

Protests in Armenia as a manifestation of the state's systemic crisis

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Since mid-June there have been continual social protests in Yerevan which, despite the intentions of the demonstrators themselves, have become known as the 'Armenian Maidan'. The protesters, who are blocking Baghramian avenue, one of the main arteries of the Armenian capital, are demanding that the government withdraws a planned 16% increase in electricity prices, scheduled for August. No political demands have been made by the protestors, however, and the movement itself is non-institutionalised and poorly organised. Nor have the opposition political parties participated in it. The Armenian government have decided to wait out the protests, in fear of an escalation of tension if they use force to disperse protests, and also under pressure from Moscow to find the fastest possible resolution to the crisis. It seems that this tactic may prove effective: divisions have arisen among the demonstrators, the more radical sentiments are clearly being silenced, and the number of protesters is gradually falling. Regardless of future developments, however, these demonstrations are a manifestation of the systemic crisis of the Armenian state which, due to unfavourable internal and international conditions, will worsen in the near future.

The course and nature of the protests

The first demonstration took place on 17 June, when the Commission for the Regulation of Social Services decided to increase electricity prices with effect from 6 August. Subsequent protests gathered more and more demonstrators. Protests on a smaller scale also took place in other Armenian towns (the largest were in Gyumri and Vanadzor). On 19 June the occupation of Liberty Square in Yerevan began, and 22 demonstrators blocked Baghramian avenue, which leads from the centre to the parliament and the presidential palace. In the morning of 23 June the police used water cannon to disperse the protesters, arresting more than 250 people (all of whom were released the next day). That same evening, residents again blocked the street, erecting makeshift barricades. Since then, every evening demonstrations of several thousand people have taken place at the site of the blockade, and during the day protestors numbering from several dozen to several hundred people have remained in and around the barricade.

At the initial stage, the opposition tried to join the protests (including representatives of the Heritage party, and the youth group of the Dashnaktsutyun nationalist party), but these

attempts were not received favourably by the demonstrators. As a result, the opposition has distanced itself from the protesters, who however have received the support of publicly respected people (scientists, members of the clergy, celebrities, some MPs). The protests have been spontaneous and poorly organised, no speeches have been made during the demonstrations, and no leaders have emerged; in this respect, the movement is unlike the Ukrainian Maidan (there are no tents, no food has been organised for the protesters, etc.). Until 29 June an amorphous organising committee called 'Stop the looting' operated; but after the protesters rejected its call to unblock Baghramian avenue, it ceased to function. On 1 July, the protesters declared that they had created a new committee, although they have not revealed its composition. In addition to the demonstrations themselves, activity on social networks has been very important.

The demonstrators have used anti-Russian slogans, but said they are not anti-Russian; this dimension of the protest is becoming more pronounced. This is mainly a form of frustration resulting at the Russian media presenting the demonstrations as an 'Armenian Maidan', which is allegedly being financed by grants from western NGOs.

The attitude of the government

Initially, the government ignored the protests, arguing that they were illegal. Although it resorted to the use of force on 23 June, it was a one-off, relatively light-handed action (no one was hurt, and all those arrested were released). At the same time, the government consistently refused to meet the protesters' demands, explaining that the increase was justified from an economic point of view. However, the authorities tried to defuse the tension by measures including the announcement of an increase in social benefits for the poorest families (a proposal by the Prime Minister Hovik Abrahamian). On 27 June President Serzh Sargsian proposed that an international firm should audit the Armenian Electrical Networks energy company, to consider whether the company was operating efficiently and the increase was justified. Pending notification of the results of the audit, the government would bear the cost of the increase. Both proposals have been rejected by the protesters.

In this situation, the authorities have changed their tactics to simply waiting out the protests and hoping for their gradual exhaustion. The police occasionally threaten to use force, but more emphasis is being placed on negotiations and confidence-building (for example, the Interior Minister Vladimir Gasparian has paid several visits to the barricade). This tactic seems to be bearing fruit; on 29 June a division arose among the demonstrators, many of them left Baghramian avenue, and the number of participants in the demonstration has been falling steadily since then.

The authorities' attitude is rooted in a series of dilemmas which are difficult to resolve. The informal nature of the protests prevents the situation from being resolved through negotiation and compromise. In turn, the authorities fear the use of force, as this could escalate the protests. Sargsian also wants to avoid the scenario of March 2008 (the violent dispersal of opposition demonstrations after the presidential elections, which led to the death of 10 people), which would adversely affect Armenia's image in the West. Meanwhile, meeting the protesters' demands could be seen as a sign of weakness, and lead them to make further demands. Yerevan's sovereignty is also in question regarding its ability to take

such a decision (Armenian Electrical Networks are wholly owned by the Russian company Inter RAO). Attempting to ignore the protests, in turn, undermines the authority of the government (including the police, whose threats of force to disperse the demonstrations have not been implemented) and exposes it to pressure from Moscow, which is following the development of events with concern.

Moscow's anxiety

In Moscow's eyes, the Armenian crisis could adversely affect its interests in the region. Armenia, which since 1 January 2015 has been a member of the Eurasian Economic Union, is seen as an 'outpost' of Russia in the South Caucasus, as a state and society whose pro-Russian attitude has not been in any serious doubt. The grass-roots nature of the public demonstrations, which include an element of criticism of Russia, has raised suspicions in the Kremlin that the protests are not spontaneous, and that their real author is the West, which is seeking to provoke a 'Maidan' in Armenia (statements by some Russian politicians and comments in the media indicate that this is how Moscow is interpreting the events). Moscow's fears in connection with the events in Armenia, and its intention to support Yerevan in resolving the conflict, may be demonstrated by its unexpected transfer of the case of Valery Permiakov (a soldier from the Russian military base in Gyumri, who murdered an Armenian family in January this year) to the Armenian authorities. Previously, Permiakov was to have been tried by the Russian judiciary, despite protests by many thousands of people in Gyumri and appeals from Yerevan. The announcements that Russia will give Armenia a loan of US\$200 million to purchase weapons, reduce the price of Russian gas sold to Armenia as of 1 January 2016 (from US\$189 to US\$165 per 1000 m³), and agree to the audit of Armenian Electrical Networks, can be interpreted in a similar vein.

The ongoing demonstrations and Yerevan's inability to solve the crisis could push Russia into taking more decisive actions: it could increase pressures on the Armenian government to use force to disperse the demonstrators (regardless of the political cost), or provoke a limited escalation of tension around Nagorno-Karabakh. This would both calm the mood of protest among the Armenian public, and cause the authorities in Yerevan to pacify the demonstrations.

The systemic crisis of the state

The protests against the increase in electricity prices are not the cause, but merely a symptom of the deep crisis in which the Armenian state finds itself. The protests arise from growing social frustration caused by constantly deteriorating living conditions (unemployment, low wages, inflation, and more recently a drop in remittances from Armenians working abroad, mainly in Russia, by around 35%), the pauperisation of the population (around 30-40% of the population are living below the poverty line), corruption, and the ongoing depopulation of the country (probably around 2-2.5 million people are now permanently resident in Armenia; in 1991, the figure was 3.6 million). The source of these problems is the systemic internal failure of the Armenian state, which is based on an oligarchic political and economic system (the dominance of monopolies in the economy, and of oligarchic clans in politics); as well as the inability of the political class (both the

ruling elite and the opposition) to generate a programme for reform. The deepening of the internal crisis over the years is, in turn, organically linked to the geopolitical situation in which Armenia finds itself: its closed borders, its international isolation, its total dependence on Russia, and its entanglement in the Karabakh conflict. This blocks any attempts to reform the political and economic system of Armenia; the country's internal socio-political dynamics are rendered unimportant, and there is little opportunity to generate lasting change.

Regardless of what happens with the current protests, only a radical change in the region's geopolitical conditions (such as a solution of the Karabakh conflict, rising Russian dominance in the Caucasus, or its less probable loss to the West) can lead to changes in Armenia's situation. However, such developments would be independent of internal events in this country, and in any case are unlikely in the near future.