

AMERICAN UNIVERSITY OF ARMENIA

**Political Corruption during Presidential Elections in the  
South Caucasus**

By

Victoria Marjanyan

May 2014

Master's Essay in partial fulfillment of the requirements for the degree of Master of Arts in  
Political Science and International Relations

SIGNATURE PAGE

---

Faculty Advisor Date

---

Program Chair Date

American University of Armenia

May 2014

## **Acknowledgments**

I would like to express my utmost gratitude to my Master's Essay supervisor Dr. Yevgenya Paturyan. I highly appreciate her support, motivation and encouragement, and timely responses to all the issues concerning my research.

I would like to acknowledge with much appreciation the recommendations of all our AUA professors, in particular that of our Program Chair Dr. Douglas Shumavon, who provided me assistance at the earliest stage of the research.

I am grateful to my family for always believing in me. Each of them has invested in my success by inspiring, encouraging me and giving emotional strength. I am thankful to my family for the special warmth, love and carefulness expressed towards me and their support during the minutes of despair.

Special thanks to my best friends and classmates, who did whatever was under their authority to help me in any situation. I am grateful to each of them for their love and support during the most difficult periods of time. Together we have passed an arduous path, which was accompanied with unforgettable moments, and has guaranteed the happiest and the best memories for the whole life.

# Contents

<b>Introduction</b> .....	7
<b>Methodology</b> .....	8
<b>Research Questions and Hypothesis</b> .....	10
<b>Chapter 1: Literature Review</b> .....	11
Political Corruption.....	13
Democracy and Political Corruption.....	16
Corruption and Democratic Deficit in the South Caucasus.....	18
<b>Chapter 2: Armenia</b> .....	22
Political Situation in Armenia after Independence.....	23
Armenian Presidential Election of 2003.....	23
Armenian Presidential Election of 2008 and March 1 <sup>st</sup> Events.....	25
Armenian Presidential Election of 2013.....	27
<b>Georgia</b> .....	29
Political Situation in Georgia after Independence.....	30
Extraordinary Presidential Election of 2004 in Georgia.....	31
September-November 2007 Events and Presidential Elections of 2008 in Georgia.....	33
The presidential elections of 2013 in Georgia.....	34
<b>Azerbaijan</b> .....	37
Political Situation in Azerbaijan after independence.....	38
Presidential Elections of 2003 in Azerbaijan.....	39
Presidential Elections of 2008 in Azerbaijan.....	42
Presidential Election of 2013 in Azerbaijan.....	43

<b>Chapter 3: The OSCE Office for Democratic Institutions and Human Rights as a Key Election Observation Agency.....</b>	<b>46</b>
<b>The OSCE Election Observation Mission in the South Caucasus.....</b>	<b>48</b>
<b>Armenia.....</b>	<b>48</b>
Presidential Elections – 2003.....	48
Presidential Elections – 2008.....	49
Presidential Elections – 2013.....	51
<b>Georgia.....</b>	<b>52</b>
Presidential Elections – 2003.....	53
Presidential Elections – 2008.....	54
Presidential Elections – 2013.....	55
<b>Azerbaijan.....</b>	<b>56</b>
Presidential Elections – 2003.....	56
Presidential Elections – 2008.....	58
Presidential Elections – 2013.....	59
<b>Chapter 4: Assessment of Corruption-related Violations during Elections in the South Caucasus.....</b>	<b>61</b>
<b>Chapter 5: Democracy and Political Corruption Relationship.....</b>	<b>65</b>
<b>Findings and conclusions.....</b>	<b>68</b>
<b>Limitations and Recommendations.....</b>	<b>70</b>
<b>Bibliography.....</b>	<b>71</b>
<b>APPENDIX.....</b>	<b>76</b>

## **Abstract**

*Armenia, Georgia and Azerbaijan, former members of the Soviet Union, are in transition period and are going through a difficult transformation process which hinders the stability and prosperity of the region. Political corruption has been persistent for decades in the South Caucasus, and the governments of the three countries still have governance and democracy shortcomings, lack transparency, accountability in electoral processes requiring further reforms and improvements. This study is an effort to illustrate and compare the cases of Armenia, Georgia and Azerbaijan in terms of political corruption and democracy level, to measure the level of corruption-related violations during elections in the three countries and to highlight the influence of the level of democracy on the level of political corruption during elections in the SC. Mixed (qualitative and quantitative) research method is used to demonstrate that democracy is related to corruption during elections. The major findings indicate that Georgia has the highest level of democracy and the lowest level of political corruption during elections, Azerbaijan has the lowest level of democracy and the highest level of political corruption and Armenia is in between with significant shortcomings in democratic values and with notable concerns of political corruption during elections.*

## **Introduction**

The majority of the countries with the highest levels of corruption are transition or developing countries, as well as the countries with low income levels. Corruption occurs when authorities abuse their position due to misallocation of public resources for personal interests, violating the country's democratic principles. Corruption is defined as a dishonest behavior violating the trust in a public official and involving the use of a public position for private gain (Bogicevic 2012).

Armenia, Georgia and Azerbaijan, former members of the Soviet Union, are in transition period and are going through a difficult transformation process which hinders the stability and prosperity of the region, at the same time, causing political and social failure, governance and democracy deficits, high levels of corruption (SDC 2012).

After the break of the Soviet Union, the three countries took quite different paths. Although political corruption and manipulation of elections was typical to the three South Caucasus countries in the post-independence years, nowadays the picture is absolutely different. While, Georgia has made a turn by strengthening its institutions, abolishing the rooted corruption, ensuring transparency of elections and increasing its level of democracy, Azerbaijan took just the opposite track by deepening the authoritarian regime of the country, increasing the government's monopoly on power, deepening corruption and still falsifying elections. Armenia, in its turn, attempts to make reforms to increase democratic values in the country, however, it is characterized as a country where the authorities lack political will to combat corruption, ensure transparent elections, and thus increase democracy level of the country.

The purpose of the research is to illustrate and compare the cases of Armenia, Georgia and Azerbaijan in terms of political corruption and democracy level. Chapter 1 is mainly dedicated to the deliberation of definitions of the concepts. The political background of the three countries is provided in Chapter 2, including the political situation after independence and

particular cases of the presidential elections of 2003, 2008 and 2013 in the three countries. As the OSCE is the major election observation agency and has conducted observations in all three countries during all the above mentioned presidential elections, the OSCE final reports are analyzed in Chapter 3 allowing to make a comparison and draw a final picture. Chapter 4 is dedicated to the assessment of corruption related violations in the three countries. Finally, the Freedom House scores on civil liberties and political rights are used in Chapter 5 to find a correlation with the scores of corruption related violations during elections based on the OSCE reports, thus illustrating the relationship of the level of democracy and level of corruption related violations during elections in the three South Caucasus countries.

## **Methodology**

The research is a country level comparative study. It is important to note that the current study largely depends on an analysis of secondary data, mainly official reports and statements, and does not look through the factors and causes on an individual level.

The research methodology of the study is mixed, providing a qualitative analysis and a quantitative index, and using explanatory design. Explanatory research design is selected because this research involves answering cause-and-effect relationships between different phenomena.

Overall, the study is an effort to discuss democracy influence on political corruption during elections in the South Caucasus. In this study political corruption during elections is defined as:

- abuse of administrative resources during election campaign
  
- vote bribing



The above mentioned aspects are qualitatively discussed and analyzed. Data collection instruments included secondary sources - academic articles, reports, documents, etc. In particular, content analysis of the OSCE final reports on elections in the three countries was performed. Narratives were codified by descriptors to find out data on corruption related violations during elections in the three countries. The six descriptors indicating corruption related violations, used in this study, are:

- Number of polling stations where ballot box stuffing occurred (abuse of administrative resource)
- Number of polling stations where vote-buying was observed (vote bribing)
- Number of polling stations with presence/interference of unauthorized persons (abuse of administrative resource)
- Number of polling stations where voter turnout was 100% (abuse of administrative resource)
- Number of polling stations where voter turnout was 90% or over 90% (abuse of administrative resource)
- Number of polling stations where the incumbent received more than 90% of the votes cast (abuse of administrative resource)

For the quantitative part, the descriptors were used to create an index: a comparative scale calculated based on the data on corruption related violations during elections in the three countries. The quantitative index is created because it yields results that are easy to summarize, compare, and generalize.

The quantitative index is used to measure the level of corruption-related violations during elections in the three South Caucasus countries and to illustrate the correlation with the level of democracy, according to Freedom House scores on Civil Liberties and Political Rights.

## **Research Questions and Hypothesis**

**RQ1:** What is the influence of level of democracy on level of political corruption during elections?

**RQ2:** What is the level of political corruption during elections (corruption related violations during elections) in Armenia, Georgia and Azerbaijan?

**RQ3:** What is the impact of the level of democracy on the level of political corruption during elections in Armenia, Georgia and Azerbaijan?

**H1:** The higher the level of democracy the lower the level of political corruption during elections.

**H2:** Georgia has the highest level of democracy and the lowest level of political corruption during elections.

**H3:** Azerbaijan has the lowest level of democracy and the highest level of political corruption during elections.

# Chapter 1

## Literature Review

The protection of free speech and civil liberties through democratic values accompanied with democratic and fair elections promote the openness and transparency of governments. However, the states suffering from a democratic deficit have more incentives for corruption, as their leaders and authorities have a great potential to administer government with limited and improper checks and balances, misusing state resources and manipulating elections (Rose-Ackerman 1999).

Corruption is a complex phenomenon with a number of causes and effects, as it has different forms in different contexts. The concept of corruption refers to an act of a payment contradicted by law. It also has to do with more complex issues such as the failure of a political and economic system. The issue of corruption has been perceived as a structural problem of politics or economics, as well as a cultural and moral problem. Thus, consequently, the exact definition of corruption ranges from the concept of “misuse of public power” and “moral decay” to legal definitions of corruption referring to bribery act or a transfer of public resources (Andvig, Fjeldstad, Amundsen, Sissener, & Søreide, 2000, p. 9).

Corruption occurs when authorities abuse their position and misallocate public resources for personal gain, violating the country’s democratic principles. Corruption is defined as a dishonest behavior violating the trust in a public official and involving the use of a public position for private gain (Bogicevic 2012). Corruption refers to the private wealth seeking behavior of the state and the public authority representative; to the misuse of public resources by public officials for private gains, in other words “corruption is the abuse of public power for private benefit” (Andvig, Fjeldstad, Amundsen, Sissener, & Søreide, 2000, p. 11).

“Corruption is behavior deviating from the formal duties of a public role due to private-regarding monetary or status benefits; or violates rules against the exercise of certain types of private-regarding influence” (Stefes 2006, 15). Corruption may be expressed in different forms, among which are “bribery, the receiving of bribes, mediation for a bribe, extortion of a bribe, patronage, abuse of official position or ties, abuse or excess of official powers, official fraud, the abuse of official position to extract and waste public assets, and other acts of official abuse” (Government of the Republic of Armenia, 2009, p. 2).

Corruption usually occurs between officials and citizens and more often it involves giving and taking bribes to break rules and regulations. The misuse of public power always has political consequences, no matter which forms it takes. The currency of the corrupt act refers to the means of the illicit exchange, entailing bribery, profiteering, nepotism, extortion and blackmail to make someone engaged in corruption, and other illegal dealings (Karklins 2002). It has a character of harming the common good. Corrupt behavior, in its turn, is defined as an intended failure to act according to the formal duties of a public role that embodies bribery, nepotism and misappropriation (Stefes 2006).

It is assumed that corruption is an illustration of failed governance and weakened institutions, which is facilitated by insufficient public sector management and by an inadequate legal framework (Bogicevic 2012). Therefore, anti-corruption strategies rely on legal and financial institutions to enforce and empower accountability in the public sector. It is assumed that better enforcement of rules and regulations may reduce corruption, however, in many underdeveloped or developing countries, the legal and financial institutions are weak and corrupt themselves requiring other mechanisms for corruption reduction (Svensson 2005).

Corruption is a shaped behavior of ‘habitualization’ reflecting the norms, values and rules deeply rooted in the minds of corrupt citizens and officials. Corruption is even stronger when it is overlapped with traditional relationships. Thus, corruption is rampant in developing countries,

where it is perceived as an extension of traditional practices, like patrimonial relations, gift-giving, etc (Stefes 2006, 20). Corruption has many forms, and all of them manipulate the operation of the political system. The form of the corrupt act, be it a bribe, clientelism, nepotism, or something else, is less important than how it negatively affects the workings of the political system (Karklins 2002).

## **Political Corruption**

Corruption is defined as the misuse of power, and refers to a behavior that deviates from the formal rules and duties of conduct governing the actions of an individual in a position of public authority because of personal motives such as power, wealth or status (Amundsen 1999). Political corruption is different from the general concept of corruption as far as political corruption is driven by political interests of an individual rather than personal and the benefit is political (Bogicevic 2012). Political corruption is defined as corruption in which the political decision-makers are involved. In this case, the politicians and state officials use their political power to sustain their status and wealth by abusing the laws or even tailoring the laws to fit their interests (Amundsen 1999). Political corruption occurs at the highest levels of political authority, when the politicians and political decision-makers, who are responsible for establishing and implementing laws on behalf of the people, are corrupt themselves. Political corruption refers to policy formulation and legislation beneficial for politicians and legislators (Andvig, Fjeldstad, Amundsen, Sissener, & Søreide, 2000).

Elections are the cornerstone of democracy, while corruption and manipulation are rampant during electoral processes in many developing countries. Elections have always been subject to efforts to corrupt them (Birch 2011).

An electoral system refers to “the set of rules which govern the process by which citizens’ opinions about candidates and parties are expressed in votes and by which these votes are thereafter translated into the designation of decision-makers” and “elections are the defining institution of modern democracy” (Bogicevic 2012, 29).

The essence of elections is basically concerned with how votes are converted into governmental seats as far as the process is the main part of the democratic functions. The rules managing elections comprise three areas: ballot structure, which is based on voting methods representing one vote for one candidate; formula structure, representing a mathematical equation with a purpose to alter votes into seats for candidates and district structure referring to the recognition of prearranged number of party member representatives in territorial constituencies (Bogicevic 2012). Elections must be held periodically, meeting five criteria to be considered transparent, free and fair under the international law: they must be conducted by secret ballot, under universal and equal elective franchise, in an unbiased manner guaranteeing direct choice and freedom of expression (Birch 2011). The essential role that free, fair and transparent election has in ensuring the fundamental right towards democratic participatory government and respect for political rights is reflected in a number of international documents (OSCE/ODIHR 2003).

The most important document is Article 21 of the Universal Declaration of Human Rights, which states that:

“everyone has the right to take part in the government of his country, directly or through freely chosen representation; everyone has the right to equal access to public service in his country; and the will of the people shall be the basis of the authority of government, this shall be expressed in periodic and genuine elections which shall be held by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures” (United Nations 2007, p.8, OSCE/ODIHR 2003, p.13).

The Copenhagen Document is another key document, established in 1990, that emphasizes the central role of elections in securing rights of citizens to participate in the government of their country. Briefly, the Copenhagen Document requires to:

“hold free elections at reasonable intervals; ensure votes are cast by secret ballot and that they are counted and reported honestly, with results made public; respect the right to establish political parties and ensure the parties can compete on the basis of equal treatment before the law and by the authorities; ensure that political campaigning can be conducted in a free and fair atmosphere without administrative action, violence, intimidation, or fear of retribution against candidates, parties, or votes; ensure that candidates who win the necessary votes are duly installed in office” (OSCE/ODIHR 2003 p. 14, OSCE 1990).

However, very often elections do not meet all the above-mentioned criteria and are subject to corruption and manipulation.

Electoral corruption embodies three main components: the manipulation of rules within the legal framework, the manipulation of voters referring to their preferences and freedom of expression and the manipulation of voting mainly regarding electoral administration (Birch 2011). The manipulation of rules includes the distortion of electoral laws with the purpose of a benefit to one party or candidate in an election. The manipulation of voters embodies two forms, firstly stressing efforts to distort voters’ preferences and efforts to affect the expression of the preferences. Voters’ preferences may be distorted by means of campaigning, where campaigns activities are deceptive including activities that violate campaign finance laws, as well as by the misuse of state resources to assist campaign of a particular party or candidate, at the same time having a bias in media coverage of the election (Birch 2011).

Political parties or candidates play a major role in initiating corrupt actions during elections. Every political party or candidate has an objective to win elections, thus, using any method and manipulation to achieve the goal. With the introduction of elections, political clientelism became increasingly evident as the authorities took advantage of their political and social status to improve their electoral chances and turning voting into enforcement for social hierarchies (Bogicevic 2012).

The most remarkable forms of electoral corruption are vote buying, vote rigging, and campaign contributions that are interrelated and usually function as bribes. Manipulation of election results is less common in advanced democracies, while it is widespread in developing

countries, at the same time campaign financing is a central concern of political corruption in all democracies (Dininio 2009).

Political corruption primarily reflects the relationship of officials and clients. This corrupt act, common during the time of elections, is implemented by politicians who wish to preserve their party support by vote-buying. Vote-buying in its turn, occurs through payments for electing a certain candidate on the ballot paper, or during electoral campaigns, when political parties and leaders provide the residents with supplies (Bogicevic 2012).

Political clientelism occurs when a client sells his or her vote in exchange for money, jobs, protection, food, etc. The nature of clientelism contradicts to democratic values and the interests and rights of citizens, at the same time challenging the political situation due to the exploitation of public resources. Exchanges based on private gains between the politician and the clients are actions of political corruption (Bogicevic 2012).

## **Democracy and Political Corruption**

Democratization is defined as a process of introducing free and fair competition into a political system and “institutionalizing uncertainty” (Dahl 1989, Przeworski 1986, p.58). By subjecting the election of political leaders to a process of free and fair competition tied with equal participation by a vast electorate, democratic institutions leave the essential procedures of a political regime neutral and isolate political outcomes from the existing influence of socially strong groups and interests (Ziblatt, 2009).

Democracy and corruption are inter-connected phenomena. There is an assumption that corruption influences democracy. As Karklins (2002) and Rose-Ackerman (1999) argue, in a democracy, electoral voting rules and legislative procedures interact with political flaws to reduce the opportunities for corruption, as democracy is jeopardized by corruption (Karklins



2002, Rose-Ackerman 1999). By manipulating the goal of public institutions, corruption undermines democracy and good governance, at the same time undermining trust towards state and political institutions, and causes poor state performance. The undermining of good governance, in its turn, distorts democratic procedures and principles. Thus, corruption entails breaking the rules and laws that are the basis of an institution or entire regime. It comprises fraud, deception and an impetus to corrupt others to help hide or expand illegitimate activities (Karklins 2002). And most importantly, corruption, with all its forms, manipulates the operation of the political system and undermines the principles on which democratic regimes are based, such as free and fair elections, the rule of law and responsive government. Free elections, in their turn, are manipulated by such corrupt practices as illicit financing of parties' electoral funds linked to power oligarchies, as well as vote-buying and misusing the state resources, etc. (Karklins 2002).

However, the focus of this study is on the democracy influence on corruption. There is a perception that corruption is a deficiency in the political system, particularly in the “democratic deficit”. Corruption is caused by political systems deficient in democratic power-sharing formulas, values, accountable and transparent institutions, as well as procedures of ideal democratic governance systems practices (Andvig, Fjeldstad, Amundsen, Sissener, & Søreide, 2000). Therefore, the level of corruption is highest in the least democratic countries, and lowest in the consolidated democracies (Amundsen 1999). It is assumed that the higher the level of corruption in a new democracy, the less likely individuals are to support the new regime and are to reject undemocratic alternatives (Karklins 2002). There is a negative relationship between democracy and corruption, meaning that less democracy causes more corruption. The level of corruption decreases with the increase of the level of democracy. Political corruption is seen as an outcome of weakly functioning state and a failure of leadership and democratic practices (Andvig, Fjeldstad, Amundsen, Sissener, & Søreide, 2000 and Amundsen 1999).

Democratization is the guarantee of corruption reduction and it represents the establishment for sufficient conditions that are necessary for a democratic political regime or “as a common background conditions against which a variety of different configurations of forces have generated similarly democratic outcomes” (Edwards, 1994, pp. 89-105). Political corruption has its consequences that strike democratic accountability. Nowadays, electoral corruption is one of the main obstacles to the process of democratization and to the establishment of democracies (Birch 2011).

### **Corruption and Democratic Deficit in the South Caucasus**

Corruption can be found in every political system, and many of its forms are similar throughout the world, yet it is distinctively more spread in the post-communist states (Karklins 2002). It is assumed that the most of the countries with the highest levels of corruption are transition or developing countries, as well as the countries with low income levels (Bogicevic 2012). Decades have passed after the collapse of the Soviet rule, and it has become obvious that many Soviet countries failed to shape democracy and market economy. It is argued that post Soviet states, specifically the South Caucasus countries, are institutionally weak, as far as the political leadership lacks the capacity to manage the control of the state apparatus and its representatives. There is a lack of credibility for the state to become independent and democratic, when it acts in its own way without sufficient supervision by political authorities. The South Caucasus countries not only have a lack of capacity but also lack of ability to protect the rights of the citizens. Moreover, the principal violators of the liberties and rights are officials themselves (Stefes 2006). A decade after the transition from communism began, and nowadays corruption is the major hindrance to democratic and economic progress in the post-communist states (Karklins 2002).

Armenia, Georgia and Azerbaijan, former members of the Soviet Union, embody all the above-mentioned characteristics: they are in transition period and are going through a difficult transformation process which hinders the stability and prosperity of the region, at the same time, causing political and social failure, governance and democracy deficits, and high levels of corruption. The transformation to democratic states and market economies in Armenia, Azerbaijan and Georgia requires reforms, as well as authorities and societies open for change (SDC, 2012). During the last decades, Armenia, Georgia and Azerbaijan faced major governance challenges: lack of democratic values and Soviet-style political system and leadership, lack of an active civil society, human rights abuses and corruption, which was rampant in all three countries (Duhot & Delcour, 2011).

The Freedom House provides an annual evaluation of the democratization in 29 countries from Central Europe to Central Asia. Each country is assigned a numerical rating - on a scale of 1 to 7, with 1 representing the highest and 7 the lowest level of democratic progress. The ratings cover seven categories including corruption, electoral process, democratic governance, etc. (Freedom House, 2012). The annual evaluations of corruption give an opportunity to compare corruption rates for years 2004 and 2013 of the three countries of the South Caucasus.

According to Freedom House's reports corruption still remains a priority issue in Armenia. In 2004 the rate of corruption in Armenia was 5.74, which had decreased during the past ten years. The RA government adopted several anti-corruption measures in 2011 and 2012 and some corruption cases were even brought to court and led to improvements in some fields, while visible improvements are absent and corruption level is decreasing at a slow pace. In 2012 corruption rate of Armenia was 5.25 and with the absence of more systemic anti-corruption efforts, Armenia's corruption rate remains unchanged in 2013 (Iskandaryan 2013).

Georgia, after the fall of the SU, was viewed as a failed state due to the lack of concentration of power in the executive branch and due to the rampant corruption in all public

sectors. In 2003, the Rose Revolution forced President Eduard Shevardnadze out of office. Georgia was undergoing democratic reforms by Mikheil Saakashvili, who made progress in fighting corruption, introducing economic reforms, and developing infrastructure (Rimple 2013). Political reforms undertaken after Rose revolution have laid the fundamentals for Georgia to become a full democracy. Success in the fight against corruption brought Georgia the largest reduction of corruption in 2002-2005 among transition countries, excluding fight against corruption from its top priority areas (European Commission, 2006).

Azerbaijan is still widely affected by corruption. While, the country has made significant steps in the legal framework in 2004 by ratifying the Council of Europe Criminal Law Convention on Corruption and Civil Law Convention on Corruption, Azerbaijan still remains the most corrupt of the three countries of the region (Duhot & Delcour, 2011, p. 32).

Political corruption is considered to be one of the basic modes of operation of authoritarian regimes. It is one of the mechanisms which the authoritarian power-holders use to enrich themselves (Amundsen 1999). Hence, authoritarianism in Azerbaijan causes slow progress in terms of political reforms, free elections, democracy and human rights promotion and the fight against corruption in the country. The internal political developments reveal the need for democratic reform efforts, with the purpose of democratic consolidation. Azerbaijan's further efforts to enforce anti-corruption legislation are needed to change the political culture and mentalities to reduce political corruption and shape democratic practice (European Commission, 2013).

In order to observe changes in levels of corruption in the three South Caucasus countries, it is useful to compare corruption scores by Transparency International for years 2004 and 2013. In 2004 Armenia, Georgia and Azerbaijan were ranked 82<sup>nd</sup>, 133<sup>rd</sup> and 140<sup>th</sup> respectively out of the 145 countries, which were surveyed by Transparency International in 2004 (Transparency International, 2004). In 2013 the three countries were ranked 94<sup>th</sup>, 55<sup>th</sup> and 127<sup>th</sup> out of 175

countries, which shows that only Georgia has a drastic decrease in corruption during this period of time, while in the case of Armenia and Azerbaijan the change is not significant (Transparency International, 2013). Armenia and Azerbaijan still have major shortcomings related to corruption. Corruption has been persistent for decades in this region, thus, the governments of the South Caucasus countries still lack transparency and democratic practices requiring further anti-corruption reforms and improvements (Bogicevic 2012).

## **Chapter 2**

### **Armenia**

With the collapse of the Soviet Union, Armenia, like most of the former Soviet states, was not prepared for independence. After decades of Soviet rule, Armenia struggled to create the institutions necessary for statehood and to adapt to the issues related to introducing new economic and political reforms (Bertelsmann Stiftung 2012).

Corruption is one of the most widespread modern social ills and Armenia, unfortunately, is among those countries where corruption remains a priority issue (Hug 2011). The Armenian state is weakened by the internal obstacles of corruption, a deficit in strongly motivated and experienced officials, and an internal instability originated from a political confrontation between the ruling government and a fractured group of opposition political parties. This political confrontation is increasingly provoked by the rise of wealthy political elite – ‘oligarchs’, who have their seats in the Armenian parliament and who threaten to gain power in the formulation of public policy. This clan-based rule leads to less transparency, more political corruption, manipulation of elections and greater public distrust towards politics (Bertelsmann Stiftung 2003).

Like in many post-Soviet states, elections in Armenia have been distorted by political violence and overall instability. Armenia’s first presidential election was the first and the last free and fair election of the country. Despite a number of manipulated elections, rooted corruption and a closed authoritarian political system, after 2008 presidential elections Armenian opposition and population proved to be more motivated and no longer content with previous disengagement from politics (Giragosian 2009).

## **Political Situation in Armenia after Independence**

Armenia achieved independence at the end of 1991 when the Soviet Union ceased to exist, and Armenia was internationally recognized independent in early 1992. Levon Ter-Petrossian came to political arena as one of the Karabakh Committee's and later the Armenian National Movement's leaders. He won Armenia's first presidential election in October 1991 with 83 percent of the vote, when Armenia was still formally part of the SU, and led the country to independence (Human Rights Watch 2009). He was reelected in 1996 by a narrow margin of victory. This election was highly debatable and was criticized for being manipulated and marred with fraudulent practices. In 1997 he advocated compromise with Azerbaijan over Nagorno-Karabakh, which together with the issues related to the legitimacy and transparency of his election victory the year before, cost him the presidency. The defense minister, a prominent former Karabakh war commander, Vazgen Sargsyan called for his resignation in early 1998 and 40 members of parliament quit the bloc that supported the president. Robert Kocharyan appointed as a prime minister by Ter-Petrossian in 1997, took over as acting president and won the early presidential election of March 1998 (Human Rights Watch 2009).

## **Armenian Presidential Election of 2003**

Robert Kocharyan was reelected in 2003. Shortcomings in Armenian democracy were demonstrated by the two-round presidential election held in February and March 2003, when political confrontation between the ruling government and a largely fractured group of opposition political parties arose, as the election was marred with irregularities. It was harshly criticized by international observers (Bertelsmann Stiftung 2003). The Organization for Security and Cooperation in Europe (OSCE) stated that the election fell short of international standards for democratic elections and the overall process failed to provide equal conditions for the candidates including voting, counting, and tabulation serious irregularities and widespread ballot box stuffing. The failure mainly laid in a lack of sufficient political determination by the

authorities to ensure a free, fair and transparent process (Human Rights Watch 2009, OSCE 2003).

Although Robert Kocharyan, the incumbent, appeared to have overwhelming advantages in the election campaign, two opposition candidates, Stepan Demirchyan and Artashes Geghamyan, attracted considerable support on the first round of voting on February 19. Kocharyan received less than 50 percent of the votes, and, under Armenian election law, a runoff between Demirchyan and Kocharyan was announced for March 5 (Human Rights Watch 2003). Between the announcement of first round results on February 20 and the official start of the second round campaign, the opposition supporting candidate Stepan Demirchyan held large unsanctioned rallies in the centre of Yerevan. On February 22, police began arresting opposition supporters for alleged hooliganism and participation in unauthorized public meetings. Over 200 individuals were detained including many opposition staff, and a number of people were sentenced to up to 15 days of administrative detention, which was an obvious step attempting to damage the opposition before the runoff election of March 5. After the publication of the preliminary second-round results, the opposition staged a protest outside the CEC building for several days up to the announcement of the final results (Human Rights Watch 2009).

Widespread ballot stuffing, vote-buying, intimidation, and irregularities with tabulation and counting marred both the first round and the second round runoff. Demirchyan's campaign challenged Kocharyan's victory, and continued a series of peaceful protest rallies in the following weeks (Human Rights Watch 2003).

Stepan Demirchyan disputed the 2003 second-round results in the Constitutional Court, however, the Court did not rule in his favor just invalidating results in 40 polling stations and recommending the National Assembly and president to hold a 'referendum of confidence' within a year. After a year to the day from the Constitutional Court ruling, on April 12, 2004, Armenia's opposition gathered in mass peaceful protests to force the 'referendum of confidence' on



President Robert Kocharyan and to call for his resignation (Human Rights Watch 2009). The government dispelled the demonstrations with a use of excessive force, resuming the repressive methods of the 2003 election. The authorities detained opposition leaders and supporters, violently repressed demonstrators, attacked journalists, raided the Demirchyan campaign headquarters and restricted travel to prevent people from participating in protest rallies. Finally, in response to international pressure, the authorities released some opposition leaders arrested during the protests, and the government even held discussions about cooperation with the opposition. Nevertheless, the referendum that was recommended in the 2003 Constitutional Court ruling never took place (Human Rights Watch 2009).

### **Armenian Presidential Election of 2008 and March 1<sup>st</sup> Events**

The 19 February 2008 Armenian presidential election featured the incumbent prime minister, Serzh Sargsyan, of the ruling Republican Party of Armenia in a contest against a vast group of challengers. Robert Kocharyan, the incumbent president had served two five-year terms and could not run for another term, according to constitutional rules, while he gave his full support to Prime Minister Serzh Sargsyan (Hess 2010). The 2008 presidential election was expected to be a smooth transfer of power from Robert Kocharyan to his long-time ally Sargsyan. However, Armenia's first president, Levon Ter-Petrossian, turned opposition leader after a long absence from the political arena and turned it into a bitter contest with a record numbers of supporters in the streets, a view unseen in Yerevan since the 1990s (Hancilova 2008).

According to official results, on February 19, Serzh Sargsyan won the election in the first round, with 52.8 percent, while Ter-Petrossian was behind with 21.5 percent of vote (Human Rights Watch 2009). The opposition claimed that mass fraud had taken place. On Election Day, a number of incidents were reported such as vote buying, multiple voting, irregularities in the military's voting (Hancilova 2008). On March 3, the OSCE stated that there had been violations

including implausibly high voter turnout at several polling stations, high numbers of invalid ballots and significant procedural errors in the tabulation and vote counting (Human Rights Watch 2009).

The Presidential elections took even a more dramatic turn on March 1, which seemed to mark a turning point in Armenian politics. This refers to the violent protests against the widely alleged fraud during the February 19, 2008 presidential elections by the opposition met with a brutal response to demonstrations and harsh repression by the police forces, that resulted a number of arrests and casualties (Derghougassian 2011).

Following accusations of manipulation and ballot rigging, opposition staged ten days of mass protests in Freedom Square of Yerevan, before police attacked the several hundred demonstrators who had stayed in the Square overnight with tasers and batons, early in the morning of March 1st. This attack brought larger crowds near the French embassy in response, causing the police to diverge under attack from some of the protestors. By evening, riot police returned with tear gas, brutally repressed the main crowd of demonstrators, then engaged in pitched battles with smaller groups. At 10pm, Robert Kocharyan declared a twenty day state of emergency during which public demonstrations were forbidden, media broadcasts were censored and a number of websites were temporarily blocked. At the end of the day, two police and eight protestors were dead, more than 100 protestors were arrested, and some of them had been physically abused or ill treated (Hug 2011).

Levon Ter-Petrossian's achievement of running a popular campaign shocked the ruling Kocharyan-Sargsyan duo which, after ten years in power, had underestimated the extent of public dissatisfaction with the regime. The authorities obviously did not expect Ter-Petrossian to be capable of organizing a wave of protests, in particular, taking into account the fact that he remains unpopular amongst many Armenians who remember the economic hardships of 1990s during his presidency, and many others who disapprove of his position on the Nagorno-

Karabakh conflict. Nevertheless, not only did he manage to attract people, but he has also managed to gather opposition political forces around him and against the ruling regime (Hancilova 2008). This complicated and troubled transition to Sargsyan's presidency has been a threat hanging over the current government ever since (Hug 2011).

### **Armenian Presidential Election of 2013**

Armenia conducted a presidential election on Monday, February 18, 2013, when citizens of Armenia for the sixth time since independence went to the polls to elect a president (Kalayjian and Kosian 2013). The presidential election of 2013 was the first to be carried out under the new Electoral Code, which underwent considerable reform in May 2011. In contrast to past elections, the 2013 Presidential Election was conducted in a peaceful environment with the incumbent Serzh Sargsyan winning a second term without a runoff. Though there was no post-election violence like in 2008, Armenia had not improved its electoral conduct falling short of international standards for democratic elections (The Committee for Open Democracy 2013).

The elections of 2013 are considered to be not very competitive from the beginning, as three out of four opposition parties of the Armenian parliament (e.g. Armenian National Congress, Armenian Revolutionary Federation (Dashnaktsutyun), and Prosperous Armenia Party) avoided nominating a presidential candidate or supporting any other candidates. Serzh Sargsyan's main opponent was the leader of Heritage Party, Raffi Hovhannisyan (Kalayjian and Kosian 2013).

The scheduled February 18 election date was in doubt for a short period of time due to an appeal to the Constitutional Court to postpone the election by two weeks by candidate Paruyr Hayrikyan, who was shot in an obvious assassination attempt on January 31 near his apartment in Yerevan. Paruyr Hayrikyan, under Armenian electoral law, was eligible to require an Election Day deferment as his presidential campaign had been undermined by specific circumstances, although his wound was not life-threatening. On February 5, Mr. Hayrikyan changed his mind

indicating that he would not appeal for a delay in the balloting, thus his appeal was withdrawn on February 10 (The Committee for Open Democracy 2013). Another presidential candidate Andrias Ghukasyan proclaimed a hunger strike with a slogan “Stop the fake elections”. At the same time, Serzh Sargsyan conducted a campaign that proved to be arrogant in terms of his interaction with people. For instance, in an interview in Gyumri, Sargsyan arrogantly declared that he could get as many votes in Shirak Marz as he wanted. This incensed public discontent and became a subject of political sarcasm. On the other hand, opposition candidate Raffi Hovhannisyian took advantage of the freedoms provided and made a successful campaign and communication with people (Sargsyan 2013). The success of Raffi Hovhannisyian was unexpected for the government, however, the main reasons why Raffi Hovhannisyian performed so well in the election was the voters’ deep distrust toward the government and authorities. People took the opportunity to vote against the ruling part, particularly, against Serzh Sargsyan. At the end of the Election Day, when the ballots started to be counted, it turned out that Hovhannisyian was performing well enough and the Republican campaign plan did not work. Therefore, the oligarchs with their resources were called into action implementing all the available violent and illegal practices, such as ballot box stuffing, that artificially raised the number of voting people, were performed throughout much of the country (Sargsyan 2013).

At the end of the day, incumbent Serzh Sargsyan was re-elected with 58.64% of the vote and Raffi Hovhannisyian received 36.74% of the vote. Each of the other candidates received less than 2.2% of the vote. Heritage Party candidate performed better than expected based on pre-election polling and it is worthwhile that Sargsyan was officially defeated in a number of urban areas, including Gyumri, Armenia’s second biggest city. According to his own statements, Raffi Hovhannisyian was the winner of 2013 presidential elections. Nevertheless, the election results were manipulated by the government. In spite of the numerous cases of electoral manipulations reported by international and local observers and journalists, post-electoral protests, Raffi Hovhannisyian’s hunger strike and appeal to the Constitutional Court, the results of elections

were finally accepted as valid (Sargsyan 2013, The Committee for Open Democracy 2013). It seemed that opposition headed by Raffi Hovhannisyian was at the peak of its power. Protests and meetings were held every day in Liberty square and the situation seemed to be turning revolutionary (Nedolyan 2013). However, these protests contributed to no significant changes in political sphere and after a while the opposition calmed down bringing the country to its peaceful condition again.

Armenia has held four presidential elections in the post-Soviet era and the recent presidential election seems to prove that Armenia has remained in a cycle of unfair rivalries, fraud and manipulation. Public confidence and trust is low towards the way elections are run, and there is a widespread cynicism about their outcome (Human Rights Watch 2009).

## **Georgia**

Since gaining independence in 1991 with the collapse of the former Soviet Union, Georgia has been making efforts to establish itself as a modern, market-oriented democracy and to assert its territorial integrity within its internationally recognized borders (Hug 2009). Georgia was provoked by secessionist conflict by Abkhazia and South Ossetia that resulted in ceasefires in 1992 and 1994 (Nichol 2013). An additional setback for Georgia was the August war with Russia in 2008, both economically and territorially, resulting in Russian occupation and secession of the breakaway regions of South Ossetia and Abkhazia (Rimple 2013).

Before the November 2003 “Rose Revolution”, the situation in Georgia was precarious, as it was riddled by endemic corruption, high levels of unemployment and poverty, a huge external debt, a stagnating economy and a dysfunctional democratic system. However, Georgia faced the challenges in 2004 led by the newly elected President Mikeil Saakashvili. The new, dynamic Georgian leadership that won the 2004 presidential and legislative elections had to take

quick and serious decisions to lead the country away from the edge of becoming a failed state. Mikeil Saakashvili launched one of the most comprehensive and ambitious programmes of socio-economic and political reforms among the new independent states (Hug 2009).

Immediately after the Rose Revolution, anticorruption efforts mainly targeted corrupt officials in the Shevardnadze rule and the business tycoons closely linked with the previous regime. From 2003–2010, approximately one thousand public officials faced charges of corruption, including 15 deputy ministers and 31 deputy chairpersons of city councils. These achievements were due to new anti-corruption legislation, a zero-tolerance policy, and reforms of major institutions central to fighting against corruption, such as the prosecutor's office and police force (Kupatadze 2011). Together with international actors, specifically with the crucial support of the European Union, subsequent years in Georgia were marked by success in uprooting mass corruption, consolidating public institutions, and promoting economic growth (Nodia 2008)

### **Political Situation in Georgia after Independence**

Georgia gained its independence at the end of 1991 after the dissolution of the SU. Zviad Gamsakhurdia, despite his landslide victory in the May 1991 presidential elections, failed to consolidate his rule, which basically rested on charismatic mobilization. As a result, he faced insurrection and was driven out of office by a violent coup d'état in January 1992. Coup leaders invited former Soviet Foreign Minister, Georgia Communist party leader Eduard Shevardnadze to head a ruling State Council, and he was elected the speaker of the legislature in late 1992 and president under a new constitution in 1995 (Nichol 2013, Bertelsmann Stiftung 2012). During the first three years of his rule, Shevardnadze tried to work off the competing gangs of criminals that had originally brought him to power. He had achievements in terms of ending chaos following Gamsakhurdia's ousting and introducing the formal requisites of democratic

statehood, however, he did not succeed in building stable governing institutions free from corruption (Bertelsmann Stiftung 2012).

A turning point in the history of Georgia became the year 2001, as prominent representatives of the wing of young reformers inside the Citizens' Union of Georgia (CUG) (established in 1993 to serve as Shevardnadze's party of power) headed by Mikeil Saakashvili, Zurab Zhvania and Nino Burjanadze, formed a new opposition that assumed power in the aftermath of public demonstrations against the manipulation of parliamentary elections of November 2003 (Bertelsmann Stiftung 2012). Respectively Shevardnadze was driven out of office and coup co-leader Mikheil Saakashvili was elected as a president in January 2004 (Nichol 2013).

### **Extraordinary Presidential Election of 2004 in Georgia**

The Rose Revolution of 23 November, 2003, resulted the fall of the ineffective and corrupt regime of Eduard Shevardnadze and brought to power young and energetic leaders with significant public support. The revolution was a direct outcome of the parliamentary election of 2 November, 2003, and the ground for presidential election of 4 January 2004 (Nodia 2004).

The extraordinary presidential election of 2004 was the fourth since independence in 1991. This election was held against the backdrop of parliamentary elections of 2003 distorted by a lack of political will by the authorities to conduct a transparent democratic election, which resulted in widespread and systematic fraud, ballot stuffing, and direct involvement of some election officials in producing dishonest election outcomes (The International Election Observation Mission 2004). These shortcomings provoked a political crisis, street protests, and an environment of instability, leading to the resignation of President Eduard Shevardnadze on 23 November. The former Speaker of Parliament, Nino Burjanadze, became Interim President calling for an extraordinary presidential election within the constitutional deadline. The government was restructured with Zurab Zhvania appointed as State Minister, with eight out of

nine regional governors resigned and replaced by National Movement and Burjanadze-Democrat supporters (The International Election Observation Mission 2004).

In light of the Rose Revolution, the extraordinary presidential election scheduled for 4 January became a sort of a formality. The main purpose of the election was not to find out the name of the future president - that was the most popular politician, Mikeil Saakashvil (Nodia 2004). It was viewed as a test for the newly installed political leadership to demonstrate their level of commitment to the democratic election process and to prove that the new authorities had established full control over the country. The election also served as a popular referendum on the events of 22-23 November, “Rose Revolution”, and candidate Saakashvili. It would also indicate how many of the population approved the revolution according to the number of voters supporting the new government (The International Election Observation Mission 2004, Nodia 2004).

Sitting President Nino Burjanadze had presidential ambitions, however, she realized that she could not compete with Saakashvili, and her standing in the election would lead inevitably to the break-up of the new political leadership, which was undesirable for everyone. Another traditional candidate for the presidency, the leader of “The Union of Democratic Revival”, Aslan Abashidze, understood that he had no chance to gain votes outside Ajaria and he appeared to adjust to the new political realities (Nodia 2004). Hence, Mikeil Saakashvili was left not only as the strongest candidate but the only possible candidate for the presidency. Consequently, there was almost no competition during elections. The major issue for the local and international stakeholders was to establish the voter lists and negotiate with Abashidze to allow elections on the territory of Ajaria. At last, all the administrative problems were successfully handled and Saakashvili won the election with 96 percent of vote (Nodia 2004).

Georgian extraordinary presidential election of 2004 demonstrated significant progress over previous elections, and in several aspects brought the country closer to meeting the



commitments of international standards for democratic elections (The International Election Observation Mission 2004).

### **September-November 2007 Events and Presidential Elections of 2008 in Georgia**

Political instability in Georgia worsened in November 2007 after the unification of several opposition parties in a “National Council” that initiated demonstrations in Tbilisi to call for legislative elections to be held in early 2008 instead of in late 2008 as set by the government-dominated legislature (Nichol 2008).

From September 27 to November 2, the arrest on corruption charges of Irakli Okruashvili, a former minister of defense who turned an opposition politician and made sensational accusations against President Mikheil Saakashvili, motivated a series of protest rallies with an estimated 50,000–75,000 people calling for early parliamentary elections and amendments to election legislation. A series of opposition demonstrations in September–November 2007 later developed into calls for the immediate resignation of the president ended in violent dispersal of the opposition rallies, the closing of two opposition-oriented independent TV stations (Nodia 2008).

Violence first occurred on the morning of November 7, when police without warning charged about 70 people, some of them hunger strikers, who had spent the night on the steps of parliament building, pulling them off the steps and beating several of them (Gogia 2009). Later, demonstrators gathered in front of parliament trying to push through a police cordon on Rustaveli Avenue. Eventually, protestors reached huge numbers to fit on the steps in front of parliament, and forced their way through the police cordon onto Rustaveli Avenue. Riot police gathered on Rustaveli Avenue and ordered the crowd to disperse warning that legal means of crowd dispersal would be used. However, the majority of demonstrators were unwilling to disperse, thus, opposition leaders called on people to go to Rike, a large open area with no streets not far from city centre (Gogia 2009). Riot police, finally, surrounded the protestors at Rike,

fired teargas and rubber bullets at them, and attacked individual demonstrators resulting in several dozen injuries. At approximately 8:45 p.m., after all protestors at Rike had been dispelled, security forces stormed the independent Imedi television station, which had aired opposition grievances, and shut it down (Gogia 2009, Nichol 2008).

To improve the situation, President Saakashvili declared a state of emergency for 15 days, called for snap presidential elections on January 5, 2008 and a plebiscite on the date of parliamentary elections. These concessions achieved through dialogue with opposition leaders defused tensions in the short run. On November 25, Saakashvili resigned to make room for snap presidential elections, and his position was transferred to parliamentary Speaker Nino Burjanadze (Nodia 2008).

Presidential election in Georgia was held on 5 January 2008 as Mikheil Saakashvili had brought forward after the 2007 protests from the original date in autumn 2008. Saakashvili was declared as a winner with 53.7% of the votes. Saakashvili's electoral victory with 53% of the vote contrasted drastically with the 96% of the vote he won in 2004, thus illustrating the fact that public trust in his governance had declined. An opposition leader, Levan Gachechiladze, was the second gaining 25.69% of the votes and Badri Patarkatsishvili, a Georgian-Russian business tycoon and owner of Imedi television station, was the third with 07.10% of the votes. The elections were accused to be marred with electoral fraud by the Georgian opposition. However, international observers welcomed the elections to be the first genuinely competitive presidential elections in the history of Georgia, and although some irregularities were observed and needed to be addressed, the elections generally met the democratic standards (Nichol 2008).

### **The presidential elections of 2013**

The presidential elections of October 27, 2013, in Georgia took place in an unusually calm atmosphere. The election campaign was peaceful and there was no reason to predict any disturbance at the end. International observers appeared more satisfied than ever and the final

outcome was positively accepted by Georgians. This was a great success for Georgia referring to a significant progress on the path of democratization. However, it is still questionable whether this positive environment was the product of political maturity or the fact that the presidential elections no longer are as significant as they were and that the new leader had no real rivals (Sharashenidze 2013). This is mainly explained by the fact that the elections of 2013 were affected by the departure of the two personalities who have dominated politics for the last decade, Mikheil Saakashvili - the incumbent president, who was prevented by term limits from seeking reelection and widely admired Prime Minister Bidzina Ivanishvili who came to power during parliamentary elections of 2012 due to the victory of the Georgian Dream (GD) coalition and who announced his decision to stand aside in favor of the incumbent Minister of Internal Affairs and personal ally, Irakli Garibashvili. Both politicians were out and Georgia was going to be ruled by a new leader (Beard 2013).

Giorgi Margvelashvili of the Georgian Dream party was an unexpected candidate for many Georgians. Although he was the former rector of a university, a close friend of Zurab Zhvania (the former Prime Minister) and an opponent of Saakashvili, the majority of Georgians learnt about Giorgi Margvelashvili only when Bidzina Ivanishvili made him minister of education the previous year. Though Ivanishvili enjoyed public trust and huge popularity and praised Margvelashvili after making him his candidate for the presidency, many people still remained doubtful (Sharashenidze 2013). However, there still were a number of people, who would vote for Ivanishvili's protégé even without knowing anything about him. Soon after nominating Margvelashvili, Ivanishvili announced his retirement. His exit was a shock for all his supporters within and outside government. There were fears that by his departure Ivanishvili would endanger Margvelashvili's chances for the presidency (Sharashenidze 2013). However, suspicions disappeared in October when Margvelashvili managed to overcome all the difficulties and started to appear increasingly self-assured and convincing. He dominated the last week of the campaign and it became obvious that he was going to win in the first round, as he did. The

only issue that embarrassed Margvelashvili's campaign was Ivanishvili's further statement that if Margvelashvili did not win in the first round then he would advise him to ignore the run-off. Ivanishvili's statement was criticized by electoral watchdogs that considered it to be a form of pressure on the voters; however, it is still questionable what motivated the leader of GD to give his candidate such advice (Sharashenidze 2013).

As for Giorgi Margvelashvili's opponents, only two of them counted. David Bakradze, the candidate from the United National Movement, the former ruling party, who joined Saakashvili's team soon after the Rose Revolution of 2003, ran in second place according to most of the polls (Sharashenidze 2013). Margvelashvili won by 62% of votes and Bakradze scored 22%. It might be said that both of them achieved their goals, as Margvelashvili won in the first round and Bakradze became number two securing enough votes to assert that the United National Movement remained a serious political actor. The other candidate was Nino Burjanadze, who once was an ally of Saakashvili and Zhvania and one of the heroes of the Rose Revolution. She hoped to exceed all the other presidential candidates due to political experience and charisma (in fact, she was the last charismatic leader of Georgia remaining one of the Rose Revolution trio, as Zhvania was dead and Saakashvili on his way out). Taking an aggressive position, Burjanadze stated not to accept defeat and fight referring to street rallies. However, Burjanadze won approximately 10 percent of vote and obviously realizing the depth of her defeat, she did not protest against the outcome. Hence, another election in Georgia ended without street protests (Sharashenidze 2013).

Overall, the elections of 2013 are the evidence that democracy has been enhanced in Georgia. The country's commitment to democratic principles is stronger now than it was before the last presidential elections, which marked a degree of progress and opportunities for further democratic consolidation in the coming years (Beard 2013).

## **Azerbaijan**

Azerbaijan gained its independence from the Soviet Union at a time of economic desolation and of war with the Republic of Armenia, and in the result of a movement for national independence led by dissidents in the Popular Front. In June 1992, this group formed the first post-communist government of Azerbaijan (Bertelsmann Stiftung 2012).

Nowadays, Azerbaijan has a very fragmented party system with about 40 political parties, of which five are major opposition parties. The ruling party remains dominant and wealthy, while opposition parties are often excluded from the decision-making process. The ruling party has a monopoly on power, and, at the same time, ensures that opposition does not win elections to executive legislative, municipal or judicial bodies. At the national level, the president is the one, who exercises control over the governance of the country. Nevertheless, his power has limitations related to the interests within the state elite tied to the old regime (Bertelsmann Stiftung 2012).

Democracy promotion in oil-rich Azerbaijan has become a complicated issue after 2003, when Ilham Aliyev came to power succeeding his father Heidar Aliyev. Under the presidency of Ilham Aliyev, Azerbaijan has entered into a sphere of degrading political environment and has gained a reputation as one of the most authoritarian states in the post-Soviet region. Ilham Aliyev deepened authoritarianism in the country by using political violence against his critics, curtailing civil and political freedoms, enacting serious restrictions on the political opposition, NGOs and the mass media. Eventually, Azerbaijan has gone from a semi-authoritarian to a fully authoritarian state. Various international institutions have taken a mild position towards the serious frauds in polls that characterized Ilham Aliyev's presidency, as they feared that the criticism might put oil contracts and energy exploration deals in Azerbaijan at risk (Gojayev 2012). The government, in its turn, showed very little political will and interest in fighting corruption. Although some constitutional, legal reforms have been implemented, an anti-

corruption law was adopted, and a state anti-corruption commission was established with the head of the presidential administration as its chairman, all of these had mostly decorative character. Hence, corruption still has an endemic nature in Azerbaijan (Bertelsmann Stiftung 2012).

### **Political Situation in Azerbaijan after independence**

Azerbaijan was less prepared for the collapse of the Soviet Union than its Caucasian neighbors. Anyway, the last Soviet leader Ayaz Mutalibov managed to overcome the transition and become the first President of the newly independent Azerbaijan (Hug 2012). In July 1989, the Popular Front emerged as an informal political movement led by Abulfaz Elchibey. It demanded democracy, national sovereignty and Nagorno-Karabagh under the jurisdiction of Azerbaijan (Bertelsmann Stiftung 2006). In general, the Popular Front government was stuck to democratic principles, while it failed to ensure democratic institutions, manage the economy efficiently and win the war with Armenia (Bertelsmann Stiftung 2012).

Azerbaijan declared its independence in October 1991 and gained official independence in December 1991. President Mutalibov did not last long as Azerbaijan's first President, with military setbacks causing him to be pushed from power in a Parliamentary coup triggered by the Khojaly massacre. His attempt to return in a May Parliamentary counter-coup caused a revolt by the Popular Front that overthrew him from power. The first free elections in Azerbaijan brought the Popular Front parties to power in Parliament giving Abulfaz Elchibey the Presidency in the June of that year. However, Elchibey, a long-time activist, a poet and pan-Turkist, proved to be a weak leader (Hug 2012). The 1991-1993 period provided Azerbaijan with an experience of liberty and personal freedom, while president Elchibey never saw his personal integrity or democratic principles questioned. However, when the Popular Front government collapsed in 1993, Azerbaijan appeared to be a "failed state". It had lost a war and seen half of its economy collapsed, at the same time; the state had failed implementing central tasks including taxation,

defense, payment of salaries, maintenance of public order, and its monopoly over the use of force (Bertelsmann Stiftung 2012).

With the violent overthrow of the president Abulfaz Elchibey, Heidar Aliyev came to power. Aliyev has dominated political life of Azerbaijan since returning to power in 1993, following a long career as Azerbaijan's KGB chief, a member of the USSR's Politburo and Communist Party leader (Human Rights Watch 2003). Aliyev stepped in to take control and to rebuild the state, mainly using the remaining Soviet structures and Azerbaijan's oil wealth. He had success in normalizing Azerbaijan's economy and building a functioning state, however, creating instead a semi-authoritarian system, a controlled political environment (Bertelsmann Stiftung 2012). He ruled the country from 1993 to 2003, and was succeeded by his son, Ilham Aliyev (Bertelsmann Stiftung 2006). This system has remained in place even after the transition of power, resting essentially on the same power base with a president increasingly taking on the role of an absolute monarch (Bertelsmann Stiftung 2012).

### **Presidential Elections of 2003 in Azerbaijan**

Presidential elections of 15 October 2003 in Azerbaijan took place at a time of a significant political uncertainty in the country. Heydar Aliyev, despite his failing health, attempted to run in the elections. Azerbaijani government staged a constitutional referendum in August 2002 that would give him the discretion to appoint his son, Ilham Aliyev, as acting president. The referendum was marred by voter intimidation and fraud, like all other votes in Azerbaijan. President Aliyev disappeared from political scene after collapsing during a public meeting in 21 April 2003, and was on life-support at a hospital in the United States. In early August, Ilham Aliyev (then speaker of parliament) was appointed to the post of prime minister by the parliament. On 2 October 2003, the withdrawal of Heidar Aliev's candidacy for president was announced with a statement from the incumbent urging citizens to vote for his son (Human Rights Watch 2003).

The CEC registered Ilham Aliev, as well as four other minor pro-governmental candidates. It registered several major opposition candidates, including Etibar Mamedov of the National Independence Party of Azerbaijan (ANIP), who was a serious competitor to Heydar Aliyev in 1998, Ali Kerimli of the Popular Front of Azerbaijan-Reformers faction, Isa Gambar of Musavat (Equality), and three other opposition candidates (Human Rights Watch 2003). Musavat was quite a serious power in the political life of Azerbaijan and its leader, Isa Gambar, who was the former speaker of the parliament during the presidency of Abulfaz Elchibey (1992-1993), was extremely negative in his judgment of Heydar Aliyev's administration and towards the government (Ismailov 2004).

The authorities have been greatly involved in election-period interference. Deeply unfair election climate was created in Azerbaijan due to constant attempts to frustrate opposition candidates' campaigning efforts with a sharp contrast of the open support for the candidacy of Ilham Aliyev (Human Rights Watch 2003). First among the tactics used by authorities was a refusal to provide adequate venues for opposition rallies. They refused such permission outright, delayed their approval until the last moment, or grant inadequate venues for the meetings. One of the vivid examples occurred on 21 September, when Baku city authorities finally gave permission to the Musavat party's candidate Isa Gambar to hold two rallies in the capital, but in two small movie theaters where could seat only around 500 persons each. When large crowds tried to listen from outside the cinemas, hundreds of armed police violently dispersed the crowds, beating and injuring dozens of citizens, journalists, and party leaders (Human Rights Watch 2003).

In almost all areas of Azerbaijan, opposition activists faced great obstacles putting up campaign posters for opposition candidates, risking arrest or other consequences. A typical case occurred on 1 October, when three Musavat members were arrested by the police and beaten at the local police station in Baku while putting up Musavat posters the day before a rally for Isa



Gambar. However, other opposition candidates were just arbitrarily rejected. The most notable case involved Rasul Guliev; the head of the Azerbaijan Democratic Party (ADP) and a former speaker of parliament who fell out with Heydar Aliyev in 1996; who left Azerbaijan, and lives in exile in the U.S. The CEC rejected Guliev's candidacy on the unsound basis that he was a U.S. "green card" holder, and refused to reconsider its decision after documentation provided by Guliev that in fact he had a refugee, not residency status in the U.S. The activists of the Azerbaijan Democratic Party (ADP) hold bi-weekly demonstrations in front of the CEC building to protest the commission's decision to deny the candidate registration of Rasul Guliev. However, police have consistently responded by using force and beating the protesters (Human Rights Watch 2003).

The election took place on 15 October 2003 and on the eve of voting the fragmented opposition faced the only candidate from ruling party, Ilham Aliyev. The representatives of opposition proved to be unable to sacrifice their own ambitions for the sake of common goal on the ground of a united ideological platform. Thus, Ilham Aliyev was elected as a president with 76.84% of the vote cast. Isa Gambar, the most popular opposition leader, received 13.97% of the votes and Lala Shovket, the Leader of the National Unity Movement and Azerbaijan Liberal Party, got 3.62% of the vote (Ismailov 2004).

Hundreds of opposition activists protested against the falsification of the elections on 16 October 2003, when the government responded with a massive arrests, torture, and intimidation. Over 600 people were arrested throughout the country and four people died. Moreover, many election officials representing opposition parties were intimidated and forced to sign fraudulent final protocols of the vote count (Shirinov 2013). Overall, too much manipulation, too many arrests, and too many beatings have taken place for the presidential elections to be considered transparent, free and fair (Human Rights Watch 2003).

## **Presidential Elections of 2008 in Azerbaijan**

The 2008 Azerbaijani presidential elections took place on October 15 and marked considerable progress towards meeting international standards. The changes to the electoral code were approved by the legislature in June 2008. The improvements were mainly due to pre-election reforms of both electoral law and process. The major developments were the presence of a large number of election observers at election, a peaceful election environment without widespread protests against the ruling party that characterized the 2003 presidential elections. Although the elections passed without major incident, there were significant shortcomings in the fairness of electoral procedures and pre-election media (Isler Beguin 2008).

Despite the fact that the election had failed to interest the public, there was an unexpectedly high turnout 75.1% than in 2003, when the turnout was 71.2%. Incumbent President Aliyev and his Yeni Azerbaijan Party (YAP) won presidential elections by an overwhelming majority, gaining 88.6% of the vote. The remaining six candidates each received approximately 1%-3% of the vote cast (Nichol 2008). Igbal Aga-zadeh, of the Azerbaijan Hope Party, came in a distant second place with 2.9%. Fazil Mustafayev of the Great Creation Party received 2.5% of the vote. Gudrat Hasanguliyev of the Popular Front Party and Hafiz Hajiyev of Musavat Party gained slightly more votes than when they ran in 2003. As no candidates except the incumbent gained 3% of the vote, all of them were legally required to return the campaign funding provided by the government (Nichol 2008, Isler Beguin 2008).

Regrettably, all major opposition parties decided to boycott the 2008 presidential election, including the Musavat Party, the Popular Front Party of Azerbaijan and the Azerbaijani Democratic Party. Isa Gambar, the figurehead of Musavat, who won 13% of the vote in 2003 and was the highest official opposition support figure, decided not to run, as did Eldar Namazov, President of the Public Forum for Azerbaijan, and a former advisor to Heidar Aliyev. The opposition alleged the government's serious violations of the freedom of assembly and speech,

unequal and unfavorable conditions for the candidates, restricted and biased mass media, and the illegitimacy of the current government, as justification for the boycott (Isler Beguin 2008).

On the one hand, President Ilham Aliyev, strengthened his position as the uncontested leader of Azerbaijan. On the other hand, the opposition boycotting presidential elections of 2008 emphasized its weakness, fragmented nature and lack of a charismatic leader who could have challenged the position of the incumbent president (Isler Beguin 2008).

### **Presidential Election of 2013 in Azerbaijan**

Azerbaijan's sixth presidential election since gaining independence was conducted on 9 October 2013. It was assessed as being neither free nor fair and was highly criticized by international observers for falling short of international standards for democratic elections and Azerbaijan's obligations to international institutions (Shirinov 2013).

Several important developments marked the pre-electoral situation in Azerbaijan in 2013 before the October vote. Firstly, on June 7 major opposition forces and civil society groups came together to establish the National Council of Democratic Forces - a coalition of political party members, intellectuals, NGOs and youth activists. The major political parties of Azerbaijan agreed to support a candidate without political party affiliation. A united candidate of the opposition was expected to unite all the forces in the country who disagree with Aliyev's regime to speak with one voice. Rustam Ibrahimbeyov, a famous script-writer and movie director, was the united candidate of the opposition and the founder of the National Council. On June 7, Ibrahimbeyov was elected as a chairman of National Council and on July 2 he became the candidate for the upcoming presidential elections. However, as Rustam Ibrahimbeyov had dual citizenship (Azerbaijani/Russian), the CEC refused to register his candidacy. Therefore, Jamil Hasanli, an intellectual-historian, replaced Ibrahimbeyov as presidential candidate of the National Council (Shirinov 2013). Jamil Hasanli was a deputy chairman of the Popular Front Party and advisor to former president Abulfaz Elchibey (1992–1993). He served as an

independent Member of Parliament in 2000–2010 and is a professor of history and author of several books related to the foreign policy of the Azerbaijan Democratic Republic in 1918-1920 and the history of the Cold War (Abbasov 2013).

The choice of Hasanli was another important issue in the history of Azerbaijan's opposition, as for the first time, the opposition forces united behind a representative of the scientific elite, rather than a party leader. Hasanli is not associated with any political party or coalition and has a pure reputation. Hasanli conducted a relatively active campaign, taking into account the National Council's lack of resources. During his speeches on television debates, campaign rallies and meetings in the regions, Hasanli mainly focused on the issues of endemic corruption in Azerbaijan and the poor democracy and human rights record of the country. During the campaign, he won popularity, especially among youth activists, and in the post-election period, he ensured his place on Azerbaijan's political scene as a respected and reputable leader who might preserve opposition unity in the future (Abbasov 2013).

One of the main features of the campaign of 2013 elections was the passive behavior of President Ilham Aliyev. He did not hold a single campaign rally, make any meeting in the regions and never participated in television debates, to which he delegated ruling Yeni Azerbaijan party leaders. Unlike the 2003 elections when Aliyev promised a great number of future accomplishments related to the doubling the GDP and decreasing the level of unemployment, this time the incumbent did not make a single promise. Aliyev's campaign slogan was "Davam" (Continue) mainly describing the economic success of his ten-year presidency (Abbasov 2013). At the beginning of the campaigning, the ruling party officials made it clear that the incumbent did not need advertising, as he is already well known for his good work. Nevertheless, Aliyev paid trips to the regions and opened facilities, which in fact should be considered campaigning (Shirinov 2013).

Another presidential candidate, who held a relatively active campaign, was Igbal Aghazadeh, a Member of Parliament from the opposition party Umid (Hope). He was cautious in criticizing the government and, particularly, President Aliyev. However, while holding several rallies he offered eight different programs targeting different social groups of the population (youth, pensioners, teachers, the unemployed, etc.), in that way emphasizing his campaign slogan “Change your life” (Abbasov 2013).

Finally, the presidential election of 9 October 2013 in Azerbaijan granted the incumbent President Ilham Aliyev his third term after term limits had been removed by a referendum of 2009. He was reelected as a president with 84.55% of the vote cast. Jamil Hasanli received 5.53% of the vote and Igbal Aghazadeh came in third with just 2.40% of the vote (Shirinov 2013).

It is important to stress that the pre-electoral period in Azerbaijan was marked with arrests, harassments and intimidation against Aliyev’s political opponents. Overall, the campaigning can be described as extremely restricted with unfavorable conditions for the opposition to campaign. The authorities used the usual tactics of putting forward fake candidates to create a front of competition and attack the united opposition’s candidate during the one-hour debates on TV, which were the only opportunity for the National Council’s candidate to campaign on TV (Shirinov 2013).

The October 2013 election has made obvious that electoral manipulations and corruption related violations are still typical to Azerbaijan largely undermining citizens’ confidence in the transparency of any election. The regime’s extensive control of media, informal ban on freedom of expression and assembly, and continuous harassment, intimidation and arrest of dissidents undermines Azerbaijan’s democratic development (Shirinov 2013).

## **Chapter 3**

### **The OSCE Office for Democratic Institutions and Human Rights as a Key**

#### **Election Observation Agency**

Elections are significant to democracy, to public confidence in the institutions and electoral processes that are the fundament of authority in any democratic government. In the past two decades, observation of elections and referendums has emerged as a substantial task, addressed to promote democratic transition and protection of human rights. Election observation contributes to the promotion of a transparent and open election process. Thus, it is directly related to the corresponding international trend towards democratization. It is an activity that has basically been employed in support of new democracies and countries in democratic transition (OSCE/ODIHR 2003, OSCE/ODIHR 2005).

The Organization for Security and Cooperation in Europe (OSCE) has put a great emphasis on promotion of democratic elections as a key factor for stability. The OSCE is a transatlantic intergovernmental organization of 56 participating states of the broader European region, including Central Asia and the South Caucasus, as well as Canada and the United States of America. The OSCE is a key instrument for conflict prevention, crisis management and overall, security (OSCE/ODIHR 2005).

The OSCE's major institution for the human dimension is the Office for Democratic Institutions and Human Rights (ODIHR), the main objective of which is to promote democratic elections. Since its establishment in 1991, the ODIHR has become the major international election observation agency in the region (OSCE/ODIHR 2005). The essential role that free, fair and transparent election has in ensuring the fundamental right towards democratic participatory government and respect for political rights is reflected in a number of international documents

applicable to OSCE states, including the major documents - Article 21 of the Universal Declaration of Human Rights and The Copenhagen Document of 1990 (OSCE/ODIHR 2003).

According to key international standards accepted by the OSCE, free elections mean to ensure human rights and fundamental freedoms before, during and after elections. The electoral process should be free from violence, intimidation, misuse of administrative resources. Laws should be implemented fairly and non-discriminatory. Voting, counting, tabulation must be free from fraud and public resources must be used fairly. Elections must ensure voting by secret ballot, which means that votes should mark their ballots alone, in the privacy to secure voting booth. The number of representatives for each district must be proportional to the size of the electorate. And, finally, impartial voter registration is required and each vote should have the same value. Every OSCE participating state should meet all the requirements. The laws and constitution of the country must be in line with the international commitments and domestic and international observers should assess an election against the framework of international laws and national legislation (OSCE/ODIHR 2003).

## The OSCE Election Observation Mission in the South Caucasus

### Armenia

**Table 1: Corruption related violations in Armenia**

<b>Armenia</b>	Number of polling stations where ballot box stuffing occurred	Number of polling stations where vote-buying was observed	Number of polling stations with presence/interference of unauthorized people	Number of polling stations where voter turnout was 100%	Number of polling stations where voter turnout was 90% or over 90%	Number of polling stations where the incumbent received more than 90% of the vote cast
Presidential Election <b>2003</b> 1 <sup>st</sup> Round	93	Notable issue	23%	11	100	96
2 <sup>nd</sup> Round	71	Notable issue	24%	20	147	200
Presidential Election <b>2008</b>	18	Widespread Issue	6% presence 3% interference	2	95	4
Presidential Election <b>2013</b>	8	Notable issue (40 cases)	7%	0	0	0

### Presidential Elections – 2003

The presidential election in the Republic of Armenia of 19 February and 5 March 2003 fell short of international standards for democratic elections. Though the election involved a dynamic countrywide campaign, the overall process failed to provide equal conditions for the candidates. Serious irregularities during voting, counting and tabulation were alleged, including widespread ballot box stuffing. International observers confirmed ballot box stuffing in 93 polling stations, 22 in the first round and 71 in the second round, and Robert Kocharyan won the large majority of votes in 69 polling stations. The most explicit ballot-box stuffing irregularities occurred at polling stations in Yerevan, Armavir, Syunik and Kotayk regions (OSCE 2003).



Beyond ballot box stuffing, other fraudulent practices during voting were reported. “Carousel” voting was observed in Shirak and vote-buying was observed in Ararat region, however, the vote-buying was not considered to be a widespread issue. Observers in Yerevan, Ararat and Gegharkunik regions witnessed individuals voting more than once in Lori region. The presence of unauthorized persons was observed in 23% of polling stations, including government officials, in the first round of elections and in 24% in the second round. In a few cases unauthorized people were seen acting in an intimidating manner and interfering in the process. These anomalies would raise serious questions in transparency of any election (OSCE 2003).

The extremely high voter turnout figures in a number of polling stations are implausible considering the large number of Armenian voters abroad who did not participate in the election. According to official results the voter turnout was 100% in 11 polling stations in the first round of the election and in 20 polling stations in the second round. 90% or over 90% of turnout was recorded in 100 polling stations in the first round and in 147 polling stations in the second round. At the same time, in 96 polling stations the incumbent, Robert Kocharyan, received more than 90% of the votes cast in the first round and in 200 polling stations in the second run (OSCE 2003).

Overall, international observers confirmed that voting and counting were severely flawed, the majority of polling stations visited were well run, but widespread irregularities of many types were witnessed, notably ballot box stuffing, around the country. Significant discrepancies indicating to corruption-related violations and implausible figures in the tabulated results for a large number of polling stations were confirmed. The only progress was the presence of a large number of domestic observers (OSCE 2003).

## **Presidential Elections - 2008**

The presidential election of 2008 in the Republic of Armenia was held on 19 February. According to international observers the 2008 presidential election mostly met international

standards and OSCE commitments in the pre-election period and during voting hours, however, the major challenges emerged after election day displaying an insufficient regard for standards essential to democratic elections and devaluating the overall election process. Particularly, deficiencies of transparency and accountability were demonstrated during vote count. At the same time, the OSCE observers frequently expressed concerns about the widespread vote-buying and multiple voting through impersonation of voters, especially on election day. Presence of buses of voters in the neighborhood of polling stations was noticed by several observers and widespread rumors circulated that organized transportation of voters was related to vote-buying schemes (OSCE 2008).

Ballot box stuffing was another corruption-related violation witnessed during the 2008 election. 18 ballot stuffing cases were alleged and an isolated case of ballot stuffing was observed at a polling station in Sevan. Observers received credible reports that ballot stuffing had taken place prior to their arrival at other polling stations. The observers also witnessed presence of unauthorized persons in 6% of visited polling stations and 3% of unauthorized people interfering to the electoral process (OSCE 2008).

The voter turnout, in general, was 61%-84% in the most polling stations. However, some polling stations had extraordinarily high turnout. 95 polling stations had a voter turnout exceeding 90%, of which 44 had a turnout over 95% - these were concentrated in specific areas. Voter turnout at some polling stations was implausibly high: PEC 8/23 before the end of election day had a turnout of 99.83% and PEC 37/22 before the end of election day had a turnout of 100.36%. According to the government, such high turnout might be explained by the participation of military voters.

The analysis of official results indicated that the polling stations which reported a higher than average voter turnout also had a higher share of the vote for the Prime Minister Serzh Sargsyan. Even taking into consideration that the Prime Minister has strong familial links in the

Goris, results from four polling stations were implausibly high exceeding 99% of the vote, with a turnout of 97% - 99.5% (OSCE 2008).

Overall, the 2008 presidential election fell short of international standards and did not meet commitments for democratic elections, as far as a number of election violations were committed, intimidation and attempts to manipulate the electoral process were evident in some areas, and the authorities did not adequately address these issues as they emerged on and after election day (OSCE 2008).

### **Presidential Elections – 2013**

As the OSCE observation states, the 19 February 2013 presidential election of the Republic of Armenia was generally well-administered and characterized by a respect for fundamental freedoms. Candidates were able to campaign freely enjoy balanced media coverage using their free airtime. At the same time, misuse of administrative resources, cases of pressure on voters were of concern. While election day was peaceful and orderly, it was marked by extreme interference in the process by proxies representing the incumbent, and some serious election violations were observed (OSCE 2013).

The police, the Prosecutor General's office and the Special Investigative Service investigated about 400 election-related criminal and administrative violations. Most cases concerned vote buying, intimidation of voters by representatives of the incumbent, hindrance of campaign and multiple voting. About 40 cases of vote buying were reported to the police. However, the police and the prosecutor started criminal proceedings in 13 cases, including five cases of proxy or multiple voting and one case of vote buying. Most cases were closed after preliminary investigation, because of lack of evidence, as the authorities stated (OSCE 2013).

Eight formal complaints were registered by election commissions on election day that cited serious irregularities such as ballot box stuffing and multiple voting, but all the complaints

filed by domestic observers were considered inadmissible. Observers also alleged presence of unauthorized people in 7% (64 cases) of visited polling stations, mostly proxies, who interfered in or directed the work of the polling stations (OSCE 2013).

The final voter turnout was 60.2% with notable regional variations from 48% to 74%. Eventually, the analysis of final results showed a close correlation between the turnout and the number of votes for the incumbent, with polling stations with above-average voter turnout also having a higher share of votes for the incumbent. In 144 polling stations voter turnout, seemed to be implausibly high, exceeding 80%, and in 115 of these stations the incumbent received above 80% of the votes. The higher results for the incumbent were observed at the most of stations with high turnout indicated possible serious problems with voting and counting. This raises concerns about the transparency of the electoral process (OSCE 2013).

## Georgia

**Table 2: Corruption related violations in Georgia**

<b>Georgia</b>	Number of polling stations where ballot box stuffing occurred	Number of polling stations where vote-buying was observed	Number of polling stations with presence/interference of unauthorized people	Number of polling stations where voter turnout was 100%	Number of polling stations where voter turnout was 90% or over 90%	Number of polling stations where the incumbent received more than 90% of the vote cast
Presidential Election <b>2003</b>	4	Minor issue	33% (presence) during counting 20% (interference) 29% (presence) during tabulation	0	0	0
Presidential Election <b>2008</b>	5	Minor issue (5 cases)	15% during opening 18% during counting	23	205	0
Presidential Election <b>2013</b>	0	Minor issue (5 cases)	Minor issue	0	0	0

## **Presidential Elections – 2003**

The extraordinary presidential election of 4 January 2004 in Georgia demonstrated notable progress over previous elections, and brought the country closer to international standards for democratic elections. In contrast to the parliamentary elections of November 2003 that were criticized for widespread and systematic fraud, the government displayed the collective political will to conduct a more transparent democratic election process. The establishment of a new voter register was especially significant for the enhancement of public confidence in the election process. The election day was peaceful and the voting was conducted in a generally calm and spirited atmosphere. Despite concerns that voter turnout would be low, participation was high, 88% of turnout, except in the Autonomous Republic of Ajaria. However, there were no cases where the voter turnout was over 90%. At the same time, there were no polling stations where the incumbent received more than 90% of the votes cast (OSCE 2004).

Observers reported that in all cases they were able to observe all stages of the count process without hindrance. Their assessment of voting, counting and tabulation processes was generally positive with few minor incidents. Observers reported the presence of unauthorized people during the counting in 33% of visited polling stations and in 20% of these polling stations the unauthorized people were interfering in the process. At the same time, presence of unauthorized people was observed in 29% of observed cases, during tabulation procedures, with 10 cases, when unauthorized people were trying to direct, interfere or influence the process. Multiple voting, vote buying and ballot box stuffing were not considered as a major issue during 2004 elections. There were only four ballot box stuffing cases observed (OSCE 2004).

Overall, the electoral process and atmosphere in 57% of observed polling stations was assessed as excellent or good while 52% were assessed as excellent or good on organization. The transparency was assessed by the observers as excellent or very good in 66% of polling stations. In general, the extraordinary presidential election of 2004 recorded success in terms of enhanced

transparency of electoral process, and brought the country closer to committing the OSCE recommendations and international standards for democratic elections (OSCE 2004).

## **Presidential Elections – 2008**

The presidential election of 2008 represented the first genuinely competitive post-independence presidential election, however, shortcomings were noted. As the observers state, there was an adequate basis for the conduct of democratic elections. Election day was generally peaceful and calm and voting was assessed positively by a large majority of observers. At the same time, the election campaign was conducted in a highly polarized political atmosphere and was overshadowed by widespread allegations of intimidation and pressure on public-sector employees and opposition activists by police and local officials, including threats of arrest and dismissal from employment (OSCE 2008).

Organizational and procedural shortcomings were reported mainly related to multiple voting in 1% of visited polling stations. A limited number of serious violations were observed in 3% of polling stations, including five cases of ballot box stuffing and five cases of vote buying and carousel voting. Accusations of vote-buying were addressed against Mikeil Saakashvili for distributing campaign leaflets containing free tickets to an amusement park. In this notable court case alleging vote buying by Saakashvili, the judge rejected the claim. Despite the law prohibiting candidates from giving voters gifts, monetary funds, or other items of material value, the court concluded that candidates are not prohibited from doing so if the items have low material value and distribution is not widespread, at the same time stressing that all candidates have the same opportunity to distribute the free items (OSCE 2008).

Other irregularities were reported in terms of presence of unauthorized persons during electoral process. Unauthorized people were present during the opening in 15% of polling stations, interfering in the process only in two cases, and in 18% of polling stations, participating in the vote count. The overall voter turnout was 56.19%. In several polling stations, the turnout

was considerably higher than the average. Some 23 polling stations reported 100% turnout, while another 205 polling stations reported turnout between 90% and 100%. A significant number of polling stations reported unusually high turnout during the last three hours of voting (OSCE 2008).

Although, the presidential election of 2008 generally met international standards for democratic elections, a number of procedural irregularities and corruption related violations were observed that needed to be addressed to ensure more transparent elections (OSCE 2008).

### **Presidential Elections – 2013**

The presidential election of 27 October 2013 was transparent and efficiently conducted, and took place in a peaceful and constructive environment. During the election campaign, fundamental freedoms of expression and assembly were respected giving an opportunity for the candidates to campaign without restrictions. The electoral legal framework was comprehensive providing a strong legal basis for the administration of democratic elections. Overall, election day processes were assessed as transparent and professional (OSCE 2014).

The observer's assessment of opening, voting, counting, and tabulation was positive. However, some procedural irregularities were noted, but considered to be neither widespread nor systematic. While the misuse of administrative resources did not feature as a major issue during the campaign, a few cases of campaigning by unauthorized people, misuse of state resources, and vote buying were reported by citizen observers. In particular, six cases of vote buying were reported (OSCE 2014).

Voting was generally well organized with most polling officials professionally conducting their work. In a positive overall assessment of voting, observers evaluated the process as good or very good in 97% of observations. Counting was evaluated as transparent in 128 of 136 observations and the tabulation process was assessed as good or very good in 78 of

83 observations. The voter turnout was reported at 46.6%. Overall, the presidential election of 2013 was characterized as transparent and genuine, professionally administered and meeting the international standards for democratic elections (OSCE 2014).

## Azerbaijan

**Table 3: Corruption related violations in Azerbaijan**

<b>Azerbaijan</b>	Number of polling stations where ballot box stuffing occurred	Number of polling stations where vote-buying was observed	Number of polling stations with presence/interference of unauthorized people	Number of polling stations where voter turnout was 100%	Number of polling stations where voter turnout was 90% or over 90%	Number of polling stations where the incumbent received more than 90% of the vote cast
Presidential Election <b>2003</b>	9	Widespread issue	32% presence, 11% interference (counting)  49% presence, 10% interference, 12% hindrance (tabulation)	35	No data available	80
Presidential Election <b>2008</b>	7	Widespread issue	4% presence 15% interference 8% presence (counting) 4% interference	9	99	108 + 41
Presidential Election <b>2013</b>	62	Widespread issue	3 cases – presence 63 cases – interference	No data available	No data available	No data available

### **Presidential Elections – 2003**

The presidential election of 15 October 2003 in the Republic of Azerbaijan fell short of international standards for democratic elections. There were unequal conditions for the candidates and widespread intimidation in the pre-election period. The overall process illustrated a lack of sufficient political will and commitment to conduct a transparent election process (OSCE 2003).



On election day several cases were observed, when local observers were denied access or expelled from polling stations. In several polling stations, observers were required to sit far away not to be able to observe effectively during voting or counting. Domestic observers were unable to collect tabulation protocols at more than 50% of the polling stations and several observers who witnessed violations, such as ballot stuffing, were pressured not to report them. Ultimately, international observers were not allowed to monitor the post-election activities at the CEC in the most significant days before the announcement of the final results (OSCE 2003). Observers also reported many cases of attempted bribery and intimidation of precinct commission members who refused to sign the protocols that were considered to be false. Credible cases were reported by observers in 27 different polling stations. Three members of CEC did not put their signature to the protocol of final results (OSCE 2003).

As a result of irregularities, the CEC invalidated the votes from 694 polling stations. While this measure had the effect of disenfranchising about 20% of the electorate of Azerbaijan, it did not address the major issue of systematic and widespread electoral fraud. International observers witnessed serious irregularities during voting and widespread fraudulent practices during the counting and tabulation of election results. Behind the appearance of general orderliness, there were significant violations and efforts to cheat through ballot-box stuffing, pre-marked ballots, multiple voting, etc (OSCE 2003).

Observers reported that the voting was orderly; however there were a few significant problems in 18% of polling stations observed and many significant problems in 8%. The counting process was assessed considerably more negatively than the voting. Observers assessed counting as having a few significant problems in 25% of visited polling stations and as having many significant problems in 30%. The counting and tabulation of processes and results were seriously manipulated. These negative proportions were significantly high for elections in OSCE states (OSCE 2003).

Unauthorized people interfering in the election process were observed in 64 polling stations and attempts to influence the voter's choice were witnessed in an even larger number. Unauthorized persons were present in 32% of the counts, with these persons interfering in the count process in 11% of polling stations (OSCE 2003).

Implausible results were evident in the figures reported from a number of polling stations. In 135 polling stations every valid vote was reported as having been cast for the incumbent; in 35 of these polling stations the voter turnout was 100%. The results in 55 of these 135 polling stations were finally invalidated, but 80 were left standing (OSCE 2003). Overall, the presidential election of 2003 in Azerbaijan, was far from being democratic, as it was basically marred with significant, irregularities, corruption related violations and manipulations (OSCE 2003).

## **Presidential Elections – 2008**

The presidential election of 15 October 2003 in Azerbaijan marked significant progress towards meeting OSCE commitments and other international standards, particularly, with regard to some technical aspects of election administration. However, the election process did not reflect many principles necessary for a meaningful and pluralistic democratic election (OSCE 2008).

Election day was calm and peaceful, but election was characterized by a lack of competition, a lack of political discourse, and a restrictive media environment. In general, the voting process was assessed positively. However, there were serious procedural shortcomings, especially related to safeguards against multiple voting. Serious violations identified by observers included ballot boxes which were not sealed properly in 7% of the polling stations observed, series of seemingly identical signatures on the voter list in 8%, proxy and multiple voting in 2% each. Group voting was observed in 9% of polling stations visited. In 9% of polling

stations, not all voters marked their ballots in secrecy. Observers reported obvious indications of ballot box stuffing in 7 polling stations where voting was observed (OSCE 2008).

Observers assessed the vote count considerably less positively than the voting process. 23% of counts observed were evaluated as bad or very bad. The transparency of the process was undermined in 16% of polling stations due to the fact that observers were not able to clearly see how ballots had been marked. Unauthorized persons were observed in 4% of polling stations visited and in 15 polling stations these persons were interfering in or directing the electoral process (OSCE 2008).

There was over 75% voter turnout. In 99 polling stations the average voter turnout was 96.85%, compared to an overall turnout of 75.64%. In these polling stations, the incumbent received 97.84% of the votes cast, as compared to 88.73% countrywide. There were nine polling stations in military units the incumbent received 100% of the votes cast, compared to 41 polling stations with such a result among the more than 5,000 regular polling stations (OSCE 2008). Overall, the presidential election of 2008 recorded progress in committing the OSCE recommendations for democratic elections, however the electoral process was far from being transparent with notable corruption related violations and significant irregularities observed.

### **Presidential Elections – 2013**

The presidential election of 10 October 2013 in the Republic of Azerbaijan was undermined by limitations on the freedoms of expression and assembly, candidate and voter intimidation, a restrictive media environment during campaign creating unequal conditions for the candidates. Significant violations were identified throughout all stages of election day processes and underscored the serious nature of the shortcomings that should be addressed for Azerbaijan to fully meet the OSCE commitments for transparent and democratic elections (OSCE 2013).

Election day was peaceful and calm. Observer reports indicated a high voter turnout; the preliminary turnout was 72.3%, later corrected to 71.6%. The voting process was assessed negatively in 12% of observations, which is significant. The opening procedures were assessed negatively in 21% of observations, a significantly high number, which indicates significant problems. Observers reported obvious indications of ballot box stuffing in 39 polling stations and reported a number of procedural violations referring to potential fraud. The counting was assessed in overwhelmingly negative terms, with 58% of visited polling stations assessed as bad or very bad. Indications of a further 23 cases of ballot box stuffing were noted during the counting. The tabulation, in its turn, was assessed as bad or very bad in 23 of the 125 polling stations. There were also 61 reports of unauthorized persons interfering in the electoral procedures. In 10% of observed polling stations, not all stages of the electoral process were visible to the international or domestic observers, thereby reducing the transparency of the process (OSCE 2013).

Although the elections took place in a peaceful environment, generally, all the election phases lacked transparency being assessed negatively by the observers. A significant number of corruption related violations and procedural irregularities were witnessed that need to be improved to bring elections in Azerbaijan in line with international standards for transparent and democratic elections (OSCE 2013).

## Chapter 4

### Assessment of Corruption-related Violations during Elections in the South Caucasus

The collected data provides an opportunity to assess and compare the corruption-related violations in the three South Caucasus countries. Six descriptors are selected as indicators of corruption-related violations during elections including number of polling stations where ballot box stuffing occurred, number of polling stations where vote-buying was observed, number of polling stations with presence/interference of unauthorized people, number of polling stations where voter turnout was 100%, number of polling stations where voter turnout was 90% or over 90% and number of polling stations where the incumbent received more than 90% of the vote cast. In order to evaluate corruption-related violations during elections in Armenia, Georgia and Azerbaijan, a numerical rating will be used – on a scale of 1 to 3; with 1 representing the lowest and 3 the highest level of corruption-related violations during elections.

**Table 4: Assessment of corruption related violations in Armenia**

<b>Armenia</b>	Number of polling stations where ballot box stuffing occurred	Number of polling stations where vote-buying was observed	Number of polling stations with presence/interference of unauthorized people	Number of polling stations where voter turnout was 100%	Number of polling stations where voter turnout was 90% or over 90%	Number of polling stations where the incumbent received more than 90% of the vote cast
Presidential Election <b>2003</b> 1 <sup>st</sup> Round	3	2	2	1	3	2
2 <sup>nd</sup> Round	3	2	2	2	3	3
Presidential Election <b>2008</b>	2	3	1	1	2	1
Presidential Election <b>2013</b>	1	2	1	1	1	1

According to the data on the number of polling stations where ballot box stuffing occurred during presidential election of 2003 in Armenia, the score is 3 both during the 1<sup>st</sup> round and the

2<sup>nd</sup> round of elections. Respectively, ballot box stuffing is assessed with a score of 2 during 2008 and 1 during 2013 presidential elections. Vote buying was a notable issue during presidential election of 2003, thus it comes with a score of 2 both during the 1<sup>st</sup> and the 2<sup>nd</sup> round. In 2008, vote buying was observed as a widespread issue and is assessed as 3. The 2013 year comes with a score of 2. The presence or interference of unauthorized people in the polling stations during election process is assessed with a score of 2 during the 2 rounds of the 2003 presidential election and with a score of 1 during the 2008 and 2013 elections. According to the numbers of polling stations where voter turnout was 100%, the presidential election of 2003 comes with a score of 1 during the 1<sup>st</sup> round and 2 during the 2<sup>nd</sup> round. The 2008 and 2013 presidential elections have the score of 1. As for the number of polling stations where voter turnout was 90% or over 90%, the two rounds of the 2003 presidential election have the score of 3. Respectively the year 2008 gains a score of 2 and the 2013 election has the score of 1. Finally, according to the number of polling stations where the incumbent received more than 90% of the vote cast, the 1<sup>st</sup> round of the 2003 presidential election is assessed with the score of 2 and the 2<sup>nd</sup> round with the score of 3. The 2008 and 2013 elections come with the score of 1.

**Table 5: Assessment of corruption related violations in Georgia**

<b>Georgia</b>	Number of polling stations where ballot box stuffing occurred	Number of polling stations where vote-buying was observed	Number of polling stations with presence/interference of unauthorized people	Number of polling stations where voter turnout was 100%	Number of polling stations where voter turnout was 90% or over 90%	Number of polling stations where the incumbent received more than 90% of the vote cast
Presidential Election <b>2003</b>	1	1	2	1	1	1
Presidential Election <b>2008</b>	1	1	2	2	3	1
Presidential Election <b>2013</b>	1	1	1	1	1	1

Georgia has the best results in terms of corruption-related violations during elections compared to Armenia and Azerbaijan. The ballot stuffing and vote buying were considered to be minor

issues and come with the scores of 1 for the 2003, 2008 and 2013 presidential elections. The presence or interference of unauthorized people to the electoral process is assessed with the score of 2 during the presidential elections of 2003 and 2008; and with the score of 1 during the 2013 election. According to the number of polling stations where voter turnout was 100%, the 2003 and 2013 presidential elections come with a score of 1 and the 2008 election with the score of 2. The number of polling stations where voter turnout was 90% or over 90% during the 2003 and 2013 is assessed with the score of 1; and during the 2008 election is assessed with the score of 3. Finally, the number of polling stations where the incumbent received more than 90% of the vote cast is assessed with the score of 1 during the 2003, 2008 and 2013 presidential elections in Georgia.

**Table 6: Assessment of corruption related violations in Azerbaijan**

<b>Azerbaijan</b>	Number of polling stations where ballot box stuffing occurred	Number of polling stations where vote-buying was observed	Number of polling stations with presence/interference of unauthorized people	Number of polling stations where voter turnout was 100%	Number of polling stations where voter turnout was 90% or over 90%	Number of polling stations where the incumbent received more than 90% of the vote cast
Presidential Election <b>2003</b>	1	3	3	2	No data available	2
Presidential Election <b>2008</b>	1	3	2	1	3	3
Presidential Election <b>2013</b>	3	3	2	No data available	No data available	No data available

In the case of Azerbaijan, the ballot box stuffing issue comes with a score of 1 during the 2003 and 2008 presidential elections and with the score of 3 during the 2013 election. Vote buying is a considerably widespread issue with a score of 3 during all the three presidential elections. The presence or interference of the unauthorized people to the electoral process in the polling station is assessed with a score of 3 in the 2003 presidential election and 2 in the 2008 and 2013 elections. Number of polling stations where voter turnout was 100% during the presidential election of 2003 is assessed with the score of 2 and 1 during the 2008 election. There is no

available data for the year 2013. According to the number of polling stations where voter turnout was 90% or over 90% during the 2008 presidential election comes with the score of 3. The data is missing for the years 2003 and 2013. Finally, according to the number of polling stations where the incumbent received more than 90% of the vote cast, the 2003 presidential election comes with a score of 2 and the 2008 election with a score of 3. The data on 2013 presidential election is unavailable. Taking as a ground the content of the reports, the character of elections based on the data on the descriptors of corruption-related violations, as well as taking into account the fact that all the reports are basically underreported, all the missing information will be assessed with the highest score of corruption-related violations – 3, for the further calculations and analysis. Azerbaijan is the only country that comes with missing information. Thus, four missing categories will be assessed with the score of 3.



## Chapter 5

### Democracy and Political Corruption Relationship

This is a comparative chapter investigating the relationship between democracy level and political corruption level in the three South Caucasus countries. Freedom House democracy scores on Political Rights and Civil Liberties are used to compare the levels of democracy in Armenia, Georgia and Azerbaijan, at the same time to show the relationship with the average scores on corruption related violations during elections in the three countries. Hence, a table is created yielding all the results that are easy to summarize, compare, and generalize.

**Table 7: Average scores of corruption during elections and Freedom House ratings in the SC**

<b>Case</b>	<b>Corruption Average</b>	<b>PR</b>	<b>CL</b>	<b>FH Average</b>
Armenia – 2003	2.3	4.0	4.0	4.0
Armenia – 2008	1.6	5.0	4.0	4.5
Armenia – 2013	1.2	5.0	4.0	4.5
Georgia – 2003	1.1	4.0	4.0	4.0
Georgia – 2008	1.6	4.0	4.0	4.0
Georgia – 2013	1.0	3.0	3.0	3.0
Azerbaijan – 2003	2.3	6.0	5.0	5.5
Azerbaijan – 2008	1.8	6.0	5.0	5.5
Azerbaijan – 2013	2.8	6.0	5.0	5.5

The Freedom House provides an annual evaluation of democratization in Central and Eastern Europe and the Former Soviet Union – “Freedom in the World”. The evaluation is based on scores of two categories - Political Rights (PR) and Civil Liberties (CL). Each country is assigned a numerical rating - on a scale of 1 to 7, with 1 representing the highest and 7 the lowest level of democracy and freedom. Respectively, all the countries are rated as “Free”, “Partly Free”, and “Not Free”.

According to Freedom House, Armenia is assessed with the scores of 4-5 for the years 2003, 2008 and 2013. Georgia has the score of 4 for 2003 and 2008 years both on PRs and CLs, and has improved its score to 3 in 2013. Azerbaijan has the score of 6 for PRs and the score of 5 for CLs for all the three years. The average score of Azerbaijan is 5.5. These ratings illustrate the fact that Azerbaijan has the lowest level and Georgia has the highest level of democracy and freedom, while Armenia is in between rated as a partly free country.

As for the scores of corruption related violations during presidential elections 2003, 2008 and 2013, an average was calculated on the scores of the three countries respectively. For Armenia, an improvement of scores may be witnessed. Armenia has average score of 2.3 for 2003 presidential election, 1.6 for 2008 and 1.2 for 2013 presidential elections. Georgia, on the other hand, has more positive results coming with the score of 1.1 for 2003; 1.6 for 2008 and 1.0 for 2013 presidential elections. Azerbaijan comes with relatively negative scores of 2.3 for 2003, 1.8 for 2008 and 2.8 for 2013 presidential elections. Azerbaijan is distinguished with the highest level of corruption related violations during presidential elections; Georgia with the lowest level, and Armenia, on the other side, has recorded improving scores, while is still staying behind Georgia.

**Table 8: Political Corruption and Democracy Correlation**

		<b>Corruption</b>
<b>Political Rights</b>	<b>Pearson Correlation</b>	<b>0.629</b>
	<b>Sig. (2-tailed)</b>	<b>0.070</b>
	<b>N</b>	<b>9</b>
<b>Civil Liberties</b>	<b>Pearson Correlation</b>	<b>0.733*</b>
	<b>Sig. (2-tailed)</b>	<b>0.025</b>
	<b>N</b>	<b>9</b>
<b>FH Average</b>	<b>Pearson Correlation</b>	<b>0.679*</b>
	<b>Sig. (2-tailed)</b>	<b>0.044</b>
	<b>N</b>	<b>9</b>
*. Correlation is significant at the 0.05 level (2-tailed).		
**. Correlation is significant at the 0.01 level (2-tailed).		

A correlation is implemented in order to find a relationship between political corruption (corruption related violations during elections) and democracy (political rights and civil liberties). According to the results presented in the Table 8 above, correlation between Political Rights and Corruption is not significant. However, the correlation shows that Civil Liberties and Average of the two categories have significant correlation with Corruption, as the Sig (2-tailed) value is less than 0.05 level indicating a statistically significant correlation between two variables. At the same time, Pearson Correlation comes with positive numbers indicating a negative relationship between variables, and meaning that with the increase of the level of Political Rights, Civil Liberties the level of corruption related violations during elections decreases.

Overall, the analysis illustrates a strong relationship between the level of political corruption during elections and level of democracy, in other words, increases or decreases in the level of political corruption are significantly related to increases or decreases in level of democracy. Thus, the research hypothesis – the higher the level of democracy the lower level of political corruption during elections in the South Caucasus – is accepted.

## **Findings and Conclusions**

The conducted literature review allows underlining the perception that corruption is a deficiency in the political system, particularly in the “democratic deficit”. Corruption is caused by political systems deficient in democratic power-sharing formulas, values, accountable and transparent institutions, as well as procedures of ideal democratic governance systems practices (Andvig, Fjeldstad, Amundsen, Sissener, & Søreide, 2000). Therefore, the level of corruption is highest in the least democratic countries, and lowest in the consolidated democracies (Amundsen 1999). There is a negative relationship between democracy and corruption, meaning that less democracy causes more corruption. The level of corruption decreases with the increase of the level of democracy. Political corruption is seen as an outcome of weakly functioning state and a failure of leadership, democratic practices (Andvig, Fjeldstad, Amundsen, Sissener, & Søreide, 2000 and Amundsen 1999).

The analytical deliberation of the post-independence political situation and specific cases of presidential elections of 2003, 2008 and 2013 in Armenia, Georgia and Azerbaijan illustrates the fact that although political corruption and manipulation of elections was typical to the three South Caucasus countries in the post-independence years, nowadays the picture is absolutely different. While, Georgia has made a turn by strengthening its institutions, abolishing the rooted corruption, ensuring transparency of elections and increasing its level of democracy, Azerbaijan took just the opposite track by deepening the authoritarian regime of the country, increasing the government’s monopoly on power, deepening corruption and still falsifying elections. Armenia, in its turn, attempts to make reforms to increase democratic values in the country, however, it is characterized as a country where the authorities lack political will to combat corruption, ensure transparent elections, and thus increase democracy level of the country.

The statistical analysis illustrates a strong relationship between the level of political corruption during elections and level of democracy in the South Caucasus, in other words,

increases or decreases in the level of political corruption are significantly related to increases or decreases in level of democracy. Thus, taking as a ground all the results of the analysis the three research hypotheses are accepted. Higher levels of democracy cause lower levels of political corruption during elections in the South Caucasus. Georgia has the highest level of democracy and the lowest level of political corruption during elections. Azerbaijan has the lowest level of democracy and the highest level of political corruption during elections. Finally, Armenia is in between with significant shortcomings in democratic values and with notable concerns of political corruption during elections.

More systemic anti-corruption efforts are required to reduce corruption and guarantee free and fair elections in the region implementing enforcement of legal framework, restricted laws, rules and regulations that might facilitate and bring the countries on an advanced level of democracy (Iskandaryan 2013).

The viable path toward real sustainable democratic development is through reforms that might ensure transparent political system. In order to make sustainable gains in political and democratic transformation, leaders must be found who govern rather than simply rule, express strong political will, and the ‘cancer of corruption’ should be defeated (Bertelsmann Stiftung 2012).

## **Limitations and Recommendations**

The major limitation of the study was Armenia's bad relations with its neighboring Azerbaijan that restricted to conduct online interviews or a survey in that country, consequently excluding these data collection tools from the study. The other major limitations of the study were the limited resources in terms of time and finance. It would be appropriate to conduct interviews and surveys in all the three South Caucasus countries, ensuring comprehensive, more detailed and unbiased study, giving opportunity to investigate individual level issues as well. Another important limitation was the lack of reliable resources. Generally, all the reports are underreported and there is lack of official data on corruption violations during elections.

# Bibliography

- Abbasov, Shahin. "The Opposition's Strategy in Azerbaijan's 2013 Presidential Elections." *The Caucasus Analytical Digest*, 2013: 5-7.
- Amundsen, Inge. "Political Corruption: An Introduction to the Issues." *Chr. Michelsen Institute*, 1999.
- Andvig, Jens Chr., Odd-Helge Fjeldstad, Inge Amundsen, Tone Sissener, and Tina Søreide. *Research on Corruption: A policy oriented survey*. Bergen/Oslo: Chr. Michelsen Institute & Norwegian Institute of International Affairs, 2000.
- Beard, Martha. "Challenges and Opportunities in the Wake of Georgia's Presidential Elections." *Caucasus Analytical Digest*, 2013: 2-4.
- Bertelsmann Stiftung. *BTI 2012 — Armenia Country Report*. Gütersloh: 2012.
- Bertelsmann Stiftung. *Armenia: Bertelsmann Transformation Index 2003*. Gütersloh: 2003.
- Bertelsmann Stiftung. *Azerbaijan: Bertelsmann Transformation Index 2006*. Gütersloh: 2006.
- Bertelsmann Stiftung. *BTI 2012: Azerbaijan Country Report*. Gütersloh: 2012.
- Bertelsmann Stiftung. *BTI 2012: Georgia Country Report*. Gütersloh: 2012.
- Birch, Sarah. "Briefing Paper: Electoral Corruption." *Institute for Democracy & Conflict Resolution*, May 2011: 1-12.
- Bogicevic, Olivera. *Governance, Politics and Corruption: An Inquiry on Electoral Corruption in Jamaica*. Lund: Lund University, 2012.
- Congressional Research Service. "Georgia's January 2008 Presidential Election: Outcome and Implications.", January 25, 2008.
- Dahl, Robert A. *Democracy and its Critics*. London: Yale University Press, 1989.
- Derghougassian, Khatchik. "Market fundamentalism, economic hardship and social protest in Armenia. (A critical perspective of the polarization of Armenian politics)." *Universidad de San Andrés*, March 2011: 311-331.
- Dininio, Phyllis. "Linkages Between Corruption and Democracy." In *Democratic Deficits: Addressing Challenges to Sustainability and Consolidation Around The World*, by Gary Bland and Cynthia Arnson, 1-214. Washington: Woodrow Wilson International Center for Scholars, 2009.
- Duhot, Hubert, and Laure Delcour. *Bringing South Caucasus Closer to Europe: Achievements and Challenges in ENP Implementation*. Warszawa: College of Europe Natolin Campus, 2011.
- Edwards, Alistair. *Democratization and Qualified Explanation*. In *M. M. Geraint Parry, Democracy and Democratization*. London: Routledge, 1994, 88-105.
- European Commission. *European Neighbourhood and Partnership Instrument: Azerbaijan Country Strategy Paper 2007-2013*. Brussels: European Commission, 2006.

- European Commission. *European Neighbourhood and Partnership Instrument: Georgia Country Strategy Paper 2007-2013*. Brussels: European Commission, 2006.
- European Commission. *European Neighbourhood and Partnership Instrument: Azerbaijan National Indicative Programme 2011-2013*. Brussels: European Commission, 2013.
- Freedom House. "Georgia: Nations in Transit 2008." 2008: 231-250.
- Giragosian, Richard. "Armenia's Crisis for the Non-Democrats." In *Democracy's Plight in the European Neighborhood: Struggling Transitions and Proliferating Dynasties*, by Richard Youngs Michael Emerson, 87-94. Brussels: Centre for European Policy Studies, 2009.
- Gogia, Giorgi. "Strong States vs Strong Rights." In *Spotlight on Georgia*, by Adam Hug, 46-54. London: The Foreign Policy Centre, 2009.
- Gojayev, Vugar. "Azerbaijan: From bad to worse." *The Caucasus Analytical Digest*, 2012: 27-32.
- Government of the Republic of Armenia. *Republic of Armenia Anti-Corruption Strategy and Implementation Action Plan 2009-2012*. Yerevan:, 2009.
- Hancilova, Blanka. "Dim Prospects for Sarkissyan after Armenia's Post-election Violence." *Central Asia-Caucasus Analyst* (Central Asia-Caucasus Institute & Silk Road Studies Program), 2008: 3-5.
- Hess, Steve. "Protests, Parties, and Presidential Succession Competing Theories of Color Revolutions in Armenia and Kyrgyzstan." *Problems of Post-Communism*, 2010: 28-39.
- Hug, Adam. *Spotlight on Armenia*. London: Foreign Policy Centre, 2011.
- Hug, Adam. *Spotlight on Azerbaijan*. London: Foreign Policy Centre, 2012.
- Hug, Adam. *Spotlight on Georgia*. London: The Foreign Policy Centre, 2009.
- Human Rights Watch. *An Imitation of Law: The Use of Administrative Detention in the 2003 Armenian Presidential Election*. New York: 2003.
- Human Rights Watch. *Democracy on Rocky Ground: Armenia's Disputed 2008 Presidential Election, Post-Election Violence, and the One-Sided Pursuit of Accountability*. New York: 2009.
- Human Rights Watch. *Azerbaijan: Presidential Elections 2003*. New York: 2003
- Iskandaryan, Aleksander. *Armenia: Nations in Transit 2013*. Freedom House, 2013, 65-87.
- Isler Beguin, Marie Anne. *Presidential Elections in Azerbaijan: Election Observation Delegation 13-16 October 2008*. Brussels: European Parliament, 2008.
- Ismailov, Eldar. "An Analysis of the 2003 Presidential Election in the Azerbaijan Republic." In *Election Assessment in the South Caucasus 2003-2004*, 41-57. Yerevan: International Institute for Democracy and Electoral Assistance, 2004.
- Kalayjian, Zaven, and Sassoon Kosian. "FPC Briefing: Results of Preliminary Analysis of February 18th 2013 Presidential Election in Armenia from Policy Forum Armenia." *Foreign Policy Centre*, February 2013.



- Karklins, Rasma. "Typology of Post-Communist Corruption." *Problems of Post-Communism*, 2002: 22–32.
- Kupatadze, Alexander. "Similar Events, Different Outcomes: Accounting for Diverging Corruption: Patterns in Post-Revolution Georgia and Ukraine." *Caucasus Analytical Digest*, 2011: 2-5.
- Nedolyan, Ara. "Political Parties Before, During and After the Elections of 2012–2013." *Caucasus Analytical Digest*, 2013: 7-11.
- Nichol, Jim. *Azerbaijan's October 2008 Presidential Election: Outcome and Implications*. Washington: Congressional Research Service, 2008.
- Nichol, Jim. "Georgia [Republic]: Recent Developments and U.S. Interests." *Congressional Research Service*, July 13, 2013: 1-24.
- Nodia, Ghia. "An Analysis of the Parliamentary and Presidential Elections in Georgia: A Case Study, November 2003- March 2004." In *Election Assessment in the South Caucasus 2003-2004*, by International Institute for Democracy and Electoral Assistance, 75-99. Yerevan: International Institute for Democracy and Electoral Assistance, 2004.
- Nodia, Ghia. "Georgia: Nations in Transit 2008." Freedom House, 2008: 231-250.
- Office for Democratic Institutions and Human Rights. *Election Observation Handbook: Fifth Edition*. Warsaw: The Organization for Security and Cooperation in Europe, 2005.
- Office for Democratic Institutions and Human Rights. *Handbook for Domestic Election Observers*. Warsaw: The Organization for Security and Cooperation in Europe, 2003.
- Organization for Security and Cooperation in Europe. "Copenhagen Document." *Document of the Copenhagen Meeting of the Conference on the Human Dimension of the CSCE*. Copenhagen: 1990. 1-14
- Organization for Security and Cooperation in Europe. *Republic of Armenia: Presidential Election, 19 February and 5 March 2003: Final Report*. Warsaw: Office for Democratic Institutions and Human Rights, 2003.
- Organization for Security and Cooperation in Europe. *Republic of Armenia: Presidential Election, 19 February 2008: Final Report*. Warsaw: Office for Democratic Institutions and Human Rights, 2008.
- Organization for Security and Cooperation in Europe. *Republic of Armenia: Presidential Election, 18 February 2013: Final Report*. Warsaw: Office for Democratic Institutions and Human Rights, 2013.
- Organization for Security and Cooperation in Europe. *Republic of Azerbaijan: Presidential Election, 15 October 2003: Final Report*. Warsaw: Office for Democratic Institutions and Human Rights, 2003.
- Organization for Security and Cooperation in Europe. *Republic of Azerbaijan: Presidential Election, 15 October 2008: Final Report*. Warsaw: Office for Democratic Institutions and Human Rights, 2008.

Organization for Security and Cooperation in Europe. *Republic of Azerbaijan: Presidential Election, 9 October 2013: Final Report*. Warsaw: Office for Democratic Institutions and Human Rights, 2013.

Organization for Security and Cooperation in Europe. *Georgia: Extraordinary Presidential Election, 4 January 2004: Final Report*. Warsaw: Office for Democratic Institutions and Human Rights, 2004.

Organization for Security and Cooperation in Europe. *Georgia: Extraordinary Presidential Election, 5 January 2008: Final Report*. Warsaw: Office for Democratic Institutions and Human Rights, 2008.

Organization for Security and Cooperation in Europe. *Georgia: Presidential Election, 27 October 2013: Final Report*. Warsaw: Office for Democratic Institutions and Human Rights, 2014.

Przeworski, Adam. *Some Problems in the Study of the Transition to Democracy*, in Guillermo O'Donnell, Phillippe C. Schmitter, and Laurence Whitehead, eds. *Transitions from Authoritarian Rule: Prospects for Democracy*, Part III. Baltimore: Johns Hopkins University Press, 1986, 47-63.

Rimple, Paul. "Georgia: Nations in Transit 2013." *Freedom House*, 2013: 221-241.

Rose-Ackerman, Susan. "Political Corruption and Democracy." *Journal of International Law*, 1999: 363-378.

Rose-Ackerman, Susan. *Corruption and Government: Causes, Consequences and Reform*. Cambridge: Cambridge University Press, 1999.

Sargsyan, Isabella. "Armenian Elections. No Room for Optimism?" *Caucasus Analytical Digest*, 2013: 2-7.

Sharashenidze, Tornike. "Presidential Elections in Georgia: Enter the Non-Charismatic Leader." *Caucasus Analytical Digest*, 2013: 5-7.

Shirinov, Rashad. "Stepping into the Unlimited Phase: Ilham Aliyev's Third Term." *The Caucasus Analytical Digest*, 2013: 2-4.

Stefes, Christoph H. *Understanding Post-Soviet Transitions: Corruption, Collusion and Clientism*. Houndmills: Palgrave Macmillan, 2006.

Swiss Agency for Development and Cooperation SDC, S. A. *Swiss Cooperation Strategy South Caucasus 2013–2016*. Bern: 2012.

Svensson, Jakob. "Eight Questions about Corruption." *Journal of Economic Perspectives*, 2005: 19-42.

The Committee for Open Democracy. "Analysis of the 2013 Armenian Presidential Elections and Recommendations." February 20, 2013: 1-8.

The International Election Observation Mission. *Presidential Election, Georgia – 4 January 2004: Statement of Preliminary Findings & Conclusions*. Tbilisi: 2004.

Transparency International (2004). *Transparency International*. Retrieved from TI 2004 Corruption Perceptions Index:  
[http://archive.transparency.org/policy\\_research/surveys\\_indices/cpi/2004](http://archive.transparency.org/policy_research/surveys_indices/cpi/2004)

Transparency International (2013). *Transparency International*. Retrieved from The Corruption Perceptions Index 2013: <http://cpi.transparency.org/cpi2013/results/>

United Nations. *Universal Declaration and Human Rights: 60th Anniversary Special Edition*. The United Nations Department of Public Information, 2007.

Ziblatt, Daniel. *Shaping Democratic Practice and the Causes of Electoral Fraud: The Case of Nineteenth-Century Germany*. *American Political Science Review*, 2009, 1-18.

## APPENDIX

	Number of polling stations where ballot box stuffing occurred	Number of polling stations where vote-buying was observed	Number of polling stations with presence/interference of unauthorized people	Number of polling stations where voter turnout was 100%	Number of polling stations where voter turnout was 90% or over 90%	Number of polling stations where the incumbent received more than 90% of the vote cast
<b>Armenia</b>						
Presidential Election <b>2003</b> 1 <sup>st</sup> Round	93	Notable issue	23%	11	100	96
2 <sup>nd</sup> Round	71	Notable issue	24%	20	147	200
Presidential Election <b>2008</b>	18	Widespread issue	6% presence 3% interference	2	95	4
Presidential Election <b>2013</b>	8	Notable issue (40 cases)	7%	0	0	0
<b>Georgia</b>						
Presidential Election <b>2003</b>	4	Minor issue	33% (presence) during counting 20% (interference) 29% (presence) during tabulation	0	0	0
Presidential Election <b>2008</b>	5	Minor issue (5 cases)	15% during opening 18% during counting	23	205	0
Presidential Election <b>2013</b>	0	Minor issue (5 cases)	Minor issue	0	0	0
<b>Azerbaijan</b>						
Presidential Election <b>2003</b>	9	Widespread issue	32% presence, 11% interference (counting)  49% presence, 10% interference, 12% hindrance (tabulation)	35	No data available	80
Presidential Election <b>2008</b>	7	Widespread issue	4% presence 15% interference 8% presence (counting) 4% interference	9	99	149
Presidential Election <b>2013</b>	62	Widespread issue	3 cases – presence 63 cases – interference	No data available	No data available	No data available