

NATION-BUILDING

**POTENTIALS AND LIMITS OF
POLITICAL COMPETITION:
INSTITUTIONAL TRANSFORMATIONS
IN GEORGIA AND ARMENIA IN THE 2000S**

Nikolay BORISOV

*Ph.D. (Political Science), Assistant Professor,
Head of the Department of Theoretical and Applied Political Science,
Faculty of History, Political Science, and Law,
Russian State Humanitarian University
(Moscow, Russian Federation)*

ABSTRACT

The author approaches the course and results of the institutional transformations in the forms of government and electoral and party systems in Georgia and Armenia from the position of neo-constitutionalism. He relies on methods of comparative index analysis to identify the main models and trends of the political developments in these countries in the last fifteen years and analyzes in detail the constitutional changes and the way the new party and electoral systems took shape as the political regimes consolidated their positions.

The parliamentary-presidential form of government deprived the presidency of a large share of its former significance. This means that the political regime in Georgia will further consolidate its position not on the basis of "dominant power," but through institutionalized competition and rotation of the political elites according to certain rules, if the ruling coalition passes the test of functioning in the "divided governance" context, which cannot be excluded.

For the past fifteen years, Armenia has been living amid vehement political competi-

tion. The opposition is strong enough to remain a political entity: it reaps a considerable share of the votes at presidential elections and seats in the parliament at parliamentary elections, but never enough to win. A substantial number of people consistently vote for the opposition, irrespective of who represents it. So far, none of the incumbents has lost a presidential election, while every time the opponents refuse to accept the election results and mobilize their electorate for protest action. The inevitable talk about falsified results and "stolen victory" sounds convincing since the gap between the winner and the runner up is insignificant, especially in the regions. The regime in Armenia must avoid suppression of the opposition and never try to curb competition to avoid being challenged by the opposition, which

has closed ranks after years of disunity. The next parliamentary or presidential election might be used for a violent regime change.

In the 2000s, the political developments in Georgia and Armenia proceeded within two different models:

- (1) the institutionalized competitive model with a dominant party (Georgia in 2000-2003 and 2003-2012) is extremely unstable and is prone to coups: it is the illusion of a consolidated regime, in which political involvement is carried out through informal institutions;
- (2) the institutionalized competitive model without a dominant party (Armenia) is relatively stable since mounting political rivalry is kept within certain limits through a high degree of institutionalization.

KEYWORDS: *political rivalry, Georgia, Armenia, the institution of presidency, electoral system, party system.*

Introduction

The numerous transformations in the political regimes across the post-Soviet space have created the problem of forecasting political stability and manageability, which is much more interesting from the academic and much more relevant from the practical viewpoint than the problem of "democratization" of the post-Soviet political regimes. The "disintegration" of the post-Soviet space, which has become obvious in the last fifteen years, and further divergence of the post-Soviet political regimes (even of close neighbors), as well as a series of regime changes, mean that the political vectors of the "post-Soviet" world should be urgently analyzed and explained.

The post-Soviet transformations should not be analyzed as different types of "democratization": this is unproductive and misleading. The growing awareness that the post-Soviet transformations are of a "non-linear" nature suggests a "regime cycles" concept.¹ It is equally correct to say that rivalry in the post-Soviet polities has nothing to do with the development level of civil society and democratic institutions. It is an indicator of the extent to which the incumbents can control elections and the media, as well as use power when dealing with the opposition.

This means that we should study the post-Soviet developments and classify them not as democratization/authoritization, but as institutionalization/a-institutionalization, competitiveness/non-competitiveness, and stabilization/destabilization. We should investigate the ways the main political in-

¹ H. Hale, "Regime Cycles: Democracy, Autocracy, and Revolution in Post-Soviet Eurasia," *World Politics*, No. 58, 2005, pp. 133-165.

stitutions are formed and the ways their constellations affect the course and results of the political processes across the post-Soviet space. Today, we should concentrate on the possibilities and the range of limitations of political rivalry in different political conditions, as well as the causes of these efforts and their results.

It has been correctly said that, in many cases, systems of government operate in the political-structural contexts created by institutional frameworks (the electoral system, synchronized election cycles, and the law on parties),² while “how institutions affect the structure of incentives for people to act is one of the key considerations in the study of any system of governance.”³

An analysis of *the forms (systems) of government, electoral systems, and party systems* of the last fifteen years is needed to identify the comprehensive *models* (clusters) of the political development of the post-Soviet states. Some of them left the period of transformation and transition in the 2000s, while others began transforming within their new regimes during this time. This was a period of *consolidation* that finally created states in which no actor could change the regime contrary to the will of all the other important actors.⁴

Throughout the 2000s, the political processes in Georgia and Armenia unfolded under the pressure of frequent changes in the formal framework of rivalry, which brought very different political results.

Political institutionalization means the rationalization of political institutions—sustainable, meaningful, and reproducible behavior. To put it another way, institutionalization expresses the degree to which a political institution is independent of a certain social group (family, clan, or class) or individual.⁵ Some analysts offer the under- and over-institutionalization concepts as two ideal definitions of party systems.⁶

This method of study can be described as a comparative analysis of the institution of presidency, as well as the electoral and party systems, according to certain criteria.

By *form (system) of government* we mean the way the highest power structures (the head of state, government, and the parliament) are formed and the way their powers correlate. *The index of form of government* (IFG) calculated according to A. Krouwel’s methods⁷ and specified by O. Zaznaev⁸ is a 10-point system in which pluses mean that the system is presidential, minuses that the system is parliamentary, and zeros indicate a balanced system.

Here I will rely on my own scale to identify the degree of *institutionalization of the institution of presidency* (IIP).⁹

The *index of competitiveness of the institution of presidency* (ICP) is an aggregate index calculated as an average value of the following indicators: the time during which the same person fills the post, the average number of “also ran,” the defeat of the incumbents (in %), the average share of votes

² See: B. Thibault, “Prezidentskie, parlamentskie ili gibridnye sistemy pravlenia? Instituty i razvitie demokrati v Tretiem mire i v stranakh Vostochnoy Evropy,” in: *Povoroty istorii: postsotsialisticheskie transformatsii glazami nemetskikh issledovateley*, in 2 vols., Vol. 2, St. Petersburg, p. 46.

³ V. Ostrom, *The Meaning of American Federalism: Constituting a Self-Governing Society*, Institute for Contemporary Studies Press, San Francisco, 1991.

⁴ See: V. Gelman, “Transformatsii i rezhimy: neopredelennost i ee posledstvia,” in: *Rossia regionov: transformatsia politicheskikh rezhimov*, ed. by V. Gelman, S. Ryzhenkov, Bri. M., Ves Mir, Moscow, 2000, p. 34.

⁵ See: S. Huntington, *Political Order in Changing Societies*, Yale University Press, 1968.

⁶ See: A. Schedler, “Under- and Overinstitutionalization: Some Ideal Typical Propositions Concerning New and Old Party Systems,” *Kellogg Working Paper*, No. 213, 1995, pp. 18-19, available at [<http://kellogg.nd.edu/publications/workingpapers/WPS/213.pdf>].

⁷ See: A. Krouwel, *Measuring Presidentialism of Central and East European Countries*, Amsterdam, 2003.

⁸ See: O.I. Zaznaev, *Poluprezidentskaia sistema: teoreticheskie i prikladnye aspekty*, Kazan, 2006.

⁹ See: N.A. Borisov, “Institutsionalizatsia instituta prezidentstva i perspektivy konsolidatsii politicheskikh rezhimov na postsovetском prostranstve,” *Politea*, No. 4, 2011, pp. 93-103.

cast for the president elect, and the mean difference between the share of votes cast for the candidates who came first and second.

The effective number of parliamentary political parties can be calculated using the formula of Taagepera and Laakso¹⁰ (one divided by the sum of squares of the shares of seats that parties or blocs of parties acquired in the parliament). *The index of disproportionality* is calculated by the formula proposed by Douglas Rae¹¹: the sum-total of absolute (module) values of discrepancies between the share of votes and the share of seats each party acquired in the parliament divided by the number of parliamentary parties.

Here I will identify the basic models and trends of the political developments in Georgia and Armenia through consistent analysis, from the position of neo-constitutionalism based on the index analysis described above, of the course and results of the institutional transformations in the forms of government and the electoral and party systems in these countries.

Georgia: The “Overturning” Effect of Institutional Reforms

In Georgia, political projecting has been invariably connected with serious transformations in the political system and the fairly active opposition.

The form of government. The first version of the Constitution of Georgia (1995) was based on the American model of a presidential republic with a clear separation of powers and system of checks and balances. The president was the head of state and the executive power branch, but could not dissolve the parliament. The parliament had no right to pass a vote of no confidence against the government, while it needed three-fifths of the votes to override the president’s veto (IFG = +6).¹²

The regime change of 2003 was accompanied by constitutional amendments.¹³ Executive power was entrusted to the government, while the president became the head of state. The presidential administration was separated from the government, while a chapter on the government’s powers was added. The amendments spoke of transferring to a presidential-parliamentary republic (typical of most of the CIS members) with the president as the head of state and the prime minister as the head of government fully accountable to the president and, partially, to the parliament. On the other hand, strange as it may seem, these amendments pushed the country closer to a presidential form of government—the president can dissolve the parliament after three refusals to declare confidence in the newly formed government (Art. 80), or if the parliament passes a vote of no confidence against the government (Art. 81). According to Art 73, the president has the right to appoint ministers without the consent of the parliament, but only as advised by the prime minister. The IFG rose from +6 to +7.

In October-November 2007, the political situation in Georgia was shaped by massive opposition rallies. Ten opposition parties united to form a bloc that formulated the following demands: parlia-

¹⁰ See: M. Laakso, R. Taagepera, “‘Effective’ Number of Parties: A Measure with Application to West Europe,” *Comparative Political Studies*, Vol. 12, No. 1, 1979.

¹¹ See: D. Rae, *The Political Consequences of Electoral Laws*, New Haven, 1971.

¹² See: *Constitution of the Republic of Georgia (Adopted on 24 August, 1995)*, available at [[http://www.venice.coe.int/webforms/documents/?pdf=CDL\(2004\)041-e](http://www.venice.coe.int/webforms/documents/?pdf=CDL(2004)041-e)].

¹³ [<http://csb.gov.ge/uploads/2081806.pdf>].

mentary elections should be held in the summer of 2008 (according to the Constitution) instead of the fall of 2007 (as the ruling elite wanted); monitoring should be entrusted to the election commission on a parity basis; in the majority constituencies, mandates should be distributed on the basis of the votes cast for each of the candidates; and political prisoners should be released from prison.¹⁴ A compromise was reached when Mikhail Saakashvili agreed to hold a pre-term presidential election in January 2008 and organize referendums to determine the date of the parliamentary elections and NATO membership for Georgia.¹⁵ Saakashvili was reelected; 79.74 % favored the summer of 2008 as the date for the parliamentary elections, as the opposition had insisted;¹⁶ and 77% wanted to see their country in NATO,¹⁷ a drop against the 2007 results.¹⁸ As a result, Saakashvili remained president (even if he shortened his term by six months) since the opposition had no time to launch a full-scale election campaign. In the highly competitive election, Saakashvili received 53.47% of the votes, while his closest rival, Levan Gachechiladze, gained 25.69%.¹⁹ This meant that the country found a legal way to extricate itself from the crisis.

In 2010, the constitutional order and form of government changed; the country became a parliamentary-presidential republic.

For objective reasons, the opposition needed constitutional amendments and a move toward a parliamentary republic: it never missed the chance to criticize the president for his insistent desire to preserve his wide powers and point to the glaring imbalance between the powers of the president and the parliament. The president's party, in turn, did not miss the opportunity to consolidate its position with the help of the constitutional amendments that Saakashvili initiated in September 2008²⁰ under the pretext of the "modernization" and "democratization" of Georgia: "We are switching to a more complicated system; this will be a new system that relies on several power centers... Adopted immediately after the Rose Revolution, that model would have led to a catastrophe."²¹ At the same time, the Georgian president pointed out that the recommendations of the Venice Commission for Democracy through Law to continue limiting the president's powers were unacceptable.²²

In October 2010, the parliamentary majority, the faction of the United National Movement headed by Saakashvili, passed, without much trouble, his version of the constitutional amendments.²³

The amendments and addenda considerably limited the powers of the president and extended those of the government and the parliament. Under the amended Constitution, the president was no longer head of the executive branch of power; Art 80.2 said that within seven days after the government is dissolved, the President of Georgia shall nominate a candidate for prime minister proposed

¹⁴ See: "No Signs of Compromise as Opposition Vows to Keep Protesting," *Civil Georgia*, 2 November, 2007, available at [<http://www.civil.ge/eng/article.php?id=16172&search=>].

¹⁵ See: B. Chedia, "Dilemma of the Georgian Elections: Political Transformations or a Slide toward Non-Liberal Democracy," *Central Asia and the Caucasus*, No. 1 (55), 2009, pp. 104-105.

¹⁶ See: *Protocol of the Results of the Referendum*, ცენტრალური საარჩევნო კომისიის (Central Election Commission), available at [<http://www.cesko.ge/uploads/other/6/6774.pdf>] (in Georgian).

¹⁷ See: *Ibidem*.

¹⁸ See: B. Chedia, *op. cit.*, p. 106.

¹⁹ See: *Protocol of the Results of the Elections of the President of Georgia of 5 January, 2008*, ცენტრალური საარჩევნო კომისიის (Central Election Commission), available at [<http://www.cesko.ge/uploads/other/6/6773.pdf>] (in Georgian).

²⁰ See: "Saakashvili reshil podelitsia polnomochiami s parlamentom," *Lenta.Ru*, 26 December, 2008, available at [<http://lenta.ru/news/2008/12/26/president/>].

²¹ "Saakashvili on New Constitution," *Civil Georgia*, 30 September, 2010, available at [<http://www.civil.ge/eng/article.php?id=22713&search=>].

²² See: *Ibidem*.

²³ See: *The Constitutional Law of Georgia on Amendments and Additions to the Constitution of Georgia of 15 October, 2010, No. 3710-IIc*. საქართველოს პარლამენტის (The official site of the Parliament of Georgia), available at [<http://parliament.ge/ge/law/7437/19994>] (in Georgian).

by the political party with the best results in the parliamentary elections; while Art 79.5 envisaged that the prime minister shall appoint and dismiss other members of the government.

Under Art 78, “the Government of Georgia is the supreme body of the executive branch, which exercises domestic and foreign policy of the State.” According to Art 81, 81¹, the parliament has the exclusive right to form the government and declare a constructive vote of no confidence in the government. If the parliament cannot endorse the government twice in succession, the president shall present the legislative branch with a candidate for prime minister recommended by two-fifths of the deputies, dissolve the parliament and schedule extraordinary parliamentary elections only after a third attempt to declare confidence in the government fails. According to amended Art 68.4, the president’s veto on a draft law may be overridden by a simple majority of deputy votes (instead of three-fifths as before). The president’s right to appoint governors goes to the government (Art 81³); legal acts of the President of Georgia shall be countersigned by the prime minister (Art 73¹); and under Art 67, the President of Georgia loses the right of legislative initiative.

According to Art 69, the President of Georgia is the supreme commander-in-chief of the armed forces of Georgia, head of the National Security Council (Art 72), and has the right to appoint three members of the constitutional court (Art 88). The president remains an arbiter if the parliament cannot select a candidate for prime minister, or if no candidates are offered, or if the parliament fails to declare a vote of no confidence in the government within the time established by law. The president shall be elected as before by direct voting (Art 70).

On the whole, the constitutional reform moved Georgia toward a parliamentary-presidential form of government with the prime minister as the head of state. The IFG dropped to –1 (transfer to parliamentary semi-presidential form of government).

The transitional constitutional provisions on the constitutional amendments (Art 3) registered that the amendments and addenda would come into force on 1 December, 2013. Since the presidential election was scheduled for October 2013, the amendments applied to the president who came to power after Saakashvili. According to the Constitution, Saakashvili could not be elected to a third term. Therefore, by passing on the constitutional powers to the prime minister, he could, in the event that his party won the parliamentary elections, guarantee himself the post of prime minister and essentially remain the head of state. In 2010, few of the Georgian analysts and opposition leaders missed the point.

The Democratic Georgia—Georgian Dream opposition bloc won the 2012 parliamentary elections; its leader Bidzina Ivanishvili formed a new government; this upset Saakashvili’s plans to remain in power. In 2013, Giorgi Margvelashvili of Georgian Dream won the first round of the presidential election with 62.12%; David Bakradze, who ran for the United National Movement, came second with 21.72%. This was a total defeat.²⁴ This was the first time since 1990 that Georgia acquired a new president through elections, not a coup.

The institutional reforms of 2010 produced an “overturning” effect that helped the opposition to win. The reforms initiated by Saakashvili made the elections more competitive and increased the degree of institutionalization of the presidency in Georgia, while reducing the status of the president and his influence to the minimum.

The electoral system. Throughout the period of independence, it remained loose and mixed, however the correlation between the proportional and majority vote has changed considerably. Part of the parliament was elected by party lists in the national constituency, the rest of the candidates were elected in multi-mandate constituencies, the number of which was never the same. The number of

²⁴ See: “Summary Protocol of the Results of Presidential Elections of 27 October, 2013 of Georgia,” Election Administration of Georgia, available at [<http://www.cesko.ge/uploads/other/26/26885.pdf>].

voters in the majority constituencies varied from very large (140,000 voters) to very small (6,000 voters),²⁵ which violated the principle of equal representation.

Table 1

Competition at the Presidential Elections in Georgia in 2000-2013

Criteria	Year	2000	2004	2008	2013	Average
Number of candidates		6	5	7	23	10.25
Number of parties with nominees		4	2	6	10	5.5
Share of party candidates (%)		66.7	28.6	85.7	43.5	56.1
Share of votes cast for the winner (%)		80.4	96.27	53.47	62.12	70.61
Difference between the winner and the runner up		63.74	94.42	27.78	40.4	56.59
Number of defeated incumbents		0	1	0	1	2 (50%)
Number of pre-term elections		0	0	1	1	2 (50%)
Number of elections in the second round		0	0	0	0	0
IC average		52.17%				

In 2003, after Shevardnadze's retirement, the results of the 2003 parliamentary elections that triggered the regime change were annulled in the proportional constituencies and in several (but not all) majority constituencies. In 2004, the parliamentary elections were held to fill the vacancies in the party lists.

In 2004, when Mikhail Saakashvili came to power, the number of seats in the Georgian parliament was cut from 235 to 150; 100 of them were filled by proportional vote, the rest by majority vote. The 2008 amendments and addenda to the Constitution increased the number of seats in the parliaments: from that time on an equal number of deputies (75) was elected by proportional and majority vote (which means that the share of those elected by proportional vote was slashed by 50%); the election barrier for candidates elected by proportional vote was lowered to 5%; to be elected by the majority system, candidates needed over 30% of votes. In December 2011, Georgia acquired a new Election Code, under which the number of seats in the parliament remained the same and the correlation between the deputies elected by the proportional and majority systems was practically identical—77 to 73.²⁶

In 2004, immediately after the regime change and Saakashvili's victory at the presidential election, the ruling elite slashed the number of deputies elected by majority vote; four years later, when the popularity of the ruling United National Movement and Saakashvili, its leader, dropped, the number of deputies elected by proportional vote was lowered, the difference was filled by

²⁵ See: B. Chedia, op. cit., p. 126.

²⁶ See: *Organic Law of Georgia. Election Code of Georgia*, available at [http://www.transparency.ge/sites/default/files/August%202012,%20Election_Code_of_Georgia_EN_-_codified.pdf].

those elected by majority vote; in 2011, Saakashvili refused to increase the number of deputies elected by proportional vote. The Georgian elite followed the logic of most of the post-Soviet elites, which used the electoral formula as a tool of electoral engineering: as long as the ruling party remained popular, the number of deputies elected by proportional vote increased, while a decrease in popularity increased the number of deputies elected by majority vote. This was done to compensate, if possible, for the lower share of votes cast for the ruling party in the proportional constituencies.

The following figures confirm the above: in 2008, the United National Movement received 59.9% of the votes and 49 mandates out of the total 75 mandates to be won by proportional vote and 71 out of 75 by majority vote. The ruling party won 79.3% of the mandates.²⁷ In 2012, this formula allowed the United National Movement, which was losing popularity, to compensate for the outflow of votes cast in the proportional constituencies. The party preserved its 32 mandates out of 73 in the majority constituencies; it gained 40.43% of the votes, 33 mandates by proportional, and 32 mandates by majority voting; the Georgian Dream received 54.85%, 44 and 41 mandates, respectively.²⁸ The number of seats the parties acquired through the parliamentary elections corresponded, on the whole, to the election results. The disproportionality index, which increased in 2008, dropped after the 2012 elections.

The case of Georgia confirms the fact that the people in power can rely on the administrative resource to control majority voting, so it comes as no surprise that the ruling party prefers it. After it moves to the opposition, it starts insisting on proportional voting. In 2012, for example, the United National Movement, as an opposition party, insisted that majority voting should be eliminated. In 2015, it, together with the opposition non-parliamentary parties, signed a Memorandum on Election Reform.²⁹

In June 2015, the coalition meeting of the Georgian Dream decided that the mixed system would be used at the 2016 parliamentary elections; all majority constituencies would receive the same number of voters; the election barrier would be raised from 30 to 50% of the votes cast for the candidate (on which the opposition insisted). At the same time, the elections following the 2016 election [that is, held in 2020!] would use proportional voting.³⁰ The ruling party deemed it wise to make concessions to the opposition, but preserved the mixed system for the next electoral cycle.

This means that in the absence of an obviously dominant party, it is the opposition that profits from proportional voting. As soon as the opposition comes to power, it pushes the electoral reform issue onto the back burner.

The party system. The law on political parties was passed in 1997.³¹ According to Art 12, a party is established when a group of at least 300 citizens holds a party constituent congress (conference, assembly, or other) without preliminary permit; Art 22 established the number of members as no fewer than 1,000; Art 27 limited funding by physical and legal persons; while under Art 30, the parties that overcame the election barrier of 5% at the national elections (according to the proportional system) could count on funding from the state. The calculations were done in keeping with the

²⁷ See: *Summarizing Protocol of Parliamentary Elections*, 21 May, 2008, Election Administration of Georgia, available at [<http://www.cesko.ge/uploads/other/8/8722.pdf>].

²⁸ See: *Report on the Elections of the Parliament of Georgia 2012*, Election Administration of Georgia, available at [<http://www.cesko.ge/uploads/other/13/13973.pdf>].

²⁹ See: "David Usupashvili prisoedinilsia k memorandumu po izbiratelnoy reforme," 18 March, 2015, The Georgian Union in Russia: The Independent Information and Analysis Portal, available at [<http://www.georgians.ru/news.asp?idnews=166556>].

³⁰ See: "Posolstvo SShA sledit za protsessom reform izbiratelnoy sistemy v Gruzii," BlackSeaNews: Information and Analysis Portal, available at [<http://www.blackseanews.net/read/100626>].

³¹ See: *Organic Law of Georgia on Political Unions of Citizens*, available at [<http://aceproject.org/ero-en/regions/europe/GE/organic-law-of-georgia-on-political-union-of/view>].

basic funding that was doubled if the party acquired 8% in the last parliamentary elections or 6% in the last local elections. The formula included the number of seats in the parliament and the number of votes cast for the party.

In December 2011, total amount of spending by a political party/electoral entity did not exceed 0.2% of Georgia's GDP of the previous year,³² and in 2013, the figure was lowered to 0.1% of the country's GDP.³³ The same law banned funding of political parties by legal persons. These measures were spearheaded against Ivanishvili's Georgian Dream, the main rival of Saakashvili's party at the upcoming parliamentary elections. In 2013, the new parliamentary majority restored funding of up to 120,000 laris; the barrier for the parties which received funding was lowered from 5 to 3%; funding was doubled for parties that won 6% of the votes.³⁴ Today, fourteen political parties are funded from the budget.

The above shows that the laws on parties, which remained unchanged from 1997 to 2005, have been frequently changed since that date to consolidate the party system and extend support to a limited circle of big parties; this did not, however, slow down the process of party-building in the country.

In the 2000s, the number of political parties increased from 175 to 219, the majority of them being groups of clients of political leaders (important and not very important); treated as political tools, they appeared on the eve of elections and disappeared after them. Big parties were set up by administrative methods: The Round Table (1990-1991), The Union of Citizens of Georgia (1995-2001), and The Georgian Renaissance Party (1992-2004).

In the late 1990s and early 2000s, two political parties were set up (and later disintegrated) with the aim to create a party system with one dominant party—The Union of Citizens of Georgia and the United National Movement. The former was set up on the initiative of President Shevardnadze as a typically administrative party to ensure domination in the parliament and the regional power structures and serve as a source of civil servants. With no ideology and no vision of the future, the party was a melee of interests and values of the Georgian elite united by their shared loyalty to President Shevardnadze. The above is further confirmed by the fact that opposition to Shevardnadze was taking shape inside the elite that belonged to the ruling party (M. Saakashvili, N. Burjanadze, Z. Zhvania, and others).

The coup of 2003 and the abolition of the results of the parliamentary elections brought the National Movement—Democrats Party (later the United National Movement) headed by Saakashvili to power. At the parliamentary elections of 2004 and 2008, it reaped even more votes than the Union of Citizens of Georgia before it and 80% of seats in the parliament. The 2003 election (the results abolished because of falsifications) demonstrated that together two administrative parties could not count on even half of the votes: 40.16% of the votes and 40.85% of the seats in the parliament (together with the seats won in the majority constituencies). Six parties were elected by party lists, the effective number being 5.49, while the disproportionality index 0.94 was the lowest in the history of Georgian elections. This means that the elections of 2004 and especially 2008 were less competitive than the falsified elections of 2003 and further removed from the will of the voters. The party system remained the same: the dominant administrative party headed by the president that controlled the executive and the legislative power branches.

³² See: *Organic Law of Georgia on Introducing Amendments into the Organic Law of Georgia on Political Associations of Citizens of 28 December, 2011 No. 5661-vs*, available at [<http://www.parliament.ge/ge/law/7572/14493>] (in Georgian).

³³ See: *Organic Law of Georgia on Introducing Amendments into the Organic Law of Georgia on Political Associations of Citizens of 29 July, 2013 No. 900-vs*, available at [<http://www.parliament.ge/ge/law/27/9857>] (in Georgian).

³⁴ See: *Organic Law of Georgia on Introducing Amendments into the Organic Law of Georgia on Political Associations of Citizens of 7 August, 2013 No. 923-vs*, available at [<http://www.parliament.ge/ge/law/16/9919>] (in Georgian).

Mikhail Saakashvili demonstrated disrespect of all the opposition parties and insisted on his party's exceptional and exclusive role. In 2010, he said the following: The National Movement is the only force capable of ruling the country. Other responsible parties can join the process, but no one should be under the illusion that we will repudiate our right of decision-making... We do not want development and progress to discontinue in Georgia. Our political party is the only force that can ensure progress.³⁵

Table 2

General Descriptions of the Electoral and Party Systems of Georgia

Criteria	Year	2003 ¹	2004	2008	2012
Total number of seats in the parliament		235	235	150	150
Type of electoral system		Mixed parallel (150+85) ²	Mixed parallel (150+85)	Mixed parallel (75+75)	Mixed parallel (77+73)
Total number of political parties		175	181	205	219
Number of political parties and blocs that ran for the parliament		21	16	12	30
Number of political parties with factions in the parliament		6	2	4	2
Share of votes of the winner		40.16 ³	67.02	59.18	54.97
Share of seats of the winner		32.7	64.2	79.3	56.7
Share of votes cast for the losing parties		13.58	22.33	6.67	4.69
Competitiveness in multi-member constituencies (average number of candidates per mandate)		n/a	—		38.4
Share of party candidates in multi-member constituencies (%)		75.3	—		
Election threshold (%)		7	7	5	5
Effective number of parliamentary political parties		5.49	2.97	1.96	1.55
Rae's disproportionality index		0.94	4.31	8.66	2.36

¹ The results of the 2003 parliamentary elections were registered, but the seats in parliament were distributed according to the partial election held in March 2004.

² The first figure is the number of mandates distributed according to the proportional system, the second by the majority system.

³ This is the sum of the votes gained by the two presidential parties—For New Georgia of Shevardnadze (21.32%) and The Union of Democratic Revival (18.84%).

³⁵ See: "Saakashvili on Ruling Party's Vision," *Civil Georgia*, 15 June, 2010, available at [<http://www.civil.ge/eng/article.php?id=22422&search=>].

The elections of 2012 destroyed the old party system in Georgia and reopened the window of opportunity for a competitive party system. This was especially important when the country was moving toward a parliament-centered form of government, in which the party with the majority in the parliament determined the country's political course.

Armenia: Institutional Limits of Political Competition

In the 2000s, the competitive political system of Armenia, which had been coping with several problems and lived through a series of tragedies in the late 1990s, was subjected to new trials. The ruling elite declared and realized new political projects that partially stabilized the situation, but did not eliminate political rivalry.

The form of government. Unlike in the other post-Soviet states, the Constitution of Armenia adopted in 1995 was amended once, according to the results of the 2005 referendum. Armenia was set up as presidential-parliamentary republic, in which the right to form the government belonged to the president, who, according to Art 117, "may, after consultations with the Chairman of the National Assembly and the Prime Minister, dissolve the National Assembly and call for a special election"³⁶ (IFG = +6). The amendments initiated by the president and enacted in 2006 specified the status of the president, limited the number of reasons for which the parliament could be dissolved, as well as the powers of the president related to forming the government.³⁷

Art 49 says: "The President of the Republic of Armenia shall be the head of the state;" Art 75 limits the right of legislative initiative: "The right to legislative initiative in the National Assembly shall belong to the Deputies and the Government;" at the same time, Art 74.1 says that the President of the Republic shall dissolve the National Assembly if the National Assembly does endorse the program of the Government two times in succession within two months. In some cases, the president can, but is not obliged to dissolve the parliament: The President of Republic may also dissolve the National Assembly upon the recommendation of the Chairman of the National Assembly or the Prime Minister in the following cases: (a) If the National Assembly fails within three months to adopt draft law deemed urgent by a decision of the Government or; (b) If in the course of a regular session no sittings of the National Assembly are convened for more than three months, or (c) If in the course of a regular session the National Assembly fails for more than three months to adopt a resolution on the issues under debate (Art 74.1). The president is limited in his nomination of prime minister: The president shall, on the basis of the distribution of seats in the National Assembly and consultations held with the parliamentary factions, appoint as Prime Minister the person enjoying confidence of the majority of the Deputies (Art 55); the same article says: The President of the Republic shall accept the resignation of the Government on the day of the first sitting of the newly elected National Assembly, of the assumption of office by the President of the Republic. Another new regulation was introduced by Art 88.1: Regional governors shall be appointed to and dismissed from office by a decision of the Government. The constitutional amendments that limited the power of the president shifted the form of government in Armenia toward parliamentarism; consequently the IFG dropped from +3 to 0 (an absolutely balanced form of government).

³⁶ *Constitution of the Republic of Armenia*, available at [<http://www.concourt.am/hr/armenia/const/armeni-e.htm>].

³⁷ See: *Constitution of the Republic of Armenia (with amendments)*, available at [<http://www.parliament.am/parliament.php?id=constitution&lang=eng#3>].

It seems that this was done because Robert Kocharian's second presidential term ended in 2008. He hoped to remain in power as prime minister under President Serzh Sargsian. There is no direct evidence of this; however, the amendments helped the ruling Republican Party of Armenia (RPA) to remain in power even if the opposition candidate won the 2008 presidential election. The Republican Party and its government accountable to the parliament retained their dominant positions. This adds special importance to the fact that in 2007 Prime Minister Serzh Sargsian became leader of the Republican Party of Armenia, which won the 2008 parliamentary elections. This means that the Constitution was amended in the interests of the ruling elite and was not agreed upon by the ruling elite and the opposition. More likely than not, the amendments were discussed and accepted by the elite.

In 2003, incumbent Robert Kocharian won the presidential election, albeit in the second round; Karen Demirchian, his main opponent, came second with 32.55%.³⁸

There is an opinion that presidential power in Armenia was transferred in 2008 from President Kocharian to his "successor" Sargsian. Kocharian did support Sargsian during the election campaign, the latter, however, could rely on an important resource—the Republican Party of Armenia in the majority in the National Assembly.³⁹ Serzh Sargsian came to power amid large-scale and violent unrest in Yerevan (during which people were killed and injured) organized by supporters of Levon Ter-Petrosian, one of the candidates. The elections were competitive; Kocharian decided not to extend his presidential term and not to remain in power as prime minister. This means that Sargsian was not Kocharian's "successor."

The 2013 parliamentary elections confirmed that the opposition parties should not be treated lightly: while in 2012, the Heritage Party acquired a meager five seats in parliament, a year later at the presidential election, its candidate, Raffi Hovannisian, came second with 36.8% of the votes; in some cities he was not very far behind Sargsian.⁴⁰

In September 2013, Armenia entered another period of constitutional reforms: a commission was set up under a presidential decree; the preliminary draft was published in April 2014; the final and complete draft was offered to the public for discussion in July 2015.⁴¹

According to the draft, the president would be deprived of his main political powers, which would be transferred to the government and prime minister. Art 125 of the draft Constitution sets forth the procedure of presidential elections: the President shall be elected by an assembly consisting of an equal number of deputies of the National Assembly and representatives of local government bodies, appointed by municipalities. Art 145 said that domestic and foreign policy shall be entrusted to the government rather than the president; according to Art 154, the Prime Minister shall be the supreme commander-in-chief of the Armenian armed forces during military operations. The government shall be formed by the political party or a bloc that won the elections, while the president shall confirm the candidate nominated by the political force that won the parliamentary elections as prime minister (Art 145). If the parliament refuses to endorse the program suggested by the government or fails to nominate a prime minister, it shall be dissolved on the strength of the law (Arts 148, 151); there is a newly introduced regulation regarding a constructive vote of no confidence (Art 115).

The implemented amendments would turn Armenia into a typically parliamentary republic with IFG = -7; in the presence of a dominant party, this means that the ruling elite will spare no effort to remain in power. The Republican Party of Armenia would form the next government and nominate

³⁸ See: "Election for President, Republic of Armenia, 5 March, 2003," Election Guide: Democracy Assistant and Election News [<http://www.electionguide.org/elections/id/1893>].

³⁹ For more details, see: P.V. Panov, K.A. Sulimov, "Smena lidera i predely personalistskogo prezidentsializma: perspektivy varianta 'preemnik' v stranakh Zakavkazia i Tsentralnoy Azii," *Politicheskaya nauka*, No. 1, 2014, pp. 134-158.

⁴⁰ See: "Presidential Elections, 18 February, 2013," Republic of Armenia Central Electoral Commission, available at [<http://www.elections.am/presidential>].

⁴¹ See: *The Project of the Constitution of Armenia of 15 July, 2015*, The Ministry of Justice of the Republic of Armenia, available at [http://moj.am/storage/uploads/NAKHAGITS_3.doc] (in Armenian).

the prime minister, the de facto head of state. The draft undermines the institution of presidency to an even greater extent than happened in Georgia in 2013.

To avoid the Georgian scenario and to remain in power, the ruling elite needs an overwhelming victory of the ruling party at the parliamentary elections in 2017; it should be able to minimize the scope of protest caused by possible and habitual accusations of falsifications. So far, these favorable conditions cannot be guaranteed. The new Constitution will be adopted only in the absence of veto players in the parliament; the extra-parliamentary opposition forces will be too weak to prevent the adoption or annul the results of the next parliamentary elections. It remains to be seen whether the opposition forces will close ranks; so far they remain disunited and therefore unable to play an important role in blocking the decision-making process.

Under Sargsian, the IIP increased from 62.5 to 81.25%. This is confirmed by the fact that the post was transferred from one president to another at the appointed time, that the “successor” or “regime-change” scenarios were not realized, that the parliament was not dissolved, and that the Constitution was not amended to extend the term of presidency. The president became a member and the leader of the political party that dominated in the parliament, government, and local structures of power. The conflicts were resolved within the current laws. On the other hand, the incumbent invariably won the presidential election, therefore there was no transfer of power to the opposition (see Table 3); the opposition *always* disagreed with the election results, but the conflicts between it and the ruling elite were largely resolved within the framework of the formal institutions; the losers were not pushed out of the republic’s political life and retained their chance of winning (L. Ter-Petrosian, R. Kocharian, and R. Hovannisian).

Table 3

Competition at the Presidential Elections in Armenia in 2003-2013

Criteria	Year	2003	2008	2013	Average
Number of candidates		9	9	7	8.33
Number of parties with nominees		7	8	4	6.33
Share of party candidates (%)		77.78	88.89	57.14	74.60
Share of votes cast for the winner (1st round/2nd round) (%)		49.48 / 67.45	52.82	58.64	57.10
Difference between the winner and the runner up (1st round/2nd round)		21.26 / 34.9	31.32	21.89	27.34
Number of defeated incumbents		0	0	0	0
Number of pre-term elections		0	0	0	0
Number of elections in the second round		1	0	0	1 (33.33%)
IC average		69.57%			

The electoral system. The Armenian electoral system was based on the Election Code, the first version of which was adopted in 1999⁴² (it remained in force with numerous amendments until 2011)

⁴² See: *Izbitatelny kodeks Respubliki Armenia on 17 fevralia 1999 goda No. ZP-284*, Official Site of the National Assembly of the Republic of Armenia [<http://parliament.am/legislation.php?sel=show&ID=2020&lang=rus>].

and replaced with a new version in 2011.⁴³ The electoral system remained mixed parallel with different proportional/majority correlation; the number of deputies of the National Assembly of Armenia remained the same (131). The threshold for the proportional system was 5%; in 2007, the threshold for blocs of parties was raised to 7%, the threshold for parties remaining the same. Until 2011, the right to nominate candidates by majority constituencies was limited to political parties and groups of citizens (50 and more); in 2011, self-nomination became possible.

In 1999, 56 deputies were elected by proportional and 75 by plurality systems; in 2003, the figures changed places; in 2007 and 2012, 90 deputies were elected by proportional and 41 by plurality systems. On the whole, the majority part was cut down from 150 to 41 deputies, while the proportional increased from 40 to 90 deputies. This trend became obvious when Armenia started moving toward a system with a proto-dominant party. In 2003, the Republican Party of Armenia won 23.66% of the votes in proportional constituencies⁴⁴; in 2007, 32.8%; and in 2012, 44.02%.⁴⁵ At the last elections, the candidates of the dominant party won in 29 out of 41 constituencies⁴⁶; this means that the dominant party profits more than all the others from the plurality system. This gave the Republican Party (together with the Rule of Law Party, its coalition partner) 56.49% of the seats in the National Assembly. For the first time in its history, the Republican Party did not need an alliance with another political force. The Prosperous Armenia Party (PAP), its coalition partner in the previous parliament, left the ruling coalition.

The disproportionality index at the parliamentary elections was relatively low (it increased slightly in 2007 and dropped again in 2012); however, it was the Republican Party that consistently received a larger share of seats compared with the share of votes cast for it.

The draft Constitution published in 2015 envisages a transfer to the proportional system while the number of seats in the National Assembly will be cut from 131 to 101. The draft says that the electoral system should guarantee a consistent parliamentary majority in the National Assembly (Art 89).⁴⁷ Art 89 contains the rare provision that if no stable parliamentary majority is achieved, a second round of elections between the two parties or two blocs that gathered the largest number of votes in the first round shall be held. This guarantees consistent domination of the ruling party and keeps the veto players outside the parliament.

In this way, throughout the 2000s, consistent transformations of Armenia's electoral system brought the country to a party system with a proto-dominant party; later this domination was consolidated. The trend toward consistently increasing the number of votes cast for the ruling party stimulated the share of the proportional component in the electoral formula; finally, given the consolidation of the new constitutional norms, the proportional system would become the only electoral system. After the dominant party and the party system consolidated their positions, the ruling elite no longer needed the plurality component; to minimize the costs and remain in power, the elite opted for the purely proportional principle. In the absence of veto players, the elite stands a good chance of implementing this at the 2017 parliamentary elections.

The party system. The party system began to take shape in Armenia in the early 2000s. The 2002 Law on Parties, which for the first time identified parties in legal terms and formulated the basic de-

⁴³ See: *Izbitatelny kodeks Respubliki Armenia ot 14 iyunia 2011 goda No. ZP-164*, Official Site of the National Assembly of the Republic of Armenia [<http://parliament.am/legislation.php?sel=show&ID=4216&lang=rus>].

⁴⁴ See: *Election for National Assembly, Republic of Armenia, 25 May, 2003*, Election Guide: Democracy Assistant and Election News, available at [<http://www.electionguide.org/elections/id/1370>].

⁴⁵ See: *Saturday, 12 May, 2007, Parliamentary Elections*, Republic of Armenia Central Electoral Commission: Official Website [<http://www.elections.am/proportional/election-82>].

⁴⁶ See: *Sunday, 6 May, 2012, Parliamentary elections (majoritarian)*, Republic of Armenia Central Electoral Commission: Official Website [<http://www.elections.am/majoritarian/election-24103>].

⁴⁷ See: *The Project of the Constitution of Armenia of 15 July, 2105*.

mands, drew a certain line.⁴⁸ Art 5 “The Number of Party Members, Territorial Structural Subdivisions and Territory of Activity” of the new law says: “The party shall have no less than 200 members. The party shall have separated divisions in at least one-third of the regions (Marzes) of the Republic of Armenia.” Art 21 “Exclusive Rights of Parties” specified that the party is the sole public union entitled to nominate candidates for the election of deputies to the National Assembly, as well as the election of the President of the Republic and heads and council members of local self-governing bodies. Art 27 deals with the state funding of the parties and says that state budget means are allocated to such party (party alliances), whose voting list during the last elections to the National Assembly has received at least 3 percent of the sum of the total number of votes in favor of voting lists of all parties that have participated in the elections. According to this article, the amount of resources allocated from the state budget to each party shall be no less than 0.03-fold of the minimum salary established by the law and the total number of votes in favor of the voting list of the given party during the last election to the National Assembly.⁴⁹

Art 31 “Liquidation of the Party” says in Para 2 that the party is subject to liquidation if it has not participated in the past two elections to the National Assembly, or in any of the recent two elections to the National Assembly. This means that the liquidation of small and practically non-existent parties was one of the aims of the law. It was geared toward financial and other support of the parliamentary parties, particularly the ruling Republican Party, which received the right to budget funding. This played an important role in extension of the proportional part of the electoral formula and the possible transfer to proportional elections in 2018.

The Prosperous Armenia Party is the second largest administrative party set up on the eve of the 2007 election as a clientele of President Kocharian; this is confirmed by the telltale fact that its leader Gagik Tsarukian is Kocharian’s biggest business partner. The Republican Party of Armenia, headed by Prime Minister Serzh Sargsian, won, while the Prosperous Armenia Party had to be satisfied with the role of a “junior partner” in the coalition.⁵⁰

The 2008 parliamentary elections brought victory to all the parties united into the ruling coalition: the RPA, PAP, Dashnaksutiun, and Orinats Erkir (The Rule of Law). In February 2012, the RPA and PAP were actively discussing the coalition memorandum and their joint participation in the approaching parliamentary elections. PAP declined the memorandum and ran for the parliament on its own.⁵¹ Since then, PAP has remained independent on many issues; it relies on the administrative and financial resources of part of the ruling elite. The parliamentary elections of 2012 in Armenia can be described as unique: they were a competition between two political parties of the ruling coalition (the RPA and PAP) rather than between the opposition and the government. This has given way to a competitive milieu with two administrative parties as the main rivals.

On the whole, the institutional reforms created clear signs of consolidation of the party system (see Table 4): parties became the only entities of the election process; the number of parties involved dropped from 23 to 9; in 2012, the number of votes cast for parties left outside the parliament reached its absolute minimum of 1.12%, while the disproportionality index dropped to 2.82. The efficient number of parties dropped from 7.1 in 2003 to 2.73 in 2012. This means that Armenia is moving toward a party system with a proto-dominant party and another large faction in the parliament that cannot become a veto player since absolute majority belongs to the RPA.

⁴⁸ See: *The Law of the Republic of Armenia on Parties of 7 August, 2002, No. ZP-410*, available at [<http://www.parliament.am/legislation.php?sel=show&ID=1326&lang=eng>].

⁴⁹ In 2013, the minimum wage in Armenia was established at a level of 45,000 Armenian drams (\$110).

⁵⁰ It seems that the defeat of Prosperous Armenia in 2007 forced Kocharian to abandon the idea of extending his presidential term (if he had planned to do this).

⁵¹ See: “Novy koalitsionny memorandum ne podpisan: RPA i PPA budut uchastvovat na vyborakh otdelnymi spiskami,” *7or.am*, 13 February, 2012, available at [<http://www.7or.am/ru/news/view/30624>].

Table 4

General Descriptions of the Electoral and Party Systems of Armenia (2003-2012)

Criteria	Year	2003	2007	2012
Total number of seats in the parliament		131	131	131
Type of electoral system		Mixed parallel (75+56) ¹	Mixed parallel (90+41)	Mixed parallel (90+41)
Total number of political parties				70
Number of political parties that ran for the parliament		21	23	9
Number of political parties with factions in the parliament		6	5	6
Share of votes of the winner		23.66	32.8	44.02
Share of seats of the winner		30.53	48.85	52.6
Share of votes cast for the losing parties		24	27.2	1.12
Competitiveness in single-member constituencies (average number of candidates per seat)			3.24	3.34
Share of candidates in single-member constituencies nominated by political parties (%)			80.2	64.2
Election threshold (%)		5	5% for parties, 7% for blocs	5% for parties, 7% for blocs
Effective number of parliamentary political parties		7.1	3.39	2.73
Rae's disproportionality index		3.29	4.14	2.82

¹ The first number refers to the number of mandates distributed according to the proportional system; the second, according to the majority system.

The party system with a proto-dominant party forced the opposition to close ranks; this means that the rivalry between the ruling and the opposition parties will become even fiercer, especially if the RPA seeks monopoly on the electoral and parliamentary fields. Very much as before, political confrontation concentrated on the status of Nagorno-Karabakh and the economic strategy.

Conclusion

The institutional reforms and political projects in Georgia and Armenia were the outcrops of an intensive power struggle among different elite groups. The reforms (I have in mind the constitutional amendments, as well as the laws on parties and on elections) became more frequent as the intensity of struggle increased and the political elite disintegrated into an ever larger number of groups.

All institutional models should be introduced depending on their purpose and the expected results. Every time this depends on the correlation between the resources of the ruling elite and the opposition and the presence of veto players.

Georgia and Armenia entered the 2000s amid serious political upheavals: the 2003 coup in Georgia and the 1998 political crisis in Armenia.

The transformations in Georgia's political context of the early 2000s and 2010s largely changed the main formal institutions and, ultimately, the entire political system. On the whole, Saakashvili acted in the "patronage presidency" paradigm typical of Eduard Shevardnadze, his predecessor: he wanted to strengthen the administrative party and ensure its continued domination in the parliament, he frequently changed the rules of the game to remain in power, he slighted the opposition and fought its leaders (Ivanishvili, in particular) using formal and informal institutions. His party, the United National Movement, was set up by the counter-elite, not the ruling elite. Saakashvili shifted the key powers to the parliament, probably in the hope of remaining in power; this added vehemence to political rivalry and brought a different elite group to power. The political system with one dominant party that Shevardnadze set up and Saakashvili developed was overturned by the opposition that won the 2012 elections. Throughout the process, the ruling elite manipulated the rules to remain in power.⁵²

The regime, however, was not consolidated: monocentrism was impossible in a country where the political elite was divided into numerous, including regional, groups. This is indirectly confirmed by the fact that the merger after the coup of 2003 of two political unions—Saakashvili's National Movement and Burjanadze's United Democrats—was a far from simple or even a painful process, even though their programs and values were fairly close. Saakashvili, however, institutionalized the institution of presidency and consolidated the party system to a great extent. This is confirmed by the smaller effective number of parliamentary parties, the disproportion and the much smaller shares of votes cast for the parties that remained outside the parliament. Institutionalization and the high index of competitiveness of Georgia's political system did not allow the elite to arrive at a system with a dominant party in control at the very top. The acutest problems were addressed through a dialog with the opposition. This means that "hyper-institutionalization" failed, while the strategy of "incomplete institutionalization" was not discussed, making gradual institutionalization the only version of a competitive party system.

The transfer to the parliamentary-presidential system dramatically decreased the value of the presidency, which means that the political regime in Georgia will be consolidated on the basis of institutionalized rivalry and rotation of the political elite according to the rules. This will happen if the elite now in power passes the test of "divided governance."

For fifteen years, Armenia has been demonstrating a high level of political rivalry; the opposition has a sufficiently large resource to become a subject of the political process by reaping a considerable share of votes at the presidential election and winning seats in the parliament, even though it has never won. In fact, there is a fairly large number of those who consistently vote for the opposition, irrespective of personalities. On the other hand, so far the incumbents have never lost an election, while their opponents invariably mobilize the protest electorate to challenge the results.⁵³ The very narrow gap (especially in the regions) between the shares of votes made accusations of falsifications and the slogan of a "stolen victory" very convincing. In 2008 and 2013, the announced results of the presidential elections placed the system on the brink of disaster; continued pressure and continued efforts to limit political rivalry are hazardous. Armenia's political regime could be destabilized if the formerly disunited opposition closes ranks and the PAP, the second administrative party, is pushed into the opposition. This means that the next parliamentary or presidential election might trigger a regime change.

Both Georgia and Armenia are moving toward *parliamentarism*, which means redistribution of powers among the president, parliament, and government in the interests of the two latter actors. In Armenia, the IFG dropped from +4 to 0, and in Georgia from +6 to -1.

⁵² Georgia is the leader among the post-Soviet states in terms of the number of constitutional amendments and changes in the election laws.

⁵³ It was only once, in 1991, that the lost side recognized the results of the presidential election in Armenia.

Both countries are moving toward the *proportional electoral system*, which means that the correlation between the proportional and majority parts will be revised in favor of the former in the mixed parallel electoral system. The reform of the electoral system actively discussed in Armenia and possible institutional transformations in Georgia presupposed that both countries would be using the proportional system in the next election cycle.

To reap the maximum number of votes in the absence of an administrative party or its limited legitimacy and limited electoral support, the ruling elite *invariably* opts for the majority (pluralist) component of the electoral system; in an undeveloped party system this brings victory to the ruling elite. Elections by single-member constituencies *invariably* cause disproportions, very much in the interests of the administrative party, when the votes are converted into seats.

At the same time, while the administrative party takes shape and consolidates its position to become the dominant party, the ruling elite gradually extends the proportional component of the mixed system, or even switches to it. This took place in Armenia, which has acquired an administrative party headed by the president or the prime minister.

In the absence of an administrative party, all the players expect that the seats will be fairly distributed and that the proportional system will be introduced as a result of cooperation between the elite and the opposition, not on the strength of the decisions of the ruling elite. This system could be implemented in Georgia.

An analysis of the evolution of the efficient number of parliamentary parties and the number of votes cast for the non-parliamentary parties confirms what has been said above about the consolidation trends in the party systems in Armenia and Georgia.

Political projecting in the 2000s in Georgia and Armenia was carried out within two basic models:

- (1) *the institutionalized competitive model with a dominant party (hyper-institutionalization)*: a regime with high ICP, high IIP, and a dominant or proto-dominant party (Georgia in 2000-2003, 2004-2012). This highly unstable model ends in a regime change: a dominant party in a highly competitive political system creates an illusion of consolidation; this channels political activities into informal institutions.
- (2) *the institutionalized competitive model without a dominant party*: a regime with high ICP and IIP and without a dominant party (Armenia and Georgia after 2012). This is a relatively stable model since high institutionalization keeps the gradually mounting political competitiveness within formal limits.

This means that the political processes in these states will be further developed. In Georgia, stabilization is possible if there is no dominant party, if the opposition is institutionalized (including at the local level), and if it has a legal way to come to power. Destabilization cannot be ruled out in the conditions of “divided governance” and the old constitutional formula.

In Armenia, stabilization will be possible if the proto-dominant party does not monopolize the political field, otherwise Armenia will be pushed into the first cluster where a regime change will become probable rather than possible.⁵⁴

In both countries, rotation of the elite notwithstanding, the same models of patronage presidency are consistently reproduced; there is limited competitiveness, consistent efforts to prevent consolidation of the opposition, manipulations with the rules of the game, reliance on informal institutions, patron/client relations, and willingness to annul the rules in case of a conflict. This model can be changed only if competitiveness reaches the point where the ruling elite is forced to draw up the rules together with other actors. If this does not happen, or if there is no rivalry, there are two possible

⁵⁴ This cannot be excluded: the opposition will be able to mobilize a very large number of people. This happened in 1998, 2003, 2008 and 2015.

scenarios: either the rules are imposed from above and are constantly changed, to be adjusted ad hoc, or the rules disappear under the pressure of the counter-elite, which relies on the masses. The latter option should not be taken to mean that the new elite will refrain from the old strategy; the Armenian and Georgian experience confirms this. In the mid-2000s, Georgia went the second route, entailing destruction of the previous institutional system. This could be reproduced in Armenia if attempts to monopolize the political space continue at the national or local level. The rivals of the present elites enjoy considerable support and have a vast mobilization resource; this means that elections can be used as a pretext for a regime change.

Political stability can be ensured if the inclusion/manageability and participation/ institutionalization contradictions are resolved; the states' political future also depends on this.
