

Civic Upheaval in Armenia

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May 9, 2018

After two weeks of political upheaval, Armenia has a new prime minister, Nikol Pashinian, a former opposition leader, parliamentary deputy, and journalist. Many observers believe this development has the potential to transform politics in Armenia, a small, landlocked Russian ally in the South Caucasus that also has enjoyed a history of U.S. and European support.

A Changing Political Landscape

On April 23, 2018, Serzh Sargsyan, Armenia's president from 2008 to early April 2018, unexpectedly resigned from his new post as prime minister amid growing protests. The next week, the ruling center-right Republican Party of Armenia (RPA) rejected protest leader Pashinian's candidacy as prime minister. This led to a mass general strike, after which the RPA agreed to support Pashinian. In a second parliamentary vote on May 8, the RPA agreed to have several of its deputies support Pashinian's candidacy. It stressed, however, that the RPA would remain in the majority and that Pashinian would lead a minority government.

Pashinian is a leader of the liberal Yelk (Way Out) Alliance, which won less than 8% of the vote in the April 2017 election but 21% of the vote in municipal elections in Armenia's capital city, Yerevan, the next month. His candidacy as prime minister was supported by the second-largest parliamentary faction, the Tsarukyan Alliance, a coalition led by wealthy businessman and former RPA backer Gagik Tsarukyan. Pashinian also was supported by the nationalist Armenian Revolutionary Federation, formerly the RPA's junior partner in a ruling coalition.

Armenia has long suffered from corruption, a weak judiciary, and a large overlap between the country's business and political elite. Armenian civil society is relatively strong, however. In 2016, the U.S. Agency for International Development ranked Armenia second in the post-Soviet region (after Ukraine) in its Civil Society Organization Sustainability Index.

Perceptions of corruption and impunity periodically have led to anti-government protests in which

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Pashinian has played a role. Sargsyan, a former minister of defense, minister of national security, and prime minister, became president in a controversial election in 2008, when police lethally clashed with demonstrators protesting perceived electoral fraud. Afterward, Pashinian hid for over a year before spending two years in jail for allegedly organizing mass disorder. Released in 2011, he was elected to parliament in 2012 and reelected in 2017.

Many domestic and foreign observers suspect Sargsyan had long intended to evade term limits, just like Russian President Vladimir Putin did when he became prime minister from 2008 to 2012. In addition, Sargsyan engineered a change to the constitution, by which the premiership became more powerful than the presidency. Unlike Putin, who successfully faced down protests after announcing his return to the presidency in 2011, Sargsyan's power play failed, catapulting an opposition leader to power.

Armenia Stays Close to Russia

Unlike Ukraine's 2013-2014 Revolution of Dignity or the color revolutions in Georgia and Ukraine in the early 2000s, Armenia's current upheaval has avoided a geopolitical tinge. As in past Armenian protests, Pashinian and supporters, including many young people, have not insisted that good governance and democracy require Armenia to move away from Russia and closer to the West. Russian officials, in turn, have responded to the events with expressions of national friendship and praise, an uncommon reaction on their part to protest-driven regime change.

In terms of foreign policy, Armenia seeks balance; it relies on Russia for security guarantees but cultivates partnerships with the West. Many observers believe Armenia retains close ties to Russia due to the belief that only Russia can provide security guarantees against Azerbaijan in Armenia's conflict over Nagorno-Karabakh. Many Armenians also consider Russia to be a security guarantor against Turkey, with which Armenia has a long, difficult history.

Armenia is a member of the Russia-led Collective Security Treaty Organization, a security alliance, and hosts some 3,000-5,000 Russian troops. Russia supplies Armenia with weapons and military equipment at subsidized prices and through loans.

Economically, Armenia also maintains strong ties to Russia. Russian entities own several major companies in Armenia, including Armenia's main natural gas and electric companies. Armenia is a member of the Eurasian Economic Union, an evolving Russia-led single market.

Finally, Karen Karapetyan, Armenia's previous prime minister, was a former longtime executive in the Russian state-controlled energy company Gazprom; he also briefly served as mayor of Yerevan. His brother is a well-known Russian-Armenian businessman who owns Armenia's main electric company.

Nevertheless, Armenia's relations with Russia are not without challenges. In recent years, many Armenians have expressed frustration with Russian actions that they believe neglect Armenia's interests, including an estimated \$4 billion or more in arms sales to Azerbaijan.

Beyond Russia, Armenia maintains close ties to the European Union (EU). In November 2017, Armenia and the EU signed a Comprehensive and Enhanced Partnership Agreement, a substantial but less comprehensive agreement than the Association Agreements that Georgia, Moldova, and Ukraine concluded with the EU. In 2017, the European Union (EU), as a whole, was Armenia's second-largest trading partner, after Russia, with 24% of Armenia's total merchandise trade. The EU also provided over \$140 million in foreign assistance to Armenia in 2014-2017. U.S. assistance to Armenia, once higher, has averaged around \$25 million annually over the last five years.

Before being appointed prime minister, Pashinian promised that Armenia would remain in Russia's orbit. He also said, however, that "[a]llied relations with Russia should be based on friendship, equality, and

mutual willingness to solve problems.” It remains to be seen whether Armenia’s new leadership will be able to boost the country’s democratic prospects without a corresponding geopolitical shift.

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