

GEORGIA'S PARLIAMENTARY ELECTION

October 31, 1999



A Report Prepared by the Staff of the
Commission on Security and Cooperation in Europe

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The OSCE is engaged in standard setting in fields including military security, economic and environmental cooperation, and human rights and humanitarian concerns. In addition, it undertakes a variety of preventive diplomacy initiatives designed to prevent, manage and resolve conflict within and among the participating States.

The OSCE has its main office in Vienna, Austria, where weekly meetings of permanent representatives are held. In addition, specialized seminars and meetings are convened in various locations and periodic consultations among Senior Officials, Ministers and Heads of State or Government are held.

ABOUT THE COMMISSION (CSCE)

The Commission on Security and Cooperation in Europe (CSCE), also known as the Helsinki Commission, is a U.S. Government agency created in 1976 to monitor and encourage compliance with the agreements of the OSCE.

The Commission consists of nine members from the U.S. House of Representatives, nine members from the U.S. Senate, and one member each from the Departments of State, Defense and Commerce. The positions of Chair and Co-Chair are shared by the House and Senate and rotate every two years, when a new Congress convenes. A professional staff assists the Commissioners in their work.

To fulfill its mandate, the Commission gathers and disseminates information on Helsinki-related topics both to the U.S. Congress and the public by convening hearings, issuing reports reflecting the views of the Commission and/or its staff, and providing information about the activities of the Helsinki process and events in OSCE participating States.

At the same time, the Commission contributes its views to the general formulation of U.S. policy on the OSCE and takes part in its execution, including through Member and staff participation on U.S. Delegations to OSCE meetings as well as on certain OSCE bodies. Members of the Commission have regular contact with parliamentarians, government officials, representatives of non-governmental organizations, and private individuals from OSCE participating States.

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GEORGIA'S PARLIAMENTARY ELECTION OCTOBER 31, 1999

SUMMARY

On October 31, 1999, Georgia held its third parliamentary election since gaining independence in 1991. President Eduard Shevardnadze's ruling party, the Citizens Union of Georgia, scored a convincing victory. According to the Central Election Commission, in the first round, the CUG won 41.85 percent of the party list voting, or 85 seats, along with 35 single districts. The opposition Batumi Alliance, led by Ajarian strongman Aslan Abashidze, came in second, with 25.65 percent of the vote and seven districts, gaining 51 seats. Industry Will Save Georgia was the only other party to break the seven-percent threshold for parliamentary representation, managing 7.8 percent and 14 seats. In second-round voting on November 14, the CUG increased its lead, picking up ten more seats, and then won another two in a November 28 third round, for a total of 132. The Batumi Alliance's final tally was 59.

Overall, the CUG has an absolute majority in Georgia's 235-seat legislature, improving on the position it held from 1995-1999. Except for Ajaria, where the Batumi Alliance's overwhelming victory was assured, the CUG did surprisingly well all over the country—even in western Georgia, which has traditionally been hostile to Shevardnadze. As expected, Georgia's Azerbaijani population voted solidly for the CUG, with Azerbaijani President Aliiev strongly endorsing Shevardnadze's party. Most of Georgia's 400,000 Armenians voted the same way. By contrast, the Batumi Alliance only won three districts outside Ajaria.

The outcome did not indicate how tense the race had been between the CUG and the leftist, pro-Russian Batumi Alliance. A win by the latter threatened to move Georgia into Russia's orbit and away from market reforms. The election also offered a foretaste of next year's presidential contest, when Abashidze runs against Shevardnadze.

With such high stakes and relations so confrontational between the contending forces, charges of widespread fraud dogged the elections. Of the Central Election Commission's 19 members, only 13 signed the document announcing the results. Nevertheless, OSCE's observation mission called the first round of the election a "step towards" compliance with OSCE commitments, adding that most of the worst violations occurred in Ajaria. OSCE's verdict after the November 14 second round was more critical, noting violence at some polling stations and vote rigging and intimidation at others. OSCE's initial cautiously positive judgement, however, allowed Eduard Shevardnadze to claim that democratization is proceeding in Georgia and that the country's admission to the Council of Europe was well deserved.

Given the allegations of vote rigging and other infractions, the election has not raised the level of trust between the CUG and other parties. The CUG singled out Ajaria as the main offender, the Batumi Alliance alleged CUG chicanery everywhere except Ajaria, and other parties—especially those that barely missed the seven percent threshold—accused both. In fact, no opposition party has recognized the election results. The Labor Party, which, according to official figures, got 6.85 percent, lost an appeal to Georgia's Supreme Court to invalidate the results and has threatened to bring the matter to the European Court of Justice. The refusal of opposition parties to acknowledge the official outcome casts a shadow on the CUG's victory and legitimacy. Still, there are no indications that parliament will not be able to

function. Aslan Abashidze has claimed massive CUG fraud and has renounced his own deputy's mandate but his Revival Party has returned to parliament, which it had been boycotting for a year and a half. Batumi Alliance representatives have pledged the bloc will be a constructive opposition.

Other parties, especially those with few adherents, will find it hard to survive. Their failure to enter parliament, with no elections scheduled for four years, may lead to their disappearance or their unification with more serious political contenders, which will try to keep the CUG from becoming an entrenched ruling party.

POLITICAL BACKGROUND

The early years of Georgia's independence were volatile. Longtime dissident Zviad Gamsakhurdia, who was elected president in 1991, was ousted in January 1992. The victorious insurgents invited Eduard Shevardnadze, Georgia's former Communist Party leader and Soviet Foreign Minister, to return to Tbilisi from Moscow. He arrived in March 1992. The next few years witnessed Georgia's military defeat in Abkhazia, the *de facto* loss of that region, as well as South Ossetia, the pillaging and terrorizing of the population by armed paramilitary bands, and the virtual collapse of Georgia's economy.

By 1995, however, order had largely been restored and Shevardnadze had eliminated or neutralized the men who had asked him back to Georgia. Consolidating his climb to the top, he received about 75 percent of the vote in the November 1995 presidential election. In the simultaneous parliamentary election, Shevardnadze's party, the Citizens Union of Georgia (CUG), gained a majority in Georgia's legislature.

The CUG, on the one hand, features an outspoken group of young, pro-Western reformers, epitomized by Parliament Speaker Zurab Zhvania. But many former Communist Party and Komsomol figures are also leading members and head most ministries and executive branch positions. Shevardnadze has carefully balanced between these two groups while charting a pro-Western foreign policy and, in cooperation with the IMF and World Bank, moving towards a market economy.

A key part of Georgia's political reforms is the emergence—promoted by Shevardnadze—of a parliament that is a genuine legislature and independent branch of power, though it has generally given Shevardnadze what he wants. Media in Georgia are largely free, despite harassment of journalists by local officials. In recognition of the country's progress towards democratization, the Council of Europe admitted Georgia last April before neighboring Armenia and Azerbaijan.

Shevardnadze and his CUG could claim some other accomplishments during four years in power: the elimination of paramilitary bands and the reestablishment of order; the long, ultimately successful campaign to regain control of Georgia's borders from Russian border troops; the establishment of a pipeline for transporting Azerbaijani oil through Georgia to Supsa, which promises substantial transit fees; the development of good relations with both Azerbaijan and Armenia; integration into European structures, with eventual entry into NATO an explicit Georgian goal; the beginning of a corridor from Central Asia through Georgia to Europe for goods and natural resources, making Georgia a critical transit point for East-West trade; the impending entry into the World Trade Organization; and, finally, the consistent support of the United States and the European Union, which have provided desperately needed financial and humanitarian aid.

On the other hand, though Georgians are proud of their independence, their living standards have plunged. Many still lack heat and electricity in winter, unemployment is high and the average monthly salary is \$50. The government's tax collection efforts have floundered, depriving the state of needed revenue and creating the impression that the government cannot address basic problems.

Moreover, the conflict in Abkhazia has long been deadlocked, and while negotiators are more optimistic about talks between Tbilisi and South Ossetia, that dispute, too remains unresolved. Highlighting the country's continued division, Abkhazia and South Ossetia did not take part in the October 31 election. Indeed, on October 3, Abkhaz leader Vladislav Ardzinba held a presidential election, in which he ran unopposed, and a referendum asking if people support his course for Abkhazia's independence.

Nor does Tbilisi control Ajaria, an Autonomous Republic on the Black Sea mostly inhabited by nominally Muslim Georgians. Its authoritarian ruler, Aslan Abashidze, reigns supreme, flouting Tbilisi's writ and challenging Shevardnadze. Moreover, many people in Western Georgia, home region of the late Zviad Gamsakhurdia, remain bitterly opposed to Shevardnadze. These chronic domestic problems directly threaten Georgia's sovereignty and Tbilisi's hold on the country.

For the last decade, Russia—where hardline forces blame Shevardnadze for his role in the Soviet Union's withdrawal from Eastern Europe and the breakup of the USSR —has helped instigate these problems, while exploiting them to maintain its presence and position in the Caucasus. Russian military forces, as well as north Caucasians, backed Abkhazia's bid for independence and helped defeat Georgia in 1993. Georgians maintain that Russians have also been involved in assassination attempts in 1995 and 1998 on Shevardnadze, though the intended victim carefully absolves President Yeltsin of responsibility.

Russia maintains constant pressure on Georgia through its four military bases in the country. Georgia's parliament has never ratified the 1995 basing agreement and Tbilisi has called for the bases' removal, starting with Gudauta (Abkhazia) and Vaziani, near Tbilisi. But Aslan Abashidze, who has close military and financial ties with Russia, has barred any withdrawal of the base in Batumi. Moscow has instead offered to close the base in restive, Armenian-populated Akhalkalaki. Fearing yet another separatist explosion, Tbilisi wants the base, the main employer in the region, to remain in place for now.

Always difficult, ties between Moscow and Tbilisi have seriously deteriorated as the latest war in Chechnya intensifies. Charging that Chechen terrorists and arms are transported through Georgia (and Azerbaijan), Russian officials have demanded that Georgia let Russia assume control over the border with Chechnya from the Georgian side. On September 28, Moscow badgered Georgia and Azerbaijan into an agreement to cooperate with Russia's Internal Affairs Ministry against terrorism. Russian media have whipped up a hysterical anti-Georgian campaign, even claiming that Georgia is preparing to host a Chechen government-in-exile; the charge seemed intended to justify a direct Russian threat against Georgia. In the runup to the November 1999 OSCE Istanbul Summit, Moscow exerted intense pressure on Georgia to cede a portion of its CFE quota to Russia.

The belief of many Georgians that Moscow has orchestrated their misfortunes has helped Shevardnadze by lowering expectations. But with the Abkhaz and South Ossetian conflicts quiet, if festering, the main issues in the October 31 election were socio-economic: unemployment; salaries and

pensions, which often go unpaid; and corruption, which is endemic and eliciting growing public anger. Shevardnadze's own reputation has not suffered much, but Georgian newspapers openly report on members of his family and other relatives who have become rich.

In the November 1998 local elections, the CUG won a majority in most districts, but most striking were the gains by the leftist Labor Party, the Socialist Party and Abashidze's Revival Party. According to various observer groups, the CUG manipulated and occasionally rigged the balloting, or these parties might have done even better.

As the October 1999 parliamentary election approached, polls showed the CUG's declining popularity and party leaders knew they needed Eduard Shevardnadze's active involvement in the campaign. Abashidze's announcement that he would run for president in April 2000 evidently provided a strong incentive: the 71-year-old Shevardnadze traveled around the country, courting voters. He also went to Armenia on September 29, clearly hoping an endorsement from Yerevan would carry weight with Georgia's Armenians. A leitmotif of Shevardnadze's campaign speeches was that a "foreign power"—Russia—backed the Batumi Alliance, whose victory would be tantamount to a "parliamentary coup."

This argument was graphically illustrated by statements in two separate interviews shortly before voting day, which put the election's basic geo-strategic issue in the starkest possible form: Shevardnadze voiced the hope that Georgia would knock at NATO's door by 2005; General Vyacheslav Borisov, Commander of Russia's base in Batumi, said the Batumi Alliance would win and then Russia could keep its four military bases in Georgia for 25 years.

Aware of the stakes, Washington tried to bolster Shevardnadze. President Clinton could not help by getting the UN to charge Abkhazia with ethnic cleansing, as Georgia had urged, or offering a Kosovo-style NATO operation to regain Abkhazia. But U.S. Secretary of Defense William Cohen visited Tbilisi in early August. He remarked that it was up to the Georgian people whether to host military bases of foreign states—leaving open the theoretical possibility of a U.S. base in Georgia. On September 23, Clinton received and lavishly praised Shevardnadze.

President Clinton also backed Shevardnadze against Abashidze when the latter got involved in business dealings with Hillary Clinton's brothers. Hugh and Tony Rodham, hoping to cash in on hazelnut cultivation in Georgia, stopped in Tbilisi only briefly before spending a week in Ajaria, prompting Abashidze to proclaim that the White House supported him. At urgent Georgian behest, the White House forced the Rodhams to pull out of the deal. The bizarre episode demonstrated America's clear preference for Shevardnadze – but it also showed how worried he was about his challenger in Batumi. One week before the election, Georgian authorities demonstratively showed off newly-delivered U.S. helicopters as a symbol of Washington's support.

ELECTION LAW

Of the 235 seats in Georgia's parliament, 150 are allocated according to the results of proportional, party list voting and 85 are contested in single-district majoritarian races. In an effort to keep the number of parties manageable—the 1992 election produced a fractious parliament of 24 parties—the law for the 1995 election stipulated a five-percent threshold for entry into parliament. In July 1999, at the initiative

of Irina Sarishvili-Chanturia, leader of the National Democratic Party—the only party to pass the five-percent barrier in 1995, except for the CUG and Aslan Abashidze’s Revival Party—parliament voted to raise the threshold to seven percent.

The move infuriated smaller parties, for which a five-percent minimum would have been difficult enough. Sarishvili-Chanturia argued, however, that it was necessary to foster a system of stable, influential parties.

PARTIES AND THEIR PLATFORMS

The election’s drama centered on the contest between the CUG and the Batumi Alliance. Apart from these two contenders, only three or four of Georgia’s myriad parties had a chance to break the seven-percent threshold: “The Third Way,” a bloc uniting the Christian-Democratic National Democratic Party (NDP), the Industrialists and the Republicans; the People’s Party, an offshoot of the NDP; Industry will Save Georgia; and the Labor Party. Below is a brief description of the three parties that made it into parliament.

Citizens Union of Georgia: The ruling party had to defend its record as well as promise a better future. In campaign spots, CUG leaders reminded voters that during the last four years, the judicial system had been reformed, and human rights were better protected by the passage of laws and the creation of institutions, such as an ombudsman. They also claimed credit for forcing corrupt ministers to resign. The CUG’s slogan was “from stability to prosperity,” bringing home the message that Georgia had consolidated its security and could now begin addressing economic matters. Party leaders placed 49 new, young, Western-educated members on the party list, and asked voters to let the CUG continue the reforms it had launched. But the CUG also emphasized that the victory of Aslan Abashidze’s bloc would threaten Georgia’s statehood.

Batumi Alliance: The bloc consists of Aslan Abashidze’s Revival Party; the Union of Traditionalists; the Socialist Party; and several pro-Gamsakhurdia parties. Abashidze is the alliance’s leader and financier. He bases his appeal to Georgians on law and order – in the early 1990s, he kept paramilitary marauders out of Ajaria—on his relative success in paying salaries and pensions, and his overall record on iron-fisted discipline. The Batumi Alliance promised to create jobs, restore public services and eliminate corruption. As for Abkhazia, Alliance leaders in Batumi told Helsinki Commission staff that only Aslan Abashidze, who had no part in starting the war in 1993 and was not identified with Tbilisi’s policies, could successfully negotiate with Abkhaz leader Vladislav Ardzinba and resolve the conflict.

Industry Will Save Georgia: This new bloc is a coalition of well-heeled business interests led by beer magnate Gogi Topadze. Maintaining that “Save Industry and Industry Will Save Georgia,” their nationalist message emphasized the need to protect Georgia’s industries from foreign competition. The bloc argued against the sale to foreigners of assets such as energy stations and the port in Poti, and in general, opposed Western strictures, including IMF guidance, on how to run Georgia’s economy.

THE CAMPAIGN

The campaign was open but bruising. In Abashidze-controlled Ajaria, where only posters of Abashidze and other Batumi Alliance candidates were visible, the CUG encountered hostile crowds and official harassment. Batumi Alliance spokesmen told Helsinki Commission staff that Georgian state television discriminated against the bloc’s candidates in allocating airtime, though CUG representatives

strongly denied the allegations. Ajarian authorities barred high-ranking CUG leaders from entering Ajaria for several days. Some CUG local officials returned the favor: for instance, they kept campaign buses waiting outside Tbilisi for days before allowing them to enter the capital, and elsewhere in the country, impeded the Batumi Alliance's efforts to campaign.

FACTORS BEHIND THE CUG'S VICTORY

Given well-publicized, widespread discontent in Georgia over low living standards, endemic corruption and disillusionment with the CUG, most analysts had expected a much closer contest than the results indicated. The ruling party's easy win apparently reflected several factors:

- Voters' concerns about the Batumi Alliance's pro-Russian orientation, substantially aggravated by Moscow's war in neighboring Chechnya, plus intensified Russian pressure on Georgia;
- Abashidze's announcement of his intention to run for president next year brought home the implications of having a president known for his odd behavior—including his refusal to leave Ajaria because CUG leaders have allegedly plotted to kill him and his claim that a photographer's flashbulb caused his heart attack—and authoritarianism. Virtually all opposition has been stamped out in Ajaria, where freedom of the press, assembly and association are severely constrained;
- In a country already rent by separatist conflicts, voters were anxious about Abashidze's flagrant overtures to Georgia's regions and ethnic minorities. He refused to criticize Abkhazia's October 3 election/referendum—which Tbilisi and the United Nations consider illegal—or to characterize the expulsion of Georgians from Abkhazia as "ethnic cleansing," which Georgia has urged the United Nations to do. Abashidze has also courted Georgia's Armenian population, provoking nightmares of another Nagorno-Karabakh-type conflict on Georgian territory;
- Finally, the successful electioneering of local officials appointed by Shevardnadze aided the CUG's campaign. These officials worked hard to ensure that voters in their regions would cast ballots for the CUG. Moreover, CUG-initiated amendments to the election law increased the party's sway over many election commissions. All levels of election commissions had government-appointed majorities.

POST-ELECTION TRENDS

The CUG's success ensured a second term as Speaker of Parliament for Shevardnadze's close ally, Zurab Zhvania, who ran unopposed. Convening on November 20, the new parliament elected him by a vote of 162 to 29. Zhvania's re-election consolidates his status as the frontrunner-reformist to succeed Shevardnadze in 2005. Before then, he would also be a serious candidate if the position of prime minister is created.

The CUG's convincing victory dampens Abashidze's hopes of mounting a serious challenge in the April 2000 presidential contest, and should induce others to throw their hat in the ring. Labor Party leader Shalva Natelashvili has already announced plans to do so. But Shevardnadze's victory now seems assured, barring extraordinary events.

Nevertheless, Shevardnadze has announced yet another war on corruption. Skeptical voters expect more than symbolic gestures and international financial institutions demand concrete action to improve Georgia's miserable tax-collection, which reached its lowest level in October. Failure to address the problem could endanger IMF loans and World Bank programs. On December 6, Shevardnadze said

corruption is the main cause of Georgia's budget crisis, and indicated that battling corruption will be a key issue in his campaign. High ranking military officials have already been accused of malfeasance and a scandal in the Georgia Shipping Company may lead to indictments of legislators.

The election consolidated the preeminent status of the CUG and the Batumi Alliance but neither is united. The latter in particular brought together parties and individuals sharing only a strong antipathy to Eduard Shevardnadze. Abashidze will try to maintain discipline among the Alliance's members but many analysts expect the bloc to splinter, a process the CUG will surely attempt to help along. The CUG, for its part, will spend the next six months preparing for the April 2000 presidential election but afterwards, could also fracture as ambitious politicians begin jockeying for role of Shevardnadze's heir apparent. At present, Zurab Zhvania's leading rival is Minister of State Vazha Lortkopianidze. Another possible development is the formation of a new party composed of the CUG's pro-Western reformers, who have found it difficult to continue working with the ex-Soviet officials in the party.

The election and its outcome promise no major progress towards resolving the conflict in Abkhazia. But the CUG's convincing victory provides Shevardnadze the broad-based support to continue pressing for the removal of Russian bases; a diminished Russian presence in the region could promote a settlement of the dispute. At the November 1999 OSCE Summit in Istanbul, as part of the adapted Conventional Forces in Europe (CFE) agreement, Russia agreed to remove two of its four bases by July 2000, while negotiations proceed on the other two.

Nevertheless, recent statements by Russia's military and political leadership make plain that Moscow sees the war in Chechnya not merely as a struggle against terrorism but as a campaign to stem Russia's retreat in the Caucasus and general decline while Western countries—especially the United States—increasingly penetrate the region. The November 18 signing of a deal between Baku, Tbilisi and Ankara to construct a U.S.-backed oil pipeline from Azerbaijan through Georgia to Turkey is a blow to Moscow, which has been pressing for a northern pipeline through Russia. Cut out of the potentially lucrative arrangement and determined to regain a hold on the entire region, Moscow may be tempted to move against the Baku-Supsa western pipeline.

More generally, Moscow's defeat in the 1994-96 Chechen War emboldened Georgia (and Azerbaijan) to take a much more openly pro-Western stance. Russian helicopters and planes have already violated Georgian air space twice, bombing targets near the Chechen border. If Russia reestablishes control over Chechnya, Georgia could be the next target. Continued strong backing from the United States will be needed for Georgia to withstand the pressure.