

Energizing the Western Response to Democratic Setbacks in Kyrgyzstan, Azerbaijan, Armenia, and Georgia

PONARS Eurasia Policy Memo No. 37

Robert Orttung

Jefferson Institute

August 2008

The most recent elections in the three states of the South Caucasus and in Kyrgyzstan have all represented strong setbacks for the development of democracy. While the specific situations are different in each case, they all reflect the common problem of a close connection between politics and property rights. In each state, the incumbent authorities feel compelled to hold on to power through any means possible because losing their public office would likely force them to give up their access to wealth and, potentially, even their personal liberty. Typically, leaders have focused on destroying free media and repressing any form of opposition, or apparent opposition, which arises. Progress toward democracy will be impossible without breaking the connection between political and economic power, which facilitates high levels of corruption in each case.

The West can respond to recent democratic setbacks by speaking frankly about the political situation in these countries and helping them develop more sustainable energy systems. Accomplishing these tasks will be neither quick nor easy, and the connection between energy and democratic development is indirect, but they represent the best

way forward for democratic development.

Despite their concentration of economic and political power, leaders of these four states have only a tenuous hold on power. To a greater or lesser extent, presidents in the South Caucasus and Kyrgyzstan have to rely on the repressive apparatus of the regime to remain in office. Naturally, the extensive—and growing—use of coercion makes progress toward a democratic outcome even less likely.

This problem is not unique to Eurasia. In Zimbabwe, when President Robert Mugabe announced to his generals his plan to step down after losing the first round of recent elections, they told him that the decision was not his to make, according to an account by the *Washington Post*. Likewise, even if leaders in the South Caucasus and Kyrgyzstan wanted to implement measures aimed at building democracy, the systems they have set in place would make it difficult for them to do so.

Elections Designed to Preserve Power

Following its 2005 change of leadership, Kyrgyzstan represents a useful illustration of democracy's waning fortunes. There, a popular uprising drove Askar Akayev from power, leading to his replacement by Kurmanbek Bakiyev. Whereas Akayev represented the country's northern elite and clans, Bakiyev had his political base in the south. As soon as Bakiyev came to power, a redistribution of property began shifting resources away from the elites that stood around the old president to those surrounding the new one. In particular, Bakiyev began sending ministries and federal resources from Bishkek to the south in order to satisfy the demands of his political allies. The changes also occurred at the family level, with Akayev's immediate and more distant relatives losing economic power while Bakiyev's sons became powerful players in Kyrgyz politics (with one becoming a security service official and the other an important businessman).

The leaders of the Caucasus states want to prevent this kind of political and economic power transfer and have acted accordingly. In Azerbaijan, Heidar Aliyev's son Ilham was quickly installed as president after the death of his father and will undoubtedly win another term in the elections scheduled for fall 2008. After dubious parliamentary elections in 2005, the regime clamped down hard on the opposition and is working assiduously to prevent any surprises. In Armenia, former president Robert Kocharian planned to hand power to his ally Serzh Sarkisian in stage-managed elections, but the duo ran into trouble when Sarkisian faced unexpectedly strong opposition from the country's first president Levon Ter-Petrossian. In Georgia, a split within the elite and mutual charges of corruption were followed by well-attended street protests by the opposition in November 2007, with President Mikheil Saakashvili unexpectedly calling snap presidential and parliamentary elections that took place in the first part of 2008. His decision to move up the elections reduced the chances of an already divided opposition preparing a coherent campaign in response.

The result of these changes is that now the opposition in all these states strongly

questions the very legitimacy of the executive and legislative branches. While in most cases leaders may have had enough genuine popular support to win free and fair elections, such elections have not taken place. In Kyrgyzstan, the December 2007 elections were widely falsified and the opposition was simply excluded from the legislature. No protests followed the announcement of the results because most people feared that another “revolution” in the country would simply lead to a second redistribution of property that would be deeply destabilizing. In Armenia, protests of the presidential election results led to at least 10 deaths and ongoing political instability. In Georgia, most opposition deputies refused to take their seats since the ruling party won a supermajority in the May 2008 elections. Notably, there is no independent judiciary in any of these countries to help mediate conflict between the ruling authorities and the aggrieved opposition.

Opposition Marginalized

As the preceding cases demonstrate, incumbent regimes are taking care to marginalize any opposition that might arise at either the elite or the grassroots level. Charismatic opposition figures that might challenge the regime are not tolerated and are either forced out of the country or relentlessly vilified in the state-controlled media. All of society’s attempts to address these problems are crushed. In each of these cases, the state or state-friendly businesses now control the key media outlets, and political parties remain poorly developed.

Most importantly, civil society remains weak in all four countries. While Kyrgyzstan has had a relatively vibrant group of nonprofit organizations, the Bakiyev administration has very little interest in their input, in contrast to the situation under Akayev, which was relatively more open. With no one in the state to listen, members of nongovernmental organizations are becoming increasingly frustrated. In Armenia, a surprisingly strong civil protest movement rose up against a continuation of the Kocharyan-Sarkisian leadership. However, the current system has no way to address these interests or somehow mollify them and instead responds through repression, leading to more street protests and defiance. Georgian civil society, in contrast to the situation in Armenia, lost much of its vitality after the Rose Revolution, when many of its leaders took government posts. These leaders, once in government, have not sought to refresh the ranks of civil society, perhaps fearing that a new group of activists could ultimately serve as the basis of an opposition that might seek to replace them. Despite Saakashvili’s generally pro-Western stance and the relative freedom with which NGOs operate in the country, they have little impact on state policies. In Azerbaijan, there is little independent civil society capacity and even less state interest in such capacity. This year the president set up a foundation to provide state funding to NGOs, but in an effort ultimately aimed at ensuring that these NGOs work in ways that serve the ruling regime’s interests.

Corruption Limits Progress

Democracy will not move forward unless it is possible to address the corruption that lies at the nexus of political and economic power in all four of these states. While politics and money are connected in any political system, the problem is much worse in these cases because there is little transparency in how political and economic influence are intertwined and implemented. While the general population has a vague idea that resources are divided up among the elite without public oversight and that resources in general are divided unequally among the population, they have little understanding of how the process works.

There are clear oligarchic winners in each of these societies, and the very rich and powerful hold a despised place in society. However, corruption has also worked its way down to the most local levels of the political and economic system. Regional and local authorities have extensive control over property rights and can adopt policies that help the economic interests of their friends without the population knowing what is happening. Most decisions at the regional and local level are never publicized.

Local level NGOs are at a very early stage of formation and are starting to play the role of ombudsmen between state institutions and ordinary citizens. As citizens become aware of these organizations, they are increasingly using them to secure resources from the local government. Such efforts will help to shed more light on the connections between economic and political power, but these individual cases currently reveal only a small part of a much larger problem. While the capacity of locally-based NGOs may be growing, they are fighting against a rising tide of corruption and repression and the conditions in which they work are becoming increasingly more difficult.

Russia's Role in the Region

While the effectiveness of Russian foreign policy toward these four states depends on the state in question, the Russian model of government happens to be attractive to the leaders of all of them, even Georgia where tensions with Russia are palpable. Taking a page from Vladimir Putin's handbook of non-democracy, one of Saakashvili's key moves in breaking up the November 2007 demonstrations was to destroy the broadcast equipment of the country's most opposition-minded television network.

At the same time that Russia's political system serves as a model for its southern neighbors, it is raising energy prices for its customers and causing problems for all of these regimes, even those which are relatively friendly. Azerbaijan was best placed to respond because it has its own energy reserves. However, Azerbaijan's known reserves are limited and it too has a strong interest in increased efficiency in order to extend production as long as possible. Russia's desire to maximize its energy profits opens up opportunities for Europe and the United States to work in the South Caucasus and Kyrgyzstan by promoting development policies that emphasize energy efficiency and alternative sources of energy. These countries are among the world's most energy inefficient so they have the potential to make great gains in reducing their reliance on

Soviet-era infrastructure. Likewise, they have numerous opportunities to implement solar and wind power. A key benefit of these forms of alternative energy is that they, in contrast to the oil and gas sector, are highly decentralized. Both production capacity and its benefits are more likely to be distributed evenly through the population than petrodollars. Alternative energy production could stimulate wealth creation in currently poor rural areas. While new technologies in these areas will largely come from the West, these states would be very effective at implementing low-tech solutions wherever possible. Armenia, for example, has already converted many of its automobiles from gasoline to natural gas because this fuel is currently cheaper and widely available. Decentralizing the energy production system will help stimulate economic development and promote a larger middle class, which will eventually provide a stronger economic basis for the evolution of more robust democratic processes.

Energizing the U.S. Response

In devising its policy toward these states, the United States should consistently point out the democratic failings of the regimes. Trying to shed more light on the ways that politics and economics are connected is the only effective way to loosen these ties. In states with such high levels of internal repression and corruption, outside intervention is often the only check on further deterioration. Of course, such criticism should be combined with efforts to provide concrete developmental aid that has obvious economic benefits for the recipients, such as addressing high energy costs, and ultimately will help them develop democratic systems.

When the Russian model of authoritarian governance is so attractive, Western states need to remain actively engaged in constructive ways that go beyond pointing out political deficiencies. Extremely high energy costs provide new areas for cooperation, particularly as the United States and Europe develop new ideas to address their own lack of energy security in the face of high energy prices. A two-pronged approach of consistent support for democratic institutions and development aid focused in the energy sector, fine-tuned to the energy-rich conditions of Azerbaijan and the energy-poor others, will serve the goal of unbundling and decentralizing political and economic power and therefore improve the chances for stimulating stable democratic development.

PONARS Eurasia publications are funded through the International Program of Carnegie Corporation of New York. The views expressed in these publications are those of the author alone; publication does not imply endorsement by PONARS Eurasia, Georgetown University, or the Carnegie Corporation.