

Ivanishvili takes Georgia

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The first meeting of the Parliament of Georgia took place at its new site in Kutaisi on 21 October. A clear majority of seats, 85 out of 150, are held by the Georgian Dream coalition (GD) centred around the billionaire Bidzina Ivanishvili. The remaining 65 seats are held by MPs elected from the lists of Mikheil Saakashvili's United National Movement (UNM). GD deputies have taken almost all of the key positions in the new parliament. A confidence vote for Bidzina Ivanishvili's government has been scheduled for 25 October, which in the light of GD's dominance should be nothing more than a formality.

The transfer of power in Georgia has officially been proceeding without any problems. The outgoing government has not prevented GD from taking political responsibility for the situation in the country. President Mikheil Saakashvili, who according to the constitution (which will remain in force until the end of his current term in autumn 2013) remains head of the executive branch, has abandoned his right to nominate his own candidates for prime minister and the ministers of the institutions of force. At the same time, we may observe a progressive, multi-dimensional crisis within the president's camp, as well as a loosening of the social-economic and political order which it had established. The Saakashvili camp has been losing support and allies (as they determine which position to adopt in their relations with the new government), not only within the state apparatus, but also for example in the media; as a consequence, it is beginning to come apart (although it is hard to predict how far this process will go). This has been accompanied by the activation of various social groups demanding a revision of the order constructed after the 'Rose Revolution'. GD has increasingly openly declared that it will carry out a political and legal 'settlement' of the previous government's abuses. This means that we can expect major changes in Georgia in the near future, the results of which are hard to predict. The person who will have the biggest impact on their direction is Prime Minister Ivanishvili, who has a wide range of policy and financial instruments at his disposal, and is effectively free from any political competition, both in his own camp and within the opposition.

New parliament, new government

Only candidates running on the electoral lists of the UNM and GD entered parliament, but in total six parliamentary factions have been constituted in the new chamber. The GD coalition includes the following parties: Georgian Dream/Democratic Georgia (65 seats), Our Georgia/Free Democrats (11) and the Republican Party (9). The largest group includes deputies representing the party which Ivanishvili formed before the elections. The other

groups are the two most pro-Western parties in the GD coalition, which have enough MPs to create separate factions. Members elected from the UNM's lists have also formed three factions, in groups of 46, 7 and 7 members; 5 further deputies running from the UNM's lists chose not to join any faction.

The distribution of forces in the new parliament shows, on one hand, the extent of Ivanishvili's strong political backing (the biggest faction in parliament, who support him, is mostly made up of people with no political experience or subjectivity); on the other, it highlights the divisions within the presidential camp, which could be a precursor to UNM members formally or informally crossing over to the new government's side. This will be especially important in the light of the GD's announcement that they will accelerate efforts to change the constitution, for which the coalition will need another 15 votes in parliament. The UNM is warning that its MPs are being pressurised to switch sides to the future government. Similar switches have already occurred in the Tbilisi city council.

The new government, led by Bidzina Ivanishvili, is expected to be approved on 25 October. A number of important positions in his new cabinet, including those responsible for foreign policy, integration with NATO and the EU, and defence policy will be given to people who previously had belonged to the broader camp of President Saakashvili, which increases the likelihood that the existing policy lines will be maintained. However, these politicians have little political support (they are mostly associated with the Our Georgia/Free Democrats faction, which has 11 deputies). The rest of the key ministries will be occupied either by Ivanishvili's close associates (the ministries of internal affairs and the economy), or by politicians who were active during the Eduard Shevardnadze administration (finance, agriculture). In this situation, it will be Ivanishvili himself who actually influences the new government's policies, especially when amendments to the constitution come into force in the autumn of next year, strengthening his prerogatives as Prime Minister.

Changes in the system

Although Ivanishvili's government has not yet formally taken power, Georgia's internal situation is undergoing rapid changes. Evidence of this can be seen on many levels: divisions within the UNM, ministers of the previous government leaving the country, and major changes on the media market (within a short period, three TV channels which had supported the government have changed ownership, or have ceased broadcasting). Groups which see the Saakashvili camp's departure from power as an opportunity to improve their own position have become more active. Confirmation of this at different levels of society include strikes and protests (by miners, dock workers, construction, railway workers); cases of 'wild' occupation by refugees from Abkhazia and South Ossetia; some spectacular robberies; and appearances by businessmen demanding the return of property which they were allegedly unlawfully deprived of (including the Imedi and Rustavi 2 TV channels, and the Liberty bank).

The atmosphere of score-settling and revising the *status quo* has been enhanced by promises from GD representatives to investigate all alleged abuses from the UNM government's period in office. This action is supposed to be undertaken by the prosecutor's

office and a newly-appointed parliamentary commission of inquiry. In this situation, President Saakashvili's camp finds itself clearly on the defensive, and has been trying to consolidate its forces around those areas where it still has power (including the President's Administration, the municipality of Tbilisi, and the regional administration). The signs of this include the creation by the Tbilisi authorities of their own security forces; the extension of powers for the Special State Protection Service (militarised units to protect public officials), which is subordinate to the President; and the announcement of the creation of a new TV channel by the magazine *Tabula*, which is linked to the Saakashvili camp. Considering that the president's term ends in a year, and the public support for the new government, it seems that Saakashvili's camp will only be able to conduct a defensive policy. However, conflicts between the new government and the president are likely regarding the appointment of further key government positions, such as chief of the general staff.

Conclusion

The UNM's electoral defeat has mobilised those groups who were unhappy with the government of Saakashvili's camp: political critics of the system's failings, groups raising social demands, and those who lost out during the process of rebuilding the state, strengthening its sovereignty, security and rapprochement with the West. In an atmosphere where change is expected, the key figure is the future prime minister Ivanishvili; with the power of his post, his enormous fortune, a strong social mandate and the lack of political competition (his partners in the GD coalition are weak, the UNM in parliament is divided, and the Saakashvili camp as a whole is in disorder), he will be in a very strong position on the Georgian political scene. In the absence of clear policy statements from the future head of government, it is difficult to say what awaits Georgia in the near future; but the intensity of the processes we can now observe may indicate that the reforms of recent years may be fundamentally revised.