areas of gender equality and non-discrimination, and so forth. At the same time, the Commission acknowledged progress in negotiations on the Association Agreement and the ongoing implementation of macro-economic policies and structural reforms.²

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However, despite all these various prompts, weak implementation remained a challenge. Previously, it had been noted that ‘despite certain achievements on the institutional, formal level, such as adopting laws, signing agreements and reorganizing structures, qualitative improvements in the key areas are either taking place slowly or are not happening at all.’³ For instance, 23 laws aiming at improving of the business climate were adopted, while in practice there were ‘no signs that the monopolies that control the most profitable segments of business are losing market share, or that market competition has increased.’⁴

2 ‘ENP Country Progress Report 2012 – Armenia,’ MEMO/13/242, European Commission, 20 March 2013. Available online: http://europa.eu/rapid/press-release_MEMO-13-242_en.htm (accessed on 25 March 2013).

3 European Integration Index for Eastern Partnership Countries, p. 37.

4 Ibid.

After the 2013 elections, the government failed to gain popular legitimacy because of ubiquitous corruption and abuse of power. Most top officials have significant business interests and routinely misuse their powers, while the oligarchs who entered politics with the intent to gain preferential treatment and ‘protection’ for their businesses comprise a significant proportion of the parliamentary coalition. There was some hope in relation to the planned initialling of the EU-Armenia Association Agreement, which experts viewed as a likely stimulus for democratic development and economic growth. The Agreement was often spoken of as the last chance for improving the current domestic situation and reducing dependence on Russia. The views of Ambassador David Shahnazaryan, director of Yerevan-based think-tank Center for Political and Legal Studies ‘Concord’ summarize the views of supporters of EU integration. In one interview, Shahnazaryan noted that Russia’s drastic increase in gas prices soon after the 2013 presidential elections put ‘political pressure on Armenia, which aims at preventing [...] the signing of the EU Association agreement. [...] these pressures exerted by Russia will be continuous and will not be confined to use of gas levers.’ Shahnazaryan also argued that ‘the Association Agreement [...] is an unprecedented opportunity for Armenia to switch from a criminal oligarchic country to a developing state. [...] If we miss this opportunity, Armenia will be set back, and morals, which exist in Russia, will take root – persecutions of opposition and civil society.’⁵

Foreign experts also acknowledged Armenia’s vulnerability as a consequence of its heavy dependence on Russia. For instance, a publication by Warsaw-based Center for Eastern Studies noted:

‘Moscow has demonstrated its ability to influence Yerevan by announcing an extreme, almost 70 percent, gas price rise [...] It cannot be ruled out that the intention behind Russia’s pressure on Armenia is aimed at impeding its dialogue with the EU [...] Initialling the Association Agreement contradicts the plans of Armenia’s accession to the Customs Union and Moscow has been seeking this for a long time now.’⁶

5 Emma Gabrielyan, ‘Strategic pressure of the strategic ally,’ *Aravot*, 24 May 2013. Available online: <http://en.aravot.am/2013/05/24/154474> (accessed on 25 May 2013).

6 Aleksandra Jarosiewicz, ‘The Southern Caucasus is turning into a Russian playground,’ *OSW Eastweek weekly analytical newsletter* No. 18, 22 May 2013. Available online: <http://www.osw.waw.pl/en/publikacje/eastweek/2013-05-22/southern-caucasus-turning-a-russian-playground>

Consequences of the political monopoly

The defectiveness of a political system wherein a single party holds a power monopoly in the absence of a meaningful opposition was thrown into relief by President Sargsyan's policy U-turn. His unexpected decision not to initial the Association Agreement with the EU but to start preparations for joining the Russia-led Customs Union was announced during a visit to Moscow on 3 September, and it came as a surprise not only to EU officials but also to Armenian government officials. The EU-Armenia negotiations on the Association Agreement and a Deep and Comprehensive Free Trade Area (DCFTA) had been finalized just six weeks earlier, and a few days before President Sargsyan's visit to Moscow, Prime Minister Tigran Sargsyan and deputy foreign minister Shavarsh Kocharyan made statements about the impossibility of joining the Customs Union. In fact, the president made his decision unilaterally, without consulting the parliament or the government. The parliament's failure to act as an independent branch of power was demonstrated, as there have been no hearings concerning this seemingly abrupt change of direction, and there is practically no doubt that the president's decisions will be rubber-stamped.

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The absence of a system of checks and balances – an important indicator of a functioning democracy – was further demonstrated by Russia's growing influence over Armenia's security sector and its economy. There have been no parliamentary or public hearings concerning the plans to increase Russian military presence in Armenia, including the deployment of battle helicopters and airborne troops, as well as the modernization of MIG-29 fighter planes. The planes that have so far been used as part of the CIS joint air defense will be able not only to intercept airborne targets but also to attack targets on the ground. According to a Russian newspaper, after following all the planned adjustments, the military base will have the capacity to engage in both defensive and offensive operations, including the capacity to engage airborne troops within a range of 500 kilometers.⁷

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⁷ Vladimir Mukhin, 'Capability of the Russian military base in Armenia will increase,' *Nezavisimaya gazeta*, 21 October 2013. Available online: http://www.ng.ru/armies/2013-10-21/1_forpost.html (accessed on 21 October 2013).

Russia's ongoing monopolization of Armenia's energy sector

During President Vladimir Putin's visit to Armenia on 2 December 2013, several agreements were signed, including an agreement providing for Russian Gazprom's acquisition of the remaining 20 percent of shares of Armenia's gas distribution network. During the parliamentary debates following Putin's visit, the government explained the need for this handover due to its debt of over 300 million USD to gas supplier ArmRusGazprom, accumulated since 2011. Typically, it turned out that parliament, as well as some cabinet members had not been aware of this massive debt, as minister-chancellor, former minister of finance Vacheh Gabrielyan admitted in a Radio Liberty interview.⁸

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It should also be mentioned that immediately after Putin's visit, Iran's ambassador to Armenia Mohammad Reysi told journalists that Iran would be ready to supply gas for a lower price than Russia. Energy minister Armen Movsisyan then defended the deal with Russia during parliamentary debates, saying that Iranian gas would be more expensive. Mr. Reysi called for another press conference on 6 December and stated that the Armenian government had never engaged in talks about gas prices with the Iranian side, and that gas prices are subject to bilateral negotiations: for one buyer it could be 400 USD per 1000 cubic meters; for another – 100 USD.⁹

During further parliamentary debates on 17 December, minister Movsisyan again defended the recent deal with Russia, claiming that the government did not know how much debt had been accumulated. Former minister of foreign affairs, MP Alexander Arzoumanyanyan, presented a detailed analysis of the draft agreement and criticized it sharply. Mr. Arzoumanyanyan noted that the agreement provides for reduced gas prices for five years, and guarantees Gazprom's monopoly for 30 years, excluding the possibility of Yerevan revising the agreement.¹⁰ Despite all criticism, the Republican Party together with its satellite Rule of Law party ratified the agreement on 23 December by 77 votes, while four remaining parliamentary fractions boycotted the voting.

8 Ruzanna Stepanyan, 'Minister-chancellor did not know about the gas debt,' *Radio Liberty*, 5 December 2013. Available online: <http://www.azatutyun.am/content/article/25190928.html>

9 Hakob Badalyan, 'Tehran will reveal more information about Armenian officials,' *Iragir.am*, 6 December 2013. Available online: <http://www.iragir.am/index/arm/0/comments/view/92057> (accessed on 6 December 2013).

10 Nelli Grigoryan, 'How Armen Movsisyan told a "fairy tale" for the parliament,' *Aravot*, 17 December 2013. Available online: <http://www.aravot.am/2013/12/17/415552> (accessed on 18 December 2013).

Further stagnation may lie ahead

Once the election round in Armenia was over, it became clear that no significant policy adjustment could be expected. There has been no cabinet change, and economic and social policies remained the same despite low standards of living and high levels of emigration (according to National Statistical Service data, 122,000 people emigrated between January and September 2013).¹¹

In the wake of the president's decision to join the Customs Union and the subsequent developments, it is difficult to expect a change of foreign policy that would create greater openness to Armenia's neighbors or to the West. As far as the resolution of the Nagorno-Karabakh conflict is concerned, the first round of negotiations since 2012 has just taken place.

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However, considering that Russia views the South Caucasus as a zone of vital interest, as well as Armenia's anticipated Customs Union membership, negotiations on the ministerial or presidential level should not be expected to bring a breakthrough in the resolution process, at least in the short term.

Georgia: political context in the year preceding the presidential elections and election outcomes

In light of the constitutional amendments limiting presidential power in Georgia, it is important to review the situation in the year after the 2012 parliamentary elections, rather than merely analyze the outcomes of the 2013 presidential elections. Besides, it would be difficult to draw any substantial conclusions, given that the inauguration of the new president has only just taken place.

Before the October 2012 parliamentary elections, the position of the United National Movement party seemed comfortable, to the extent that Georgia was sometimes criticized for its alleged political monopoly. It had even been argued that 'Georgia has so far failed to come to terms with the challenge of fostering a truly competitive and pluralistic political system and meeting the criteria of "electoral democracy"'.¹² However, the opposition Georgian Dream coalition won a comfortable majority in October 2012, followed by a smooth transfer of power to the new government. So, Georgia managed an important achievement by meet-

¹¹ 'In nine months of this year 122,191 citizens emigrated,' *Tor.am*, 1 November 2013. Available online: <http://www.tor.am/am/news/view/58748/> (accessed on 11 November 2013).

¹² European Integration Index for Eastern Partnership Countries, p. 28.

However, the opposition Georgian Dream coalition won a comfortable majority in October 2012, followed by a smooth transfer of power to the new government. So, Georgia managed an important achievement by meeting the criteria for a functioning electoral democracy.

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ing the criteria for a functioning electoral democracy. In the post-Soviet area it is still fairly unusual to see that kind of orderly transfer of power, with a ruling party simply acknowledging defeat and going into opposition.

Relations between President Mikheil Saakashvili and the new government coalition were not easy, and many sources of disagreement arose. The 'cohabitation' suggested after the October 2012 parliamentary elections did not work quite well. The political conflict was not over after the elections; on the contrary, tensions continued to grow. Within days of coming to power, the new government cut the budget of the presidential administration drastically.

It also took other steps to limit President Saakashvili's authority. The government's actions immediately led to assumptions that Ivanishvili is 'bent on revenge against Saakashvili.'¹³ In November 2012, a number of former officials – UNM appointees, including a former interior and defense minister and army chief of staff, were arrested. As a result, concerns that Bidzina Ivanishvili's government was applying selective justice towards his political opponents arose. During a visit to Georgia, the EU's foreign policy chief Catherine Ashton warned: 'There should be no selective justice; no retribution against political rivals. Investigations into past wrongdoings must be, and must be seen to be, impartial, transparent and in compliance with due process.'¹⁴ The Freedom House also mentioned that issue in its annual global assessment: 'Georgia, which experienced its first orderly transfer of power to the opposition through democratic elections, finished the year on a less than satisfying note after the new government quickly arrested some 30 officials of the previous government, raising concerns about politically motivated prosecutions.'¹⁵ On 21 May 2013, the arrest of former prime minister, secretary general of the UNM Vano Merabishvili resulted in further concerns. The head of the EU Delegation to Georgia, Philip Dimitrov, stated that

13 Balazs Jarabik, 'What the recent elections mean for Georgia and its relations with the West,' *Central European Policy Institute brief*, November 2012. Available online: <http://www.ata-sac.org/article-474-876-What-the-recent-elections-mean-for-Georgia-and-its-relations-with-the-West> (accessed on 9 May 2013).

14 'Remarks by High Representative/Vice President Catherine Ashton at the end of her visit to Georgia,' MEMO/12/903, European Commission, 26 November 2012. Available online: http://europa.eu/rapid/press-release_MEMO-12-903_en.htm (accessed on 13 May 2013).

15 'Freedom in the World 2013. Democratic Breakthroughs in the Balance,' *Freedom House*, 2013. Available online: <http://www.freedomhouse.org/sites/default/files/FIW%202013%20Booklet.pdf> (accessed on 10 May 2013).

Merabishvili's case should be closely monitored,¹⁶ and a group of MEPs raised strong criticism of the government's actions to the chairman of the Georgian parliament David Usupashvili during a meeting at the European Parliament Committee on Foreign Affairs.¹⁷ There were even worries about possible foreign policy change because of the antagonism between the president and the Prime Minister: 'The relentless political struggle in Georgia between Prime Minister Ivanishvili and President Mikheil Saakashvili serves Moscow's interests (its most recent manifestation was the arrest of Vano Merabishvili, a key opposition politician, former prime minister and minister of internal affairs).'¹⁸

In addition to the criminal cases against former officials, there were a number of other sources of disagreement between the government and President Saakashvili. The president strongly opposed the amnesty granted to nearly 3000 prisoners, 190 of whom were considered political prisoners by Ivanishvili's government, the dismissal of dozens of mayors and heads of rural communities (all members of the UNM), and criticized Ivanishvili's attitude towards relations with Russia. Government officials, including Prime Minister Ivanishvili, continued to make statements on alleged crimes by former officials from the president's team, together with suggestions that a criminal investigation against President Saakashvili could be initiated.

It would not be an exaggeration to say that the Resolution on Basic Directions of Georgia's Foreign Policy adopted in March 2013 by a unanimous vote was the only issue on which the Georgian Dream and the UNM could agree. The resolution stated, in particular, that integration into the European and Euro-Atlantic structures remained the main foreign policy priority; that the authorities would implement all the necessary conditions for the conclusion of negotiations with the European Union on the Association Agreement, Deep and Comprehensive Free Trade Agreement and Visa Liberalization Agreement; and that Georgia should not have diplomatic relations nor enter a military, political, customs alliance with any state that recognizes

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16 'Dimitrov: Merabishvili's case should be monitored seriously,' *Gruzia online*, 17 June 2013. Available online: <http://www.apsny.ge/2013/pol/1371529092.php> (accessed on 17 June 2013).

17 'Usupashvili meets MEPs from Foreign Affairs Committee,' *Civil.ge*, 18 June 2013. Available online: http://www.civil.ge/eng/_print.php?id=26189 (accessed on 19 June 2013).

18 Aleksandra Jarosiewicz, 'The Southern Caucasus is turning into a Russian playground,' *OSW Eastweek weekly analytical newsletter* No. 18, 22 May 2013. Available online: <http://www.osw.waw.pl/en/publikacje/eastweek/2013-05-22/southern-caucasus-turning-a-russian-playground> (accessed on 24 May 2013).

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the independence of Abkhazia and South Ossetia/former autonomous district of South Ossetia or occupies Georgia's territories.¹⁹

The Georgian Dream's candidate Giorgi Margvelashvili, backed by Prime Minister Ivanishvili, was forecast as the likely winner of the presidential elections in October 2013, although there were some doubts that the coalition consisting of adherents of different ideologies would keep its unity without having the president as a common (and much despised) adversary. A European Council on Foreign Relations expert noted:

'Forming the new government took some time and exposed differences among various coalition members whose ideologies range from pro-Western liberalism to outright nationalism. As a diverse coalition, the government's decision-making will be inevitably lengthier and more incoherent than that of the previous, single-party administration. The process is also going to be slowed by the way that the prime minister seems to prefer to micro-manage rather than delegate.'²⁰

Georgia's relations with Russia remained complicated despite the attempts by Georgia's new government. After taking office in October, Prime Minister Ivanishvili appointed a special envoy to Russia and tried to take steps towards the normalization of relations. In particular, he scaled down the rhetoric to a less confrontational style, hoping to improve the economic situation and enhance mutual trust. The Georgian government also amended the laws regulating the border regime, so those who crossed the border from Russia into Abkhazia or South Ossetia would only pay a fine in Georgia rather than face criminal prosecution. Russian inspectors were allowed to conduct on-site inspections at Georgian wineries; as a result, permission to supply limited amounts of Georgian wine and brandy to the Russian market was issued. Russian officials have also been making vague promises about simplification of the visa regime.

However, Russia continues to make hostile moves. In May 2013, Russian border guards started installing barbed wire fences at the administrative boundary between Georgia and South Ossetia be-

19 'Parliament adopts bipartisan resolution on foreign policy,' *Civil Georgia*, 7 March 2013. Available online: <http://www.civil.ge/eng/article.php?id=25828> (accessed on 13 May 2013).

20 Jana Kobzova, 'Georgia's bumpy transition: How the EU can help,' *ECFR policy memo* 75, April 2013. Available online: http://ecfr.eu/page/-/ECFR75_georgia_MEMO_AW.pdf (accessed on 16 May 2013).

yond the delimitation line drawn after the war in 2008, moving deeper into the area of adjacent Georgian villages. The protests of Georgian officials and the EU Monitoring Mission's statement that installation of fences was 'unacceptable' were ignored. Russian border guards have continued to advance into Georgia's territory.

The October 2013 presidential elections affirmed the Georgian Dream's popularity: Giorgi Margvelashvili, backed by Prime Minister Ivanishvili, gained 62 percent of votes. Soon after the president's inauguration Mr. Ivanishvili resigned from his post, nominating his long-term aide Irakli Garibashvili as the new head of government. So far, there have been no signs of the possible instability of the coalition, as suggested a few months ago. The government reaffirmed that European and Euro-Atlantic integration remains the main foreign policy priority, and to that end, President Margvelashvili initialed the EU-Georgia Association Agreement during the Vilnius Summit in November.

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Conclusions

Currently, there is little opposition to Russian expansion among Armenians. Aside from the voting boycott on 23 December 2013, the parliamentary opposition is refraining from making any statements that could provoke an unfavorable reaction from Russia. Besides, the largest non-coalition parliamentary group, the Prosperous Armenia party, is an oligarchic structure and former coalition partner of the Republican Party, which since the parliamentary election has not been able to challenge the Republican Party's political monopoly and, moreover, openly supports Russia-oriented integration projects. The Armenian National Congress, despite Levon Ter-Petrosian's success during the presidential campaign in 2008, has lost most of supporters over the last three years and is now largely dependent on Prosperous Armenia's information resources. ANC's leaders, while criticizing President Sargsyan's policies, also abstain from making any statements against Russian plans as far as Armenia's membership in the Customs Union is concerned. Thus, protests have been limited to small activist groups lacking the capacity to challenge the incumbent cabinet, and there is now virtually no ambition to sign the EU Association Agreement.

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In comparison to Armenia, in Georgia the system of checks and balances has remained in place even though the government is backed by a strong parliamentary majority and can pass most decisions unilaterally. In the Georgian parliament, there is a strong, consolidated opposition, as the United National Movement holds 65 of 150 seats, is led by experienced politicians, and functions effectively. Despite the continuing antipathy between the Georgian Dream and the UNM, there is general agreement about the desired political trajectory for national development. The stable ambition for European and Euro-Atlantic integration, together with the peaceful and secure transfer of power, provides a solid platform for the further development of electoral democracy.