

Georgia's Parliamentary Elections THE START OF A PEACEFUL TRANSFER OF POWER?

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As Georgia's parliamentary (October 2012) and presidential elections (2013) approach, many consider that their conduct and results will be critical indicators of Georgia's democratic progress. President Mikheil Saakashvili's decision to appoint the powerful minister of internal affairs, Ivane (Vano) Merabishvili, to the position of prime minister triggered widespread speculation. Some believe that this move indicates Saakashvili's intent to step away from politics when his term in office ends in 2013. Some view it as a fierce pre-election move in the ongoing battle with opposition leader Bidzina Ivanishvili, who heads the Georgian Dream political coalition. While the political temperature continues to increase prior to elections, Georgia's long-term security and prosperity depend in large part on the quality of its democracy. This memo attempts to analyze current challenges in Georgian party politics during this important period.

Pragmatic Dreamer or Russian Stooge? The Credibility Problem of Ivanishvili

Georgia, more than any other country in the post-Soviet space excluding the Baltics, has publicly committed to establishing the rule of law and building democratic institutions. Until recently, however, the biggest problem of its unconsolidated democracy has been a lack of social forces or a political grouping powerful enough to effectively balance the government. Although the legislative framework has changed significantly over the last few years, the application of democratic electoral processes remains a serious challenge. But, as recent developments in Georgian politics show, the situation may be changing.

Billionaire Bidzina Ivanishvili's October 2011 declaration that he would challenge Saakashvili in parliamentary elections galvanized Georgian politics and shook awake opposition-minded segments of society. The most credible threat to the ruling party almost overnight, Ivanishvili declared that his Georgian Dream coalition is the

only force capable of unseating the government via the ballot box. Although it remains to be seen whether he can be victorious, Ivanishvili has promised to pour one billion laris (\$600 million) into agriculture, an economic sector that employs over 55 percent of Georgia's workforce, in case of his victory. He has also pledged to continue reforms, ranging from constitutional amendments to taxation policy. Ivanishvili also promises to improve relations with Russia while maintaining strong ties with the United States, an agenda that has so far proven impossible for every Georgian leader since independence.

Shortly after announcing his intention to form a political party to challenge the ruling party, Ivanishvili was stripped of his Georgian citizenship, which he received in 2004, on a debatable technicality and even though he was born in Georgia and has lived there most of his life (he had acquired Russian citizenship in the 1990s, as he was working in Russia when the Soviet Union collapsed). However, facing heavy domestic and foreign criticism, the Georgian parliament adopted an usual amendment to the constitution allowing EU citizens that are residents of Georgia – Ivanishvili also holds French citizenship – to participate in parliamentary and presidential elections as voters and candidates. Still, the government continues to withhold Ivanishvili's citizenship, an awkward situation of which most Georgians disapprove. According to a public opinion survey commissioned by the U.S.-based National Democratic Institute (NDI),¹ 71 percent of Georgians disapprove of the government having stripped Ivanishvili of his Georgian citizenship, and 63 percent disapprove of a decision by the Civil Registry Agency to subsequently deny Ivanishvili's application for citizenship through naturalization.

Although the new standard effectively permits Ivanishvili to participate in upcoming parliamentary and presidential elections, he has said that he will not take advantage of what is widely considered to be an amendment tailor-made for him as a political solution in lieu of resolving the citizenship question. In any case, the amendment only applies until 2014.

In response to criticism, the Georgian government and pro-government media quickly shifted attention to Ivanishvili's properties, which they claim he acquired mostly through business in Russia, hinting at his pro-Kremlin orientation. During the uneven election campaign, Ivanishvili has been repeatedly provoked and his businesses and supporters have been subjected to police harassment, surveillance, and arrests on trumped-up charges. The government claims that the "Russian-influenced opposition" could subvert Georgia's parliamentary elections and that Ivanishvili poses a challenge to the pro-Western course that Saakashvili has taken.

It seems, however, that the Georgian public is not ready to see things in such black and white tones. Ivanishvili's coalition is eclectic. It lacks ideological unity and consists of figures ranging from a Georgian ex-football (soccer) star, Kakha Kaladze, to officials from former president Eduard Shevardnadze's time who still believe that there is a deal to be had with Russia. Coalition supporters also include a part of liberal voters, mostly grouped around the Free Democrat and Republican parties, who are fed up with

¹Available at <http://www.civil.ge/files/files/2012/NDI-June2012-Survey-ENG.pdf>

the ruling party and/or disillusioned by Saakashvili's regime. So far, Ivanishvili has managed to stay calm in the face of challenges and not tarnish his reputation as a moderate politician.

Notwithstanding, Ivanishvili's "Achilles Heel" is that he is perceived as a Russian tycoon. Few believe that Ivanishvili could so quickly and easily sell most of his accumulated assets in Russia, worth billions of dollars, without the tacit approval of Vladimir Putin or those around him. In Georgia's polarized politics, in which anti-Kremlin sentiments remain strong, this image could be suicidal for any political figure. In such circumstances, it seems that the success of Ivanishvili's coalition may also depend on how soon he can shed the image of being a Russian Trojan horse in public and remove all suspicions regarding his purported links to Moscow.

Initially, Ivanishvili tried to distance himself from openly pro-Moscow (and marginal) politicians such as Zurab Noghaideli and Nino Burjanadze. In the end, however, he could not resist meeting the latter after Burjanadze decided not to run in elections in order to avoid splitting the opposition vote. Hailing Burjanadze's stance, Ivanishvili does not rule out offering a position in government to her. This as well as his soft stance on Russia and avoidance of clear policy prescriptions on how to deal with Russia's occupation of Abkhazia and South Ossetia has caused him to attract his fair share of adversaries. Some also criticize him for not having a clear political philosophy, as he balances between moderate-leftist to extreme neocommunist ideas. And although he has said that there is no alternative to Georgia's Euro-Atlantic orientation, he seems ambivalent about this point, and his foreign policy orientation is generally uncertain. Unlike Saakashvili, Ivanishvili believes that foreign policy should be determined by, and subservient to, domestic policy. Being a pragmatic businessman, he also understands that Georgia needs better relations with Russia but has so far refrained to state the price Georgia should be willing to pay to achieve it. His unanswered questions confuse the electorate as most Georgians, who would like to see a better relationship with Russia, still do not want to see that improved relationship come at the expense of irrevocably losing Georgia's occupied territories.

Another challenge for Ivanishvili has been his association with the Soviet intelligentsia and others from the older nomenklatura, who have been dissatisfied by their marginal role in Georgian politics since the Rose Revolution and harbor hopes of a comeback. While they are grouped around Ivanishvili's personality, some of them may have their own credibility among segments of the broader population. However, clear alignment with this group can also dissuade a large number of undecided voters who are still not convinced that Ivanishvili will bring something new to the stage. A fancy political team with a Western-style public relations campaign will not change this perception. In any case, his current coalition, made up of diverse ideological groups, will most likely disintegrate once it enters parliament. He will then need the support of popular individuals from the intelligentsia and independent politicians who, without any hesitation, support his cause. So far, it is not clear who his core political supporters are and how many of them will drift away after the election.

Government in Opposition?

Almost immediately after Ivanishvili entered Georgian politics, the ruling party mounted an aggressive campaign to mobilize its supporters across the country. Given the importance of elections to Georgia's democratic future and its stability, the government has been at pains to emphasize that elections will be free and fair. Despite the fact that Saakashvili cannot himself run as president, he is technically eligible to be selected next year to what will become the more powerful post of prime minister, and he has actively campaigned for the National Movement. Facing growing competition from Ivanishvili's opposition coalition and to further boost the National Movement's ratings, he appointed as prime minister his close ally Vano Merabishvili, who is associated with successful police reform and a crackdown on corruption. The significance of this appointment has been widely debated. While some suggest that Merabishvili's political influence has been downgraded by this nomination, most believe that his political position has been strengthened and that Saakashvili has effectively nominated Merabishvili to be his successor.

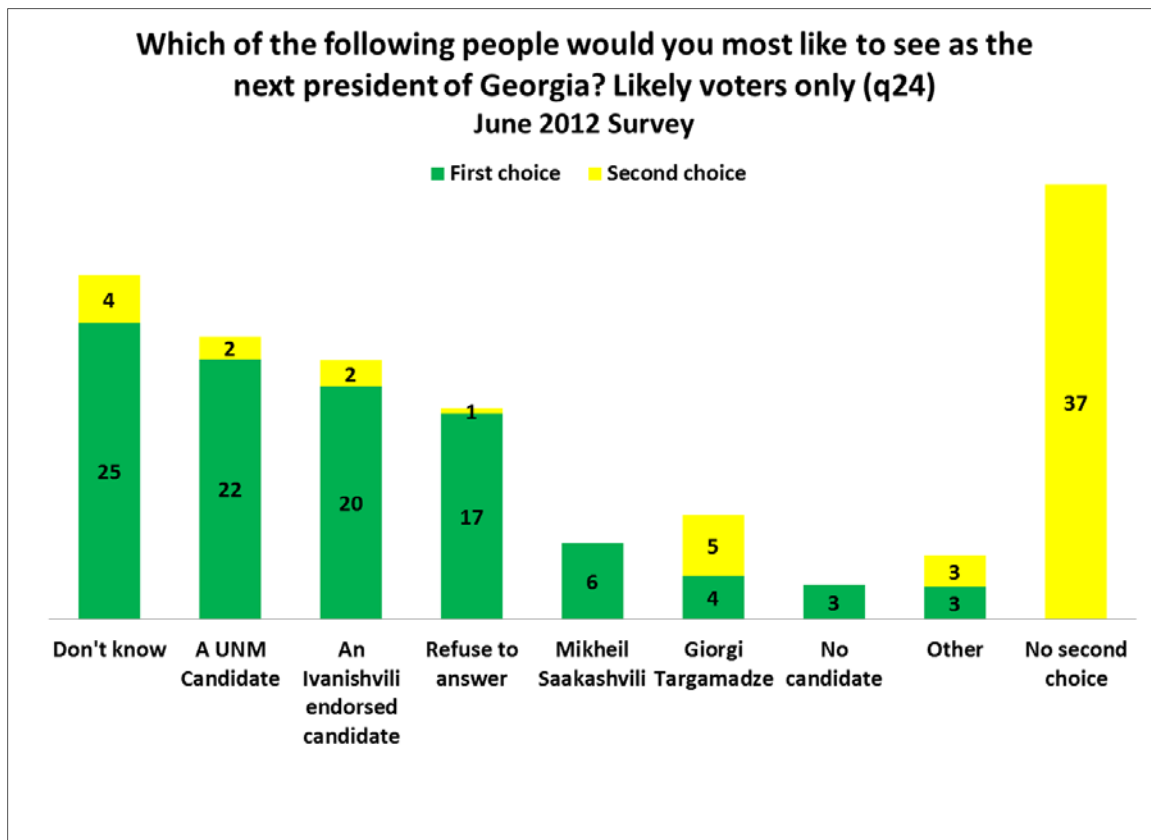
Whatever the final implications of his appointment, Merabishvili for now has been tasked with responding to Ivanishvili's heavy social rhetoric by tackling unemployment and implementing agricultural and health care reforms. Thus, while the ruling party considers itself to be center-right (and has periodically advocated essentially libertarian policies), it has entirely changed focus in the campaign season and switched to a leftist rhetoric of "more benefit for the people." Unsurprisingly, rhetoric on social issues is a powerful tool to influence ordinary voters in Georgia, where the unemployment rate is high and a significant portion of the population lives below the poverty line.

So while the government accused the opposition of vote buying, the first step in Merabishvili's new social campaign was to promise each family a 1,000 lari (nearly \$600) voucher in 2013 that could be spent within four years. Other promises include higher pensions, cheap insurance, a four-billion lari investment in agricultural development, and resolution of employment problems—in other words, a program much like Ivanishvili's. Given that Merabishvili's new campaign is unlikely to yield tangible improvements in the economic situation in just a few months, the government wants to convey another message to the public: that Merabishvili, who comes from an ordinary provincial family (like Ivanishvili himself), is capable of understanding the troubles and challenges that regular Georgians face.

Despite all this, winning parliamentary elections will not be an easy task for the ruling party. According to a June NDI poll, the National Movement maintained a double-digit lead over Ivanishvili's Georgian Dream, but it lost 11 percentage points since late February, while the Georgian Dream gained eight. Even more, when asked which of the following people they would like to most see as Georgia's next president, 22 percent chose an unspecified ruling party candidate, while 20 percent chose an unspecified candidate endorsed by Ivanishvili (25 percent did not know and 17 percent refused to answer). Tellingly, Saakashvili was no longer the leader among politicians in

terms of “favorability,” which declined to 58 percent in June, from 70 percent in February (the mayor of Tbilisi Gigi Ugulava replaced him at the top, followed by Merabishvili at third).

While public attitudes toward both camps seem even, the only area in which the opposition has a slight lead over the ruling party is, ironically, in regards to relations with Russia. Twenty-five percent of voters actually think that the Ivanishvili-led coalition is better positioned to tackle this issue, against the ruling party’s 22 percent. At the same time, 33% of respondents think the ruling party can better lead Georgia’s NATO integration (against 15% in favor of the Georgian Dream).



Source: *Public attitudes in Georgia:* Results of a June 2012 survey carried out for NDI by CRRC. Research funded by the Swedish International Development Cooperation Agency (SIDA).

In this situation, it is not entirely clear if Ugulava, who is the elected mayor of Tbilisi until 2014, can make use of his popularity to the benefit of the UNM or whether he will switch to a higher post after the election. In Saakashvili’s absence, Ugulava’s personal popularity could be important factor for the UNM, given its lack of a substantial platform and the fact that Georgian political parties are largely built around personalities rather than constituencies.

As for Saakashvili, no one knows what his future role will be in the Georgian political system. As the new more parliamentary system of governance strengthens Georgia’s democratic credentials and intends to bring balance to a government

dominated by him, he will remain in position to decide how to shape a post-election Georgia. Certainly, handing over authority through elections would be the greatest testament to his democratic credentials.

Conclusion

Georgia's parliamentary elections are seen inside and outside the country as another democratic litmus test. To boost Georgia's successful transformation, its policymakers need to bring the country's style of governance closer to a more vibrant functional system of checks and balances in which more power resides with the parliament. All parties across the political spectrum also need to demonstrate how, by behaving like responsible actors, they can lead the country to free and fair elections and the first peaceful transfer of power since independence. As the results of this election can shape Georgia's trajectory for many years ahead, Georgian political elites may need to overcome their zero-sum approach to politics and learn to govern through a coalition.

In the end, it may be the undecided voters, squeezed by both government and the opposition, who will determine the fate of parliamentary elections. The party that can most compellingly guarantee the country's stability, sustainable development, and its irreversible integration in Western institutions may be the one that gets their votes. One should not forget how fear that Georgia could slip back into chaos and recognition of the government's role in building a functioning state deterred most Georgians from backing the opposition just a few years ago. The Georgian Dream still needs to work to convince voters (especially the undecided swing voters) that they represent a credible and responsible alternative.

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