Georgia’s October 2013 Presidential Election: Outcome and Implications

Jim Nichol
Specialist in Russian and Eurasian Affairs

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Summary

This report discusses Georgia’s October 27, 2013, presidential election and its implications for U.S. interests. The election took place one year after a legislative election that witnessed the mostly peaceful shift of legislative and ministerial power from the ruling party, the United National Movement (UNM), to the Georgia Dream (GD) coalition bloc. The newly elected president, Giorgi Margvelashvili of the GD, will have fewer powers under recently approved constitutional changes.

Most observers have viewed the 2013 presidential election as marking Georgia’s further progress in democratization, including a peaceful shift of presidential power from UNM head Mikheil Saakashvili to GD official Margvelashvili. Some analysts, however, have raised concerns over ongoing tensions between the UNM and GD, as well as Prime Minister and GD head Bidzini Ivanishvili’s announcement on November 2, 2013, that he will step down as the premier.

In his victory speech on October 28, Margvelashvili reaffirmed Georgia’s Euro-Atlantic foreign policy orientation, including the pursuit of Georgia’s future membership in NATO and the EU. At the same time, he reiterated that GD would continue to pursue the normalization of ties with Russia.

On October 28, 2013, the U.S. State Department praised the Georgian presidential election as generally democratic and expressing the will of the people, and as demonstrating Georgia’s continuing commitment to Euro-Atlantic integration. The State Department called for all Georgian political forces to work together to ensure Georgia’s political stability and stated that the United States looked forward to building upon the strong bilateral strategic partnership and Georgia’s Euro-Atlantic aspirations.

Successive U.S. Congresses have endorsed close U.S.-Georgia ties and have supported Georgia’s continued sovereignty and independence. Congressional engagement has included humanitarian and other assistance to address economic problems in the 1990s and remediation support in the aftermath of the August 2008 Russia-Georgia conflict. Through appropriations, hearings, and other legislation and oversight, Congress has strongly supported the goals of the 2009 U.S.-Georgia Charter on Strategic Partnership, which pledges boosted U.S. defense and security, trade, energy, and democratization cooperation with Georgia. Among U.S. interests, NATO and the United States have received significant troop support from Georgia for military operations in Iraq and Afghanistan, and Georgia serves as a land, sea, and air route for the transit of personnel and cargoes to and from Afghanistan along the “Northern Distribution Network.” Georgia’s strategic location astride east-west and north-south trade and transit routes also is exemplified by its role as part of the “Southern Corridor” for gas and oil pipelines from the Caspian region to European and other international markets.
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Background

Successive U.S. Congresses have endorsed close U.S.-Georgia ties and have supported Georgia’s continued sovereignty and independence. Congressional engagement has included humanitarian and other assistance to address economic problems in the 1990s, as well as remediation support in the aftermath of the August 2008 Russia-Georgia conflict. Through appropriations, hearings, and other legislation and oversight, Congress has strongly supported the goals of the 2009 U.S.-Georgia Charter on Strategic Partnership, which pledges boosted U.S. defense and security, trade, energy, and democratization cooperation with Georgia. Among these U.S. interests, NATO and the United States have received significant troop support from Georgia for military operations in Iraq and Afghanistan, and Georgia serves as a land, sea, and air route for the transit of personnel and cargoes to and from Afghanistan along the “Northern Distribution Network.” Georgia’s strategic location astride east-west and north-south trade and transit routes also is exemplified by its role as part of the “Southern Corridor” for gas and oil pipelines from the Caspian region to European and other international markets.1

Georgia’s October 27, 2013, presidential election—won by Georgia Dream (GD) party coalition candidate Giorgi Margvelashvili—occurred one year after a highly contentious legislative election resulted in a shift of power from the ruling United National Movement (UNM) party, led by President Mikheil Saakashvili, to the (then-opposition) GD, led by businessman Bidzina Ivanishvili.2 After the change in the majority in the legislature, Saakashvili had voluntarily cooperated with Ivanishvili on many issues formally under presidential purview, including accepting Ivanishvili’s elevation as prime minister, his formation of a cabinet government, and other GD policies. However, Saakashvili opposed several GD actions, in particular investigations and arrests of many former government and other UNM officials and the release of many prisoners formerly sentenced for major crimes, including spying for Russia. Many in Georgia and internationally urged the president and prime minister to “co-habit,” or seek to tone down rhetoric and cooperate on major issues, during the period between the legislative and presidential elections.

The October 2013 presidential election marked Saakashvili’s retirement after completing a constitutionally limited two terms in office and heralded a major shift in constitutional power in Georgia. Amendments to the constitution approved in 2010 came into force after the 2013 election to transfer significant executive powers from the president to the prime minister and legislature. While previously the president had nominated the prime minister, the majority party in the legislature now has the right of choice and the legislature is tasked with approving the nominee, his cabinet selectees, and his policy program. Powers that are shifted to the prime minister include appointing local governors and nominating ambassadors (after consultation with the president), and countersigning presidential decrees. The president is directed to consult with the prime minister on such issues as concluding international treaties and to seek legislative approval soon after declaring a state of emergency. The president no longer can dismiss the prime minister or submit bills to the legislature. Perhaps a source of future friction, the president and the

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1 For further information, see CRS Report 97-727, Georgia [Republic]: Recent Developments and U.S. Interests, by Jim Nichol.

2 See CRS Report R42777, Georgia’s October 2012 Legislative Election: Outcome and Implications, by Jim Nichol.
prime minister share some security and foreign policy powers. Some observers have suggested that the constitutional changes had been designed to permit Saakashvili to become a powerful prime minister after stepping down as president, but any such plan was mooted by the GD’s legislative win in 2012.

The Electoral Campaign

The Organization for Security and Cooperation in Europe (OSCE) praised the legal framework for Georgia’s presidential elections as comprehensive and conducive to democracy. Amendments to Georgia’s electoral code were adopted a few months before the election to improve the electoral climate, including by strengthening provisions banning the use of government resources to back a selected candidate and requiring that presidential candidates resign from sensitive government posts.

Most observers considered the nomination process for presidential candidates to be inclusive and transparent. Twenty-three presidential candidates were registered by the Central Election Commission (CEC) out of 54 who applied. Most individuals who were refused registration failed to properly gather the necessary 26,530 signatures, although five were rejected for holding dual citizenship, including Salome Zurabishvili, the former foreign minister.

The campaign officially began on July 4, 2013, and ended on October 25. According to most polls, the campaign was a face-off between the GD and UNM candidates. The GD nominee was Giorgi Margvelashvili, who prior to the campaign had served as Minister of Education and Deputy Prime Minister. Prime Minister Ivanishvili often campaigned with Margvelashvili and stated on election day that he had voted for him (perhaps constituting a violation of electoral law, according to some observers). The UNM candidate was Davit Bakradze, the leader of the UNM faction in the legislature and a former foreign minister and legislative speaker. According to polls taken before the election, other notable candidates included Nino Burjanadze, the head of the pro-Russian Democratic Movement-United Georgia Party and the former legislative speaker; Giorgi Targamadze, head of the pro-Western and socially conservative Christian Democratic Movement; and Shalva Natelashvili, head of the populist Labor Party.

Most observers characterized the campaigning as low-key, with only a half-dozen of the candidates campaigning actively throughout the country. At least some of the candidates may have viewed the campaign as a means to publicize themselves in preparation for local elections in mid-2014. The major events of the campaign included Ivanishvili’s announcement in late September that he would allocate $1 billion of his personal fortune to a private equity fund to attract foreign investment and spur economic growth in Georgia. Opposition parties and civil society organizations expressed the view that this blurred the lines between Mr. Ivanishvili’s roles as prime minister, GD campaigner, and private citizen. The other major campaign event was Ivanishvili’s pledge to step down as prime minister soon after the election of the new president.

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3 In early October 2013, the legislature approved forming a constitutional commission to propose further amendments.

Margvelashvili and Bakradze attacked each other’s policies but mostly avoided most personal attacks, while the campaigns of some other candidates witnessed greater vilification of opponents. Margvelashvili stressed that by voting for a GD candidate, the tension currently existing between the presidency (held by the UNM) and the prime ministership (held by GD) would be eliminated. He seconded GD’s stance favoring Georgia’s future membership in NATO and the EU, as well as supporting improved relations with Russia. Bakradze called for his election so that the presidency could continue to check the power of the GD-led government. Burjanadze urged voting for someone who would work on rapprochement with Russia and pursue “justice” against former UNM officials.5

The media environment was judged by many observers to be more balanced than previously. Ivanishvili closed down the family-owned TV9 television station, claiming that it might give an unfair advantage to GD (and also because he stated he could not find a buyer). The Rustavi-2 television station, formerly strongly pro-UNM, also was viewed as providing more balanced coverage.6

### Results and Assessments

Georgia’s Central Electoral Commission (CEC) reported that 46.6% of about 3.54 million registered voters turned out and that Margvelashvili received enough votes (over 50%) to avoid a legally mandated second round of voting for the top two candidates. Margvelashvili won handily, receiving over 62% of the vote, with Bakradze coming in second with about 22% of the vote (see Preliminary Presidential Election Results).

Some observers suggested that the relatively low turnout, compared to past elections, could be attributable to the lesser constitutional powers to be wielded by the new president, public sentiment against fundamental political change, and the lack of charismatic UNM and GD candidates.

Shortly after the polls closed, Bakradze congratulated Margvelashvili on his victory, pledged to work with him, and asserted that the poll results underlined that the UNM was the premier opposition party. Outgoing President Saakashvili stated that the election demonstrated Georgia’s continued democratization and that the results should be respected, but averred that he viewed Margvelashvili’s win and the policies of GD a temporary “regress” of Georgia’s prospects. He

<table>
<thead>
<tr>
<th>Preliminary Presidential Election Results</th>
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<tbody>
<tr>
<td>Candidate/Party</td>
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<tr>
<td>Giorgi Margvelashvili (GD)</td>
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<tr>
<td>Davit Bakradze (UNM)</td>
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<tr>
<td>Nino Burjanadze (Democratic Movement-United Georgia)</td>
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<td>Shalva Natelashvili (Labor Party)</td>
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<td>Giorgi Targamadze (Christian Democratic Movement)</td>
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<td>Koba Davitashvili (People’s Party)</td>
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<td>Other 17 candidates</td>
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asserted that Bakradze’s poll results were very good, given the alleged intimidation that kept many UNM supporters at home, and that the party would be a strong opposition contender in future elections.7

A preliminary report by observers from the OSCE, the Parliamentary Assembly of the Council of Europe (PACE), the European Parliament (EP), and the NATO Parliamentary Assembly judged that the election was efficiently administered, with voting, counting, and tabulation viewed generally positively. The rights of expression, movement, and assembly were respected by the government and participants during the campaign, so that voters were able to express their choice freely on election day. Compared to the 2012 legislative elections, media were less polarized and many media presented more balanced coverage. The involvement of a large number of citizen observers and groups throughout the electoral process reportedly enhanced transparency. The monitors reported a few “isolated” instances of harassment of party activists by rival supporters and other violence during the campaign period. They evaluated the voting process as good or very good in the overwhelming majority of 1,467 polling stations where voting was observed. The voting process was viewed less positively in 44 polling stations where citizen observers and candidate and party representatives were reported to have interfered in the work of the polling places, and in 190 polling stations where the voting result form (protocol) was not filled in properly. Vote counting was assessed positively in 92 of 102 polling stations observed. The tabulation of voting protocols was viewed as good or very good in the great majority of 65 district electoral commissions observed.8

An observer group from the National Democratic Institute (NDI), a U.S. non-governmental organization, judged the election as evidence that the country was making further progress in democratization. It pointed out some problems, but judged that they did not appear to have a material impact on the outcome of the election. These included some violence against party workers gathering signatures for nominees or campaigning in various localities, and campaign rhetoric by some candidates that was weighted toward vilification of opponents as “criminals” and “traitors,” or which claimed that the electoral process was fraudulent, eroding public trust. NDI warned that such problems could harm future democratization efforts (see also below).9

The International Society for Fair Elections and Democracy, the largest Georgian domestic election observer group, assessed the campaign as calmer, experiencing only about one-fifth the number of campaign violations as in 2012. It viewed the voting process as procedurally sound in the vast majority of polling places.10

Implications for Georgia

The presidential election was the first peaceful transfer of presidential power in Georgia, following the first peaceful transfer of legislative power a year previously. The election ended the period of tension that existed between the presidency, held by UNM leader Saakashvili, and the cabinet government and legislature, controlled by GD (termed “co-habitation” by Georgian political observers). In a victory speech a day after the election, Margvelashvili hailed the end of “co-habitation” and the beginning of an era of comity among the presidency, cabinet, and legislature in formulating and implementing GD policies.

The election was widely viewed as a popular re-affirmation of last year’s shift of governmental power to GD. Although a few polls have appeared to indicate some increased dissatisfaction in recent months with some aspects of GD’s stewardship, particularly related to employment and other economic issues, Prime Minister Ivanishvili has remained popular.11 UNM activists claim that the election showed that the party was supported by a greater percentage of the population than supported it in late 2012, indicating that UNM will survive and recover. They also argue that arrests and investigations of UNM officials, including the Secretary General of the UNM and former prime minister Vano Merabishvili, were unsuccessful in crippling the party in the run-up to the election. Prime Minister Ivanishvili stated that the support given to Bakradze was “surprisingly” higher than he had anticipated and represented a lack of “political culture” in Georgia, and he blamed Bakradze’s showing on a low turnout by GD supporters.12

Some observers argue that Nino Burjanadze’s third place finish shows that most Georgians had a cautious view of her plans for improving ties with Russia or for stepped-up prosecutions against former UNM officials. Burjanadze claimed that the vote was fraudulent because of an uneven playing field for the candidates. Nonetheless, she reportedly indicated that she would not oppose the outcome by launching protests. Fourth place finisher Shalva Natelashvili claimed that he had placed second in the election and should have faced Margvelashvili in a second round, but that GD had reassigned many of the ballots, and he demanded a recount. He and his supporters held some protest actions.

Some observers regard the relative peacefulness of the election campaign (compared to the October 2012 legislative election violence) as a positive sign that democratization might be consolidating in Georgia. These observers suggest that since elections have become an effective means to change political power in Georgia, the impetus for mass demonstrations and a disruption of the democratic process has been reduced.13 On the other hand, some observers have

11 Public Attitudes in Georgia: Results of a November 2012 Survey Carried Out for NDI by CRRC, November 2012, and Public Attitudes in Georgia: Results of a September 2013 Survey Carried Out for NDI by CRRC, September 2013, NDI.
13 CEDR, October 25, 2013, Doc. No. CEL-43072818.
raised concerns that with Saakashvili’s exit from the presidency and Ivanishvili’s intended resignation, a period of political instability could emerge if these former leaders eschew substantial political involvement. Such instability might include the fracture of the UNM or the GD coalition and intense competition or even violence between UNM and GD supporters during local elections in mid-2014. NDI has highlighted a number of trends in Georgian politics over the past year that could harm future democratization progress. These trends include coercion by GD supporters against directly or indirectly elected local executive and legislative officials (who are UNM members) to force them to resign or switch parties; politically motivated harassment of religious, ethnic, political, and sexual minorities and inadequate government responses to such harassment; and a continuing atmosphere of political polarization between UNM and GD.14

A major question for many Georgians during the election campaign was whether Ivanishvili would follow through on his statements that he would step down as prime minister soon after Margvelashvili’s election. On November 2, 2013, Ivanishvili proposed that Interior Minister Irakli Garibashvili be confirmed by the legislature as the new prime minister. Ivanishvili indicated that Garibashvili already had been accepted by the leadership of GD and the legislative majority. Under the constitution, after the legislative majority approves Garibashvili as its candidate, he will be formally designated as the nominee by the president (in this case, soon after Margvelishvili’s inauguration on November 17, 2013). The nominee will propose a cabinet and program, which will then be voted on by the legislature.

Ivanishvili has stated that he will “move to the civil sector,” but will maintain a “big influence” over decision-making processes in the country after leaving office. Observers who predict that Ivanishvili aims to play an influential role in future politics point to various statements, such as his intention to suggest a candidate for the planned 2014 Tbilisi mayoral election.

A few observers assert that Margvelashvili’s win, and the apparent support by GD for Garibashvili’s elevation as prime minister, represents the consolidation of Ivanishvili’s power over the political system. Garibashvili, in particular, has had a long career working for Ivanishvili and has pledged, if confirmed as prime minister, to continue Ivanishvili’s policies. If Ivanishvili—whose personal wealth rivals Georgia’s total GDP—continues to dominate Georgian politics, albeit informally, Georgia may come to more closely resemble other plutocratic developing countries, they suggest. Others dismiss such concerns, pointing to Ivanishvili’s philanthropy and his intention to move to the private sector, and argue that Georgian democratization ultimately will be strengthened by the retirement of the “strongman.”15

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14 Statement of the NDI Election Observer Delegation to Georgia’s 2013 Presidential Election, National Democratic Institute, October 28, 2013; Statement of the National Democratic Institute Pre-Election Delegation To Georgia, National Democratic Institute, September 6, 2013.

Some observers have raised concerns about a Georgian political environment in which both former leaders (Ivanishvili and Saakashvili) may wield influence without being formally accountable to the public as officeholders. Saakashvili was re-confirmed as the head of the UNM in August 2013, and has indicated that he will remain interested in politics and perhaps will enter business. Ivanishvili has appeared to make various statements about Saakashvili’s possible future prosecution. On the one hand, he reportedly has indicated that he would forgive and reconcile with the former president. On the other hand, he has stated that Saakashvili might be arrested if it is established that crimes may have been committed, and has suggested that the prosecutions undertaken against his former ministers may be signs of Saakashvili’s criminal culpability.16

London’s Financial Times has raised concerns that if Saakashvili is soon arrested, the European Union (EU) may postpone or otherwise reconsider initialing an association agreement with Georgia at the late November 2013 Vilnius summit.17 As one of his last official acts, on October 30, 2013, President Saakashvili issued pardons for nearly 250 UNM officials and activists under arrest or investigation. Since many of the individuals had not yet been charged, Saakashvili may have anticipated a new wave of prosecutions after he steps down. Perhaps indicating continuing prosecutions, former defense minister Bacho Akhalaia was convicted on October 28 to nearly four years in prison on charges of abuse of office. A few days later, he was pardoned by outgoing President Saakashvili, but remains in detention pending trial on other charges.

The Russian Foreign Ministry welcomed Margelashvili’s election, and raised the hope that he would work to re-establish Georgia’s diplomatic relations with Russia. In his victory speech on October 28, Margvelashvili averred that despite difficulties, Georgia-Russia relations had improved in the economic sphere with the opening of some trade, and called for a continuation of talks in Geneva on the return of refugees to Georgia’s breakaway regions of Abkhazia and South Ossetia. At the same time, he asserted that Georgia would continue to oppose the recognition of the independence of the breakaway regions. He called for the UNM bloc in the legislature to support GD in the non-recognition policy and other foreign policies. Within a few days of the election, Russian officials affirmed continuing support for the Geneva settlement talks (from which they earlier had threatened to walk out), raised the possibility of a Georgia-Russia meeting at the end of November on improving ties, and approved added Georgian wine imports.

On October 28, 2013, in what he termed a farewell address, President Saakashvili apologized “to everyone who became victims of injustice and humiliation,” and expressed regret that he was overly trusting of officials in the Interior Ministry and prosecutor’s office. He stated that he often was too hasty in pushing through reforms before reaching agreement with stakeholders, and that other reforms in the judicial and education systems lagged. At the same time, he pointed to what he viewed as his accomplishments in combating organized crime and corruption and bolstering national security.18

18 CEDR, October 29, 2013, Doc. No. CER-21354448.
Implications for U.S. Interests

On October 28, 2013, the U.S. State Department praised the Georgian presidential election as generally democratic and expressing the will of the people, and as demonstrating Georgia’s continuing commitment to Euro-Atlantic integration. The State Department called for all Georgian political forces to work together to ensure Georgia’s political stability and stated that the United States looked forward to building upon the strong bilateral strategic partnership and Georgia’s Euro-Atlantic aspirations.19

In his victory speech on October 28, Margvelashvili reaffirmed Georgia’s Euro-Atlantic foreign policy orientation, including the pursuit of Georgia’s membership in NATO and the EU. He stated that Georgia intended to participate in the EU’s Eastern Partnership summit in Vilnius in late November 2013 and to initial association and free trade agreements as a confirmation of GD’s “European choice.”20 At the same time, he reiterated that GD would continue to pursue the normalization of ties with Russia.

Successive U.S. Congresses have endorsed close U.S.-Georgia ties and have supported Georgia’s continued sovereignty and independence. Through appropriations, hearings, and other legislation and oversight, Congress has strongly supported the goals of the 2009 U.S.-Georgia Charter on Strategic Partnership, which pledges boosted U.S. defense and security, trade, energy, and democratization cooperation with Georgia.

Marking ongoing congressional concern over democratization trends in Georgia, several Members and staff have observed elections, including the October 2012 legislative and October 2013 presidential elections. Those who observed the latest election include Representative John Shimkus as well as staffers from other offices. Several Members have raised concerns about arrests and investigations launched against former Georgian officials and the implications for democracy and human rights. These concerns have been expressed during meetings with visiting President Saakashvili in May 2013, with visiting Foreign Minister Panjikidze in June and July 2013, and with other visiting GD officials and legislators. H.R. 1960, the National Defense Authorization Act for Fiscal Year 2014, approved by the House on June 14, 2013, contains language introduced by Representative Michael Turner (§1244) raising concerns that arrests and other violence against former officials and UNM members in Georgia call into question Georgia’s progress in democratization and respect for human rights, and threaten to negatively impact U.S.-Georgian political, economic, and security cooperation.

Senator John McCain congratulated Margvelashvili on winning what by all accounts was a free and fair election that showed progress in the maturation and institutionalization of democracy. He also applauded outgoing President Saakashvili for his role as a transformational leader and for shepherding a peaceful transition of power through his statesmanship. Senator McCain stated that he hoped to work with the new president to enhance the U.S.-Georgia strategic partnership, including by reaching a free trade agreement, strengthening defense cooperation, deepening Georgia’s Euro-Atlantic integration, and supporting Georgia’s reclamation of its occupied...

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Territories. Senator Jim Risch hailed the election as a peaceful transition of power and called for strengthening the rule of law and institutions in the run-up to the 2014 local elections. He voiced appreciation for Saakashvili’s “remarkable” stewardship of Georgia, and hope for a deepening U.S.-Georgia strategic partnership and for Georgia’s Euro-Atlantic integration. Representative William Keating congratulated president-elect Margvelashvili and the people of Georgia on a successful election that demonstrated the growing maturity of Georgia’s democracy and served as a sign that Georgia is ready to initial an association agreement with the EU in late November 2013.

Other U.S. interests include the significant support the United States and NATO have received from Georgia for military operations in Afghanistan, and Georgia’s role as a transit route for personnel and cargoes entering and exiting Afghanistan. Georgia also serves as a transit route for gas and oil pipelines from the Caspian region to European and other international markets.

Outgoing President Saakashvili and other observers have raised concerns that GD’s policy of seeking rapprochement with Russia could jeopardize Georgia’s sovereignty and independence and relations with the West. These analysts have argued that Russia’s recent signing of security and arms sales agreements with Armenia and Azerbaijan are indicative of Russian attempts to block increased South Caucasian regional security cooperation with the United States and NATO. Georgia’s GD-led government has rejected such concerns and insisted that such rapprochement with Russia will not be permitted to jeopardize Tbilisi’s commitment to integration with Western institutions such as NATO and the EU.

As noted above, U.S. policymakers have generally viewed the Georgian presidential election as evidence of the country’s continuing democratization and Euro-Atlantic orientation. They also have indicated that the United States hopes to continue to build ties with Georgia’s GD-led government and to deepen the bilateral strategic partnership on defense and security, trade, energy, democracy, and human rights issues.

Author Contact Information
Jim Nichol
Specialist in Russian and Eurasian Affairs
jnichol@crs.loc.gov, 7-2289

23 Congressional Record, October 28, 2013, P. E1586.