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Elections Strengthen Georgia's Ruling Party

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On October 8, 2016, the country of Georgia held parliamentary elections, which <u>domestic</u> and <u>international</u> observers assessed as democratic, despite isolated violations and violent incidents. The elections tested the resilience of Georgia's ruling party, the center-left Georgian Dream-Democratic Georgia (GDDG), founded by oligarch Bidzina Ivanishvili in 2012 to unseat the United National Movement (UNM), formerly led by Mikheil Saakashvili. GDDG won a clear victory in the first round and is on track to form a new government.

Support for the Georgian Dream

GDDG's victory reflects broad but measured support for the ruling party. GDDG has positioned itself as a pro-European but socially conservative force and has presided over a period of slow economic growth. GDDG won 49% of the partylist vote, through which around half the 150-seat parliament is elected, and its candidates won around one-third of the remaining single-member races. GDDG candidates <u>lead</u> in 46 of the 50 races that will enter a second round on October 30. GDDG is thus expected to secure a ruling majority and could gain a constitutional majority if it wins all 46 of these races to secure a three-fourths majority. GDDG's only true competitor is the UNM, which received 27% of the party vote.

Despite GDDG's large victory, popular enthusiasm for the party appears to be constrained. Turnout was relatively low, at 52% (turnout in the 2012 election was 61%). Frequently cited preelection polls commissioned by the U.S. <u>National Democratic Institute</u> (NDI) and <u>International Republican Institute</u> pegged GDDG and UNM as close competitors with no more than 20% support each, accompanied by a large percentage of undecided voters. Many undecided voters may have chosen to support the ruling party only recently.

The election reflects the reduced influence of the formerly dominant UNM. The party's decline is attributed in part to the imprisonment or indictment of several senior UNM officials (including Saakashvili) on charges party supporters consider to be political, as well as to harassment of party activists and defections by UNM parliamentarians. Analysts have <u>observed</u> that the UNM campaign failed to reach beyond its base and was overshadowed by Saakashvili, a polarizing figure who "refram[ed] the elections as a referendum on his return" to Georgia from Ukraine (in 2015, Saakashvili took Ukrainian citizenship and was appointed governor of the Odessa region).

Support for Western Integration

After a GDDG-led coalition defeated the UNM in 2012, many foreign observers expressed concern that Ivanishvili and his party would tilt toward Russia. During its first term, GDDG partially normalized relations with Russia, even as Russia occupies Georgia's breakaway regions of Abkhazia and South Ossetia.

However, GDDG has maintained a commitment to Georgia's closer integration with the European Union (EU) and NATO. The party leadership says it is committed to fulfilling Georgia's 2014 Association Agreement with the EU, which established a Deep and Comprehensive Free Trade Area (DCFTA), and Georgia has fulfilled the conditions to conclude a <u>visa-free</u> agreement with the EU. In a June 2016 NDI-commissioned <u>poll</u>, 72% of respondents approved of the Georgian government's stated goal to join the EU and 64% approved of NATO membership.

Georgian voters also have evinced a lack of interest in Russian "soft power." Several pro-Russian parties performed poorly in the elections. Only one electoral bloc critical of Georgia's European integration, the nationalist-conservative Alliance of Patriots of Georgia-United Opposition, cleared the 5% threshold to enter parliament. Even this bloc's leadership rejects membership in the Russia-led Eurasian Union.

Certain domestic trends could complicate Georgia's westward path. Georgians who do not support EU membership are clear about their pro-Russian orientation; in polls over the last year, about 30% of respondents have <u>agreed</u> that "Georgia will benefit more from abandoning European and Euro-Atlantic integration in favor of better relations with Russia." This constituency likely includes some Georgian Dream voters, since parties that have reservations about Western integration (or openly oppose it) won only 15% of the vote.

One challenge for the Georgian government is how to increase the economic attraction of Western integration. According to the European Commission, Georgian exports to the EU <u>increased</u> by 16% in 2015 and, "as a direct result of the DCFTA," new exports are "materializing." However, one year after the Association Agreement entered into force, a <u>survey</u> funded by the U.S. Agency for International Development reported that 90% of Georgian companies (and 70% of exporters) said they had not used the DCFTA and 63% (46% of exporters) said they were not interested in using the agreement.

Issues for Congress

On October 12, 2016, the State Department issued a <u>statement</u> that "congratulates the people of Georgia" for "elections that largely respected fundamental freedoms" and "affirm[ed] Georgia as a leader of democratic reform in the region." The statement said that the United States "looks forward to continuing our close cooperation with Georgia on a common agenda that advances Georgia's political and economic development and its aspirations to integrate into Euro-Atlantic institutions."

The sense that Georgia's elections were largely democratic and confirmed the country's Western course may reinforce U.S. support for Georgia. One possible area for increased cooperation is trade. In 2015, the United States was Georgia's seventh-largest export destination and eighth-largest source of imports, according to Georgia's national statistics office. The U.S. government has expressed support for further strengthening bilateral trade and investment with Georgia, and U.S. and Georgian officials have discussed the possibility of a free trade agreement.

However, the preliminary election results are a reminder that democratization in Georgia is a work in progress. A serious challenge could stem from an overwhelming GDDG victory that would give the ruling party a constitutional majority. The party leadership has already suggested they might change the constitution to abandon direct elections to the presidency, an institution that has served as a check on the ruling party's power in its first term. Some analysts caution that a newly emboldened GDDG could turn away from democratic governance despite being democratically elected.

At this critical juncture, some in Congress may wish to evaluate current U.S. assistance to Georgia to ensure that existing approaches are appropriate in Georgia's changing political landscape and to determine what could best promote the country's continued democratic course.