

STATE-LEGAL AND ADMINISTRATIVE TRANSFORMATIONS IN ARMENIA (1991-2003)

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Almost right after it declared its independence on 21 September, 1991, Armenia gained international recognition (December) from the U.S., Russia, Canada, Rumania, and other countries. On 2 March, 1992, our republic became a full-fledged member of the U.N., and on 25 January, 2001, a member of the European Parliament. Literally from the moment it declared its sovereignty, Armenia began building an independent republic. It was unable to finance the immense volume of state functions inherited from the disintegrated Soviet Union on its own. At this difficult transition stage, a different state government system had to be created, which would make it possible to strengthen the country's economic potential and independence, raise the people's standard of living, and ensure the stable development of social relations.

Forming new power bodies became an urgent need. This process began as early as May 1990, after elections to the Supreme Soviet of Armenia, which was still a Union republic. At that time, the country was undergoing the transfer from the old Soviet power structures to a new parliamentary form of government. In order to form a new state government system, several vitally important documents were adopted. For example, the new constitutional Law on Fundamental Provisions set forth the state government pro-

cedure and distributed power among the executive, legislative and judicial branches.¹ On 1 August, 1991, the Law on the President of the Republic of Armenia was adopted.² There is no doubt that it is an important step toward political stabilization, even though discussions about the expediency of this institution and the president's powers are still going on. In November and December of the same year, laws On the Supreme Soviet and On the Administration Structure delimited the spheres of activity of the supreme power bodies.³

The republic's state power structure includes executive bodies, and executive power is the prerogative of the government, which is represented by the prime minister and ministers. In 1991-1992, executive power was carried out by the prime minister, his deputy, 22 ministries, and eight state administrations. Since then this structure has changed more than once. Between 1995 and 2000 alone, fifteen ministries went through all manner of reshuffling and merging more than twenty times. For example, in February 2000, the government formed 24 ministries instead of 17, in May this number was reduced to 20,⁴ but in June 2003 only 16 remained. The last government was formed on 11 June, 2003 by a political coalition, since after the elections held on 25 May, 2003, not one political party was able to obtain an overwhelming majority in parliament and form a government on its own.

So for the first time in the history of the independent republic, three political forces, the Republican Party, the Orinats erkir Party, and the Armenian Revolutionary Federation (ARF) Dashnaktsutun, which gathered the most votes at these elections, signed a memorandum on the formation of a parliamentary coalition and government. In other words, it was unanimously decided that they would share the responsibility for ensuring normal activity of the legislative and executive power bodies. The sides came to the following agreement on the composition of the new government: the president would appoint the defense, foreign, and justice ministers; the Republican Party would elect the prime minister, the head of the government administration, the trade and economic development, environmental protection, energy, transportation and communication, finance and economics ministers, as well as the minister for coordinating territorial administration and the activity of the substructures; the Orinats ekir Party would represent the ministers of urban development, education and science, culture, and youth affairs; and ARF Dashnaktsutun would nominate the ministers of public health, agriculture, and social security.

What is more, the memorandum stipulates that if these political structures are unable to settle major disputes by negotiations, each of them has the right to inform the others in writing of its withdrawal from the coalition, whereby recalling the officials set forth according to the memorandum.⁵ The 11th government was formed on the principles of this memorandum.

The ministry structure has also changed numerous times, which sometimes had negative consequences. These changes were caused by the vague delimitation of the tasks and authorities of the executive agencies and the overly swollen ranks of their employees.

In November 1991, Babken Ararktsian was elected chairman of the Supreme Soviet. And Vazgen Manukian became prime minister as early as 13 August, 1990.⁶ But the political changes of 1991-1994 were not systemic, since the ruling political force, the Armenian National Movement (ANM), still did not have an ultimate conception of the future state structure. What is more, at that time, the opinion was expressed that Armenia did not need a new Constitution, and that the state system could be formed gradually, by adopting several constitutional laws. During the first few years of independence, the laws and constitutional provisions of the U.S.S.R. and Armenian S.S.R. were used. But they and the beginning reforms often contradicted each other, at times creating confusion. Moreover, the old and new administrative systems were in effect at the same time with the cumbersome and overstaffed apparatus, imprecise delimitation of powers, and frequently recurring "incorrect selection of supervisors" that this

¹ See: *Collection of Current Laws of Armenia (1990-1995)*, Erevan, 1996, pp. 177, 178 (in Armenian).

² See: *Ibid.*, pp. 158-162.

³ See: *Ibid.*, pp. 189-196.

⁴ See: *The Republic of Armenia*, 29 February and 23 May, 2000 (in Armenian).

⁵ See: *Aiastani anrapetutiun*, 12 June, 2003.

⁶ Before May 2000, 10 governments with their prime ministers changed hands in the republic.

entailed. Among the reasons for the unproductiveness of the republic's state administration, we will note the following: there was no official ideology, there was no mechanism for setting goals, there was no reliable information exchange between the individual branches of power, there were incorrect assignments at various levels, and many of the functions of the executive power were duplicated.

In an attempt to correct the situation, the country's leadership concentrated its attention on the raising the efficiency of the state administration and the quality of services to the population. For this, a Commission on State Administration Reform was created in 1999 and is still functioning. It is drawing up a Conception of Structural Reforms for the State Administration System of the Republic of Armenia, and is carrying out extensive work in the ministries and other state administration departments in order to implement structural and functional reforms in keeping with the conceptual provisions being drawn up. The commission is also engaged in restructuring the territorial administration and local self-government bodies. The Law on Civil Service is of immense significance in this respect, which was adopted by the National Assembly on 4 December, 2001. A Civil Service Council was created as the highest administrative body of the civil service system, which is called upon to regulate the legal principles of this sphere. With the help of this council the government intends to carry out an efficient personnel policy, and recruit highly-qualified specialists, invested with the necessary moral qualities, to work in the civil service, who would not be affected by any changes in the balance of political forces, as well as ensure state guarantees on the social and legal protection of employees.⁷

But these measures have not eradicated the mistakes and omissions noted in the reform of the civil service. First, the functions and duties of the administrative bodies have not been fully clarified and delimited. Second, openness of the activity of the state bodies has not been ensured. Third, despite the fact that in 2002-2003 certain ministries began presenting annual reports to the government, a report system of state bodies and civil servants has not been instituted. Fourth, efficient anti-corruption mechanisms have not been introduced, which by raising civil servant responsibility might reduce the bureaucratic red tape and abuse. Fifth, the public is not carrying out a comprehensive program of control over the state power system.

The main tasks in the structural reform of this system are as follows: to establish an optimal number and structure of state administration bodies; transfer several of the powers of its central structures to other executive bodies, reduce state interference in the activity of economic entities, strengthen society's trust in the government, reduce the dimensions of the shadow economy, create a stable administration system, raise the personal responsibility of civil servants, and introduce systems regulated from the Center in the provinces (in certain regions).

One of the important events in a state's political life is ratification of the Constitution. The Constitutional Commission created (1993) for this purpose by the republic's Supreme Soviet set about drawing up the first draft of the Basic Law. A few parties also submitted their drafts. After the 1994 referendum, the extended membership of this commission, which was supplemented by representatives of the political parties, prepared a new improved version. Pursuant to constitutional law, after it was approved by the Supreme Soviet (27 March, 1995), it was brought up at the referendum, which was held on 5 July, 1995, during the parliamentary elections. At that time, 68.4% of the electorate voted in favor of the proposed version of the Basic Law.⁸ Thus a new Constitution was adopted on 5 July, 1995. Although the referendum held cannot be considered flawless, this Constitution nevertheless became the legal basis for transferring from a totalitarian and authoritarian system to a democratic state. The most obvious shortcomings of the Basic Law were as follows: no mechanism of checks and balances was created among the three branches of power, the president was invested with a large number of monopoly powers, the National Assembly had no control over the executive power, and the judicial power was not truly independent. In order to remove these shortcomings, as well as to encourage other changes, a presidential decree was issued which stipulated the formation of a Constitutional Reform Commission. The proposals it drew up were presented to the National Assembly and discussed by the

⁷ See: *Official Bulletin of the Republic of Armenia*, No. 1 (176), 9 January, 2001, pp. 20-25 (in Armenian).

⁸ See: *Bulletin of the Republic of Armenia Supreme Soviet*, No. 9 (185), 15 May, 1996 (in Armenian).

Standing Commission on State and Legal Issues. But the corrected final version of the prepared set of proposals put forward at the referendum (held during the parliamentary elections on 25 May, 2003) did not gather the necessary number of votes.⁹

On the whole, the Constitution made it possible to build a stable state structure, thus making it possible to prevail over a serious political crisis—the resignation of the republic’s first president Levon Ter-Petrossian (3 February, 1998). As early as March of the same year, special presidential elections were held, at which Robert Kocharian reigned victorious.

During the election campaign, it transpired that the voters intended to vote not so much for a particular candidate, as against Levon Ter-Petrossian. Four contenders from the opposition rallied around Vazgen Manukian, who succeeded in winning the trust of those voters dissatisfied with the authorities. It appeared that Vazgen Manukian had realistic chances of victory, but according to the declared results, he obtained only 41.29% of the votes.¹⁰ Despite the fact that international observers registered a multitude of violations and cast aspersions on Lev Ter-Petrossian’s victory in the first election round, he was elected president. The political forces helping him, who were in fact defeated, falsified the voting results. By violating the existing procedure, they prematurely, that is, before official tallying of the votes, declared their protégé president and congratulated him.

The mass citizen protests against these falsifications, including meetings and demonstrations aimed at getting the Central Election Commission to recount the votes, did not achieve their goal: the demonstration was disbanded, and many of the organizers were arrested. Whereby at that time, a large number of tanks appeared in the republic’s capital and a state of emergency was declared.

The above-mentioned extraordinary presidential election held in March 1998 essentially resulted from a crisis in the ruling elite, which ended up in its removal from power. As early as 1 December, 1997, President Levon Ter-Petrossian published an article in the press called “War or Peace. Time for Reflection,” in which he offered Azerbaijan several concessions in the Karabakh conflict. The article gave rise to a wave of alienation between society and the ruling circles, which ultimately led to Levon Ter-Petrossian’s resignation.

The fourth presidential election was held on 19 February, 2003. There were nine candidates on the list of contenders. As estimated, Robert Kocharian (49.8%) and a candidate for the opposition, Stepan Demirchian (28.22%), made it to the second round. As a result, Robert Kocharian (with 67.48% of the votes) was elected president, and Stepan Demirchian gathered 32.53%. The opposition contended these results, organized a protest meeting in Erevan, and appealed to the Constitutional Court, which, after reviewing the case, noted violations at some polling stations and declared: “Believing the results of the voting at 40 polling stations to be fallacious, the CEC’s decision of 11 March, 2003, according to which incumbent president Robert Kocharian was elected president of the Republic of Armenia, shall remain unchanged.”¹¹ Nevertheless, the Constitutional Court suggested that the future National Assembly introduce amendments within one year to the Law on Referendum, and, as an effective method for quelling the aggravated public resistance manifested during the presidential elections, recommended holding a referendum of confidence.¹² (We will come back later to the violations committed during the presidential and parliamentary elections held in the country.)

Thus, as early as the beginning of the 1990s, the republic began forming new state and legal structures. The country’s Constitution envisaged the model of a semi-presidential republic with power divided among the executive, legislative, and judicial branches. The executive power is represented by the nationally elected president. He appoints the prime minister, appoints the ministers on the latter’s initiative, convenes and chairs the government’s meetings, and ratifies its decisions. The president is the guarantor of the republic’s independence, territorial integrity, and security, ensures adherence to the Constitution, and makes sure the legislative, executive and judicial branches are running smoothly.

⁹ See: *The Republic of Armenia*, 3 June, 2003.

¹⁰ See: *Presidential Elections. Armenia*, 2003, p. 15 (in Armenian).

¹¹ See: *The Republic of Armenia*, 18 April, 2003.

¹² *Ibidem*.

Local self-government ensures the formation of a civil society, decentralization of power, and development of the economy, and resolves questions relating to the population's vital activity. Despite the fact that the Constitution has become the legislative base for introducing this system, the legislation in this area needed improvement. In order to enhance the structure of territorial administration and local self-government, in December 1995, territorial-administrative changes were made and new units were created: *marzes* (provinces) and communities, and on 7 November, 1995, the National Assembly adopted a Law on Administrative-Territorial Division of the Republic of Armenia. On its basis, 37 of the republic's administrative districts were joined together and eleven *marzes* were formed: Aragatsotn, Shirak, Siunik, Gekharkunik, Lori, Kotaik, Armavir, Vayots, Dzor, Tavush, and the republic's capital Yerevan, which was given the status of a *marz*. The *marzes* were divided into 930 communities, 47 of them were urban, 12 made up of quarters, and 871 rural.¹³ They differed greatly from each other in size of population, geographical location, level of development, and so on. For example, 21% of the communities are mountainous (at an altitude of 1,700-2,000 m above sea level), 15.4% are high mountainous (at an altitude of 2,000 and higher), and 17.7% are in the border regions. Defining these differences and specific characteristics is very important for developing a differential state policy with respect to the communities. In particular, the border communities enjoy certain privileges and a reduced price system. The communities also differ in size of population. On average, 4,048 people live in one urban community, in Yerevan there are 2,777 people, and a rural community has 1,443 people.¹⁴ Whereby 36 of the latter have less than 100 residents, 421 have between 101 and 1,000, 228 between 1,001 and 3,000, and 96 have more than 3,001 residents.¹⁵ Small communities create immense difficulties for the local administration, so these communities must be enlarged. This will help to concentrate financial resources and resolve socioeconomic and other problems more efficiently.

On 30 June, 1996, the National Assembly adopted a Law on Local Self-Government, and then a Law on Elections to the Self-Government Bodies.¹⁶ Futile disputes over how to divide power, territorial, property, and ownership functions arose between the governors (heads of *marzes*) and the heads of communities. On 6 May, 1997, the presidential decrees On State Administration in the *Marzes* of the Republic of Armenia and On State Administration in the City of Yerevan were ratified,¹⁷ which were preceded by the government's decisions on the property of republic-level, provincial, urban, and rural communities.¹⁸

Reforms of the local self-government system were aimed at delimiting the powers and obligations of the state (or to be more precise the governor appointed by the government), on the one hand, and of the local communities (in the form of their elected bodies and leaders), on the other. A governor should implement the government's territorial policy within the limits of the powers granted him by law. The presidential decree also designates him the following areas: finances, urban development, the municipal housing industry, transportation and road building, agriculture, and environmental protection. What is more, the governor is supposed to systemize coordinated activity of the community heads and put the prime minister's and government's decisions into practice in the regions. The governors are mediators between the government and the *marz*, and not independently acting entities. The communities and their bodies can make independent decisions (within the limits of the powers granted them by the law and government decisions). Their independence and possibilities depend primarily on the local tax and financial resources at their disposal for implementing the decisions and programs adopted by the state and the government. The formation of self-government bodies—the appointment of community heads and elders—by means of closed, direct, and secret balloting guarantees the independence

¹³ See: *Collection of Current Laws of the Republic of Armenia (1995-1999)*, Book 1, Yerevan, 1999, pp. 51-73 (in Armenian).

¹⁴ *The Marzes of the Armenian Republic in Figures, 1998-2001*, Yerevan, 2002, pp. 14-15 (in Armenian).

¹⁵ See: *National Human Development Report. Armenia*, 2001, p. 59 (in Armenian).

¹⁶ *Ibidem*.

¹⁷ See: *Official Bulletin of the Republic of Armenia*, Vol. 11, 20 May, 1997, pp. 21-42 (in Armenian).

¹⁸ See: *Collection of Government Decisions of the Republic of Armenia*, Vols. 7-8, June-August 1996, pp. 38, 39; *Official Bulletin of the Republic of Armenia*, Vol. 6, 31 March, 1997, pp. 78-90 (in Armenian).

of the community authorities and their right to act independently, at their personal discretion, as well as their right to independently manage the community's property and conduct rational personnel policy. But further development of the local self-government system is retarded by the absence of a corresponding legal and economic base.

One of the constitutional shortcomings of the local self-government system is that it has no guarantees for establishing and maintaining the communities' activity. What is more, the powers of the authorities and the minimum of financial resources for executing them are not designated clearly enough. The establishment of communities is also obstructed by the constitutional provision stating that the government (on the initiative of the governor) can declare its lack of confidence in a community head. In reality this means that a governor appointed by the government may remove a community head elected by the people from his post. This significantly limits the scope of activity of community heads and makes them dependent on the governor.

What is more, certain constitutional provisions are not only invalid, they even contradict some of the laws. By way of example we can give the law adopted in November 2001 On Purchases,¹⁹ pursuant to which a special agency is being created to maintain an organized and efficient system for purchasing products for the needs of the state and the communities. But this law violates the right of the communities to independently manage their own property. What is more, this right, as well as the right to manage their own financial resources, is frequently violated by the state administration and the treasury. The efficient activity of the local self-government bodies is directly tied to their financial prosperity. From the 20 billion drams (the republic's monetary unit) envisaged by the plan for 2000, the community budget was essentially chopped back to 13.9 billion drams (due to tax payments and a reduction in subsidies). The situation in this area has not changed much in the past few years. By way of comparison, it is enough to note that in European countries this index is higher than 30%. Two-thirds of the budget funds in the communities are their own revenue, which they receive from taxes, contributions, and non-tax payments. In order to ensure the independence and economic self-sufficiency of the communities, first and foremost their own revenue must be raised. This can be done by assigning certain allocations from other types of taxes to the communities. This practice is followed in European states, including in Russia: a certain portion of income tax and value added tax goes into the local budget. The percentage of local taxes and payments can be increased (in many European countries, it is more than 25%). In order to increase tax allocations to the budget it is expedient to intensify tax control, on the one hand, and to decentralize the tax collection process, on the other, granting the local community self-government bodies the right to collect these allocations to the budget.

An extremely important prerequisite for establishing the local self-government system is creating the necessary economic base, the axis of which is community property. All the same, a certain discrepancy is noted between the number of powers and the possibility of executing them using the funds allotted to the communities. Consequently, we need to expand the property base of the communities and intensify the decentralization process. On 7 May, 2001, a new Law on Local Self-Government was adopted, which envisages expanding the elders' control over the community head, as well as assigning some of the tax allocations from economic activity to the community budget and granting the communities the right to exercise control over construction and the assignment of land plots.²⁰ In so doing, along with an expansion in the powers of the local self-government bodies, the communities' financial possibilities will also increase to a certain extent.

The republic's highest legislative body—the Supreme Soviet—was renamed the National Assembly in July 1995, which is a one-house parliament. The first Supreme Soviet was formed in 1990. At that time, Armenia was a Soviet republic, and elections were held (20 May and 3 June) in compliance with the Constitutions of the U.S.S.R. and the Armenian S.S.R. and the Law on Elections to the Supreme Soviet of the Armenian S.S.R. But they were organized according to the majority system, in two

¹⁹ See: *Collection of Current Laws of the Republic of Armenia*, Book D, Erevan, 2001, p. 967 (in Armenian).

²⁰ See: *Official Reference of the Republic of Armenia*. "Republic of Armenia Law on Local Self-Government," No. 21 (196), 21 January, 2002, pp. 5, 7, 8, 27 (in Armenian).

rounds, and differed drastically from the previous elections held during Soviet times. The national movement that began with the liberation struggle over Artsakh, set the task of creating an independent state, resolving the Artsakh problem, and establishing democracy. In this way, the elections held under the conditions of a national upswing resulted in the formation of a new parliament, the composition and essence of which expressed the moods uppermost in society. But it also had Soviet features, since Armenia was still a part of the U.S.S.R., where, of course, Soviet legislation was in effect. The parliament, which consisted of 260 delegates, began working on 20 July. Over a span of five years, five factions, 12 parliamentary groups, and 16 standing commissions with more than 100 deputies were formed in it.²¹ What is more, it began working permanently, which made it possible to carry out the functions of a higher legislative power body set forth by the Constitution. On 24 August, 1990, the parliament (according to its Declaration) made a decision to call the 12th Supreme Soviet of the Armenian S.S.R. the 1st Supreme Soviet of the Armenian Republic.²² It was supposed to carry out the great historical mission of building the Armenian state. Despite several mistakes, the parliament was able, on the basis of the decisions and laws adopted, to gradually introduce the necessary changes into all spheres of public life, as well as create structures that had not previously existed. Throughout this time, it was continuously engaged in radical socioeconomic changes, including the establishment of market relations. Corresponding state structures were created, and the economy, finances, judicial system, army, foreign policy, ecology, customs service, and so on were restructured. During its 10 sessions, the Supreme Soviet held 459 meetings, 37 of which were extraordinary ones, adopted 188 laws and 1,211 decisions, and ratified 151 international agreements.

After the parliamentary elections on 5 July, 1995, the first National Assembly was formed, which consisted of 190 deputies, 150 of which were elected according to one-mandate majority districts, and 40 from political parties. Pursuant to the Constitution, the parliament was elected for four years. The National Assembly began working on 27 July, 1995, it had six standing commissions, and the same number of factions and deputy groups. Five of them passed the five-percent barrier set for political organizations. Among them, the deputy mandates were distributed as follows: the Anrapetutiun Association received 20 seats, the Shamiram Women's Association eight, the Communist Party six, the National Democratic Union three, and the National Self-Determination Association three. Babken Ararktsian was elected chairman of the National Assembly. The parliament focused its main attention on reforming the judicial system and regulating the tax sphere, and also ratified numerous international agreements. Approximately 300 laws aimed at developing market relations were adopted.

On 4 February, 1998 (after the country's first president Levon Ter-Petrossian resigned), the leadership of the National Assembly also handed in its resignation. Its new chairman was Khosrov Arutiunian. As a result of the parliamentary elections held on 30 May, 1999, the second National Assembly was formed. It was made up of 131 deputies, 75 of which were elected according to one-mandate majority districts and 56 from political parties.²³ The National Assembly began work on 10 June, 1999, six standing commissions were formed, the same number of factions, and three deputy groups. Six political parties and associations passed the five-percent barrier, and the deputy mandates were distributed as follows: the Edinstvo (Unity) Association received 29 seats, the Communist Party eight, the Pravoporiadok i edinenie six, ARF Dashnaktsutiun five, the Orinats erkir Party four, and the National Democratic Union four.²⁴

The next parliamentary elections were held on 25 May, 2003. Fifty-six deputies were elected according to one-mandate majority districts and 75 from political parties. But virulent violations of voters' rights were noted at these elections. Six of the twenty-one parties and associations passed the 5% barrier, among which the deputy mandates were distributed as follows: 23 deputies obtained seats from the Republican Party, 14 from the Spravedlivost (Justice) Association, 12 from the Orinats erkir Party, 11 from

²¹ *Republic of Armenia Supreme Soviet 1990-1995*, Erevan, 1995, p. 115 (in Armenian).

²² *Ibid.*, p. 6.

²³ See: *Constitution of the Republic of Armenia*, Erevan, 1995, p. 30.

²⁴ See: *National Assembly of the Republic of Armenia, 1999*, Erevan, 1999, pp. 28-29 (in Armenian).

ARF Dashnaksutiun, 9 from the National Consent Party, and six from the United Labor Party.²⁵ The parliament of this convocation held its first session on 12 June, 2003.

Artur Bagdasarian, head of the Orinats erkir Party, was elected chairman of the National Assembly, and Tigran Torosian from the Republican Party and Vaan Ovanessian from ARF Dashnaksutiun were elected deputies. Six standing commissions were formed. As already noted, the session approved the idea of creating a coalition government.

Thus, after the republic declared its independence, elections to the National Assembly were held three times (in 1995, 1999, and 2003). In 1995, for the first time in Armenian history, numerous groups of foreign observers were present at the elections. But only representatives from the OSCE and the Human Rights Commission met the international requirements made of this kind of mission. And they qualified these elections as free, but not fair: this is when the voting results began to be falsified in our country. For example, as early as December 1994, referring to the contradictions between the provisions of ARF Dashnaksutiun's Charter and current legislation, the republic's president Levon Ter-Petrossian signed a decree which put a halt to the activity of this organization for six months. Nevertheless, as one of the old, mass, and authoritative parties, which enjoys trust both in Armenia and in the Armenian diaspora, it has its own stable electorate. It was in opposition to the ruling Armenian national movement and its leader Levon Ter-Petrossian. The country's Supreme Court ratified the president's decree. This was followed by arrests of the leading party members. They were accused of creating illegal military formations and the newspapers and magazines belonging to Dashnaksutiun were closed. And since it could not revive its activity again until the middle of July, Dashnaksutiun was artificially excluded from the election race, that is, on the eve of the voting, the party was essentially deprived of the opportunity to participate in propagandizing its ideas among the voters.

Violation of one of the basic principles of democracy—the right to universal, equal, and direct voting—became a tradition in Armenia. Despite the more positive responses by international observers to the parliamentary elections of 1999 and 2003, there was neither transparency, nor legitimacy at these elections either. Here the decisive role was played not only by the power structures, but also by financial levers. For example, in 1999, due to inaccuracies in the voter lists, one to two hundred thousand people were deprived of the right to vote. Nor did the attempts to restore their rights in court yield the desired result, since it was impossible to review such a huge number of appeals in such a short time. Various types of social, economic, political, and even physical means of pressure were used to scare off or encourage the electorate. What is more, during all the parliamentary elections, wide use was made of bribing the electorate. Candidates for deputy posts were offered food and money, their electricity and utility bills were paid, and roads were paved. And the voters, recognizing the unfairness of the elections and alienated from the authorities, saw their vote as a commodity that could (and should) be sold for as much money as possible. More often than not the ordinary people couldn't have cared less who became deputy. Such moods were manifested most blatantly during the parliamentary elections of 2003. As during the previous election campaigns, the authorities provided protection for some candidates. With the connivance of law-enforcement employees, and often with their direct assistance, the chairmen of the election commissions (and occasionally also criminal bosses) prevented observers from the opposition from doing their job properly. Ballot-sheets filled out in advance (sometimes in whole stacks) were put in the ballot boxes, and at some of the polling stations, ballot boxes were even stolen in order to more conveniently fill them with the necessary number of ballot-sheets with "votes" in favor of their candidates. Servicemen frequently voted under the direct control of their commander. A certain amount of pressure was put on voters in the villages, where the local elder, as chairman of the district election commission, often controlled how the people in his village voted, which was just about the same as the way servicemen voted. Often names of people appeared on the voting lists who had long left the country or died. It is no accident that the results of a population census held in 2001 have still not been officially published. According to local observers, this was done in order to make falsification of the 2003 elections all the easier. Violations were also permitted during tallying up of the votes.

²⁵ See: *The Republic of Armenia*, 3 June, 2003.

All of this was proven by the multitude of complaints submitted to the Constitutional Court by citizens, parties, and political associations, as well as by the repeat elections according to majority lists in four polling stations, and so on.

As for the new judicial system envisaged by the Constitution, it was completed in 1999. Important steps in this direction were the formation of first instance, revision, cassation, constitutional, economic, and military courts, as well as other judicial departments, and changes in the public prosecutor's office.²⁶ The adoption of the necessary laws and codes helped to build the judicial system.²⁷ The judicial-legal reforms were called upon to establish full-fledged relations between state power and society and create an independent judicial system that ensures the protection of human rights. It is difficult to overestimate the role of the Constitutional Court, which was formed on 6 February, 1996. G. Arutiunian was elected chairman.²⁸ The Constitutional Court is authorized to verify that the laws, decisions of the National Assembly, presidential decrees, government resolutions, and obligations under international agreements correlate with the Constitution of the Republic of Armenia, and it is competent to decide questions regarding referendums and disputes relating to the results of presidential and parliamentary elections, and also the prohibition or cessation of the activity of a particular party. The right to contend normative acts of the Constitutional Court can only be granted by the republic's president and at least 1/3 of the deputies of the National Assembly.

But even today the judicial authorities are clearly not independent, since judges, public prosecutors, and five of the nine members of the Constitutional Court are appointed by the parliament, and four by the president, while proposals for personnel appointments are reviewed by the Council for Justice, which is again headed by the president.²⁹ In democratic countries, judges and public prosecutors are usually elected or appointed by the corresponding institutions of representative power, and judges are ensured their indispensability. But in our republic the president's powers reign supreme even in regulating interrelations between the National Assembly and the government. The Basic Law sets forth the domination of the executive power branch over the legislative and judicial branches, which is one of the main shortcomings of the Constitution. Of the three main functions of the judicial branch: executing justice, judicial control, and judicial control with respect to laws, only the first two "work," and not fully at that. What is more, the executive branch plays a predominant part in nominating candidates for judges, appointing and dismissing them, which significantly interferes with the independence of the judges. This has resulted, in particular, in a drop in the productivity of resolving economic disputes. The unnecessary fuss and red tape is having an unfavorable effect on the development of the country's economy and is indirectly obstructing investments. In order to find a solution to this situation, a two-step judicial system was formed in 2001 in addition to the three-step judicial system in effect for reviewing economic disputes. This two-step system consists of an economic court of the first instance and a cassation court. A necessary prerequisite for making the entire judicial sphere independent is raising its social protection.

Deprived of its statehood for centuries, Armenia inherited the traditions and mindset of a non-state legal judicial system, which it has been unable to eradicate during the 12 years of its independence. This mindset has become firmly established not only in the power circles, but also in the public consciousness. The task is to legislatively, that is, by means of governing mechanisms and by raising the juridical literacy of the entire population, bring about changes in the public consciousness and promote the real building of an independent judicial power branch.

The necessary changes have also been carried out in the security bodies and the police force. This was mainly assisted by two laws adopted by the National Assembly: On National Security Bodies (28 Decem-

²⁶ For more detail, see: *The Law on Judicial-legal Reform*, Erevan, 1998, pp. 43-134 (in Armenian).

²⁷ For more detail, see: *Official Reference of the Republic of Armenia. Laws of the Republic of Armenia: "Code of Civil Laws of the Republic of Armenia,"* No. 17 (50), 10 August, 1998; "Code of Judicial-Civil Laws of the Republic of Armenia," No. 20 (53), 9 September, 1998; "Code of Criminal Laws of the Republic of Armenia," No. 22 (55), 21 September, 1998; "On the Status of Judges," "On the Mandatory Execution of Judicial Acts" (in Armenian).

²⁸ See: M. Khachatryan, *Pervaia Konstitutsiia Respubliki Armenia*, Erevan, 1997, p. 283.

²⁹ See: *Constitution of the Republic of Armenia*, p. 47.

ber, 2001) and On the Police Force (3 July, 2002).³⁰ In December 2002, the National Security Ministry and Interior Ministry were transformed into the National Security Service under the Republic of Armenia Government³¹ and the republic's police force by a presidential decree On Making Changes to the Structure of the Republic of Armenia Government. What is more, according to the demands of the Constitution, a Law on Public Organizations was adopted in December 2001, and a Law on Parties in August 2002.³²

The Constitution ratified the three-color flag (red-blue-orange) and coat-of-arms of the Republic of Armenia, in the center it has an eagle and a lion holding a shield depicting Mount Ararat with Noah's Ark, as well as the coats-of arms of the four Armenian kingdoms. Beneath the shield is a sword, a bough, a sheaf of wheat, a chain and a ribbon.³³

³⁰ See: *Official Reference of the Republic of Armenia*, No. 6 (181), 5 February, 2002, pp. 3-18; No. 32 (207), 8 August, 2002, pp. 5-34 (in Armenian).

³¹ *Ibid.*, No. 55 (230), 17 December, 2002, p. 25.

³² *Ibid.*, No. 34 (209), 15 August, 2002, pp. 3-17.

³³ *Constitution of the Republic of Armenia*, p. 11.